ISHARES DIGITAL ASSETS AG

(incorporated as a stock corporation (*Aktiengesellschaft*) organised and existing under the laws of Switzerland having its registered office at Seestrasse 5, 8002 Zurich and registered with the Commercial Register of the Canton of Zurich under the company register number CHE-267.176.567)

as Issuer

Base Prospectus

dated 6 February 2025

relating to the
Secured Cryptoasset Linked Securities Programme
of
iShares Digital Assets AG

(the "**Base Prospectus**")

This document constitutes a base prospectus within the meaning of Article 8(1) of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (the "**Prospectus Regulation**") of iShares Digital Assets AG (the "**Issuer**"). This Base Prospectus and the relevant final terms (the "**Final Terms**") for any issue of Securities will be published in electronic form together with all documents incorporated by reference on the website of the Issuer (www.ishares.com). This Base Prospectus has been approved by the *Bundesanstalt für Finanzdienstleistungsaufsicht* ("**BaFin**") in its capacity as competent authority under the Prospectus Regulation.

Investors should make their own assessment as to the suitability of investing in the Securities.

Under the Secured Cryptoasset Linked Securities Programme (the "**Programme**") described in this Base Prospectus, the Issuer, subject to compliance with all relevant laws, regulations and directives, may, from time to time, issue debt securities (the "**Securities**") linked to and collateralised with bitcoin (BTC) as a cryptoasset (the "**Cryptoasset**"). Securities constitute secured, undated, limited recourse obligations of the Issuer and will be issued in Series. The Securities do not have a fixed maturity date. The Securities will be governed by English law.

In relation to the Securities to be issued under this Base Prospectus, application may be made to one or more regulated markets, equivalent markets or multilateral trading facilities for the purposes of Directive 2014/65/EU of the European Parliament and the Council of 15 May 2014 on Markets in Financial Instruments ("**MiFID II**"), as amended, for the Securities to be admitted to trading.

The validity of this Base Prospectus will expire on 6 February 2026. After this date, the obligation to prepare a supplement in the event of significant new factors, material mistakes or material inaccuracies shall no longer apply.

Arranger

BLACKROCK INTERNATIONAL LIMITED

This Base Prospectus may not be used for the purposes of an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised, or to any person to whom it is unlawful to make such offer or solicitation. The distribution of this Base Prospectus and the offering or sale of the Securities in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus comes are required by the Issuer, all Authorised Participants and the Arranger to inform themselves about and to observe any such restrictions.

The Securities are not subject to the approval of, or supervision by, the Swiss Financial Market Supervisory Authority ("FINMA") and investors in the Securities will not benefit from supervision by FINMA. Securities issued under the Programme do not constitute participations in a collective investment scheme within the meaning of the Swiss Federal Act on Collective Investment Schemes of 23 June 2006 ("CISA"), as amended. Securities issued under the Programme are neither issued nor guaranteed by a Swiss financial intermediary. Investors are exposed to the credit risk of the Issuer.

This Base Prospectus has been prepared on the basis that any offer of Securities in: (i) any member state of the EEA (each, a "**Member State**"), other than Member States in which the Base Prospectus has been approved or notified to the relevant competent authority, will be made pursuant to an exemption under the Prospectus Regulation; and (ii) in the UK will be made pursuant to an exemption under the Prospectus Regulation as it forms part of domestic law in the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**UK Prospectus Regulation**"), from the requirement to publish a prospectus for offers of Securities. Without prejudice to the immediately following sentence, any person making or intending to make an offer in a Member State and/or the UK, as the case may be, of Securities which are the subject of an offering contemplated in this Base Prospectus as completed by final terms in relation to the offer of those Securities, may only do so in circumstances in which no obligation arises for the Issuer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or Article 3 of the UK Prospectus Regulation (as applicable) or to supplement a prospectus pursuant to Article 23 of the Prospectus Regulation or Article 23 of the UK Prospectus Regulation (as applicable), in each case, in relation to the relevant offer.

The Authorised Participants may sell Securities which are the subject of the offering contemplated by this Base Prospectus thereby making an offer in a Member State of Securities other than pursuant to Article 1(4) of the Prospectus Regulation in that Member State if a prospectus for such offer has been approved by the competent authority in that Member State or, where appropriate, approved in another Member State and notified to the competent authority in that Member State and (in either case) published, all in accordance with the Prospectus Regulation and such prospectus has subsequently been completed by final terms which specify that offers may be made by Authorised Participants other than pursuant to Article 1(4) of the Prospectus Regulation in that Member State (and **provided that** if the final terms specify any restriction on the period for which an Authorised Participant may make an offer, the Authorised Participants shall be bound by such restriction). Any such offer made by an Authorised Participant shall be subject to the parameters with respect to offers set out in this Base Prospectus. Except to the extent the preceding sentence above applies, none of the Issuer or any Authorised Participant have authorised, nor do they authorise, the making of any offer of Securities in circumstances in which an obligation arises for the Issuer to publish or supplement a prospectus for such offer.

PROHIBITION OF SALES IN THE U.S. - THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**") OR UNDER THE SECURITIES LAWS OF ANY STATE OR POLITICAL SUB-DIVISION OF THE UNITED STATES OF AMERICA OR ANY OF ITS TERRITORIES, POSSESSIONS OR OTHER AREAS SUBJECT TO ITS JURISDICTION INCLUDING THE COMMONWEALTH OF PUERTO RICO AND THE ISSUER HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT OF 1940. NO PERSON HAS REGISTERED NOR WILL REGISTER AS A COMMODITY POOL OPERATOR OF THE ISSUER UNDER THE COMMODITY EXCHANGE ACT OF 1936, AS AMENDED (THE "**CEA**") AND THE RULES THEREUNDER (THE "**CFTC RULES**") OF THE COMMODITY FUTURES TRADING COMMISSION (THE "**CFTC**"). ANY OFFER OR SALE OF THE SECURITIES MUST BE MADE IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT PURSUANT TO REGULATION S THEREUNDER ("**REGULATION S**"). THE SECURITIES MAY NOT AT ANY TIME BE OFFERED, SOLD OR OTHERWISE TRANSFERRED IN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, PERSONS WHO ARE EITHER U.S. PERSONS AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT OR PERSONS WHO DO NOT COME WITHIN THE DEFINITION OF A NON-UNITED STATES PERSON UNDER CFTC RULE 4.7 (EXCLUDING FOR THE PURPOSES OF SUBSECTION (D) THEREOF, THE EXCEPTION TO THE EXTENT IT WOULD APPLY TO PERSONS WHO ARE NOT NON-UNITED STATES PERSONS). FOR A DESCRIPTION OF FURTHER RESTRICTIONS ON THE OFFER, SALE AND TRANSFER OF THE SECURITIES, PLEASE REFER TO THE SUB-SECTION 10.2.7 "RESTRICTIONS WITHIN THE UNITED STATES OF

AMERICA" IN THE "*SUBSCRIPTION, SALE AND OFFER OF THE SECURITIES*" SECTION OF THIS BASE PROSPECTUS.

SECURITIES (OR ANY INTEREST THEREIN) MAY NOT BE LEGALLY OR BENEFICIALLY OWNED OR HELD BY ANY ENTITY THAT IS, OR THAT IS USING THE ASSETS OF, (A)(I) AN "**EMPLOYEE BENEFIT PLAN**" THAT IS SUBJECT TO THE FIDUCIARY RESPONSIBILITY REQUIREMENTS OF TITLE I OF THE UNITED STATES EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**") (II) A "**PLAN**" TO WHICH SECTION 4975 OF THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**"), APPLIES, OR (III) AN ENTITY WHOSE UNDERLYING ASSETS INCLUDE "**PLAN ASSETS**" (AS DETERMINED PURSUANT TO THE "**PLAN ASSETS REGULATION**" ISSUED BY THE UNITED STATES DEPARTMENT OF LABOR AT 29 C.F.R. SECTION 2510.3-101 AS MODIFIED BY SECTION 3(42) OF ERISA) OR OTHERWISE UNDER ERISA BY REASON OF ANY SUCH EMPLOYEE BENEFIT PLAN OR PLAN'S INVESTMENT IN THE ENTITY (ANY SUCH PLAN OR ENTITY DESCRIBED IN (I), (II) OR (III), A "**BENEFIT PLAN INVESTOR**") OR (B) A NON-U.S. PLAN, GOVERNMENTAL PLAN, CHURCH PLAN OR OTHER PLAN THAT IS SUBJECT TO ANY FEDERAL, STATE, LOCAL, NON-U.S. OR OTHER LAW OR REGULATION THAT IS SIMILAR TO THE PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE (A "**SIMILAR LAW**") UNLESS ITS ACQUISITION AND HOLDING AND DISPOSITION OF SUCH SECURITY, OR ANY INTEREST THEREIN, HAS NOT AND WILL NOT CONSTITUTE A VIOLATION OF SUCH SIMILAR LAW (ANY SUCH PLAN OR ENTITY DESCRIBED IN (A) OR (B), A "**PLAN INVESTOR**"). THE ISSUER HAS THE RIGHT, AT ITS OPTION, UNDER THE CONDITIONS OF THE SECURITIES, TO COMPULSORILY REDEEM ANY SECURITIES LEGALLY OR BENEFICIALLY OWNED BY A PERSON WHO CONTRAVENES SUCH PROHIBITION.

For a description of certain restrictions on the offer and sale of Securities and on the distribution of this Base Prospectus, see section 10.2 entitled "*SELLING RESTRICTIONS*".

In this Base Prospectus references to a "**Member State**" are references to a Member State of the European Economic Area, references to "**dollars**", "**U.S. dollars**", "**USD**" and "**US$**" are to the lawful currency of the United States of America, references to "**Euro**", "**EUR**" and "**€**" are to the lawful currency of those Member States of the European Union that have adopted the single currency of the European Union and references to "**CHF**" and "**Swiss francs**" are to the lawful currency of Switzerland. All references in this Base Prospectus to any time shall be expressed using the 24-hour clock convention.

All capitalised terms used in this Base Prospectus have the meanings given to them in Condition 1 of the Terms and Conditions of the Securities set out in this Base Prospectus unless otherwise defined herein.

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1. GENERAL DESCRIPTION OF THE PROGRAMME

1.1 GENERAL DESCRIPTION OF THE BASE PROSPECTUS

This Base Prospectus has been approved by the Federal Financial Services Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht* – "**BaFin**") as competent authority under the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, as amended from time to time (the "**Prospectus Regulation**").

The information contained in this Base Prospectus relates to the date of the Base Prospectus and may be rendered incorrect and/or incomplete due to changes occurring after the date of the Base Prospectus. Significant new factors, material mistakes or material inaccuracies in relation to the information contained in the Base Prospectus will be mentioned by the Issuer in a supplement to the Prospectus in accordance with Article 23 of the Prospectus Regulation.

This Base Prospectus will be valid for public offers in the EEA and admissions to trading on a regulated market in the EEA, by or with the consent of the Issuer for 12 months from its date. The validity of this Base Prospectus will expire on 6 February 2026. After this date, the Issuer will be under no obligation to supplement this Base Prospectus in the event of significant new factors, material mistakes or material inaccuracies.

Under the Base Prospectus iShares Digital Assets AG (the "**Issuer**") may, from time to time, issue secured cryptoasset linked Securities (the "**Securities**", and each, a "**Security**") linked to and collateralised with bitcoin (BTC) as a cryptoasset (the "**Cryptoasset**"). The Securities will be governed by English law.

Securities may be issued in series (each a "**Series**") and Securities of each Series will all be subject to identical terms (except, inter alia, for issue price, issue date and issue size, which may or may not be identical) whether as to currency, denomination or otherwise.

