

# Africa Fast Ferry Ltd.

## Tokenized Equity and Revenue Participation — Whitepaper

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### Legal Disclaimer:

This whitepaper is provided for informational purposes only and does not constitute an offer to sell or a solicitation of an offer to buy any securities, tokens, or other financial instruments in any jurisdiction where such an offer or solicitation would be unlawful.

The information contained herein is subject to change without notice and does not purport to be complete. This document does not constitute investment advice, legal advice, tax advice, or other professional advice, and should not be relied upon as such.

The offering of AFFEQ and AFFR tokens is made solely under exemptions provided by the U.S. Securities Act of 1933, specifically:

- **Regulation D, Rule 506(c):** For accredited U.S. investors, with general solicitation and verification of accredited status required; and
- **Regulation S:** For non-U.S. persons participating from outside the United States.

Participation in this offering is subject to full KYC/AML procedures and all applicable securities regulations. The issuer makes no representation or warranties as to the future performance or outcomes related to the use of proceeds or value of tokens.

Potential investors are strongly advised to consult their legal, financial, and tax advisors prior to making any investment decisions.

### 1. Executive Summary





Africa Fast Ferry Ltd is a U.S.-incorporated company registered in the State of Delaware. The company is developing a modern, high-speed boat transport service connecting Malawi, Mozambique, and Tanzania across Lake Malawi. To finance the development and launch of this critical transportation infrastructure, we are tokenizing equity and revenue participation using two blockchain-based digital tokens: AFFEQ (Equity Token) and AFFR (Revenue Token).

## 2. Project Overview

Africa Fast Ferry Ltd. will operate high-speed, Dutch-designed passenger and freight ferries built to international maritime standards. The service will link key ports across Lake Malawi, unlocking new trade and passenger mobility in the region.

### 2.1 Market Opportunity

Lake Malawi—shared by Malawi, Mozambique, and Tanzania—is one of Africa’s largest inland waterways, with over 580 kilometers of navigable shoreline. Despite this, there is no modern, high-speed passenger or cargo ferry system currently serving the full corridor.

-  **Population Served:** Over 20 million people live within proximity of Lake Malawi’s shoreline, across three nations.
-  **Existing Transport Gaps:** Cross-border road travel around the lake is slow, costly, and seasonally unreliable. Waterborne transport remains underdeveloped and informal.
-  **Untapped Freight Volume:** The region sees significant movement of agricultural goods, small-scale trade, and household cargo that currently moves inefficiently or not at all.
-  **Tourism Potential:** Lake Malawi is a UNESCO Biosphere Reserve with growing eco-tourism appeal, yet lacks the infrastructure to efficiently ferry tourists and locals between points of interest.

A high-speed ferry system will reduce travel time by 50–80%, unlock economic zones along the lake, improve safety, and drive cross-border trade and tourism. The market is primed for disruption with a modern, safe, and affordable transport alternative.

## 3. Capital Structure and Tokenization Framework

Africa Fast Ferry Ltd. is authorized to issue 100,000,000 shares, broken down as follows:

Share Class	Authorized	Rights
Ordinary Shares	65,000,000	Voting rights (1 vote/share), economic rights
Preferred Shares	35,000,000	Dividend preference, no voting power

### 3.1 Equity Token (AFFEQ)

- Symbol: AFFEQ
- Total Supply: 500,000,000 tokens
- Backed By: 6,500,000 Ordinary Shares (10% of 65,000,000)
- Conversion Rate: 1 Ordinary Share = 75 AFFEQ tokens

- Rights: Proportional economic rights and optional shareholder representation as per agreements.
- Lockup Period: 12 months from issuance
- Vesting: Applied to insiders and partners over a predefined schedule

### 3.2 Revenue Token (AFFR)

- Symbol: AFFR
- Total Supply: 250,000,000 tokens
- Backed By: 8,750,000 Preferred Shares (25% of 35,000,000)
- Conversion Rate: 1 Preferred Share = 30 AFFR tokens
- Rights: Pro-rata share of a defined portion of monthly USDC-denominated ferry revenue (to be disclosed in offering memorandum)

