Base Prospectus dated 21 February 2023

Global X Digital Assets Issuer Limited

(Incorporated and registered in Jersey under the Companies (Jersey) Law 1991 (as amended), with registered number 139150) LEI: 254900GFVKWOIHOFGO32

CRYPTO ETP PROGRAMME

What is this document?

This document (the "**Base Prospectus**") is issued by Global X Digital Assets Issuer Limited (the "**Issuer**") for its crypto ETP programme (the "**Programme**") for the issue of undated, limited recourse, non-interest bearing exchange traded debt securities ("**Securities**"). The Securities are issued on the terms and conditions set out in this Base Prospectus (the "**Conditions**") as completed by the final terms in respect of the relevant Series of Securities (the "**Final Terms**").

It is important that an investor carefully reads, considers and understands this Base Prospectus before making an investment in the Securities. Particular notice should be taken to the section headed "*Risk Factors*".

What securities are being issued pursuant to this Base Prospectus?

This Base Prospectus relates to the issue of Securities by the Issuer. The Issuer is making a number of classes of Securities available which intend to provide investors with a return equivalent to holding the particular cryptoasset (each an "**Underlying Cryptoasset**"), less certain fees, costs and expenses as set out in the Conditions.

The Securities are complex, structured products which may involve a significant degree of risk and may not be suitable or appropriate for all types of investor. Any person wishing to invest should seek appropriate financial, tax and other advice from an independent financial advisor with appropriate regulatory authorisation and qualifications. An investment in the Securities is only suitable for persons who understand the economic risk of such investment and are able to bear the risk for an indefinite period of time. A prospective investor should be aware that the value of their entire investment or part of their investment in the Securities may be lost.

What is in this Base Prospectus?

This Base Prospectus comprises a base prospectus for the purposes of Article 8 of Regulation (EU) 2017/1129 (the "**EU Prospectus Regulation**") and for the purpose of giving information with regard to the Issuer and the Securities which, according to the particular nature of the Issuer and the Securities, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Issuer and the rights attaching to the Securities. In particular, this Base Prospectus contains: (i) a description of the key features of the Programme; (ii) the key risks of an investment in the Securities; (iii) a description of how a prospective investor's return on the Securities is calculated; and (iv) an explanation of how the legal documents for the Programme operate together.

Unless otherwise defined elsewhere in this Base Prospectus, capitalised terms used in this Base Prospectus shall have the meaning given to them in the Master Definitions and Construction Terms. The language of this Base Prospectus is English. Certain technical terms including references to legislation have been included in their original language so that the meaning may be ascribed to them under the relevant law.

How long is this document valid?

This Base Prospectus has been approved by the Swedish Financial Supervisory Authority *Finansinspektionen* (the "**Swedish FSA**"), as competent authority under Regulation (EU) 2017/1129 (such approval the "**Swedish FSA Approval**"). The Swedish FSA only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129. Such approval should not be considered as an endorsement of the Issuer or the quality of the Securities that are the subject to this Base Prospectus. Investors should make their own assessment as to the suitability of investing in the Securities.

This Base Prospectus is valid for a maximum period of twelve months from the Swedish FSA Approval. The Issuer will, in the event of any significant new factor, material mistake or inaccuracy relating to information included in this Base Prospectus which is capable of affecting the assessment of the Securities, prepare a supplement to this Base Prospectus. The obligation to prepare a supplement to this Base Prospectus in the event of any significant new factor, material mistake or inaccuracy does not apply when this Base Prospectus is no longer valid.

What information is included in the Final Terms?

The Final Terms set out the information relevant to the specific Series of Securities to which they relate. This includes the number of Securities to be issued, the quantity and type of Underlying Cryptoasset which each Security is entitled to (known as the "**Coin Entitlement**"), the Transaction Parties and certain fees and costs applicable to the Series to be issued.

What other information should a prospective investor consider?

Certain of the information in this Base Prospectus is incorporated by reference. This means that the information is not set out in this Base Prospectus, but is publicly available to prospective investors elsewhere and is deemed part of this Base Prospectus. Prospective investors should ensure that they review this Base Prospectus (including any information incorporated by reference) and the applicable Final Terms carefully.

A copy of this Base Prospectus (including any information incorporated by reference) is available at https://globalxetfs.eu/ (the "**Issuer's Website**").

Arranger

Global X Digital Assets, LLC (the "**Arranger**")

CONTENTS

GENERAL DESCRIPTION OF THE PROGRAMME

The following overview does not purport to be complete and is taken from, and is qualified in its entirety by the remainder of this Base Prospectus and, in relation to the Conditions of any particular Series of Securities, the applicable Final Terms. This overview constitutes a general description of the Programme for the purposes of the EU Prospectus Regulation.

PARTIES	
Issuer:	The Issuer is incorporated as a public company in Jersey and its principal activity is the issuance of the Securities and entry into related transactions. The Issuer was converted to a public company by special resolution on 10 February 2022.
Arranger:	Global X Digital Assets, LLC The Arranger arranges the Programme and provides certain administrative and operational services in respect of the Programme and is paid a fee by the Issuer in respect of such services.
Trustee:	The Law Debenture Trust Corporation p.l.c. The Trustee holds the assets granted as security for the Issuer's obligations in respect of each Series of Securities on trust for itself and the other Secured Creditors.
Custodian:	Coinbase Custody International Limited The Custodian holds the Underlying Cryptoassets in relation to a Series of Securities in the Issuer's secured account.
Administrator:	JTC Fund Solutions (Jersey) Limited The Administrator provides certain administrative and corporate services to the Issuer.
Issuing and Paying Agent:	Computershare Investor Services (Jersey) Limited The Issuing and Paying Agent processes subscriptions and redemptions of the Securities via CREST.
Paying Agent(s):	The Issuing and Paying Agent and any additional Paying Agents specified in the applicable Final Terms. For the purposes of any Securities that are listed on the SIX Swiss Exchange, the Swiss Paying Agent will be specified in the applicable Final Terms. The Paying Agent(s) make payments to Securityholders via the Relevant Clearing System.
Registrar:	Computershare Investor Services (Jersey) Limited The Registrar maintains the register and records of Securityholders in Jersey.
Determination Agent:	JTC Fund Solutions (Jersey) Limited The Determination Agent makes certain determinations in respect of Series the Securities.
Authorised Participants:	To establish liquidity for the Securities, the Issuer enters into agreements with Authorised Participants in respect of the creation and redemption of the Securities. The Authorised Participants will deliver the relevant Underlying Cryptoasset to the secured account with the Custodian and, on receipt of such Underlying Cryptoasset, the Issuer will create and deliver the Securities to the Authorised Participants. The Authorised Participants for each Series of Securities will be specified in the applicable Final Terms and/or published on the Issuer's Website.

Documentation:	The Securities are governed by the Conditions, as completed by the applicable Final Terms. The Issuer's relationship with the relevant transaction parties is governed by agreements entered into on or around the date of this Base Prospectus in respect of all Series of Securities or certain master terms, each of which set out the Issuer's agreement with each Transaction Party. Each Series of Securities will be issued by the execution of a Constituting Document, under which the parties to each master terms agrees to enter into an agreement on the form of the master terms for the purposes of that Series of Securities. See the section headed "*Programme Structure*".
FORM OF SECURITIES	
Form and issue method:	Securities will be issued in Series, with the Securities of each Series being intended to be interchangeable with all other Securities of that Series. The Issuer may issue further Tranches of a Series of Securities from time to time. The Securities may be issued in registered form or uncertificated form as specified in the applicable Final Terms. Securities issued under the Programme will be non-interest bearing, undated, secured, debt obligations of the Issuer. The Securities do not pay dividends or interest. Securities will be limited recourse obligations of the Issuer, ranking *pari passu* without any preference among themselves.
APPLICATION AND REDEMPTION PROCESS	
Applications and redemptions:	It is intended each Series of Securities will be subject to a continual and ongoing issuance and redemption mechanism under which Authorised Participant(s) may subscribe for new Securities or redeem existing Securities in accordance with the Conditions and the Authorised Participant Agreement(s). In certain circumstances, Securityholders that are not Authorised Participants may also request the issuance or redemption of Securities, with the redemption of Securities to be settled either physically or in cash. The Issuer may charge Securityholders a Redemption Fee to redeem Securities directly with the Issuer. The level of such fee will be notified to Securityholders by the Issuer on receipt of a request for redemption. The Securities may also redeem compulsorily in certain circumstances, and the Issuer will give notice of such compulsory redemption. See "*Redemption Events*". The Issuer may, at any time in its sole discretion, suspend the right to request subscriptions of any Series of Securities.

Flow of funds:

A prospective investor may buy and sell Securities in cash on the Relevant Stock Exchange (as defined in the Conditions) on which such Securities are admitted to trading, or in "over-the-counter" transactions directly with Authorised Participants. To establish liquidity for the Securities, the Issuer enters into agreements with Authorised Participants in respect of the creation and redemption of the Securities. Any cash paid by a prospective investor in respect of these transactions is not received by the Issuer. Instead, such cash would be paid to the relevant Authorised Participant and the relevant Authorised Participant will deliver the relevant Underlying Cryptoasset to the Issuer's account with the Custodian in an amount required under the Conditions and in accordance with the relevant Authorised Participant Agreement. In certain circumstances, the Issuer may elect to accept cash applications from Authorised Participants or Securityholders, in which the Authorised Participants or Securityholders, will deliver cash to an account of the Issuer in an amount required under the Conditions and in accordance with the Authorised Participant Agreements (as applicable), which the Issuer will then apply to acquire the relevant Underlying Cryptoassets in an amount required under the Conditions. As at the date of this Base Prospectus, the Issuer intends for all subscriptions (and redemptions) for any Series of Securities to be effected physically through delivery by the Authorised Participant (or to the Authorised Participant) of the relevant Underlying Cryptoasset.

In circumstances where there are no Authorised Participants on a Business Day, the Issuer irrevocably undertakes to give a notice to confirm that Securityholders who are not Authorised Participants may request the redemption of Securities of a Series directly with the Issuer. The Issuer confirms that in these circumstances, Securityholders who are not Authorised Participants will be able to receive redemption via the Cash Redemption Procedures unless they opt for redemption via the Physical Redemption Procedures as detailed in the Conditions.

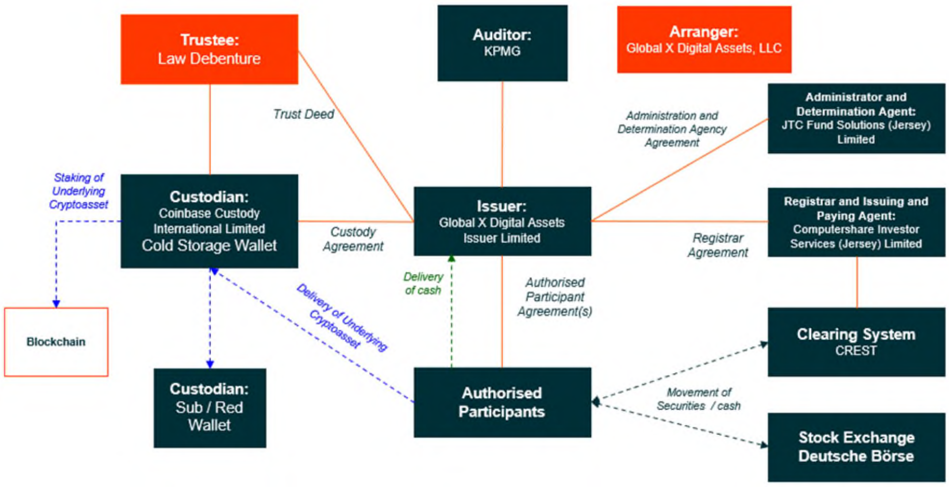
Each Authorised Participant will be a reputable bank or financial services institution experienced in dealing in or brokering transactions in Cryptoassets or assets that are similar to Cryptoassets subject to the appropriate regulation to carry out such activity in: (i) the European Union; (ii) Jersey; (iii) the United Kingdom; and/or (iv) any other jurisdiction that is not a country or territory identified as presenting higher risks in the AML/CFT Handbook for regulated financial services business published by the Jersey Financial Services Commission from time to time (the "**JFSC AML/CFT Handbook**"). Should an Authorised Participant appointed by the Issuer be located in a jurisdiction that, following its appointment, becomes a country or territory identified as presenting higher risks in the JFSC AML/CFT Handbook, the Issuer shall exercise its contractual rights to terminate the Authorised Participant's appointment as soon as practicable.

The Issuer will then create the Securities and deliver them to the Authorised Participants via the Relevant Clearing System (such as CREST). The Issuer may charge the Authorised Participant fees in respect of the creation of Securities, as agreed between the Issuer and the Authorised Participant. The Authorised Participant may then sell the Securities on the Relevant Stock Exchange on which such Securities are admitted to trading, sell the Securities in "over-the-counter" transactions or hold the Securities.

Prospective investors may be charged fees to purchase or sell any Securities, by Authorised Participants, intermediaries or brokers or by the Relevant Stock Exchange on which Securities are listed. Prospective investors should speak to their broker or intermediary and seek advice on the details of any such fees.

Once issued, the relevant Underlying Cryptoassets (either delivered by the Authorised Participants or acquired by the Issuer) will be held with the Custodian as security for the Issuer's obligations in respect of the Securities.

A diagrammatic overview of the contractual structure and flow of funds is set out below:



UNDERLYING CRYPTOASSETS

Underlying Cryptoassets:

The Securities will be linked to the Underlying Cryptoasset specified in the applicable Final Terms.

The Underlying Cryptoassets have characteristics whereby, taken together, they demonstrate a capacity to produce funds to service the Issuer's obligations due under the Securities.

CUSTODY AND SECURITY ARRANGEMENTS

Custody:

The Underlying Cryptoassets in respect of a Series of Securities will be held in safe custody by the Custodian in a segregated custody account controlled and secured by the Custodian (the "**Custody Account**").

The Custody Account will be operated through an online portal provided by the Custodian and will be subject to the security granted to the Trustee in respect of the relevant Series of Securities. See "*Security Arrangements*" and "*Custody Arrangements*".

Staking:

If supported by the Custodian in respect of an Underlying Cryptoasset, the Issuer may elect to stake or vote the Underlying Cryptoassets in respect of any Series of Securities by delivering an instruction to the Custodian. The Custodian will comply with any instruction from the Issuer to stake or vote the Underlying Cryptoassets held in the Custody Account. The Custodian shall transfer to the Issuer any rewards which may be payable in respect of such staking or voting, minus any commission payable to the Custodian as may be agreed between the Issuer and the Custodian from time to time. The Issuer will adjust the individual Coin Entitlement in respect of the relevant Underlying Cryptoasset subject to staking to reflect the staking reward actually received by the Issuer with respect to such Underlying Cryptoassets.

See the section headed "*Custody Arrangements*".

Security:	The Issuer's obligations in respect of each Series of Securities are secured over all of the Issuer's rights, title and interest in respect of the Underlying Cryptoassets (including all property, income, sums or other assets derived therefrom), the relevant Custody Agreement, any bank accounts (present and future) maintained with any account bank or custodian opened in respect of such Series of Securities, any agreement (present or future) with any such account bank or custodian, and any sums relating to such Series of Securities standing to the credit thereof and all sums held by any Paying Agent and/or the Custodian (the "**Transaction Security**" and the assets subject to the Transaction Security being the "**Secured Property**"). There are no credit enhancements or liquidity support in relation to the Securities. The Transaction Security is granted in favour of the Trustee who holds the Secured Property on trust for itself, the Securityholders and the other parties to whom the Issuer owes obligations in relation to the Series of Securities (the "**Secured Creditors**"). See the section headed "*Security Arrangements*".
Enforcement and order of priority:	On the occurrence of an Event of Default, the Trustee may in its discretion (and shall if directed in writing by holders of at least 25 per cent. in number of the Securities of the relevant Series then outstanding or by an Extraordinary Resolution), in each case subject to being indemnified and/or secured and/or prefunded to its satisfaction, enforce the Transaction Security. The Trustee shall hold the proceeds of enforcement of the Secured Property received by it under the Trust Deed on trust, and apply them: • *first*, in payment or satisfaction of all fees, costs, charges, expenses, liabilities, losses and other amounts due to the Trustee, any receiver or any Irish Receiver (as defined in the Conditions); • *second*, in or towards payment or satisfaction of the Redemption Amount to Securityholders; and • *third*, in payment of any balance to the Issuer for itself or as it may direct. See the sections headed "*Security Arrangements*" and "*Sale and Transfer of the Underlying Cryptoassets, Enforcement of Security and Limited Recourse*".
REDEMPTION	
Redemption Events:	The Securities are perpetual and have no fixed maturity date. The Securities will only redeem on the occurrence of a Redemption Event. ***Optional Redemption*** The Securities may be redeemed by a Securityholder who is an Authorised Participant (or, where there are no Authorised Participants or where the Issuer notifies the Securityholders that such redemptions are permitted) by a Securityholder who is not an Authorised Participant, in each case by submitting a valid redemption order. If the Determination Agent determines that the market value of the Securities falls below a certain threshold value, the Issuer may suspend the right to request redemptions. ***Compulsory Redemption*** The Securities will be redeemed compulsorily on occurrence of any of the following events: • at the discretion of the Issuer on giving 30 calendar days' notice to Securityholders;

	• on the insolvency of the Issuer; • in the absolute discretion of the Issuer where, following a written notice delivered by the Issuer to a Securityholder requiring that Securityholder to provide, within 10 Business Days of such notice, an executed certificate and evidence satisfactory to the Issuer that such Securityholder is not a Prohibited Securityholder; (i) that Securityholder certifies that it is a Prohibited Securityholder; or (ii) that Securityholder fails to provide an executed certificate in the form and manner required under the Conditions as to its status as a Prohibited Securityholder within 10 Business Days from the date of the Issuer's notice; • where it becomes illegal or impossible for the Issuer to issue or deal with the Securities or hold, or deal with, the Underlying Cryptoassets; or • following an Event of Default. See the section headed "*Redemption Events*".
Redemption Procedures:	The redemption process depends on whether the Securities are redeemed in accordance with the Physical Redemption Procedures or the Cash Redemption Procedures. The Securities may be redeemed in accordance with the Cash Redemption Procedures where the Issuer makes an announcement permitting such redemption or where there are no Authorised Participants, in each case in accordance with the Conditions. ***Physical Redemption Procedures*** Where the Securities are redeemed in accordance with the Physical Redemption Procedures, the Issuer will instruct the Custodian to transfer an amount equal to the Coin Entitlement of the Underlying Cryptoasset to the account of the Securityholder via the relevant Authorised Participant. ***Cash Redemption Procedures*** Where the Securities are redeemed in accordance with the Cash Redemption Procedures, the Issuer will arrange the sale of the Underlying Cryptoasset. The Issuer will then transfer an amount in the Base Currency equal to the Redemption Amount to the Securityholder through the Relevant Clearing System via the relevant Authorised Participant. As at the date of this Base Prospectus, the Issuer intends that all Securities will be redeemed in accordance with the Physical Redemption Procedures.
RETURN ON THE SECURITIES	
Redemption Amount:	The amount an investor is entitled to on redemption is calculated by reference to the Coin Entitlement, which is a quantity of Underlying Cryptoasset which each Securityholder is entitled to, minus certain costs and expenses known as Redemption Deductions. The initial Coin Entitlement is specified in the applicable Final Terms and reduces on a daily basis to take account of the per annum Arranger Fee charged by the Issuer. The Redemption Deductions reflects the necessary costs and expenses actually incurred by the Issuer in relation to the transfer or sale of the Underlying Cryptoasset. The Redemption Deductions are expressed using the concept of the Coin Equivalent, which converts the amount of the costs and expenses incurred by the Issuer in fiat currency into the relevant Underlying Cryptoasset.

	The form of an investor's return on redemption will depend on whether the Securities are redeemed in accordance with the Physical Redemption Procedures or the Cash Redemption Procedures. ***Physical Redemption*** Where the Securities are subject to physical redemption, the Redemption Amount is calculated as the product of: (A)(i) the Coin Entitlement for that Series of Securities; and (ii) the number of Securities held by that Securityholder subject to redemption; *minus* (B) the Coin Equivalent of the Redemption Deductions with respect to the Securityholder and the Securities of that Series held by that Securityholder. ***Cash Redemption*** Where the Securities are subject to cash redemption, the Redemption Amount is calculated as the quotient of: (A)(i) the net proceeds actually realised from the sale of an amount of Underlying Cryptoasset equal to the Coin Entitlement for such Series; and (ii) the proportion that the Securities of such Series held by that Securityholder that are subject to redemption bears to the total number of Securities of such Series subject to redemption; *minus* (B) the Coin Equivalent of the Redemption Deductions for the Series subject to redemption. See the section headed "*Economic overview of the Securities*", which includes worked examples of the return on the Securities in three hypothetical circumstances.
LISTING AND OFFERING	
Listing	Application may be made for Series of Securities to be admitted to the stock exchange specified in the applicable Final Terms (the "**Relevant Stock Exchange**") during the maximum period of 12 months from the date of this Base Prospectus. There cannot be any guarantee that admission to listing or trading will be obtained or, if so obtained, will be maintained in respect of any Series of Securities. Nor can there be any guarantee that any Series of Securities will be admitted to a Relevant Stock Exchange upon issuance. Deutsche Börse Xetra ("**Xetra**") is a regulated market for the purposes of Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments (as amended, "**MiFID II**"). The Swedish FSA Approval specified on page (i) relates only to the Securities which are to be admitted to trading on Xetra or other regulated markets for the purposes of MiFID II and/or which are to be offered to the public in any Member State of the European Economic Area. References in this Base Prospectus to Securities being "listed" (and all related references) shall mean that such Securities have been admitted to trading on a Relevant Stock Exchange, unless specified otherwise in the applicable Final Terms.
Selling restrictions:	Save for the approval of the Prospectus by the Swedish FSA which allows for a public offering of the Securities in Sweden and any notification of the approval to other EEA Member States in accordance with the EU Prospectus Regulation for the purposes of making a public offer in such Member States, and, if and when this Base Prospectus (together with any supplements hereto) is automatically recognised in accordance with article 54(2) of the Swiss Financial Services Act of 15 June 2018, as amended (the "**FinSA**") by a review body within the meaning of article 52 of the FinSA (any such review body, a "**Swiss Review Body**") as a base prospectus within the meaning of article 45 of the FinSA, a public offering of Securities in Switzerland, no representation is made that any action has been taken in any jurisdiction that would permit a public offering of any of the Securities, or possession or distribution of this Base Prospectus or any other offering material or any

	applicable Final Terms, in any country or jurisdiction where action for that purpose is required. Securities are not permitted to be sold to or purchased by persons resident in Jersey (other than financial institutions in the normal course of business).
Clearing and settlement:	The Securities may be issued in registered form or uncertificated form as specified in the applicable Final Terms. The settlement of transactions in respect of the Securities will take place in CREST, Euroclear, Clearstream, Frankfurt, Clearstream, Luxembourg or any other recognised clearing system in which Securities may be cleared (the "**Relevant Clearing System**"). The Relevant Clearing System for any Series of Securities will be specified in the applicable Final Terms. To the extent that settlement of transactions in the Securities takes place in CREST, a paperless multi-currency electronic settlement procedure enabling securities (including debt securities) to be evidenced otherwise than by written instrument, and transferring such Securities electronically with effective delivery versus payment, the Securities are participating securities. As at the date of this Base Prospectus, the Issuer intends that the Relevant Clearing System in respect of any Series of Securities will be CREST.
OTHER TERMS	
Limited recourse:	The Securities are limited recourse obligations of the Issuer. Each Series of Securities will be secured by a security interest created in favour of the Trustee over the assets allocated to a Series of Securities. If the proceeds of enforcement of the security interest in such assets are not sufficient to meet all of its obligations, debts or liabilities in respect of the Series of Securities, the Issuer's obligations, debts or liabilities in respect of the Securities will be limited to those proceeds. No other assets of the Issuer nor any assets relating to any other Series will be available to meet any shortfall. See the section headed "*Enforcement of Security and Limited Recourse Provisions*".
Withholding tax:	All payments and/or deliveries in respect of any Securities will be subject in all cases to any applicable fiscal or other laws, regulations and directives, and will be made subject to any withholding or deduction for, or on account of, any present or future taxes, duties or charges of any nature (including pursuant to FATCA) that the Issuer or any Agent is required by Applicable Law to make. If any such withholding or deduction is required, no additional amounts will be paid by the Issuer or any Agent in respect of such withholding or deduction.
Further issues:	The Issuer may from time to time issue further Securities of a Series on the same terms as such existing Securities and on terms that such further Securities shall be consolidated and form a single series with the existing Securities of the Series.
Governing law:	The Securities are governed by English law.
Rating:	Securities issued under the Programme are not expected to be rated.

RISK FACTORS

Prospective investors in Securities should carefully consider the following information in conjunction with the other information contained in this Base Prospectus, any supplement to this Base Prospectus, the information contained in the documents set out in the sections entitled "Important Information" and "Conflicts of Interest", as well as any Final Terms before purchasing any Securities.

The assessment of materiality of each risk factor is based on the Issuer's assessment (as of the date of this Base Prospectus) of the probability of its occurrence and the expectation of the magnitude of its adverse impact which are disclosed by rating the relevant risks as low, medium or high. Prospective investors should note that, in practice, any risk(s) may materialise and the magnitude of the associated impact may vary depending on the circumstances.

The risk factors are presented in categories where the most material risk factors in a category is/are presented first under such category. Subsequent risk factors in the same category are not ranked in order of materiality or probability of occurrence. Where a risk factor may be categorised in more than one category, such risk factor appears only once and in the most relevant category for such risk factor.

The following risk factors set out those factors that the Issuer believes:

- represent the principal risks (including the market risks) inherent in investing in the Securities;
- may affect its ability to fulfil its obligations under the Securities; and/or
- may be material (by reference to general criteria that are not particular to the specific circumstances of any individual prospective investor) for the purposes of investors making an informed investment decision in respect of the Securities.

Investors should be aware that more than one risk factor may simultaneously affect with regard to the Securities, such that the effect of a particular risk factor may not be predictable. In addition, more than one risk factor may have a compounding effect which may not be predictable. No assurance can be given as to the effect that any combination of risk factors may have on the value of the Securities. Investors must be aware that they may lose substantially all of their investment in the Securities.

For the purposes of these risk factors, references to "**Securityholders**" or "**holders**" of Securities should generally be read as including holders of beneficial interests in such Securities, except where the context otherwise requires.

1. Risks relating to the Issuer

1.1 The Issuer is a special purpose vehicle

The only business of the Issuer is the issuance of Securities and the related purchase of the Underlying Cryptoassets and/or entering into related transactions.

The Issuer will have no assets with which to make any payments under any Series of Securities or meet claims made against it other than the Secured Property in respect of that Series.

Accordingly there are risks in investing in the Securities issued by the Issuer which differ from risks in investing in instruments issued by a trading entity with substantial assets and/or operations, as Securityholders take risk on the creditworthiness of the Issuer and the Issuer is solely reliant on the Underlying Cryptoassets to meet its obligations under the Securities.

Risk rating: Medium

1.2 The Issuer is structured to be insolvency-remote, but it is not insolvency-proof

The Issuer is structured to be insolvency-remote and will only contract (as provided for in the relevant Trust Deed) with parties who agree not to make any application for the commencement of winding-up or bankruptcy or similar proceedings against the Issuer.

However, there is no assurance that all claims that arise against the Issuer will be on the basis that such action will not be taken, or that such contractual provisions will necessarily be respected in all jurisdictions, in particular where claims arise from third parties that have no direct contractual relationship with the Issuer or if the Issuer fails for any reason to comply with its contractual obligations (including the obligation only to contract on a “non-petition” basis).

A creditor (including a contingent or prospective creditor) that has not accepted non-petition provisions in respect of the Issuer may be entitled to make an application for the commencement of insolvency proceedings against the Issuer. The commencement of such proceedings may entitle such a creditor to terminate contracts with the Issuer and claim damages for any loss suffered as a result of such termination. If the Securities remain outstanding at the time that any insolvency proceedings are commenced, this will constitute an Issuer Insolvency Event and lead to redemption of each Series of Securities and related enforcement actions. Such redemption may take place at a time when the price of the Underlying Cryptoasset is unfavourable to Securityholders. This may result in Securityholders receiving less, or substantially less, than they had anticipated in circumstances over which they have no control.

Risk rating: Low

1.3 The Issuer is operated by an administrator

The Issuer has appointed and is operated by the Administrator in accordance with the Administration and Determination Agency Agreement. The Administrator is an independent, third party entity which has agreed to provide certain administrative, accounting and related services to the Issuer. The majority of the directors of the Issuer are employees of the Administrator.

In addition to employees of the Administrator, one of the directors of the Issuer is an employee of the Arranger. Such director only has the duties and responsibilities expressly agreed in respect of such role and those imposed by law. The Arranger may enter into business dealings relating to the Securities or the Underlying Cryptoassets without any regard for the interests of Securityholders or any duty to account for such revenues or profits. See “*Conflicts of Interest”*.

The operations of the Issuer may be adversely affected by the termination of the appointment of the Administrator, the insolvency or bankruptcy of the Administrator or any default, negligence or fraud on the part of the Administrator or any of its employees or agents.

Risk rating: Medium

1.4 The Issuer is subject to anti-money laundering legislation which, if violated, could materially and adversely affect the timing and amount of payments made by the Issuer

The Issuer is subject to legislation and regulations relating to corrupt and illegal payments and money laundering (including tax evasion) as well as laws, sanctions and restrictions relating to certain individuals and countries. If the Issuer were determined by the relevant authorities to be in violation of any such legislation or regulations, it could become subject to significant penalties, including in certain cases criminal penalties.

Any such violation could have a material and adverse effect on the timing and amount of payments or deliveries made by the Issuer to Securityholders in respect of the Securities. A breach of the relevant legislation in respect of one Series of Securities may affect the legal and regulatory treatment of all Series of Securities issued by the Issuer. This may ultimately lead to a compulsory redemption of the Securities at a time when the price of the Underlying Cryptoasset may be unfavourable to Securityholders and at a time over which Securityholders have no control. In circumstances where the Issuer has been found to be in violation of such legislation and regulations, the Custodian may suspend the Issuer's access to the Underlying Cryptoasset and the Issuer may be unable to make any transfers of Underlying Cryptoassets in respect of its obligations under the Securities. Such events are likely to have a negative impact on the return on the Securities.

Risk rating: Medium

2. Risks relating to the Securities

2.1 The Issuer's obligations are limited recourse

The Securities are secured, limited recourse obligations of the Issuer. Payments or deliveries due in respect of any Series of Securities (including the Redemption Amount) will be made solely out of amounts received by or on behalf of the Issuer in respect of the Secured Property relating to that Series. The Secured Property relating to any Series is constituted in the main of the Underlying Cryptoassets which may be subject to cryptographic key theft; compromise of login credentials; and distributed denial-of-service (DDoS) attacks.

If amounts received in respect of Secured Property are insufficient to make payments or deliveries in respect of the Securities, no other assets will be available to Securityholders and any outstanding claim against the Issuer will be extinguished. In such circumstances Securityholders may lose some or all of their investment.

Risk rating: High

2.2 Decisions made by written resolution of the Securityholders or by Extraordinary Resolution are binding on all Securityholders

The Trust Deed contains provisions for calling meetings of Securityholders of each Series (including by ways other than physical meetings) to consider any matter affecting their interests, including obtaining written resolutions on matters relating to the Securities. A written resolution signed by or on behalf of the holders of not less than 75 per cent. of the aggregate number of the Securities of the relevant Series who for the time being are entitled to receive notice of a meeting in accordance with the Trust Deed shall be deemed to be an Extraordinary Resolution.

In certain circumstances, the Issuer and the Trustee will also be entitled to rely upon approval of a resolution given by way of electronic consents communicated through the relevant clearing system.

A written resolution or an electronic consent described above may be obtained in connection with any matter affecting the interests of Securityholders.

These provisions permit defined majorities to bind all Securityholders, including Securityholders who did not attend and vote at the relevant meeting or in respect of the relevant resolution and Securityholders who voted in a manner contrary to the majority.

The interests of the Securityholders forming the required majority may not coincide with those of other Securityholders and, accordingly, a Securityholder may be adversely affected by a decision made or action taken by other Securityholders without its consent.

Risk rating: High

2.3 Directions from certain minorities of Securityholders will bind all Securityholders

Following a direction in writing by holders of not less than 25 per cent. in number of the Securities, the Trustee may declare that an Issuer Insolvency Event has occurred leading to enforcement of the security in respect of a Series of Securities, or that the Transaction Security in respect of a Series of Securities is enforceable.

Any such action taken by the Trustee to enforce the Transaction Security shall be binding on all Securityholders, even those that did not so direct the Trustee.

The interests of particular Securityholders who direct the Trustee as such may not coincide with (and may not be in the bests interest of) those of other Securityholders. The majority required to enforce the security is also lower than 50 per cent., meaning that the Transaction Security may be enforced even if only a minority of the Securityholders of a Series direct the Trustee accordingly, and all other Securityholders of that Series will be bound by that direction.

Risk rating: Medium

2.4 The Trustee may, in certain circumstances, agree to modifications, waivers and the substitution of the Issuer without the consent of the Securityholders

The Trustee may, in certain circumstances and without the consent of Securityholders, agree to:

- modifications to any of the Conditions and any of the provisions of the Transaction Documents made pursuant to and in accordance with the requirements set out in Condition 19.5 (*FATCA and similar information*);
- any modification of any of the Conditions or any of the provisions of the Transaction Documents that is in its opinion of a formal, minor or technical nature or is made to correct a manifest error;
- any other modification, and any waiver or authorisation of any breach or proposed breach of any of the Conditions or any provisions of the Trust Deed and/or the Transaction Documents that is, in the opinion of the Trustee, not materially prejudicial to the interests of any Series of Securityholders; and
- the substitution of another issuer as principal debtor under the Securities in place of the Issuer and a change of the law from time to time governing the Securities, the Trust Deed and/or the Transaction Documents in connection therewith (provided that the Trustee is provided with certain information and certain conditions are met) pursuant to Condition 20.4 (*Issuer Substitution*).

Furthermore, the Trustee may, in certain circumstances and without the consent of Securityholders, determine that any Event of Default or Potential Event of Default shall not be treated as such.

The actions of the Trustee described above may result in changes to the Conditions of a Series of Securities and/or the Transaction Documents or may result in the Securities not being redeemed following an Event of Default when they may otherwise have been redeemed. These actions may have a material adverse effect on the value of the Securities and, in circumstances where the Trustee determines that an Event of Default shall not be treated as such, may result in Securityholders receiving an amount on redemption which may be less, or substantially less, than they had anticipated in circumstances over which the Securityholders have no control.

Risk rating: Medium

2.5 Any system failures, IT disruption or cyber attacks may affect the Securities

Any payments, transfers, determinations or any other actions with respect to the Securities may need to be processed, arranged or made by the relevant clearing system, the Relevant Stock Exchange on which the Securities are admitted to trading, the Issuer and its software systems (including any systems established with Authorised Participants for the subscription and redemption of Securities) or any of the other Transaction Parties. If any computer or communications systems, any market infrastructure provider or custodian and their related arrangements were to experience any system failures, crashes, cyber-attacks, infections with malicious software or any other types of disruption or a force majeure event, that may have an adverse effect on the ability of the relevant parties to make or process the relevant payments, arrange any relevant transfers or deliveries, carry out any determinations or take any other actions that may be required under the terms of the Securities. This is particularly relevant given the nature of the Underlying Cryptoassets, as is further set out in paragraphs 4.5 (*Blockchain risks*) and 4.9 (*Hacking*) below. The Issuer, being a special purpose vehicle, is particularly dependent on the systems of transaction participants to ensure that payments are made in respect of the Securities. A failure on the part of any of the transaction participants (as well as the Issuer itself) may have a significant adverse effect on payments, transfers or deliveries under the Securities and may result in such payments, transfers and/or deliveries being delayed or, potentially, not received at all.

Risk rating: High

2.6 Disruption and suspension

On the occurrence of certain disruption events as set out in Condition 12 (*Disruption and Suspension*), the Issuer may suspend or postpone any request for subscriptions or redemption of Securities. Disruption Events include:

- the Determination Agent determining that the prevailing market value of the Coin Entitlement is less than 100 per cent. of the principal amount of the Security;
- trading and/or settlement in the relevant Underlying Cryptoasset is suspended or limited or any primary trading venue on which such Underlying Cryptoasset trades is not open or has permanently discontinued;
- resignation of all Custodian(s) in respect of the relevant Series of Securities without a replacement having been appointed; and/or;
- the Secured Property in respect of a Series of Securities having been lost or is inaccessible; and/or
- in respect of subscriptions only, at any time in the sole discretion of the Issuer.

During the period that redemption of Securities is suspended, the market value of the relevant Underlying Cryptoassets (and therefore the market value of the Securities) may decrease significantly at a time when Securityholders may be unable to react. This may result in Securityholders receiving less, or significantly less, than they would have received had the Disruption Event not occurred.

Risk rating: High

2.7 Slippage and Execution Costs

The reference price of an Underlying Cryptoasset may deviate from the price at which the Issuer is able to purchase or dispose of that Underlying Cryptoasset which may negatively affect the profits from the sale of that Underlying Cryptoasset on redemptions or creations of the relevant Securities. In such circumstances. Securityholders may lose some or all of their investment.

Risk rating: High

3. Risks relating to redemption and enforcement

3.1 Issuer termination

The Issuer may, upon giving 30 calendar days' notice, at any time in its discretion, elect to determine that any or all Securities are to be redeemed. In such event, the Issuer will apply for the trading of such Securities on the Relevant Stock Exchange on which such Securities are admitted to trading to be suspended or cancelled and will notify the Securityholders on the date on which such trading will be so suspended or cancelled. In such event, this is likely to limit the liquidity of the Securities and Securityholders may be unable to trade in their Securities. During this period, the market value of the relevant Underlying Cryptoasset may decrease significantly, which would have a negative impact on the market value of the Securities. The occurrence of such event could also lead to Securityholders receiving the Redemption Amount at a time where the price of the Underlying Cryptoasset may be unfavourable, which will mean Securityholders will receive an amount which may be less than they had anticipated in circumstances over which the Securityholders have no control.

Following a redemption of the Securities following an Issuer termination, Securityholders may not be able to reinvest the proceeds in a way that generates a level of return as high as that on the Securities and may only be able to do so at a significantly lower rate of return. Prospective investors in the Securities should consider such reinvestment risk in light of other investments that are available to them.

Risk rating: High

3.2 Prohibited Securityholders

The Issuer may, at any time without any requirement to state a reason, give notice to a Securityholder requiring that Securityholder to provide an executed certificate (together with evidence satisfactory to the Issuer, acting reasonably) confirming that the Securityholder is not a Prohibited Securityholder.

The Issuer may redeem the Securities if: (a) following delivery of such notice, that Securityholder (i) certified that it is a Prohibited Securityholder; or (ii) failed to provide an executed certificate in the form and manner required under the Conditions; or (b) at any time the Issuer considers (in its sole discretion): (i) that the Securities are or may be owned or held directly or beneficially by any person in breach of any law or requirement of any country or by virtue of which such person is not qualified to own those Securities; or (ii) that the ownership or holding or continued ownership or holding of those Securities (whether on its own or in conjunction with any other circumstance appearing to the Issuer to be relevant) would, in the reasonable opinion of the Issuer, cause a pecuniary or tax disadvantage to the Issuer or any other Securityholders which it or they might not otherwise have suffered or incurred and/or expose any Transaction Party to a risk of violation of any law or regulation.

If any Securityholder certifies that it is a Prohibited Securityholder, fails to respond to the Issuer's notice or fails to provide evidence satisfactory to the Issuer (or provides such evidence after the time required), or the Issuer consider the Securities are being held in breach of the circumstances in (b) above, then the Securities will be redeemed. The Securities may redeem at a time which is disadvantageous to the Securityholder, when the market value of the Underlying Cryptoassets (and therefore the Securities) is lower than may have been the case had the Securityholder sold its Securities on the Relevant Stock Exchange. This may result in the Securityholder receiving less, or substantially less, than it may have otherwise received.

Risk rating: Medium

3.3 Illegality or impossibility

In certain circumstances the Issuer may (acting reasonably) determine that it has become illegal or impossible to issue or hold the Securities or hold or deal with the Underlying Cryptoassets. If the Issuer makes such a determination, a Compulsory Redemption Event will occur and the Securities will be redeemed at the Compulsory Redemption Amount. The Issuer could make such a determination at a time when the price of the Underlying Cryptoasset is unfavourable, which will mean Securityholders will receive an amount on redemption which may be less, or substantially less, than they had anticipated in circumstances over which the Securityholders have no control.

Risk rating: Medium

3.4 Settlement Date

On compulsory redemption of the Securities, the redemption will settle on the Compulsory Redemption Settlement Date, being the Payment Business Day following the date on which the Issuer instructs for the transfer or sale of the Underlying Cryptoassets. The Conditions give the Issuer (acting reasonably) discretion to determine that the Settlement Date may be any other date to facilitate an orderly redemption of the relevant Series of Securities.

The risk of delayed settlement is more prevalent than with securities linked to traditional assets, given the security measures involved with the store and transfer of Underlying Cryptoassets, whereby the transfer of large amounts of the relevant Underlying Cryptoasset from cold storage and/or between Custodians may lead to delays.

Where the Settlement Date of a Series of Securities is delayed, this will result in Securityholders receiving the Redemption Amount later than they expected to. Any delay in the settlement of the Securities may mean the price of the Underlying Cryptoasset may be less (or significantly less) than if the Securities had redeemed earlier.

Risk rating: Medium

3.5 There may be adverse consequences of the occurrence of a Redemption Event and the liquidation of the Underlying Cryptoassets

The Securities may be redeemed as a result of a Redemption Event. Where the Physical Redemption Procedures apply, the Redemption Amount will be calculated by reference to the Coin Entitlement for the relevant Series of Securities. Where the Cash Redemption Procedures apply, the Redemption Amount will be calculated by reference to the net proceeds actually realised from the sale of the Underlying Cryptoassets. Securityholders will therefore be exposed to the market value of the Underlying Cryptoassets at the time of redemption and the ability of the Issuer to arrange a transfer or sale of the Underlying Cryptoassets.