In the context of any offer of Securities that is not made within an exemption from the requirement to publish a prospectus under the Prospectus Regulation (a "**Public Offer**"), the Issuer has requested or will request BaFin to provide a certificate of approval in accordance with Article 25 of the Prospectus Regulation (the "**EEA Passport**") in relation to the passporting of the Base Prospectus to the competent authorities of Austria, Denmark, Finland, France, Italy, the Netherlands, Norway and Sweden (the "**Host Member States**"). The Issuer intends to offer the Securities described in this Base Prospectus for sale to the public and/or apply for admission to trading of the Securities in either the Federal Republic of Germany and/or one or more Host Member States, in each case, as specified in the final terms (the "**Final Terms**") for any issue of Securities (each, a "**Public Offer Jurisdiction**").

The Base Prospectus contains all information which was known at the time the Base Prospectus has been approved and contains placeholders and optional elements (options and additional options). This relates to information which will only be specified by the Issuer upon issuance of the Securities.

For this purpose, the Issuer will in each case prepare the Final Terms for the Securities which will contain the information that can only be specified at the time of the issuance of the Securities under this Base Prospectus. The Final Terms will be prepared by completing the form of the Final Terms set out in section "*13. Form of Final Terms*" on page 194 et seq. of this Base Prospectus with the information that applies specifically to the relevant Securities. In particular, this includes stating which of the optional elements with regard to the Securities apply. In addition, the relevant placeholders contained in the Base Prospectus will be filled in with specific values.

1.2 GENERAL DESCRIPTION OF THE SECURITIES

Type of Securities

Securities of the iShares Bitcoin ETP Series described in this Base Prospectus are linked to the performance of bitcoin (BTC) as the Cryptoasset and underlying of the Securities.

Categorisation and value of the Securities

For the purposes of categorisation in accordance with the European Structured Investment Products Association (EUSIPA) the Securities would qualify as participation securities, in the form of "Tracker" securities (category 1300). The performance of the Securities would be affected on a one-to-one basis by price movements of the Cryptoasset for that Series, if not for fees and costs payable by the Issuer for each Series (e.g. the Total Expense Ratio) and by investors (e.g. buy-back and early redemption fees), which will reduce the value of the Securities. When such fees and costs are factored in, they will affect the return on the Securities so that the return on the Securities may not be the same as the investor actually owning and holding the relevant Cryptoasset directly.

The value of the Securities is dependent on the Cryptoasset Entitlement. The Cryptoasset Entitlement on the Series Issue Date shall be as specified in the relevant Final Terms as the "Initial Cryptoasset Entitlement".

On each subsequent day, the Cryptoasset Entitlement is reduced at a rate equal to the portion of the Total Expense Ratio applicable to such day.

Collateralisation

The Securities are collateralised with the relevant Cryptoasset. On a subscription of Securities of a Series by an Authorised Participant, the Issuer will only issue Securities to the Authorised Participant after the Custodian of the Issuer has received Cryptoassets from the Authorised Participant, this means Securities issued under the Programme will always be fully secured obligations.

Law governing the Securities

The Securities, the Certificates and the Trust Deed and any non-contractual obligations arising out of or in connection with the Securities are governed by English law.

Securityholders

References to a "Securityholder" or a "holder" of Securities shall mean a person in whose name such Securities are for the time being registered in the Register (or if joint holders appear in the Register, the first named thereof). References to "Relevant Beneficial Holder" in relation to a Security shall be to the person holding the beneficial interest in such Security (either directly or via a nominee). References to a "**Non-AP Holder**" shall be to a Relevant Beneficial Holder other than an Authorised Participant.

Maturity of the Securities

The Securities do not have a predefined term (open end securities). As a consequence, aside from selling Securities on the secondary market, in order to exit the product, Authorised Participants and Non-AP Holders may request that the Issuer buys back Securities from such Authorised Participant or Non-AP Holder in return for either (i) an amount of the relevant Cryptoasset or (ii) if at the relevant time the Issuer is accepting Cash Redemptions by Authorised Participants and/or Non-AP Holders for the relevant Series, a cash amount in the Series Currency, in each case, equal to the Buy-Back Settlement Amount, **provided that** the Authorised Participant or Non-AP Holder has satisfied certain conditions which include the return of such Securities and, in the case of Physical Redemptions, payment of any applicable Buy-Back Fee or Non-AP Buy-Back Fee (unless the Issuer (or the Arranger on its behalf) has waived the Buy-Back Fee or Non-AP Buy-Back Fee or agreed that it may be paid following the relevant buy-back) or, in the case of Cash Redemptions, payment of any applicable Residual

Buy-Back Fee or Residual Non-AP Buy-Back Fee (unless the Issuer (or the Arranger on its behalf) has waived the Residual Buy-Back Fee or Residual Non-AP Buy-Back Fee or agreed that it may be paid following the relevant buy-back).

Further information on the payout, the buy-back procedure and the early redemption of the Securities can be found in section "*7.2. Functioning of the Securities*" on page 88 of this Base Prospectus.

Taxation

Income from the Securities may be taxable for Securityholders. Potential investors should therefore read the notices regarding the taxation of the Securities in section "12*. TAXATION*" on page 182 of this Base Prospectus.

Further information on the Securities can be found in the section "*7. DESCRIPTION OF THE SECURITIES*" on page 80 of this Base Prospectus.

1.3 GENERAL DESCRIPTION OF THE OFFER OF THE SECURITIES

On or after the Series Issue Date of a Series of Securities, as specified in the Final Terms of such Series, Securities of such Series may be purchased by Authorised Participants and may subsequently be offered by such Authorised Participants to institutional and retail investors or to institutional investors only, as specified in the relevant Final Terms, in compliance with applicable selling restrictions during the relevant offer period (as specified in the relevant Final Terms).

Further details of the offer and sale of the Securities, in particular any restrictions to which the offer of the Securities is subject, with regard to each Series of Securities under the Base Prospectus will be specified in the applicable Final Terms.

Further information on the offer of the Securities can be found in the section "*7.2.1. General Functioning of the Securities*" on page 88 and section *"10.1.2. Conditions and technical details of the Offer*" on page 169 et seq. of this Base Prospectus.

1.4 GENERAL DESCRIPTION OF THE ADMISSION OF THE SECURITIES TO TRADING

Application may be made for admission of the Securities to trading on one or more regulated markets, equivalent markets or multilateral trading facilities. The applicable Final Terms will state on which regulated market(s) and/or multilateral trading facility(ies) Securities are to be admitted to trading and/or listed.

The Issuer intends to make an application for Securities issued under the Programme for the period of 12 months from the date of approval of this Base Prospectus to be admitted to listing on the regulated market (*regulierter Markt*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) in Frankfurt, Germany ("**Xetra**"). As at the date of this Base Prospectus, Xetra operates regulated markets for the purposes of the MiFID II Directive. A Series of Securities may be listed and/or admitted to trading on such other or further stock exchanges as may be agreed between the Issuer and the Arranger. References in this Base Prospectus to Securities being "listed" (and all related references) shall mean that such Securities have been admitted to listing and to trading on Xetra.

If investors purchase and sell Securities on the secondary market (which includes trading on a stock exchange, market, trading facility or over-the-counter), the price at which the Securities trade on the secondary market would be influenced not only by the value and volatility of the relevant Cryptoasset but also by other factors, including the liquidity of the Securities on the secondary market.

Further information on the admission of the Securities to trading can be found in the section "*11. Listing and Trading*" on page 181 of this Base Prospectus.

2. RISK FACTORS

Investment in the Securities will involve a significant degree of risk. iShares Digital Assets AG (the "Issuer") believes that the following factors may affect its ability to fulfil its obligations under the Securities.

The risk factors are presented in a limited number of categories depending on their nature. In each category the two most material risk factors are presented first according to the assessment of the Issuer. The Issuer assesses the materiality of the risk factors based on the probability of their occurrence and the expected magnitude of their negative impact.

*Prospective investors should be prepared and able to sustain losses of the capital invested (a "**loss**") up to losing all capital invested (a "**total loss**").*

2.1 RISKS RELATING TO THE CRYPTOASSET

The Securities under the Base Prospectus are linked to bitcoin (BTC) as the Cryptoasset. The Cryptoasset Entitlement will be determined by reference to the price or value of the Cryptoasset as underlying of the Securities. Accordingly, investing in the Securities involves certain specific material risks that are related to the Cryptoasset as underlying and potential investors should review carefully the Base Prospectus and the applicable Final Terms in order to understand the effect on the Securities of such linkage to the Cryptoasset as underlying. Risks related to the Cryptoasset comprise, *inter alia*, the following risks:

2.1.1 No direct investment in the relevant Cryptoasset and risks of fluctuations in the value of the Cryptoasset

Investing in the Securities does not correspond to a direct investment in the relevant Cryptoassets

Investors should be aware that the market value of the Securities does not exclusively depend on the prevailing price of the relevant Cryptoassets in respect of a Series and changes in the prevailing price of the relevant Cryptoassets may not necessarily result in a comparable change in the market value of the Securities. The performance of the Securities may differ significantly from direct holdings of Cryptoassets as a result of the negative effects of fees and charges, including, but not limited to the Buy-Back Fee or Early Redemption Fee upon redemption, in addition to the negative effect of any other risks described herein. The return on the Securities may not reflect the return if the investor had actually owned the relevant Cryptoasset and held such investment for a similar period.

The price at which the Securities trade on the secondary market (which includes trading on a stock exchange, market or trading facility or over-the-counter) may be influenced not only by the value and volatility of the relevant Cryptoasset but also by other factors including, but not limited to:

(i) the liquidity of the Securities on the secondary market; and

(ii) the creditworthiness and reputation of the Issuer, the Arranger, the Custodian and other Transaction Parties. Please also refer to the risk factors headed "*The Issuer is dependent on its reputation and the reputation of its service providers*" and "*Risks Relating to Service Providers, Counterparties and Other Third Parties*".

Prospective investors should be aware that the secondary market price of the Securities can go down as well as up throughout the life of the Securities. Prospective investors should be aware that the market price of the Securities on any day may not reflect their prior or future performance and may not reflect the value of the Cryptoassets underlying (or the Cryptoasset Entitlement in respect of) the relevant Securities.

The trading prices of many cryptoassets have experienced extreme volatility in recent periods and may continue to do so

The average annualised one-year trailing volatility of bitcoin over the past ten years from 2015 to 2024 remains elevated at 66 per cent[1]. Over the course of 2021, the value of certain cryptoassets increased, including bitcoin. These increases were followed by drawdowns throughout 2022 in cryptoasset trading prices, including for bitcoin. In the 2021-2022 cycle, the price of bitcoin peaked at USD 67,734 and bottomed at USD 15,632, marking a 77 per cent drawdown. Similar episodes have occurred multiple times throughout bitcoin's history.

The price of an applicable Cryptoasset will affect the value of the corresponding Series of Securities and therefore the price volatility of each Series could be significant. The cryptoasset markets may be experiencing a bubble or may experience a bubble in the future.

Extreme volatility in the future price of the relevant Cryptoassets, including further declines in the trading prices of bitcoin, are likely to have a material adverse effect on the value of the related Securities and such Securities could lose all or substantially all of their value.

2.1.2 **Uncertainty about status and future performance of the Cryptoasset**

Cryptoassets represent a new and rapidly evolving industry

Cryptoassets such as bitcoin were only introduced within the past 16 years, and their value may be affected by a number of factors, such as how recently they were developed, their dependence on the internet and other technologies, their dependence on the role played by users, developers and miners, the potential for malicious activity, the level of supply of and demand for each cryptoasset, the changing regulatory landscape applicable to each cryptoasset and the ability to convert such assets into fiat currencies such as USD.

The bitcoin peer-to-peer network and associated blockchain ledger (the "**Bitcoin blockchain**" and, together, the "**Bitcoin network**") was first launched in 2009 and bitcoin was the first cryptoasset created to be adopted globally and reach critical mass. Although the Bitcoin network is the most established cryptoasset network, the Bitcoin network and other cryptographic and algorithmic protocols governing the issuance of cryptoassets represent a new and rapidly evolving industry that is subject to a variety of factors that are difficult to evaluate.