### 3.3 Token Holder Rights Summary


Feature / Right	AFFEQ (Equity Token)	AFFR (Revenue Token)
<b>Token Symbol</b>	AFFEQ	AFFR
<b>Backed By</b>	Ordinary Shares (10% of 65M)	Preferred Shares (25% of 35M)
<b>Conversion Rate</b>	1 Ordinary Share = 75 AFFEQ	1 Preferred Share = 30 AFFR
<b>Voting Rights</b>	Indirect (via equity rights and representation)	✗ None
<b>Economic Rights</b>	Pro-rata equity participation via shareholder terms	Pro-rata monthly revenue share (in USDC)
<b>Payout Schedule</b>	Upon liquidity event or equity distribution	Monthly via smart contract
<b>Lockup Period</b>	12 months from issuance	None (unless otherwise agreed)
<b>Vesting Schedule</b>	Applies to insiders and partners	✗ None
<b>Tradability</b>	Post-lockup on whitelisted or regulated exchanges	Whitelisted P2P or revenue token platforms
<b>Token Utility</b>	Long-term equity exposure + optional	Passive income via revenue

## Feature / Right AFFEQ (Equity Token)

governance

## AFFR (Revenue Token)

participation

 Note: All rights are governed by the Token Purchase Agreement and local securities laws.

## 4. Use of Funds

Total capital raise: \$30,000,000 USD, structured as follows:

- **Equity (AFFEQ issuance):** \$17,500,000 USD
- **Debt / Grant / Convertible:** \$12,500,000 USD (optional structured financing)





Funds will be allocated for:

- Finalizing boat design and fabrication
- Port infrastructure upgrades
- Operational setup and staff
- Legal, regulatory, and compliance onboarding
- Marketing and partner integrations

### 4.1 Revenue Model Summary

Africa Fast Ferry Ltd. Plans to generate revenue through a combination of passenger fares, cargo transport fees, and tourism-based charter services. The model is designed to be scalable, transparent, and optimized for digital payment collection via a digital wallet, such as Abba App and other integrated mobile wallets.

#### Core Revenue Streams

-  **Passenger Ticket Sales:**  
Projected base fare: \$4–\$10 USD per trip, depending on route segment  
Estimated ridership: 1,500–2,000 passengers per ferry per day (average utilization rate)
-  **Freight & Cargo Transport:**  
SMEs and informal traders pay per kilogram or per pallet  
High-margin business for short-distance bulk and agricultural goods
-  **Tourism and Private Charter:**  
Special lake excursions, overnight routes, and eco-tourism packages offered seasonally
-  **Digital Payments & Add-ons:**  
Digital ticketing, onboard purchases, mobile recharges, and optional insurance via partner integrations

### ◆ Projected Financials (Illustrative)

Category	Monthly Estimate (Year 1)
Passenger Revenue	\$300,000 – \$450,000
Freight Revenue	\$100,000 – \$150,000
Tourism & Charters	\$30,000 – \$50,000
Total Revenue	\$430,000 – \$650,000

Note: These are illustrative figures based on capacity, pricing, and seasonal trends. A full financial model is available upon request.

### ◆ AFFR Token Integration

- **Token Utility:** AFFR token holders receive a pro-rata monthly USDC payout from a fixed portion of net ferry revenue
- **Distribution Pool:** A minimum of [X]% of adjusted net ferry revenue (to be finalized in token terms)
- **Claim Method:** Monthly via smart contract, with batch-claiming support for scalability

## 5. Exit Strategy & Liquidity Path

Africa Fast Ferry Ltd. is committed to building long-term value while also offering token holders clear options for future liquidity and returns. The exit strategy and liquidity mechanisms will vary by token type.

### ◆ AFREQ (Equity Token) – Liquidity Options

- **Private Market Resale**  
AFREQ tokens may be traded privately, subject to lockup expiration and applicable securities laws. Peer-to-peer or white-listed platforms will be enabled post-lockup via ERC-3643 compliance.
- **Future Exchange Listings**  
The company is exploring listing AFREQ on regulated digital securities exchanges that support security tokens (e.g. INX, tZERO, MERJ), providing secondary market access to investors.
- **Acquisition or Public Offering**  
In the event of a future acquisition, merger, or IPO of Africa Fast Ferry Ltd., AFREQ token holders may be entitled to share conversion, cash-out, or proportional equity participation based on their holdings.