The timing and method of transfer or liquidation of the Underlying Cryptoassets may materially affect the value or price obtained in respect of the Underlying Cryptoassets, which in turn will impact the Redemption Amount received by Securityholders.

If the Issuer is subject to an Issuer Insolvency Event this may limit the Issuer's ability to transfer or liquidate the Underlying Cryptoassets in accordance with applicable legal and regulatory provisions. This may result in delay in transferring or realising the Underlying Cryptoassets, may impact the value of, or price obtained for, the Underlying Cryptoassets and/or may require the Securityholders to indemnify or meet the costs of the administrator (or equivalent) managing the insolvency of the Issuer. These factors will, in turn, impact the Redemption Amount payable to Securityholders.

See the section headed "*Transfer and Sale of the Underlying Cryptoassets and Limited Recourse provisions*".

Risk rating: Medium

3.6 Redemption Deductions

The Redemption Amount payable to Securityholders on redemption of a Series of Securityholders deducts certain costs and expenses defined in the Conditions as "Redemption Deductions". These costs include, without limitation, costs in relation to the transfer or sale of Underlying Cryptoassets, banking or custody fees incurred in the transfer of Underlying Cryptoassets, currency conversion fees, fees payable to the relevant blockchain network on which the Underlying Cryptoasset operates to record its transfer and any withholding or deduction on account of tax. The amount of Redemption Deductions deducted will be notified to Securityholders on redemption.

In addition, where Securityholders who are not Authorised Participants elect to redeem Securities directly with the Issuer following a notification from the Issuer, a Redemption Fee is payable. The level of such fee will be notified to Securityholders by the Issuer on receipt of a request for redemption.

Prospective investors should note that the deduction of the Redemption Deductions may mean that the amount received by Securityholders on redemption will be less than the Coin Entitlement in respect of such Series of Securities. This may mean that Securityholders receive less than they had expected on redemption, which may be less than their initial investment even in circumstances when the price of the Underlying Cryptoasset has increased during the life of the Series of Securities.

Risk rating: Medium

3.7 Payments to Securityholders are subordinated to the claims of other Secured Creditors

The rights of the Securityholders to be paid the Redemption Amount under the Securities on enforcement of the Transaction Security are subordinate to the claims of the Trustee, any Irish Receiver or any receiver(s) under or pursuant to the Trust Deed or any Security Document, including, without limitation, any Taxes required to be paid and any fees, costs, charges and expenses.

As a result, funds available to the Issuer in connection with the Securities will be applied to satisfy such senior ranking payments before the Redemption Amount is paid to Securityholders.

If the Issuer has insufficient funds available after satisfying higher ranking claims described above, the Redemption Amount payable to Securityholders will be reduced and Securityholders will lose some, and potentially all, of their investment.

Risk rating: Medium

3.8 Only the Trustee may enforce the Transaction Security

Securityholders are not permitted to enforce the Transaction Security. Only the Trustee may enforce the Transaction Security in accordance with, and subject to, the terms of the Trust Deed. The Trustee will be required to enforce the Transaction Security if so directed by the holders of at least 25 per cent. in number of the Securities of the relevant Series then outstanding or by an Extraordinary Resolution (a copy of which has been provided to the Trustee), in each case subject to the Trustee being pre-funded and/or secured and/or indemnified to its satisfaction. In such case, individual Securityholders are dependent on the Trustee and requisite Securityholder majorities before the Transaction Security can be enforced.

The interests of particular Securityholders who request or direct the enforcement of the Transaction Security may not coincide with (and may not be in the bests interest of) those of other Securityholders. The majority required to enforce the Transaction Security is also lower than 50%, meaning that the Transaction Security may be enforced even if only a minority of the Securityholders of a Series direct the Trustee accordingly, and all other Securityholders of that Series will be bound by that direction.

Risk rating: Medium

3.9 Securityholders have no right to take action against the Issuer

The Securityholders are not entitled to proceed directly against the Issuer in relation to any breach of the terms of the Trust Deed or the Securities. The Securityholders are therefore dependent on the Trustee to proceed against the Issuer. Only in very limited circumstances can Securityholders take such action, namely where the Trustee, having become bound to proceed in accordance with the terms of the Trust Deed, fails, or is unable, to do so within a reasonable period of time and such failure or inability is continuing.

Risk rating: Low

3.10 Securityholders are responsible for Trustee indemnity and funding of Trustee enforcement action

Prior to taking any action in respect of the Securities, the Trustee may require to be indemnified and/or secured and/or pre-funded to its satisfaction. If the Trustee is not so indemnified and/or secured and/or pre-funded it may decide not to take such action. Such inaction will not constitute a breach by it of its obligations under the Trust Deed.

Securityholders should therefore be prepared to bear the costs associated with any such indemnity and/or security and/or pre-funding or be prepared to accept the consequences of any such inaction by the Trustee.

Any such inaction by the Trustee shall not entitle Securityholders to take action against the Issuer or the Trustee for any breach of the Trust Deed, the Transaction Documents and/or the Securities by the Issuer. As a result, Securityholders may have to incur additional costs and expenses (which may be substantial) in order to realise some or all of their investment in the Securities.

Risk rating: Low

4. <u>Risks relating to the Cryptoassets</u>

4.1 Securityholders exposed to the value of the Underlying Cryptoassets – AAVE, Bitcoin, Chainlink, Ethereum, Uniswap

The Issuer's rights in respect of the Underlying Cryptoassets for each Series of Securities form part of the security package in respect of that Series. The Securityholders (together with certain other creditors of the Issuer) will have recourse to the security package if the Securities are redeemed. Accordingly, Securityholders are exposed to the value of the Underlying Cryptoassets.

The Underlying Cryptoassets may be subject to significant price volatility and have been subject to periods of volatility in the past. The Underlying Cryptoassets are not backed by a central bank, a national or international organisation, assets or other forms of credit, although in some specific cases may be backed to an extent by physical assets. They may have no inherent value; in most cases, the price of Cryptoassets is entirely dependent on the value that market participants place on them, meaning that any increase or loss of confidence in digital assets may affect their value. Prices may be affected by a wide range of factors, including but not limited to the following:

- level of world-wide growth in the adoption and use of Cryptoassets as well as global expectations of future use and adoption of Cryptoassets vary significantly, making their value highly speculative;

- protocol specific Cryptoassets may be limited or have no utility and are valued based on speculation of functionalities that could be added in the future. There are no guarantees that a Cryptoasset's utility will increase and changes in sentiment on a Cryptoasset or changes in the Cryptoassets development roadmap may cause a fall in value of the Cryptoasset;

- level of supply of Cryptoassets versus level of demand;

- investment and trading activities of market participants; general movements in local and international markets and factors that affect the investment climate and investor sentiment could all impact trading levels and the market price of the Underlying Cryptoassets and/or the Securities which may lead to a decrease in the value of some or all Securities having an adverse result on an investor holding the relevant Securities;

- use of Cryptoassets in the retail and commercial marketplace is limited and significant speculative trading activity may lead to price distortion and volatility;
- inflation, interest rates, governmental monetary policies, trade restrictions, currency devaluations and revaluations; and global or regional, political, economic or financial events and situations;
- ability to convert the Underlying Cryptoassets into *fiat currencies* such as USD, EUR or GBP, and associated currency exchange rates;
- regulation of Cryptoassets, networks, platforms and trading venues and restrictions on the right to acquire, own, hold, sell, use or exchange Cryptoassets;
- manipulative trading on trading venues, which are largely unregulated or less regulated than traditional financial instrument markets;
- the price and demand of competing Cryptoassets, including Cryptoassets issued by central banks or Cryptoassets which are pegged to a fiat currency, such as USD (so called ‘stablecoins’);
- continuous trading of the Underlying Cryptoassets, as the market is accessible 24 hours, 7 days a week, 365 days a year;
- liquidity of Cryptoassets markets, which can at times be limited; the liquidity of the Securities is based upon the liquidity status of the relevant Underlying Cryptoassets which can fluctuate over the course of the term of the Securities. A reduction in the liquidity of an Underlying Cryptoasset may limit an investor’s ability to transact in the Securities;
- fraud, security breaches or cyber-attacks affecting, or the failure of, the underlying blockchain technology, networks, platforms and trading venues; and
- governance voting may result in changes in a Cryptoasset’s supply as well as a protocol’s functionalities, which may affect the price of the Cryptoasset.

The Underlying Cryptoassets may also be subject to momentum pricing due to speculation regarding future appreciation in value, leading to greater volatility. Momentum pricing typically is associated with growth stocks and other assets whose valuation, as determined by the investing public, accounts for future appreciation in value, if any. It is possible that momentum pricing has resulted, and may continue to result, in speculation regarding future appreciation in the value of the Underlying Cryptoassets, making prices more volatile. In addition, the price of Underlying Cryptoassets may suffer increased volatility resulting from the statements and actions of individuals in the Cryptoasset and broader technology community, filings by companies and/or social media statements by prominent individuals, each of which have in the past (and may in the future) have an impact on the price of Underlying Cryptoassets.

As a result, the Underlying Cryptoassets may be more likely to fluctuate in value due to changing investor confidence and the actions of one or more companies or individuals, which could impact future appreciation or depreciation in prices.

There is no assurance that the Underlying Cryptoassets will maintain their long-term value or become more widely adopted as a form of currency. On the contrary, they may cease to be used altogether. In addition, the reference price of an Underlying Cryptoasset on one market or trading venue may differ from the price at which the Issuer is able to purchase or dispose of that Underlying Cryptoasset. The venues on which the Underlying Cryptoassets are traded are largely unregulated or under-regulated, meaning they are subject to additional risks and the reference price of the Underlying Cryptoasset on such venues may not accurately represent the value of such Underlying Cryptoasset (see paragraph 4.7 (*Trading venue risks*)). This may result in a Securityholder receiving less, or substantially less, than if they had purchased the Underlying Cryptoasset directly from such market or trading venue.

In the event that the prices of the Underlying Cryptoassets decline, the Securities of any Series may be worth less than investors' initial investment.

Risk rating: High

4.2 Price of the Underlying Cryptoassets may be affected by competing Cryptoassets – AAVE, Bitcoin, Chainlink, Ethereum, Uniswap

In addition to the risks outline in paragraph 4.1 (*Securityholders exposed to the value of the Underlying Cryptoassets*), the value of the Underlying Cryptoassets may also be impacted by the price, volatility and risks of other, competing Cryptoassets.

This may include exposure to Cryptoassets designed to have a stable value over time as compared to typically volatile Cryptoassets, and are typically marketed as being pegged to a fiat currency, such as the U.S. dollar (so called "stablecoins"). Although the prices of stablecoins are intended to be stable, in many cases their prices fluctuate, sometimes significantly, and this fluctuation may impact the price of the Underlying Cryptoassets. This may also include Cryptoassets issued by central banks as a digital form of lender tender, which could have an advantage in competing with (or replace) other forms of Cryptoassets. In addition, promoters of other, competing Cryptoassets may claim that those Cryptoassets have solver certain purported drawbacks to Underlying Cryptoassets (for example, in the case of Bitcoin, faster settlement times).

Advantages of central bank Cryptoassets (or purported advantages of competing Cryptoassets), volatility in competing stablecoins, operational issues with stablecoins (for example, technical issues that prevent settlement), concerns about the sufficiency of any reserves that support stablecoins, or regulatory concerns about stablecoin issuers or intermediaries, such as trading venues, that support stablecoins, could impact willingness of participants to trade on venues which rely on stablecoins or result in participants favouring such competing Cryptoassets, each of which could impact the price of Underlying Cryptoassets and, in turn, an investment in the Securities.

Risk rating: High

4.3 Storage risk – AAVE, Bitcoin, Chainlink, Ethereum, Uniswap

Cryptoassets may be permissioned or permissionless.

A private ('permissioned') ledger restricts and pre-defines the scope of validators, with the validating entities known to the users. On a permissionless ledger, there may be less control of technology and on a permissioned ledger there may be a small group of validators with greater control.

Perminsionless Cryptoassets are "decentralised" – they exist on a public ledger that contains immutable records of transactions and is distributed amongst a network of users. The validation of transactions can be done by any participating agent, or distributed among several agents or intermediaries, which could be unknown to the users.

Public ledgers are transparent and can be viewed by any individual. However, the control and transfer of Cryptoassets can only be effected by the possessor of unique private keys relating to the relevant addresses or wallets in which the Cryptoassets are held.

If the private key is lost, destroyed or otherwise compromised and no backup is accessible, the Cryptoassets held in the related wallet will be inaccessible, and the private key will not be capable of being restored. The loss or destruction of a private key may be irreversible. Any loss of private keys relating to wallets used to store the Underlying Cryptoassets could result in the total loss of the Cryptoassets. Furthermore, if a third party gains access to those keys, that third party may use the keys to transfer the asset to themselves. A large-scale cyber-attack could leave the Issuer unable to access or recover funds. The risk of loss due to losses of private keys or similar methodologies of secure access is generally greater for Cryptoassets than that of other asset classes given their nature and the variations in the sophistication of access methodologies. The Issuer will mitigate against this risk by partnering with a specialised, experienced Cryptoasset custodian, however this will not eliminate the risk of loss.

Any loss of private keys relating to the digital wallets used to store the Underlying Cryptoassets would adversely affect the price in the Underlying Cryptoassets and in turn the price of the Securities.

Risk rating: High

4.4 Specific storage risks for the Custodian – AAVE, Bitcoin, Chainlink, Ethereum, Uniswap

The Custodian operates a "cold" (i.e. offline) storage solution in respect of the Underlying Cryptoassets. The main risk of such solutions is the risk of physical damage or loss of the infrastructure on which such storage relies, which may result in the Underlying Cryptoasset being inaccessible or incapable of being accessed. This may generally adversely affect the levels of adoption and use of Cryptoassets (including the Underlying Cryptoassets) and negatively impact investor sentiment in respect of such Cryptoassets. This may in turn adversely affect the market price of the Underlying Cryptoassets and therefore the market value of the Securities.

As of the date of this Base Prospectus, the Custodian offers an institutional grade cold storage solution. All Underlying Cryptoassets held in the Custody Account will be separated into segregated cold storage address accounts. Cryptographic keys are generated in an offline environment and are encrypted. The Custodian's compliance officers and auditors witness and document all cryptographic key generation ceremonies. The Custodian stores sharded private keys in vaults in secure locations with security 24 hours a day, 7 days a week, 365 days a year. Multi-factor authentication is required to access private keys and back-up key materials are secured in vault facilities globally. For decryption, withdrawals follow stringent cold storage restore protocols to sign any transaction and bring funds back online, including: multiple independent actors, hardware security tokens, software based security enforcement and operational checks and balances.

Securityholders and prospective Securityholders should however, be aware that the private keys in respect of Underlying Cryptoassets (and therefore, in effect, the Underlying Cryptoassets) will briefly be in transit from Authorised Participants to the vault or from the vault to Authorised Participants. During this period such keys will be exposed to the internet. See also "*Hacking*" below. However, this risk is mitigated as the Issuer will not create any new Securities of a Series unless and until it receives confirmation that the relevant Underlying Cryptoassets have been delivered to the Issuer's custody account – see "*Economic Overview of the Securities"* under "*Application for Securities"*.

Risk rating: Low

4.5 Blockchain risks – AAVE, Bitcoin, Chainlink, Ethereum, Uniswap

Risks in Respect of Blockchain Technology

Cryptoassets rely on blockchain technology and other cryptographic and algorithmic protocols that represent new and rapidly evolving technologies that are subject to a variety of factors that are difficult to evaluate. There is a risk that certain technical issues might be uncovered and the troubleshooting and resolution of such issues likely will require the attention and efforts of decentralised development communities. Moreover, in the past, flaws in the source code for Cryptoassets have been exposed and exploited, including flaws that disabled some functionality for users, exposed users' personal information and/or Cryptoassets, resulting in the theft of users' Cryptoassets. The cryptography underpinning the Underlying Cryptoassets could prove to be flawed or ineffective, or developments in mathematics and/or technology, including advances in digital computing, algebraic geometry and quantum computing, could result in such cryptography becoming ineffective. This could rapidly destroy the integrity of any Cryptoasset and undermine confidence in the Cryptoassets markets in general. Cryptoassets may experience periods of disruption or become subject to manipulation as new technologies become available or during periods of disparate adoption of new hardware, software or protocols.

Even if only a particular Cryptoasset (which was not an Underlying Cryptoasset) was affected by such circumstances, any reduction in confidence in the source code or cryptography underlying Cryptoassets generally could negatively affect the demand for Cryptoassets and therefore negatively impact the market value of the Underlying Cryptoassets. This in turn will lead to a reduction in the market value of the Securities, which may result in Securityholders receiving less (or significantly less) than their initial investment.

Risk rating: High

Development and Maintenance of Cryptoasset Networks

The networks underlying several Cryptoassets - those on public ledgers - operate based on an open-source protocol maintained by a group of uncompensated volunteer developers. Consequently, there may be a lack of financial incentive for developers to maintain or develop the network, and the developers may lack the resources to adequately address emerging issues with the relevant Cryptoassets protocol. There can be no assurance that the core developers of a Cryptoassets network will continue to be involved in the network, or that new volunteer developers will emerge to replace them. To the extent that material issues arise with a Cryptoassets protocol and the developers are unable or unwilling to address the issues adequately or in a timely manner, the Cryptoassets may diminish in value or become worthless.

In addition, several Cryptoassets rely on decentralised participants to operate the network through verifying transactions on an ongoing basis. As the underlying technology and node operators facilitate the transfer of cryptoassets and keep records of transactions that take place across the network, their role is essential in designating and sizing the amounts that are held by the holder. The failure of decentralised participants to continue to maintain a network by verifying transactions may result in the relevant Cryptoassets losing value or becoming worthless. The occurrence of any failures or malfunctions above may result in a decrease (or total) loss in value of the relevant Underlying Cryptoasset, which would result in Securityholders suffering a loss (or a significant loss) on their investment in the Securities.

Risk rating: Medium

Disruption of the internet

Cryptoassets are dependent upon the internet. A significant disruption in internet connectivity could disrupt a Cryptoasset network's operations until the disruption is resolved and have an adverse effect on the price of such Cryptoasset. In particular, some Cryptoassets have been subjected to a number of denial-of-service attacks, which have led to temporary delays in block creation and in the transfer of such Cryptoasset. While in certain cases in response to an attack, an additional 'hard fork' has been introduced to increase the cost of certain network functions, the relevant network has continued to be the subject of additional attacks. Moreover, it is possible that if such Cryptoasset increases in value, it may become a bigger target for hackers and subject to more frequent hacking and denial-of-service attacks. See "*Hacking*" below.

Risk rating: High

Irreversibility and irrecoverability

Transactions in Cryptoassets are generally irreversible, in that they can only be reversed by carrying out a subsequent trade in the opposite direction. Accordingly, rectifying a mistaken or unauthorised transaction in a Cryptoasset can only be done with the consent and active participation from the recipient of the transaction. To the extent that any of the relevant Cryptoassets are incorrectly or fraudulently transferred, they therefore are likely to be irretrievable.

Furthermore, where the Cryptoassets have been lost, stolen or destroyed under circumstances rendering a party liable to the Issuer, the Issuer may have limited recourse against the responsible party, for example only to the Custodian or, to the extent identifiable, other responsible third parties (e.g. a thief or terrorist), any of which may not have the financial resources (including liability insurance coverage) to satisfy a valid claim of the Issuer.

Risk rating: High

Malicious Activity

Cryptoasset networks, platforms and trading venues may be subject to attack by malicious persons, entities or malware.

A malicious actor or group of actors could obtain a majority of the processing power on a particular Cryptoasset network, and could implement modifications to the network in a way that is detrimental to the liquidity or value of the Cryptoasset. To the extent that such malicious person (or persons) does not yield its majority control of the processing power on the network, reversing any changes made to the source code or blockchain may not be possible. Such changes could adversely affect an investment in the Securities.

Malicious activities such as these may reduce confidence in Cryptoassets generally and result in greater price volatility. This in turn could affect the return on the Securities and may negatively impact the amount a Securityholder may receive on redemption.

Risk rating: High

4.6 Miner risks - Bitcoin

Miners may collude to raise transaction fees

As explained in the section headed "*Overview of the Underlying Cryptoasset market"*, miners, functioning in their transaction confirmation capacity, validate unconfirmed transactions by adding the previously unconfirmed transactions to new blocks in the relevant blockchain and collect fees for each transaction they confirm. Miners are not forced to confirm any specific transaction, but they are economically incentivised to confirm valid transactions as a means of collecting fees. Miners have historically accepted relatively low transaction confirmation fees. If miners collude in an anticompetitive manner to reject low transaction fees, then Cryptoasset users could be forced to pay higher fees, thus reducing the attractiveness of the Cryptoasset network. Mining occurs globally, and it may be difficult for authorities to apply antitrust regulations across multiple jurisdictions. Any collusion among miners may adversely impact the attractiveness of the network on which the relevant Underlying Cryptoasset is based and may adversely impact an investment in the Securities.

Risk rating: Medium

Reduction in miner rewards may adversely impact ability to verify transactions

Miners generate revenue from both transaction fees and rewards of the relevant Cryptoasset (known as "block reward") for verifying transactions. Mining operations have rapidly evolved over the past several years and frequently involve "professionalised" operations which may use proprietary hardware or sophisticated machinery which requires significant capital and scale to run.

If the aggregate revenue from transaction fees and the block reward is below a miner's cost, or the difficulty and time taken to solve blocks increases, or miners are unable to acquire the required equipment necessary to develop and launch operations, the miner may not have adequate incentive to continue to mine and may cease operations. In addition, a "professionalised" mining operation operating a low profit margin may be more likely to sell a higher percentage of the Cryptoasset earned as "block reward", which may result in a higher percentage of new Cryptoassets being sold into the market which may reduce prices.

Any reduction in the amount of rewards generated by miners may lead to reduced numbers of miners, which would adversely affect the process for verifying transactions in the Cryptoasset and make the network of that Cryptoasset more vulnerable to a malicious actors obtaining sufficient control to alter the relevant blockchain and hinder transactions. It may also lead to an increase of newly-minted Cryptoassets being sold into the market. Any reduction in confidence in the confirmation process or processing power of the Cryptoasset may adversely affect an investment in the Underlying Cryptoassets, which may in turn adversely affect an investment in the Securities.

Risk rating: Medium

Exclusion of transactions

To the extent that any miners solve blocks that exclude some or all transactions that have been transmitted to the Cryptoasset network, such transactions will not be recorded on the relevant blockchain until another miner solves a block that incorporates those transactions. In respect of certain Cryptoassets (for example, Bitcoin), some participants in the community suspect the use of certain technologies enhance speed and reduce electricity use of mining while reducing the number of transactions that are included in mined blocks on the network. If more blocks are mined without transactions, transactions will settle more slowly, and fees will increase. This could result in a loss of confidence in the relevant Cryptoasset network, which could reduce the value of the Underlying Cryptoasset and, in turn, adversely impact an investment in the Securities.

Risk rating: Medium

Miner extractable value

Miners are able to see pending transactions, and to choose what transactions they include in the blocks they are mining. This allows miners the ability to manipulate the market to an extent by reordering, adding or removing transactions in the blocks being mined, which may include inserting their own trades either before or after certain transactions. This is known as “miner extractable value” or “MEV”. MEV allows miners to front- or back-run the market to maximise the value of the transactions they are making, at the expense of other market participants, which may negatively affect transactions in the Underlying Cryptoassets when they are bought or sold.

Risk rating: Medium

4.7 Trading venue risks – AAVE, Bitcoin, Chainlink, Ethereum, Uniswap

Cryptoassets as a class do not have a central regulated marketplace or trading venue. The trading venues on which Cryptoassets, commonly called “crypto exchanges” (although not regulated as “exchanges” in the U.S. or Europe), may trade pose special risks, as these crypto exchanges are generally new and the rules governing their activities are unsettled. Given that Cryptoassets themselves may not yet be considered regulated financial instruments, the activities of crypto exchanges are still largely unregulated or under-regulated when compared to traditional asset exchanges. They may therefore be more exposed to theft, fraud, and failure than established, regulated exchanges for other products. Crypto exchanges may be start-up businesses with limited institutional backing, limited operating history, and no publicly available financial information. In some cases their financial positions are unclear and some trading venues have failed due to financial mismanagement. Many go beyond matching trades for third parties and instead take proprietary positions. This makes crypto exchanges more susceptible to cybercrime, hackers, and malware and the risk of being shut down or experiencing loses of assets traded on such venue as a result of cybercrime. In particular, on 11 November 2022, FTX, then the fifth largest crypto exchange by volume, together with around 130 of affiliated companies, including Alameda Research, formally announced that it sought protection from its creditors and entered Chapter 11 bankruptcy proceedings in the US purportedly having liquid assets with a value significantly less than the amount of its liabilities to creditors.

There are a small number of large crypto exchanges worldwide, some of which exert significant market influence. The exercise of this market influence has in the past caused significant movements in the Cryptoasset markets and may continue to do so in the future.

Crypto exchanges may impose daily, weekly, monthly, or customer-specific transaction or distribution limits or suspend trading or withdrawals entirely, rendering the trading of digital assets for fiat currency difficult or impossible. Cryptoasset prices and valuations on exchanges have been volatile and subject to influence by many factors, including the levels of liquidity on particular venues and operational interruptions and disruptions. In addition, significant volatility and unexpected price movements, as well as congestion on underlying Cryptoasset networks, has resulted in extreme stress on crypto exchanges and their infrastructure, which has in turn resulted in trading halts and the suspension of services. For example, Coinbase has reported that it experienced approximately 30 outages in 2020, with an average outage duration of 64.6 minutes.

Any of the failures above may result in the price of Cryptoassets (including the Underlying Cryptoassets) being subject to significant volatility or the inability to be able to acquire and/or sell the Underlying Cryptoasset in respect of a Series of Securities. Any such event is likely to negatively impact an investment in the Securities.

Risk Rating: High

4.8 Issuer discretion following an Airdrop Event or Fork Event – AAVE, Bitcoin, Chainlink, Ethereum, Uniswap

An Airdrop Event occurs when the issuer of a new cryptoasset declares that holders of Underlying Cryptoassets are entitled to an amount of the new cryptoasset in addition to the Underlying Cryptoasset for that Series of Securities.

A Fork Event occurs when the code underlying the distributed ledger on which an Underlying Cryptoasset is recorded splits. This may result in a number of issues, including the suspension of trading in the relevant Underlying Cryptoasset or a sharp reduction in price of the Underlying Cryptoasset.

The occurrence of an Airdrop Event or a Fork Event will result in an additional cryptoasset different from the Underlying Cryptoasset for that Series being available to the Issuer.

There can be no assurance that the Custodian will support an Airdrop Event or will continue to support custody of the relevant Underlying Cryptoassets following the occurrence of a Fork Event.

Under Condition 21 (*Fork Events, Airdrop Events and Staking*), the Issuer may, to the extent such event is supported by the Custodian, without the consent of the Securityholders:

- permit the additional asset to be held by the Custodian as an additional cryptoasset for the relevant Series;
- create a new Series of Securities where the additional asset is the Underlying Cryptoasset, and issue such new Series to Securityholders *pro rata* to their holding of the affected Series;
- reduce the Coin Entitlement for the affected Series in an equal proportion to the proportion of the Underlying Cryptoassets which has been lost or converted into, or replaced by, the additional cryptoasset;
- elect not to receive the additional cryptoasset, in which circumstances Securityholders shall not be entitled to receive any value arising from such additional cryptoasset;
- distribute the additional cryptoasset to the Securityholders in respect of the original Series *pro rata* to their holdings of the original Series; or
- liquidate the additional cryptoasset and distribute the net realisation proceeds to the Securityholders in respect of the original Series *pro rata* to their holdings of Securities of the original Series.

The occurrence of an Airdrop Event and/or a Fork Event will also permit the Issuer to make certain amendments, variations or modifications to the Conditions, any Trust Deed and/or any Transaction Document. See Condition 20.3 (*Issuer Technical Amendment*).

Risk rating: Medium

4.9 Hacking– AAVE, Bitcoin, Chainlink, Ethereum, and Uniswap

Blockchains on which Cryptoassets operate utilise cryptography and the use of public and private keys to prove ownership of Cryptoassets and record the transfer of Cryptoassets. However, there have been public examples of hacking of Cryptoasset trading venues, digital wallets and computer systems. In particular, certain Underlying Cryptoassets (including Bitcoin) are susceptible to border gateway protocol ("**BGP**") hijacking. Such an attack can be a very effective way for an attacker to intercept traffic en route to a legitimate destination. BGP hijacking impacts the way different nodes and miners are connected to one another to isolate portions of them from the remainder of the network, which could lead to a risk of the network allowing double-spending and other security issues.

Any event of hacking in relation to a Cryptoasset may impact faith and sentiment in that Cryptoasset and Cryptoassets generally and may negatively impact the market value of Cryptoassets. This could consequently impact the value of an Underlying Cryptoasset and therefore an investment in the Securities.

Risk rating: High

4.10 Staking – AAVE, Chainlink, and Ethereum

Cryptoassets may rely in total or in part on a "proof of stake" method of generating a distributed consensus. Proof of stake algorithms do not rely on resource intensive calculations to validate transactions and create new blocks in a blockchain. Rather than relying on resource-intensive "mining" (or "proof of work"), "proof of stake" methods validate transactions and new blocks by reference to the amount of Cryptoassets a user has "staked" and the amount of time it has been "staked". This "staking" generates payments to the owner of the "staked" Cryptoasset, depending on the relevant blockchain. While the advantage of a "proof of stake" system is that it is far less energy intensive than a "proof of work" system, this may result in lower barriers for entry, which may allow for increased participation by malicious actors with small holdings of Cryptoassets that attempt to manipulate the relevant blockchain or increase the risk that the Cryptoasset will experience one or more forks, which could impact its value.

As the "proof of stake" method rewards holders depending on the number of Cryptoassets it holds, it may also encourage holders (such as the founders) to retain large amounts of the Cryptoasset and effectively give such holders the right to veto or control the Cryptoasset or its associated blockchain network. While there are advantages to having users "buy in" to a Cryptoasset and support its development, excessive hoarding reduces the "decentralised" nature of verification of the relevant blockchain and may impair the spread of such Cryptoasset, including interfering with the widespread adoption of such Cryptoasset for use in transactions.

"Proof of stake" networks are newer and generally not as widely used as proof of work networks, and may be untested at scale. As a result, "proof of stake" networks may not work as intended. If "proof of stake" networks do not function as intended, or fail to gain adoption, the value of Cryptoassets relying on "proof of stake" consensus may be negatively affected, which could adversely affect the value of the Securities.

In addition, pursuant to the relevant Custody Agreement for a Series of Securities, the Issuer may instruct the Custodian to "stake" the relevant Underlying Cryptoasset in accordance with such instructions. This may adversely affect the value of the Underlying Cryptoassets and/or the value of the Securities, which may in turn result in Securityholders receiving less, or substantially less, than expected.

Risk rating: High

4.11 Scalability risks – Bitcoin, Ethereum

Many Cryptoasset networks face significant challenges in respect of scaling and the number of transactions per second the network can handle. Various solutions to such scalability issues have been proposed for different Cryptoassets. For example, the Bitcoin network was upgraded in 2017 with a technical feature referred to as “segregated witness” that, amongst other things, could increase the number of transactions that can be handled on the network.

An increasing number of wallets and digital asset intermediaries, such as trading venues, have begun supporting segregated witness and similar technologies, however such solutions do not yet have uniform widespread adoption. As the use of Cryptoasset networks increase without a corresponding increase of solutions to increase scalability of the networks, average fees and settlement times may increase significantly. This could preclude certain use cases for Cryptoassets (e.g. small payment amounts), which could reduce demand for and the price of such Cryptoasset, which in turn could adversely impact an investment in the Securities.

There is no guarantee that any of the mechanisms in place or being explored for increasing the scalability of Cryptoasset networks will be effective, or how long these mechanisms will take to become effective, which could adversely impact an investment in the Securities.

Risk rating: Medium

5. <u>Risks relating to the market and market value of Securities</u>

5.1 Trading of Cryptoassets

Each Series of Securities will only trade during the trading hours on the Relevant Stock Exchange on which such Series of Securities are listed. However, the relevant Underlying Cryptoassets trade continuously and (as set out above) are extremely volatile and may experience significant and short term price movements in a matter of days, hours or even minutes. This combination will limit Securityholders’ ability to react to price movements or volatility in the market for the Underlying Cryptoassets, which may be substantial.

If there is a decrease in the price of the Underlying Cryptoassets in the period during which the Relevant Stock Exchange is not open for trading, Securityholders may suffer a loss which would be less than it otherwise would have been had the Securityholder been able to trade in, or redeem, its Securities during that period.

Risk rating: High

5.2 Market participants determine prices in respect of Cryptoassets and the Securities in different ways and there may be material variation between prices determined

The Redemption Amount that an investor receives on redemption of a Security is calculated using the Coin Entitlement, which is a quantity of Underlying Cryptoassets. Market participants may convert the Coin Entitlement for a Security into an indicative market value for a Security in different ways using different sources. The price at which the Securities are traded on the Relevant Stock Exchange may not reflect the indicative market value of the Coin Entitlement, depending on the source used by an investor. A prospective investor may therefore pay more for a Security than the indicative market value of Coin Entitlement. If a Redemption Event occurs, the Redemption Amount the investor will receive will be based on the Coin Entitlement and an investor may receive less, or substantially less, than the amount the investor paid for the Security on the Relevant Stock Exchange.

In particular, the price of Underlying Cryptoassets is extremely volatile and can change over the course of weeks, months, hours and even minutes (in relation to which see “*Risks relating to the Underlying Cryptoassets*”). This may mean that the price at which an investor paid for a Security on the Relevant Stock Exchange may quickly change and an investor may only be able to sell the Securities at a price that is less, or substantially less, than the subscription price or the price paid by such Securityholder. This may mean Securityholders receive less, or substantially less, than the amount invested in the Securities.

Risk rating: High

5.3 No Authorised Participants

There can be no assurance that there will at all times be an Authorised Participant appointed by the Issuer to process subscription and redemption of the Securities. In such circumstances, Securityholders may be unable to request a redemption of its Securities or may be required to request redemption directly with the Issuer.

This may result in a delay in redemption of the Securities or give rise to additional cost and administrative burden on the part of the Securityholder, including payment of the Redemption Fee. This may reduce the return on an investment in the Securities.

Risk rating: Medium

5.4 Market-making by the Authorised Participant(s)

Authorised Participants provide liquidity by creating a market in the Securities and processing subscription and redemption of the Securities.

The price at which a Securityholder may sell its Securities of a Series to an Authorised Participant may be lower than the price at which the Authorised Participant may sell Securities of the same Series to prospective investors. The price at which an Authorised Participant may sell Securities to prospective investors may also take into account fees, charges, expenses commissions and other costs which the Authorised Participant may charge to prospective investors. Prospective investors may also incur fees charged by the Relevant Stock Exchange on which such Securities are admitted to trading.

Any changes in the "bid/offer" spread offered by Authorised Participant(s) and/or fees charged by Authorised Participant(s) may impact a prospective investors return on the Securities and may mean that an investor suffers a loss on the Securities.

Risk rating: Medium

6. Risks relating to taxation

6.1 Payments to Securityholders will not be grossed-up

Pursuant to Condition 19.1 (*Withholding or deductions on payments*), all payments and deliveries in respect of the Securities (including the Redemption Amount) shall be made subject to any deduction or withholding for or on account of any present or future tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same) imposed by any authority of any jurisdiction. The tax legislation of the jurisdiction of the Securityholder and the Issuer's country of incorporation may have an impact on the income received from the Securities.

In the event of any such deduction or withholding, the Securityholders will not be entitled to receive amounts which are grossed up in order to compensate for such deduction or withholding nor will Securityholders be entitled to be reimbursed for the amount of any shortfall resulting from such deduction or withholding.

In certain circumstances, the imposition of such deductions or withholding may result in the Issuer determining that it is illegal or impossible to issue or deal with the Securities or to hold or deal with the Underlying Cryptoassets, which will lead to the Securities being redeemed.

Risk rating: Medium

6.2 Tax treatment of Cryptoassets

There is currently no tax certainty regarding the treatment of investments in Cryptoassets across various jurisdictions due to the novelty of the asset class. Any change in the tax treatment of Underlying Cryptoassets could result in the Issuer incurring additional taxes which would be deducted from the Redemption Amount payable on the Securities. This would result in Securityholders receiving less than if such taxes had not been incurred.

Risk rating: Medium

6.3 Tax treatment of Securities

Investors should also consult with their local tax advisor regarding their specific investment and circumstances to identify any tax implications in investing in Securities. Each investor is solely responsible for all taxes which may be applied to the Securities.

Investors should consider and have due regard for the tax treatment of the Securities in the relevant jurisdiction prior to their investment.

Risk rating: Medium

7. Risks relating to the Transaction Parties

7.1 The Issuer's ability to meet its obligations under the Securities may depend upon the Custodian(s)' and the Determination Agent's ability to perform its obligations

The Underlying Cryptoassets in respect of a Series of Securities will be held with the Custodian.

On a redemption of a Series of Securities, the Issuer shall instruct the Custodian to transfer an amount of the Underlying Cryptoasset equal to the Redemption Amount to the relevant digital wallet of the relevant Securityholder (or, in circumstances where the Issuer has permitted cash redemptions, arrange for the sale of an amount of the Underlying Cryptoasset and the transfer of an amount of case in the Base Currency equal to the Redemption Amount to the relevant account of the relevant Securityholder) to satisfy the Issuer's obligation in respect of the Redemption Amount, in each case in accordance with the Conditions. Notwithstanding the security expressed to be created over the Underlying Cryptoassets in the Trust Deed, the ability of the Issuer to meet its obligation in respect of such Redemption Amount to Securityholders will be dependent upon the ability of the Custodian to make such a transfer under the relevant Custody Agreement and the Issuer to arrange such a sale. If the Custodian is, for any reason, unable to make such a transfer (or the Issuer is unable to make such a sale), the Issuer will be unable to meet its redemption obligation to Securityholders and Securityholders may receive less, or substantially less, than expected on an investment in the Securities.

Consequently, Securityholders are additionally exposed to the creditworthiness of the Custodian in respect of the performance of its obligations under the relevant Custody Agreement.

Risk rating: Medium

7.2 The Custodian may cease to support the Underlying Cryptoassets

Under the relevant Custody Agreement, the Custodian holds the Underlying Cryptoasset in the Custody Account. In certain circumstances, including as a result of a change of law, the Custodian may determine that it is no longer able to offer custody services in respect of the Underlying Cryptoassets. If the Custodian makes such a determination, the Issuer will have a period of 90 days to withdraw the Underlying Cryptoassets from the Custody Account.

In such circumstances, there may be a delay in the ability of the Issuer to access the Underlying Cryptoasset, or the Issuer may be unable to access the Underlying Cryptoasset at all. In such circumstances, the Securityholders in respect of the relevant Series of Securities may receive delivery of the Underlying Cryptoasset at a time when the price of such Underlying Cryptoasset is unfavourable, or they may not receive such delivery at all.

Accordingly, Securityholders may be exposed to risks associated with the Custodian and any event may result in Securityholders receiving less, or substantially less, than if such event had not occurred.

Risk rating: Low

7.3 The Determination Agent has no obligations to Securityholders

The Conditions give the Determination Agent discretion in making certain determinations in relation to the Securities, which are conclusive and binding on the Securityholders. These include the determination of the Redemption Amount payable to Securityholders on redemption and whether certain disruption events may have occurred such that redemption of the Securities may be postponed.

The Determination Agent has no obligations to the Securityholders in making such determinations, and may make determines which may negative impact Securityholders, for example by determining that redemptions in respect of a Series of Securities may be suspended. The Determination Agent only has the obligations expressed to be binding on it pursuant to the Administration and Determination Agency Agreement.

The actions of the Determination Agent may have a negative impact on the value of the Securities, or may result in a Securityholder being unable to redeem its securities, in particular due to the volatility of the price of the Underlying Cryptoassets as set out in the risk factor headed "*Securityholders exposed to the value of the Underlying Cryptoassets*" above.

Risk rating: Medium

7.4 The Securities will be redeemed where the appointment of the Determination Agent or the Custodian is terminated

It is an Event of Default under the Conditions if the Determination Agent or the Custodian in respect of the applicable Series of Securities resigns or its appointment is terminated for any reason and, at the time such termination takes effect, no successor or replacement Determination Agent or Custodian has been appointed with respect to such Series.

Following such an Event of Default, the Trustee may or (if directed in writing by holders of at least 25 per cent. in number of the relevant Series of Securities then outstanding or by an Extraordinary Resolution) shall, give notice that the Securities of the relevant Series shall become due and payable at their Redemption Amount.

However, if there is no Determination Agent or Custodian appointed in respect of a Series of Securities, the Issuer may be unable to determine the Redemption Amount due to Securityholders. The Issuer may also experience a delay in its ability to access, or may be unable to access, the relevant Underlying Cryptoassets in respect of such Series. This may result in the payment or delivery being made at a time where the price of the Underlying Cryptoasset is disadvantageous to Securityholders, or possibly not at all. This risk is heightened due to the volatility of Cryptoassets when compared to a traditional asset class, as is set out in paragraph 4 (*Risks relating to Cryptoassets*). This may result in a partial or substantial loss of a Securityholders investment.

Risk rating: Low

7.5 The Trustee has no obligations to Individual Securityholders

In carrying out its responsibilities, the Trustee will take into account the interests of the Securityholders as a Series but will not consider the impact of exercising its function on an individual Securityholder. Neither the Trustee nor any Securityholder are entitled to be indemnified or recompensed in respect of any tax consequences for an individual Securityholder resulting from the Trustee exercising its function. In some circumstances the exercise of the Trustee's functions in the interests of the Securityholders of a Series may result in a partial or substantial loss to an individual Securityholder.

Risk rating: Low

8. Risks relating to regulatory change

8.1 The Issuer may redeem the Securities if it becomes illegal or impossible for the Issuer to issue or deal in the Securities or hold of deal with the Underlying Cryptoassets

There is currently no single regulatory regime for the ownership, purchase and sale of Underlying Cryptoassets. As Cryptoassets have grown in popularity in market size, regulators in multiple jurisdictions have been examining the operation of Cryptoasset networks, participants and trading venues. In addition to potential financial regulation, because of the high energy usage for Cryptoassets which rely on a "proof of work" methods, Cryptoasset mining may be subject to regulation arising from energy usage or climate concerns.