Further, because of the continually evolving nature of cryptoassets, it is not possible to predict potential future developments that may arise. Such uncertainty may negatively impact the public perception of cryptoassets and so their rate of adoption and growth, and the use cases for each cryptoasset. Such circumstances could result in a reduction in the value of bitcoin and consequently the value of the Securities.

Cryptoasset prices may be impacted by levels of adoption

Bitcoin has only recently become selectively accepted as a means of payment by certain retail and commercial outlets, and the use of bitcoin by consumers to pay such retail and commercial outlets remains therefore limited.

Additionally, certain privacy-preserving features have been or are expected to be introduced to cryptoasset networks, such as the Bitcoin network, and platforms or businesses that facilitate transactions in bitcoin may be at an increased risk of criminal or civil lawsuits, or of having banking services cut off if there is a concern that these features interfere with the performance of anti-money laundering duties and economic sanctions checks or facilitate illicit financing or crime. Such concerns could result in the adoption of bitcoin as a day-to-day means of payment slowing or ceasing.

[1] Annualised one-year trailing standard deviation measuring dispersion of bitcoin prices from the mean, averaged over ten years from 2015 to 2024. Source: Bloomberg Bitcoin Spot Price and BlackRock calculations, as of 31 December 2024.

If broader retailer acceptance of bitcoin as a means of payment does not occur, the potential for price increases could be reduced and the potential for ongoing volatility increased, all of which could negatively impact the value of bitcoin and consequently the value of the Securities.

Development of mathematics and technology

The cryptography underlying bitcoin 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.

In the past, failings in such technology have resulted in issues including the disabling of some functionality for users, exposure of users' personal information and theft of users' cryptoassets. In particular, it should be noted that bitcoin is based on Elliptic Curve Cryptography which is not quantum-computer resistant. A malicious actor may consequently be able to compromise the security of the Bitcoin network or take the Issuer's bitcoin, which would adversely affect the value of the Securities.

Functionality of the Bitcoin network may also be negatively affected such that it is no longer attractive to users, thereby dampening demand for bitcoin which could reduce the value of the Securities.

Additionally, the resolution of these issues may require the attention and efforts of developers and others and this could reduce the capacity of those parties to facilitate the usual functionality of the Bitcoin network.

Any resulting reduction in the integrity of, or confidence in, the source code or cryptography underlying cryptoassets generally could negatively affect the demand for cryptoassets and therefore may adversely affect the value bitcoin and consequently the value of the Securities.

Core developers may be limited in number and they and other contributors are generally not directly compensated for their contributions in maintaining and developing the Bitcoin network protocol

As (i) bitcoins are rewarded solely for mining activity and are not sold to raise capital for the Bitcoin network, and (ii) the Bitcoin network protocol itself is made available for free rather than sold or made available subject to licensing or subscription fees and therefore its use does not generate revenues for its development team, the core developers of the Bitcoin network are generally not compensated for maintaining and updating the source code for the Bitcoin network protocol. Consequently, there is a lack of financial incentive for developers to maintain or develop the Bitcoin network and the core developers may lack the resources to adequately address emerging issues with the Bitcoin network protocol.

Additionally, although the Bitcoin network is currently supported by the core developers, there can be no guarantee that such support will continue or be sufficient in the future. For example, there have been recent reports that the number of core developers who have the authority to make amendments to the Bitcoin network's source code in the GitHub repository is relatively small, although there are believed to be a larger number of developers who contribute to the overall development of the source code of the Bitcoin network. Core developers may cease to be involved in the development of the network and other developers may not emerge to replace them. Some developers may also be funded by entities whose interests are at odds with the interests of other participants in the Bitcoin network or with the interests of investors in bitcoin. A bad actor could also seek to interfere with the operation of the Bitcoin network by attempting to exercise a malign influence over a core developer.

To the extent that material issues arise with the Bitcoin network protocol and the core developers and open-source contributors are unable or unwilling to address the issues adequately or in a timely manner, the Bitcoin network and an investment in the Securities may be adversely affected.

Cryptoasset networks face significant scaling challenges and efforts to increase the volume and speed of transactions may not be successful

Many cryptoasset networks, including the Bitcoin network, face significant scaling challenges due to the fact that public blockchains generally face a trade-off between security and scalability. One means through which public blockchains achieve security is decentralisation, meaning that no one intermediary is responsible for securing and maintaining these systems. A greater degree of decentralisation generally means a given cryptoasset network is less susceptible to manipulation or capture. However, the number of transactions that a cryptoasset network can process may as a result be limited by the capabilities of each single fully participating node.

As increases in throughput lag behind growth in the use of cryptoasset networks, average fees and settlement times may increase considerably. For example, the Bitcoin network has at times been at capacity, which has led to increased transaction fees. Since 1 January 2019, bitcoin transaction fees have increased from USD 0.18 per bitcoin transaction, on average, to a high of USD 60.95 per transaction, on average, on 20 April 2021. In May 2023, events related to the adoption of ordinals, which are a means of inscribing digital content on the Bitcoin blockchain, caused transaction fees to temporarily spike above USD 30 per transaction. As at 31 December 2023, bitcoin transaction fees were USD 4.45 per transaction, on average, over a one-year trailing basis. Increased fees and decreased settlement speeds could preclude certain uses for bitcoin (e.g. micropayments) and could reduce demand for, and the price of, bitcoin, which could adversely impact the value of the Securities.

There is no guarantee that any of the mechanisms in place or being explored for increasing the scale of settlement of the Bitcoin network transactions will be effective, that those solutions will be widely or uniformly adopted by market participants, or how long these mechanisms will take to become effective, which could cause the Bitcoin network to not adequately resolve scaling challenges and adversely impact the adoption of bitcoin as a medium of exchange and, in turn, the value of the Securities.

Cryptoassets may have concentrated ownership

There is no registry showing which individuals or entities own bitcoin or the quantity of bitcoin owned by any particular person or entity. It is possible, and in fact, reasonably likely, that a small group of early adopters hold a significant portion of units of bitcoin that have been mined to date. The largest bitcoin wallets are believed to hold, in aggregate, a significant percentage of the bitcoin in circulation. Moreover, it is possible that other persons or entities control multiple wallets that collectively hold a significant number of bitcoin, even if those wallets individually only hold a small amount, and it is possible that some of these wallets are controlled by the same person or entity. There are no regulations in place that would prevent large holders of bitcoin from selling their holdings. As a result of this concentration of ownership, large sales or distributions by such holders could have an adverse effect on the market price of bitcoin which may reduce the value of the Securities. Concentration of bitcoin ownership could also make the Bitcoin network more susceptible to 51 per cent attacks (such risks are further described in the risk factor entitled "*Cryptoassets are susceptible to 51 per cent attacks*" below).

There are some substantial holdings of bitcoin in publicly known digital wallets which have not been involved in transactions on the Bitcoin network for a substantial period of time. Market consensus is that the owners of such digital wallets have lost access to them and/or to corresponding private keys. Thus, market consensus is that the bitcoin "locked" in such digital wallets are effectively excluded from circulation. In the event that holdings of bitcoin considered locked up forever were to enter into circulation, the price of bitcoin might be negatively affected by the increasing supply, which may reduce the value of the Securities.

Additionally, even if such holdings are not actually sold but there is an indication that the corresponding private keys are not lost (by any means, including but not limited to registering any transaction signed by needed keys, no matter how small and not even necessarily on the Bitcoin network), market expectations with regard to total supply of bitcoin could change dramatically. This could negatively affect the price of bitcoin, which may adversely affect an investment in the Securities.

The Bitcoin network is reliant on "professionalised" miners

The Bitcoin network is reliant on "professionalised" miners who may not be incentivised to mine further blocks or may demand prohibitively high transaction fees which could negatively impact the value of the Securities.

Miners of bitcoin earn ("**mine**") units of bitcoin by confirming transactions and reaching consensus, and a predefined number of units of bitcoin is distributed between the miners proportional to their used processing or "hashing" power.

If the profit margins of cryptoasset mining operations are not sufficiently high, including due to an increase in electricity costs or a decline in the market price of the relevant cryptoasset issued as a mining reward, or if cryptoasset mining operations are unable to arrange alternative sources of financing (e.g. if lenders refuse to make loans to such miners), cryptoasset miners are more likely to immediately sell tokens earned by mining or sell more cryptoassets than they otherwise would, resulting in an increase in liquid supply of that cryptoasset, which would generally tend to reduce the market price of such cryptoasset. Such a sell-off could reduce the value of the Securities.

Currently, the reward earned by miners for mining a block on the Bitcoin network (the "block reward") is 3.125 bitcoin. This reward size is reduced by 50 per cent every 210,000 blocks, which occurs roughly every 4 years. The most recent reward halving event occurred in April 2024, at which time the reward earned per block was reduced from 6.25 to 3.125 bitcoin. The reduced mining rewards of bitcoin may jeopardise the security of the Bitcoin network, which relies on transactions being confirmed by miners, and consequently could reduce the value of the Securities.

Further, a reduction in the processing power expended by miners on the Bitcoin network could increase the likelihood of a malicious actor or botnet (a volunteer or hacked collection of computers controlled by networked software coordinating the actions of the computers) obtaining control. Such risks are further described in the risk factor entitled "*Cryptoassets are susceptible to 51 per cent attacks*" below.

Miners could collude in an anti-competitive manner to reject low transaction fees on the Bitcoin network and force users to pay higher fees, reducing the attractiveness of the Bitcoin network. Higher transaction confirmation fees may adversely affect the attractiveness of the Bitcoin network, the value of bitcoin and the value of the Securities.

To the extent that any miners cease to record in mined blocks any transactions that do not include the payment of a transaction fee, or do not record a transaction because the transaction fee is too low, those transactions will not be recorded on the Bitcoin blockchain until a miner who does not require the payment of transaction fees or is willing to accept a lower fee solves a block that incorporates them or the transaction fee is increased to a sufficiently attractive level (to the extent that is possible for the particular transaction). Also, some miners have financed the acquisition of mining equipment or the development or construction of infrastructure to perform mining activities by borrowing. If such miners experience financial difficulties and are unable to pay back their borrowings, their mining capacity could become unavailable to the Bitcoin network, which could result in disruptions in the recording of transactions on the Bitcoin network.

Any widespread delays or disruptions in the recording of transactions could result in a loss of confidence in the Bitcoin network and could prevent or impede the completion of transactions related to the Securities, including the issuance and redemption of Securities in exchange for bitcoin. This could in turn negatively affect the value of an investment in the Securities.

Cryptoasset mining is reliant upon significant electricity usage

Cryptoasset mining operations can consume significant amounts of electricity and are therefore reliant on the availability of, and ability to use, electricity. This may have a negative environmental impact and the use of electricity for mining operations could consequently be restricted by government regulation or otherwise. Additionally, miners may be forced to cease

operations during an electricity shortage or power outage, or if electricity prices increase where the mining activities are performed. Such restrictions on mining activities may adversely affect the price of bitcoin and the value of the Securities.

Cryptoassets are susceptible to 51 per cent attacks

Cryptoassets may be subject to attacks by malicious actors or groups of actors.

If a malicious actor or botnet obtains control of more than 50 per cent of the processing power dedicated to mining on the Bitcoin network, it may be able to alter the Bitcoin blockchain on which transactions in bitcoin rely by constructing fraudulent blocks or preventing certain transactions from completing in a timely manner or at all (a "**51 per cent attack**"). The malicious actor or botnet could also control, exclude or modify the ordering of transactions. Although the malicious actor or botnet would not be able to generate new tokens or transactions using such control, it could "double-spend" its own tokens (i.e. spend the same tokens in more than one transaction) and prevent the confirmation of other users' transactions for so long as it maintained control. To the extent that such malicious actor or botnet did not yield its control of the processing power on the Bitcoin network, or the Bitcoin community did not reject the fraudulent blocks as malicious, reversing any changes made to the Bitcoin blockchain may not be possible. There have been a number of examples of 51 per cent attacks on cryptocurrencies.

