



This is a Group Investments initiative:

## Coin investment example

When this presentation was put together, a ten piece Mandela coin set cost <sup>1</sup> R8500.00. We will use this information for our example in Table 1 below.

For this example ten people decided to invest.

Table 1: 10 piece Mandela Coin set

		Coin set cost: R 8,500.00	Possible output: R 200,000.00	Number of sets: 1			
		Amount	Percentage	Profit	15% Administration fee	Total cost	Group Investments portion 10%
Number of people	1	R 100.00	1.18%	R 2,352.94	R 15.00	R 115.00	R 235.29
	2	R 220.00	2.59%	R 5,176.47	R 33.00	R 253.00	R 517.65
	3	R 230.00	2.71%	R 5,411.76	R 34.50	R 264.50	R 541.18
	4	R 300.00	3.53%	R 7,058.82	R 45.00	R 345.00	R 705.88
	5	R 500.00	5.88%	R 11,764.71	R 75.00	R 575.00	R 1,176.47
	6	R 600.00	7.06%	R 14,117.65	R 90.00	R 690.00	R 1,411.76
	7	R 775.00	9.12%	R 18,235.29	R 116.25	R 891.25	R 1,823.53
	8	R 1,200.00	14.12%	R 28,235.29	R 180.00	R 1,380.00	R 2,823.53
	9	R 1,575.00	18.53%	R 37,058.82	R 236.25	R 1,811.25	R 3,705.88
	10	R 3,000.00	35.29%	R 70,588.24	R 450.00	R 3,450.00	R 7,058.82
Total		R 8,500.00	100%	R 200,000.00	R 1,275.00	R 9,775.00	R 20,000.00

Individual number 4 decided to invest R300.00. From table 1 above you see that R300.00 covers 3.53% of the total cost of R8500.00. The calculation is R300.00 divided by R8500.00.

This is where the simplicity of our business model comes in; because you covered 3.53% of the cost at the time of the purchase, you get 3.53% of the profit at the time of sale. Lets say we sell the Mandela coin set for R200,000.00 that would mean that you get [R200,000.00 \* 3.53%] which equals R7,058.82.

The more you invest, the higher your percentage of return. Refer to individual number 9 who decided to cover 18.53% of the cost by paying R1,575.00. Her share of the profit is [R200,000.00 \* 18.53%] which gives her R37,058.82 at the time of sale.

Group Investments charges 15% administration fee<sup>2</sup>. You will notice that person number 4 pays R45.00; that is the [R300.00 \* 15%]. Person number 9 pays R236.25; that is the investment of [R1,575.00 \* 15%].

Group Investment retains 10% of sales proceeds. You will notice that R705.88 of the sales proceeds of person number 4 is retained; [R7,058.82 \* 10%]. R3,705.88 is retained from the proceeds for individual number 9; [R37,058.82 \* 10%]

<sup>1</sup> Un-circulated, rare, limited 10 piece Mandela coin set.

<sup>2</sup> Administrative expenses; including the contracts, the collating of information and administrative communications.