The nature and extent of any future regulation of the Underlying Cryptoassets is uncertain, and any such future regulation may negatively impact on the price and demand of such Underlying Cryptoasset and therefore an investment in the Securities.

Whilst the Underlying Cryptoassets are either unregulated or lightly regulated in many jurisdictions, one or more jurisdictions may take action which makes it illegal or impossible for the Issuer to issue or deal with the Securities or to hold or deal with the Underlying Cryptoassets. If the Issuer (acting reasonably) determines that this is the case, it may redeem the Securities. This may occur at a time when the price of the Underlying Cryptoassets is less than would otherwise be the case and as a result Securityholders may receive less than their initial investment.

Risk rating: Medium

8.2 The application of the Alternative Investment Fund Managers Directive to special purpose entities such as the Issuer is uncertain

The EU Directive 2011/61/EU on Alternative Investment Fund Managers ("**AIFMD**") became effective on 22 July 2013. The application of the AIFMD to special purpose entities such as the Issuer is unclear. The Issuer does not operate in the same manner as a typical alternative investment fund. However, the definition of "alternative investment funds" (each an "**AIF**") and AIFM in the AIFMD is broad and there is only limited guidance as to how such definition should be applied in the context of a special purpose entity such as the Issuer.

Were the Issuer to be found to be an AIF or an AIFM, or were the Arranger acting in any capacity in respect of the Securities and/or the Trustee to be found to be acting as an AIFM with respect to the AIF, the AIFM would be subject to the AIFMD. Owing to the special purpose nature of the Issuer, it would be unlikely that either the Issuer or Arranger could comply fully with the requirements of the AIFMD.

In such circumstance, it is likely that the Issuer would determine that it has become impossible or illegal to issue or deal with the Securities and therefore the Securities would be redeemed compulsorily at a time which is not favourable to the Securityholders.

Risk rating: Medium

9. Risks specific to the Underlying Cryptoassets

9.1 Different types of Cryptoassets: introduction

Each Series of Securities will be exposed to a particular Cryptoasset, as selected by the Issuer and as specified in the relevant Final Terms. As such, the Securities issued under the Programme will not necessarily all be linked to the same Cryptoasset. As the protocols and rules governing different Cryptoassets vary, the risks associated with different Cryptoassets will also vary. Similarly, prices for different Cryptoassets will vary and may not move in a correlated manner. Therefore the holders of different Series of Securities will be exposed to different risk profiles, depending on the relevant Cryptoassets. In particular, but without limitation, risks related to price volatility, transaction fees, speed of execution and settlement, probability of forks and airdrops, hacking attacks, acceptance by custodians, major protocol updates and eligibility for settlements on exchanges may be significantly different depending on the underlying Cryptoasset and whether it is built on a permissioned or permissionless blockchain. Therefore some Series of Securities may be more or less exposed to certain risks than other Series of Securities. Prospective investors in a Series of Securities should therefore understand the particular Cryptoasset to which that Series of Securities is linked and the risks associated with that Cryptoasset.

Risk rating: Low

9.2 Risks Specific to AAVE

AAVE is a decentralised lending and borrowing platform that relies on smart contracts running on the Ethereum Blockchain, and the Aave token (AAVE) is the native token of the Aave platform. AAVE is an ERC-20 token and it is used for various purposes within the Aave ecosystem, such as governance, paying fees, participating in token offerings, and accessing certain features of the platform. The AAVE token is the underlying asset being held within the Global X Aave ETP. This means it is subject to risks associates with Decentralised Finance (DeFi) and Smart Contracts. In addition to the general DeFi and Smart Contract risks, the AAVE protocol has unique mechanics that carry additional risks.

Risks associated with Decentralised Finance: Decentralised Finance (DeFi) is a new and experimental field, meaning it is unclear how it will evolve and materialise. DeFi protocols run with little to no human oversight and can be developed by decentralised groups or anonymous contributors. There is minimal or no regulation around DeFi, the investor should be willing to lose all their money in a worst-case scenario. Future changes in regulations and policies can affect the evolution of the space and the value of DeFi Cryptoassets.

Risks associated with Smart Contracts: Smart contracts are programs containing data, conditions and logic that can be deployed by any user to certain blockchains. Smart Contracts can be susceptible to coding errors and ‘bugs’ that may not have been found yet and may be susceptible to security vulnerabilities that can be exploited by hackers. Smart contracts can go through code audits, but these do not guarantee absolute safety of a protocol.

Token specific risks: AAVE tokens can be staked into the Safety Module (SM) to provide insurance in case of a liquidity deficit in any of the asset pools in exchange for more AAVE tokens and a percentage of the fees. The interpretation of the occurrence of a liquidity deficit is subject to the Protocol Governance vote. Liquidity deficits may arise from:

- *Smart contract risk*: Risk of a bug, design flaw or potential attack surfaces on the smart contract layer.
- *Liquidation risk*: Risk of failure of an asset that is being used as collateral on AAVE; risk of liquidators not capturing liquidation opportunities in a timely manner, or low market liquidity of the principal asset to be repaid.
- *Oracle failure risk*: Risk of the Oracle system not properly updating the prices in case of extreme market downturn and network congestion; risk of the Oracle system not properly submitting prices, causing improper liquidations.

In the instance of a liquidity deficit, part of the locked AAVE is auctioned on the market to be sold against the assets needed to mitigate the occurred deficit. The SM includes a built-in Backstop Module to prevent the excess flow of AAVE into the open market that would further reduce the value of AAVE itself. In case the SM is not able to cover all the deficit incurred, the Protocol Governance can trigger an ad-hoc Recovery Issuance event. In a Recovery Issuance event, new AAVE is issued and sold in an open auction for market price prioritizing the Backstop Module.

- The Backstop Module is a smart contract-based deposit pool to allow the AAVE Community to deposit stablecoins and ETH acting as a buy order for the AAVE token at a price agreed-on by the protocol governance in the case of a liquidity deficit, to act as a buyer of last resort.

- The Recovery Issuance can be triggered whenever the Safety Module is not enough to cover the complete recovery of the protocol followed by a critical loss of funds. In such a scenario, new AAVE is issued and sold in an open auction for market price prioritizing the Backstop Module.

- AAVE Governance consists of the proposition and decision-making process for the different risk parameter changes, improvements and incentives that constitute the policies, and upgrades to governance itself. All future decisions governing the protocol will be enacted through this procedure. AAVE token holders receive governance powers proportionally to the sum of their balance.

  Risk rating: Medium

9.3 Risks Specific to Bitcoin, Ethereum, Chainlink

Technological Risks: Blockchain and related tech are highly complex, and this technological complexity can create complicated issues to resolve.

Chainlink is a newer product than other more established crypto currencies. This could lead to enhanced technical risk.

For further information relating to technological risks associated with blockchain technology and each of Bitcoin, Chainlink and Ethereum, see paragraph 4.5 (*Blockchain risks*).

Risk rating: Medium

9.4 Risks Specific to Uniswap

The Issuer may trade Underlying Cryptoassets on Uniswap, a decentralised crypto exchange that relies on smart contracts running on the Ethereum Blockchain. It is subject to risks associates with Decentralised Finance (DeFi) and Smart Contracts.

For further information relating to DeFi risks, see the sub-paragraph above titled “Risks associated with Decentralised Finance” under paragraph 9.1 (*Risks Specific to AAVE*).

For further information relating to smart contracts, see the sub-paragraph above titled “Risks associated with smart contracts” under paragraph 9.1 (*Risks Specific to AAVE*).

Risk rating: Medium

IMPORTANT INFORMATION

Responsibility

Global X Digital Assets Issuer Limited (LEI: 254900GFVKWOIHOFGO32) (the "**Issuer**") accepts responsibility for the information contained in this Base Prospectus. To the best of the Issuer's knowledge (having taken all reasonable care to ensure that such is the case) the information contained in this Base Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

JTC Fund Solutions (Jersey) Limited accepts responsibility for the information contained in the section entitled "*The Administrator and Determination Agent*". To the best of the knowledge and belief of JTC Fund Solutions (Jersey) Limited (which has taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information.

Coinbase Custody International Limited accepts responsibility for the information contained in the section entitled "*The Custodian*". To the best of the knowledge and belief of Coinbase Custody International Limited (which has taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information.

Global X Digital Assets, LLC accepts responsibility for the information contained in the section entitled "*The Arranger*". To the best of the knowledge and belief of Global X Digital Assets, LLC (which has taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Law Debenture Trust Corporation p.l.c. accepts responsibility for the information contained in the section entitled "*The Trustee*". To the best of the knowledge and belief of The Law Debenture Trust Corporation p.l.c. (which has taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information.

Computershare Investor Services (Jersey) Limited accepts responsibility for the information contained in the section entitled "*The Registrar and Issuing and Paying Agent*". To the best of the knowledge and belief of Computershare Investor Services (Jersey) Limited (which has taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Issuer has not made any investigation with regards to the accuracy and completeness of the information under the sections entitled "*The Administrator and Determination Agent*", "*The Custodian*", "*The Arranger*", "*The Trustee*" and "*The Registrar and Issuing and Paying Agent*" in this Base Prospectus (the "**Third Party Information**"). Prospective investors in the Securities should not rely upon, and should make their own independent investigations and enquires in respect of, the accuracy and completeness of the Third Party Information.

Approval

This Base Prospectus has been approved by the Swedish Financial Supervisory Authority *Finansinspektionen* (the "**Swedish FSA**"), as competent authority under Regulation (EU) 2017/1129 (such approval the "**Swedish FSA Approval**"). The Swedish FSA only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129. Such approval should not be considered as an endorsement of the Issuer or the quality of the Securities that are the subject to this Base Prospectus. Investors should make their own assessment as to the suitability of investing in the Securities.

The Issuer has requested the Swedish FSA to provide the competent authorities in Austria, Germany, Finland, Denmark, Netherlands and Norway with a certificate of approval attesting that this Base Prospectus has been drawn up in accordance with the EU Prospectus Regulation.

The Issuer is not and will not be regulated by any regulator as a result of issuing the Securities.

THE INVESTMENTS DESCRIBED IN THIS DOCUMENT DO NOT CONSTITUTE A COLLECTIVE INVESTMENT FUND FOR THE PURPOSE OF THE COLLECTIVE INVESTMENT FUNDS (JERSEY) LAW 1988, AS AMENDED, ON THE BASIS THAT THEY ARE INVESTMENT PRODUCTS DESIGNED FOR FINANCIALLY SOPHISTICATED INVESTORS WITH SPECIALIST KNOWLEDGE OF, AND EXPERIENCE IN INVESTING IN, SUCH INVESTMENTS, WHO ARE CAPABLE OF FULLY EVALUATING THE RISKS INVOLVED IN MAKING SUCH INVESTMENTS AND WHO HAVE AN ASSET BASE SUFFICIENTLY SUBSTANTIAL AS TO ENABLE THEM TO SUSTAIN ANY LOSS THAT THEY MIGHT SUFFER AS A RESULT OF MAKING SUCH INVESTMENTS. THESE INVESTMENTS ARE NOT REGARDED BY THE JERSEY FINANCIAL SERVICES COMMISSION AS SUITABLE INVESTMENTS FOR ANY OTHER TYPE OF INVESTOR.

ANY INDIVIDUAL INTENDING TO INVEST IN ANY INVESTMENT DESCRIBED IN THIS DOCUMENT SHOULD CONSULT HIS OR HER PROFESSIONAL ADVISER AND ENSURE THAT HE OR SHE FULLY UNDERSTANDS ALL THE RISKS ASSOCIATED WITH MAKING SUCH AN INVESTMENT AND HAS SUFFICIENT FINANCIAL RESOURCES TO SUSTAIN ANY LOSS THAT MAY ARISE FROM IT.

The JFSC does not opine on, or otherwise endorse, the Issuer falling within the scope of the Collective Investment Funds (Restriction of Scope) (Jersey) Order 2000. Accordingly, the JFSC takes no responsibility should the Issuer fail to meet the conditions of the Collective Investment Funds (Restriction of Scope) (Jersey) Order 2000.

The Registrar and Issuing and Paying Agent is registered under the Financial Services (Jersey) Law 1998, as amended, (the "**Financial Services Law**") to enable it to undertake its functions in relation to the Securities. The Jersey Financial Services Commission is protected by the Financial Services Law against liability arising from the discharge of its functions thereunder.

The Jersey Financial Services Commission does not take any responsibility for the financial soundness of the Issuer or for the correctness of any statements made or expressed in this Base Prospectus.

This Base Prospectus is valid for a maximum period of twelve months from the Swedish FSA Approval. The Issuer will, in the event of any significant new factor, material mistake or inaccuracy relating to information included in this Base Prospectus which is capable of affecting the assessment of the Securities, prepare a supplement to this Base Prospectus. The obligation to prepare a supplement to this Base Prospectus in the event of any significant new factor, material mistake or inaccuracy does not apply when this Base Prospectus is no longer valid.

This Base Prospectus permits offers of Securities to the public in Sweden, Austria, Germany, Finland, Denmark, Netherlands, Norway and, subject to the paragraph immediately below, Switzerland and/or admission to trading on the Relevant Stock Exchange specified in the applicable Final Terms. The Securities may be made available to retail investors. There are restrictions on the offer and sale of the Securities into certain jurisdictions. See the section headed "*Subscription and Sale*".

It is expected that this Base Prospectus (together with any supplements hereto as at such time), together with evidence of the Swedish FSA Approval, will be filed with a Swiss Review Body for automatic recognition in accordance with article 54(2) of the FinSA as a base prospectus within the meaning of article 45 of the FinSA. In connection with any such filing, such Swiss Review Body will not review or approve this Base Prospectus (as so supplemented) or any subsequently published supplements hereto. Once this Base Prospectus (together with any supplements hereto as at such time) has been so filed and published in accordance with the FinSA, this Base Prospectus (together with any supplements hereto subsequently published from time to time, which supplements, once approved by the Swedish FSA, will be filed with the relevant Swiss Review Body and published in accordance with the FinSA) may be used, subject to any other applicable requirements under the FinSA or the Swiss Financial Services Ordinance of 6 November 2019, as amended (the "**FinSO**"), for any public offering of Securities in Switzerland and/or application for the admission to trading of Securities on the SIX Swiss Exchange or any other trading venue (exchange or multilateral trading facility) in Switzerland. In such case, the applicable Final Terms will be filed with the relevant Swiss Review Body and published in accordance with the FinSA. The Final Terms for any such Securities will not be reviewed or approved by such Swiss Review Body. The Swedish FSA is not the competent authority and will neither approve nor review the Final Terms in respect of such Securities.

Certain offers of the Securities may also be made where there is an exemption available under Article 3.2 of the EU Prospectus Regulation to the requirement to publish a Prospectus.

No representations

No person has been authorised to give any information or to make any representation other than those contained in this Base Prospectus and the applicable Final Terms in connection with the issue or sale of the Securities and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or any of the Arranger, the Trustee or any of their respective affiliates. Neither the delivery of this Base Prospectus nor any sale of Securities made in connection therewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date of this Base Prospectus or the date upon which this Base Prospectus has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Issuer since the date of this Base Prospectus or the date upon which this Base Prospectus has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

Neither the Arranger nor the Trustee nor any of their respective affiliates has separately verified the information contained in this Base Prospectus. Except as described above with respect to Third Party Information in respect of such party, neither the Arranger nor the Trustee nor any of their respective affiliates makes any representation, express or implied, or, to the fullest extent permitted by law, accepts any responsibility, with respect to the accuracy or completeness of any of the information in this Base Prospectus or for any other statement made or purported to be made by the Arranger, the Trustee or any of their respective affiliates or on behalf of any of them in connection with the Issuer or the issue and offering of the Securities. Each of the Arranger and the Trustee accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this Base Prospectus or any such statement.

Risk factors

Prospective investors should have regard to the factors described under the section headed "*Risk Factors*" and, in particular, to the limited recourse nature of the Securities and the fact that the Issuer is a special purpose vehicle. This Base Prospectus does not describe all of the risks of an investment in the Securities and there may be other reasons why the Issuer is unable to pay amounts due in respect of the Securities and/or why amounts payable in respect of the Securities may be reduced.

The risk factors identified in this Base Prospectus are provided as general information only and the Arranger and the Trustee disclaim any responsibility to advise purchasers of Securities of the risks and investment considerations associated therewith as may exist at the date hereof or from time to time.

No Investment Advice

The directors of the Issuer have taken all reasonable care to ensure that the facts stated in this Base Prospectus are true and accurate in all material respects, and that there are no other facts, the omission of which would make misleading any statement in this Base Prospectus, whether of facts or of opinion. All the directors accept responsibility accordingly. Nothing in this document or anything communicated to holders or potential holders of Securities or other obligations by the Issuer is intended to constitute or should be construed as advice on the merits of the purchase or subscription for the Securities or the exercise of any rights attached thereto for the purposes of the Financial Services Law.

The Issuer makes no representations as to:

- the suitability of any Securities for any particular investor;
- the appropriate accounting treatment or possible tax consequences of an investment in any Securities; or
- the expected performance of any Securities, either in absolute terms of relative to competing investments.

Independent review/investor suitability

Independent review and investment advice

Each prospective investor in the Securities must determine, based on its own independent review and such professional advice as it deems appropriate under the circumstances, that its acquisition of the Securities is fully consistent with its financial needs, objectives and condition, complies and is fully consistent with all investment policies and restrictions applicable to it and is a fit, proper and suitable investment for it, notwithstanding the clear and substantial risks inherent in investing in or holding the Securities.

To determine whether an investment in the Securities is appropriate, each prospective investor must consider its own assessment of the financial condition and affairs and the creditworthiness of the Issuer and such professional advice (including, without limitation, any tax, accounting, business, legal and regulatory advice) as it deems appropriate to assess the economic and political condition of the country in which such obligor is located.

Neither this Base Prospectus nor any Final Terms is intended to provide the basis of any credit or other evaluation or should be considered as a recommendation or as constituting an invitation or offer that any recipient of this Base Prospectus or any Final Terms should purchase any of the Securities. Prospective investors should read the information set out in this Base Prospectus and the applicable Final Terms, and reach their own conclusions prior to making a decision in respect of any investment. The Trustee and the Arranger expressly do not undertake to review the financial condition, creditworthiness or affairs of the Issuer or any other relevant obligor(s) during the life of the arrangements contemplated by this Base Prospectus or the term of any Securities issued nor to advise any investor or potential investor in the Securities of any information coming to the attention of any of the Arranger, the Trustee or any of their respective affiliates.

Investor suitability for complex products

Prospective purchasers of Securities should conduct such independent investigation and analysis regarding the Issuer, the security arrangements and the Securities as they deem appropriate to evaluate the merits and risks of an investment in the Securities. Prospective purchasers of Securities should have sufficient knowledge and experience in financial and business matters, and access to, and knowledge of, appropriate analytical resources, to evaluate the information contained in this Base Prospectus and the applicable Final Terms and the merits and risks of investing in the Securities in the context of their financial position and circumstances.

Sufficient financial resources

Each prospective investor in the Securities should have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Securities. This includes the risk of where principal and interest may reduce as a result of the occurrence of different events whether related to the creditworthiness of any entity or otherwise or changes in particular rates, values, prices or indices, or where the currency for principal or interest payments is different from the prospective investor’s currency.

A prospective investor may not rely on the Issuer, the Arranger, or the Trustee or any of their respective affiliates in connection with its determination as to the legality of its acquisition of the Securities or as to the other matters referred to above.

Applicable Laws

Investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each prospective investor should therefore consult its professional advisers to determine whether and to what extent:

- the Securities are legal investments for it; and/or
- other restrictions apply to its purchase of any Securities.

Financial institutions should consult their professional advisers or the appropriate regulators to determine the appropriate treatment of Securities under any applicable risk-based capital or similar rules.

No advisory or fiduciary obligations

None of the Issuer, the Arranger or any of the other Transaction Parties or any of their respective affiliates is acting as an investment adviser or as adviser in any other capacity. None of them (other than the Trustee under the Trust Deed) assumes any fiduciary obligation to any purchaser of Securities or any other party, including the Issuer.

No representations

None of the Issuer, the Arranger or any of the other Transaction Parties makes any representation or warranty, express or implied, in respect of:

- any Underlying Cryptoasset;

- any information contained in any documents prepared, provided or filed in respect of such Underlying Cryptoasset with any exchange, governmental, supervisory or self-regulatory authority or any other person.

None of the Arranger or any of the other Transaction Parties makes any representation or warranty, express or implied, in respect of the Issuer or in respect of any information contained in any documents prepared, provided or filed by or on behalf of the Issuer.

The risk factors identified in this Base Prospectus are provided as general information only and the Arranger and the Trustee disclaim any responsibility to advise purchasers of Securities of the risks and investment considerations associated therewith as they may exist at the date hereof or as they may from time to time alter.

Non-Exempt Offers

This Base Prospectus has been prepared on a basis that permits offers that are not made within an exemption from the requirement to publish a prospectus under Article 1(4) of the of the EU Prospectus Regulation (a "**Non-Exempt Offer**") in Sweden, Austria, Germany, Finland, Denmark, Netherlands and Norway and, subject to completion of relevant notification measures, any other Member State within the EEA that is specified as a Non-Exempt Offer Jurisdiction in the applicable Final Terms (each a "**Non-Exempt Offer Jurisdiction**" and together, the "**Non-Exempt Offer Jurisdictions**"). Any person making or intending to make a Non-Exempt Offer of Securities on the basis of this Base Prospectus must only do so with the Issuer's consent – see "*Consent to use this Base Prospectus*" below.

Consent to use this Base Prospectus

In the context of any Non-Exempt Offer of Securities, the Issuer accepts responsibility, in each of the Non-Exempt Offer Jurisdictions, for the content of this Base Prospectus in relation to any prospective investor who purchases any Securities in a Non-Exempt Offer made by the Issuer or an Authorised Offeror (as defined below) where that offer is made during the Offer Period (as defined below) for which the consent is given and in compliance with the other conditions attached to the giving of the consent, all as set forth in the applicable Final Terms.

Except in the circumstances described below, the Issuer has not authorised the making of any offer by any offeror and the Issuer has not consented to the use of this Base Prospectus by any other person in connection with any offer of the Securities in any jurisdiction. Any offer made without the consent of the Issuer is unauthorised and neither the Issuer not, for the avoidance of doubt, the Arranger accepts any responsibility or liability in relation to such offer or for the actions of the persons making any such unauthorised offer.

If, in the context of a Non-Exempt Offer, a prospective investor is offered Securities by a person which is not an Authorised Offeror, the prospective investor should check with such person whether anyone is responsible for this Base Prospectus for the purpose of the relevant Non-Exempt Offer and, if so, who that person is. If a prospective investor is in any doubt about whether it can rely on this Base Prospectus and/or who is responsible for its contents, the prospective investor should take legal advice.

If so specified in the Final Terms in respect of any particular Series of Securities, the Issuer consents to use of this Base Prospectus (as supplemented at the relevant time, if applicable) in connection with any Non-Exempt Offer of a Tranche of Securities in any of the Non-Exempt Offer Jurisdictions specified in the Final Terms during the Offer Period specified in the Final Terms which are to be admitted to trading on a regulated market for the purposes of MiFID II and/or are to be offered to the public in the European Economic Area, by:

- the financial intermediary/ies specified in the applicable Final Terms (each, an "**Authorised Offeror**"); and
- any other financial intermediary appointed after the date of the applicable Final Terms and whose name is published on the Issuer's Website and identified as an Authorised Offeror in respect of the relevant Non-Exempt Offer,

in each case subject to the relevant conditions as specified in the applicable Final Terms.

It shall be a condition of such consent that this Base Prospectus may only be used by the relevant Authorised Offeror(s) to make offerings of any Series of Securities in the Non-Exempt Offer Jurisdiction. The Securities may be made available to retail investors.

The Issuer may (i) give consent to one or more additional Authorised Offerors after the date of the applicable Final Terms, (ii) discontinue or change the offer period, and/or (iii) remove or add conditions and, if it does so, such information in relation to the relevant Securities will be published on the Issuer's Website. The consent relates only to offer periods occurring within the maximum period of 12 months from the date of this Base Prospectus.

A prospective investor intending to acquire or acquiring any Securities from an Authorised Offeror will do so, and offers and sales of the Securities to such prospective investor by an Authorised Offeror will be made, in accordance with any terms and other arrangements in place between such Authorised Offeror and the prospectus investor including as to price, allocations and settlement arrangements (the "Terms and Conditions of the Non-Exempt Offer"). The Issuer will not be a party to any such arrangements with such prospectus investor and, accordingly, this Base Prospectus does not, and any Final Terms will not, contain such information. The Terms and Conditions of the Non-Exempt Offer shall be provided to such prospective investor by that Authorised Offeror at the time the offer is made. None of the Issuer or, for the avoidance of doubt, the Arranger or other Authorised Offerors has any responsibility of liability for such information. Each Authorised Offeror using this Base Prospectus shall state on its website that it uses this Base Prospectus in accordance with the consent and conditions attached hereto.

Distribution

The distribution of this Base Prospectus and any Final Terms and the offering or sale of the Securities in certain jurisdictions may be restricted by law. In particular, no action has been or will be taken by the Issuer, the Arranger, the Trustee or any of their respective affiliates (save as specified in the applicable Final Terms) which is intended to permit a public offering of the Securities or distribution of this Base Prospectus or any Final Terms in any jurisdiction where action for that purpose is required. Accordingly, the Securities may not be offered or sold, directly or indirectly, and neither this Base Prospectus nor any Final Terms nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any Applicable Laws. None of the Issuer, the Arranger or the Trustee represents that this Base Prospectus may be lawfully distributed, or that any Securities may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assumes any responsibility for facilitating any such distribution or offering. Persons into whose possession this Base Prospectus and any Final Terms comes are required by the Issuer, the Arranger and the Trustee to inform themselves about and to observe any such restriction.

The Securities have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") and include Securities that are subject to U.S.

tax law requirements. Securities may not at any time be offered, sold, pledged or otherwise transferred within the United States or to (i) “U.S. persons” (as defined in Regulation S under the Securities Act), (ii) “U.S. persons” (as defined in the final risk retention rules promulgated under Section 15G of the U.S. Securities Exchange Act of 1934, as amended (the “**Exchange Act**”) or (iii) a person who comes within any definition of “U.S. person” for the purposes of the U.S. Commodity Exchange Act of 1936, as amended (the “**CEA**”), or any rule, guidance or order proposed or issued by the U.S. Commodity Futures Trading Commission (the “**CFTC**”) thereunder (including but not limited to any person who is not a “Non-United States person” under CFTC Rule 4.7(a)(1)(iv) and also including but not limited to a “U.S. person” as described in and for the purposes of the CFTC’s Interpretive Guidance and Policy Statement Regarding Compliance with Certain Swap Regulations, 78 Fed Reg. 45292 (July 26, 2013) as amended from time to time). For a description of certain restrictions on offers and sales of Securities and on distribution of this Base Prospectus in the United States and the European Economic Area, see the section headed "*Subscription and Sale*".

In October 2020, the Financial Conduct Authority (the “**FCA**”) issued rules prohibiting the sale, marketing and distribution to all retail consumers of any derivatives and ETNs that reference unregulated transferrable crypto assets by firms acting in, or from, the United Kingdom. As at the date of this Base Prospectus such rules remain in place. In line with such rules, the Securities may not be offered or sold to any retail investors in the United Kingdom. See “*Subscription and Sale*”.

Prohibition of sales to EEA retail investors

If the Final Terms in respect of any Securities includes a legend entitled “Prohibition of Sales to EEA Retail Investors”, the Securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“**EEA**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”; (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the “**EU Prospectus Regulation**”. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIIPs Regulation**”) for offering or selling the Securities or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Securities or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

Prohibition of sales to UK retail investors

The Securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the “**UK**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 and as amended or supplemented in the UK thereafter; (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the “**FSMA**”) and any rules or regulations made under the FSMA which were relied on immediately before exit day to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 and as amended or supplemented in the UK thereafter; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 as it forms part of the domestic law of the UK by virtue of the European Union (Withdrawal) Act 2018 and as amended or supplemented in the UK thereafter (the “**UK Prospectus Regulation**”).

	Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of the domestic law of the UK by virtue of the European Union (Withdrawal) Act 2018 and as amended or supplemented in the UK thereafter (as amended, the "**UK PRIIPs Regulation**") for offering or selling the Securities or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Securities or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.
MiFID II Product Governance/Target Market	The Final Terms in respect of any Series of Securities may include a legend entitled "*MiFID II Product Governance*" which will outline the target market assessment in respect of the Securities and which channels for distribution of the Securities are appropriate. Any person subsequently offering, selling or recommending the Securities (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Securities (by either adopting or refining the target market assessment) and determining appropriate distribution channels. The target market assessment in respect of the Securities may be retail investors. A determination will be made in relation to each issue about whether, for the purpose of the MiFID II Product Governance rules under EU Delegated Directive 2017/593 (the "**MiFID II Product Governance Rules**"), any person subscribing for any Securities is a manufacturer in respect of such Securities, but otherwise neither the Arranger nor any of its affiliates will be a manufacturer for the purpose of the MiFID II Product Governance Rules.
UK MiFIR Product Governance/Target Market	The Final Terms in respect of any Series of Securities may include a legend entitled "*UK MiFIR Product Governance*" which will outline the target market assessment in respect of the Securities and which channels for distribution of the Securities are appropriate. Any person subsequently offering, selling or recommending the Securities (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Securities (by either adopting or refining the target market assessment) and determining appropriate distribution channels. The target market assessment in respect of the Securities may be retail investors. A determination will be made in relation to each relevant issue about whether, for the purpose of the UK MiFIR Product Governance Rules, any person subscribing for any Securities is a manufacturer in respect of such Securities, but otherwise neither the Arranger nor any of its affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.
STS	While the Issuer is established as a special purpose vehicle for the issuance of the Securities as described in this Base Prospectus, no notification has been or is intended to be communicated to the European Securities and Markets Authority in relation to the Simple, Transparent and Standardised (STS) criteria set out in Regulation (EU) 2017/2402.
Money Laundering Regulations	The verification of identity requirements of Jersey's anti-money laundering laws and regulations and/or any subsequent equivalent legislation will apply to the Programme and verification of the identity of the (i) Authorised Participants or (ii) following a relevant announcement by the Issuer through a notice permitting non-Authorised Participants to deal with the Issuer, non-Authorised Participants, for Securities may be required.

The anti-money laundering laws and regulations of other jurisdictions may also apply to the Programme and verification of the identity of the Authorised Participants or non-Authorised Participants (as applicable).

By lodging an Application Form, each Authorised Participant or non-Authorised Participants (as applicable) confirms that it is subject to the Money Laundering (Jersey) Order 2008 (as amended from time to time) (in relation to Jersey), the Money Laundering Regulations 2007 (in relation to the UK) and/or any other applicable anti-money laundering laws and regulations and/or undertakes to provide such other evidence of identity as is required by the Issuer at the time of lodging the Application Form, or, at the absolute discretion of the Issuer, at such specified time thereafter as may be requested to ensure compliance with the Money Laundering (Jersey) Order 2008, the Money Laundering Regulations 2007 and/or any other applicable legislation.

The Issuer is entitled, in its absolute discretion, to determine whether the verification of identity requirements apply to any Authorised Participant or non-Authorised Participants (as applicable) and whether such requirements have been satisfied, the Issuer shall not be responsible or liable to any person for any loss or damage suffered as a result of the exercise of their discretion hereunder.

No application will be accepted by the Issuer unless evidence of such Authorised Participant's or non-Authorised Participant's (as applicable) identity satisfactory to the Issuer and its agents is provided.

CONFLICTS OF INTEREST

Conflicts of interest may arise between the various parties involved in the issuance of Securities

The Arranger and other Transaction Parties may act in multiple capacities in connection with any Series of Securities. The Arranger and other Transaction Parties have only the duties and responsibilities expressly agreed to in the relevant capacity and will not be deemed to have other duties or responsibilities or be deemed to be subject to a standard of care other than as may be expressly provided with respect to the relevant capacity. The Arranger and other Transaction Parties may enter into business dealings relating to the Securities or the Underlying Cryptoasset without any duty to account for such revenues or profits. The Arranger and other Transaction Parties may purchase and hold Securities of any Series.

The Arranger’s group and its personnel, including its sales and trading, investment research and investment management personnel, regularly make investment recommendations, or publish or express independent views in respect of a wide range of markets, issuers, securities and instruments. They regularly implement, or recommend, various investment strategies relating to these markets, issuers, securities and instruments. These strategies include, for example, buying or selling credit protection against a default or other event involving an entity or financial instruments. Any of these recommendations and views may be negative with respect to the Issuer or the Securities or other securities or instruments similar to the Securities or result in trading strategies that have a negative impact on the market for any such securities or instruments, particularly in illiquid markets. Securityholders should expect that personnel in the trading and investing businesses of the Arranger’s group will have independent views of the Issuer or other market trends which may not be aligned with the views and objectives of Securityholders.

The Arranger’s group and other Transaction Parties may at any time be an active and significant participant in or act as market maker in relation to a wide range of markets for currencies, instruments relating to currencies, securities and derivatives. Activities undertaken by the Arranger’s group and other Transaction Parties may be on such a scale as to affect, temporarily or on a long-term basis, the price of such currencies, securities relating to currencies, securities and derivatives or securities and derivatives based on, or relating to, the Securities or any Underlying Cryptoasset. Notwithstanding this, neither the Arranger nor other Transaction Parties necessarily have a duty or obligation to take into account the interests of any party in relation to any Securities when effecting transactions in such markets.

The Trustee is required to have regard to the interests of the Securityholders as a class and not individually and does not assume any duty or responsibility to the Transaction Parties

In connection with the exercise of its functions, the Trustee will have regard to the interests of the Securityholders as a class and is not required to have regard to the consequences of such exercise for individual Securityholders. The Trustee is not entitled to require, nor is any Securityholder entitled to claim, from the Issuer any indemnification or payment in respect of any such exercise upon individual Securityholders.

In acting as Trustee under the Trust Deed, the Trustee does not, in respect of Securities of any Series, assume any duty or responsibility to any of the Custodian, the Determination Agent, any of the Paying Agents, any other Secured Creditor or any other Transaction Party (other than to pay any such party any moneys received and payable to it and to act in accordance with the Conditions and the Trust Deed). The Trustee is not obliged to act on any directions of any Secured Creditor or Transaction Party other than where expressly provided otherwise in the Transaction Documents to which the Trustee is a party, including in circumstances where it is directed to enforce the security.

ECONOMIC OVERVIEW OF THE SECURITIES

The Issuer from time to time may issue Securities under the Programme which are secured on the Underlying Cryptoassets for such Series of Securities. Information specific to each Series of Securities will be specified in the applicable Final Terms.

The amount payable on the Securities will depend on the performance of the Underlying Cryptoasset and the fees, costs and expenses charged in relation to the Securities. See the section of this Base Prospectus headed "*Risk Factors*".

APPLICATIONS FOR SECURITIES

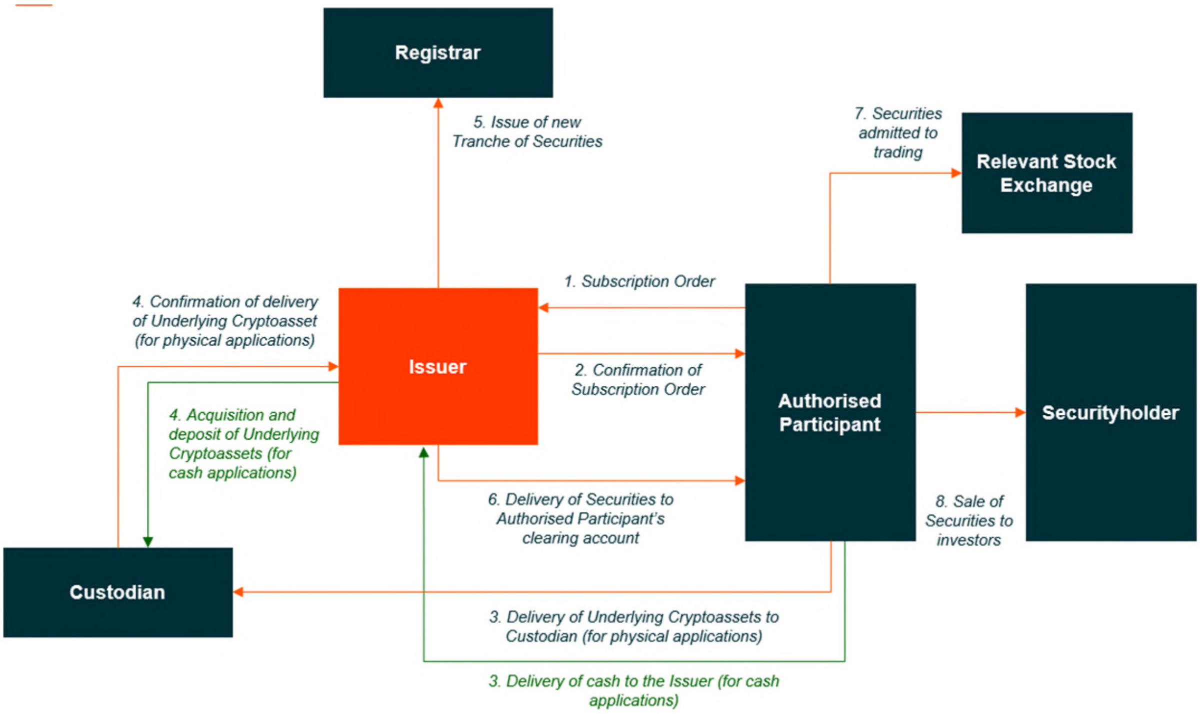
It is intended each Series of Securities will be subject to a continual and ongoing subscription and redemption mechanism. Authorised Participants (or in certain circumstances, a Securityholder who is not an Authorised Participant) may make an order for subscription of Securities (a "**Subscription Order**") for the application of new Securities or submit a Redemption Order for the redemption of existing Securities. The minimum initial investment in Securities which must be made by an Authorised Participant is US $100,000.

Subscriptions

The process for the application for subscription of Securities by Authorised Participants is as follows:

1. Authorised Participants may make a Subscription Order for Securities in accordance with the Authorised Participant Agreement approximately two Business Days prior to delivery of the Securities by the Issuer;
2. Following receipt of a valid order, the Issuer will confirm the application to the Authorised Participant;
3. The Authorised Participant delivers either:
    a. in the case of physical applications, a quantity of the relevant Underlying Cryptoasset to the Custodian equal to the Coin Entitlement for the Securities to which the Subscription Order relates, as required under the Conditions; or
    b. in the case of cash applications, cash in the Base Currency to the Issuer equal to the Coin Entitlement for the Securities to which the Subscription Order relates, as required under the Conditions, which the Issuer will then apply to acquire the relevant Underlying Cryptoassets in an amount required under the Conditions;
4. In respect of physical applications, the Custodian confirms to the Issuer that it has received the relevant quantity of the Underlying Cryptoassets as required under the Conditions;
5. The Issuer issues the new Tranche of Securities and notifies the Issuing and Paying Agent;
6. Upon the satisfactory completion of steps 1 to 5, the Issuer delivers the Securities to the relevant account of the Authorised Participant via the Relevant Clearing System (such as CREST) approximately two Business Days following receipt of the Subscription Order from the Authorised Participant;
7. Following delivery of the Securities by the Issuer, the Securities are admitted to trading on the Relevant Stock Exchange applicable for the Series; and
8. The Authorised Participant may then sell the Securities on the Relevant Stock Exchange, sell the Securities in OTC transactions or hold the Securities.

A diagrammatic overview of the process of application for the Securities by Authorised Participants is set out below. The Issuer may charge the Authorised Participant fees in respect of the subscription of Securities, as agreed between the Issuer and the Authorised Participant. In the event that the Issuer is holding cash or Underlying Cryptoasset in respect of a Subscription Order which does not satisfy the requirements set out in the Conditions and the Authorised Participant Agreement, or such order fails to settle in accordance with the Conditions and the Authorised Participant Agreement, the Issuer will notify the Authorised Participant forthwith and arrange for such cash or Underlying Cryptoassets to be returned to the Authorised Participant as soon as reasonably possible.



Redemptions

An Authorised Participant (or in certain circumstances, a Securityholder who is not an Authorised Participant) may require the Issuer to redeem Securities. This is done by the submission of a Redemption Order which, to be valid, must:

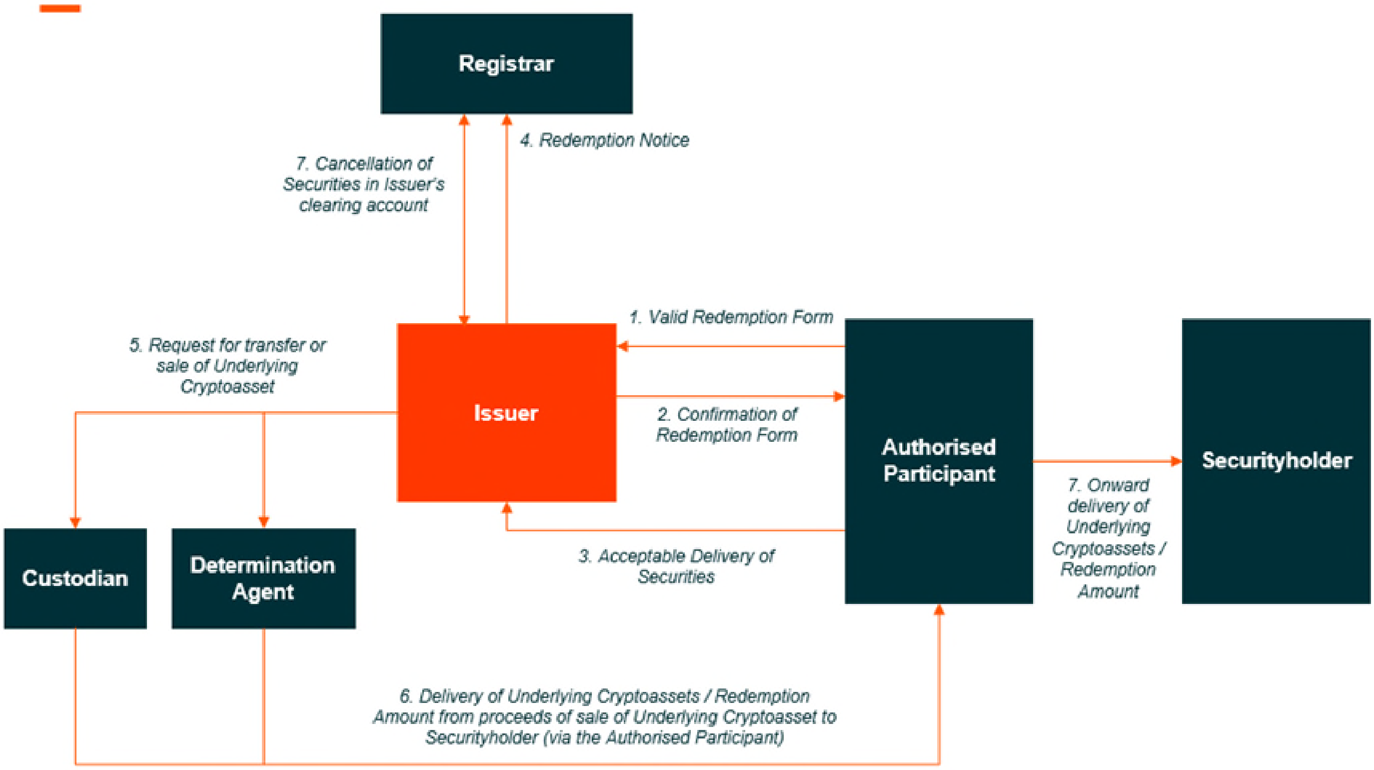
- specify the number and Series of Securities to be redeemed;
- relate to only one Series of Securities;
- be signed by, or by an authorised signatory on behalf of, the Authorised Participant or Securityholder (as applicable);
- provide all forms of documentation required for the purposes of any compliance and identification checks;
- comply with any additional requirements specified in any notice given by the Issuer;
- specify a digital wallet (or bank account) into which the Underlying Cryptoasset (or net cash proceeds) are to be deposited, to the extent that it is not already specified in the relevant Authorised Participant Agreement; and
- where submitted by a Securityholder who is not an Authorised Participant, elect the Physical Redemption Procedures or the Cash Redemption Procedures and contain any additional information as the Issuer (acting reasonably) determines is required to satisfy any application "know-your-customer" requirements, including (without limitation) that such Securityholder is not a Prohibited Securityholder.