A malicious actor may also obtain control over the Bitcoin network through its influence over core developers by gaining direct control over a core developer or an otherwise influential programmer. To the extent that users and miners accept amendments to the source code proposed by the controlled core developer, other core developers do not counter such amendments, and such amendments enable the malicious exploitation of the Bitcoin network, the risk that a malicious actor may be able to obtain control of the Bitcoin network in this manner exists.

Although there are no known reports of malicious activity on, or control of, the Bitcoin network, it is believed that certain mining pools may have exceeded the 50 per cent threshold on the Bitcoin network since the Bitcoin blockchain's genesis block was mined in 2009, and others have come close.

Such an attack or malicious exploitation could decrease confidence in bitcoin and/or negatively impact the value of bitcoin and therefore the Securities.

Risks in relation to a temporary or permanent "fork"

The Bitcoin network operates using open-source protocols, meaning that any user can download the software, modify it and then propose that the users and miners of bitcoin adopt the modification. When a modification is introduced and a substantial majority of users and miners consent to the modification, the change is implemented and the network remains uninterrupted. However, if less than a substantial majority of users and miners consent to the proposed modification, and the modification is not compatible with the software prior to its modification, the consequence would be what is known as a "hard fork" of the Bitcoin network, with one group running the software from prior to the modification and the other running the modified software. The effect of such a fork would be the existence of two versions of bitcoin running in parallel on separate networks using separate blockchain ledgers, yet lacking interchangeability. For example, in August 2017, bitcoin "forked" into bitcoin and a new cryptoasset, "Bitcoin Cash", as a result of a several-year dispute over how to increase the rate of transactions that the Bitcoin network can process.

A fork may also occur as a result of an unintentional or unanticipated software flaw in the various versions of otherwise compatible software that users run. Such a fork could lead to users and miners abandoning the cryptoasset with the flawed software. It is possible, however, that a substantial number of users and miners could adopt an incompatible version of the cryptoasset while resisting community-led efforts to merge the two chains.

In addition, many developers have previously initiated hard forks in the Blockchain to launch new cryptoassets, such as Bitcoin Gold and Bitcoin Diamond.

Hard forks can lead to uncertainties in the period immediately before and after the fork, which can lead to increased price volatility of the relevant cryptoasset. It may also be unclear following a hard fork which fork represents the original, prefork, cryptoasset and which the forked asset. Additionally, to the extent that a fork leads to the creation of a new cryptoasset, such new cryptoasset may directly compete with bitcoin and such competition could impact demand for bitcoin and could adversely impact the value of the Securities.

In principle, a hard fork could change the source code for the Bitcoin network, including the source code which limits the supply of bitcoin to 21 million. Although many observers believe this is unlikely at present, there is no guarantee that the current 21 million supply cap for outstanding bitcoin, which is estimated to be reached by approximately the year 2140, will not be changed. If a hard fork changing the 21 million supply cap is widely adopted, the limit on the supply of bitcoin could be lifted, which could have an adverse impact on the value of bitcoin and the value of the Securities.

Risks in relation to airdrops

A cryptoasset may become subject to a similar occurrence known as an "airdrop". In an airdrop, the promoters of a new cryptoasset announce to holders of another cryptoasset that such holders will be entitled to claim a certain amount of the new cryptoasset for free, based on the fact that they hold such other cryptoasset. For example, in March 2017 the promoters of Stellar Lumens announced that anyone that owned bitcoin as of 26 June 2017 could claim, until 27 August 2017, a certain amount of Stellar Lumens. Airdrops could create operational, security, legal or regulatory, or other risks for the Issuer, the Arranger, the Custodian, the Prime Execution Agent, Authorised Participants, or other entities, and there is no assurance that the Prime Execution Agent and/or the Custodian will, or will be able to, support an airdrop. If an Airdrop (as defined in the Conditions) occurs in respect of the cryptoassets underlying any Series, the Issuer (or the Arranger on its behalf) will, as permitted by the Conditions, determine in its sole discretion whether the Series shall engage or participate in an airdrop. At the date of this Base Prospectus, it is expected that the Arranger will in the ordinary course cause any impacted Series to irrevocably abandon the rights to any airdropped asset so as to seek to limit any adverse regulatory impact on the Issuer and/or the relevant Series.

Securityholders may not receive the benefits of an airdrop as the Issuer, or the Arranger on its behalf, may not choose, or be able, to participate in an airdrop, and the timing of receipt of any benefits from an airdrop or similar event is uncertain. Additionally, as noted above, as the date of this Base Prospectus, it is expected that the Arranger will in the ordinary course cause any impacted Series to irrevocably abandon the rights to any airdropped asset. Any inability to recognise the economic benefit of an airdrop could adversely affect the value of the Securities.

Any name change and any associated rebranding initiative of bitcoin or the Bitcoin network may not be favourably received

From time to time, cryptoassets may undergo name changes and associated rebranding initiatives. For example, Bitcoin Cash may sometimes be referred to as "Bitcoin ABC" in an effort to differentiate itself from any Bitcoin Cash hard forks, such as Bitcoin SV (Satoshi Vision) and, in the third quarter of 2018, the team behind Zen rebranded and changed the name of ZenCash to "Horizen". After a name change and an associated rebranding initiative, a cryptoasset may not be able to achieve or maintain brand name recognition or status that is comparable to the recognition and status previously enjoyed by such cryptoasset. The failure of any name change and any associated rebranding initiative by the Bitcoin network may result in bitcoin not realising some or all of the anticipated benefits contemplated by the name change and associated rebranding initiative, and could negatively impact the value of bitcoin and the value of the Securities.

Competition from digital currencies and emerging payments initiatives involving financial institutions

Central banks in various countries have introduced digital forms of legal tender known as central bank digital currencies ("**CBDCs**"). Whether or not they incorporate blockchain or similar technology, CBDCs, as legal tender in the issuing jurisdiction, could have an advantage in

competing with, or replacing, bitcoin and other cryptocurrencies as a medium of exchange or store of value. Central banks and other governmental entities have also announced initiatives in co-operation with private sector entities, with the goal of using blockchain and other technology to reduce friction in cross-border and interbank payments and settlement, and commercial banks and other financial institutions have also announced initiatives of their own to incorporate new technologies, including blockchain and similar technologies, into their payments and settlement activities, which could compete with, or reduce the demand for, bitcoin. The value of bitcoin could decrease as a result of these potential forms of competition, which could adversely affect an investment in the Securities.

Prices of bitcoin may be affected due to stablecoins (including Tether, USDC and EURC) and their regulatory treatment

Stablecoins are cryptoassets designed to have a stable value over time as compared to typically volatile cryptoassets and are generally marketed as being pegged to a fiat currency, such as the U.S. dollar or euro, at a certain value. Although the prices of stablecoins are intended to be stable, their market value may fluctuate. This volatility may in the past have impacted the price of bitcoin. It has been reported that some stablecoins, particularly Tether, are improperly issued without sufficient backing in a way that, when the stablecoin is used to pay for bitcoin, could cause artificial rather than genuine demand for bitcoin, artificially inflating the price of bitcoin. It has also been reported that those associated with certain stablecoins may be involved in laundering money. Any artificial increase in the value of bitcoin due to stablecoins being insufficiently backed by the relevant currency or commodity could result in losses to Securityholders when the price of bitcoin corrects, which is likely to result in a reduction of the value of the Securities.

USDC is a reserve-backed stablecoin issued by Circle Internet Financial that is commonly used as a method of payment in cryptoasset markets, including the bitcoin market. An affiliate of the Arranger acts as investment manager to a money market fund, the Circle Reserve Fund, which the issuer of USDC uses to hold cash, U.S. Treasury bills, notes and other obligations issued or guaranteed as to principal and interest by the U.S. Treasury, and repurchase agreements secured by such obligations or cash, which serve as reserves backing USDC stablecoins. While USDC is designed to maintain a stable value at 1 U.S. dollar at all times, on 10 March 2023, the value of USDC fell below 1 U.S. dollar for multiple days after Circle Internet Financial disclosed that USD 3.3 billion of the USDC reserves were held at Silicon Valley Bank, which had entered Federal Deposit Insurance Corporation receivership earlier that day. Stablecoins are often reliant on the U.S. banking system and U.S. treasuries, and the failure of either to function normally could impede the function of stablecoins, and therefore could adversely affect the value of bitcoin and the Securities. An affiliate of the Arranger has a minority equity interest in the issuer of USDC and EURC, which is a euro-backed stablecoin launched on 30 June 2022.

Given the foundational role that stablecoins play in global cryptoasset markets, their fundamental liquidity can have a dramatic impact on the broader cryptoasset market, including the market for bitcoin. Because a large portion of the cryptoasset market still depends on stablecoins such as Tether, USDC and EURC, there is a risk that a disorderly de-pegging or a run on Tether, USDC or EURC could lead to large market volatility in cryptoassets more broadly. Volatility in stablecoins, operational issues with stablecoins (for example, technical issues that prevent settlement), concerns about the sufficiency of any reserves that support stablecoins or potential manipulative activity when unbacked stablecoins are used to pay for other cryptoasset (including bitcoin), or regulatory concerns about stablecoin issuers or intermediaries, such as exchanges, that support stablecoins, could impact individuals' willingness to trade on trading venues that rely on stablecoins, reduce liquidity in the bitcoin market, and affect the value of bitcoin, and in turn may impact an investment in the Securities.

Competition from the emergence or growth of other cryptoassets or methods of investing in bitcoin

Bitcoin was the first cryptoasset to gain global adoption and critical mass, and as a result, it has a "first to market" advantage over other cryptoassets. As at 31 December 2023, bitcoin was the largest cryptoasset by market capitalisation and had the largest combined mining power. Despite this first to market advantage, as at 31 December 2023, there were over 10,000

alternative cryptoassets tracked by CoinMarketCap.com, having a total market capitalisation of approximately USD 1.65 trillion (including the approximately USD 833 billion market capitalisation of bitcoin), as calculated using market prices and total available supply of each cryptoasset. In addition, many consortiums and financial institutions are researching and investing resources into private or permissioned smart contract platforms rather than open platforms like the Bitcoin network. Competition from the emergence or growth of alternative cryptoassets and smart contracts platforms, such as Ethereum, Solana, Avalanche, Polkadot or Cardano, could have a negative impact on the demand for, and price of, bitcoin and thereby adversely affect the value of the Securities.

In addition, some cryptoasset networks, including the Bitcoin network, may be the target of ill will from users of other cryptoasset networks. For example, Litecoin is the result of a hard fork of bitcoin. Some users of the Bitcoin network may harbour ill will toward the Litecoin network, and vice versa. These users may attempt to negatively impact the use or adoption of the Bitcoin network, which could result in the value of bitcoin decreasing and may reduce the value of the Securities.

Investors may invest in bitcoin through means other than the Securities, including through direct investments in bitcoin and other potential financial vehicles, possibly including securities backed by or linked to bitcoin similar to the Securities, cryptoasset financial vehicles, or bitcoin futures-based products. Market and financial conditions may make it more attractive to invest in other financial vehicles or to invest in bitcoin directly, which could limit the market for, and reduce the liquidity of, the Securities.

Risks related to regulatory changes in respect of cryptoassets

Various jurisdictions have, and may continue to adopt laws, regulations or directives that affect cryptoasset networks (including the Bitcoin network), cryptoasset markets (including the bitcoin market), and their users, particularly cryptoasset platforms and service providers that fall within such jurisdictions' regulatory scope. For example, if China or other foreign jurisdictions were to ban or otherwise restrict manufacturers' ability to produce or sell semiconductors or hard drives used in connection with bitcoin mining, it would have a material adverse effect on cryptoasset networks (including the Bitcoin network), the cryptoasset market, and as a result, impact the value of the Securities.

