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## INTRODUCTION

### The Origin of Spindletrades

Spindle Trades is a cross-border blockchain financial institution serving the most reliable diversified financial investment service provider as a long established asset management firm with an absolute focus on preserving and growing it's clients' wealth. SPT allows users to deposit Cryptocurrencies into a pooled fund known as the SPT Monetary Impact Fund. SPT then uses the Cryptocurrencies in the Impact Fund to invest in the crypto market and generate returns for investors.

The institution operates on a blockchain, which must have a base currency. We have chosen to use Bitcoin/Ethereum/Usdt/Litecoin/Doge for our base currency as it is the most established global cryptoasset.

As we know, Bitcoin operates on a fully automated, incorruptible ledger known as the blockchain. This technology, known as “Distributed Ledger Technology” (DLT) automatically logs all Bitcoin transactions. This ledger runs on a network of computers located all over the world, with no main hub. This means that blockchain and Bitcoin combine to form a completely decentralised, global monetary system owned by the people that use it.

To buy and sell Bitcoin, many need to use “fiat”, (e.g GBP) currency. Currently, the main trading

pair for Bitcoin (BTC) is the EUROS (BTC:EUR). This is due to the high level of liquidity (or accessibility) that Bitcoin and the US Dollar provides due to it being the most widely held and traded currencies in the world.

As a growing number of investors enter the blockchain market, demand rises and so too does the values of individual digital assets. Blockchain presents significant early investment opportunities, however as the market is still in its infancy it is highly volatile, with prices moving sharply on a daily, and sometimes hourly basis.

As was seen with Bitcoin, early investment in SPT could lead to strong returns over the long term.

This is similar to having been an early investor in tech companies for example.

Many people increase the value of their asset/Portfolio holdings through trading, where they Stake and Earn regularly, trying to accurately time rises and falls in value. This strategy requires time, patience and experience. Moreover, given the new and volatile nature of the blockchain market, many investors lack the necessary resources to conduct proper research on this burgeoning digital asset. THE SPT [DeFi DAO] INSTITUTIONS BLOCKCHAIN'S AND PROTOCOL'S

### **The SPT model**

The SPT platform, referred to as a “portal”, is built on its own “smart contract”: a computer program that automatically executes, controls and documents events and actions.

The SPT Portal is a unique investment banking model built on the blockchain. It works by first



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tracking Bitcoin transactions made into non-custodial wallets. The SPT smart contract then

multiplies those transactions based on a customer's deposit, the time of the trade and the total

assets inside the SPT Monetary Impact Fund.

The SPT Monetary Impact Fund is rigorously overseen and managed, with new coins thoroughly

and regularly researched in order to provide investors with the best potential return on their

capital. Since the start of 2021, the decentralised Fund has returned 1000%+. This comprises a

700%+ return from Bitcoin and 400%+ from fiat currency.

The Fund performs on top of Bitcoin's own performance due to it being the base currency of the

Bank, and returns are compounded when accounts are updated every 24 hours(Mon-Fri). While

decreasing headline percentage returns, the recent increase in the Impact Fund's assets under

management means it is now consolidating at a rather more consistent level.

Each deposit made into SPT Account is recognised as a separate investment and, as it is built on a

smart contract, none of the data can be lost. For example, a user deposits 1 BTC into the account by

confirming the investment, which is stored locally on their computer or phone. Once the user has

confirmed their deposit, the smart contract reads the transaction. From thereon, the total

investment value is dictated by all transactions that have been deposited and added together.

### **Why SPT now?**

The recent economic collapse created by the global Covid-19 pandemic has revealed significant

weaknesses and insecurities in the global monetary system. As businesses were shuttered all over the world to contain the spread of the virus, central banks were called-on to support faltering economies.

Low capital reserves combined with high levels of debt and outgoing costs means many businesses face severe liquidity issues, and some have been forced into administration by the crisis. However, as was the case during the financial crisis of 2008/09, some have found support from government and central banks keen to avert an economic depression.

The problem, however, is not solved. By continuing to bailout businesses with levels of borrowing that now eclipse the trillions of dollars issued during the financial crisis, central banks are continuing to “kick the can down the road”. Quantitative Easing, also known as money printing, is creating increasingly unsustainable levels of debt which, at some point, will need to be “repaid”.

## The SPT Monetary Impact Fund

Enabling mass-Bitcoin-adoption

On its road to widespread adoption, Bitcoin faces huge challenges and those that find solutions will

be rewarded. The SPT Impact Fund offers one such solution. The Fund provides a simple route to

mass investment in Bitcoin, which will increase trading volumes and subsequently the supply of

Bitcoin through the monetary system.

This provides a solution to one of the big issues facing Bitcoin, namely a lack of capital flow from

smaller investors. Currently, large balances of Bitcoin are held by early investors, which gives these

holders an outsized influence over the price and trading volumes of the asset. This puts many

smaller investors in a vulnerable position.

By pooling the resources of smaller Bitcoin investors into a larger fund with greater trading power,

the SPT Monetary Impact Fund aims to be an empowering force in the blockchain industry.

Many Bitcoin enthusiasts look forward to a time when blockchain is used as an everyday method of

payment. However, the current monetary system – in which currencies are being constantly

devalued in order to prevent indebted corporations from failing – is stifling financial innovation.

In order for Bitcoin to overtake fiat currency, it must be widely traded and available, which will

encourage widespread adoption. The SPT Monetary Impact Fund provides a pathway to realising



this future.