In addition, where the Redemption Order is submitted by a Securityholder who is not an Authorised Participant, the redemption will be conditional upon payment by the Securityholder of the relevant Redemption Fee (as well as satisfaction of all relevant AML and KYC checks), which will be notified to the Securityholder by the Issuer following receipt of the Redemption Order.

The process for the redemption of Securities is as follows:

1. The Authorised Participant submits a valid Redemption Order in accordance with the Conditions;
2. The Issuer confirms the Redemption Order delivered by the Authorised Participant;
3. The Authorised Participant makes an Acceptable Delivery of Securities to the Issuer;
4. The Issuer circulates a Redemption Notice to the Transaction Parties, including to each of the Custodian and the Registrar and the Issuing and Paying Agent;

5. On the relevant date, the Issuer:
    a. in the case of cash redemption, arranges a sale of the relevant Underlying Cryptoasset in respect of the Securities subject to redemption; or
    b. in the case of physical redemption, instructs the Custodian to transfer to the Securityholder the relevant Underlying Cryptoasset in respect of the Securities subject to redemption;
6. In relation to the redemption of the Securities:
    a. in the case of cash redemption, the Issuer arranges a sale of the Underlying Cryptoasset and delivers an amount in the Base Currency equal to the Redemption Amount to the Securityholder via the Authorised Participant; or
    b. in the case of physical redemption, the Custodian delivers a quantity of the Underlying Cryptoasset equal to the Redemption Amount to the Securityholder via the Authorised Participant; and
7. The Authorised Participant onward transfers the Redemption Amount to the Securityholder.
8. The Issuing and Paying Agent cancels the Securities in the Issuer's clearing account.



The above summarises the subscription process by which Authorised Participants subscribes for Securities and redeems Securities directly from the Issuer. Prospective investors may purchase or sell Securities directly with the Authorised Participants or on the Relevant Stock Exchange on which such Securities are admitted to trading. Prospective investors should note that they may incur fees in respect of such purchases or sales of Securities in the secondary market, charged either by Authorised Participants, intermediaries or brokers or by the Relevant Stock Exchange on which such Securities are listed.

REDEMPTION EVENTS

Optional Redemption

Securityholders who are Authorised Participants (and, in certain circumstances, Securityholders who are not Authorised Participants) may request redemption of Securities through submission of a valid Redemption Order.

Compulsory Redemption

The Securities may also redeem automatically on the occurrence of certain events, including (without limitation):

- At the discretion of the Issuer on giving 30 calendar days' notice;
- The occurrence of an Issuer Insolvency Event;
- In the absolute discretion of the Issuer where, following a written notice delivered by the Issuer to a Securityholder requiring that Securityholder to provide, within 10 Business Days of such notice, an executed certificate and evidence satisfactory to the Issuer that such Securityholder is not a Prohibited Securityholder;
  - that Securityholder certifies that it is a Prohibited Securityholder; or
  - that Securityholder fails to provide an executed certificate in the form and manner required under the Conditions as to its status as a Prohibited Securityholder within 10 Business Days from the date of the Issuer's notice;
- The Issuer determining (acting reasonably) that it is illegal or impossible for the Issuer to issue or deal with such Securities or to hold or deal with the Underlying Cryptoassets in respect of such Securities; or
- An Event of Default occurs.

Disruption and suspension

In certain circumstances, the subscription or redemption of the Securities may be disrupted or suspended. These include:

- The Determination Agent determining that the prevailing market value of the Coin Entitlement is less than 100 per cent. of the principal amount of the Security;
- Trading and/or settlement in the relevant Underlying Cryptoasset is suspended or limited or any primary trading venue on which such Underlying Cryptoasset trades is not open or has permanently discontinued;
- Resignation of all Custodian(s) in respect of the relevant Series of Securities without a replacement having been appointed;
- The Secured Property in respect of a Series of Securities having been lost or is inaccessible;
- In respect of redemptions only, in circumstances where the Underlying Cryptoassets in respect of the Securities subject to redemption are staked by the Issuer; and/or
- In respect of subscriptions only, at any time in the sole discretion of the Issuer.

See the section headed "*Redemption Events*".

REDEMPTION PROCESS AND REDEMPTION AMOUNT

On redemption the Securityholder will receive a cash amount in the Base Currency (where the Securities are redeemed in accordance with the Cash Redemption Procedures) or a quantity of the Underlying Cryptoassets (whether the Securities are redeemed in accordance with the Physical Redemption Procedures) equal to the Redemption Amount on the relevant Settlement Date. The Securities do not bear interest.

The process for redemption of the Securities and the Redemption Amount will depend on whether the Securities are redeemed in accordance with the Cash Redemption Procedures or the Physical Redemption Procedures.

Cash Redemption Procedures

On the Instruction Date, the Issuer shall arrange for the sale of the Underlying Cryptoassets. The Redemption Amount will be transferred to the Securityholder (via the Authorised Participant) through the Relevant Clearing System on the Settlement Date, being:

- in the case of Optional Redemption, the second Payment Business Day following the date on which the Issuer has received in full cleared funds the proceeds of sale of the relevant Underlying Cryptoasset in respect of the Securities; or
- in the case of Compulsory Redemption, the Payment Business Day following the Instruction Date, or such other date as the Issuer may determine (acting reasonably) to facilitate an orderly redemption.

On cash redemption the Securityholders will be entitled to a portion of the actual net proceeds realised on sale of the Underlying Cryptoassets, minus a portion of the Redemption Deductions for the Series. The Cash Redemption Amount is calculated as follows:

- the quotient of:
  - the net proceeds actually realised from the sale of an amount of Underlying Cryptoasset equal to the Coin Entitlement for such Series; and
  - the proportion that the Securities of such Series held by that Securityholder that are subject to redemption bears to the total number of Securities of such Series subject to redemption;

minus

- the Coin Equivalent of the Redemption Deductions for the Series subject to redemption;

Physical Redemption Procedures

On the Instruction Date, the Issuer shall instruct the Custodian to transfer the Underlying Cryptoasset in an amount equal to the Redemption Amount to the account of the Securityholder. The Underlying Cryptoasset will be delivered to the Securityholder on the Settlement Date, being:

- in the case of Optional Redemption, the second Valuation Date after delivery of the Redemption Notice, or, where the Issuer determines (acting reasonably) that the Underlying Cryptoasset will not be deposited to the account of the Securityholder on such date, such later Valuation Date as the Issuer may determine; or
- in the case of Compulsory Redemption, the Payment Business Day following the Instruction Date, or such other date as the Issuer may determine (acting reasonably) to facilitate an orderly redemption.

On physical redemption the Securityholders will be entitled to a quantity of the Underlying Cryptoassets minus a portion of the Redemption Deductions for the Series. The Physical Redemption Amount is calculated as:

- the product of:
  - the Coin Entitlement with respect to a Security of that Series; and
  - the number of Securities held by that Securityholder subject to redemption;

minus

- the Coin Equivalent of the Redemption Deductions with respect to the Securityholder and the Securities of that Series held by that Securityholder.

Coin Entitlement

Each Series of Securities has a Coin Entitlement. The Coin Entitlement is a quantity of Underlying Cryptoassets which is used to calculate the Redemption Amount for the Series of Securities. The initial Coin Entitlement is specified in the applicable Final Terms and will be published each Business Day on the Issuer's Website. The Coin

Entitlement is calculated in accordance with the following formula and reduces on a daily basis to reflect the accrued Arranger Fee payable in respect of the Securities.

$$CE_{(i,t)} = CE_{(i,t-1)}\ x\ (1 - AF_{(i,t)})^{\ 1/N}$$

where:

i	means the relevant Series of Security;
t	means the applicable day (with *t-1* being the previous day);
$CE_{(i,t)}$	means the Coin Entitlement for that Series of Security for day *t*;
$CE_{(i,t-1)}$	means the Coin Entitlement for that Series of Security on the day prior to day *t*;
$AF_{(i,t)}$	means the per annum Arranger Fee applicable to that Series of Security on day *t*, expressed as a decimal (for example, an annual fee of 98 basis points per annum is expressed as 0.0098); and
N	means the number of days in the calendar year, being 365 or 366.

Arranger Fee

The Arranger Fee for each Series of Securities is the amount paid by the Issuer to the Arranger for the administrative and operational services provided by the Arranger to the Issuer in respect of the Programme. The Arranger Fee accrues on a daily basis and is deducted from the Coin Entitlement.

The Arranger Fee for a Series of Securities is specified in the applicable Final Terms and may be varied by the Issuer from time to time. If the Arranger Fee is varied, the Securityholders will be notified and the varied Arranger Fee will not take effect for a period of 5 Business Days from the date of such notice.

Worked example of Coin Entitlement

Consider on day 1 the Coin Entitlement is specified in the applicable Final Terms as 0.02 and the Arranger Fee for the Series of Securities is 0.0098 per cent per annum. On day 2 the Coin Entitlement would be reduced to take account for the daily amount of the annual Arranger Fee charged for that day. This would be calculated as follows.

$$CE_{(i,t)} = 0.02\ x\ (1 - 0.0098)^{\frac{1}{365}} = 0.02\ x\ (0.999973) = 0.01999946$$

On day three, the Coin Entitlement would reduce further to reflect another days' worth of accrued Arranger Fee payable. This would be calculated as follows.

$$\begin{aligned} CE_{(i,t)} &= 0.01999946\ x\ (1 - 0.0098)^{\frac{1}{365}} = 0.0.01999946\ x\ (0.0.999973\ ) \\ &= 0.01999892 \end{aligned}$$

As demonstrated above, the Coin Entitlement reduces on a daily basis to take account for the daily accrual of the Arranger Fee payable by the Issuer.

Redemption Deductions and Coin Equivalent

The Redemption Deductions are deducted at redemption as part of the calculation of the Redemption Amount. The Redemption Deductions is primarily made up of the Execution Fee, which reflects the necessary costs of the Issuer actually incurred in connection with the sale or transfer of the Underlying Cryptoassets.

The Redemption Deductions may be incurred by the Issuer in fiat currency. This amount is transferred into the Underlying Cryptoasset using the concept of the Coin Equivalent. The Coin Equivalent is the amount of the Underlying Cryptoasset determined by the Determination Agent (in good faith) equal to the amount of Redemption Deductions incurred by the Issuer in fiat currency.

The Redemption Deductions will be notified to the relevant Securityholders at the time of redemption and are deducted from the Coin Entitlement to calculate the Redemption Amount.

Converting the Coin Entitlement into an indicative market value

Securityholders should be aware that, as at the date of this Base Prospectus, the Issuer intends for all subscriptions (and redemptions) for any Series of Securities to be effected physically through delivery by the Authorised Participant (or to the Authorised Participant) of the relevant Underlying Cryptoasset. Therefore the Issuer will only issue Securities once it has received the Underlying Cryptoassets into the account held with the Custodian, and will only settle redemption of the Securities by delivering the relevant amount of Underlying Cryptoasset to the Authorised Participant (or, in certain circumstances, the Securityholder).

There are multiple indicative prices publicly available for Underlying Cryptoassets that may be used by Securityholders to determine an indicative market value price for the Securities which it holds on any given day. Each Security that is held by a Securityholder contains an entitlement on redemption to the Redemption Amount which is calculated by reference to the Coin Entitlement. Securityholders or prospective investors may convert that Coin Entitlement into an indicative market value for Securities by using the following formula:

Coin Entitlement x Indicative Price = Indicative Market Value

There may be multiple indicative prices for the Underlying Cryptoassets available which may be used by Securityholders for this purpose. The Issuer intends to use the price for the Underlying Cryptoassets published by Coinmetrics on https://charts.coinmetrics.io/network-data/ to provide an indicative market value for Securities on a daily basis.

For example, consider a Securityholder holds Bitcoin-linked Securities on 31 December 2022 with a Coin Entitlement of 0.00099469. The closing price for Bitcoin published by Coinmetrics on 31 December 2022 was $16,591.22. The indicative market value for such Securities would therefore be calculated as follows:

0.00099469 x $16,591.22 = $16.50

Trading at premium or discount

In the event that a class of Security trades at a significant premium or discount (i.e. +/- 2 per cent. or more for seven consecutive trading days) to the expected price for such Security based on prevailing market prices for the specified Underlying Cryptoasset, the Issuer will make disclosure of such premium or discount on the Issuer’s Website and provide a discussion of the factors that are reasonably believed to have materially contributed to the premium or discount (as applicable).

Although the Issuer relies solely on the Coin Entitlement for purposes of the application and redemption process, potential investors can look to external sources for real time prices of the Underlying Cryptoassets. Those sources include dedicated trading venues for digital assets, such as those listed under the heading ‘Exchanges and liquidity’ above and more traditional indexes and reference prices provided by index providers such as Bloomberg Index Services, CF Benchmarks and FTSE Russell Indices. See the section headed “*Converting the Coin Entitlement into an indicative market value*” above. The list is not exhaustive, and the Issuer takes no responsibility for the reliability or the accuracy of prices published by trading venues or index providers.

Worked examples

The three examples below show how an investors holding of the Securities may be impacted by a change in the market value of the Underlying Cryptoasset over the period of one year. These examples are for illustrative purposes only and do not indicate or represent actual or future performance of the Underlying Cryptoasset.

Note this excludes any fees which may be incurred by Securityholders in relation to the purchase and sale of the Securities on the Relevant Stock Exchange on which such Securities are admitted to trading and any custody fees. The below also excludes any Redemption Deductions which may be charged in relation to the redemption of the Securities, which would reduce the amount received by Securityholders.

	Example 1 – increase in price of Underlying Cryptoasset	Example 2 – neutral price of Underlying Cryptoasset	Example 3 – decrease in price of Underlying Cryptoasset
Acquisition price	$100	$100	$100
Price of Underlying Cryptoasset	$1,000	$1,000	$1,000
Coin Entitlement	0.02	0.02	0.02
Arranger Fee	0.0098	0.0098	0.0098
Period of investment	365 days	365 days	365 days
Fees charged during period of investment	$0.3145	$0.1966	$0.0786
Movement in price of Underlying Cryptoasset	+ $600 (60% increase)	+/- $0 (neutral)	- $600 (60% decrease)
Sale Price	$100	$100	$100
Gain / Loss	+$59.69	-$0.20	-$60.08

Taxation

All payments or deliveries in respect of the Securities shall be made subject to any deduction or withholding for or on account of any present or future tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same) imposed by any authority of any jurisdiction. If any such withholding or deduction is required, no additional amounts will be paid by the Issuer or any Agent in respect of such withholding or deduction.

OVERVIEW OF THE UNDERLYING CRYPTOASSET MARKET

The Underlying Cryptoassets are AAVE, Bitcoin, Chainlink, Ethereum, and Uniswap. Descriptions of such Underlying Cryptoassets, cryptocurrencies generally and the relevant market in the Underlying Cryptoassets are set out below.

The information provided below does not purport to be a complete summary of information relating to the Underlying Cryptoassets and prospective investors are advised to conduct their own independent investigation of the Underlying Cryptoassets or consult with their relevant advisors as to the prospects and consequences of an investment in the Securities.

The following information has been extracted from the sources identified below. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from published information, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Introduction

Cryptocurrencies are not issued by any government, bank or central organisation in the same way as fiat currencies or traditional assets such as bonds or equities. Cryptocurrencies are not insured or subject to insurance policies and are not backed by any physical assets or credit. Cryptocurrencies are “decentralised” and exist on an online, peer-to-peer network that hosts a public record of each transaction in that cryptocurrency.

For purposes of this section, the Issuer defines a cryptocurrency as a store of value that can only be transferred electronically and is cryptographically stored, verified and recorded on a blockchain or other form of distributed ledger.

Mining

Cryptocurrencies are secured through the use of technology called cryptography. Cryptography involves the encryption and decryption of information using two sets of keys (which are essentially unique large numbers) – a “private key” and a “public key”. The private key is a randomly allocated unique large number, and the public key is a unique large number which is calculated by solving a complex computer algorithm to the private key. Whilst the public key can be calculated using the private key, the private key cannot be calculated using the public key.

When a cryptocurrency transaction occurs (e.g. the transfer of Bitcoin from one digital wallet to another digital wallet) it is electronically signed by the owner and the public key for that transaction is then broadcast to the users of peer-to-peer network. Network participants known as “miners” use cryptography to encrypt the owner of the cryptocurrency and verify if the transaction is valid. They do this by solving the computer algorithm and calculating the private key from the public key. This process is known as “mining”.

The transaction is only deemed as valid if it is accepted by the majority of nodes on the network, which is achieved through solving the computer algorithm back to the earliest transaction on the public ledger. Only then will the transaction be verified and an additional transaction recorded, which adds an additional “block” to the “chain”. The public ledger of all transactions on the network is therefore known as the “blockchain”, as new blocks are only added where the transaction is solved back to the earliest “block”, creating a continuous chain which has been verified by the network participants.

Once validated, the cryptocurrency is transferred to the digital wallet or address associated to the private key, and can only be transferred onwards using that private key. This means the ownership the private key controls ownership of the cryptocurrency, similar to a bearer instrument. The miner is rewarded with a fixed amount of a newly created cryptocurrency for successfully solving the computer algorithm to validate the transaction.

Mining is known as “proof of work” and through a combination of factors (there being only one unique solution to the algorithm, the transaction only being validated if accepted by the majority of nodes, “miners” competing to solve the algorithm based on the earliest "block" and the addition of new "blocks" being irreversible) ensures the legitimacy of the relevant blockchain and the cryptocurrency to which it relates.

Staking

The mining process uses a large amount of computational power and energy to validate transactions. Some blockchains therefore rely on a process known as "staking". Rather than mining, this involves participants validating transactions by "staking" existing cryptocurrencies. Transactions are recorded (and blocks added to the chain) based on the proportion of cryptocurrency "staked" by the participant relative to the total amount of cryptocurrency outstanding for that blockchain. This is known as "proof of stake".

The key difference between staking and mining is that staking (proof of stake) allows participants to use existing cryptocurrencies to validate new transactions, whereas mining (proof of work) rewards participants who expend the most computational power to solve algorithms to validate new transactions.

Trading venues and liquidity

The trading of cryptocurrencies works in the same way as foreign exchange trading, whereby market participants can buy and sell cryptocurrencies in exchange for fiat currencies or other cryptocurrencies on trading venues.

Trading of cryptocurrencies generally occurs as follows: (i) trading venues which connect buyers and sellers and the price is determined by transactions in the market, with transaction fees charged per trade; (ii) trading venues which allow direct peer-to-peer trading and allow buyers and sellers to set prices; and (iii) brokerages which set the price of the cryptocurrencies traded on their websites.

Before buying or selling cryptocurrencies directly, each buyer and seller must obtain a digital "wallet" to store the cryptocurrency. The "wallet" is a software programme with a unique address and verification system including a linked "public key" and "private key" to facilitate transfer of cryptocurrencies.

There are multiple trading venues globally which permit trading of cryptocurrencies and publish market prices for cryptocurrencies linked to fiat currencies such as USD, EUR or GBP as well as other cryptocurrencies. Many of these trade cryptocurrencies 24 hours a day, 7 days a week, 365 days a year. Popular cryptocurrency trading venues include Coinbase, Binance, Kraken, Gemini and Bitfinex.

Further information on the Underlying Cryptoassets including information on the past performance of cryptocurrencies is available free of charge in a variety of places, including https://www.coinbase.com/price, https://coinmarketcap.com/ and https://www.cryptocompare.com/.

The Issuer takes no responsibility for the content of these websites and they are not incorporated by reference into this Base Prospectus.

Pricing and volatility

Cryptocurrencies are extremely volatile when compared to fiat currencies and most (if not all) traditional asset classes. Due to the peer-to-peer nature of cryptocurrencies and the fact they can be traded continuously, price is heavily influenced by supply and demand. The price of a cryptocurrency can increase or decrease significantly in a matter of hours or even minutes, often caused by short term trading.

In the event that any Series of Securities trades at a significant premium or discount (i.e. +/- 2 per cent. or more for seven consecutive trading days) to the expected price for such Series based on prevailing market prices for the specified Underlying Cryptoasset, the Issuer will make disclosure of such premium or discount on the Issuer's Website and provide a discussion of the factors that are reasonably believed to have materially contributed to the premium or discount (as applicable).

Although the Issuer relies solely on the Coin Entitlement for purposes of the application and redemption process, potential investors can look to external sources for real time prices of the Underlying Cryptoassets. Those sources include dedicated trading venues for digital assets, such as those listed under the heading 'Exchanges and liquidity' above and more traditional indexes and reference prices provided by index providers such as Bloomberg Index Services, CF Benchmarks and FTSE Russell Indices. See the section headed "*Converting the Coin Entitlement into an indicative market value*". The list is not exhaustive, and the Issuer takes no responsibility for the reliability or the accuracy of prices published by trading venues or index providers.

Storage

Cryptocurrencies are stored in digital wallets online and protected by the private key, which is held only by the owner of the cryptoasset. As the control of the private key dictates ownership of the cryptoasset, the key function of the storage arrangement is to protect the private key.

Storage of the private key can either be "hot" or "cold". "Hot" storage involves the private key being maintained only online in a digital wallet that can be accessed by the owner using a software application. "Cold" storage involves a physical version of the private key being stored in a vault, in a similar way to storage of gold or other precious metals.

Types of cryptocurrencies

Securities issued under the Programme may only be linked to AAVE, Bitcoin, Chainlink, Ethereum, or Uniswap. On the Issue Date of the relevant Series of Securities the Underlying Cryptoasset with respect to such Series of Securities will not comprise a Prohibited Coin. There are various other cryptocurrencies on the market including, but not limited to; XRP, Litecoin, Bitcoin Cash, Binance Coin, Tether, EOS, Polkadot and Cardano. Due to the open-source nature of blockchain technology, new cryptocurrencies are regularly launched and over time, new cryptocurrencies may replace those named above as the most popular and largest cryptocurrencies by market capitalisation.

As at 31 December 2022, according to popular cryptocurrency website www.coinmarketcap.com, the total market capitalisation of all cryptocurrencies exceeds $794 billion.

AAVE

AAVE is a decentralized finance (DeFi) platform running on the Ethereum blockchain, where users can borrow a range of cryptocurrencies, as well as lend assets in exchange for interest payments, all without needing an intermediary.

Bitcoin

Bitcoin is widely considered as the first cryptocurrency. It was created following a paper published in 2008 by "Satoshi Nakamoto" (a pseudonym for an individual or group of individuals) which described a decentralised, digital currency which allowed for peer-to-peer secure transfer of value without the oversight of a central authority. The first 50 Bitcoins were mined in January 2009 which created the "genesis block" of the Bitcoin blockchain.

The code behind the Bitcoin blockchain is open-source, which means individuals are able to use its code to create a new blockchain which is originally based on the Bitcoin blockchain. This is known as a "fork", as it creates a fork in the original blockchain. Since its launch, Bitcoin has faced pressure over its scalability, which has led to two notable forks:

- In 2011, Charlie Lee changed some key parameters of the Bitcoin code including an increase the total supply of the currency to a maximum of 84 million (increased from 21 million for Bitcoin) and to reduce the confirmation time to 2.5 minutes. This created Litecoin.

- In 2017, a group of developers created a replica of the blockchain on which Bitcoin was based to resolve perceived issues with the scalability of Bitcoin. The primary change was to expand the block size from 1 megabyte to 8 megabytes. This created Bitcoin Cash.

Bitcoin is established as the most widely held and biggest Cryptoasset and has a market capitalisation of $318.5 billion as at 31 December 2022 (according to https://coinmarketcap.com/currencies/bitcoin/). The cryptocurrency of the Bitcoin blockchain is Bitcoin or BTC.

Chainlink

Chainlink is a decentralised blockchain oracle network built on Ethereum. The network is intended to be used to facilitate the transfer of tamper-proof data from off-chain sources to on-chain smart contracts and connect the real-world datasets such as payment methods, data feeds etc, to the blockchains. It allows smart contracts to access in the secure way to the real-world data information. Several mechanisms in the Chainlink protocol ensure the accuracy of the data.

Ethereum

Ethereum was first conceived as a project in 2013 by developers Vitalik Buterin and Gavin Wood and the Ethereum blockchain was released in July 2014.

Whereas the Bitcoin blockchain is used to record transactions in Bitcoin, the Ethereum blockchain enables developers to build and deploy applications that are decentralised. This means the applications are not controlled by an individual or company, so third parties cannot change the data on the application.

Ethereum is established as the second most widely held and biggest cryptocurrency and with a market capitalisation of $146.5 billion as at 31 December 2022 (according to https://coinmarketcap.com/currencies/ethereum/). The cryptocurrency of the Ethereum blockchain is Ether or ETH.

Uniswap

Uniswap is a cryptocurrency exchange which used a decentralized network protocol that runs on the Ethereum blockchain and was built in 2018. It is compatible with ERC-20 tokens and is designed to enable users to swap ERC-20 tokens. Uniswap pools tokens into smart contracts and users can trade against these liquidity tools. Anyone can swap tokens, add tokens to a pool to earn fees, or list a token on a Uniswap.]

PROGRAMME STRUCTURE

The Programme is established on the basis of programme level documents and issue level documents. The programme level documents set out the base terms and conditions of the Securities and document the terms of the agreements on which the various parties involved in the Series of Securities are appointed.

For each Series of Securities there are documents required for the issuance itself (the "**Issue Level Documents**") which apply the master programme level documents (the "**Master Programme Level Documents**"). Certain programme level documents apply to all Series of Securities issued under the Programme (the "**Core Programme Documents**").

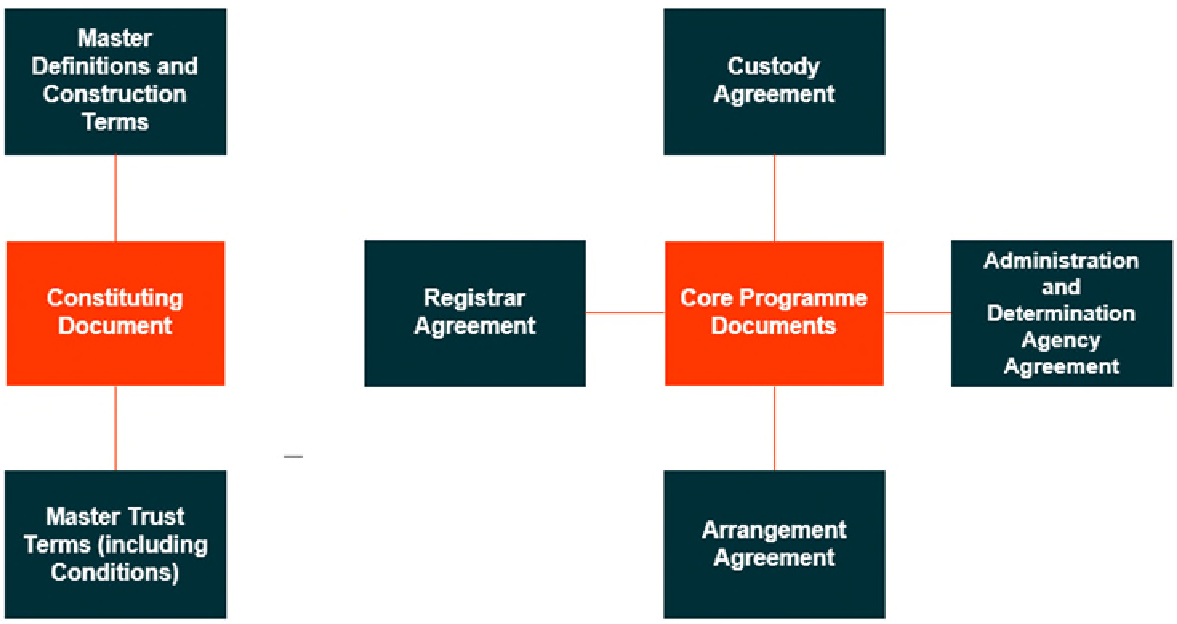
Issue Level Documents

When the Issuer is to issue a Series of Securities, it will enter into a single "Constituting Document".

Pursuant to the Constituting Document, the Master Trust Terms (which include the terms and conditions applicable to each Series of Securities (the "**Conditions**")) and the other Master Programme Level Documents relevant to that Series will be incorporated by reference and adopted for that Series, as amended and supplemented to the extent necessary to reflect the particular features of that Series. This means that one single document constitutes all the main contractual documents which are to apply to a Series of Securities.

Master Programme Level Documents

The Master Programme Level Documents that exist as at the date of this Base Prospectus are set out in the diagram below:



Set out below is a summary of each of the key documents and its function.

Trust and agency documents

Trust Deed (including Conditions)

The Master Trust Terms contain the provisions relating to the creation of security in favour of the Trustee and the terms of appointment of the Trustee. These terms will, together with the Constituting Document relating to a Series of Securities, comprise the Trust Deed for that Series, as amended and supplemented by the Constituting Document. The Master Trust Terms include the Conditions for any Securities issued by the Issuer (being those included in this Base Prospectus) and which (as amended and supplemented by the relevant Constituting

Document) are adopted as the “**Conditions**” of the relevant Series of Securities pursuant to the relevant Constituting Document.

Master Definitions and Construction Terms

The Master Definitions and Construction Terms define the terms used in the various Programme Level Documents and Issue Level Documents, and certain of the Core Programme Documents.

Core Programme Documents

The Core Programme Documents are entered into on or around the date of this Base Prospectus and apply to all Series of Securities issued under the Programme. Set out below is a summary of each of the key documents and its function.

Administration and Determination Agency Agreement

The Administration and Determination Agency Agreement contains the terms on which (i) the Administrator is appointed to provide certain administration services to the Issuer in respect of all Series of Securities issued under the Programme and (ii) the Determination Agent is appointed to act on behalf of the Issuer in respect of a Series of Securities, including making certain determinations required under the terms of all Series of Securities.

Custody Agreement

The Custody Agreement contains the terms on which the on which the Custodian is appointed to act on behalf of the Issuer to hold the Underlying Cryptoassets in respect of each Series of Securities on behalf of the Issuer.

Registrar Agreement

The Registrar Agreement contains the terms on which (i) the Issuing and Paying Agent will be appointed to provide certain services in connection with subscriptions and redemptions of the Securities; and (ii) the Registrar is appointed to maintain the register and records of the Securities and provide registrar services on behalf of the Issuer in respect of all Series of Securities issued under the Programme.

Arrangement Agreement

The Arrangement Agreement contains the terms on which the Arranger agrees to provide certain administrative and operational services to the Issuer in respect of all Series of Securities issued under the Programme.

CONDITIONS

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

"**Acceptable Delivery**" means:

(A) in respect of Registered Securities, delivery of the certificates in respect of such Securities to the Issuer or an affiliate of the Issuer (as directed by the Issuer) accompanied by such duly executed instruments of transfer and accompanying documentation as the Issuer may specify; and

(B) in respect of Uncertificated Securities, deposit of such Uncertificated Securities into an account at the Relevant Clearing System (as directed by the Issuer), together with correct delivery free of payment instructions in the Relevant Clearing System,

or otherwise by delivery of such Securities to the Issuer or an affiliate of the Issuer in such manner as may be agreed with the Issuer;

"**Adjustment Event**" means:

(A) a Fork Event;

(B) an Airdrop Event;

(C) any change to the market for transacting in Underlying Cryptoassets or holding Underlying Cryptoassets in custody; or

(D) any change to the legal or regulatory status of any Underlying Cryptoasset;

"**Administration and Determination Agency Agreement**" means the administration and determination agency agreement entered into between the Issuer, the Arranger and the Administrator;

"**Administrator**" means the entity specified as such in the Administration and Determination Agency Agreement or any successor thereto or replacement Administrator appointed by the Issuer, in each case at its Specified Office;

"**Agency Agreement**" means the Administration and Determination Agency Agreement, the Custody Agreement, the Registrar Agreement, any Paying Agency Agreement and any other agreement in respect of the Securities where the Issuer appoints an agent in relation to any Series of Securities;

"**Agent**" means the Determination Agent, the Custodian, the Paying Agent(s) and/or the Registrar or any of them and such other agent(s) as may be appointed from time to time in respect of any Series of Securities and, in each case, any successor or replacement agent;

"**Airdrop Event**" means any event or circumstance in which any Incompatible Asset is allocated or distributed to holders of an Underlying Cryptoasset in addition to its ownership of such Underlying Cryptoasset, whether or not such allocation or distribution is subject to conditions;

"**Applicable Law**" means any law or regulation of any jurisdiction, including but not limited to:

(A) any statute or regulation of any jurisdiction;

(B) any rule or practice of any authority by which any party is bound or with which it is accustomed to comply;

(C) any agreement entered into by any party and any authority or between two or more authorities; and

(D) FATCA;

"**Arrangement Agreement**" means the arrangement agreement entered into between the Issuer and the Arranger in respect of the Programme;

"**Arranger**" means Global X Digital Assets, LLC or any successor thereto or replacement Arranger appointed by the Issuer;

"**Arranger Fee**" means, in respect of a Series of Securities, the fee specified in the Final Terms payable by the Issuer to the Arranger in consideration for the provision of all administrative and operational services to the Issuer;

"**Authorised Participant**" means, in respect of a Series of Securities, any Eligible Authorised Participant that has entered into an Authorised Participant Agreement with the Issuer;

"**Authorised Participant Agreement**" means an agreement entered into with an Authorised Participant in, or substantially in, the form of agreement entered into between the Issuer and the initial Authorised Participant(s);

"**Base Currency**" means the currency specified as such in the Final Terms;

"**Base Currency Equivalent**" means:

(A) in respect of any amount denominated in the Base Currency, such Base Currency amount; and

(B) in respect of any amount denominated in a currency other than the Base Currency (the "**Non-Base Currency**"), an amount determined by the Determination Agent (in good faith) as being required to purchase such amount of such Non-Base Currency with the Base Currency as at the date of calculation at the rate equal to the spot rate of exchange (or spot price in the case of a Cryptoasset) for the purchase of the Non-Base Currency with the Base Currency available to the Determination Agent from a foreign exchange broker (if the Non-Base Currency is not a Cryptoasset) or Cryptoasset broker (if the Non-Base Currency is a Cryptoasset) selected by the Determination Agent in good faith;

"**Business Day**" means a day (other than a Saturday or a Sunday or a public holiday in England) on which commercial banks generally are open for the transaction of business in London and in Jersey;

"**Cash Redemption Amount**" means, in respect of a Series of Securities:

(A) the quotient of:

(1) the Base Currency Equivalent of the net proceeds actually realised from the sale of an amount of Underlying Cryptoasset attributable to or forming part of the Secured Property equal to the aggregate Coin Entitlement for such Series which are subject to redemption; and

(2) the proportion that the Securities of such Series held by that Securityholder that are subject to redemption bears to the total number of Securities of such Series subject to redemption;

minus

(B) the Base Currency Equivalent of the Redemption Deductions with respect to the Securityholder and the Securities of that Series held by that Securityholder,

in each case, calculated as at the Settlement Date and to the Delivery Precision Level;

"**Certificates**" has the meaning given to that term in Condition 2.2(A);

"**Coin Entitlement**" means the entitlement per Series of Security as calculated in accordance with Condition 5 (*Coin Entitlement*);

"**Coin Entitlement Precision Level**" means, in respect of a Series of Securities, the level specified in the Final Terms;

“**Coin Equivalent**” means:

(A) in respect of any amount denominated in an Underlying Cryptoasset, such Underlying Cryptoasset amount; and

(B) in respect of any amount denominated in a currency (including a Cryptoasset) other than an Underlying Cryptoasset (a “**Non-Coin Asset**”), an amount determined by the Determination Agent (in good faith) as being required to purchase such amount of such Non-Coin Asset with the Underlying Cryptoasset as at the date of calculation at the rate equal to the spot price for the purchase of the Non-Coin Asset with the Underlying Cryptoasset available to the Determination Agent from a Cryptoasset broker selected by the Determination Agent in good faith;

“**Compulsory Redemption**” means any redemption of the Securities in accordance with Condition 9 (*Compulsory Redemption*);

“**Compulsory Redemption Event**” means any event which may lead to redemption of the Securities as set out in Condition 9 (*Compulsory Redemption*);

“**Compulsory Redemption Notice**” has the meaning given to that term in Condition 9.6 (*Notice of Compulsory Redemption Event*);

“**Compulsory Redemption Settlement Date**” means the Payment Business Day following the Instruction Date, or such other date as the Issuer may determine (acting reasonably) to facilitate an orderly redemption;

“**Conditions**” means these terms and conditions, as set out in Schedule 3 (*Conditions of the Securities*) of the Trust Deed;

“**Constituting Document**” means, in relation to a Series of Securities, the document which is executed to constitute such Series in such form as may be approved by the Trustee in writing (which approval shall be deemed to be given by execution of such document by the Trustee);

“**Crypto Trading Disruption**” means the occurrence of any event described in Condition 12.3(A);

“**Cryptoasset**” means money, scrip or other representation of value or contractual rights that can only be exchanged electronically on a Distributed Ledger;

“**Currency Business Day**” means in respect of a Series of Securities, a day on which commercial banks and foreign exchange markets are open for general business (including dealings in foreign exchange and foreign currency deposits) in the principal financial centre of the Base Currency or, in the case of euros, a TARGET Settlement Day;

“**Custodian**” means the entity specified as such in the Final Terms or any successor thereto or replacement Custodian appointed by the Issuer which shall be an Eligible Custodian, in each case at its Specified Office;

“**Custody Agreement**” means, in respect of each Series of Securities, the custody agreement entered into between the Issuer, the Custodian, the Arranger and the Trustee in the form of the master terms agreed between the Issuer, the Custodian, the Arranger and the Trustee;

“**Delivery Precision Level**” means, in respect of a Series of Securities, the level specified in the Final Terms;

“**Determination Agent**” means the entity specified as such in the Final Terms or any successor thereto or replacement Determination Agent appointed by the Issuer, in each case at its Specified Office;

“**Digital Wallet**” means the digital wallet of the Securityholder or the Authorised Participant (as applicable) in the name of the Securityholder or the Authorised Participant (as applicable) which will be used to send or receive Underlying Cryptoassets;

“**Distributed Ledger**” means a single, sequenced, standardised and cryptographically secured record of activity to be shared among and acted upon by multiple participants;

“**Electronic Consent**” means, where the Securities are held by or on behalf of a Relevant Clearing System, approval of a resolution proposed by the Issuer or the Trustee (as the case may be) given by way of electronic consents communicated through the electronic communications systems of the Relevant Clearing System(s) in accordance with its operating rules and procedures by or on behalf of the holders of not less than 75 per cent. of the aggregate number of the Securities then outstanding;

“**Eligible Authorised Participant**” means any reputable bank or financial services institution experienced in dealing in or brokering transactions in Cryptoassets or assets that are similar to Cryptoassets subject to the appropriate regulation to carry out such activity in:

(A) the European Union;

(B) Jersey;

(C) the United Kingdom; and/or

(D) any other jurisdiction that is not a country or territory identified as presenting higher risks in the AML/CFT Handbook for regulated financial services business published by the Jersey Financial Services Commission from time to time;

“**Eligible Custodian**” means any reputable entity experienced in holding assets that are similar to the Underlying Cryptoassets as custodian subject to the appropriate regulation (if any) to carry out such activity in:

(A) the European Union;

(B) Jersey;

(C) the United Kingdom; and/or

(D) any other jurisdiction that is not a country or territory identified as presenting higher risks in the AML/CFT Handbook for regulated financial services business published by the Jersey Financial Services Commission from time to time;

“**English Proceedings**” has the meaning given to that term in Condition 28.2(A) (*Jurisdiction*);

“**English Secured Property**” means all Secured Property subject to the English Transaction Security;

“**English Transaction Security**” means all Transaction Security located in England and/or governed by English law;

“**Event of Default**” has the meaning given to that term in Condition 15.1 (*Events of Default*);

“**Exchange Date**” means a day falling not less than 60 calendar days after the date on which the notice requiring exchange is given and on which banks are open for business in the city in which the Specified Office of the Issuing and Paying Agent is located;

“**Execution Fee**” means a sum that may be charged by the Issuer reflecting the necessary costs, expenses or fees actually incurred by the Issuer in connection with a sale or the transfer of the Underlying Cryptoassets, which may include, without limitation:

(A) the costs of enquiries under Condition 14 (*Enquiries as to status of Securityholders*);