A number of foreign jurisdictions have recently taken regulatory action aimed at cryptoasset activities. China has made transacting in cryptocurrencies illegal for Chinese citizens in mainland China, and additional restrictions may follow. Both China and South Korea have banned initial coin offerings entirely and regulators in other jurisdictions, including Canada, Singapore and Hong Kong, have opined that initial coin offerings may constitute securities offerings subject to local securities regulations. In May 2021, the Chinese government announced renewed efforts to restrict cryptocurrency trading and mining activities. Regulators in Inner Mongolia and other regions of China have proposed regulations that would create penalties for companies engaged in cryptocurrency mining activities and introduce heightened energy saving requirements on industrial parks, data centres and power plants providing electricity to cryptocurrency miners. In October 2020, the UK's Financial Conduct Authority published final rules banning the sale to retail investors of derivatives and exchange traded notes that reference certain types of cryptoassets, contending that they are "ill-suited" for retail investors due to factors including the significant price volatility of, and challenges in reliably valuing, cryptoassets, and the association of cryptoassets with financial crime. The Financial Services and Markets Act 2023 brings certain cryptoasset activities within the scope of existing UK laws governing financial institutions, markets and assets.

Laws, regulations or directives relating (directly or indirectly) to cryptoassets and cryptoasset service providers may negatively impact the acceptance of one or more cryptoassets by users, merchants and service providers and therefore impede the growth or sustainability of the cryptoasset economy in the European Union, United Kingdom, China, Japan, Russia, the United States and globally, or otherwise negatively affect the value of bitcoin. The effect of any future regulatory change or other events on the Securities or bitcoin is difficult to predict, but such change could be substantial and adverse to the Issuer and the value of the Securities. Please see also the section of these risk factor entitled “*Legal and Regulatory Risks*”.

Regulators or public utilities could take actions that restrict or otherwise impact mining activities

Concerns have been raised about the electricity required to secure and maintain many cryptoasset networks. For example, as at 31 December 2023, approximately 501 million tera hashes were performed every second in connection with mining on the Bitcoin network. Although measuring the electricity consumed by this process is difficult because these operations are performed by various machines with varying levels of efficiency, the process consumes a significant amount of energy. The operations of the Bitcoin network and other cryptoasset networks may also consume significant amounts of energy. Further, in addition to the direct energy costs of performing calculations on any given cryptoasset network, there are indirect costs that impact a network's total energy consumption, including the costs of cooling the machines that perform these calculations.

Driven by concerns around energy consumption and the impact on public utility companies, various countries, states and cities have implemented, or are considering implementing, moratoriums on mining activity in their jurisdictions. A significant reduction in mining activity as a result of such actions could adversely affect the security of the Bitcoin network by making it easier for a malicious actor or botnet to manipulate the relevant blockchain (such risks are further described in the risk factor entitled "*Cryptoassets are susceptible to 51 per cent attacks*" above). If regulators or public utilities take action that restricts or otherwise impacts mining activities, such actions could result in decreased security of a cryptoasset network, including the Bitcoin network, and consequently adversely impact the value of the Securities.

2.1.3 **Technical risks of loss or attacks in relation to the Cryptoasset**

Cryptoasset platforms are often unregulated in nature and may be vulnerable to manipulative trading activity, business failure, fraud and security breaches

Cryptoasset platforms are relatively new and, in some cases, unregulated or, as compared to traditional securities platforms or exchanges, less regulated. Many operate outside Europe and the United States. Furthermore, while many prominent cryptoasset platforms provide the public with significant information regarding their ownership structure, management teams, cybersecurity, corporate practices and regulatory compliance, many cryptoasset platforms do not provide this information. Cryptoasset platforms may not be subject to, or may not comply with, regulation in a similar manner as other trading platforms, such as national securities exchanges or designated contract markets. As a result, the marketplace may lose confidence in cryptoasset platforms, including prominent platforms that handle a significant volume of bitcoin trading, which could result in a reduction in the value of bitcoin and therefore the Securities.

The bitcoin market globally and in Europe is not subject to regulatory guardrails comparable to those that exist in regulated securities markets. Many bitcoin trading venues also lack certain safeguards put in place by exchanges for more traditional assets to enhance the stability of trading on the exchanges and prevent "flash crashes", such as limit-down circuit breakers (where trading may be temporarily halted, for individual securities or market-wide, if the percentage change in value of a security or index crosses certain thresholds). Additionally, certain exchanges may impose daily, weekly, monthly or customer-specific transaction or distribution limits, or suspend trading or withdrawals entirely, making the trading of cryptoassets for fiat currency difficult or impossible at times on those exchanges. As a result, the prices of bitcoin on trading venues may be subject to larger and/or more frequent sudden declines than assets traded on more traditional exchanges. There may also be significant pricing differences between exchanges for the same cryptoasset.

Tools to detect and deter fraudulent or manipulative trading activities such as market manipulation, front-running of trades (a form of insider dealing, in which inside information about a future transaction is exploited to buy or sell financial assets for the trader's own account), spoofing (a form of fraud, where communication with a target is disguised to gain access to the target's personal information and/or network for further attacks), pump-and-dump (a form of fraud, in which the price of a financial asset is artificially inflated through false and misleading information), and wash-trading (where a trader buys and sells a security for the express purpose

of feeding misleading information to the market) may not be available to or employed by cryptoasset platforms, or may not exist at all. The effect of potential market manipulation, front-running, spoofing, pump-and-dumping, wash-trading, and other fraudulent or manipulative trading practices may give an impression of greater volumes of trading activity than those actually present in crypto markets and/or cause distortions in price, which could adversely affect the value of the Securities and cause losses to Securityholders.

In addition, over the past several years, some cryptoasset platforms have been closed due to fraud and manipulative activity, business failure or security breaches. In many of these instances, the customers of such cryptoasset platforms were not compensated or made whole for the partial or complete losses of their account balances in such cryptoasset platforms. If a large cryptoasset platform becomes insolvent in the future, the value of bitcoin could be negatively affected, which may reduce the value of the Securities.

In addition, if a cryptoasset platform which a Series of Securities utilises for storage, trading and/or settlement becomes insolvent this may lead to a loss of the Issuer's underlying assets and therefore a loss for the relevant Securityholders. See, for example, "*Risks relating to the Custodians*".

Cryptoasset platforms have also frequently been subject to regulatory enforcement actions. Regulatory enforcement action taken by authorities against cryptoasset platforms could result in the market losing confidence in bitcoin which may lead to the Securities losing some or all of their value.

There have been a number of instances of cryptoasset platforms being hacked or exploited, resulting in users of the relevant platform losing some or all of their assets held on that platform. Losses of cryptoassets due to a hack, theft, insider activity or other improper behaviour relating to a cryptoasset platform could lead to a reduction in confidence in cryptoassets such as bitcoin, which may negatively affect the value of the Securities.

Loss of the Issuer's cryptoassets for any reason could lead to a loss for the Issuer which may negatively affect the value of the Securities and could also result in an Early Redemption Event in respect of the Securities.

Negative perception of, a lack of stability and a lack of standardised regulation in the cryptoasset markets and/or the closure or temporary shutdown of cryptoasset platforms due to fraud, business failure, security breaches or government mandated regulation, and associated losses by customers, may reduce confidence in the Bitcoin network and result in greater volatility or decreases in the prices of bitcoin and, therefore, negatively impact the value of the Securities.

Bitcoin transactions are irrevocable and stolen or incorrectly transferred bitcoin may be irretrievable

Bitcoin transactions are typically not reversible without the consent and active participation of the recipient of the relevant bitcoin. Once a transaction has been verified and recorded in a block that is added to the Bitcoin blockchain, an incorrect transfer or theft of bitcoin generally will not be reversible and the Issuer may not be capable of, or successful in, seeking compensation for any such transfer or theft. Although processes and procedures are in place to seek to ensure that the Issuer's transfers of bitcoin will be made only to or from the Issuer's accounts at the Custodian and Prime Execution Agent, it is possible that, through computer or human error, or through theft or criminal action, the Issuer's bitcoin could be transferred from the Issuer's accounts in incorrect amounts or to unauthorised third parties, or to uncontrolled accounts.

These kinds of events have happened before with cryptoassets. To the extent that the Issuer does not have access to the private key of the wallet to which bitcoin has been wrongly transferred, is not able to identify who has received the Issuer's bitcoin through error or theft, or is not able to seek or agree a corrective transaction with the recipient(s), the Issuer will be unable to revert or otherwise recover incorrectly transferred bitcoin. The Issuer will also be unable to convert or recover its bitcoin transferred to uncontrolled accounts. To the extent that

the Issuer is unable to seek or obtain compensation for or correction of such error or theft, such loss could adversely affect the value of the Securities.

2.1.4 Risks relating to the holding of and services related to Cryptoassets

Risks relating to the custody and holding of cryptoassets underlying each Series and to the provision of services by the Custodian and the Prime Execution Agent

Many cryptoassets, including bitcoin, function as digital bearer instruments – whoever holds both the public key and the private key for the relevant cryptoasset controls the asset and so is deemed to be the 'owner' of that asset. Transactions in and transfers of those cryptoassets can only be effected by a person who holds the private keys to the relevant address or wallet in which the assets are recorded. Unlike public keys, which can be regenerated or located using certain on-chain information, private keys are unique and cannot be replaced or recreated, unless back-ups, master keys or similar are available. Consequently, private keys must be safeguarded and kept private in order to prevent a third party from accessing the cryptoasset held in such a wallet and the loss, theft, compromise, or destruction of private keys could result in permanent loss of the relevant cryptoasset.

The Issuer will appoint one or more specialised and experienced Custodians in respect of the Underlying Cryptoassets. Such Custodians use a range of security procedures and processes to protect the Cryptoassets held by them on behalf of clients. The security procedures in place for the Issuer's bitcoin may include offline "cold" storage, the use of multiple encrypted private key "shards", and other measures designed to reduce the risk of the loss or theft of the Issuer's bitcoin. However, these cannot guarantee the prevention of any loss due to a security breach, software defect or force majeure event that may be experienced by the Issuer or the Custodian, and the security procedures may not protect against all errors, software flaws or other vulnerabilities in the Issuer's or the Custodian's technical infrastructure, which could result in theft, loss or damage of the assets underlying the Securities.

Security breaches, computer malware and computer hacking attacks have been a prevalent concern in relation to cryptoassets. The bitcoin held in the Issuer's account at the Custodian could be an appealing target to hackers or malware distributors seeking to destroy, damage or steal the Issuer's bitcoin. To the extent that the Issuer or the Custodian is unable to identify and mitigate or stop new security threats or otherwise adapt to technological changes in the cryptoasset industry, the Issuer's bitcoin may be subject to theft, loss, destruction or other attack, which may result in the value of the Securities being reduced, potentially to zero.

None of the Issuer, the Arranger or the Trustee control the Custodian's operations or its implementation of such security procedures and there can be no assurance that such security procedures will actually work as designed or be successful in safeguarding the Issuer's assets against all possible sources of theft, loss or damage.

In addition, certain assets of the Issuer shall be held in a trading account with the Prime Execution Agent, including the Trading Balance, which may be more vulnerable to security breach, hacking or loss than assets held in cold storage. Furthermore, assets held in a trading account with the Prime Execution Agent, including the Trading Balance, are held on an omnibus, rather than segregated basis, which creates greater risk of loss. Bitcoin or cash belonging to the Issuer will only be held in the Trading Balance to the extent that: (i) it has been received or bought by the Issuer in connection with a subscription; or (ii) bitcoin is being sold by the Issuer. Such bitcoin will also be swept from the Trading Balance to the Issuer Wallet each trading day pursuant to a regular end-of-day sweep process. There are, though, no policies that would limit the amount of bitcoin that can be held temporarily in the Trading Balance. This could result in an increased risk of loss of the Issuer's bitcoin than when such amounts are held in the Issuer Wallet.