## **A safer financial future**

Countries around the world are facing economic crises. Significant falls in economic activity due to the Covid-19 pandemic has already prompted unprecedented lending from central banks. In

coming months and years, it is likely governments will continue to push their economies into

narrower situations, with continued lending that devalues their currencies. This could potentially

lead to hyperinflation, where the rapidly rising cost of goods and services outstrips the value of a

depressed currency.

Fast adoption of Bitcoin is a potential solution to this problem that could preserve wealth for future

generations. We have already seen demand for Bitcoin increase in the face of global market

turmoil, a trend that is likely to continue. As demand for Bitcoin increases so will its value and,

subsequently, its attractiveness to ordinary investors.

The SPT Monetary Impact Fund will play an important role in this journey by enabling smaller

investors to participate in larger trading volumes. Considering its significant potential, Bitcoin is

likely hugely undervalued at the current time. The SPT Monetary Impact Fund aims to capitalise on

this.

## **Encouraging investment, not debt**

Fluctuations in stock markets are a normal part of their functioning. However, today these fluctuations are being abnormally magnified by debt. Debt has become the central pillar of the modern economy and few have challenged this system, until now.

There are two main ways to finance businesses and individual projects. The first is to use debt. This involves taking out loans to pay for things such as University education, to buy a house or to launch a business. The second way is to use investments. Unlike taking out a loan – where borrowers pay interest to lenders on top of what they borrow – investment allows capital to grow. Banks prefer to take as little risk as possible, and so they prefer to extend easy credit to borrowers and businesses, who in turn appreciate the ease with which they can access this money. However, this can cause problems for the economy.

For example, in their pursuit of growth many businesses over-leverage by borrowing too much. If a company has too much debt it will struggle when business conditions weaken, as they have during the Covid-19 pandemic. During these times, heavily indebted businesses may default on their debt.

This has a trickle-down effect to the wider economy, often causing a wide scale collapse and putting pressure on currencies.

This could all be avoided, however, if banks were to invest their capital, rather than lend it. The current debt-fuelled “boom and bust” cycle has deeply impacted the middle-classes in developed economies, plunging them into a debt cycle rather than encouraging responsible, long term investment.



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With the Monetary Impact Fund, SPT plans to provide a model for a new type of Mining/Staking system in which investment – not lending – is the core principle.

## **Re-establishing equitable cash flow distribution**

The SPT Monetary Impact Fund offers a solution to the questionable economic policies implemented under the current global monetary system. More than this, the Fund provides a pathway to rebuilding equitable cash flow distribution within the economy.

As Bitcoin is currently the base currency of SPT Mining System, the Monetary Impact Fund will focus on increasing adoption of Bitcoin. Increased adoption of Bitcoin will provide upward price support for the asset which can further boost growth and lead to larger investments in the asset inside the Fund.

For those holding Bitcoin, this price growth will lead to a rise in individual wealth that could help to pull many out of debt. However, this alone is not enough to fix the problem. The future accumulation of debt must also be avoided through educating citizens and businesses and encouraging them to choose long term investment over easy credit.

It is also important for people to use their purchasing power to de-fund the institutions that actively participate in the devaluing of the wealth of individuals and the wider economy.

Withdrawing capital from these businesses and frameworks can prevent them from wiping out generations of wealth through debt.

## **On-chain, non-custodial processes Transparent risk management**

SPT systems manages investor funds through a number of positions in both long and short strategies.

It has allocated the portfolio to a short-term strategy via a non-custodial decentralised trading desk, where SPT, through the SPT Monetary Impact Fund, makes regular trades in a number of pairings with Bitcoin, fiat and other cryptocurrencies. These pairings are chosen for their projected performances, particularly digital assets that show both historically high performance and strong potential future gains.

As all funds are held by investors through their login details on the smart contract, investors are in control of their money and responsible for adequately protecting their login details. Security is, however, a top priority for SPT and we continue to innovate to protect our investors from losses which is mostly why we upgrade and renew our website every year. We use loss protection bots that control losses according to charts that are carefully mapped by analysts using strict risk management procedures. These algorithms can react faster than any human.

### **API's and non-custodial funds**

A significant number of global investment strategies are now managed by computers that make the main trading decisions. SPT does the same and is one of the first to do so in the blockchain industry.

We use an application programming interface, or API, which defines interactions between multiple software intermediaries, such as different currency exchanges. The API defines the kinds of calls or requests that can be made, how to make them, the data formats that should be used, and the conventions to follow. Significantly, this technology means it is possible to manage accounts without having access to them on a non-custodial basis.

With the rise of automated trading systems, API's have become increasingly popular. In the past,

independent traders were forced to screen for opportunities in one application and then place

trades with a broker. Many brokers now provide APIs that enable companies to directly connect their screening software with the brokerage account to share real-time prices and place orders. It is possible to develop applications using programming languages such as Python, and execute trades using a broker's API alone.

### **Advanced trading systems**

Market indicators for the SPT Monetary Impact Fund can be split into two categories: technical and fundamental. On the technical side, indicators for bullish and bearish market movements are utilised along with historical price action analysis.

SPT considers indicators such as moving averages of important historical Bitcoin movements and reactions, which are charted using different day stamps and time periods. Often with candlestick charts, the market direction is hard to see and so SPT often uses Heikin Ashi candles at multiple timestamps on a chart. Baselines are used to indicate whether markets are overextended or underperforming. We also consider where consolidation may start and end by looking at market orders on exchanges and combining that with historical accuracy on false orders placed and removed.

We monitor a wide range of exchanges for bids and our algorithms constantly improve the precision of our results. Fundamental movements in the market are also investigated and analysed.