(B) the cost of giving notices under Condition 9 (*Compulsory Redemption*), being not greater than $500;

(C) any costs incurred by the Issuer, the Custodian(s) or any of the Issuer’s agents as part of a sale or purchase of Underlying Cryptoassets;

(D) any banking fees or costs incurred as part of transfer of cash or Underlying Cryptoassets accounts of the Issuer and/or any Securityholder;

(E) costs incurred as part of currency conversions which may be necessary to facilitate redemption;

(F) Blockchain network fees which are incurred as part of transfer of Underlying Cryptoassets from one Digital Wallet to another Digital Wallet;

(G) any costs, fees and expenses of the Trustee incurred in relation to enforcing its security and taking any steps required as a part of a sale, a purchase or the transfer of Underlying Cryptoassets;

(H) any costs determined by the Determination Agent to be part of Execution Fees;

(I) any withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of any relevant jurisdiction or any political subdivision thereof or any authority thereof having power to tax;

(J) any amounts that the Issuer may incur in connection with Condition 21.3 (*Staking*);

(K) any Redemption Fee payable by a Securityholder; or

(L) such other amounts as may be notified to Securityholders;

"**Extraordinary Resolution**" means a resolution of Securityholders passed (i) at a meeting duly convened and held in accordance with the Trust Deed by a majority of at least 75 per cent. of the votes cast, (ii) by a Written Resolution, or (iii) by Electronic Consent;

"**FATCA**" means:

(A) sections 1471 to 1474 of the Code;

(B) any similar or successor legislation to (A);

(C) any agreement described in section 1471(b) of the Code;

(D) any regulations or guidance pursuant to any of the foregoing;

(E) any official interpretations of any of the foregoing;

(F) any intergovernmental agreement to facilitate the implementation of any of the foregoing (an "**IGA**"); or

(G) any law implementing an IGA;

"**Final Terms**" means the final terms completed by the Issuer in respect of a particular Series of Securities;

"**Fork Event**" means the splitting of the code base underlying the Distributed Ledger applicable to an Underlying Cryptoasset, potentially creating two or more Distributed Ledgers which may or may not be incompatible with each other, one in respect of the Underlying Cryptoasset and one or more in respect of an Incompatible Cryptoasset;

"**Global Registered Certificate**" means a certificate in permanent global form representing some or all of the Securities of a Series in registered form, substantially in the form set out in the Master Trust Terms;

"**Incompatible Cryptoasset**" means a Cryptoasset created pursuant to a Fork Event and/or made available pursuant to an Airdrop Event which is not identifiable as the Underlying Cryptoasset in respect of the Securities;

"**Initial Coin Entitlement**" means, in respect of a Series of Securities, the Coin Entitlement on the Issue Date as specified in the Final Terms;

"**Instruction Date**" means:

(A) in the case of Optional Redemption, the date on which the Issuer receives a valid Redemption Order and confirmation that Acceptable Delivery in respect of such Securities has been effected by the relevant Securityholder;

(B) in the case of Compulsory Redemption pursuant to Condition 9.1 (*Termination by the Issuer*), the second Valuation Date following the Final Trading Date;

(C) in the case of Compulsory Redemption pursuant to Conditions 9.2 (*Issuer Insolvency Event*), 9.3 (*Cause*), 9.4 (*Illegality or impossibility*) or 9.5 (*Event of Default*), the date of the Compulsory Redemption Notice; or

(D) such other date as may otherwise be determined by the Issuer (acting reasonably) to facilitate an orderly redemption;

"**Irish Act**" means the Land and Conveyancing Law Reform Act 2009 of Ireland (as amended from time to time);

"**Irish Law Provisions**" means Clause 5.2 (*Irish Transaction Security*), Clause 5.6(B)(3) (*Realisation of Transaction Security*), Clause 5.9 (*Appointment and powers of receiver in respect of Irish Transaction Security*), Clause 5.10 (*Enforcement of the Irish Transaction Security*), Clause 5.11 (*Right of appropriation*), Clause 5.15(B) (*Attorney*), Clause 5.18(B) (*Additional Powers*), Clause 5.19(B) (*No duty to enquire*), and Clause 5.23 (*Role of Trustee in Irish Transaction Security*) of the Master Trust Terms, as contained in the Trust Deed;

"**Irish Proceedings**" has the meaning given to that term in Condition 28.2(B) (*Jurisdiction*);

"**Irish Receiver**" means a receiver, receiver and manager or, where permitted by law, an administrative receiver and shall include any appointee made under a joint or several appointment in connection with any Irish Transaction Security;

"**Irish Secured Property**" means any Secured Property subject to the Irish Transaction Security;

"**Irish Transaction Security**" means all Transaction Security located in Ireland and/or governed by Irish law;

"**Issue Date**" means the date specified as such in the Final Terms;

"**Issuer**" means Global X Digital Assets Issuer Limited;

"**Issuer Insolvency Event**" means the Issuer:

(A) is dissolved (other than pursuant to a consolidation, amalgamation or merger);

(B) becomes insolvent or is unable to pay its debts or fails or admits in writing its inability generally to pay its debts as they become due;

(C) makes a general assignment, scheme, arrangement or composition with or for the benefit of its creditors, including, without limitation, a compromise or arrangement of the type referred to in Article 125 of the Companies (Jersey) Law 1991;

(D) institutes or has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy (for the purposes of this definition, including (without limitation) "bankruptcy" as defined under Article 8 of the Interpretation (Jersey) Law 1954) or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition (A) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation or (B) is not dismissed, discharged, stayed or restrained in each case within 30 days of the institution or presentation thereof;

(E) has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger), including, without limitation, any procedure or process referred to in Part 21 of the Companies (Jersey) Law 1991;

(F) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets;

(G) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 30 days thereafter;

(H) causes or is subject to any event with respect to it which, under the Applicable Laws of any jurisdiction, has an analogous effect to any of the events specified in paragraphs (A) to (G) (inclusive); or

(I) takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the foregoing acts;

"**Issuer Technical Amendment**" means any amendment, variation or modification to these Conditions, any Trust Deed and/or any Transaction Document which is made:

(A) in connection with the accession of an Authorised Participant in respect of the Securities;

(B) in connection with the entry into of an additional Custody Agreement in respect of a new Series of Securities or the agreement of revised fees under or in respect of any Custody Agreement; or

(C) as a consequence of the occurrence of an Adjustment Event;

"**Issuer's Website**" means https://globalxetfs.eu/;

"**Issuing and Paying Agent**" means the entity specified as such in the Registrar Agreement or any successor thereto or replacement Registrar appointed by the Issuer, in each case at its Specified Office;

"**Listing**" means, in respect of a Series of Securities, the admission of that Series of Securities to trading on a Relevant Stock Exchange (including, in the case of the SIX Swiss Exchange, provisional admission to trading) becoming effective;

"**Master Definitions and Construction Terms**" means, in relation to a Series of Securities, the Master Definition and Construction Terms (February 2023 Edition, or such other edition as specified in the Constituting Document relating to such Series);

"**Master Trust Terms**" means, in relation to a Series of Securities, the Master Trust Terms (February 2023 Edition, or such other edition as specified in the Constituting Document relating to such Series);

"**Non-Base Currency**" has the meaning given to that term in paragraph (B) of the definition of "Base Currency Equivalent";

"**Non-Coin Asset**" has the meaning given to that term in paragraph (B) of the definition of "Coin Equivalent";

"**Non-Disrupted Day**" means each day that is a Business Day or Payment Business Day and is not a Suspended Day or a day which falls within a Suspension Period;

"**OECD**" means the Organisation for Economic Co-operation and Development;

“**Optional Redemption**” means any redemption of the Securities in accordance with Condition 8 (*Optional Redemption*);

“**Optional Redemption Event**” means any event which may lead to redemption of the Securities as set out in Condition 8 (*Optional Redemption*);

“**Optional Redemption Notice**” has the meaning given to that term in Condition 8.4 (*Redemption Obligations*);

“**Optional Redemption Settlement Date**” means:

(A) in the case of physical redemption, the second Valuation Date following the Optional Redemption Notice provided that, if the Issuer determines (acting reasonably) that the Underlying Cryptoasset will not be deposited in the Relevant Account on such date, such later date which is a Valuation Date as the Issuer may determine;

(B) in the case of cash redemption, the second Payment Business Day following the date on which the Issuer has received in full cleared funds the proceeds of sale of the relevant Underlying Cryptoasset in respect of the Securities;

“**outstanding**” means, in relation to the Securities, on the Issue Date any such Securities issued on such date and, on any Valuation Date thereafter, all Securities issued on or prior to such Valuation Date except Securities:

(A) that have been redeemed in accordance with these Conditions;

(B) that have been cancelled for any reason;

(C) in respect of which the date for redemption has occurred and the redemption moneys have been duly paid to the Trustee, or to the Issuing and Paying Agent, and which remain available for payment in accordance with these Conditions;

(D) that have become void or in respect of which claims have become prescribed;

(E) which have been issued and which are pending settlement to an Authorised Participant but in respect of which the relevant Authorised Participant(s) has not paid in full the relevant subscription amount under the Authorised Participant Agreement; and

(F) that have been purchased, settled and cancelled,

provided that for the purposes of:

(1) ascertaining the right to attend and vote at any meeting of the Securityholders or to participate in any Written Resolution or Electronic Consent;

(2) the determination of how many Securities are outstanding for the purposes of Conditions 6 (*Security*), 15 (*Events of Default*) and 20 (*Meetings of Securityholders, Modification, Waiver and Substitution*) and Schedule 5 (*Meetings of Securityholders*) of the Master Trust Terms, as contained in the Trust Deed; and

(3) the exercise of any discretion, power or authority that the Trustee is required, expressly or impliedly, to exercise in or by reference to the interests of the Securityholders,

those Securities that are beneficially held by or on behalf of the Issuer and not cancelled shall (unless no longer so held) be deemed not to remain outstanding. For the avoidance of doubt, Securities (if any) which the Issuer has agreed on or prior to such Valuation Date to issue but in respect of which payment of the relevant subscription amount has not been received in full from the relevant Authorised Participant(s) and settlement to such relevant Authorised Participant(s) has not yet occurred shall not be deemed to be "**outstanding**" on such Valuation Date;

“**Paying Agency Agreement**” means any agreement entered into between the Issuer and any Paying Agent (other than the Issuing and Paying Agent) specified in the Final Terms;

“**Paying Agent(s)**” means the Issuing and Paying Agent, the Swiss Paying Agent (if any) and any entity or entities specified as an Additional Paying Agent in the Final Terms or any successor thereto or replacement Paying Agent appointed by the Issuer, in each case at its Specified Office;

“**Payment Business Day**” means any day which is a Business Day, a Currency Business Day and a Relevant Clearing System Business Day;

“**Physical Redemption Amount**” means, in respect of a Series of Securities:

(A) the product of:

(1) the Coin Entitlement with respect to a Security of that Series; and

(2) the number of Securities held by that Securityholder subject to redemption;

minus

(B) the Coin Equivalent of the Redemption Deductions with respect to the Securityholder and the Securities of that Series held by that Securityholder,

in each case, calculated at the Settlement Date and to the Delivery Precision Level;

“**Potential Event of Default**” means an event or circumstance that could, with the giving of notice, lapse of time, issue of a certificate and/or the fulfilment of any other requirement become an Event of Default;

“**Principal Amount**” means, in respect of any Security, the amount specified in the Final Terms;

“**Proceedings**” means English Proceedings or Irish Proceedings, as applicable;

“**Prohibited Benefit Plan Investor**” means any “employee benefit plan” within the meaning of section 3(3) of the United States Employee Retirement Income Security Act of 1974, as amended (“**ERISA**”), subtitle B of Title I of ERISA, any “plan” to which section 4975 of the United States Internal Revenue Code of 1986, (the “**Code**”) applies (collectively, “**Plans**”), any entity whose underlying assets include “plan assets” of any of the foregoing Plans within the meaning of 29 C.F.R. Section 2510.3 101 or section 3(42) of ERISA, as they may be modified, by reason of a Plan’s investment in such entity, any governmental or church plan that is subject to any U.S. Federal, state or local law that is similar to the prohibited transaction provisions of ERISA or Section 4975 of the Code, or any person who holds Securities on behalf of, for the benefit of or with any assets of any such Plan or entity;

“**Prohibited Coin**” means any Cryptoasset(s) which, in the reasonable opinion of the Issuer, falls within any of the following categories, in each case as determined by the Issuer on the Issue Date of the relevant Series of Securities:

(A) any stable coin (including asset-referenced tokens and electronic money tokens) where the relevant protocols and rules governing such stable coin do not provide for prudent collateralisation requirements;

(B) any Cryptoasset which rules and protocols hide or obscure transactions on its blockchain by way of anonymising the origin and destination of transacted coins or tokens, the amount transacted and/or balances of wallet addresses; and/or

(C) any Cryptoasset which is regarded as a "meme coin", and which has all of the following characteristics: (i) such Cryptoasset being considered by the broad investment community to be a "meme coin"; (ii) being associated with comical or animated memes; and (iii) having no intrinsic utility or functionality.

“**Prohibited Securityholder**” means a Prohibited Benefit Plan Investor or a Restricted Securityholder;

“**Redemption Amount**” means the Physical Redemption Amount or the Cash Redemption Amount, as applicable;

“**Redemption Deductions**” means the Execution Fee and/or any other applicable fees in connection with the redemption of the Securities in accordance with these Conditions;

“**Redemption Fee**” means the fee notified by the Issuer to a Securityholder on receipt of a valid Redemption Order by a Securityholder in connection with a request for redemption of Securities by that Securityholder following an announcement by the Issuer in accordance with Condition 8.8(A)(1);

“**Redemption Notice**” means an Optional Redemption Notice, a Compulsory Redemption Notice or an Event of Default Redemption Notice, as applicable;

“**Redemption Order**” means an order in the applicable form prescribed from time to time by the Issuer for requesting redemption of Securities, which may include a Redemption Order generated automatically through the system for requesting redemptions;

“**Redemption Suspension Event**” has the meaning given to that term in Condition 12.1;

“**Relevant Stock Exchange**” means Xetra, the SIX Swiss Exchange, and/or any other stock exchange on which the Securities may be listed, as specified in the Final Terms;

“**Register**” has the meaning given to that term in Condition 2.4;

“**Registered Securities**” has the meaning given to that term in Condition 2.1(A);

“**Registrar**” means the entity specified as such in the Registrar Agreement or any successor thereto or replacement Registrar appointed by the Issuer, in each case at its Specified Office;

“**Registrar Agreement**” means the registrar agreement entered into between the Issuer, the Arranger, the Registrar, the Issuing and Paying Agent and the Trustee;

“**Relevant Account**” means (in respect of redemption in accordance with the Physical Redemption Procedures) a Digital Wallet and (in respect of redemption in accordance with the Cash Redemption Procedures) an account in the currency of the Base Currency;

“**Relevant Clearing System**” means:

(A) CREST;

(B) Euroclear;

(C) Clearstream, Frankfurt;

(D) Clearstream, Luxembourg; or

(E) any other recognised clearing system in which Securities may be cleared;

“**Restricted Securityholder**” means any Securityholder that, through its holding of the Securities, is, in the opinion of the Issuer (acting reasonably), in breach of any law or regulation or would risk exposing any Transaction Party to a breach of any law or regulation;

“**Secured Accounts Disruption**” means the occurrence of any event described in Condition 12.3(C);

“**Secured Creditors**” means, in respect of each Series of Securities, the Trustee and the Securityholders for that Series, in each case which are entitled to the benefit of Secured Payment Obligations;

“**Secured Payment Obligations**” means any payment or delivery obligations of the Issuer to the Trustee and the Securityholders under the Transaction Documents and each Security;

“**Secured Property**” means, in respect of a Series of Securities, the assets subject to the Transaction Security;

“**Securities**” means the non-interest bearing, undated, secured, limited recourse debt obligations of the Issuer constituted by the Trust Deed;

“**Securityholders**” means the person in whose name a Registered Security or Uncertificated Security is registered (as the case may be);

“**Security Document**” means any security document relating to a Series of Securities pursuant to which the Transaction Security in respect of the Secured Property is created or perfected, and any other document designated as such by the Issuer and the Trustee, as such document may be amended, supplemented, novated and/or replaced from time to time;

“**Series**” means a series of Securities issued by the Issuer comprised of one Tranche or of multiple Tranches, where each subsequent Tranche is expressed to form a single Series with each earlier Tranche;

“**Service Provider Disruption**” means the occurrence of any event described in Condition 12.3(B);

“**Settlement Date**” means the Optional Redemption Settlement Date or the Compulsory Redemption Settlement Date (as applicable);

“**Specified Currency**” means, in respect of a Security, the currency specified in the Final Terms;

“**Specified Denomination**” means, in respect of a Security, the amount or amounts specified in the Final Terms;

“**Specified Office**” means, in relation to a party, the office identified with its name in the Final Terms and/or the office identified with its name in the Constituting Document or any other office notified to Securityholders and the Trustee in accordance with the Trust Deed;

“**Substituted Issuer**” has the meaning given to it in Condition 20.4(A);

“**Suspended Day**” has the meaning given to it in Condition 12.5(B);

“**Suspension Period**” has the meaning given to it in Condition 12.5(B);

“**Swiss Paying Agent**” has the meaning given to it in Condition 18.3(B)(5);

“**TARGET Settlement Day**” means a day on which the TARGET2 System is operating;

“**TARGET2 System**” means the Trans-European Automated Real-time Gross settlement Express Transfer (TARGET2) system or any successor thereto;

“**Tax**” means any present or future tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same) imposed by any authority of any jurisdiction;

“**Tax Deduction**” means a deduction or withholding for or on account of Tax;

“**Tranche**” means, a tranche of Securities which form part of the same Series as Securities comprised in another Tranche;

“**Transaction Document**” means, in respect of each Series the Securities, each of the Security Document(s), each Agency Agreement, the Custody Agreement, the Authorised Participant Agreement(s), the Constituting Document and any other agreement specified as such in the Final Terms;

“**Transaction Party**” means each party to a Transaction Document other than the Issuer and any other person specified as a Transaction Party in the Final Terms;

“**Transaction Security**” means, in respect of a Series of Securities:

(A) a first fixed charge over the Underlying Cryptoasset and all property, income, sums and assets derived therefrom from time to time;

(B) an assignment by way of security of all the Issuer's rights, title and interest attaching to or in respect of the Underlying Cryptoasset and all property, income, sums or other assets derived therefrom, including, without limitation, any right to delivery thereof or to an equivalent number or nominal value thereof which arises in connection with any such assets being held in a clearing system or through a financial intermediary;

(C) an assignment by way of security of the Issuer's rights, title and interest under the Custody Agreement;

(D) a first fixed charge over the Issuer's interest in any bank accounts (present and future) opened in respect of such Series of Securities ("**Additional Accounts**") maintained with any account bank or custodian and any sums relating to such Series of Securities standing to the credit of such Additional Accounts from time to time;

(E) an assignment by way of security of the Issuer's rights, title and interest under any agreement (present or future) with any account bank or custodian in respect of any Additional Accounts;

(F) a first fixed charge over all sums held by any Paying Agent and/or the Custodian to meet payments due in respect of any Secured Payment Obligation; and

(G) any other security constituted by the Trust Deed and any other Security Document for such Series,

and, in each case, the rights, title and interest of the Issuer in any other assets, property, income, rights and/or agreements of the Issuer (other than the Issuer's share capital) from time to time charged or assigned or otherwise made subject to the security created by the Issuer in favour of the Trustee pursuant to the Security Documents, as the case may be, in each case securing the Secured Payment Obligations and includes, where the context permits, any part of that Transaction Security;

"**Trustee**" means The Law Debenture Trust Corporation p.l.c. or such other entity named in the Constituting Document as trustee, but which definition shall include all persons for the time being acting as the trustee or trustees under the Trust Deed;

"**Trust Deed**" means the trust deed constituted by the relevant Constituting Document between the Issuer and the Trustee as trustee for the Securityholders in the form of the Master Trust Terms, as amended by the relevant Constituting Document;

"**Uncertificated Regulations**" means the Companies (Uncertificated Securities) (Jersey) Order 1999, as amended;

"**Uncertificated Securities**" has the meaning given to that term in Condition 2.1(A);

"**Underlying Cryptoasset**" means, in respect of any Series of Securities, the Cryptoasset specified in the Final Terms;

"**Valuation Date**" means, with respect to a Series of Securities, a day which is a (i) Business Day; (ii) Relevant Clearing System Business Day; and (iii) a day on which the relevant Custodian is open for dealings in the Underlying Cryptoasset, or a day which may otherwise be set out on the Issuer's Website;

"**Written Resolution**" means a resolution in writing signed by or on behalf of the holders of not less than 75 per cent. of the aggregate number of the Securities of the relevant Series who for the time being are entitled to receive notice of a meeting held in accordance with the Trust Deed; and

"**Xetra**" means Deutsche Börse Xetra.

1.2 **Interpretation**

To the extent of any inconsistency between the terms defined in the Trust Deed, these Conditions and/or the Final Terms, the document ranking the highest in the following order of priority shall prevail:

(A) the Final Terms;

(B) the Constituting Document; and

(C) these Conditions.

In addition:

(A) "**notice**", "**notified**" or "**notification**" means any notice given in accordance with Condition 26 (*Notices*);

2. FORM AND TITLE

2.1 Form

(A) The Securities may be issued in registered form ("**Registered Securities**") or in dematerialised uncertificated form ("**Uncertificated Securities**"), in each case in the Specified Denomination(s) and the Base Currency specified in the Final Terms.

(B) If it is stated in the Final Terms that the form of the Securities is:

(1) "Registered", such Securities are Registered Securities; or

(2) "Uncertificated", such Securities are Uncertificated Securities.

(C) Unless otherwise stated in the Final Terms, the form of all of the Securities of a particular Series will be the same.

2.2 Registered Securities

(A) Registered Securities may, as stated in the Final Terms, initially be represented by registered certificates ("**Certificates**") and, save as provided in Condition 3 (*Exchange and Transfer*), each Certificate shall represent the entire holding of Registered Securities by the same holder, or may initially be represented by one or more Global Registered Certificates.

(B) In respect of Registered Securities relating to a Series to be issued in global form, as stated in the Final Terms, the Global Registered Certificate in respect of such Registered Securities will be registered in the name of a nominee for, and shall be deposited on its issue date with a common depositary on behalf of, the Relevant Clearing Systems.

(C) All Registered Securities shall have the same Specified Denomination.

2.3 Uncertificated Securities

(A) Uncertificated Securities shall be held in uncertificated registered form in accordance with the Uncertificated Regulations and as such are dematerialised and not constituted by any physical document of title.

(B) Uncertificated Securities shall be cleared through a Relevant Clearing System and are participating securities for the purposes of the Uncertificated Regulations.

(C) Notwithstanding anything to the contrary in these Conditions, for so long as the Uncertificated Securities are participating securities:

(1) the Register shall be maintained in Jersey and at all times outside the United Kingdom;

(2) the Uncertificated Securities may be issued in uncertificated form in accordance with, and subject to, the Uncertificated Regulations; and

(3) these Conditions in respect of the Uncertificated Securities shall remain applicable notwithstanding that they are not endorsed on any certificate or document of title.

2.4 Title

Title to Registered Securities and Uncertificated Securities shall pass by registration in the register that the Issuer shall procure will be kept by the Registrar in accordance with the provisions of the Registrar Agreement (the "**Register**"). A copy of the Register will, upon written request from the Issuer, and promptly upon any changes made thereto, be sent by the Registrar to the Issuer, with the information contained in such copy to be transcribed in a register held by the Issuer at its registered office to enable the Issuer to keep the register held at its registered office up-to-date, complete and correct. Where there are discrepancies between the Register and the register held by the Issuer at its registered office, the register held by the Issuer at its registered office will prevail.

3. **EXCHANGE AND TRANSFER**

3.1 **Transfer of Registered Securities in definitive form**

One or more Registered Securities may be transferred upon the surrender (at the Specified Office of the Issuing and Paying Agent) of the Certificate representing such Registered Securities to be transferred, together with the form of transfer endorsed on such Certificate, (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer), duly completed and executed and any other evidence as the Issuing and Paying Agent may reasonably require. In the case of a transfer of part only of a holding of Registered Securities represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. The regulations may be changed by the Issuer, with the prior written approval of the Issuing and Paying Agent. A copy of the current regulations concerning the transfer of Registered Securities will be made available by the Issuing and Paying Agent to any holder upon request.

3.2 **Exercise of options or partial redemption in respect of Registered Securities**

In the case of an exercise of an Issuer's or a Securityholder's option in respect of, or a redemption of a part of, a holding of Registered Securities represented by a single Certificate, a new Certificate shall be issued to the holder in respect of the balance of the holding not subject to the exercise of such option or, as the case may be, redeemed. New Certificates shall only be issued against surrender of the existing Certificates to the Issuing and Paying Agent.

3.3 **Delivery of new Certificates**

Each new Certificate to be issued pursuant to this Condition 3 will be available for delivery within 5 Business Days of surrender of the relevant Certificate and, if applicable, receipt of the relevant request for exchange, form of transfer or notice of exercise together with such other evidence (if any) as may be required pursuant to the relevant Condition. Delivery of new Certificate(s) shall be made at the Specified Office of the Issuing and Paying Agent to whom surrender of such Certificate and, if applicable, delivery of such request, form of transfer or notice of exercise shall have been made or, at the option of the holder making such delivery and surrender as aforesaid and as specified in the relevant request for exchange, form of transfer, notice of exercise or otherwise in writing, shall be mailed at the risk of the holder entitled to the new Certificate to such address as may be so specified. In this Condition 3.3 "**business day**" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the Specified Office of the Issuing and Paying Agent.

3.4 **Exchange and transfer free of charge**

Exchange and transfer of Securities in accordance with this Condition 3 shall be effected without charge by or on behalf of the Issuer or the Issuing and Paying Agent, but upon payment by the relevant Securityholder (or the giving by the relevant Securityholder of such indemnity as the Issuing and Paying Agent may require in respect thereof) of any Tax or other governmental charges which may be imposed in relation to it.

3.5 **Closed periods**

No Securityholder may require the transfer of a Registered Security to be registered:

(A) during the period of 15 calendar days ending on the Settlement Date for that Security;

(B) after a Redemption Notice in respect of such Series of Securities has been delivered; or

(C) during the period of 7 calendar days ending on (and including) the Relevant Clearing System Business Day immediately prior to the date for payment on such Security.

3.6 **Exchange of Uncertificated Securities**

(A) All transactions in respect of Uncertificated Securities must be effected through an account with CREST. All transfers of Uncertificated Securities shall be subject to and made in accordance with the Uncertificated Regulations and the rules, procedures and practices in effect of the Issuing and Paying Agent and the Relevant Clearing System. The Uncertificated Regulations and such rules, procedures and practices may change from time to time. No provision of these Conditions shall (notwithstanding anything to the contrary herein) apply or have effect to the extent that it is in any respect inconsistent with the holding or transfer of title to Uncertificated Securities or the Uncertificated Regulations.

(B) If at any time Securities cease to be, or notice is received by or on behalf of the Issuer that the Securities will cease to be, held in uncertificated form and/or are accepted for clearance through CREST and/or CREST is closed for business for a continuous period of 14 calendar days (other than by reason of holidays, statutory or otherwise) or CREST announces an intention permanently to cease business or does in fact do so, the Securities shall continue to be in registered form and the Issuer, the Registrar, the Paying Agent(s) and any other relevant Transaction Party may agree such procedures as they determine necessary in relation to the transfer of Uncertificated Securities and shall as soon as reasonably practicable give notice thereof to the Securityholders.

(C) Condition 3.6(B) applies equally to a Securityholder that ceases to be a Relevant Clearing System member, but for such purposes only the affected Securityholder will need to be notified of the procedures adopted.

(D) If the rules and procedures of the Registrar (and/or, for so long as the Uncertificated Securities are held in CREST, the rules and procedures of CREST) include any closed period in which no Securityholder may require the transfer of a Security to be registered in the Register, such closed periods shall apply to Uncertificated Securities. Details of any such closed period are available from the Registrar.

4. **CONSTITUTION AND STATUS**

The Securities are constituted and secured by the Trust Deed. The Securities are non-interest bearing, undated, secured, limited recourse debt obligations of the Issuer, at all times ranking pari passu and without any preference among themselves and secured in the manner described in Condition 6 (*Security*) and recourse in respect of which is limited in the manner described in Conditions 16 (*Application of Proceeds*) and 17 (*Limited Recourse and Non-Petition*).

5. **COIN ENTITLEMENT**

(A) Each Series of Securities shall have a separate Coin Entitlement in accordance with this Condition 5.

(B) On the Issue Date, the Initial Coin Entitlement of a Series of Securities will be specified in the Final Terms.

(C) On any day following the Issue Date, the Coin Entitlement of a Series of Securities shall be calculated to the Coin Entitlement Precision Level in accordance with the following formula:

$$CE_{(i,t)} = CE_{(i,t-1)}\ x\ (1 - AF_{(i,t)})^{\ 1/N}$$

where:

i means the relevant Series of Securities;

t means the applicable day (with $t-1$ being the previous day);

$CE_{(i,t)}$ means the Coin Entitlement for that Series of Securities for day t;

$CE_{(i,t-1)}$ means the Coin Entitlement for that Series of Securities on the day prior to day t;

$AF_{(i,t)}$ means the per annum Arranger Fee applicable to that Series of Securities on day t, expressed as a decimal (for example, an annual fee of 98 basis points per annum is expressed as 0.0098); and

N means the number of days in the calendar year, being 365 or 366.

(D) On each Business Day, the Coin Entitlement for each Series of Securities will be published on the Issuer's Website.

(E) The Issuer may, with the agreement of the Arranger, vary the Arranger Fee. The Issuer will notify the Securityholders of any such variation and the varied Arranger Fee will not take effect for a period of 5 Business Days from the date of such notice.

6. SECURITY

6.1 Transaction Security

(A) The Trust Deed provides that the Secured Payment Obligations are secured in favour of the Trustee for the benefit of itself and the other Secured Creditors, unless otherwise provided therein, by the Transaction Security.

(B) If the Custodian is replaced or an additional Custodian appointed in accordance with the terms of the Custody Agreement, then the security interests described above shall extend to all rights, title and interest of the Issuer against such replacement or additional Custodian under the Custody Agreement.

(C) The Constituting Document may provide that different security arrangements apply to the Securities and/or that Secured Payment Obligations of the Issuer may be secured pursuant to a Security Document other than the Trust Deed.

(D) As further provided in the Trust Deed, the Transaction Security shall be released automatically, without the need for any notice or other formalities, to the extent required for the Issuer to be able to duly make any payment or delivery in respect of the Securities and/or the other Transaction Documents which is due and payable or deliverable, or as otherwise provided for under these Conditions or the Transaction Documents in respect of the Securities.

6.2 Enforcement of security

The Transaction Security in respect of each Series of the Securities shall become enforceable upon the occurrence of an Issuer Insolvency Event or an Event of Default pursuant to Condition 15 (*Events of Default*).

6.3 Realisation of Transaction Security

(A) At any time after the Transaction Security has become enforceable, the Trustee may, at its discretion, and shall, if so directed in writing by holders of at least 25 per cent. in number of the Securities of the relevant Series then outstanding or by an Extraordinary Resolution (a copy of which has been provided to the Trustee) of the Securityholders of such Series, in each case subject to its having been pre-funded and/or secured and/or indemnified to its satisfaction, enforce the Transaction Security.

(B) To do this, the Trustee may, at its discretion:

(1) enforce and/or terminate any Transaction Document relating to the Securities of such Series in accordance with its or their terms, and/or take action against the relevant Transaction Party; and/or

(2) take possession of and/or realise all or part of the Secured Property and in its discretion, sell, call in, collect and convert into money all or part of such assets, in such manner, at such time and on such terms as it thinks fit, in each case without any liability as to the consequence of such action and without having regard to the effect of such action on individual Securityholders; and/or

(3) without first appointing an Irish Receiver, exercise:

(a) the power of sale;

(b) all the powers or rights which may be exercisable by the registered holder of the Irish Secured Property including those set out herein;

(c) all or any of the powers and rights conferred on mortgagees by the Irish Act as varied or extended herein; and

(d) all the powers, authorities and discretions conferred by herein expressly or by implication on any Irish Receiver or otherwise conferred by statute or common law on mortgagees or receivers.

(C) If the Transaction Security has become enforceable, the Trustee may, in writing, appoint (i) a receiver or receivers over all or part of the English Secured Property and/or (ii) appoint one or more persons to be an Irish Receiver over all or part of the Irish Secured Property, and may remove any such receiver or Irish receiver so appointed and appoint another in its place. No delay or waiver of the right to exercise these powers shall prejudice their future exercise.

(D) Neither the Trustee nor any receiver nor any Irish Receiver appointed by it or any attorney or agent of the Trustee will, by reason of taking possession of any assets or any other reason and whether or not as mortgagee in possession, be liable to account for anything except actual receipts or be liable for any loss or damage arising from the realisation of such assets or from any act or omission to such assets or otherwise unless such loss or damage shall be caused by its own fraud, gross negligence or wilful default.

(E) The Trustee shall not be required to take any action in relation to the Transaction Security which may:

(1) be illegal or contrary to any applicable law or regulation; or

(2) cause it to expend or risk its own funds or otherwise incur any liability (including any personal liability) in the performance of its duties or in the exercise of any of its rights, powers and discretions, without first being indemnified and/or secured and/or prefunded to its satisfaction.

6.4 **Application of proceeds following enforcement**

Subject to and in accordance with the terms of the Trust Deed and/or any Security Document(s), with effect from the date on which any Event of Default Redemption Notice is delivered by the Trustee following the occurrence of an Event of Default, the Trustee shall hold the proceeds of enforcement of the Transaction Security received by it under the Trust Deed and/or any Security Document(s) on trust for application in accordance with Condition 16 (*Application of Proceeds*).

6.5 **Issuer's rights as beneficial owner of Underlying Cryptoasset**

The Issuer shall not exercise any rights with respect to the Secured Property, except with the prior written consent of the Trustee or as instructed by an Extraordinary Resolution, provided that the Issuer may, at any time before the Transaction Security becomes enforceable, and without the consent of the Securityholders or the Trustee:

(A) take such action in relation to the Secured Property in respect of a Series of Securities as may be required by the Transaction Documents; and

(B) exercise any rights incidental to the ownership of the Secured Property in respect of a Series of Securities which are exercisable by the Issuer and, in particular (but, without limitation, and without responsibility for their exercise), all rights to enforce any such ownership interests in respect of such property,

provided that the Issuer shall not exercise any rights with respect to such assets if it is directed to the contrary by the Trustee or by an Extraordinary Resolution of a Series of Securityholders and, if such direction is given, the Issuer shall act only in accordance with such direction.

7. **RESTRICTIONS**

7.1 On the Issue Date of the first Tranche of the relevant Series of Securities and all subsequent Tranches of that Series of Securities, the Underlying Asset with respect to such Series of Securities will not comprise a Prohibited Coin.

7.2 The Issuer has agreed in the Trust Deed to certain restrictions on its activities and on the conduct of its business. These restrictions apply for so long as any Security remains outstanding, unless the prior consent in writing of the Trustee (which the Trustee may give if it is of the opinion that to give such consent would not be materially prejudicial to the interests of Securityholders) has been given, and except as provided for or contemplated in these Conditions or any Transaction Document.

8. **OPTIONAL REDEMPTION**

8.1 **Redemption by Authorised Participants**

(A) A Securityholder who is an Authorised Participant may require the Issuer to redeem all or part of its Securities by submitting a valid Redemption Order to the Issuer and making an Acceptable Delivery of Securities.

(B) Any redemption in accordance with this Condition 8.1 will be effected in accordance with the Physical Redemption Procedures, unless the Issuer has made an announcement referred to in Condition 8.8 (*Issuer redemption announcements*) and the Authorised Participant complies with any such conditions specified in such announcement.

8.2 **Redemption by other Securityholders**

(A) A Securityholder who is not an Authorised Participant may require the Issuer to redeem all or part of its holding of Securities in accordance with the Physical Redemption Procedures or the Cash Redemption Procedures (as applicable) by submitting a valid Redemption Order to the Issuer and making an Acceptable Delivery of Securities, if, on the day the Securityholder submits such valid Redemption Order, either:

(1) there are no Authorised Participants; or

(2) the Issuer has given notice that redemptions by Securityholders that are not Authorised Participants are permitted in accordance with Condition 8.8 (*Issuer redemption announcements*) and such notice remains valid.

(B) Any redemption in accordance with this Condition 8.2 will be effected in accordance with the Physical Redemption Procedures unless:

(1) the Issuer has made an announcement referred to in Condition 8.8 (*Issuer redemption announcements*) permitting redemption under this Condition 8.2 in accordance with the Cash Redemption Procedures and the Securityholder complies with any conditions specified in such announcement;

(2) the Securityholder in its Redemption Form certifies that it is prohibited for legal or regulatory reasons from owning or taking delivery of the applicable Underlying Cryptoasset upon redemption; and/or

(3) the Issuer is prohibited for legal or regulatory reasons from effecting a delivery of the relevant Underlying Cryptoasset to the Securityholder,

in which case the redemption will be effected in accordance with the Cash Redemption Procedures.

(C) Any redemption by Securityholders in connection with this Condition 8.2 will be conditional upon receipt by the Issuer of the relevant Redemption Fee.

8.3 **Redemption Order**

(A) A Redemption Order must:

(1) specify the number and Series of Securities to be redeemed;

(2) relate to only one Series of Securities;

(3) be signed by, or by an authorised signatory on behalf of, the Authorised Participant or Securityholder (as applicable);

(4) provide all forms of documentation required for the purposes of any compliance and identification checks;

(5) comply with any additional requirements specified in any notice given by the Issuer including, without limitation, to any announcement or notice in relation to the matters described in Condition 8.8 (*Issuer redemption announcements*);

(6) specify a Relevant Account, to the extent that it is not already specified in the relevant Authorised Participant Agreement; and

(7) where submitted by a Securityholder who is not also an Authorised Participant, elect the Physical Redemption Procedures or the Cash Redemption Procedures and contain any additional information as the Issuer (acting reasonably) determines is required to satisfy any applicable anti-money laundering and "know-your-customer" checks, including (without limitation) a certification that such Securityholder is not a Prohibited Securityholder.

(B) A Redemption Order shall be invalid if:

(1) it is submitted by a Securityholder who is not an Authorised Participant, unless the conditions in Condition 8.2(A) apply;

(2) it does not satisfy each of the conditions in Condition 8.3(A);

(3) it is received (or deemed to be received) on or after the date on which a Redemption Notice is given in accordance with Condition 9 (*Compulsory Redemption*); or

(4) it is received (or deemed to be received) during any period when redemptions have been suspended or postponed pursuant to Condition 12 (*Disruption and Suspension*).

(C) Save with the consent of the Issuer, any Redemption Order is irrevocable once it has been submitted to the Issuer.

8.4 **Redemption Obligations**

Upon receipt by the Issuer of a valid Redemption Order from a Securityholder in accordance with Condition 8.3 (*Redemption Order*), the Issuer shall notify the Securityholder (such notification an "**Optional Redemption Notice**") and do all things necessary to give effect to such Redemption Order in accordance with this Condition 8 and Condition 10 (*Redemption Entitlement and Procedures*).

8.5 **Consequences of invalid Redemption Order**

If the Issuer, in its sole discretion, considers that a Redemption Order is invalid, it shall notify the relevant Securityholder as soon as reasonably practicable and shall not be obliged to redeem the Securities subject to such Redemption Order.

8.6 **Late Redemption Order and Acceptable Delivery**

(A) A Redemption Order received by the Issuer after 16:30 (London time) on a Business Day shall be treated as being submitted on the immediately following Business Day.

(B) An Acceptable Delivery of Securities received after 16:30 (London time) on a Business Day shall be treated as being received on the immediately following Business Day.

8.7 **Change or variation to redemption procedures**

The Issuer may, without the consent of the Securityholders or the Trustee, change or vary the procedures for the submission of Redemption Orders in accordance with Condition 20.2 (*Modification and Waiver*) and these Conditions shall be modified in respect of redemptions to the extent of any such change or variation.

8.8 **Issuer redemption announcements**

(A) The Issuer may give notice to Securityholders and the Trustee that:

(1) redemptions by Securityholders which are not Authorised Participants may be permitted; and/or

(2) redemptions by Authorised Participants under Condition 8.1 (*Redemption by Authorised Participants*) and/or by Securityholders under Condition 8.2 (*Redemption by other Securityholders*) may be effected in accordance with the Cash Redemption Procedures.

(B) Any such announcements may relate to a specific Business Day, a specific period or until further notice is given by the Issuer and/or may be subject to certain conditions.

9. **COMPULSORY REDEMPTION**

9.1 **Termination by the Issuer**

(A) The Issuer may, on giving 30 calendar days' notice to Securityholders and the Trustee, at any time in its discretion determine that any or all Securities are to be redeemed on the Settlement Date.

(B) In such event the Issuer (subject to compliance with any applicable legal or regulatory requirements), will apply for the trading of such Securities on the Relevant Stock Exchange (and any other stock exchange or market on which they are then admitted to trading) to be suspended or cancelled and shall notify the Securityholders of the date on which such trading will be so suspended or cancelled (such date being the "**Final Trading Date**").

9.2 **Issuer Insolvency Event**

If an Issuer Insolvency Event has occurred and is continuing, the Trustee may at any time, at its discretion, and shall if so directed in writing by Securityholders holding not less than 25 per cent. of the number of the Securities then outstanding or by an Extraordinary Resolution of the Securityholders, the Trustee having first been indemnified and/or secured and/or pre-funded to its satisfaction, give notice to the Issuer and the Securityholders that all the Securities outstanding shall be redeemed on the Settlement Date.