Additionally, the security procedures implemented by the Custodian and/or the Prime Execution Agent and/or any material failure of systems, technologies, procedures or other part of the Custodian's or the Prime Execution Agent's operations may cause delays in processing transactions in the relevant Cryptoassets. Given the pricing volatility that has been experienced by many cryptoassets (as further described in the risk factor entitled "*The trading prices of many*

cryptoassets have experienced extreme volatility in recent periods and may continue to do so" above), such delays may significantly and negatively impact transactions in the relevant Cryptoassets on behalf of a Series.

The security procedures and operational infrastructure may be compromised by outside parties, or as a result of error or malfeasance of an employee of a service provider of the Issuer, or by other means. An unauthorised party may consequently obtain access to the Issuer's account at the Custodian or the Prime Execution Agent, the relevant private keys (and therefore bitcoin) or other data or property of the Issuer. Outside parties may also try to fraudulently induce employees of the Issuer's service providers to disclose sensitive information in order to gain access to the Issuer's infrastructure. As the techniques used to obtain unauthorised access, disable or degrade service, or sabotage systems change frequently, or may be designed to remain dormant until a predetermined event takes place and often are not recognised until launched against a target, service providers may be unable to anticipate these techniques or implement adequate preventative measures.

If any relevant Cryptoassets are lost, stolen, damaged or otherwise compromised in circumstances in which the Custodian, the Prime Execution Agent, another service provider to the Issuer or any other party is liable to the Issuer for such loss, theft, damage or compromise, the Custodian, the Prime Execution Agent or other responsible party may not have sufficient resources to fully compensate the Issuer. There is also some legal uncertainty as to the enforcement of claims in respect of cryptoassets, in particular in those jurisdictions which have no precedent for the tracing of and enforcement of claims relating to cryptoassets.

A breach of the Issuer's account at the Custodian or the Prime Execution Agent could result in the partial or total loss of the Issuer's assets, which is likely to result in a partial or full loss in the value of the Securities.

While the Custodian and the Prime Execution Agent have agreed in the Custody Agreement and the Prime Execution Agreement, respectively, to support bitcoin, among other cryptoassets, in certain circumstances the Custodian and/or the Prime Execution Agent may no longer be able to offer custody and/or prime execution services (as applicable) in respect of a relevant Cryptoasset. In such circumstances, the Issuer may not be able to transfer custody of the Underlying Cryptoassets to another custodian and/or the Trading Balance to another prime execution agent, which may lead to an Early Redemption Event in respect of such Series.

Even if the Issuer is able to transfer custody of the Underlying Cryptoassets to another custodian and/or the Trading Balance to another prime execution agent, there may be a delay in doing so and consequently a delay in the Issuer being able to access the Underlying Cryptoassets and/or the Trading Balance (as applicable). This may negatively impact the price at which the relevant Cryptoassets can be sold, which may in turn negatively impact the value of the Securities.

Risks relating to the anti-money laundering and other screening procedures of the Custodian and the Prime Execution Agent (as applicable)

The Custodian and the Prime Execution Agent (as applicable) will conduct certain checks of cryptoassets when they are transferred into and out of the wallets of the Issuer. These checks will include anti-money laundering and sanctions checks, verification screenings and other related checks and procedures designed to ensure compliance with applicable law and regulation, including anti-money laundering and "know your customer" (KYC) requirements, and the Custodian's and the Prime Execution Agent's own policies.

Cryptoassets received by the Custodian or the Prime Execution Agent on behalf of the Issuer may therefore not form part of the Underlying Cryptoassets or the Trading Balance, and therefore the Secured Property of each Series, unless and until such checks and screening has been completed. If cryptoassets already transferred to or recorded in the Issuer's public wallet addresses were subsequently to fail periodic checks and screening, those assets may be "quarantined" and so become inaccessible to the Issuer and/or no longer form part of the Underlying Cryptoassets or the Trading Balance for a Series. Such "**Quarantined Cryptoassets**" may also no longer form part of the Secured Property and may be unavailable for distribution to Secured Creditors in a default scenario.

Additionally, if cryptoassets transferred to or recorded in the Issuer's public wallet addresses are or become Quarantined Cryptoassets, this may result in a Disruption Event under the Conditions of the Securities and, consequently, the suspension of issuance and/or buy-back of the Securities. It may also result on an Early Redemption Event under the Conditions of the Securities and in certain circumstances, it may be determined that it is necessary to redeem the affected Series in whole.

These circumstances may negatively impact the value of the Underlying Cryptoassets and/or the Trading Balance and so the value of the Securities.

2.1.5 Risks relating to the decentralised governance of cryptoasset networks

Risks relating to amendments of the network

The governance of decentralised networks, such as the Bitcoin network, is by voluntary consensus and open competition. As a result, there may be a lack of consensus or clarity on the governance of any particular decentralised cryptoasset network, which may stymie such network's utility and ability to grow and face challenges.

The protocols for some decentralised networks, such as the Bitcoin network, are informally managed by a group of core developers who propose amendments to the relevant network's source code. Membership in the community of core developers, and core developers' roles, evolve over time, largely based on self-determined participation in the resource section dedicated to bitcoin on GitHub.com.

If a significant majority of users and miners adopt amendments to a decentralised network based on the proposals of such core developers, that network will be subject to new protocols by way of a software upgrade which may adversely affect the value of the relevant cryptoasset, such as bitcoin. This could reduce the value of the related Securities.

Risks relating to non-consensus

Due to the governance of decentralised networks, such as the Bitcoin network, requiring voluntary consensus, it may be difficult to find solutions or marshal sufficient effort to overcome any future problems, especially long-term problems, on cryptoasset networks. If consensus cannot be reached, confidence in bitcoin could be negatively affected, which may reduce the value of bitcoin and potentially of the Securities.

Alternatively, alterations proposed by the core developers could introduce changes to the features of bitcoin, such as to the irreversibility of transactions and limitations on the mining of new bitcoin, which could undermine the appeal and value of bitcoin, which may in turn result in a reduction in the value of the Securities.

Software upgrades and other changes to the protocols of the Bitcoin network could also fail to work as intended or could introduce bugs or security risks, or could otherwise adversely affect the speed, security, usability, or value of the Bitcoin network or bitcoin.

As a result, confidence in bitcoin could decrease and that may adversely affect an investment in the Securities.

2.2 RISKS RELATING TO THE SECURITIES

An investment in a Series of Securities involves certain risks associated with the characteristics, specification and type of the Securities which could lead to substantial losses that Securityholders would have to bear in the case of selling their Securities. Risks regarding a Series of Securities comprise, *inter alia*, the following risks:

2.2.1 Risks related to the nature and the Conditions of a Series of Securities

Issuer call option

While the Securities for each Series are undated, the Issuer may at any time elect to redeem all the Securities of a Series and designate an Early Redemption Trade Date for such purposes. In determining whether to issue an Issuer Call Redemption Notice, the Issuer is not required to have regard to the interests of Securityholders. In such circumstances, the Securities of such Series will be redeemed in accordance with Condition 9, as described and further explained in "*Early Redemption Events and Events of Default*" below.

Early Redemption Events and Events of Default

In addition to the Issuer Call Redemption Event, the Securities of a Series may become due and payable in connection with the occurrence of any of the following events:

(i) certain legal or regulatory changes occur in relation to the Issuer and the Issuer gives a notice of redemption;

(ii) the Arranger, the Administrator, any Custodian, a Registrar, a Transfer Agent, a Paying Agent, the Account Bank, all the Authorised Participants, the Corporate Services Provider, the Prime Execution Agent and/or the Initial Trade Credit Lender in relation to the Series of Securities, resign or their appointment is terminated for any reason and the Issuer gives notice that no successor or replacement has been appointed within 60 calendar days of the date of the relevant notice of resignation or termination or the date of any automatic termination, as applicable;

(iii) in the case of a Series of Securities, any failure by the Prime Execution Agent to pay or deliver an amount due to or to the order of the Issuer, or a Bankruptcy Event has occurred with respect to the Prime Execution Agent and no successor or replacement has been appointed within 60 calendar days of that event;

(iv) if a Bankruptcy Event has occurred with respect to a Custodian and no successor or replacement has been appointed within 60 calendar days of that event;

(v) a Hard Fork, Airdrop or Equivalent Event occurs in relation to the Cryptoasset underlying a Series and the Issuer (or the Arranger on its behalf) determines that such event cannot be resolved under the Conditions of the Securities;

(vi) a Disruption Event under Condition 10 is continuing for 30 days or more; or

(vii) an Event of Default occurs under the Securities and the Trustee gives an Event of Default Redemption Notice.

Investors should be aware that there is no obligation on any Transaction Party to trigger certain Early Redemption Events and investors should not rely on the Early Redemption Events or Events of Default in respect of the Securities to mitigate price volatility of the Securities. Investors should further be aware that there is no obligation on the Trustee to take any take any steps to ascertain whether any Event of Default has occurred or to actively monitor the continued accuracy of the representations and warranties made by the Issuer or compliance by the Issuer with its covenants and undertakings under the Transaction Documents.

If a Series of Securities is redeemed early as described above or upon an Event of Default, all outstanding Securities of such Series (and not necessarily all Series given that other Series may not be affected by such Early Redemption Event or Event of Default) shall be redeemed. The Cryptoasset Entitlement of the Securities for the relevant Series will be fixed (by ceasing to reduce the Cryptoasset Entitlement by application of the Total Expense Ratio of the Series) as at the relevant Early Redemption Trade Date to determine the Early Redemption Amount transferable or payable to Securityholders (or Authorised Participants who are Relevant Beneficial Holders, as applicable) on the relevant Early Redemption Settlement Date in respect of such Early Redemption (or, if the Trustee has served an Event of Default Redemption Notice,

payable on the day designated by the Trustee following enforcement of the Transaction Security relating to the Series of Securities).

Where Securities are redeemed as a result of an Early Redemption Event or upon an Event of Default, Securities will be redeemed in cash. Securityholders may elect, prior to the relevant cut-off time, to receive an amount in the Series Currency equal to the Principal Amount instead of payment of the Early Redemption Amount on the Early Redemption Settlement Date. Such Principal Amount operates as a minimum repayment amount which is payable at the election of the Securityholder, after deduction of the Early Redemption Fee. Following an Early Redemption Event or an Event of Default, payment of Principal Amounts will be subordinated to payments of Early Redemption Amounts in the priority of payments. As all amounts payable by the Issuer (including the Principal Amount) are subject to limited recourse, in the event that Cryptoasset prices fall to zero or close to zero, investors may lose the entire value of their investment in the Securities, even if they have elected to receive the Principal Amount. Prospective investors should also refer to the risk factors entitled "*Insufficient assets to pay the Early Redemption Amount*", "*Insufficient assets to pay the Principal Amount*" and "*Limited recourse obligations, non-petition and related risks*" below in this section 2.2.1.

As the Early Redemption Amount is determined by reference to the prices at which the Issuer (or, following service of an Event of Default Redemption Notice, the Trustee) is able to sell the relevant Cryptoasset following an Early Redemption Trade Date (less the Early Redemption Fee), there can be no assurance that the Early Redemption Amount will be greater than or equal to the amount invested by an investor in the Securities, particularly if prices of the relevant Cryptoasset have not, since the time of investment by the investor, increased sufficiently to offset the reduction of the Cryptoasset Entitlement due to application of the Total Expense Ratio. In the event that Cryptoasset prices fall to zero or close to zero, investors may lose the entire value of their investment in the Securities.