When an abnormal activity not based on historical movements occurs in the market, it is flagged as an "abnormality" on our systems. An investigation is then conducted and a report provided by one of our analysts.

As all transactions are done on the blockchain, the Monetary Impact Fund's systems are able to track large balance movements to indicate a potential reaction in the market. These transactions can be on exchanges or made via over the counter (OTC) services. We also track several news sources to make reports of trading assumptions and predictions, calculating how they may affect the market.



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These factors combine to make SPT a formidable force in the new blockchain market. Fast reactions to market movements allow the Monetary Impact Fund to stay ahead of the curve in comparison with inconsistent and indecisive human bids. Our deep experience in trading assets combined with cutting-edge technology puts SPT in an unrivalled position in the blockchain market. It is this very reason of incompetence and the lack of experience in the new industry as to why SPT has yet to face a valid competitor, which it expects could take several years or more to reach that point giving SPT a First movers advantage.



## SPT DeFi | Decentralised finance realised

### The non-custodial blockchain wallet

After understanding how SPT works, investors may be curious to learn more about non-custodial ownership. Unlike fiat currency, Bitcoin is not physical. This means they cannot be stored in the same way as hard cash. Bitcoin can, however, be stored in a way that ensures only the owner has access to it.

Blockchain wallets enable the sending and receiving of bitcoin by adhering to the asset's protocol.

These wallets are intricate software programmes that enable individuals with little to no technical knowledge to interact with the blockchain to transact globally, without barriers. As mentioned above, assets are not stored in a wallet in the same sense cash is held in your physical wallet. All currency exists on the blockchain and, to get technical, you don't actually own the specific asset that you hold. Instead, you own the combination of security keys that allow you to access the asset and move it around.

The wallet balance is safe once you store your seed keys safely. Wallets hold at least one associated private key and a single public key. In a nutshell, it is the combination of the private key(s) and public key that create the concept of a wallet. It may be helpful to think of a wallet as a bank account, rather than a bill-fold style wallet. Every blockchain wallet has an "address" that may look something like this: 0xb0963da6baef08711584252f5000Df44D4F56925.

Anyone with their address can send Bitcoin to your wallet without any further information. They don't need to know your name, location, or even if the address is owned by anyone at all. The wallet software will systematically check the blockchain to see if any coins have been sent to your personal or business wallet address, or if you have spent any coins in the wallet. This is how the SPT wallet protocol works.

Funds that are sent to a blockchain wallet cannot be recalled: they can only be refunded by the person receiving the funds voluntarily. However, transactions don't start out as irreversible.

Instead, they get a confirmation number that indicates how hard it is to reverse them. Each confirmation takes between a few seconds and 90 minutes, with 10 minutes the average, we recommend you wait for more than 1 confirmed status to avoid fraudulent transactions. If the transaction pays too low a fee or is otherwise atypical, getting the first confirmation can take much longer.

In the future, new services may provide more choice and protection for both businesses and consumers. In the meantime businesses transacting in Bitcoin need to keep a careful inventory of payment requests. Wallets can detect typos and usually won't allow users to send money to an invalid address by mistake, but it's best to have controls in place for additional safety.

### **A non-custodial investment fund**

The SPT Monetary Impact Fund uses the blockchain to manage all its activities. This blockchain is part of the Ethereum network. Ethereum is the second most recognisable name in the blockchain industry, next to Bitcoin. Ethereum's blockchain was created to overcome the limitations of the Bitcoin blockchain (both systems for decentralised money), and is pushing the boundaries of both blockchain technology and decentralisation.

Like the Bitcoin administration, the Ethereum blockchain is supported by a peer-to-peer node network (a data structure like a linked tree structure). This means it is essentially a decentralised server run by a vast number of computers with no central administrator or intermediary. This is why Spindle Trades investments has chosen it for the SPT Monetary Impact Fund.

The Ethereum blockchain is commonly confused with the currency it operates: Ether (ETH).



However, the two are quite distinct. Nodes on the Ethereum network contain data and will link to other nodes. Connection links between nodes are implemented by the network and are rewarded in ETH, while the cost of computation is calculated in “Gas”: the internal pricing mechanism for running a transaction on Ethereum.

The Ethereum network was invented by talented programmer Vitalik Buterin. In his white paper, which was released in 2013, he describes Ethereum as a “blockchain-based decentralised mining network and software development platform rolled into one.”

Ethereum differs to Bitcoin in that Bitcoin is governed by an underlying software protocol that is essentially a simplistic version of the smart contract. This serves as the predefined rules for its network. Ethereum significantly extends the notion of Bitcoin’s contract protocol. It aims to facilitate the development of an entire ecosystem for open-ended decentralised applications (dApps), and run smart contracts that can remove the risk of third-party interference.

Prior to the Ethereum blockchain being launched in 2015, anyone that wanted to create a blockchain-based application had to create their own blockchain platform from scratch. But with Ethereum, developers can leverage the Ethereum infrastructure and its ledger to create virtually any application imaginable, including the SPT Monetary Impact Fund.

### **Client-side open software**

An open source development model is the process used by an open source community project to develop open source software, or OSS. Open source software is code that is designed to be publicly accessible such that anyone can see, modify, correct and distribute the code as they see fit. It is developed in a decentralised and collaborative way, relying on peer review and community production. Open source has become a movement and a way of working that reaches beyond software production. The open source movement uses the values and decentralised production model of open source software to find new ways to solve problems in communities and industries. This is why SPT system has chosen to use an open-source model for its project. Like many large open source projects, SPT is hosted on GitHub, where users will be able to access repositories and potentially get involved in the project.