9.3 **Cause**

(A) The Issuer may, in its absolute discretion, at any time give written notice to a Securityholder that any Securities held by that Securityholder are to be redeemed on the Settlement Date if:

(1) following a notification delivered in accordance with Condition 14 (*Enquiries as to Status of Securityholders*):

(a) the Securityholder certified that it is a Prohibited Securityholder;

(b) the Securityholder failed by to provide an executed certificate in the form and manner required by Condition 14 (*Enquiries as to Status of Securityholders*) by the Securityholder Certification Expiry Date; and/or

(2) at any time, the Issuer considers (in its sole discretion):

(a) that such Securities are or may be owned or held directly or beneficially by any person in breach of any law or requirement of any country or by virtue of which such person is not qualified to own those Securities; or

(b) that the ownership or holding or continued ownership or holding of those Securities (whether on its own or in conjunction with any other circumstance appearing to the Issuer to be relevant) would, in the reasonable opinion of the Issuer, cause a pecuniary or tax disadvantage to the Issuer or any other Securityholders which it or they might not otherwise have suffered or incurred and/or expose any Transaction Party to a risk of violation of any law or regulation;

(B) In respect of any Securityholder that has provided the certificate described in Condition 9.3(A)(1) or failed to provide the certificate described in Condition 9.3(A)(2), the Issuer's notice under this Condition 9.3 shall relate only to those Securities (and not any other Securities held by that Securityholder).

9.4 **Illegality or impossibility**

(A) All or some Securities may be redeemed if the Issuer determines (acting reasonably) that it is illegal or impossible for the Issuer to issue or deal with such Securities or to hold or deal with the Underlying Cryptoassets in respect of such Securities, in each case in accordance with these Conditions and as a result of any law, rule, regulation, judgment, order or decision of any governmental, legislative, administrative or judicial authority.

(B) In such event, the Issuer shall give notice to the Securityholders and the Trustee that such Securities are to be redeemed on the Settlement Date.

9.5 **Event of Default**

If an Event of Default Redemption Notice has been issued by the Trustee, the Issuer will, as soon as reasonably practicable after receipt of such Event of Default Redemption Notice, give notice to the Securityholders and the Transaction Parties that the Securities are, and shall immediately become, due and payable at their Redemption Amount on the Settlement Date.

9.6 **Notice of Compulsory Redemption Event**

On occurrence of a Compulsory Redemption Event in accordance with this Condition 9, the Issuer shall, as soon as reasonably practicable, give notice to the relevant Securityholders and the Transaction Parties (such notice a "**Compulsory Redemption Notice**").

9.7 **Compulsory Redemption**

(A) The Issuer shall not be required to give any reasons for any decision, determination or declaration taken or made in accordance with this Condition 9.

(B) The exercise of the powers conferred by this Condition 9 shall not be questioned or invalidated in any case on the grounds that there was insufficient evidence of direct or beneficial ownership or holding of the Securities, or any other grounds save that such powers shall have been exercised in good faith.

10. **REDEMPTION ENTITLEMENT AND PROCEDURES**

10.1 **Redemption Entitlement**

Each Security shall carry a right of Optional Redemption in accordance with Condition 8 (*Optional Redemption*) or Compulsory Redemption in accordance with Condition 9 (*Compulsory Redemption*) to;

(A) where Physical Redemption applies, delivery of the Underlying Cryptoassets in an amount equal to the Redemption Amount in accordance with the Physical Redemption Procedures; or

(B) where Cash Redemption applies, payment of the Redemption Amount in the Base Currency in accordance with the Cash Redemption Procedures,

in each case on the applicable Settlement Date.

10.2 **Redemption Obligations**

Unless the Issuer has delivered an announcement under Condition 8.8 (*Issuer redemption announcements*) permitting redemption to be effected in accordance with the Cash Redemption Procedures, the Issuer's obligations in respect of any redemption in accordance with Condition 8 (*Optional Redemption*) or Condition 9 (*Compulsory Redemption*) will be effected in accordance with the Physical Redemption Procedures in this Condition 10.

10.3 **Physical Redemption Procedures**

Where Securities are to be redeemed by physical delivery, the Issuer shall, on the Instruction Date, instruct the relevant Custodian to transfer the relevant Underlying Cryptoasset attributable to or forming part of the Secured Property in respect of such Securities in an amount equal to the Redemption Amount to the relevant Relevant Account, to be delivered to such account on the Settlement Date.

10.4 **Cash Redemption Procedures**

(A) Where Securities are to be redeemed by cash redemption, the Issuer shall, on the Instruction Date, arrange for the sale of the relevant Underlying Cryptoasset attributable to or forming part of the Secured Property in respect of such Securities in an amount equal to the product of:

(1) the Coin Entitlement for such Securities; and

(2) the number of Securities subject to redemption.

(B) The Issuer will transfer the aggregate Redemption Amount with respect to the Securities on the Settlement Date to the relevant Securityholder through a Relevant Clearing System or, in the case of Securities in certificated form, by cheque or warrant made payable to the Securityholder and sent by post at the risk of the Securityholder or any other method of payment notified by the Issuer to the Securityholder in accordance with Condition 26 (*Notices*).

(C) The Issuer will only transfer the Redemption Amount to the Securityholder subject to such Securityholder having made Acceptable Delivery of Securities.

10.5 **Issuer obligations on redemption**

(A) The obligations of the Issuer in respect of Securities being redeemed shall be satisfied by transferring the Redemption Amount in accordance with the provisions of this Condition 10.

(B) In connection with any redemption in accordance with the Physical Redemption Procedures or the Cash Redemption Procedures, each Securityholder acknowledges and agrees:

(1) to accept the Redemption Amount in full settlement of the Issuer's obligations in respect of such Securities;

(2) that from the relevant Settlement Date, all title to and risks in the Redemption Amount in respect of such Security pass to the Securityholder

(3) that the Issuer and the Trustee make no representations or warranties as to the price at which the relevant Underlying Cryptoasset will be sold or the amount of the proceeds of sale realised from the sale of such; and

(4) that neither the Trustee nor the Issuer shall be responsible or liable for (and no Event of Default shall occur by virtue of) any failure by the Custodian to effect a delivery of the Underlying Cryptoasset in accordance with the instructions of the Issuer and, in the event of such failure, the Issuer shall to the extent practicable procure the assignment to the redeeming Securityholder of its claims in relation to such Underlying Cryptoasset in satisfaction of all claims of such Securityholder in respect of the Securities to be redeemed and the Securityholder shall have no further claims against the Issuer, the Trustee or the Secured Property.

10.6 **Principal Amount in lieu of Redemption Amount**

Notwithstanding the provisions of Condition 10.1 (*Redemption Entitlement*), each Securityholder may elect to receive on the Settlement Date an amount in the Base Currency equal to the Principal Amount of each Security held by it in lieu of the amount otherwise specified in this Condition.

10.7 **Settlement date**

In relation to any redemption pursuant to Condition 8 (*Optional Redemption*) or Condition 9 (*Compulsory Redemption*), the Securities shall be redeemed on the applicable Settlement Date.

11. **REDEMPTION DEDUCTIONS**

On a redemption of any Securities, the Issuer shall notify (or cause to be notified) to the relevant Securityholders the amount of the Redemption Deductions in respect of such Securities and their allocation to particular Securities at the time of redemption.

12. **DISRUPTION AND SUSPENSION**

12.1 **Suspension of redemptions**

If on any date the Determination Agent determines that, in respect of a Security, the prevailing market value of the Coin Entitlement is less than 100 per cent. of the Principal Amount of such Security (a "**Redemption Suspension Event**"), the Determination Agent shall notify the Issuer and the Issuer may, at any time thereafter, suspend the right to request redemption of such Securities for so long as the Determination Agent determines that the Redemption Suspension Event continues.

12.2 **Suspension of subscriptions or redemptions**

On any date the Issuer may, at any time in its sole discretion, suspend the right to request subscription or redemption of any Series of Securities.

(A) Where the Issuer determines to suspend the right to request subscription or redemption:

(1) it shall notify the Transaction Parties as soon as reasonably practicable, however the failure to give such notice shall not prevent such suspension;

(2) any such suspension may continue for a period of up to 60 calendar days, at the discretion of the Issuer; and

(3) any such suspension shall not affect any subscription or redemption pursuant to an application received (or deemed to have been received) on a date prior to the commencement of such suspension.

(B) The Issuer may, at its discretion, terminate any suspension of redemptions made in accordance with this Condition 12.2 at any time.

12.3 **Disruption Events**

The Determination Agent (or, in the case of a Service Provider Disruption, the Issuer) may (but is not obliged to), with respect to any calendar day, determine that one or more of the following events has occurred or exists on such day with respect to a Series of Securities (a "**Disruption Event**"):

(A) **Crypto Trading Disruption**

Either:

(1) trading and/or settlement in the relevant Underlying Cryptoasset is subject to a material suspension or material limitation on any primary exchange or trading facility for the trading of such Underlying Cryptoasset; or

(2) any primary exchange or trading facility for the trading of the relevant Underlying Cryptoasset is not open for trading for any reason (including a scheduled closure); or

(3) trading in the Underlying Cryptoasset on any primary exchange or trading facility for the trading of such Underlying Cryptoasset has been permanently discontinued or has disappeared;

(B) **Service Provider Disruption**

Save as otherwise provided for in the Transaction Documents, if all the Custodian(s) for a Series of Securities resigns or their appointment is terminated for any reason and a successor or replacement has not yet been appointed, for such time until a successor or replacement has been appointed or a Compulsory Redemption Notice has been given under Condition 9 (*Compulsory Redemption*); and/or

(C) **Secured Accounts Disruption**

Any Underlying Cryptoasset held as Secured Property with respect to a Series of Securities has been lost or is inaccessible, other than where permitted in accordance with these Conditions and the Transaction Documents.

In determining whether a Disruption Event has occurred, the Determination Agent shall consider whether the relevant event would disrupt the actions required to be performed by the Issuer, any Authorised Participant and/or any other Transaction Party in connection with any redemption of the Securities.

12.4 **Determination of Disruption Events and Suspension**

If the Determination Agent determines that a Disruption Event has occurred or exists with respect to a Series of Securities on any day, it may (but shall not be obliged to) on the immediately following Business Day give notice of the postponement and/or suspension of:

(A) any request for the redemption of the Series of Securities;

(B) the settlement of any redemption of the Series of Securities; and/or

(C) the Settlement Date and/or physical delivery of any relevant Underlying Cryptoasset in respect of such Series of Securities, or the payment of any amount in connection therewith,

to the Issuer, the Authorised Participants, the Trustee, and the Custodian including the details required in Condition 12.5 (such notice a "**Suspension Notice**")

12.5 **Content of Suspension Notice**

Any Suspension Notice delivered pursuant to Condition 12.4 must specify:

(A) the Disruption Event which has occurred or is existing on the relevant day;

(B) whether the suspension and/or postponement relating to such Disruption Event will be in respect of a single day (a "**Suspended Day**") or for as long as the Disruption Event continues (a "**Suspension Period**"); and

(C) which of the consequences in Condition 12.4(A) to 12.4(C) apply on such Suspended Day or during such Suspended Period, as applicable.

12.6 **Expiry of Suspension**

(A) If the Suspension Notice is in respect of a Suspension Period, such period will end when the Determination Agent notifies the Issuer, the Authorised Participants and the Trustee that such suspension and/or postponement is over.

(B) The Determination Agent is not under any obligation to monitor whether or not a Disruption Event has occurred or is continuing with respect to a Series of Securities unless a Suspension Notice has been given in respect of a Suspension Period in which case the Determination Agent's obligation to monitor the relevant Disruption Event will continue until it has determined that such Disruption Event has ceased (following which it will give notification at the end of the Suspension Period in accordance with Condition 12.4).

(C) The Determination Agent shall have no liability to the Issuer, the Trustee, any Custodian, any Securityholder, any Authorised Participant or any other person for any determination or non-determination that it makes in respect of the occurrence or existence of a Disruption Event.

(D) The Issuer shall, as soon as reasonably practicable after receipt by it of a Suspension Notice, give notice thereof to the Securityholders.

12.7 **Postponement of redemptions**

(A) If, in respect of a Disruption Event, the Determination Agent has specified in the Suspension Notice that the Settlement Date shall be postponed, the Settlement Date shall be deemed to occur on the first day that is a Non-Disrupted Day (the "**Disrupted Settlement Date**"), provided that if no such Non-Disrupted Day has occurred on or prior to the 10th Business Day following the Disrupted Settlement Date, the Issuer (acting in good faith and in consultation with the Determination Agent) shall determine an appropriate method for redemption of the Securities, including the relevant Instruction Date and the Settlement Date of such Securities (an "**Disrupted Redemption Method**").

(B) For the avoidance of doubt, if any Settlement Date is postponed in accordance with this Condition 12.7, then any other dates or periods determined by reference to such Settlement Date that have yet to occur or conclude as at the time of such postponement shall also be postponed or adjusted accordingly to reflect the Disrupted Settlement Date and/or Disrupted Redemption Method.

(C) The Issuer shall, as soon as reasonably practicable following determination of any Disrupted Redemption Method, notify the Securityholders and each Transaction Party.

(D) No additional amount shall be payable or deliverable to any Authorised Participant or any Securityholder in connection with any Disrupted Settlement Date and/or Disrupted Redemption Method.

13. **PRESCRIPTION**

Claims against the Issuer for payment or delivery in respect of the Securities shall be prescribed and become void unless made within 10 years from the date on which payment or delivery in respect of it first becomes due or (if any amount is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date 7 calendar days after that on which notice is duly given to the Securityholders that, upon further presentation of the Security being made in accordance with these Conditions, such payment or delivery will be made, provided that payment or delivery is in fact made upon such presentation.

14. **ENQUIRIES AS TO STATUS OF SECURITYHOLDERS**

14.1 **Enquiries of Securityholders**

The Issuer may at any time, without any requirement to state a reason, give notice to a Securityholder requiring that Securityholder to provide, no later than the date falling 10 Business Days after the date of the Issuer's notice, an executed certificate (together with evidence satisfactory to the Issuer, acting reasonably) confirming that:

(A) the Securityholder is not a Prohibited Securityholder; or

(B) the number and Series of Securities in respect of which it is a Prohibited Securityholder;

14.2 **Prohibited Securityholder**

The Issuer shall be entitled, save to the extent that it has made enquiry under this Condition 14, to assume that none of the Securities are held by a Prohibited Securityholder.

15. **EVENTS OF DEFAULT**

15.1 **Events of Default**

If any of the following events (each an "**Event of Default**") occurs in respect of a Series of Securities, the Trustee at its discretion may, and if directed in writing by holders of at least 25 per cent. in number of the Securities of the relevant Series then outstanding or by an Extraordinary Resolution (a copy of which has been provided to the Trustee), shall (provided that in each case the Trustee shall have been indemnified and/or secured and/or pre-funded to its satisfaction), give notice to the Issuer and each Transaction Party that the Securities of the relevant Series shall become immediately due and payable at their Redemption Amount in accordance with these Conditions (such notice an "**Event of Default Redemption Notice**"):

(A) the Issuer defaults in payment of any sum or delivery due in respect of the Series of Securities for a period of 14 calendar days or more;

(B) the Issuer does not perform or comply with any one or more of its material obligations under the Series of Securities or the Trust Deed or any Security Document, other than such obligations as may, with the passage of time, constitute an event under paragraph (A) above and (unless such default is in the opinion of the Trustee incapable of remedy) is not in the opinion of the Trustee remedied within 30 calendar days after notice of such default shall have been given to the Issuer;

(C) the Determination Agent in respect of the applicable Series of Securities resigns or its appointment is terminated for any reason and, at the time such termination takes effect, no successor or replacement Determination Agent has been appointed with respect to such Series;

(D) any Custodian in respect of the applicable Series of Securities resigns or its appointment is terminated and, at time such termination takes effect, no successor Custodian has been appointed with respect to such Series; or

(E) an Issuer Insolvency Event occurs.

15.2 **Event of Default Redemption Notice**

The Issuer will, as soon as reasonably practicable after receipt of any Event of Default Redemption Notice, give notice thereof to the relevant Securityholders.

15.3 **Annual Certificate**

The Issuer has undertaken in the Trust Deed that:

(A) (i) on each anniversary of the issue date of the first Securities issued by the Issuer, and (ii) within 14 calendar days after any request by the Trustee, it will send to the Trustee a certificate signed by two directors of the Issuer to the effect that, having made all reasonable enquiries, to the best of the knowledge, information and belief of the Issuer as at a date as at a date not more than 5 calendar days prior to the date of the certificate, no Event of Default, Potential Event of Default, Issuer Insolvency Event or event pursuant to which the Transaction Security has become enforceable has occurred since such date or, if such an event has occurred, giving details of it and confirming that, to the best of the knowledge, information and belief of the Issuer, since the date of the last such certificate, complied with its obligations under the Trust Deed; and

(B) as soon as practicable after being so requested by the Trustee, it will send to the Trustee a certificate signed by two directors of the Issuer stating the number of Securities held at the date of such certificate by or on behalf of the Issuer or any of its subsidiaries.

16. APPLICATION OF PROCEEDS

Pursuant to the terms of the Trust Deed, the Trustee will apply any amounts received or recovered under the applicable Trust Deed and the proceeds derived from the realisation of the Secured Property (whether by way of liquidation or enforcement and after taking into account Taxes incurred or payable in respect of such realisation) as follows:

(A) *first*, in payment or satisfaction of all fees, costs, charges, expenses, liabilities, losses and other amounts properly incurred by, or payable in respect of the Securities to the Trustee, any Irish Receiver(s) or any receiver(s) under or pursuant to the Trust Deed or any Security Document, including, without limitation, any Taxes required to be paid by the Trustee (other than any income, corporation or similar Tax in respect of the Trustee's remuneration), the costs of enforcing the Trust Deed and/or realising all or some of the Secured Property and the Trustee's remuneration) and if the Secured Property is realised in respect of more than one Series of Securities simultaneously, any such fees, costs, charges, expenses, liabilities, losses and other amounts that are not attributable to a particular Series of Securities shall be applied across such Series *pari passu* and *pro rata*;

(B) *second*, in or towards payment or satisfaction of the Redemption Amount to Securityholders;

(C) third, in payment of any balance to the Issuer for itself or as it may direct;

17. LIMITED RECOURSE AND NON-PETITION

17.1 Limited Recourse

(A) The recourse of the Securityholders against the Issuer is limited to the Secured Property, subject to the Transaction Security, and they shall not have recourse to any other assets of the Issuer or the Issuer.

(B) If the amounts realised from the Secured Property are not sufficient to make payment of all amounts due from the Issuer pursuant to the Trust Deed and the Securities, then no other assets of the Issuer shall be available to meet any resulting shortfall which shall be borne by the parties in accordance with the order of priority in Condition 16 (*Application of Proceeds*). Following realisation of the Secured Property and application of the proceeds in accordance with these Conditions, any outstanding claim, debt or other liability of the Issuer that remains shall be extinguished in full and no debt shall be owed by the Issuer in respect thereof. Failure by the Issuer to make payment in respect of any shortfall described in this Condition 17 shall in no circumstances constitute an Event of Default.

17.2 Non-Petition

None of the Transaction Parties, the Securityholders or any person acting on behalf of any of them may:

(A) bring, institute, or join with any other person in bringing, instituting or joining any administration, bankruptcy, insolvency, liquidation, winding-up or other similar actions; or

(B) join with any other person in bringing, instituting or joining any action or proceeding described in sub-paragraph (A) above; or

(C) take any steps to recover any debts or amounts extinguished as described in Condition 17.1 (*Limited Recourse*) from the Issuer and/or the Issuer or any shareholder, member, agent or director of the Issuer.

Notwithstanding the foregoing, the Trustee shall be entitled to exercise its rights pursuant to the Trust Deed.

17.3 **Corporate obligation**

None of the Transaction Parties, the Securityholders or any person acting on behalf of any of them shall have any recourse against any director, shareholder, or officer of the Issuer or the Issuer in respect of any obligations, covenant or agreement entered into or made by the Issuer pursuant to the terms of these Conditions, the Trust Deed or any other Transaction Documents.

17.4 **Survival**

The provisions of this Condition 17 shall survive notwithstanding any redemption of the Securities of any Series or the termination or expiration of any Transaction Document.

18. **AGENTS AND DETERMINATIONS**

18.1 **Determinations**

(A) The Determination Agent will, as soon as reasonably practicable on such date and/or at such time as the Determination Agent is required to in accordance with the Administration and Determination Agency Agreement, these Conditions and any other Transaction Document to which it is a party (together, the "**Relevant Provisions**"), perform such duties and obligations as are required to be performed by it in accordance with the Relevant Provisions.

(B) The determination by the Determination Agent of any amount, price, rate or value or the occurrence of any event required to be determined by it under the Relevant Provisions shall be made in good faith and shall (in the absence of manifest error) be final and binding on the Issuer, the Securityholders and the Transaction Parties.

18.2 **Alternate agent**

(A) If, at any time after the Transaction Security has become enforceable pursuant to these Conditions, the Determination Agent fails to make any determination in relation the Redemption Amount when required, the Issuer will use its reasonable endeavours to appoint an alternative agent on its behalf to make such determination in place of the Determination Agent.

(B) Any such determination shall for the purposes of these Conditions and the Transaction Documents be deemed to have been made by the Determination Agent.

(C) In doing so, the appointed agent shall apply the Relevant Provisions, with any necessary consequential amendments, to the extent that, in its opinion, it can do so, and in all other respects it shall do so in such manner as it shall deem fair and reasonable in the circumstances.

(D) The Trustee shall not be liable (whether directly or indirectly, in contract, in tort or otherwise) to the Issuer, the Securityholders or any Transaction Party for any determination (or any delay in making any determination) so made by the Determination Agent or any alternative agent and will not itself by required to make, have any responsibility for making, any such determination.

18.3 **Appointment of Agents**

(A) Save as provided below, the Agents act solely as agents of the Issuer. The Agents do not assume any obligation or relationship of agency or trust for or with any Securityholder. The Issuer reserves the right at any time with the prior written approval of the Trustee and in accordance with the provisions of the relevant Transaction Document to vary or terminate the appointment of any Agent and to appoint additional or other Agents.

(B) The Issuer shall use reasonable endeavours to at all times maintain:

(1) a Registrar;

(2) an Issuing and Paying Agent;

(3) in respect of any Securities cleared on a Relevant Clearing System other than CREST, a Paying Agent other than the Issuing and Paying Agent;

(4) a Determination Agent; and

(5) in respect of any Securities admitted to trading and listed on the SIX Swiss Exchange, for so long as the Securities are listed on the SIX Swiss Exchange and if then required by the regulations of the SIX Swiss Exchange, the Issuer shall maintain a Paying Agent in Switzerland (the "**Swiss Paying Agent**"), which agent shall have an office in Switzerland and be a bank or securities firm subject to supervision by the Swiss Financial Market Supervisory Authority FINMA, to perform the functions of a Swiss Paying Agent; and

(6) such other agents as may be required by any stock exchange on which the Securities may be listed,

in each case, as approved by the Trustee.

(C) The Issuer shall promptly give notice to the Securityholders of any change of Agent or any change to the Specified Office of an Agent.

(D) Pursuant to the terms of the Trust Deed, at any time after an Issuer Insolvency Event, an Event of Default or a Potential Event of Default has occurred in relation to the Securities and/or the Transaction Security has become enforceable, the Trustee may:

(1) by notice in writing to the Issuer and the Agents, require any and all of such Agents, until notified by the Trustee to the contrary, so far as permitted by Applicable Law to:

(a) act as agent of the Trustee under the Trust Deed and the Securities on the same terms as the relevant Transaction Document (with consequential amendments as necessary) except that the Trustee's liability for the indemnification, remuneration and all other expenses of such Agents (if any) shall be limited to the amounts for the time being held by the Trustee in respect of the Securities on the terms of the Trust Deed and which are available (after application in accordance with the order of priority set out in these Conditions) to discharge such liability; or

(b) deliver the Securities and all moneys, documents and records held by them in respect of the Securities to or to the order of the Trustee or as the Trustee directs in such notice, and

(2) by notice in writing to the Issuer, require it to make all subsequent payments in respect of the Securities to or to the order of the Trustee and not to the Paying Agent(s), if applicable, and/or the Registrar (as the case may be) with effect from the receipt of any such notice by the Issuer.

19. PAYMENTS

19.1 Withholding or deductions on payments

All payments or deliveries in respect of the Securities, including but not limited to payment or deliveries of the Redemption Amount, shall be made subject to any Tax Deduction that the Issuer or any Agent is required to make, by any Applicable Law. In that event, the Issuer or such Agent shall make such payment after such Tax Deduction has been made and shall account to the relevant authorities for the amount(s) of Tax so withheld or deducted. Neither the Issuer nor any Agent will be liable for, or otherwise obliged to make any additional payments to Securityholders in respect of, or in compensation for, any such Tax Deduction.

19.2 **Securities in definitive form**

Payments in respect of Securities in definitive form shall, subject as mentioned below, be made against presentation and surrender of the relevant Security at the Specified Office of any Paying Agent outside the United States by a cheque payable in the relevant currency drawn on, or, at the option of the Securityholder, by transfer to, an account denominated in such currency with a Bank nominated by such Securityholder.

For the purposes of this Condition 19.2, "**Bank**" means a bank in the principal financial centre for such currency or in the case of euro in a city in which banks have access to the TARGET2 System.

19.3 **Global Registered Certificates**

For as long as the Securities are represented by a Global Registered Certificate deposited with a Clearing System and held by the Relevant Clearing System or a common depository, common safekeeper or nominee, as applicable, on behalf of the Relevant Clearing System, the obligations of the Issuer under these Conditions to make payments in respect of the Securities will be discharged by payment to, or to the order of, the holder of the Global Registered Certificate, subject to and in accordance with the terms of such Global Registered Certificate. Each of the persons shown in the records of the Relevant Clearing System as owning Securities represented by such Global Registered Certificate must look solely to the Relevant Clearing System for its share of any payment made by the Issuer to or to the order of the holder of the Global Registered Certificate. Payments made to any person shown in the records of the Relevant Clearing System as owning any Security represented by a Global Registered Certificate shall be subject to and made in accordance with the rules of the Relevant Clearing System.

19.4 **Uncertificated Securities**

Payments in respect of Uncertificated Securities shall be made through CREST, subject to and made in accordance with the rules of CREST.

19.5 **FATCA and similar information**

(A) Each Securityholder and beneficial owner of Securities shall provide the Issuer and/or any agent acting on behalf of the Issuer and/or the Trustee with such documentation, information or waiver as may be requested by the Issuer and/or any agent acting on behalf of the Issuer and/or the Trustee in order for the Issuer, the Trustee or any such agent to comply with any obligations any such party may have in connection with the Securities under:

(1) FATCA and under any agreement entered into by the Issuer and/or any agent acting on behalf of the Issuer pursuant to, or in respect of, FATCA; and

(2) any other information reporting or exchange arrangements (including, without limitation, any legislation implementing EU Council Directive 2014/107/EU on the mandatory automatic exchange of information, which implements the OECD measures known as the 'Common Reporting Standard').

(B) Each Securityholder and beneficial owner of the Securities further agrees and consents that, in respect of FATCA, the Issuer may, but is not obliged and owes no duty to any person to, comply with the terms of any intergovernmental agreement between the United States of America and another jurisdiction with respect to FATCA or any legislation implementing such an intergovernmental agreement or enter into an agreement with the U.S. Internal Revenue Service in such form as may be required to avoid the imposition of any deduction or withholding pursuant to FATCA on payments made to the Issuer. In connection therewith, the Issuer may make such amendments to the Securities as are necessary to enable the Issuer to enter into, or comply with the terms of, any such agreement or legislation. The Trustee shall be bound to concur in any such amendments provided that doing so would not, in the opinion of the Trustee, impose more onerous obligations upon it or expose it to further liabilities or reduce its rights, powers or protections and any such amendment will be binding on the Securityholders.

20. **MEETINGS OF SECURITYHOLDERS, MODIFICATION, WAIVER AND SUBSTITUTION**

20.1 **Meetings of Securityholders**

(A) The Trust Deed contains provisions for convening meetings of Securityholders of each Series (including by ways other than physical meetings) to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of any of these Conditions, any provisions of the Trust Deed or any other Transaction Document and giving authority, direction or sanction required to be given by Extraordinary Resolution. Any Extraordinary Resolution duly passed shall be binding on Securityholders, whether or not they were present at or participated in the meeting at which such resolution was passed.

(B) The quorum at any such meeting for passing an Extraordinary Resolution will be two or more Securityholders of the relevant Series of Securities or agents present in person holding or representing more than 50 per cent. in number of the Securities of such Series for the time being outstanding, or at any adjourned meeting two or more Securityholders of the relevant Series of Securities or agents present in person being or representing Securityholders of such Series whatever the number of the Securities held or represented.

(C) The holder of a Registered Security in global form representing all of the Securities of such Series for the time being outstanding will be treated as being two persons for the purposes of such quorum requirements.

(D) If the Securities are held in global form, the holder of a Global Registered Certificate will be treated as having one vote in respect of each integral currency unit of the Specified Currency represented by such Global Registered Certificate.

20.2 **Modification and Waiver**

(A) The Trustee may agree, without the consent of the Securityholders, to:

(1) any modification of any of these Conditions or any of the provisions of the Transaction Documents that is in its opinion of a formal, minor or technical nature or is made to correct a manifest error;

(2) any other modification and any waiver or authorisation of any breach or proposed breach of any of these Conditions or any of the provisions of the Trust Deed and/or any Transaction Document that is, in the opinion of the Trustee, not materially prejudicial to the interests of any Series of Securityholders,

provided that, in each case, the Trustee shall not do so in contravention of an express direction given by an Extraordinary Resolution.

(B) Any such modification, authorisation or waiver as is made or given under this Condition 20.2 shall be binding on each Series of Securityholders and shall be notified to each Series of Securityholders as soon as is reasonably practicable.

20.3 **Issuer Technical Amendments**

(A) Subject to Condition 20.3(B), the Issuer may, without the consent of the Securityholders, make any Issuer Technical Amendment provided that the Issuer has certified in writing to the Trustee (upon which certification the Trustee may rely without any obligation to investigate or verify or form its own opinion) that such amendment, in the opinion of the Issuer:

(1) is not materially prejudicial to the interests of any Series of Securityholders;

(2) has been drafted solely for the purposes set out in paragraphs (A), (B) or (C) of the definition of "Issuer Technical Amendment"; and

(3) does not result in a negative impact to the Coin Entitlement or Redemption Amount,

(such certificate an "**Issuer Technical Amendment Certificate**").

(B) Subject to provision of an Issuer Technical Amendment Certificate, the Trustee shall be bound to concur with any such Issuer Technical Amendment, provided that the Trustee shall not be bound to concur with any Issuer Technical Amendment that would, in the opinion of the Trustee, impose more onerous obligations upon it or expose it to further liabilities or reduce its rights, powers or protections.

(C) Any Issuer Technical Amendment made in accordance with this Condition 20.3 shall be notified to Securityholders and shall be binding on Securityholders, provided that such Issuer Technical Amendment shall not take effect until at least 3 calendar days after the date of such notice.

20.4 **Issuer substitution**

(A) The Trust Deed contains provisions permitting the Trustee to agree without consent of the Securityholders to the substitution of any company in the place of the Issuer, or of any previous substitute, as principal debtor under the Trust Deed, the other Transaction Documents and the Securities of each Series (such company being the "**Substituted Issuer**") if the following conditions are met:

(1) an instrument or deed is executed or undertaking given by the Substituted Issuer to the Trustee, in form and manner satisfactory to the Trustee, agreeing to be bound by the Trust Deed, any Security Document and the Securities of each Series (with such consequential amendments as the Trustee may deem appropriate) as if the Substituted Issuer had been named in the Trust Deed, any Security Document and the Securities as the principal debtor in place of the Issuer;

(2) the Substituted Issuer assumes all rights, obligations and liabilities in relation to the Secured Property, acknowledges the Transaction Security created in respect thereof pursuant to the Trust Deed and any Security Document and takes all such action as the Trustee may require so that the Transaction Security and the Secured Property constitutes a valid mortgage, charge, assignment, pledge, lien or other security interest as was originally created by the Issuer for the obligations of the Substituted Issuer;

(3) a director of the Substituted Issuer certifies that it will be solvent immediately after such substitution (in which case the Trustee need not have regard to the Substituted Issuer's financial condition, profits or prospects or compare them with those of the Issuer);

(4) the Trustee is satisfied (if it requires, by reference to legal opinions) that (i) all necessary governmental and regulatory approvals and consents necessary for or in connection with the assumption by the Substituted Issuer of liability as principal debtor in respect of, and of its obligations under, each Series of Securities and any Transaction Document have been obtained and (ii) such approvals and consents are at the time of substitution in full force and effect;

(5) the Issuer and the Substituted Issuer will execute and the Issuer shall procure that any Transaction Party will execute such other deeds, documents and instruments (if any) as the Trustee may require in order that such substitution is fully effective;

(6) the Issuer and the Substituted Issuer comply with such other requirements as the Trustee may direct in the interests of the Securityholders; and

(7) legal opinions satisfactory to the Trustee are provided concerning any proposed substitution.

(B) In connection with any proposed substitution of the Issuer, the Trustee may, without the consent of the Securityholders, agree to a change of the law from time to time governing the Securities, the Trust Deed and/or the Transaction Documents.

(C) An agreement by the Trustee pursuant to this Condition 20.4 and the Trust Deed will, if so expressed, release the Issuer (or a previous substitute) from any or all of its obligations under the Trust Deed, the Securities and the other Transaction Documents. The Substituted Issuer shall give notice of the substitution to the Securityholders within 14 calendar days of the execution of such documents and compliance with such requirements.

(D) On completion of the formalities set out in this Condition 20.4 and the Trust Deed, the Substituted Issuer shall be deemed to be named in these Conditions, the Trust Deed and the other Transaction Documents and the Securities as the principal debtor in place of the Issuer (or any previous substitute) and these Conditions, the Trust Deed and the other Transaction Documents and the Securities shall be deemed to be amended as necessary to give effect to such substitution.

20.5 **Regard to interests of Securityholders as a whole**

(A) In accordance with the terms of the Trust Deed, in connection with the exercise of its functions under the relevant Transaction Documents, the Trustee will have regard to the interests of the Securityholders as a whole and will not have regard to the consequences of such exercise for individual Securityholder of any individual Series, and the Trustee will not be entitled to require, nor shall any Securityholder be entitled to claim, from the Issuer any indemnification or payment in respect of any Tax consequence of any such exercise upon individual Securityholders of any individual Series.

(B) So long as the Securities are in global form and such Global Registered Certificate is held by or on behalf of the Relevant Clearing System, in considering the interests of Securityholders, the Trustee may have regard to any information provided to it by the Relevant Clearing System or its operator as to the identity (either individually or by category) of its accountholders or participants with entitlements to any such Global Registered Certificate and may consider such interests on the basis that such accountholders or participants were the holder(s) thereof.

21. **FORK EVENTS, AIRDROP EVENTS AND STAKING**

21.1 **Amendments and adjustments on a Fork Event or Adjustment Event**

Without prejudice to the Issuer's rights to effect changes to these Conditions and the Transaction Documents without the consent of the Securityholders pursuant to Condition 20 (*Meetings of Securityholders, Modification, Waiver and Substitution*), in the event of a Fork Event or an Airdrop Event affecting the Underlying Cryptoasset applicable to any Series of Securities (the "**Original Series**"), the Issuer may, to the extent such event is supported by the Custodian, in its absolute discretion:

(A) adjust the rights of the Securities of the Original Series so that the Cryptoasset arising as a result of the Fork Event or Airdrop Event (the "**Additional Underlying Cryptoasset**") shall be held by or for the Issuer in respect of the Securities of the Original Series and shall constitute an additional Underlying Cryptoasset in respect of the Securities of the Original Series;

(B) create a new Series of Securities ("**New Securities**") in respect of which the Additional Underlying Cryptoasset shall be the Underlying Cryptoasset, and to issue to Securityholders in respect of the Original Series a number of New Securities pro rata to their holdings of Securities of the Original Series;

(C) reduce the Coin Entitlement for the Original Series in an equal proportion to the proportion of the Underlying Cryptoassets which has been lost or converted into or replaced by an Additional Underlying Cryptoasset (if applicable);

(D) elect not to receive any Additional Underlying Cryptoasset, in which circumstances the Securityholders shall not be entitled to receive any value arising from such Additional Underlying Cryptoasset;

(E) distribute the Additional Underlying Cryptoasset to the Securityholders in respect of the Original Series *pro rata* to their holdings of Securities of the Original Series; or

(F) liquidate the Additional Underlying Cryptoasset and distribute the net realisation proceeds to the Securityholders in respect of the Original Series pro rata to their holdings of Securities of the Original Series.

21.2 **No obligation to monitor**

Neither the Issuer nor the Trustee shall be obliged to assess or monitor whether an Airdrop Event or a Fork Event may have occurred.

21.3 **Staking**

(A) The Issuer may, in its absolute discretion, instruct the Custodian to stake or vote the Underlying Cryptoassets in respect of a Series of Securities in accordance with these Conditions and the Custody Agreement, if the Custodian supports staking in respect of such Underlying Cryptoasset.

(B) If:

(1) any Securities are subject to redemption in accordance with these Conditions;

(2) on the Instruction Date in respect of such redemption, the Underlying Cryptoassets in respect of such Securities have been staked in accordance with Condition 21.3(A); and

(3) as a result of such staking, the Issuer determines that it will be unable to pay the Redemption Amount in respect of such Securities;

then the Issuer may, in its sole discretion, either: (x) obtain short term financing from the Custodian (in the case of redemption in accordance with the Cash Redemption Procedures) or borrow an amount of the Underlying Cryptoassets from the Custodian (in the case of redemption in accordance with the Physical Redemption Procedures); or (y) delay the Settlement Date for such Securities to facilitate an orderly redemption.

22. **REPLACEMENT AND FURTHER ISSUES**

22.1 **Replacement**

If a Certificate is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority regulations, at the Specified Office of the Issuing and Paying Agent or such other Paying Agent, as the case may be, as may, from time to time, be designated by the Issuer for the purpose and notice of whose designation is given to Securityholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security, indemnity and otherwise as the Issuer may require. Mutilated or defaced Certificates must be surrendered before replacements will be issued.

22.2 **Further Tranches and Series**

(A) The Issuer may from time to time without the consent of the Trustee or any Securityholder (but subject always to Condition 7 (*Restrictions*)) in accordance with the Trust Deed, these Conditions and the Authorised Participant Agreement(s), create and issue further Tranches of Securities so that such further Tranche shall be consolidated and form a single Class with the outstanding Securities of any Series upon such terms as the Issuer may determine at the time of their issue and/or incur further obligations relating to such Securities.

(B) Any such further Securities shall only form a single Series with the Securities (unless otherwise sanctioned by an Extraordinary Resolution) if the Issuer provides additional assets (as security for such further Securities) which are fungible with, and have the same proportionate composition as, those forming part of the Secured Property for the Securities and in the same proportion as the proportion that the Principal Amount of such new Securities bears to the Securities and/or the Issuer.

22.3 **Consolidation and division of Tranches and Series**

(A) The Issuer may consolidate or divide all of the Securities into Securities of the same Series but with proportionately larger or smaller Principal Amount and Coin Entitlement (if applicable). Such consolidation or division shall be effected by a deed or instrument supplemental to the Trust Deed.

(B) Whenever as a result of consolidation of Securities a Securityholder would become entitled to a fraction of a Security, the Issuer will redeem such fractional Security.

23. **LISTING**

The Issuer covenants in the Trust Deed to use its best endeavours to obtain and, for so long as any of the Securities maintain outstanding, maintain, a Listing for the Securities or, if it is unable to do so having used such best endeavours or if the Issuer certifies to the Trustee that in its opinion the maintenance of such Listing is unduly onerous, use its best endeavours to obtain and maintain a listing of the Securities on such other stock exchange as it may decide.

24. **REMOVAL, RETIREMENT AND REPLACEMENT OF TRUSTEE**

24.1 **Trustee retirement**

The Trustee may retire at any time, without assigning any reason therefor and without being responsible for any costs incurred by reason of such retirement, upon giving not less than three months' prior written notice to the Issuer.

24.2 **Trustee removal**

The relevant Series of Securityholders may by Extraordinary Resolution of such Series appoint or remove any trustee or trustees of that Series for the time being.

24.2 **Appointment of new Trustee**

The Issuer will use its reasonable endeavours to appoint a new Trustee as soon as reasonably practicable after the Trustee gives notice of its retirement or being removed by Extraordinary Resolution. The retirement or removal of any Trustee shall not become effective until a successor trustee is appointed.

24.3 **Trustee power to appoint new Trustee**

If the Trustee gives notice of retirement or any Extraordinary Resolution is passed for its removal, the Issuer shall use reasonable endeavours to procure that a new trustee is appointed, but if it fails to do so before the expiry of the months' notice period, the Trustee shall have the power to appoint a new trustee.

25. **RELEVANT CLEARING SYSTEM**

None of the Issuer, the Trustee or the Agents will have any responsibility for the performance by the Relevant Clearing System (or its participants or indirect participants) of any of their respective obligations under the rules and procedures governing their operations.

26. **NOTICES**

26.1 **Notices to Securityholders**

All notices to Securityholders shall be validly given as follows:

(A) if the Securities are in definitive registered form, the notice shall be, mailed to the Securityholders at their respective addresses in the Register and shall be deemed to have been given on the day it is delivered in the case of recorded delivery and 3 calendar days (excluding Saturdays and Sundays) in the case of inland post or 7 calendar days (excluding Saturdays and Sundays) in the case of overseas post after despatch or if earlier when delivered, save that for purposes only of determining any Settlement Date the relevant Redemption Order shall be deemed to have been given on the date despatched;

(B) if the Securities are in global form and held on behalf of a Clearing System, the notice shall be delivered to the Relevant Clearing System, or otherwise to the holder of the Global Registered Certificate, rather than by publication as set out above and shall be deemed to be given on the Business Day immediately following the day on which the notice was given to the Relevant Clearing System; and

(C) for all Securities, for so long as such Securities are listed on any Relevant Stock Exchange and the rules of such Relevant Stock Exchange so require, published on the website of one or more regulated information exchanges or other services approved for such purposes by the applicable Relevant Stock Exchange(s) and shall be conclusively presumed to have been received by the holders on the date of publication or, if published more than once or on different dates, on the first date on which publication is made.