Cash Redemptions and proceeds of sale of the Cryptoasset Entitlement

In order to provide Cash Redemptions (where applicable or made available in accordance with the Conditions), the Issuer is reliant on the Prime Execution Agent and/or any applicable Cryptoasset Trading Counterparties, for the purposes of selling for cash the full amount of the Cryptoasset Entitlement for the Securities being redeemed.

The Issuer may not be able to sell the full Cryptoasset Entitlement for the Securities being redeemed in one day and may need to sell the relevant Cryptoassets over a series of days. For these reasons, redemption proceeds (in cash) for Cash Redemptions are likely to take longer to be paid out than redemption proceeds (in Cryptoassets) for Physical Redemptions.

The price at which the Issuer is able to sell Cryptoassets will fluctuate. Assuming all other factors remain constant, lower Cryptoasset prices at the relevant time on the relevant Cryptoasset Sale Date will lead to a lower Early Redemption Amount or Buy-Back Settlement Amount, as applicable, payable in respect of Cash Redemptions. The Issuer will sell the Cryptoasset Entitlement for the Securities being redeemed regardless of the price achievable for the sale.

Additionally, the Prime Execution Agent and/or any applicable Cryptoasset Trading Counterparties may charge a fee under the Prime Execution Agreement or relevant Cryptoasset Trading Counterparty Agreement and, if so, this will be deducted from the cash proceeds payable by the Prime Execution Agent or applicable Cryptoasset Trading Counterparty to the Issuer and therefore lead to a lower Early Redemption Amount or Buy-Back Settlement Amount (where such Buy-Back is made on a Cash Redemption basis).

Prospective investors should note that there can be no assurance that the redemption proceeds received by Securityholders following a buy-back of Securities or an Early Redemption or Event of Default will be greater than or equal to the amount invested by any Securityholder and that an investor may lose the entire value of their investment in the event that Cryptoasset prices fall to zero or close to zero.

Prospective investors should also refer to the risk factor entitled "*Registered Global Certificate*" below with respect to the Issuer's payment obligations to holders of Securities.

Disruption Events

The Issuer (or the Arranger on behalf of the Issuer) may postpone or suspend the issuance and/or buy-back and/or redemption of Securities and/or the settlement of any issuance, buy-back or redemption at any time after the occurrence and during the continuation of any one of the Disruption Events described in Condition 10.1 by giving a Suspension Notice.

During a Suspension Period, in addition to its usual discretion as to whether or not to accept any Subscription Order, the Issuer is entitled not to accept Buy-Back Orders. If the settlement of Subscription and Buy-Back Orders is suspended during the relevant Suspension Period, any Subscription Orders and Buy-Back Orders that have been accepted and processed but not yet settled at the time the Suspension Period commences will be postponed until the end of the Suspension Period, save that if the Suspension Period is still continuing after 10 consecutive Business Days, the Issuer may cancel such Subscription or Buy-Back Orders. If an Early Redemption Trade Date or date scheduled for payment or delivery of the Early Redemption Amount falls within a Suspension Period and is affected by the relevant Disruption Event, it will be postponed until the end of the Suspension Period.

Securityholders should be aware that the delay caused by a Suspension Period may have an adverse effect on the calculation of the Cryptoasset Sale Proceeds of the Securities relating to a Buy-Back Order due to fluctuations in the relevant Cryptoasset market prices. To the extent that the relevant Securities are subject to Cash Redemption then the Securityholders could be adversely affected by any fall in the price of the relevant Cryptoasset during the Suspension Period. To the extent that the relevant Securities are subject to Physical Redemption then the Securityholders could also be adversely affected by any fall in the price of the relevant Cryptoasset during the Suspension Period if Securityholders are reliant on realising the Cryptoasset which has been delivered to them. Additionally, as the Total Expense Ratio will continue to accrue daily during any delay in redemption caused by a Disruption Event, the amounts payable on redemption of the Securities may be subject to higher deductions as a result of the greater cumulative Total Expense Ratio than had the Disruption Event not occurred.

A Disruption Event may also impact any financing provided by a Trade Credit Lender which could in turn impact the timing of trading and or settlement of orders.

Insufficient assets to pay the Early Redemption Amount

Securityholders (other than Securityholders who have elected for Principal Amount following an Early Redemption Event or an Event of Default) will be paid the Early Redemption Amount after payment of any priority claims. Such priority claims include enforcement costs (in the event of liquidation following an Event of Default) and amounts due and payable to other Transaction Parties under the Transaction Documents. The amounts due and payable to other Transaction Parties under the Transaction Documents may include amounts that, in the absence of the relevant Early Redemption Amount or Event of Default, as applicable, may not have been payable from the Underlying Cryptoasset (including losses incurred by a Trade Credit Lender with respect to any failed settlement of Securities). Due to the limited recourse nature of the Securities, in the event that the value of the Underlying Cryptoassets of the relevant Series and other relevant assets and claims of the Issuer relating to that Series (including, without limitation, claims relating to the Trading Balance) is insufficient to pay the Early Redemption Amount to all Securityholders (other than Securityholders who have elected for Principal Amount following an Early Redemption Amount or an Event of Default) following satisfaction of all priority claims, such Securityholders may not receive payment of the Early Redemption Amount in full and may receive substantially less and may potentially receive nothing.

Insufficient assets to pay the Principal Amount

Securityholders who have elected for Principal Amount following an Early Redemption Event or an Event of Default will be paid the Principal Amount after payment of any priority claims. Such priority claims shall include those described in the risk factor entitled "*Insufficient assets to pay the Early Redemption Amount*" above. Additionally, Early Redemption Amounts payable to Securityholders who have not elected for Principal Amount shall be paid in priority to Principal Amounts. Due to the limited recourse nature of the Securities, in the event that the value of the

Underlying Cryptoassets of the relevant Series and other relevant assets and claims of the Issuer relating to that Series (including, without limitation, claims relating to the Trading Balance) is insufficient to pay the Principal Amount to all Securityholders who have elected for Principal Amount following satisfaction of all priority claims, such Securityholders may not receive payment of the Principal Amount in full and may receive substantially less and may potentially receive nothing.

Reductions in Cryptoasset Entitlement

As at the Series Issue Date, the Cryptoasset Entitlement is equal to the Initial Cryptoasset Entitlement. Thereafter, the Cryptoasset Entitlement is decreased daily at a rate equal to the portion of the Total Expense Ratio applicable to such day. The Cryptoasset Entitlement of each Security will decrease over time as a portion of the Total Expense Ratio is applied to the Cryptoasset Entitlement each day. There can be no assurance that the performance of the relevant Cryptoasset for a Series will exceed the Total Expense Ratio. In addition, the Total Expense Ratio may be varied by the Issuer at the request of the Arranger from time to time with, in the case of an increase, at least 30 calendar days' prior notice given to Securityholders. An increase in the Total Expense Ratio in respect of a Series will reduce the Cryptoasset Entitlement of such Series by more than would have been the case had the Total Expense Ratio not been increased.

Cryptoasset Modifications and Additional Assets

No Transaction Party (including the Issuer, the Arranger, the Trustee and/or any Custodian) is under an obligation to monitor whether a Cryptoasset Modification has occurred or to investigate or establish whether a particular event or circumstance is a Cryptoasset Modification. None of the Issuer, Arranger, Trustee, Custodian or any other Transaction Party shall be obliged to take any action as a result of a Cryptoasset Modification. Subscriptions, buy-backs and other redemptions may be delayed and/or cancelled as a result of a Cryptoasset Modification. Furthermore, changes may be made to the Conditions of any relevant Series of Securities to take account of a Cryptoasset Modification. Investors could, therefore, come to hold Securities with Conditions different to those in effect at the time of their subscription for or purchase of such Securities as a result of a Cryptoasset Modification. No compensation or other amount is required to be paid or delivered to Securityholders in respect of a Cryptoasset Modification and there can be no assurance that any adjustment implemented following the occurrence of a Cryptoasset Modification will be appropriate or accurate or maintain the market value of the Securities. All of these factors may have an adverse effect on the value of the Securityholders' investment both in advance of a Cryptoasset Modification, at the time of a Cryptoasset Modification and following a Cryptoasset Modification.

If a Hard Fork (as defined in the Conditions) occurs in respect of bitcoin, the Issuer (or the Arranger on its behalf) will, as permitted by the Conditions, determine in its sole discretion which network, among a group of incompatible forks, is generally accepted as the Bitcoin network and should therefore be considered the appropriate network for the purposes of each relevant Series of Securities. In making this determination, the Arranger may take into consideration factors including, but not limited to, the ability of the custodian(s) of any relevant Series to support the relevant prefork and forked assets, the Arranger's expectations of the reactions that core developers, users, miners and others may have to the fork, and any other factors that the Arranger deems relevant. The Issuer (or the Arranger on its behalf) may not choose the network that is ultimately the most valuable fork and the value to the Securities may decline as a result of such choice of network.

None of the Issuer, the Trustee nor any Agent are required to actively participate in any Airdrop, nor shall they be required to take any steps to secure receipt of cryptoassets or other assets relating to an Airdrop. It is anticipated that no modification will be made to the Cryptoasset Entitlement of a Series of Securities into which account or wallet an Airdrop has been made and the Securityholders of such Series will not have any entitlement to the cryptoassets received by the Issuer as a result of the Airdrop, nor the value represented by such cryptoassets or other assets, unless otherwise determined in accordance with the Conditions. As such, an Investor may be in a worse position following an Airdrop than if they were holding the relevant

Cryptoassets directly. For further detail please see the risk factor entitled "*Investing in the Securities does not correspond to a direct investment in the relevant Cryptoasset(s)*" above.

In the event that the Issuer receives any Additional Assets (including by virtue of an Airdrop), the Issuer may, without the consent of the Trustee or Securityholders and in its sole discretion from time to time (i) liquidate all or any part of such Additional Assets, (ii) sell or transfer any Additional Assets (or the proceeds thereof) out of the Series Cash Account, Issuer Wallet or the Trading Balance (as applicable) and/or (iii) apply any Additional Assets or the proceeds thereof (as the case may be) to discharge CSDR debit penalties, any of the Issuer's costs, taxes and expenses (including legal and professional fees and expenses, indemnity and liability payments) and/or any amounts payable by or to the Arranger including, without limitation, to reduce the TER Sale Proceeds that would otherwise be payable to the Arranger under the Arranger Agreement. In addition, the Issuer may, without the consent of the Trustee or Securityholders, in its sole discretion, permanently and irrevocably abandon any Additional Asset without receiving any payment or compensation therefor.

The Cryptoasset Entitlement of a Series will not increase to reflect any Additional Assets and, therefore, Securityholders should be aware that they will not benefit from receipt by the Issuer of any Additional Assets (including by way of an Airdrop). The value of Securities may, therefore, be less than if Securityholders had had an entitlement to such Additional Assets.

Meetings of Securityholders, resolutions, modification, waivers and substitution

Certain actions that the Issuer may take or changes that the Issuer may make to the Securities, the Conditions and/or the Transaction Documents which do not require the approval of Securityholders or the consent of the Trustee are set out in Condition 18.2. Certain actions or changes to which the Trustee shall or may consent are set out in Conditions 18.3 and 18.4 respectively. Unless otherwise specified in the Conditions, all other matters affecting the interests of the Securityholders must be sanctioned by an Extraordinary Resolution of the Securityholders. An Extraordinary Resolution will be binding on all Securityholders of the relevant Series, including any Securityholders who did not vote in favour of it.

To the extent that the consent of the Trustee is required under the Conditions or the relevant Trust Deed, the Trustee may (or where specified in the Conditions, shall) agree, without the consent of the Securityholders, to certain matters as detailed in the Conditions including any modification to the Conditions, the Trust Deed and/or the relevant Security Agreements which modification is, in the opinion of the Trustee, not materially prejudicial to the interests of the Securityholders of the relevant Series and/or is in connection with the issuance of a new Series of Securities (provided that such change does not materially impact the interests of holders of any Securities in an existing Series and does not alter the rights, protections or obligations of the Trustee under the Transaction Documents or in connection with the Securities).