## **Evaluating open source software**

### **Open source pros:**

- Peer-reviewed
- Transparent
- Reliable
- Flexible
- Lower-cost
- No lock-in's
- Open collaborations

**Open source cons:**

- Difficulty of initial use
- Compatibility issues

In a final evaluation, the clear and superior benefit of open source software is the security it provides to users, as its code can be checked by anyone. SPT strives to lead the frontier in blockchain open source software for mass-adoption which, if current trends continue, seems increasingly likely.



## **SPT DAO | Decentralised Autonomous Organisation**

### **The SPT DAO layer protocol**

Layers exist within the DAO to enable collaboration between members and to direct collective efforts toward common goals. Facilitating effective division of labour, management of incentives and allocation of resources are some of the most important functions of a layer protocol for an organisation operating on the blockchain.

The essential structure of the layer protocol revolves around the distribution of power and trust permissions that management groups within the organisation. These two concepts jointly define the structure and security of a layer and provide a flexible framework for creating new management groups of many types.

Without structure, a large layer can quickly become difficult to navigate due to the number of participants interacting inside it. Groups solve this problem. A group is a circle in a shared layer that may contain subgroups and private records of expenditures. This simple system allows for greater flexibility in the structure of an organisation. Groups can be used to organise teams, departments, category projects, tribes and circles.

It is ultimately up to the members of a layer to decide how they wish to use groups. Some might only use them for categorisations, whereas others might use them to precisely group similar expenditures together, or multiple expenditures. Some might use layers to represent established organisational departments, while others might use them to represent projects with start and end dates.

At Spindle Trades investments, we aim to provide a general framework that the members of different layers within the organisation may use as they see fit, and to be prescriptive only where necessary.

This compartmentalisation of activity benefits layers by making reputation contextual. This means that when arbitration occurs, it occurs at a specific level in the layer group circle. This allows members with relevant contextual knowledge to be included in the dispute without requiring the whole layer to participate in the process.

Access control in a layer is organised around the concepts of permissions, of which there are six:

management, administration, architecture, funding, and arbitration. Each unlocks a bundle of related groups and, with the exception of the management and administration permissions, all permissions are group specific with permissions held in a parent group inherited in all sub groups.

Put another way, a group permission is passed on to all the sub groups of that circle. To implement this inheritance method, permissions require a group “proof” and validation from all members.

These can then be evaluated to determine whether the layer is authorised to call privileged commands.

Permissions are held by Ethereum accounts when creating a wallet. Permissions may be given to human administrators or assigned to smart contracts which implement more voting mechanisms. It

is worth noting that the list of accounts that have the permission in question all have the full permission. This means that no additional restrictions exist at the protocol level of the AMFEIX

DAO. Some cases can occur when members vote for an extremely powerful capability and require absolute confidence in whomever controls it from investors. We anticipate that, in many cases, extensions will be used to offer varying degrees of moderation to the underlying layer.

### **SPT organisation values**

At SPT, the core values shape our culture and make an impact on our strategies. They help to create a purpose, improve team unity and engender commitment among the Bank's employees, consultants and users while helping them to make the right decisions. Values also help to improve communication, which plays a central role in building a better culture, improving employee, consultant and user satisfaction and increasing engagement and motivation. Our values also direct all of our marketing and communication efforts, ensuring our purpose and principles are never compromised. Strong values also help SPT to attract and retain top talent, as well as customers that share the same goals. Most importantly, having a clear set of values helps both our employees, consultants and customers to understand what they should stand for as members of SPT and the systems.

### **The SPT Values**

We believe our strong values make SPT different. The below form our core values, which we encourage our employees, consultants and customers to expand and grow.

- . Constant Improvement
- . Leadership
- . Hard work
- . Diversity
- . Development
- . Innovation
- . Quality
- . Teamwork
- . Simplicity and Minimalism
- . Collaboration and Partnership
- . Idealism
- . Courage
- . Unselfishness
- . Self-Discipline
- . Integrity
- . Boldness
- . Honesty
- . Fairness
- . Trustworthiness
- . Accountability
- . Learning
- . Customer Experience
- . Passion
- . Balance
- . Fun
- . Discipline
- . Humility
- . Ownership



## . Getting Results

As well as agreeing to uphold the organisation's core principles, all SPT employees and consultants are invited to undertake an oath of loyalty to the movement. This ensures our employees, consultants and users are always sure of what they stand for as members of SPT Mining System allowing us to manage our operations to the fullest extent. All SPT users understand the purpose and vision and are dedicated to pushing the organisation forward toward reaching its goals. Loyal members ensure strong security within all layers of SPT's management and groups within the decentralised non-custodial blockchain framework and its organisation.

### **Strong system security**

A decentralised autonomous organisation requires trust and honesty throughout its operations.

The model is highly secure, however if all layers are directed together there is a possibility of theft.

The level of organisation required for such an attempt makes it highly unlikely. Many Spindle Trades investments employees and consultants are also users of SPT, and so violation of its systems would be extremely counter-beneficial.

Typically, the weakest links within a bank are brokers who fail to follow instructions. A mismanagement of funds can result in catastrophic losses and the cancellation of contracts, which is why brokers are constantly reviewed and monitored. A layer protocol is an effective risk management strategy and investigation circles exist within all layers to maintain the highest levels of security afforded by the system.

For SPT, vulnerability is present at the user level, as SPT users are solely responsible for maintaining the security of their funds via their own seed keys. Therefore, it is important that all



users take security seriously. This includes safely storing seed keys and only logging into accounts from their own devices. A user should never share their security information with anyone, including SPT institutions.