26.2 **Notices from Securityholders**

Where these Conditions provide for a notice to be given by one or more Securityholders to the Issuer, such notice shall be validly given as follows:

(A) if the Securities are in definitive registered form, the notice shall be mailed to the Issuer at the postal address and marked for the attention of the person specified in the Constituting Document or to such other address or person as shall have been otherwise notified to Securityholders in accordance with Condition 26.1 (*Notices to Securityholders*) and shall be deemed to have been given on the day it is delivered in the case of recorded delivery and 3 calendar days (excluding Saturdays and Sundays) in the case of inland post or 7 calendar days (excluding Saturdays and Sundays) in the case of overseas post after despatch or if earlier when delivered; or

(B) if the Securities are in global form and held on behalf of a Relevant Clearing System, notice may be given to the Issuer by accountholders in the Relevant Clearing System with entitlements to the Global Registered Certificate, where the accountholders hold any such entitlement on behalf of another person, acting on instruction by the person(s) for whom such entitlement is ultimately beneficially held, whether such beneficiary holds directly with the accountholder or via one or more intermediaries.

In order for such notice to be effective, the accountholder and/or beneficiary, as applicable, must take any reasonable steps requested by the Issuer and/or the Trustee to evidence the validity of their holding of Securities and to ensure that such holding does not alter following the giving of such notice and prior to the earlier of (a) the effecting of any matter that is the subject of such notice, and (b) a specified long stop date. Any notice given in accordance with this Condition 26.2(B) will be deemed to have been given when actually received by the Issuer.

27. **CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999**

No person shall have any right to enforce any term or condition of the Securities under the Contracts (Rights of Third Parties) Act 1999, except and to the extent (if any) that the Securities expressly provide for such Act to apply to any of their terms.

28. **GOVERNING LAW, JURISDICTION AND SERVICE OF PROCESS**

28.1 **Governing law**

(A) The Trust Deed (other than the Irish Law Provisions), the Securities and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law.

(B) The Irish Law Provisions and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, Irish law.

28.2 **Jurisdiction**

(A) The courts of England are to have non-exclusive jurisdiction to settle any disputes that may arise out of or in connection with the Trust Deed (other than the Irish Law Provisions) and exclusive jurisdiction to settle any disputes that may arise out of or in connection with any Securities and accordingly any legal action or proceedings arising out of or in connection with the Trust Deed (other than the Irish Law Provisions) and any Securities ("**English Proceedings**") may be brought in such courts. The Issuer has in the Trust Deed irrevocably submitted to the jurisdiction of such courts in respect of English Proceedings.

(B) The courts of Ireland are to have non-exclusive jurisdiction to settle any disputes that may arise out of or in connection with the Irish Law Provisions any accordingly any legal action or proceedings arising out of or in connection with the Irish Law Provisions ("**Irish Proceedings**") may be brought in such courts. The Issuer has in the Trust Deed irrevocably submitted to the jurisdiction of such courts in respect of Irish Proceedings.

28.3 **Service of process**

The Issuer has irrevocably appointed an agent or agents in England and/or Ireland to receive, for it and on its behalf, service of process in any Proceedings in England and/or Ireland.

CLEARING AND SETTLEMENT

Form of Securities

Securities may be issued in Tranches or Series comprising either Registered Securities or Uncertificated Securities, as specified in the applicable Final Terms.

Registered Securities may be represented by Certificates or by Global Registered Certificates. Uncertificated Securities will be issued in dematerialised uncertificated form in accordance with the Uncertificated Regulations.

If the Global Registered Certificates are not to be held under the new safekeeping structure ("**NSS**"), upon registration of Registered Security in the name of any nominee for Euroclear and Clearstream, Luxembourg and delivery of the relevant Global Registered Certificate to the Common Depositary, Euroclear or Clearstream, Luxembourg will credit each subscriber with a nominal amount of Instruments equal to the nominal amount thereof for which it has subscribed and paid.

If the Global Registered Certificates are to be held under the NSS, the Global Registered Certificates will be delivered on or prior to the issue date to a Common Safekeeper.

Uncertificated Securities are issued in dematerialised form and are not constituted by any physical document of title.

Relationship of accountholders with clearing systems

Each of the persons shown in the records of the Relevant Clearing System as the holder of a Security must look solely to that Relevant Clearing System for its share of each payment made by the Issuer to the holder of such Global Registered Certificate, and in relation to all other rights arising under the Global Registered Certificates, subject to and in accordance with the respective rules and procedures of the Relevant Clearing System. Such persons shall have no claim directly against the Issuer in respect of payments due on the Securities for so long as the Securities are represented by such Global Registered Certificate.

Exchange and transfer

Registered Securities

Registered Securities may be transferred upon surrender at the Specified Office of the Issuing and Paying Agent of the Certificate representing such Registered Security, together with the form of transfer endorsed on such Certificate duly executed and completed and any other evidence as the Issuing and Paying Agent may reasonably require.

In the case of transfer or redemption of part only of a holding of Registered Securities represented by one Certificate, a new Certificate shall be issued in respect of the part transferred (in the case of a transfer of part) and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor (in the case of a transfer of part) or cancelled (in the case of redemption of part).

Each new Certificate delivered will be available with 5 Business Days of surrender of the relevant Certificate.

Uncertificated Securities

All transactions in respect of Uncertificated Securities must be effected through an account with CREST subject to and in accordance with the Uncertificated Regulations and the rules, procedures and practices of the Issuing and Paying Agent and CREST.

If at any time Securities cease to be, or notice is received by or on behalf of the Issuer that the Securities will cease to be, held in uncertificated form and/or accepted for clearance through CREST and/or CREST is closed for business for a continuous period of 14 calendar days (other than by reason of holidays, statutory or otherwise) and/or CREST announces an intention permanently to cease business or does in fact do so, the Securities shall continue to be in registered form and the Issuer, the Registrar, the Paying Agent(s) and any other relevant Transaction Party may agree such procedures as they determine necessary in relation to the transfer of Uncertificated Securities and shall as soon as reasonably practicable give notice thereof to the Securityholders

The form and Relevant Clearing System for any Series of Securities will be set out in the applicable Final Terms for such Series. As at the date of this Base Prospectus, the Issuer intends for all Securities to be issued as Uncertificated Securities and to be settled and cleared through CREST.

CUSTODY ARRANGEMENTS

Custody Agreement

The Issuer will enter into a Custody Agreement in respect of each Series of Securities with the Custodian and the Trustee on the terms of the master terms agreed between the Issuer, the Trustee, the Arranger and the Custodian.

General

The Custody Agreement provides that (unless otherwise directed by the Trustee) the Underlying Cryptoassets will be held in safe custody on behalf of the Issuer by the Custodian in a segregated custody account controlled and secured by the Custodian (the "**Custody Account**"). The Custody Account will be operated through an online portal provided by the Custodian and will be subject to the security granted to the Trustee in respect of the relevant Series of Securities. See "*Security Arrangements"*.

The Custodian will comply with any instruction from authorised representatives of the Issuer to withdraw Underlying Cryptoassets from, or deposit Underlying Cryptoassets into, the Custody Account.

The Custodian will keep a substantial portion of the private keys associated with the Underlying Cryptoassets in "cold storage" or similarly secure technology. Cold storage is a safeguarding method with multiple layers of protections and protocols, by which the private key(s) corresponding to the Underlying Cryptoassets are generated and stored in an offline manner. Private keys are generated in offline computers that are not connected to the internet so that they are resistant to being hacked.

Cold storage of private keys may involve keeping such keys on a non-networked computer or electronic device or storing the public key and private keys on a storage device (for example, a USB thumb drive) or printed medium and deleting the keys from all computers. The Custodian may receive deposits of Underlying Cryptoassets but may not send Underlying Cryptoassets without use of the corresponding private keys. In order to send Underlying Cryptoassets when the private keys are kept in cold storage, either the private keys must be retrieved from cold storage and entered into a software program to sign the transaction, or the unsigned transaction must be sent to the "cold" server in which the private keys are held for signature by the private keys. At that point, the Custodian can transfer the Underlying Cryptoassets.

Staking

The Issuer may, in its absolute discretion, instruct the Custodian to stake or vote the Underlying Cryptoassets, and the Custodian will, to the extent it supports staking or voting for such Underlying Cryptoasset, comply with such instruction. Any rewards which may be payable in respect of the staking or voting of an Underlying Cryptoasset will be paid by the Custodian to the Issuer, minus any commission payable to the Custodian as may be agreed between the Issuer and the Custodian from time to time.

In circumstances where the Issuer is required to pay the Redemption Amount and the Underlying Cryptoassets are staked, the Issuer may either obtain short term financing from the Custodian or delay payment of the Redemption Amount.

Fork Events and Airdrop Events

In the event of a Fork Event or an Airdrop Event affecting the Underlying Cryptoassets applicable to any Series of Securities (the "**Original Series**"), the Issuer may, to the extent such event is supported by the Custodian, in its absolute discretion deal with the Cryptoasset arising as a result of such Fork Event or Airdrop Event in accordance with Condition 21 (*Fork Events, Airdrop Events and Staking*). Where such event is supported by the Custodian, the Custodian agrees to execute any transfer of Underlying Cryptoassets in accordance with the Issuer's instructions.

Termination

The Issuer undertakes in the relevant Trust Deed, without prejudice to the provisions of automatic termination of any Custodian, to use reasonable endeavours to at all times maintain a Custodian in relation to the relevant Series of Securities.

The Custodian's appointment in respect of a Series of Securities may be terminated by the Issuer or the Custodian on the giving of not less than 90 calendar day's prior written notice to the other party and, amongst others, the Trustee.

Custodian replacement

In addition, the Issuer may, on the giving of not less than 90 calendar day's prior written notice to (amongst others) the Custodian, elect to terminate the appointment of the Custodian in respect of any Securities already in issue.

SECURITY ARRANGEMENTS

Securities issued under the Programme will be secured obligations. The security interests described below and any additional security created in relation to a particular Series of Securities shall be known as the Transaction Security. This security is granted under English law and Irish law in favour of the Trustee who will hold this on trust for itself, the Securityholders and for the other parties to whom the Issuer owes obligations in relation to that Series (these parties are together known as the Secured Creditors).

Transaction Security

The various payment obligations of the Issuer in respect of each Series of Securities shall be secured, pursuant to the Trust Deed, over some or all of the following assets:

- the Underlying Cryptoassets and all the Issuer's rights, title and interest attaching to or in respect of the Underlying Cryptoassets, and in each case all property, income, sums or other assets derived therefrom;
- the Issuer's rights, title and interest under the Custody Agreement;
- the Issuer's interest in any bank accounts (present and future) opened in respect of such Series of Securities ("**Additional Accounts**") maintained with any account bank or custodian and any sums relating to such Series of Securities standing to the credit of such Additional Accounts from time to time;
- an assignment by way of security of the Issuer's rights, title and interest under any agreement (present or future) with any account bank or custodian in respect of any Additional Accounts;
- all sums held by any Paying Agent and/or the Custodian to meet payments due in respect of any Secured Payment Obligation;
- any other security constituted by the Trust Deed or any other Security Document for such Series,

and, in each case, the rights, title and interest of the Issuer in any other assets, property, income, rights and/or agreements of the Issuer (other than the Issuer's share capital).

Order of Priority

The security constituted by the Trust Deed and/or any other Security Document for each Series of Securities shall be known as the Transaction Security. The order of priority in which in which the Secured Creditors will be paid if the Transaction Security is enforced is as follows, as further set out in the Conditions:

- *first*, in payment or satisfaction of all fees, costs, charges, expenses, liabilities, losses and other amounts due to the Trustee, any Irish Receiver or any receiver;
- *second*, in or towards payment or satisfaction of the Redemption Amount to Securityholders; and
- *third*, in payment of any balance to the Issuer for itself or as it may direct

Additional security interests

Additionally, the Constituting Document may provide that different security arrangements apply to the Securities and/or that the Secured Payment Obligations of the Issuer may be secured pursuant to a document (which would be a Security Document) other than the Trust Deed. The existence of a Security Document (other than the Trust Deed) for a particular Series of Securities will be specified in the applicable Final Terms. A Security Document (other than the Trust Deed) will be entered into, for example, where there is a security interest to be created under a law other than English law or Irish law in respect of a particular asset for a Series of Securities.

REDEMPTION EVENTS

A summary description of each of the Redemption Events is set out below:

Optional Redemption

The Securities may be redeemed at the option of a Securityholder who is an Authorised Participant by submitting a valid Redemption Order to the Issuer and making an Acceptable Delivery of Securities.

Where there are no Authorised Participants, or the Issuer has announced that redemptions by Securityholders that are not Authorised Participants is permitted (and such announcement remains valid), a Securityholder that is not an Authorised Participant may require the Issuer to redeem its Securities by submitting a valid Redemption Order (which complies with any requirements specified in the Issuer's announcement) and making an Acceptable Delivery of Securities. Any redemption of Securities directly with the Issuer will be conditional upon the payment by the Securityholder of the Redemption Fee.

Compulsory Redemption

The Securities may be compulsorily redeemed in the following circumstances:

- At the discretion of the Issuer on giving 30 calendar days' notice, the Issuer may determine the Securities will be redeemed, and apply for the trading of such Securities on the Relevant Stock Exchange to be suspended or cancelled (the date on which the trading is suspended or cancelled being the "**Final Trading Date**");
- Where an Issuer Insolvency Event has occurred, the Trustee may at its discretion (or shall if so directed in writing by Securityholders holding not less than 25 per cent. of the number of the Securities then outstanding or by an Extraordinary Resolution of the Securityholders);
- In the absolute discretion of the Issuer, at any time if:
    - following a written notice delivered by the Issuer to a Securityholder requiring that Securityholder to provide, within 10 Business Days of such notice, an executed certificate and evidence satisfactory to the Issuer that such Securityholder is not a Prohibited Securityholder:
        - the Securityholder certifies that it is a Prohibited Securityholder; or
        - the Securityholder fails to provide an executed certificated in the form and manner required under the Conditions as to its status as a Prohibited Securityholder within 10 Business Days from the date of the Issuer's notice; and/or
    - the Issuer considers (in its sole discretion) that the Securities may be:
        - owned or held directly or beneficially by any person in breach of any law or requirement of any country or by virtue of which such person is not qualified to own those Securities; or
        - that the ownership or holding or continued ownership or holding of those Securities (whether on its own or in conjunction with any other circumstance appearing to the Issuer to be relevant) would, in the reasonable opinion of the Issuer, cause a pecuniary or tax disadvantage to the Issuer or any other Securityholders which it or they might not otherwise have suffered or incurred and/or expose any Transaction Party to a risk of violation of any law or regulation;
- If the Issuer determines (acting reasonably) that it is illegal or impossible for it to issue or deal with such Securities or to hold or deal with the Underlying Cryptoassets in respect of such Securities;
- Where an Event of Default occurs and the Trustee (either at its discretion or following a direction in writing by Securityholders holding not less than 25 per cent. of the number of the Securities then outstanding or by an Extraordinary Resolution) gives notice to the Issuer and each Transaction Party that all of the Securities shall become immediate due and payable (such notice an "**Event of Default Redemption Notice**");

"**Prohibited Securityholder**" means a Prohibited Benefit Plan Investor or a Restricted Securityholder;

"**Prohibited Benefit Plan Investor**" means any "employee benefit plan" within the meaning of section 3(3) of the United States Employee Retirement Income Security Act of 1974, as amended ("ERISA"), subtitle B of Title I of ERISA, any "plan" to which section 4975 of the United States Internal Revenue Code of 1986, (the "Code") applies (collectively, "Plans"), any entity whose underlying assets include "plan assets" of any of the foregoing Plans within the meaning of 29 C.F.R. Section 2510.3 101 or section 3(42) of ERISA, as they may be modified, by reason of a Plan's investment in such entity, any governmental or church plan that is subject to any U.S. Federal, state or local law that is similar to the prohibited transaction provisions of ERISA or Section 4975 of the Code, or any person who holds Securities on behalf of, for the benefit of or with any assets of any such Plan or entity.

"**Restricted Securityholder**" means any Securityholder that, through its holding of the Securities, is, in the opinion of the Issuer (acting reasonably), in breach of any law or regulation or would risk exposing any Transaction Party to a breach of any law or regulation.

On occurrence of a Redemption Event, the Issuer will as soon as reasonably practicable notify the Securityholders and the Transaction Parties.

Suspension of redemptions

If on any date the Determination Agent determines that the prevailing market value of the Coin Entitlement is less than 100 per cent. of the Principal Amount of such Security (a "**Redemption Suspension Event**"), the Determination Agent shall notify the Issuer and the Issuer may suspend the right to request redemptions for so long as the Determination Agent determines that the Redemption Suspension Event continues.

The Issuer will notify the Transaction Parties of such suspension, which may continue for a period of up to 60 days at the discretion of the Issuer. Any such suspension shall not affect any redemption requested pursuant to a valid redemption order received prior to such suspension.

SALE OR TRANSFER OF UNDERLYING CRYPTOASSETS, ENFORCEMENT OF SECURITY AND LIMITED RECOURSE

Redemption Process

The Securities may redeem on the occurrence of a Redemption Event. In order to trigger the redemption of a Series of Securities:

- in the case of optional redemption, either an Authorised Participant or (where there are no Authorised Participants or where the Issuer announces that redemptions by Securityholders are permitted) a Securityholder must submit a valid Redemption Order to the Issuer; or
- in the case of the occurrence of a Compulsory Redemption Event, a Redemption Notice will need to be given by the Issuer to the Securityholders.

In order for a Redemption Order to be valid it must:

- specify the number and Series of Securities to be redeemed;
- relate to only one Series of Securities;
- be signed by, or by an authorised signatory on behalf of, the Authorised Participant or Securityholder (as applicable);
- provide all forms of documentation required for the purposes of any compliance and identification checks;
- comply with any additional requirements specified in any notice given by the Issuer;
- specify a digital wallet (or bank account) into which the Underlying Cryptoasset (or net cash proceeds) are to be deposited, to the extent that it is not already specified in the relevant Authorised Participant Agreement; and
- where submitted by a Securityholder who is not an Authorised Participant, elect the Physical Redemption Procedures or the Cash Redemption Procedures and contain any additional information as the Issuer (acting reasonably) determines is required to satisfy any application “know-your-customer” requirements, including (without limitation) that such Securityholder is not a Prohibited Securityholder.

Sale or transfer of Underlying Cryptoassets

The submission of a valid Redemption Order of the giving of a Redemption Notice will trigger a process which will require the Issuer to (in the case of cash redemption) arrange for the sale of the Underlying Cryptoasset or (in the case of physical redemption) instruct the Custodian to transfer the Underlying Cryptoasset to the Securityholders, in each case in accordance with the provisions set out in the Conditions and the Transaction Documents.

Redemption Amount

Following such sale or transfer, the Securities will redeem early and the Securityholders will receive the Redemption Amount. The Redemption Amount for a Series of Securities will be calculated as:

- in the case of cash redemption:
    - the quotient of:
        - the net proceeds actually realised from the sale of an amount of Underlying Cryptoasset equal to the Coin Entitlement for such Series; *plus*
        - the proportion that the Securities of such Series held by that Securityholder that are subject to redemption bears to the total number of Securities of such Series subject to redemption;

      minus
    - the Coin Equivalent of the Redemption Deduction for the Series subject to redemption;

- in the case of physical redemption:
  - the product of:
    - the Coin Entitlement with respect to a Security of that Series; and
    - the number of Securities held by that Securityholder subject to redemption;

    minus
  - the Coin Equivalent of the Redemption Deductions with respect to the Securityholder and the Securities of that Series held by that Securityholder;

See the section headed "*Economic Overview of the ETPs*" for a description of how the Redemption Amount is calculated.

Enforcement of security

Pursuant to the Conditions and the terms of the Trust Deed and/or any Security Document, the Transaction Security shall become enforceable on the occurrence of one of the following events (each an "**Event of Default**"):

- the Issuer defaults in payment or delivery on the Securities for 14 days or more;
- the Issuer fails to comply with any of its other material obligations for 30 days;
- the Determination Agent resigns or its appointment is termination without a successor being appointed;
- the Custodian resigns or its appointment is termination without a successor being appointed; or
- the Issuer becomes insolvent.

Once the Transaction Security has become enforceable, the Trustee may in its discretion (and shall if directed in writing by holders of at least 25 per cent. in number of the Securities of the relevant Series then outstanding or by an Extraordinary Resolution), in each case if indemnified and/or secured and/or prefunded to its satisfaction, enforce the Transaction Security.

The Trustee shall hold the proceeds of enforcement of the Secured Property received by it under the Trust Deed on trust for application in accordance with the order of priority set out in Condition 16 (*Application of Proceeds*).

Limited recourse

The limited recourse and non-petition provisions provide that claims against the Issuer by Securityholders and each other creditor relating to any Series of Securities will be limited to the series assets applicable to such Securities. If, following liquidation or enforcement of security as described above, the available cash sums pursuant to Condition 16 (*Application of Proceeds*) or assets available for delivery, as the case may be, are insufficient for the Securityholders to receive payment in full of any Redemption Amount, Securityholders will receive less than such amount and Condition 17 (*Limited recourse and non-petition*) will apply. No other assets of the Issuer will be available to meet such shortfall, the claims of such Securityholders or other creditors relating to such Securities in respect of any such shortfall shall be extinguished. No Securityholders will be able to petition for the winding-up of the Issuer as a consequence of any such shortfall or launch proceedings against the Issuer.

THE ISSUER

General

Global X Digital Assets Issuer Limited (the "**Issuer**") was incorporated as a private limited company Issuer in Jersey on 8 November 2021 under the Companies (Jersey) Law 1991 (as amended) with the name "Global X Digital Assets Issuer Limited". The Issuer was converted to a public company by special resolution on 10 February 2022. The Issuer operates under the aforementioned law and secondary legislation made thereunder. The Issuer is registered in Jersey under number 139150 on the register maintained by the Jersey Financial Services Commission. The Administrator will act as the company secretary of the Issuer.

The Issuer has been established as a special purpose vehicle for the purposes of issuing asset-backed Securities. The registered office of the Issuer is at 28 Esplanade, St Helier Jersey JE2 3QA. The telephone number of the Issuer is +44 1534 700 000. The Issuer's Legal Entity Identifier (LEI) is 254900GFVKWOIHOFGO32. The Issuer's Website is available at https://globalxetfs.eu/. The information on the Issuer's Website does not form part of this Base Prospectus unless that information is incorporated by reference into this Base Prospectus.

Share capital

The Issuer is authorised to issue an unlimited number of no par value shares of one class designated as Ordinary Shares of which two Ordinary Shares of no par value have been issued for a consideration of £1.00 each. The amount of the Issuer's share capital is £2.

The Issuer does not have any subsidiary undertakings.

Ownership of the Issuer

All of the Issuer's issued ordinary shares are owned by Global X Digital Assets, LLC, a holding company incorporated in Delaware. The shares in Global X Digital Assets, LLC are ultimately wholly owned by Global X Management Company, Inc.

Activities of the Issuer

The Trust Deed contains restrictions on the activities in which the Issuer may engage. Pursuant to these restrictions, the business of the Issuer is limited to issuing Securities up to a maximum number of Securities outstanding equal to 1,000,000,000 of each Series of Securities, entering into agreements and performing its obligations and exercising its rights thereunder and entering into other related transactions, and issuing unsecured debt securities, as contemplated in the Master Trust Deed.

The assets of the Issuer will consist of the issued and paid-up capital of the Issuer and fees. The only assets of the Issuer available to meet claims of Securityholders and other secured creditors are the assets comprised in the relevant collection of benefits, rights and other assets comprising the security for the relevant Series of Securities.

The Issuer will be paid a fee for agreeing to issue the relevant Securities. Other than the fees paid to the Issuer, its share capital and any income derived therefrom, there is no intention that the Issuer accumulates surpluses. The Securities of each Class are direct, limited recourse obligations of the Issuer alone and not of the shareholders of the Issuer, the Trustee, officers, members, directors, employees, or any Securityholders. Furthermore, they are not obligations of, or guaranteed in any way by, any of the Authorised Participants or their respective successors or assigns.

The Issuer is expected to have an indefinite length of life.

Directors

The directors of the Issuer are as follows:

Director	Principal outside activities	Business Address
Hilary Jones	Associate Director – JTC Fund Solutions (Jersey) Limited	28 Esplanade, St Helier Jersey JE2 3QA
Alan Baird	Director – JTC Fund Solutions (Jersey) Limited	28 Esplanade, St Helier Jersey JE2 3QA
Luis Berruga	Chief Executive Officer of Global X group.	605 Third Avenue, 43rd Floor New York, NY 10158

The Issuer has no permanent chairman. The board of directors of the Issuer (the "**Board**") will appoint a chairman in respect of each meeting of the Board.

There are no conflicts of interest for Hilary Jones and Alan Baird in respect of their duties to the Issuer and their private interest and/or other duties.

There are no conflicts of interest for Luis Berruga in respect of his private interests and his duties to the Issuer. However, Luis Berruga is the Chief Executive Officer of Global X, the group which the Issuer and the Arranger form part of. There are potential conflicts of interest in respect of his duties to the Global X group and his duties to the Issuer, including that the Global X group may enter into business dealings relating to the Securities or the Underlying Cryptoasset without any regard for the interest of Securityholders. See the section headed "*Conflicts of Interest"*.

Administrator

Pursuant to the terms of an agreement in respect of each Series of Securities between the Issuer and JTC Fund Solutions (Jersey) Limited (the "**Administrator**") (the "**Administration and Determination Agency Agreement**") the Issuer has appointed the Administrator to perform certain administrative, accounting, determination agency and related services to the Issuer. In consideration of these services, the Administrator will receive various fees from the Issuer as set out in the Administration and Determination Agency Agreement.

The appointment of the Administrator may be terminated by either the Issuer or the Administrator upon not less than 90 calendar days' prior written notice.

Financial statements

The financial year of the Issuer begins on 01 January of each year and ends on 31 December of the same year save that the first financial year started on the date of incorporation of the Issuer and ended on 31 December 2022.

In accordance with the Companies Law the Issuer is obliged to publish its annual accounts on an annual basis following approval of the annual accounts by the annual general meeting of its shareholders. The Issuer is not required to and does not prepare interim financial statements.

Audited historical financial information (audited by the statutory auditors) in respect of the Issuer covering each year in which the Issuer has been in operation (and the statutory auditor's audit report in respect of each year) is available on the Issuer's Website.

Any future published annual audited financial statements prepared for the Issuer (and the audit report in respect of such financial year) will be published on the Issuer's Website and annual audited financial statements will be obtainable free of charge from the registered office of the Issuer or the Specified Office of the Issuing and Paying Agent, as described in "*General Information*".

Incorporation by reference

The following information is incorporated in this Base Prospectus by reference and shall be read as an integrated part of this Base Prospectus:

- audited financial statements for the period from date of incorporation of the Issuer (8 November 2021) to 31 December 2021, including the Issuer's auditor's report dated 10 February 2022 (the "**2021 Audited Financial Statements**"); and

- The conditions issued pursuant to the Base Prospectus dated 23 February 2022 under the sections headed "Conditions" from pages 53 to 89 (the "**2022 Conditions**").

The 2021 Audited Financial Statements is available in electronic format on the Issuer's Website at https://globalxetfs.eu/content/files/Globax-X-Digital-Assets-Issuer-Limited.pdf.

Within the 2021 Audited Financial Statements, the director's report is on pages 2 to 3, the auditor's report is on pages 4 to 6, the statement of financial position is on page 7, the statement of changes in equity is on page 8 and the notes to the financial statements are on pages 9 to 11.

The 2022 Conditions is available in electronic format on the Issuer's Website at: https://globalxetfs.eu/content/files/Global-X-Digital-Assets-Issuer-Limted_Prospectus.pdf.

Statutory auditors

KPMG Channel Islands Limited. KPMG Channel Islands Limited is a member of the Institute of Chartered Accountants in England and Wales.

Restrictions

So long as any of the Securities remain outstanding, the Issuer will be subject to the restrictions set out in the Articles and the Trust Deed applicable to such Series of Securities. These restrictions include that, except as provided for or contemplated in the Conditions, the Trust Deed applicable to such series of Securities, any other Security Document or any other Transaction Document, the Issuer will not without the prior written consent of the Trustee:

- engage in any business activities other than the following:
  - issue, enter into, amend, redeem, exchange or repurchase and cancel or reissue or resell all or some only of the Securities;
  - acquire and own rights, property or other assets which are to comprise Secured Property relating to any Series of Securities;
  - perform its respective obligations under any Securities and the relevant Transaction Documents;
  - engage in any activity in relation to the Secured Property, the Underlying Cryptoassets or any other Transaction Document;
- cause or permit the terms of the Security and the order of priority to be amended, terminated or discharged;
- release any party to the Trust Deed or any other relevant Transaction Document relating to a Series of Securities from any existing obligations thereunder;
- have any subsidiaries;
- sell, transfer or otherwise dispose of any assets that are the subject of the Secured or create or allow to exist any charge, lien or other encumbrance over such Secured Property;
- consent to any variation of, or exercise any powers or consent or waiver pursuant to, the terms of the Conditions, the Trust Deed or any other Transaction Document;

- consolidate or merge with any other person or convey or transfer its properties or assets substantially as an entirety to any person;
- have any employees (provided this shall not prevent the appointment of the directors);
- issue any shares (other than such shares in the capital of the Issuer as were issued at the time of its incorporation and which are held by the Share Trustee or its nominee) or make any distribution to its shareholders;
- declare any dividends;
- purchase, own, or otherwise acquire any real property (including office premises or like facilities);
- guarantee, act as surety for or become obligated for the debts of any other entity or person or enter into any agreement with any other entity or person whereby it agrees to satisfy the obligations of such entity or person or any other entity or person;
- acquire any securities or shareholdings whatsoever from its shareholders or enter into any agreements whereby it would be acquiring the obligations and/or liabilities of its shareholders;
- advance or lend any of its moneys or assets to any other entity or person,

provided that the Issuer shall not take any action (even where the prior written consent of the Trustee is obtained) if such action is, in the opinion of the Issuer, inconsistent with or in contravention of its memorandum and articles of association.

THE ADMINISTRATOR AND DETERMINATION AGENT

JTC Fund Solutions (Jersey) Limited (the "**Administrator**" and the "**Determination Agent**") is a Jersey private company limited by shares, registered on 8 July 1985 under company number 32203. The registered office of the Administrator is 28 Esplanade, St Helier, Jersey JE2 3QA.

The Administrator and the Determination Agent is regulated by the JFSC in respect of the undertaking of various class of 'trust company business' and 'funds services business' under the Financial Services (Jersey) Law 1998; and has a wealth of experience gained from acting in respect of similar SPV issuers and programmes.

The ultimate holding company of the Administrator and the Determination Agent is JTC plc, which is a FTSE 250 Index company listed on the Main Market of the London Stock Exchange. Please refer to the JTC website for more information: https://www.jtcgroup.com.

THE CUSTODIAN

Coinbase Custody International Limited (the "**Custodian**") is an Irish private company limited by shares, registered on 25 September 2019 under company number 657718. The registered office of the Custodian is 70 Sir John Rogerson's Quay, D02 R269, Ireland, Dublin 2, Dublin, Ireland.

The Custodian serves as a European entity of the Coinbase group for the handling of cryptoassets. The Custodian is part of the Coinbase group's Coinbase Custody service which includes Coinbase Custody Trust Company, LLC. Coinbase Custody Trust Company, LLC operates as a standalone, independently-capitalised business to Coinbase Global, Inc. and is a fiduciary under NY State Banking Law, regulated by the New York Department of Financial Services. Coinbase Global, Inc operates a global cryptocurrency exchange platform which operates in over 100 countries.

Coinbase Custody International Limited provides fiduciary custodial services to institutional customers and acts as custodian to the Issuer by holding the relevant Underlying Cryptoassets in respect of a Series of Securities on behalf of the Issuer.

THE ARRANGER

Global X Digital Assets, LLC (the "**Arranger**") is a limited liability company incorporated in the state of Delaware on 9 July 2021 under file number 6072193. The registered office of the Arranger is c/o Corporation Service Company, 251 Little Falls Drive, Wilmington, Delaware 19808. The principal place of business of the Arranger is 605 Third Avenue, 43rd Floor, New York, NY 10158.

Global X Digital Assets, LLC is wholly owned by its ultimate parent company Global X Management Company, Inc.

The Arranger provides certain administrative and operational services to the Issuer pursuant to an Arrangement Agreement dated on or about the date of this Base Prospectus. The Arranger may delegate certain of those services to its affiliates.

THE TRUSTEE

The Law Debenture Trust Corporation p.l.c. (the "**Trustee**") is an English public limited company registered under company number 01675231 authorised and regulated by the Financial Conduct Authority, and is a trust corporation that acts as trustee for Eurobond issues, other forms of complex financing structures, numerous structured product transactions, including Exchange Tradeable Products. The Company has acted as trustee on numerous structured product transactions including fixed-rate, floating-rate and deposit-linked issuances. The Company has a share capital of £5,000,000 and all of its issued shares are owned by its ultimate parent The Law Debenture Corporation p.l.c., bar one share which is held by Law Debenture Corporate Services Limited as a nominee.

THE REGISTRAR AND ISSUING AND PAYING AGENT

Computershare Investor Services (Jersey) Limited (the "**Registrar**" and the "**Issuing and Paying Agent**" is a Jersey registered private company, registered on 2 September 1999 under company number 75005. The Registrar and the Issuing and Paying Agent's registered office is at 13 Castle Street, St. Helier, JE1 1ES, Jersey.

Computershare Investor Services (Jersey) Limited is a wholly owned subsidiary of Computershare Limited. The Computershare group offers industry-leading corporate trust and share and fund registration services in 20 countries globally and has over 20 years' experience in Jersey. Computershare Investor Services (Jersey) Limited has acted as registrar on numerous structured product transactions, including exchanged traded products.

TAXATION

Below is a summary of certain tax considerations which may impact the return on the Securities. Securityholders should be aware that the tax legislation of their home country and the Issuer's country of incorporation may have an impact on the return on the Securities.

Jersey tax considerations

Income Tax

The Issuer will be regarded as resident in Jersey under the Income Tax (Jersey) Law 1961, as amended and will be subject to Jersey income tax at a rate of 0%. Securityholders other than residents of Jersey should not be subject to any tax in Jersey in respect of the holding, sale or redemption of Securities. Redemption payments (other than redemption payments paid to residents of Jersey) will not be subject to withholding for or on account of Jersey tax.

Goods and Services Tax

The Issuer is an "international services entity" for the purposes of the Goods and Services Tax (Jersey) Law 2007 (the "**GST Law**"). Consequently, the Issuer is not required to: (a) register as a taxable person pursuant to the GST Law; (b) charge goods and services tax in Jersey in respect of any supply made by it; or (c) (subject to limited exceptions that are not expected to apply to the Issuer) pay goods and services tax in Jersey in respect of any supply made to it.

Stamp Duty

No stamp duty is levied in Jersey on the issue, transfer, acquisition, redemption or sale of Securities.

CRS

Jersey has implemented the CRS by the Taxation (Implementation) (International Tax Compliance) (Common Reporting Standard) (Jersey) Regulations 2015. As a result, the Issuer is required to comply with the CRS due diligence and reporting requirements, as adopted by Jersey. Jersey has committed to a common implementation timetable which has seen the first exchange of information in 2017 in respect of accounts open at and from the end of 2015, with further countries committed to implement the new global standard.

Swiss tax considerations

The following discussion is a summary of certain material Swiss tax considerations relating to (i) Securities where the holder is tax resident in Switzerland or has a tax presence in Switzerland or (ii) Securities where the paying agent, Custodian or securities dealer is located in Switzerland. The discussion is based on legislation as of the date of this Base Prospectus. It does not aim to be a comprehensive description of all the Swiss tax considerations that may be relevant for a decision to invest in Securities. The tax treatment for each investor depends on their particular situation. All investors are advised to consult with their professional tax advisers as to the respective Swiss tax consequences of the purchase, ownership, disposition, lapse, exercise or redemption of Securities (or options embedded therein) in light of their particular circumstances.

Swiss Withholding Tax

Payments on a Security are currently not subject to Swiss federal withholding tax provided that the Issuer is at all times resident and managed outside Switzerland for Swiss tax purposes.

On 3 April 2020, the Swiss Federal Council published draft legislation and opened a consultation procedure regarding the reform of the Swiss federal withholding tax regime applicable to interest on bonds. The draft legislation provides for, among other things, the replacement of the current debtor-based regime applicable to interest payments on bonds with a paying agent-based regime for Swiss withholding tax. Generally speaking, the proposed paying agent-based regime would (i) subject all interest payments on bonds made through paying agents in Switzerland to individuals resident in Switzerland to Swiss withholding tax and (ii) exempt from Swiss withholding tax interest payments on bonds to all other persons, including to Swiss-domiciled legal entities and foreign investors (other than for indirect interest payments via foreign and domestic collective investments vehicles). However, the results of the consultation, which ended on 10 July 2020, were controversial. Consequently, on 15 April 2021, the Swiss Federal Council submitted new draft legislation on the reform of the Swiss withholding tax system providing for the abolition of Swiss withholding tax on interest payments on bonds for submission to the Swiss Parliament, which legislation was accepted by the Swiss Parliament on 17 December 2021. The entry into force of such legislation is still subject to a potential referendum. Notwithstanding the foregoing, if a new paying agent-based regime were nevertheless to be enacted as contemplated by the draft legislation published on 3 April 2020 and were to result in the deduction or withholding of Swiss withholding tax on any payment in respect of a Security by any person in Switzerland other than the Issuer, the holder of such Security would not be entitled to any additional amounts with respect to such Security as a result of such deduction or withholding under the Conditions.

Income Taxation

Securities held as Private Assets by a Swiss resident holder

<u>Structured Notes</u>

If a Security is classified as a structured note, its income taxation in Switzerland depends on whether the bond and the derivative financial instrument(s) embedded therein are recorded separately from each other and whether the Security is classified as a structured note with or without a predominant one-time interest payment (a structured note is classified as a note with a predominant one-time interest payment if the one-time interest payment exceeds the sum of the periodic interest payments):

Non-transparent derivative financial instruments: If the bond is not recorded separately from the embedded derivative financial instrument(s), the Security is classified as non-transparent structured note and any return over the initial investment is classified as a taxable interest payment. Non-transparent derivative financial instruments generally include a predominant one-time interest payment and are taxed in accordance with the principles set forth below under "*—Transparent derivative financial instruments with a predominant one-time interest payment*".

Transparent derivative financial instruments without a predominant one-time interest payment: If the bond is recorded separately from the embedded derivative financial instrument(s) and the yield-to-maturity predominantly derives from periodic interest payments and not from a one-time interest payment (see below "*—Transparent derivative financial instruments with a predominant one-time interest payment*"), then any such periodic interest payment and the non-predominant one-time interest payment, if any, is taxed when paid to the holder of the Security. A gain (including interest accrued) or a loss realised on the sale of such a Security is a tax-free private capital gain or a non-tax-deductible private capital loss, respectively (see below "*—Capital Gains, Securities held as Private Assets by a Swiss resident holder*"). The same applies if such a Security is redeemed, except that interest accrued is taxed when paid.

Transparent derivative financial instruments with a predominant one-time interest payment: If the bond is recorded separately from the embedded derivative financial instrument(s) and the yield-to-maturity predominantly derives from a one-time interest payment such as an original issue discount or a repayment premium and not from periodic interest payments, then any periodic interest payments constitute, and upon the redemption or sale of the Security, the difference between the value of the bond at redemption or sale, as applicable, and its value at issuance or secondary market purchase, as applicable, converted, in each case, into Swiss francs at the exchange rate prevailing at the time of redemption or sale, and at the time of issuance or purchase, respectively (modified differential taxation method) constitutes, taxable income. A value decrease on the bond realised on the redemption or sale of the Security may be offset against any gains (including periodic interest payments) realised within the same taxation period from all instruments with a predominant one-time interest payment. Any residual return realised on the embedded derivative financial instrument(s) is a tax-free private capital gain, and any residual loss is a non-tax-deductible private capital loss (see below "*—Capital Gains, Securities held as Private Assets by a Swiss resident holder*").

<u>Bonds</u>

Bonds without a predominant one-time interest payment: If a Security is classified as a pure bond without a predominant one-time interest payment (the yield-to-maturity predominantly derives from periodic interest payments and not from a one-time-interest-payment), Swiss resident private investors will be taxed on the periodic and any one-time interest payments, if any, converted into Swiss francs at the exchange rate prevailing at the time of the relevant payment. A gain (including interest accrued) or a loss realised on the sale of such a Security is a tax-free private capital gain or a non-tax-deductible private capital loss, respectively (see below "—*Capital Gains, Securities held as Private Assets by a Swiss resident holder*").

Bonds with a predominant one-time interest payment: If a Security is classified as a pure bond with a predominant one-time interest payment (the yield-to-maturity predominantly derives from a one-time-interest-payment such as an original issue discount or a repayment premium and not from periodic interest payments), Swiss resident private investors will be taxed on any periodic interest payments and on any gains (including capital and foreign exchange gains) realised on such Security (differential taxation method).

Pure Derivative Financial Securities

Periodic and one-time dividend equalisation payments realised on a Security that is classified as a pure derivative financial instrument (such as pure call and put options, including low exercise price options with a maturity not exceeding one year, pure futures, static certificates replicating an index or a basket of at least five shares and with a fixed maturity or an annual redemption right) and which is held as part of a holder's private assets constitute taxable investment income. Any other return on such a Security will be classified as a tax-exempt capital gain or a non-tax deductible capital loss (see below "—*Capital Gains, Securities held as Private Assets by a Swiss resident holder*").

Low Exercise Price Options

According to the current practice of the Swiss Federal Tax Administration low exercise price options are given if the underlying of an option has been pre-financed by at least 50% at the time of issuance.

For Securities classified as low exercise price options and with a maturity exceeding one year, the interest component of the low exercise price option (i.e. issue discount) constitutes taxable investment income. Any other return on such a Security will be classified as a tax-exempt capital gain or a non-tax deductible capital loss (see below "—*Capital Gains, Securities held as Private Assets by a Swiss resident holder*").

Fund-like Securities

A Security classified as a fund-like instrument will be considered a pass-through instrument for Swiss tax purposes if dividend and interest income (less attributable costs) from, and capital gains and losses (less costs attributable) realised on, the underlying investments, are reported and distributed separately. Under such conditions, an individual holding a fund-like Security as part of private assets only receives taxable income (which he or she must report annually) over such portion of the distributions (in case the fund is distributing the income realised on the underlying investments) or earnings credits (in case the fund is reinvesting the income realised on the underlying investment) as derive from dividends and interest (less attributable costs) on the underlying instruments. Any distributions or credits deriving from capital gains realised on the underlying investments constitute a tax-free private capital gain and any respective loss on the underlying investments is a non-tax-deductible private capital loss. Any gain realised within a taxation period on the sale of a fund-like Security (including accrued dividends and interest) is exempt from income taxation as a private capital gain, and, conversely, any loss realised within a taxation period on the sale of a fund-like Security is a non-tax-deductible capital loss (see below "—*Capital Gains, Securities held as Private Assets by a Swiss resident holder*").

