

## **BASA**

BASA is the acronym for a **Buyers and Sellers Alliance**; it is a not-for-profit trading system for just about anything. BASA has a messaging and payments facility in either Australian dollars and/or gold. The dollar option utilises usual credit/debit card and bank to bank transfer systems and the gold option utilises a digitised unit, the Gold Trade Note (GTN). Participants can also buy and sell GTNs to and from the Custodian of the Alliance with payment in monetary gold bullion bars of 1 gram, 10 grams, 100 grams 500 grams and 1 kilo on the basis that 100 GTNs = 1 gram of gold.

Initially BASA is intended to trial in Australia with Australian dollars and the gold trade note but after proving the system as fit for purpose it could be licenced to function in any other nation of the world that chooses to implement a BASA and the gold trade note. And then all the various BASA's of the world could establish a global settlement bridge for their Participants' international trade in GTNs.

## **Rules**

BASA is a not-for-profit Strategic Alliance between an unlimited number of entities for the specific purposes of buying and selling products, services and commodities from and to each other including payment and when requested also delivery. Trade in illegals are not permitted. As an Alliance each participating entity retains its independence and neither inherits any liability of other parties as in a partnership.

Entities joining the Alliance are referred to as Participants.

Participation commences from the date and time the Participant lists what it wants to buy or sell on the website of the Alliance and continues until the date and time the Participant removes its data from the website of the Alliance or upon the decision of the Manager in accordance with its authority to suspend or cancel the Participant's listing.

The Alliance shall at inception and every 3 years thereafter appoint a Manager which is empowered to carry out the following duties and charge for its services:

1. arrange for construction, hosting and maintenance of the website of the Alliance;
2. appoint one or more Custodians to provide secure vaulting services for gold which is the property of the Participants;
3. ensure that all Participants comply with the Rules of the Alliance and applicable law;
4. immediately suspend the account of any Participant who is in default of the Rules or law and if the Participant fails to correct its wrongdoing within the time allowed in accordance such Rules or law, the Manager shall cancel the Participant's right to use BASA;

All transactions are recorded in two automated common ledgers, one for transactions denominated in Australian dollars and the other for transactions in GTNs both with mirror entries in the phone wallets of each Participant for their respective transactions.

Transactions in GTNs are subject to an automated charge of 0.25% which is set aside as a reserve against loss or damage of the gold owned by the Participants.

Sellers can list their goods, services and commodities for sale free of charge and buyers pay the Alliance a fee of 2% on the selling price for items other than motor vehicles (1%) and real estate (0.25%). Buyers can buy or bid for listed products paying in dollars or GTNs.

Participants earn dollars and GTNs from sales of their goods, services and commodities and spend dollars and GTNs on purchases. Participants can also trade GTNs to and from the Custodian of the Alliance with payment in monetary gold bullion bars of 1 gram, 10 grams, 100 grams, 500 grams and 1 kilo on the basis that 100 GTNs = 1 gram of gold.

Both the dollar and GTN accounts of the Alliance shall be audited for each financial year ending 30<sup>th</sup> June and any net profit shall be credited to the Participants in the ratio that their respective total amounts of their purchase's bears to the total of all purchases in the dollar and GTN accounts for that year.

The Australian Anti-Money Laundering and Counter-Terrorism Financing Act 2006 applies to some Participants dealing in GTNs.

### **Ownership of Gold Held by Custodians**

Gold held by the Custodians at any given time is held as pool allocated and deemed to be owned by each member of the Alliance in the ratio that their GTNs bear to all GTNs on issue at any given time.