## **SPT Management**

Achieving the goals set out by SPT and its users requires leadership from skilled and efficient management. As a goal orientated, customer focussed organisation, our clients are central in holding our management to account, all of whom are required to work tirelessly in the best interests of SPT.

The primary function of our management team is to bring all of our employees, consultants and users together efficiently and effectively to work toward the achievement of SPT's vision and goals.

Management is a layer within the SPT DAO system. It has limited permissions including design, which facilitates the production of useful outcomes for the organisation.

The management consists of the first and second highest layers in the organisation and focuses on achieving the goals set out by SPT in its white paper. There is not, however, one sole authority incharge of all management tasks. Rather, administrators of groups within the management layer oversee permissions that are in-turn validated by the members of that group.

## **Legalities of blockchain in the UK**

Once a fringe project of software developers, blockchain has erupted into mainstream consciousness. The technology has attracted significant investment aimed at utilising its efficiencies to unlock new business models. Much of the focus to date has been on the technical and commercial aspects of blockchain. However, for blockchain technology to realise its full potential, it must successfully navigate existing legal and regulatory frameworks. Below we have set out a roadmap to understanding the key legal and regulatory issues that typically arise in relation to blockchain.

The legislation that is applicable to blockchain depends on the function it seeks to fulfil within the jurisdiction it wishes to operate in. In the UK, Distributed Ledger Technologies (DLT) – which SPT utilises – are emerging in diverse sectors: from financial technology to security, energy, entertainment, healthcare, trading, transport and logistics, real estate and the “Internet of Things”.

Financial services are, perhaps unsurprisingly, a key area of focus for blockchain development. With the exception of a handful of retailers, blockchain has, as yet, failed to breakthrough as a common method of payment for goods and services. However, both financial institutions and government bodies have explored the potential efficiencies that blockchain can bring to the clearing process, identity checks, settlement systems and payment systems. Financial institutions have so far been slow to move, owing in part to the reputational issues surrounding the Bitcoin blockchain and

uncertainty about how legal and regulatory frameworks will apply. Despite this, some financial institutions have begun to take more decisive steps to use blockchain technology, particularly now that the views of the UK's financial regulators are becoming clearer. As such, SPT has observed an increasing number of use cases being piloted in the market, including SPT. To date, the most concrete gains have been made outside of financial services in the area of supply chain management where blockchain is offering businesses a way to increase transparency, coordination and efficiency across their supply chains. The blockchain market may evolve faster now that the UK has left the European Union (EU), with the UK Government stating its desire for Britain to be the global home of new and innovative financial services after Brexit. There are many who also believe that the UK will be in a unique position to boost its financial services industry if it were to position itself as a blockchain jurisdiction. How this might take shape is, however, still unclear at this early stage. The majority of projects utilising blockchain in the UK remain in their infancy, including AMFEIX, however each presents an exciting and unique opportunity. A number of large-scale international blockchain projects involving global financial institutions also have a UK nexus. UK-based banks have also invested in blockchain technologies. This includes Standard Chartered, which has announced that it is developing the use of blockchain in trade finance operations with the aim of digitising the entire commodity trade finance process,

while also making it possible for businesses to exchange data and other documents (including letters of credit) faster.

Encouraging progress has also been made in other sectors as established industry players have

been exploring how they might use blockchain to their advantage. UK energy supplier Centrica, for

example, has been investigating how peer-to-peer energy trading on a blockchain platform could

reduce customer bills. The UK has also proven fertile ground for a number of successful blockchain

start-ups. These include Provenance, a digital platform which seeks to provide businesses with

greater transparency by tracking products along their supply chains; Everledger, a tech enterprise

which tracks the provenance of high-value assets such as diamonds on a global digital ledger;

Medicalchain, a decentralised platform that enables the secure, fast and transparent exchange and

use of medical data, and now SPT, a DeFi DAO bank aiming to provide a model for a better banking

system focused on investment rather than debt that could have far reaching implications for global

economic models.

As yet, there have been no heavily publicised failures of blockchain technologies in the UK,

although this is likely a reflection of the current low level of implementation.

Currently, the UK has

no blockchain specific legislation or regulatory framework. Recent statements from UK regulators

signal that this may change in the future, however applications of blockchain are not currently

outside the scope of existing legal and regulatory regimes. There are several touch points where, depending on the precise nature of the application of blockchain, existing frameworks can be used.

## **Government and regulatory support**

To date, the UK Government and regulators have taken a balanced and flexible approach to the growing use of blockchain technology. Both have recognised that this technology has the potential to deliver significant benefits and have voiced support for its development. In January 2018, the UK Government established an All Party Parliamentary Group on Blockchain to explore how industry and society can benefit from the wide implementation and use of blockchain. Both have also stressed the need for caution, emphasising the need to manage the range of risks observed in the cryptoasset market, and to ensure that UK financial markets remain safe and transparent. This measured approach saw the UK Financial Conduct Authority (FCA) issue a warning to consumers about the risk of Initial Coin Offerings (not one of SPT's activities) in September 2017, while also supporting tests of blockchain technology. Similarly, The Bank of England supports research into DLT, yet issued a strong statement in October 2019 that Libra, a permissioned cryptocurrency associated with Facebook, would need to meet the highest standards of resilience and be subject to appropriate supervisory oversight.

Both the UK Government and regulators have also explored how blockchain technology might be used to improve their own internal processes. For example, in 2016 the UK Government tested the use of a blockchain-based system to distribute welfare payments. Since 2017 the FCA and the Bank of England have been working to explore how they can use the technology to make the current system of regulatory reporting more accurate, efficient and consistent. The Bank of England has also conducted a “proof of concept” experiment to understand how the backbone of the existing payments system might be compatible with DLT-based payment systems similar to the model used by SPT.