Securities held as Assets of a Swiss Business

Corporate entities and individuals who hold Securities as part of a trade or business in Switzerland, in the case of residents abroad carried on through a permanent establishment or a fixed place of business in Switzerland, are required to recognise any payments on, and any capital gains or losses realised on the sale or redemption of, such Securities (irrespective of their classification) in their income statement for the respective taxation period and will be taxed on any net taxable earnings for such period.

The same taxation treatment also applies to Swiss-resident individuals who, for income tax purposes, are classified as "professional securities dealers" for reasons of, *inter alia*, frequent dealing and leveraged investments in securities.

Capital Gains Taxation

Securities held as Private Assets by a Swiss resident Holder

Any gain or any loss realised by an individual resident in Switzerland for tax purposes upon the sale or other disposal of a Security held as part of his or her private assets is a tax-free private capital gain or a non-tax deductible capital loss, respectively, unless such individual is classified, for income tax purposes, as a "professional securities dealer" for reasons of, *inter alia*, frequent dealing and leveraged investments in securities. If an individual is classified as a "professional securities dealer", he or she will be taxed in accordance with the principles set forth above under "—*Securities held as Assets of a Swiss Business*". In relation to the bifurcation of a tax-exempt capital gains component or a non-tax deductible capital loss component from taxable income components of a Security, see the bifurcation principles set forth above with regard to the different instruments under "—*Income Taxation, Securities held as Private Assets by a Swiss resident holder*").

Securities held as Assets of a Swiss Business

Capital gains realised on Securities held as part of a trade or business in Switzerland are taxed in accordance with the taxation principles set forth above under "—*Income Taxation, Securities held as Swiss Business Assets*").

Stamp Taxes

Swiss Federal Issue Stamp Tax

The Securities are not subject to Swiss federal stamp tax on the issuance of securities.

Swiss Federal Securities Turnover Tax

Dealings in Securities that are classified as pure derivative financial instruments (such as pure call and put options, including low exercise price options with a maturity not exceeding twelve months, pure futures with a maximum pre-financing of 25%, or static certificates replicating an index or a basket of at least five shares and with a fixed maturity on an annual redemption right) are not subject to the Swiss federal securities turnover tax.

Dealings in Securities that are classified as structured notes, share-like instruments (including low exercise price warrants on shares with a maturity exceeding twelve months) or fund-like instruments are subject to Swiss federal securities turnover tax of 0.3% on the consideration paid, however, only if a Swiss securities dealer (as defined in the Swiss federal stamp tax act) is a party or intermediary to the transaction and no exemption applies.

Dealings in Securities that are classified as bonds or structured notes with a maturity not exceeding one year are exempt from Swiss federal turnover tax.

The delivery of an underlying taxable security at exercise or redemption to the holder of the Security is subject to Swiss federal securities turnover tax of 0.3% if a Swiss domestic securities dealer (as defined in the Swiss federal stamp tax act) is a party or intermediary to the transaction and no exemption applies.

Gift, Inheritance and Estate Taxes

Subject to an applicable tax treaty in an international scenario, transfers of Securities may be subject to cantonal and/or communal inheritance tax, estate tax or gift tax if the deceased person has had his or her last domicile in Switzerland, the donor is resident in Switzerland, respectively, or in the case of a foreign deceased or resident person the transfer involves an unincorporated business in Switzerland and Securities are held as part of such business. No such taxes exist at the federal level. Rates depend upon the existing relationship (i.e. the relationship between the deceased and the heirs, or between the donor and the donee) and the size of the inheritance or gift. Interspousal gifts and gifts to descendants and inheritances collected by the surviving spouse and descendants are frequently exempt or taxed at very low rates (up to 6%). Gifts and inheritances received from unrelated persons attract rates ranging from 20% to 40% The taxable base is usually the market value of the property transferred.

Net Worth and Capital Taxes

A holder of Securities who is an individual resident in Switzerland for tax purposes or is a non-Swiss resident holding Securities as part of a Swiss business operation or a Swiss permanent establishment is required to report such Securities as part of private wealth or as part of Swiss business assets, as the case may be, and is subject to annual cantonal and/or communal private wealth tax on any net taxable wealth (including such Securities), in the case of non-Swiss resident individual holding Securities as part of a Swiss business operation or a Swiss permanent establishment, to the extent the aggregate taxable wealth is allocable to Switzerland. Incorporated holders of Securities are subject to cantonal and communal capital tax on net taxable equity, in the case of non-Swiss resident entities holding Securities as part of a Swiss permanent establishment, to the extent the aggregate taxable equity is allocable to Switzerland. No net worth and capital taxes exist at the federal level in Switzerland.

Non-Swiss resident holders

A holder of a Security who is not resident in Switzerland for tax purposes and who during the taxation year has not engaged in trade or business carried on through a business operation or permanent establishment in Switzerland, will neither be subject to income tax and capital gains tax nor net wealth or capital tax in Switzerland.

Automatic Exchange of Information in Tax Matters

On 19 November 2014, Switzerland signed the Multilateral Competent Authority Agreement (the "**MCAA**"). The MCAA is based on article 6 of the OECD/Council of Europe administrative assistance convention and is intended to ensure the uniform implementation of Automatic Exchange of Information (the "**AEOI**"). The Federal Act on the International Automatic Exchange of Information in Tax Matters (the "**AEOI Ac**t") entered into force on 1 January 2017. The AEOI Act is the legal basis for the implementation of the AEOI standard in Switzerland.

The AEOI is being introduced in Switzerland through bilateral agreements or multilateral agreements. The agreements have, and will be, concluded on the basis of guaranteed reciprocity, compliance with the principle of speciality (i.e. the information exchanged may only be used to assess and levy taxes (and for criminal tax proceedings)) and adequate data protection.

Switzerland has concluded a multilateral AEOI agreement with the EU (replacing the EU savings tax agreement) and has concluded bilateral AEOI agreements with several non-EU countries.

Based on such multilateral agreements and bilateral agreements and the implementing laws of Switzerland, Switzerland began to collect data in respect of financial assets, including, as the case may be, Warrants, held in, and income derived thereon and credited to, accounts or deposits with a paying agent in Switzerland for the benefit of individuals resident in a EU member state or in a treaty state.

Swiss Facilitation of the Implementation of the U.S. Foreign Account Tax Compliance Act

Switzerland has concluded an intergovernmental agreement with the U.S. to facilitate the implementation of FATCA. The agreement ensures that the accounts held by U.S. persons with Swiss financial institutions are disclosed to the U.S. tax authorities either with the consent of the account holder or by means of group requests within the scope of administrative assistance. Information will not be transferred automatically in the absence of consent, and instead will be exchanged only within the scope of administrative assistance on the basis of the double taxation agreement between the U.S. and Switzerland.

The Foreign Account Tax Compliance Act

Pursuant to certain provisions of the United States Internal Revenue Code of 1986, commonly known as FATCA, a "foreign financial institution" may be required to withhold on certain payments it makes ("**foreign passthru payments**") to persons that fail to meet certain certification, reporting or related requirements. The Issuer has registered with the U.S. Internal Revenue Service as a reporting foreign financial institution for these purposes.

A number of jurisdictions (including Jersey) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("**IGAs**"), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Securities, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Securities, are uncertain and may be subject to change.

Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Securities, such withholding would not apply prior to the date that is two years after the date on which final regulations defining "foreign passthru payments" are published in the U.S Federal Register and Securities characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining "foreign passthru payments" are filed with the U.S. Federal Register generally would be "grandfathered" for purposes of FATCA withholding unless materially modified after such date (including by reason of a substitution of the issuer). However, if additional Securities (as described under "*Conditions – Further Tranches and Series*") that are not distinguishable from previously issued Securities are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all such Securities, including those Securities offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA.

Holders should consult their own tax advisors regarding how these rules may apply to their investment in the Securities. In the event that any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Securities, no person will be required to pay additional amounts as a result of the withholding.

The proposed financial transactions tax ("FTT")

On 14 February 2013, the European Commission published a proposal (the "**Commission's Proposal**") for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "participating Member States"). However, Estonia has since stated that it will not participate.

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in Securities (including secondary market transactions) in certain circumstances.

Under the Commission's Proposal the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in Securities where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional Member States may decide to participate.

Prospective holders of Securities are advised to seek their own professional advice in relation to the FTT.

SUBSCRIPTION AND SALE

Only Authorised Participants (or, in circumstances where the Issuer has permitted, Securityholders who are not Authorised Participants) may subscribe for Securitise from the Issuer. The Authorised Participant(s) in respect of each Series of Securities will be specified in the applicable Final Terms.

United States of America

The Securities have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") or under the securities law of any state or other jurisdiction of the United States. No person has registered nor will register as a commodity pool operator of the Issuer under CEA and the rules thereunder (the "**CFTC Rules**") of the CFTC, and the Issuer has not been and will not be registered under the U.S. Investment Issuer Act of 1940, as amended, nor under any other United States federal laws. The Securities are being offered and sold in reliance on an exemption from the registration requirements of the Securities Act pursuant to Regulation S thereunder.

The Securities may not at any time be offered, sold, pledged or otherwise transferred except in an "Offshore Transaction" (within the meaning of Regulation S under the Securities Act) to or for the account or benefit of a Permitted Transferee.

The following definitions shall apply for the purposes of this United States selling and transfer restriction:

"**Permitted Transferee**" means any person who is not:

(i) a U.S. person (as defined in Rule 902(k)(1) of Regulation S under the Securities Act);

(ii) a U.S. person (as defined in the final risk retention rules promulgated under Section 15G of the U.S. Securities Exchange Act of 1934, as amended (the "**Exchange Act**"); or

(iii) a person who comes within any definition of U.S. person for the purposes of the CEA or any CFTC rule, guidance or order proposed or issued under the CEA (including but not limited to any person who is not a "Non-United States person" as such term is defined under CFTC Rule 4.7(a)(1)(iv) and also including but not limited to a "U.S. Person" as described in and for the purposes of the CFTC's Interpretive Guidance and Policy Statement Regarding Compliance with Certain Swap Regulations, 78 Fed Reg. 45292 (July 26, 2013) as amended from time to time).

Transfers of Securities within the United States or to any person other than a Permitted Transferee are prohibited. Any transfer of Securities to a person other than a Permitted Transferee will be void *ab initio* and of no legal effect whatsoever. Accordingly, any purported transferee of any legal or beneficial ownership interest in a Security in such a transaction will not be entitled to any rights as a legal or beneficial owner of such interest in such Security. The Issuer shall have the right at any time after becoming aware that any legal or beneficial ownership interest in a Security is held by a Non-Permitted Transferee or Benefit Plan Investor to require such Non-Permitted Transferee or Benefit Plan Investor to sell such interest to (a) an affiliate of the Issuer (to the extent permitted by Applicable Law); or (b) a person who is not a Non-Permitted Transferee or Benefit Plan Investor, in each case in accordance with Condition 3.

As defined in Rule 902(k)(1) of Regulation S under the Securities Act, "**U.S. person**" means:

(a) Any natural person resident in the United States;

(b) Any partnership or corporation organized or incorporated under the laws of the United States;

(c) Any estate of which any executor or administrator is a U.S. person;

(d) Any trust of which any trustee is a U.S. person;

(e) Any agency or branch of a foreign entity located in the United States;

(f) Any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person;

(g) Any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated, or (if an individual) resident in the United States; and

(h) Any partnership or corporation if:

(i) Organized or incorporated under the laws of any foreign jurisdiction; and

(ii) Formed by a U.S. person principally for the purpose of investing in securities not registered under the Securities Act, unless it is organized or incorporated, and owned, by accredited investors (as defined in §230.501(a)) who are not natural persons, estates or trusts.

As defined Section 15G of the Exchange Act, "**U.S. person**" means:

(a) Any natural person resident in the United States;

(b) Any partnership, corporation, limited liability Issuer, or other organization or entity organized or incorporated under the laws of any U.S. state or under the laws of the United States;

(c) Any estate of which any executor or administrator is a U.S. person (as defined under any other clause of this definition);

(d) Any trust of which any trustee is a U.S. person (as defined under any other clause of this definition);

(e) Any agency or branch of a foreign entity located in the United States;

(f) Any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person (as defined under any other clause of this definition);

(g) Any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated, or (if an individual) resident in the United States; and

(h) Any partnership or corporation if:

(i) Organized or incorporated under the laws of any foreign jurisdiction; and

(ii) Formed by a U.S. person (as defined under any other clause of this definition) principally for the purpose of investing in securities not registered under the Securities Act.

As defined in CFTC Rule 4.7, modified as indicated above, "**Non-United States person**" means:

(a) A natural person who is not a resident of the United States;

(b) A partnership, corporation or other entity, other than an entity organized principally for passive investment, organized under the laws of a foreign jurisdiction and which has its principal place of business in a foreign jurisdiction;

(c) An estate or trust, the income of which is not subject to United States income tax regardless of source;

(d) An entity organized principally for passive investment such as a pool, investment Issuer or other similar entity; provided, that units of participation in the entity held by persons who do not qualify as Non-United States persons represent in the aggregate less than 10 per cent. of the beneficial interest in the entity, and that such entity was not formed principally for the purpose of facilitating investment by persons who do not qualify as Non-United States persons in a pool with respect to which the operator is exempt from certain requirements of part 4 of the Commodity Futures Trading Commission's regulations by virtue of its participants being Non-United States persons; and

(e) A pension plan for the employees, officers or principals of an entity organized and with its principal place of business outside the United States.

As defined in the CFTC's interpretive guidance and policy statement regarding compliance with certain swap regulations, 78 Fed. Reg. 45292 (July 26, 2013), "**U.S. person**" includes, but is not limited to:

(a) Any natural person who is a resident of the United States;

(b) Any estate of a decedent who was a resident of the United States at the time of death;

(c) Any corporation, partnership, limited liability Issuer, business or other trust, association, joint-stock Issuer, fund or any form of enterprise similar to any of the foregoing (other than an entity described in clauses (d) or (e), below) (a "**legal entity**"), in each case that is organized or incorporated under the laws of a state or other jurisdiction in the United States or having its principal place of business in the United States;

(d) Any pension plan for the employees, officers or principals of a legal entity described in clause (c), unless the pension plan is primarily for foreign employees of such entity;

(e) Any trust governed by the laws of a state or other jurisdiction in the United States, if a court within the United States is able to exercise primary supervision over the administration of the trust;

(f) Any commodity pool, pooled account, investment fund, or other collective investment vehicle that is not described in clause (c) and that is majority-owned by one or more persons described in clause (a), (b), (c), (d), or (e), except any commodity pool, pooled account, investment fund, or other collective investment vehicle that is publicly offered only to non-U.S. persons and not offered to U.S. persons;

(g) Any legal entity (other than a limited liability Issuer, limited liability partnership or similar entity where all of the owners of the entity have limited liability) that is directly or indirectly majority-owned by one or more persons described in clause (a), (b), (c), (d), or (e) and in which such person(s) bears unlimited responsibility for the obligations and liabilities of the legal entity; and

(h) Any individual account or joint account (discretionary or not) where the beneficial owner (or one of the beneficial owners in the case of a joint account) is a person described in clause (a), (b), (c), (d), (e), (f), or (g).

"**Benefit Plan Investor**" means:

(a) an employee benefit plan (as defined in section 3(3) of the U.S. Employee Retirement Income Security Act of 1974, as amended, ("**ERISA**")), whether or not subject to ERISA;

(b) a plan described in section 4975(e)(1) of the Code; or

(c) an entity whose underlying assets include plan assets by reason of a plan's investment in the entity under U.S. Department of Labor Regulations § 2510.3-101 (29 c.f.r. § 2510.3-101).

Each prospective purchaser of the Securities, by accepting delivery of this Base Prospectus and the Securities, and each transferee of the Securities by accepting the transfer of the Securities, will be deemed to have represented and agreed as follows:

(a) it understands that the Securities have not been and will not be registered under the Securities Act and agrees that it will not, at any time during the term of the Securities, offer, sell, pledge or otherwise transfer the Securities, in an "Offshore Transaction" (within the meaning of Regulation S under the Securities Act) to or for the account of a Permitted Transferee, or;

(b) it understands and acknowledges that no person has registered nor will register as a commodity pool operator of the Issuer under the CEA and the CEA Rules;

(c) (i) it is a Permitted Transferee and (ii) if it is acting for the account or benefit of another person, such other person is also a Permitted Transferee;

(d) it understands and agrees that the Issuer has the right to compel any legal or beneficial owner of an interest in the Securities to certify periodically that such legal or beneficial owner is a Permitted Transferee;

(e) it understands and acknowledges that the Issuer has the right to refuse to honour the transfer of an interest in the Securities in violation of the transfer restrictions applicable to the Securities;

(f) it understands and acknowledges that the Issuer has the right at any time after becoming aware that any legal or beneficial ownership interest in a Security is held by a Non-Permitted Transferee or Benefit Plan

Investor to redeem such Securities in accordance with Conditions 9 (*Compulsory Redemption*) and 14 (*Enquiries as to status of Securityholders*);

(g) it agrees to provide notice of the restrictions set forth herein to any transferee of its interest in the Securities;

(h) it understands that Securities will bear a legend regarding the restrictions set forth herein; and

(i) it understands that any purported transfer in violation of the transfer restrictions applicable to the Securities will be void *ab initio* and will not operate to transfer any rights to the Non-Permitted Transferee.

United Kingdom

The Issuer and each Authorised Participant has represented and agreed, and each further Authorised Participant appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of the Securities which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to the public in the UK, except that it may make an offer of such Securities to the public in the UK:

(a) to any legal entity which is a qualified investor as defined in the UK Prospectus Regulation;

(b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the UK Prospectus Regulation); or

(c) in any other circumstances falling within Article 1(4) of the UK Prospectus Regulation,

provided that no such offer of the Securities referred to in (a) to (c) above shall require the Issuer or any Authorised Participant to publish a prospectus pursuant to Article 3 of the UK Prospectus Regulation or supplement a base prospectus pursuant to Article 23 of the UK Prospectus Regulation or shall be in contravention on any other restriction on an offer of the Securities in the UK.

For the purposes of the provision above, the expression an "**offer of Securities to the public**" in relation to any Securities in the UK means the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe for the Securities, and the expression "**UK Prospectus Regulation**" means Regulation (EU) 2017/1129 as it forms part of the domestic law of the UK by virtue of the European Union (Withdrawal) Act 2018 and as amended or supplemented in the United Kingdom thereafter.

Jersey

The Authorised Participant undertakes to the Issuer that it will not permit the Securities to be sold to, or purchased by, persons resident in Jersey (other than financial institutions in the normal course of business).

European Economic Area

If the Final Terms in respect of any Series of Securities specifies the "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", in relation to each Member State of the European Economic Area (each, a "**Relevant State**"), the Issuer and each Authorised Participant has represented and agreed, and each further Authorised Participant appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Securities which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to the public in that Relevant State except that it may make an offer of such Securities to the public in that Relevant State:

(a) if the Final Terms in relation to the Series of Securities specify that an offer of those Securities may be made other than pursuant to Article 1(4) of the EU Prospectus Regulation in that Relevant State (a "**Non-Exempt Offer**"), following the date of publication of this a prospectus in relation to such Securities which has been approved by the competent authority in that Relevant State or, where appropriate, approved in another Relevant State and notified to the competent authority in that Relevant State, provided that any such prospectus has subsequently been completed by the Final Terms contemplating such Non-Exempt Offer, in accordance with the EU Prospectus Regulation, in the period beginning and ending on the dates specified in such prospectus of Final Terms, as applicable, and the Issuer has consented in writing to its use for the purpose of that Non-Exempt Offer;

(b) at any time to any legal entity which is a qualified investor as defined in the EU Prospectus Regulation;

(c) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the EU Prospectus Regulation), as permitted under the EU Prospectus Regulation; or

(d) at any time in any other circumstances falling within Article 1(4) of the EU Prospectus Regulation,

provided that no such offer of the Securities shall require the Issuer or any Authorised Participant to publish a prospectus pursuant to the Article 3 of the EU Prospectus Regulation, or supplement a prospectus pursuant to Article 23 of the EU Prospectus Regulation or shall be in contravention on any other restriction on an offer of the Securities in that Relevant State.

For the purposes of this provision, the expression an "**offer of Securities to the public**" in relation to any Securities in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe to the Securities, and the expression "**EU Prospectus Regulation**" means Regulation (EU) 2017/1129, as amended.

Switzerland

(a) Subject to paragraph (b) below:

(i) the Securities may not be publicly offered, directly or indirectly, in Switzerland within the meaning of the FinSA and will not be admitted to trading on a trading venue (exchange or multilateral trading facility) in Switzerland;

(ii) neither this Base Prospectus nor any Final Terms nor any other offering or marketing material relating to any Securities (A) constitutes a prospectus as such term is understood pursuant to the FinSA or (B) has been or will be filed with or approved by a Swiss Review Body; and

(iii) neither this Base Prospectus nor any Final Terms nor other offering or marketing material relating to any Securities may be publicly distributed or otherwise made publicly available in Switzerland.

(b) Notwithstanding paragraph (a) above,

(i) if and when this Base Prospectus (together with any supplements hereto) has been automatically recognised in accordance with article 54(2) of the FinSA by a Swiss Review Body as a base prospectus within the meaning of article 45 of the FinSA, and published in accordance with the FinSA, this Base Prospectus (as supplemented from time to time) may be used, subject to any other applicable requirements under the FinSA or the FinSO, for any public offering of Securities in Switzerland and/or application for the admission to trading of Securities on the SIX Swiss Exchange or any other trading venue (exchange or multilateral trading facility) in Switzerland; and

(ii) otherwise, in respect of any Securities to be issued, the Issuer and the relevant Authorised Participant(s) may agree that (A) such Securities may be publicly offered in Switzerland within the meaning of the FinSA and/or (B) an application will be made by (or on behalf of) the Issuer to admit such Securities to trading on the SIX Swiss Exchange or any other trading venue (exchange or multilateral trading facility) in Switzerland, provided that the Issuer and the relevant Authorised Participant(s) agree to comply, and comply, with any applicable requirements of the FinSA in connection with such offering and/or application for admission to trading.

(c) Under no circumstances may Securities with a derivative character within the meaning of article 86(2) of the FinSO be offered or recommended to private clients within the meaning of the FinSA in Switzerland, unless a key information document (*Basisinformationsblatt*) pursuant to article 58(1) FinSA (or any equivalent document under the FinSA) has been prepared in relation to such Securities.

(d) Securities issued under the Programme will be exchange traded products and will not constitute participations in a collective investment scheme within the meaning of the Swiss Federal Act on Collective

Investment Schemes of 23 June 2006 (as amended, the "**CISA**"). Therefore, the Securities are neither governed by the CISA nor subject to the approval of, or supervision by the Swiss Financial Market Supervisory Authority FINMA ("**FINMA**"), and investors in the Securities will not benefit from protection under the CISA or supervision by FINMA.

General

These selling restrictions may be modified by the agreement of the Issuer and the Authorised Participants following a change in a relevant law, regulation or directive. Any such modification will be set out in the applicable Final Terms issued in respect of the issue of Securities to which it relates or in a supplement to this Base Prospectus.

Save for the approval of this Base Prospectus by the Swedish FSA and an offer of Securities to the public in Sweden and, if and when this Base Prospectus (together with any supplements hereto) is automatically recognised in accordance with article 54(2) of the FinSA by a Swiss Review Body as a base prospectus within the meaning of article 45 of the FinSA, a public offering of Securities in Switzerland, no representation is made that any action has been taken in any jurisdiction that would permit a public offering of any of the Securities, or possession or distribution of this Base Prospectus or any other offering material or any applicable Final Terms, in any country or jurisdiction where action for that purpose is required.

Each Authorised Participant has agreed that it will, to the best of its knowledge, comply with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Securities or has in its possession or distributes this Base Prospectus, any other offering material or any applicable Final Terms and neither the Issuer nor any other Authorised Participant shall have responsibility therefor.

Prohibition of Sales to EEA Retail Investors

Unless the Final Terms in respect of any Securities specifies the "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", each Authorised Participant has represented and agreed, and each further Authorised Participant appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Securities which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision:

(a) the expression "**retail investor**" means a person who is one (or more) of the following:

  (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or

  (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or

  (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the "**EU Prospectus Regulation**"); and

(b) the expression an "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe for the Securities.

Prohibition of Sales to UK Retail Investors

Each Authorised Participant has represented and agreed, and each further Authorised Participant appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Securities which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the United Kingdom. For the purposes of this provision:

(a) the expression "**retail investor**" means a person who is one (or more) of the following:

(i) a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 and as amended or supplemented in the United Kingdom thereafter; or

(ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the "**FSMA**") and any rules or regulations made under the FSMA which were relied on immediately before exit day to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 and as amended or supplemented in the United Kingdom thereafter; or

(iii) not a qualified investor as defined in Regulation (EU) 2017/1129 as it forms part of the domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 and as amended or supplemented in the United Kingdom thereafter (the "**UK Prospectus Regulation**"); and

(b) the expression an "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe for the Securities.

GENERAL INFORMATION

Authorisation	This Base Prospectus was approved by a resolution of the Board of the Issuer passed on 20 February 2023. The issue of each Series of Securities issued by the Issuer will be authorised by a separate resolution of the Board of the Issuer.
No significant change	There has been no material adverse change in the financial position or prospects of the Issuer since the date of its last published audited financial statements. There has been no significant change in the financial performance of the Issuer or the financial or trading position of the Issuer or its group since the end of the last financial period for which financial information has been published to the date of this Base Prospectus.
No legal proceedings	There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) which may have, or have had since the date of its incorporation, a significant effect on the financial position or profitability of the Issuer.
Settlement and clearing	Securities may be accepted for clearance through any Relevant Clearing System including CREST, Euroclear and Clearstream, Luxembourg and Clearstream, Frankfurt. The Common Code, the International Securities Identification Number (ISIN), the Swiss Security Number (if applicable) and (where applicable) the identification number for any other relevant clearing system for each Series of Securities will be set out in the applicable Final Terms.
Address of Relevant Clearing System	The address of CREST is Euroclear UK & Ireland Limited, 33 Cannon Street, London EC4M 5SB. The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium. The address of Clearstream, Luxembourg is 42 Avenue JF Kennedy, L-1855 Luxembourg. The address of any other applicable Relevant Clearing System will be specified in the applicable Final Terms.
Publication of documents	This Base Prospectus, each applicable Final Terms, each relevant Trust Deed and the Articles of the Issuer will be published and available on the Issuer's Website free of charge.
Third party information	Where information in this Base Prospectus has been sourced from third parties this information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from the information published by such third parties no facts have been omitted which would render the reproduced information inaccurate or misleading. The source of third party information is identified where used.
Post issuance information	Each Business Day, the Issuer will publish the Coin Entitlement of each Series of Securities on the Issuer's Website as described in the Conditions. Save as set out above, the Issuer does not intend to provide any post-issuance information in relation to any issues of Securities or in relation to the Underlying Cryptoassets, except as required by any Applicable Law.

Websites

Any websites referred to herein do not form part of this Base Prospectus **and have not been scrutinised or approved by the Swedish FSA**.

Available documents

For so long as Securities may be issued pursuant to this Base Prospectus copies of the following documents will be available upon reasonable notice in printed form free of charge, during the hours between 9.00 a.m. and 5.00 p.m. (with respect to the location of the relevant offices specified below) on any weekday (Saturdays and public holidays excepted), for inspection and collection at the registered office of the Issuer:

- the Master Trust Terms;
- the Master Definitions;
- the Custody Agreement;
- the Registrar Agreement;
- the Administration and Determination Agency Agreement;
- the Articles of the Issuer;
- a copy of this Base Prospectus together with any Supplement to this Base Prospectus or further prospectus;
- each Final Terms and each subscription agreement (if any), any Security Document and the Constituting Document comprising, amongst other things, the Trust Deed for Securities which are listed on any Relevant Stock Exchange or any other stock exchange; and
- such other documents as may be required by the rules of any stock exchange on which any Security is at the relevant time listed.

So long as any of the Securities are outstanding, copies of these documents may also be provided by email to a Securityholder following prior written request to the Issuing and Paying Agent subject to such Securityholder providing evidence satisfactory to the Issuing and Paying Agent as to its holding of such Securities and as to its identity.

Use of proceeds

The net proceeds of each issue of a Series of Securities will be used to purchase the Underlying Cryptoassets in respect of such Series and/or enter into the Transaction Documents and/or in meeting certain expenses and fees payable in connection with the operations of the Issuer and the issue of any Securities.

The Redemption Amount payable on the Securities is dependent on the performance of the Underlying Cryptoasset, therefore the Issuer expects to be fully collateralised in respect of its obligations to Securityholders.

Listing Agent

Lang & Schwarz TradeCenter AG & Co. KG is acting solely in its capacity as listing agent for the Issuer in relation to the Securities to be listed on Xetra and is not itself seeking admission of the Securities to listing on the Relevant Stock Exchange.

In the case of Securities to be admitted to trading and listed on the SIX Swiss Exchange, the applicable Listing Agent will be specified in the applicable Final Terms.

FORM OF FINAL TERMS

Final Terms dated [•]

Global X Digital Assets Issuer Limited

(Incorporated and registered in Jersey under the Companies (Jersey) Law 1991 (as amended), with registered number 129881)

LEI: 254900GFVKWOIHOFGO32

Issue of [*number*] of

[AAVE-linked] / [BTC-linked] / [ETH-linked] / [LINK-linked] / [UNI-linked] Securities (the "Securities")

under its Crypto ETP Programme

This document constitutes the Final Terms of the Securities described herein.

[**PROHIBITION OF SALES TO EEA RETAIL INVESTORS** – The Securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"; (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the "**EU Prospectus Regulation**". Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Securities or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Securities or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.] [*To be included where item 17 "Prohibition of Sales to EEA Retail Investors" is specified as "Applicable"*]

PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the "**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"; (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 as it forms part of the domestic law of the UK by virtue of the European Union (Withdrawal) Act 2018 and as amended or supplemented in the UK thereafter (the "**UK Prospectus Regulation**"). Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of the domestic law of the UK by virtue of the European Union (Withdrawal) Act 2018 and as amended or supplemented in the UK thereafter (as amended, the "**UK PRIIPs Regulation**") for offering or selling the Securities or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Securities or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

PART A – CONTRACTUAL TERMS

[**MiFID II product governance / Retail investors, professional investors and ECPs only target market** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Securities has led to the conclusion that: (i) the target market for the Securities is eligible counterparties, professional clients and retail clients, each as defined in [Directive 2014/65/EU (as amended, "**MiFID II**")][MiFID II]; and [(ii) all channels for distribution of the Securities are appropriate] / [(ii) all channels for distribution to eligible counterparties and professional clients are appropriate; and (iii) the following channels for distribution of the Securities to retail clients are appropriate [*specify*]]. Any person subsequently offering, selling or recommending the Securities (a "**distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Securities (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

[**UK MiFIR II product governance / Professional investors and ECPs only target market** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Securities has led to the conclusion that: (i) the target market for the Securities is eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("**COBS**") and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of the domestic law of the UK by virtue of the European Union (Withdrawal) Act 2018 and as amended or supplemented in the United Kingdom thereafter ("**UK MiFIR**"); and (ii) all channels for distribution of the Securities to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Securities (a "**distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Securities (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

The Securities issued by the Issuer will be subject to the Conditions (as defined below) and also to the following terms (the "**Final Terms**") in relation to the Securities.

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 21 February 2023 [and the supplement(s) dated [•]] which [together] constitute[s] a base prospectus (the "**Base Prospectus**") for the purposes of Regulation (EU) 2017/1129 (as amended, the "**EU Prospectus Regulation**").]/[*The following alternative language applies if the first tranche of an issue which is being increased was issued under a Base Prospectus with an earlier date*: Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated [*date of previous base prospectus*] [and the supplement(s) to it dated [ ]] (the "**Conditions**") which are incorporated by reference in the Base Prospectus dated 21 February 2023 [and the supplement(s) to it dated [ ]] (the "**Base Prospectus**") which [together] constitute[s] a base prospectus for the purposes of the EU Prospectus Regulation.]] This document constitutes the Final Terms of the Securities described herein for the purposes of Article 8 of the EU Prospectus Regulation and must be read in conjunction with the Base Prospectus. Full information on the Issuer and the offer of the Securities is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for viewing at https://globalxetfs.eu/.

[In the case of Securities to be admitted to trading on the SIX Swiss Exchange and/or publicly offered in Switzerland, insert: The Base Prospectus dated 21 February 2023 [and the supplement(s) dated [•]] were filed with [SIX Exchange Regulation AG]/[•] as review body (the "**Swiss Review Body**") pursuant to article 52 of the Swiss Financial Services Act of 15 June 2018, as amended (the "**FinSA**") for automatic recognition in accordance with article 54(2) of the FinSA as a base prospectus within the meaning of article 45 of the FinSA, and published in accordance with the FinSA. The Swiss Review Body has not reviewed or approved the Base Prospectus [as so supplemented] or these Final Terms. These Final Terms will be filed with the Swiss Review Body and published in accordance with the FinSA.]

[*Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or subparagraphs. Italics denote guidance for completing the Final Terms.*]

SERIES DETAILS		
1.	**Issuer:**	Global X Digital Assets Issuer Limited (LEI: 254900GFVKWOIHOFGO32)
2.	**Class:**	[AAVE-linked] / [BTC-linked] / [ETH-linked] / [LINK-linked] / [UNI-linked]
3.	**[(i)] Series Number:**	[*insert Series title*]

	[(ii)]	**Tranche Number:**	[•]
4.	**Aggregate number of Securities of the Series:**		[•]
	[(i)]	**Series:**	[•]
	[(ii)]	**Tranche:**	[•]
5.	**Principal Amount:**		[•]
6.	**Underlying Cryptoasset:**		[●]
7.	**Initial Coin Entitlement:**		[•]
8.	**Arranger Fee:**		[•]
9.	**Issue Date:**		[•]
10.	**Delivery Precision Level:**		[*specify*]
11.	**Coin Entitlement Precision Level:**		[*specify*]
12.	**Specified Denomination(s):**		[•]
13.	**Base Currency:**		[•]
14.	**Form of Securities:**		
	(i)	**Form:**	[Registered] / [Uncertificated]
	(ii)	**Held under New Safekeeping Structure:**	[No]/[Yes]/[Not Applicable]
15.	**Relevant Stock Exchange:**		[•]
16.	**Relevant Clearing System:**		[CREST] / [Euroclear] / [Clearstream, Frankfurt] / [Clearstream, Luxembourg] / [*specify other*]
17.	**Prohibition of Sales to EEA Retail Investors:**		[Applicable] / [Not Applicable]
18.	**Offer**		
	(i)	**Non-Exempt Offer:**	[Applicable] / [Not Applicable]
	(ii)	**Non-Exempt Offer Jurisdiction:**	[*specify*]
	(iii)	**Offer Period:**	[*specify*]
	(iv)	**Authorised Offeror:**	[•] (the "**Authorised Offeror**")
	(v)	**Conditions to consent:**	[*specify*]
	(v)	**Offer Price:**	[*specify*]
	(vi)	**Conditions to which the offer is subject:**	[*specify*]
	(vii)	**Amount of the Securities which will be offered to the**	[*specify*]

		public or admitted to trading:	
	(viii)	**Manner and date in which results of the offer are to be made public:**	[*specify*]
	(ix)	**Process for notifying applicants of the amount allotted and an indication whether dealing may being before notification is made:**	[*specify*]
	(x)	**Amount of any expenses, and taxes charged to the subscriber or purchaser:**	[*specify*]
TRANSACTION PARTIES			
19.	**Trustee:**		[The Law Debenture Trust Corporation p.l.c.] [*specify other*]
20.	**Authorised Participant(s):**		[•]
21.	**Account Bank:**		[N/A] [*specify*]
22.	**Administrator:**		[JTC Fund Solutions (Jersey) Limited] [*specify other*]
23.	**Agents:**		
	(i)	**Determination Agent:**	[JTC Fund Solutions (Jersey) Limited] [*specify other*] Specified Office: [•]
	(ii)	**Custodian:**	[Coinbase Custody International Limited] [*specify other*] Specified Office: [•]
	(iii)	**Issuing and Paying Agent:**	[Computershare Investor Services (Jersey) Limited] [*specify other*] Specified Office: [•]
	(iv)	**Swiss Paying Agent:**	[•] Specified Office: [•]
	(v)	**Additional Paying Agent(s):**	[Not Applicable] / [*specify other*] Specified Office: [•]
	(vi)	**Registrar:**	[Computershare Investor Services (Jersey) Limited] [*specify other*] Specified Office: [•]

[RESPONSIBILITY

[[*Insert relevant third party information*] set out above has been extracted from [*specify source*]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [*specify source*], no facts have been omitted which would render the reproduced information inaccurate or misleading. The Issuer has not conducted extensive due diligence on such information or made any enquiries as to its own possession of non-publicly available information.]]

Signed on behalf of **Global X Digital Assets Issuer Limited**

By: ....

Duly authorised

PART B – OTHER INFORMATION

1. LISTING:	
Listing and admission to trading:	Application has been made for the Securities to be admitted to [•]. [The Securities have been provisionally admitted to trading on the SIX Swiss Exchange as from [•]. Application for definitive admission to trading and listing of the Securities on the SIX Swiss Exchange will be made as soon as practicable thereafter and (if granted) will only be granted after the Issue Date. The last day of trading on the SIX Swiss Exchange is expected to be [date].] (*include in the case of Securities to be admitted to trading and listed on the SIX Swiss Exchange*) Securities of the same Series of Securities are, to the knowledge of the Issuer, already listed or admitted to trading on [•].
[Minimum trading size:	[•]/[Not Applicable] (*include in the case of Securities to be admitted to trading and listed on the SIX Swiss Exchange*)
Estimate of total expenses related to admission to trading:	[•]
[Listing Agent:	In accordance with article 58a of the Listing Rules of the SIX Swiss Exchange, the Issuer has appointed [•], located at [•], Switzerland, as its representative to file the application with SIX Exchange Regulation AG in its capacity as competent authority for the admission to trading (including the provisional admission to trading) and listing of the Securities on the SIX Swiss Exchange.] (*include in the case of Securities to be admitted to trading and listed on the SIX Swiss Exchange*)

2. RATINGS:	
Ratings:	[•]/ [Not Applicable].

3. [INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER:]

[Include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:

Save as discussed in "*Subscription and Sale*", so far as the Issuer is aware, no person involved in the offer of the Securities has an interest material to the offer.]

[The Arranger and its affiliates have engaged and may engage in investment banking and/or commercial banking transactions with, and may perform the same for, the Issuer in the ordinary course of business.]

[*insert other*]

(If no conflicts have been disclosed, delete entire Section 3. If conflicts have been disclosed, reference should be to the section of the relevant document where such conflicts were disclosed.)

4. ESTIMATED AMOUNT OF NET PROCEEDS AND ESTIMATED EXPENSES

Net Proceeds:	[•]
Estimated Total Expenses of the Issue/Offer:	[•]

5. OPERATIONAL INFORMATION

ISIN:	[•]
Common Code:	[•]
[CUSIP:	[•]]
[CISN:	[•]]
[Swiss Security Number:	[•]]
Clearing system(s) and any relevant identification number(s):	[Euroclear Bank S.A./N.V. and Clearstream Banking, S.A.] / [Euroclear UK & Ireland Limited] [*Specify name(s), number(s) and address(es) of any additional clearing systems*]
Delivery:	Delivery [against]/[free of] payment
[Intended to be held in a manner which would allow Eurosystem eligibility:	[Yes. Note that the designation "yes" means that the Securities are intended upon issue to be deposited with one of the ICSDs as common safekeeper [or registered in the name of a nominee of one of the ICSDs acting as common safekeeper,] and does not necessarily mean that the Securities will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.] [No. Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Securities are capable of meeting them the Securities may then be deposited with one of the ICSDs as common safekeeper [(and registered in the name of a nominee of one of the ICSDs acting as common Safekeeper]. Note that this does not necessarily mean that the Securities will then be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]]]

6. DATE OF BOARD APPROVAL FOR ISSUANCE OF SECURITIES OBTAINED

The issue of the Securities has been authorised by the Board on [•].

ANNEX TO FINAL TERMS – ISSUE SPECIFIC SUMMARY

[*To be inserted for any Series of Securities listed on a regulated market in the EEA and/or publicly offered in a Member State of the EEA*]

INDEX OF DEFINED TERMS

Issuer

Global X Digital Assets Issuer Limited
28 Esplanade, St Helier
Jersey JE2 3QA

Auditors of the Issuer

KPMG Channel Islands Limited
37 Esplanade
St Helier
Jersey JE4 8WQ

Custodian(s)

Coinbase Custody International Limited
70 Sir John Rogerson's Quay
Dublin 2, DO2 R296, Ireland

Administrator and Company Secretary

JTC Fund Solutions (Jersey) Limited
28 Esplanade, St Helier
Jersey JE2 3QA

Issuing and Paying Agent

Computershare Investor Services (Jersey) Limited
13 Castle Street, St. Helier
Jersey JE1 1ES

Determination Agent

JTC Fund Solutions (Jersey) Limited
28 Esplanade, St Helier
Jersey JE2 3QA

Registrar

Computershare Investor Services (Jersey) Limited
13 Castle Street, St. Helier
Jersey JE1 1ES

Arranger

Global X Digital Assets, LLC
605 Third Avenue, 43rd Floor
New York, NY 10158

Trustee

The Law Debenture Trust Corporation p.l.c.
Eighth Floor, 100 Bishopsgate
London EC2N 4AG
United Kingdom

English law legal advisors to the Issuer

Simmons & Simmons LLP
Citypoint, Ropemaker Street
London EC2Y 9SS

Jersey law legal advisors to the Issuer

Carey Olsen Jersey LLP
47 Esplanade
St Helier
Jersey JE1 0BD

Swedish law legal advisors to the Issuer

Harvest Advokatbyrå
Engelbrektsplan 1, 114 34
Stockholm, Sweden

English legal advisers to the Trustee

Linklaters LLP
One Silk Street
London EC2Y 8HQ