### ◆ AFFR (Revenue Token) – Liquidity and Returns


- **Monthly USDC Payouts**  
AFFR tokens provide ongoing yield via smart contract-based distribution of a portion of real ferry revenue in USDC, which can be claimed or auto-withdrawn by holders.

- **Secondary Trading Potential**

AFFR tokens may be listed on DeFi-compliant platforms or token marketplaces supporting revenue-sharing assets, provided local regulations permit.

- **Optional Redemption Programs**

At the company's discretion, future buyback or redemption programs may be launched to retire AFFR tokens using a portion of profits.

 All liquidity and exit events will follow applicable regulatory frameworks in the U.S. and internationally. Participation may be restricted based on investor residency, accreditation status, and KYC/AML compliance.

## 6. Compliance and Legal

This token offering is being conducted pursuant to the exemptions provided under the U.S. Securities Act of 1933, specifically:

- **Regulation D, Rule 506(c)** – For accredited investors within the United States, allowing general solicitation and requiring investor verification; and
- **Regulation S** – For investors located outside the United States, provided the offer is made in an offshore transaction.

All investors must undergo full KYC/AML verification, and applicable lock-up periods will apply per regulatory requirements.

All tokens are issued in compliance with ERC-3643 (OnchainID) to support regulatory frameworks such as:

- SEC Reg D / Reg S (for U.S. and international investors)
- KYC / AML checks on all investors
- Smart contract enforced lockups and vesting

Legal agreements will explicitly tie:

- 500,000,000 AFFEQ tokens to 6,500,000 Ordinary Shares
- 250,000,000 AFFR tokens to 8,750,000 Preferred Shares

## 7. Smart Contract Architecture

- Solidity-based, fully audited contract
- Dual-token issuance (AFFEQ and AFFR)
- Global lockup and vesting logic for AFFEQ
- Pro-rata USDC revenue distribution for AFFR
- Batch claiming and claim reset capabilities for operational efficiency
- Configurable parameters for governance, lockups, and distribution thresholds

## 7.1 Token Utility and Integration Use Cases

While AFFEQ and AFFR are security tokens with investment rights, both tokens are designed with forward compatibility to enable real-world utility and deeper integration into the ferry platform's digital ecosystem.

### ◆ AFFEQ – Equity Token Use Cases

- **Governance Voting (Future Enablement)**  
AFFEQ holders may participate in digital voting on select matters, such as approving major project milestones or token policy changes (subject to regulatory approval).
- **Investor Perks**  
Long-term holders may receive discounts on ferry services, merchandise, or exclusive access to investor briefings and company reports.
- **Bridge to Direct Equity**  
AFFEQ can serve as a conversion path to direct equity or share certificates in the event of IPO, acquisition, or shareholder expansion.

### ◆ AFFR – Revenue Token Use Cases

- **Smart Revenue Sharing**  
AFFR tokens entitle holders to monthly USDC payouts from net ferry revenues, creating passive income via real-world utility.
- **Payment Integration (Planned)**  
AFFR may be accepted as a partial form of payment for ferry tickets, especially when paired with Abba App or local digital wallets.
- **Loyalty and Tiered Access**  
Frequent travelers or partners who accumulate AFFR may access premium services, VIP boarding, or bundled ticket discounts in the future.
- **Staking for Discounted Services**  
Token holders may lock (stake) AFFR in smart contracts to receive service discounts or priority boarding privileges (subject to future roadmap milestones).

## 7.2 Token Listing Prices

The initial offering price for each token class is set as follows:

- **AFFEQ (Equity Token):** \$0.40 USD per token
- **AFFR (Revenue Token):** \$0.20 USD per token

These listing prices reflect a valuation aligned with Africa Fast Ferry Ltd.'s business plan and token-backed share structure.