There are several initiatives in the UK designed to encourage the development of blockchain technology concentrated in the financial services sector. Innovate UK is a government-led agency that drives productivity and economic growth by supporting businesses to develop and realise the potential of new ideas. It has invested over £10 million in blockchain projects focused on energy distribution, clean water provision, electoral systems and maximising value from items donated to charity. In 2018, it announced that it was investing a total of £19 million in emerging and enabling technologies, which included blockchain.

The UK Government has also created a £20 million fund, the “GovTech Catalyst Fund” to explore technology-based solutions for public sector challenges, potentially including the use of DLT. The

FCA began its own innovation project in 2014, which consists of an Innovation Hub and a newly launched Global Financial Innovation Network (“GFIN”). The Innovation Hub provides a means by which new and established businesses – both regulated and non-regulated – can introduce innovative financial products and services to the market, with support from the FCA on the application of the regulatory framework. The GFIN, launched in January 2019 in collaboration with 38 other financial regulators, creates a new framework for cooperation, promoting information and knowledge sharing amongst regulators on emerging innovation trends, tests, initiatives and policies. It also provides firms with an environment in which to trial cross-border solutions. The FCA Regulatory Sandbox allows UK businesses to test innovative products, services, business models and delivery mechanisms with real consumers in a controlled environment. The regulator has also recently consulted on whether a cross sector sandbox or similar mechanism is needed to ensure a consistent and efficient approach to emerging technologies. The Bank of England has a Fintech Hub, by which it seeks to understand what fintech means for the stability of the financial system; the safety and soundness of financial firms; and its ability to perform its operational and regulatory duties. Between 2016 and 2018, The Bank of England has supported a few DLT-focused proof of concept trials with firms to understand how new technologies are being adopted and how they might relate to its objectives. In 2019 the Information Commissioner’s Office, the main data privacy regulator in the UK, launched assistance to support organisations who are developing products and services that use personal data in

innovative and safe ways including organisations that utilise blockchain.

The FCA has also published guidance in a Policy Statement (“PS19/22”) seeking to clarify the

regulatory perimeter for market participants carrying on activities in the blockchain market. The aim of the guidance is to enable participants to be clear on where they are conducting activities that require authorisation. The FCA also published research in March 2019 exploring consumer

attitudes to, and awareness of blockchain. The FCA identified four main findings:

(1) many

consumers see crypto as a fast-track to easy wealth;

(2) many consumers may not fully understand

what they are purchasing;

(3) there are signs that crypto assets are accompanied by risky behaviours; and

(4) anecdotal evidence about crypto may overstate their potential harm. In July 2019 the regulator proposed implementing a ban on the sale to retail clients of investment

products such as derivatives and exchange traded notes that reference cryptocurrency (not an activity of SPT's).

There are currently no specific prohibitions on the use or trading of cryptoasset in the UK. Despite

this, however, its use remains very limited. According to the Bank of England in a submission in

May 2018, blockchain is not widely accepted as a means of payment in the UK, with no major UK

high street or online retailer accepting the most common currency, Bitcoin. While the Bank of

England estimates that around 500 independent stores do accept Bitcoin, this amounts to an

average of less than one retailer per town. The Cryptoassets Taskforce also observed in a report



that only around 15 cryptoasset exchanges of a global market of 206 were headquartered in the UK. Of those 15, the 12 with visible trading activity accounted for around 2.66% of daily global trading volumes. Mainstream financial institutions have also remained fairly sceptical of blockchain investments. In March 2018, The Bank of England observed that systemically important UK financial institutions had negligible exposure to blockchain and its ecosystem.

### **Expanding blockchain with SPT**

A platform like SPT exists remotely. It is part of a live ecosystem and itself impacts the broader investment space and crypto community in a number of ways. As outlined previously, SPT aims to strengthen and expand the blockchain network ecosystem. Spindle Trades investments acts as a mechanism for onboarding off-chain organisations and businesses to the blockchain. SPT also incentivises investors from both crypto and non-crypto spaces to provide capital for a new form of investment-led banking and saving. Investors already active in the blockchain space gain access to investment opportunities via SPT. Investors that have yet to join the blockchain market find in SPT an easy way to get started. SPT makes it easy for anyone to participate in the blockchain space. It features a full user experience that is highly accessible to the average internet user as well as videos to slowly build basic knowledge of blockchain technology. In this way we provide a full suite

of tools for individuals to fuel a process of gradual learning and commitment to the goals.

In return we ask investors to commit their funds for use on the platform, though these funds

remain fully under the control of users. Lastly, we work towards greater transparency and

accountability for fundraising and management. As it stands today, in far too many cases

transactions between investors and the blockchain take place without any legally binding

contracts. As such, users have no means of protecting themselves against fraud, misuse of funds,

and other questionable conduct. The only thing holding a project to account is the potential for loss of reputation and goodwill. This is entirely contrary to the

founding principles of trust-less systems like blockchain.

Since the founding of blockchain, emphasis has been placed on building systems of cooperation

that use economic incentives to align the interests of disparate groups of people which rely on

sophisticated technical infrastructure to secure their interactions. What has been missing,

however, is a common sense integration with existing legal systems to provide the enforcement

mechanisms necessary for keeping parties accountable. Only with this is long term planning

possible. This is the ambition of SPT. Our model is a simple repeatable process with blockchain

security built in that gives investors access to a fund that has the potential to provide a new roadmap for modern banking, investment and, by extension, monetary policy.

## Portal/Creating a SPT ccount

### Getting started: safety first

In order to ensure the safety of your SPT account and ultimately, your funds, we recommend all of our users take the following precautions.

1. When logging into your account from your computer or mobile device, we recommend you do so using the incognito or private mode. A quick internet search will show you how to do this.

This ensures that your wallet is not saved onto your device when you log out.

2. It is also essential that you only use your devices when using SPT so that you are safe from

keyloggers and/or another person entering your account once you log out.

3. We recommend that you avoid downloading anything suspicious onto your devices that

could be used as a gateway to hack your account. If possible, you should also avoid downloading

unnecessary applications and accessing unnecessary websites on the device that you use to access

your SPT account.

4. Please ensure that you never use public Wi-Fi connections. Use private personal connections to the internet at all times for added security

## Opening a SPT account

To create an account with SPT, you must first visit [spindletrades.com](https://spindletrades.com) Once there you need to navigate to the register button. You will then be directed to the SPT PORTAL where you can put in your personal details and your account will be created successfully. Once logged in, you will be able to Deposit funds from a Bitcoin wallet or exchange account into your SPT account by using the wallet address generated and then choose a Pricings/package and invest.

The SPT account is an essential component of our service as it is built on the Bitcoin network. Like the SPT (MIF) Monetary Impact Fund, the SPT account is decentralised. This means that no entity can affect or take control of your account. You will also need to set up an 2FA Authentication.

This is to ensure maximum security.

After you create your SPT account, you will need to transfer Funds from either your exchange of choice or another existing wallet that was used to purchase the digital asset. After you have sent the crypto currency to the SPT Receiving Address, your balance, displayed in your dashboard, should reflect the transfer.

## Transaction processes and troubleshoots

### SPT Monetary Impact Fund fees

The SPT Monetary Impact Fund was created as a model that could provide a blueprint for a new type of monetary system. The Fund's well-defined, transparent processes are a part of this mission.

When you make a withdrawal from the Monetary Impact Fund, your transaction will incur a 5% withdrawal fee. This fee was introduced as a way to ensure the Fund is managed and maintained to the highest possible standards and to ensure that our investors are fully aligned with our values and processes. Fees can change higher or lower depending on the decision of SPT. The withdrawal fee is applicable to specific withdrawals from SPT MIF, depending on the nature of the Pricing/Package or the length of time an investor has held money with the Fund.

### Profit distribution in the Fund

The Monetary Impact Fund calculates all profits in Bitcoin, Ethereum,USDT however fiat equivalents are just as important and are also tracked, including GBP. This means that, after your Crypto assets is invested, SPT's goal is to increase levels of both Bitcoin, Ethereum,USDT and fiat currency (e.g GBP). For Instance, if you deposit Bitcoin or 1Ethereum, our mandate would be to increase that amount to 1.1....+ 1.2....+ BTC/ETH thereby also increasing the fiat currency balance. All profits are split at a ratio of 2:8. This means SPT System receives 20% and users receive 80%. Your



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profits will continuously be compounding in your wallet Balance, which means profits will build on themselves until you choose to make a withdrawal from the investments. You are also able to withdraw your entire account balance at any time, minus the -5% withdrawal fees.

### **Loss distribution process**

As with any form of investment in either listed or unlisted assets, investing in the SPT Monetary

Impact Fund involves the risk of loss.

Losses are a part of investing and can occur at any time for any reason. Due to the decentralised

nature of the Bank, Spindle Trades Investment however bear losses down to the Capital invested

because all assets under this firm is completely backed up and guaranteed because we're 100%

responsible for any loss.

### **Automated Gas process**

As mentioned previously, the Ethereum blockchain uses its own measure, known as "Gas", to

calculate the cost of transactions on its system. This can be understood as the fee for using the

world computer that is the Ethereum network. There are, however, some significant differences.

Gas, in-fact, represents much more than the cost of processing transactions on the Ethereum

network. Ethereum is capable of running all sorts of applications, allowing it to form the basis of

the decentralised web. As such, while Gas could technically be described as Ethereum's

“transaction fees,” this term should be used with caution.

For Ethereum to work as a world computer, fees to transact on the network need to be miniscule

and so denominations of the method of payment for these fees must also be extremely small. As

such, the Ethereum currency Ether is denominated in several smaller increments, with the most

widely used type the “Gwei.” Gwei denotes the ninth power of a fractional Ether and 1 Gwei equals

0.000000001 Ether ( $10^{-9}$ ). There are other denominations of Ether, however none are as widely

used or recognised as Gwei.

There are several ways to calculate the fee necessary to execute a transaction on the ethereum

network. SPT automates this process so, in most cases, users are not required to know the specifics

of setting Gas. The network is set up in such a way that any random Gas fee can be set. In theory, a

sender could select any number as the transaction fee they are willing to pay, as low as one Gwei.

Gas can be found on the advanced tab during withdrawals, however users are strongly discouraged

from tampering with these settings and the automated process.

### **Troubleshooting wallet transfers**

1. When you open a SPT account, you create an investment portfolio for yourself.

With this

portfolio, you also get a default Wallet address for making payments. This address is a long

complex password of numbers and letters (both uppercase and lowercase), in no apparent

sequence.