- **AFFEQ** is priced based on equity participation, with a conversion rate of 75 AFFEQ per ordinary share, implying an approximate per-share value of \$3.00 USD.







- **AFFR** is priced to balance accessibility and sustainable yield, with a conversion rate of 30 AFFR per preferred share, offering investors revenue-linked participation at a reasonable entry point.

These prices support the \$30 million capital raise target while ensuring fair value for early investors.

## 8. Governance

- AFFEQ holders may be entitled to voting rights based on share-backed representation.
- AFFR holders do not receive voting rights, but maintain contractual claim to tokenized revenue streams.
- Corporate governance and investor updates will be managed through investor dashboards and smart contract logs.

## 9. Roadmap

-  Design Finalization (by Cocoyachts, Netherlands)
-  Tokenomics and Smart Contract Completion
-  Smart Contract Deployment & Testing (Q3 2025)
-  Investor Onboarding + Legal Structuring (Q3–Q4 2025)
-  Ferry Production & Port Launch (Q1 2026)
-  Live Operations + Token Utility Integration (Q2 2026)

## 10. Risk Factors

Investment in AFFEQ and AFFR tokens involves significant risk and may not be suitable for all investors. Before participating, prospective token holders should carefully consider the following risk factors, among others:

### 10.1 Regulatory Risk

The legal and regulatory environment for digital securities and token offerings is evolving. Changes in laws, regulations, or interpretations by government authorities may adversely affect the project or restrict participation in the token offering.

### 10.2 Market Risk

The demand for ferry transport across Lake Malawi may not meet expectations. Factors such as regional instability, competition, or economic downturns could affect operations and profitability.

### 10.3 Operational Risk

Delays or failures in vessel construction, port readiness, or staffing could disrupt timelines. Equipment malfunction or logistical challenges may impact service delivery.



## 10.4 Token Value Risk

The market value of AFFEQ and AFFR tokens is not guaranteed. Tokens may be illiquid or subject to high volatility. There is no guarantee of resale value or exchange listing.

## 10.5 Technology Risk

Security breaches, smart contract bugs, or blockchain infrastructure issues may compromise the functionality or security of the token system.

## 10.6 Project Execution Risk

The success of Africa Fast Ferry Ltd. depends on the ability to execute its business plan. Failure to secure permits, partners, or required financing may negatively affect results.

## 10.7 Revenue Distribution Risk

AFFR tokens entitle holders to a share of revenue, but actual revenue may be lower than expected. Operational costs, downtime, or unexpected expenses could reduce distributions.

## 10.8 Legal and Tax Risk

Participation in token offerings may have legal or tax implications depending on an investor's jurisdiction. Investors are responsible for ensuring compliance with local laws and tax obligations.

## 11. Team Bios

Africa Fast Ferry Ltd. is led by a diverse team of entrepreneurs, engineers, and blockchain experts with deep experience across transportation, technology, and financial innovation. The founding team brings decades of operational leadership and hands-on development in mobility infrastructure and tokenized finance. Below are key team members instrumental in the conception, execution, and future growth of this project.

(Core team bio here)

## 12. Contact

Africa Fast Ferry Ltd.

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 <https://github.com/afraid-inc/afrx-security-token>

### 13. Terms & Conditions

Participation in this token offering is subject to the terms outlined in the following legal documents, which will be provided during onboarding:

- **Token Purchase Agreement (TPA)** – A legally binding agreement that outlines the rights, obligations, restrictions, and warranties associated with purchasing AFFEQ and AFFR tokens.
- **Subscription Form** – A signed document completed by each investor to confirm eligibility, investment amount, wallet address, and acceptance of terms.
- **Private Placement Memorandum (PPM)** – A detailed disclosure document outlining the offering, risks, corporate structure, and token rights (available to institutional investors upon request).
- **Company Bylaws & Shareholder Terms** – Applicable only to AFFEQ token holders who convert to direct equity or participate in shareholder actions.

Investors must complete full KYC/AML verification before participating. Receipt of tokens does not confer voting or equity rights unless explicitly stated in the Token Purchase Agreement.