2. A Bitcoin/Ethereum address never expires and you can use it to receive Bitcoin/Ethereum from other wallets or Bitcoin/Ethereum ATMs. You can create as many Bitcoin/Ethereum addresses as you want and use them any number of times.
3. When other people send Cryptos to this address, it is sent directly to your wallet. Transfers are not always instant. This is because Bitcoin & Ethereum transactions are non-reversible and so the Bitcoin & Ethereum network needs to confirm the transaction at least three times before the Crypto currency is released into your wallet. So be patient and give it some time. Once the Bitcoin or Ethereum is sent, the sender should see “incoming Bitcoin or Ethereum at 0 confirmations” or “Unconfirmed.” When that count reaches three you should see your Bitcoin or Ethereum in your wallet. This can take between 20 minutes and a few hours depending on how congested the Bitcoin or Ethereum network is.
4. To deposit Bitcoin, Ethereum or Usdt to your SPT wallet: Log in to your SPT account and click “Click on Make Deposits/Choose plan/” > Copy the wallet address from the screen By clicking “COPY ADDRESS” >
6. Enter your external wallet app, website, or APP and make the Transfer your funds to the address after you have copied it from your SPT account
7. Confirm sending the funds to your SPT account.
8. Make sure you have enough funds in the wallet you are sending any crypto's from. Also be aware of any minimum Bitcoin transaction amounts.
9. The sender of the crypto currency will bear the transaction fee. Usually, the amount charged as a network fee and the total amount deducted from a wallet are clearly shown before the Transaction is confirmed.
10. Lastly, confirm your deposit from the SPT ‘TRANSCATION HISTORY.



## Risk Disclosures

### Theft awareness and prevention

At SPT we pride ourselves on delivering a safe and secure method of investing and banking that is unlike any other that has come before. As our systems and processes are blockchain-based and verified, no transaction can ever go unchecked. However, there are still security issues that users may encounter that are out of SPT's control.

Most important, please be aware that all interactions with unauthorised persons claiming to represent SPT over text messages or any form of social media are false and may be dangerous.

SPT will never ask for your Password or for you to deposit money outside of the Portal(except it's from your consultant assigned by the fund), for example via email or any other method of communication.

Often, a scammer may message you with a link to “recover your account”, or they may send you instructions that look very similar to a SPT announcement. Scammers may seem to have SPT

usernames, however they are false and disguised. It is imperative that users are aware of these

tactics that are designed to deceive and gain access to their accounts and assets. If you are ever

unsure whether a communication is genuine, message our online customer support system via

Spindletrades.com , which is available 24 hours a day.

Spindle Trades investments is not responsible for losses incurred by any users who surrender their login



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details, BTC, or any other vital information to scammers. Users must understand the risks of online interactions and protect their information at all times. SPT does not own or operate a mobile or desktop application so DO NOT download anything that claims to be an app from us. This may compromise the device that is used to access your wallets. SPT will never contact you to initiate any kind of transaction(except from your consultant assigned by SPT), and so if an interaction is not initiated by you it is likely a clear signal you are speaking with a false representative. As an additional security measure, we recommend not allowing any other person access to your device.

### **Risk Disclosure Statement**

This Risk Disclosure Statement provides you with information about some of the risks associated with use of “SPT”. The information presented in this Risk Disclosure Statement is not comprehensive and does not reflect all of the risks (or other important factors) you should consider before using SPT Services. You must make your own independent decision whether to access or use the Services and should seek any advice that you consider necessary or desirable (including financial and/or legal advice) from regulated independent advisers. Terms not otherwise defined in this Risk Disclosure Statement shall bear the same meanings attributed to them in the Terms of Service.

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## General financial risks

### 1. Liquidity risk

Cryptoassets may be riskier, less liquid, more volatile and more vulnerable to economic, political, market, industry, regulatory and other changes than other investment types. The liquidity of the market for cryptoassets depends on, among other things, supply and demand and the commercial and speculative interest in the market for these assets.

### 2. Deposits and withdrawals

The currency that you transfer to the deposit address(es) associated with your wallet(s) will not be segregated from, and may be commingled with, other wallets; there are no trust, fiduciary, or other custodial arrangements or rights associated with or applicable to the Services and your wallet

balances (including deposits and/or any realised profits) and you do not have any proprietary claim

in respect of any crypto currency transferred to any wallet balance. There are no deposit protection schemes

that are applicable to the Services and your wallet balances are uninsured.

Your wallet balance is at risk of total loss, from, among others things, security breaches (whether in

respect of your wallet specifically or the Services generally), electronic and technological systems failures, insolvency or bankruptcy, and/or equivalent formal proceedings, in respect of AMFEIX. It is your responsibility to ensure that you use the correct address for any deposit, withdrawal, or transfer, and that the address you use is a valid wallet address. Any inaccuracy in a specified address of crypto that you attempt to transfer between addresses, may result in total loss of the crypto concerned. Any crypto currency transferred to or between your Account will only be available for withdrawal purposes when it's cycle is due and the funds credited to your Wallet balance via your SPT Account.

We require one Bitcoin block

confirmation before a deposit can be credited to a wallet; however, the period between block

confirmation and wallet credit is variable and depends on a number of factors, including factors

that are not within our control. We do not offer any assurance or guarantee in relation to the

timeframe for a deposit or transfer to be credited or for a withdrawal to be broadcast and confirmed.

For example, deposits, transfers, and/or withdrawals may not be credited or may be delayed if

:there are delays, high demand, or technological issues affecting the Blockchain network; you have

allocated a network fee to the transaction that is insufficient to ensure that your transaction is

confirmed according to your expectations (our recommended network fee for withdrawals is not a



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recommendation or assurance in respect of the processing time of any transaction(s)); variation in the processing time in our systems, which may be increased by high demand, technological issues or other conditions that impact processing time; if we believe that you are engaged in any suspicious activity. You may be at risk of loss if a deposit is not funded to your SPT account.