Prospective investors should note that the Issuer and the relevant Transaction Party/ies may take certain actions and/or make certain changes to the terms of the Securities and/or the relevant Transaction Documents without the approval of Securityholders or the consent of the Trustee.

These include (without limitation):

(i) the transfer of Cryptoassets to the Prime Execution Agent under the Prime Execution Agreement, to a Cryptoasset Trading Counterparty in respect of a Cryptoasset Sale, to an Authorised Participant under an Authorised Participant Agreement, to a Custodian under the applicable Custody Agreement, to the Relevant Beneficial Holder's Digital Wallet(s) in respect of Securities subject to Physical Redemption, and in each case the related release of Transaction Security provided such transfer and release is effected in accordance with the terms of the relevant Transaction Documents;

(ii) any change to the Total Expense Ratio, the Subscription Fee, the Buy-Back Fee, Non-AP Buy-Back Fee, and/or the Early Redemption Fee at any time (which for the avoidance of doubt may include an increase);

(iii) any appointment of an additional or replacement Transaction Party provided such appointment or replacement is effected in accordance with the Conditions and the applicable Transaction Document(s);

(iv) any change related to the transfer of the custody and/or prime execution arrangements from one Custodian or Prime Execution Agent to a successor or replacement Custodian or Prime Execution Agent, as applicable, or the addition of one or more further Custodians and/or Prime Execution Agents in respect of any one or more Series;

(v) any amendment to any term of the Conditions or any Transaction Document which relates to, or which the Issuer (or the Arranger on behalf of the Issuer), considers necessary or desirable to address, an operational, procedural, administrative or technical issue (including, without limitation, any amendment or modification to any service level agreement and/or the fee arrangements with any Transaction Counterparty which the Issuer (or the Arranger on its behalf) considers in its sole discretion to be appropriate and commercially reasonable);

(vi) any change to or of the clearing or settlement system in which Securities are or may be cleared, held or deposited;

(vii) by notice to the Trustee, Registrar(s), Transfer Agent and Administrator, any change to the form, nature, or method for registration, transfer and/or clearing of the Securities, including, without limitation, the conversion of the Securities from certificated to uncertificated form, or from uncertificated to certificated form;

(viii) the marketing or listing of the Securities of any Series in any additional jurisdiction and/or on any additional stock exchange, market or trading facility and/or the withdrawal or cessation of marketing of the Securities of any Series in a jurisdiction, or delisting (or other withdrawal of listing) of the Securities of any Series from any stock exchange, market or trading facility, **provided that** the Securities of each Series are listed on at least one stock exchange, market or trading facility;

(ix) any increase in the maximum number of Securities specified in a Registered Global Certificate, or similar or equivalent instrument held in or deposited with a settlement system other than through an ICSD settlement system;

(x) any split or consolidation of Securities, provided that the Cryptoasset Entitlement is reduced or increased proportionately;

(xi) any change to the order type for Authorised Participants and/or Non-AP Holders to deal in Securities, unless such change results in no order type being available for Authorised Participants or Non-AP Holders to request buy-backs of Securities;

(xii) adjustments to the Cryptoasset Entitlement to the extent required to align with any Cryptoasset Modification;

(xiii) adjustment to the Cryptoasset Entitlement where Underlying Cryptoasset has been damaged, stolen or otherwise lost;

(xiv) any other modification to the Conditions, Securities, or Transaction Documents which relates or is incidental to, or is necessary or desirable to give effect to, any of the foregoing; or

(xv) any other modification to the Conditions, Securities, or Transaction Documents and any waiver or authorisation of any breach or proposed breach of any of the Conditions or any of the provisions of the Trust Deed and/or any Transaction Document that, in each case, the Issuer (or the Arranger on its behalf) does not consider to be materially prejudicial to the interests of Securityholders.

Such actions or amendments may, in certain circumstances, have adverse consequences for Securityholders, as this may result in Securityholders being bound by a change to the Conditions or by some other decision that affects Securityholders' investment in the Securities

even though not all Securityholders have agreed to such change. Prospective investors should recognise that such actions or amendments can take place without any requirement for consent from them or the Trustee and should ensure that they accept and are aware of the potential consequences of such actions or amendments. Prospective investors should also refer to the risk factor entitled "*Registered Global Certificate*" below with respect to limitations on the rights of holders to vote in respect of Securities.

Securityholder directions

Following the occurrence of an Event of Default, the Conditions of the Securities allow the holders of 25 per cent or more of the outstanding number of Securities of a Series to direct the Trustee to deliver a notice to the Issuer that each Security of that Series (which has not previously become due and payable) will become due and payable at the relevant Early Redemption Amount on the date specified by the Trustee and the Transaction Security in respect of such Series will be enforced by the Trustee to satisfy the Issuer's obligations in respect of the Securities of such Series, including payment or delivery of the Early Redemption Amount. The Trustee will not however be obliged to take any step or action or to act in accordance with any such direction unless the Trustee has been pre-funded and/or secured and/or indemnified to its satisfaction by one or more Securityholders of the relevant Series (or otherwise to its satisfaction). The interests of particular Securityholders (who request or direct the Trustee to take such action in accordance with the Conditions of the Securities) may not coincide with those of other Securityholders. Early Redemption of a Series of Securities and enforcement of the Transaction Security in respect of such Series may not be in the best interests of some or all of the Securityholders.

Where a Non-AP Holder submits a valid Buy-Back order to the Issuer to facilitate a Buy-Back pursuant to Condition 8.3 (*Buy-Back of Securities from Non-AP Holders*) such Non-AP Holder will enter into a bilateral transaction with the Issuer with respect to such Buy-Back. To the extent that the Non-AP Holder deposits relevant Securities with the Issuer in connection with such Buy-Back, the Non-AP Holder shall cease to be a Relevant Beneficial Holder with respect to the Securities and shall no longer have any right to direct the Trustee with respect to the Securities. Instead, any Non-AP Holder who has so deposited the relevant Securities (a "**Buy-Back Payee**") shall be a secured creditor in respect of the relevant Buy-Back Amount due and payable or deliverable to such Buy-Back Payee. Prospective investors should also refer to the risk factor entitled "*Limited Recourse and non-Petition below*".

Exchange rates and exchange controls

Any cash payments in respect of a Series of Securities will be made in the Series Currency. This will give rise to certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Series Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Series Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. Government and monetary authorities may impose exchange controls that could adversely affect an applicable exchange rate (as some have in the past).

An appreciation in the value of the Investor's Currency relative to the Series Currency would decrease (i) the Investor's Currency-equivalent return on the Securities, (ii) the Investor's Currency-equivalent value of the amount(s) payable on the Securities and (iii) the Investor's Currency-equivalent market value of the Securities.

Registered Global Certificate

Securities issued under the Programme will be represented by a registered global certificate (except in certain limited circumstances). The Securities will be cleared and settled in the ICSD settlement system. The registered global certificate will be deposited with a common depositary for the Relevant Clearing System. The Relevant Clearing System and its respective direct and indirect participants will maintain records of the beneficial interests in the registered global certificate. While Securities are represented by a registered global certificate, beneficial holders

will be able to trade their beneficial interests only through the Relevant Clearing System and its respective participants.

While Securities are represented by a registered global certificate, the Issuer will discharge its payment obligations under the Securities by making payments to the Relevant Clearing System for distribution to their account holders or otherwise as authorised by the nominee of the common depositary. A holder of a beneficial interest in a registered global certificate will only have contractual rights against the Relevant Clearing System in respect of their beneficial interest in the registered global security and not any proprietary interest. A holder of a beneficial interest in a registered global certificate must consequently rely on the procedures of the Relevant Clearing System to receive payments under the relevant Securities. The Relevant Clearing System will pass on payments received from the Issuer to account holders that hold beneficial interests in the Securities in their accounts. Where a beneficial owner is not an account holder in the Relevant Clearing System, the beneficial owner will have to rely on its nominee, custodian, broker or central securities depository (as appropriate) which is an account holder in the Relevant Clearing System to pass on payments from the Issuer. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in any Securities. Investors should be aware that risks which could potentially impede the ability of the Issuer to fulfil its obligations to Securityholders in respect of the Securities will have a corresponding impact on the interests of Relevant Beneficial Holders, since the obligation of the Relevant Clearing System to make payment on the Securities to underlying account holders is limited to distribution of monies received by the Securityholder from the Issuer.

Holders of beneficial interests in a registered global certificate will not have a direct right to vote in respect of the relevant Securities so represented. Instead, such holders who are account holders in the Relevant Clearing System will rely on the relevant ICSD to receive notices and other communication from the Issuer and will be permitted to provide voting instructions only to the extent that they are enabled by the relevant ICSD to appoint appropriate proxies. Where a beneficial owner is not an account holder in the Relevant Clearing System, it will have to rely on its nominee, custodian, broker or central securities depository (as appropriate) which is an account holder in an ICSD to pass on such notices and other communication from the Issuer and to enable it to provide voting instructions via the appointment of appropriate proxies.

Similarly, holders of beneficial interests in a registered global certificate will not have a direct right under such registered global certificate to take enforcement action against the Issuer in the event of a default under the relevant Securities but will have to rely upon their rights under the Trust Deed and the Conditions of the Securities.

Operational Risk

The Issuer is exposed to operational risks arising from a number of factors, including, but not limited to, human error, processing and communication errors, errors of the Transaction Parties, failed or inadequate processes and technology or systems failures. The Arranger seeks to reduce these operational risks through controls and procedures and through its general oversight of Transaction Parties. The Arranger also seeks to ensure that such Transaction Parties take appropriate precautions to avoid and mitigate risks that could lead to disruptions and operating errors. However, it is not possible for the Arranger or other Transaction Parties to identify and address all of the operational risks that may affect the Issuer or to develop processes and controls to completely eliminate or mitigate their occurrence or effects, and the occurrence of such risks may have a negative effect on the Issuer's operations which may, in turn, expose Securityholders to a risk of loss. Such loss could result from, for example, delays in the processing of Subscription Orders, and/or Buy-Back Orders.

For a description of how the Issuer is exposed to the operational risk of its service providers and counterparties, please see the risk factor entitled "*Risks Relating to Service Providers, Counterparties and other Third Parties*" below.

Impact of Natural or Man-Made Disasters: Disease Epidemics

The performance of the Cryptoassets, and in turn the Issuer, may be negatively affected by natural disasters, catastrophic natural events and/or man-made disasters. These events may have a significant negative impact on essential communications and services and local or international infrastructure, as well as overall consumer confidence, which in turn may materially and adversely affect the value of the Cryptoassets underlying the Securities. Outbreaks of infectious diseases may also have a negative impact on the performance of the Securities. For example, the infectious respiratory disease caused by a novel coronavirus known as COVID-19 has had a profound impact on all aspects of society since it was first detected in December 2019. COVID-19 has had long-term adverse effects on the economies of many nations across the entire global economy (with this impact being greater where vaccination rates are lower). It is possible that there may be similar outbreaks of other infectious diseases in the future. The impact of COVID-19, and other epidemics and pandemics that may arise in the future, could affect the economies of many nations, individual companies and the market in general in ways that cannot necessarily be foreseen at the present time. Health crises caused by infectious diseases may exacerbate other preexisting political, social and economic risks in certain countries. The impact of such outbreaks may be short term or may last for an extended period of time. Such events and market conditions could increase volatility of Cryptoassets and thereby also increase the risk of loss to holders of Securities.

Risk relating to the absence of active management of the Securities and Cryptoassets

The Securities cannot be considered as an actively managed investment and may be affected by a general decline in the value of the relevant Cryptoasset. Neither the Issuer nor any other party will actively manage the relevant Cryptoassets or the Securities and the Issuer's holdings in relation to a Series of Securities is not diversified. In respect of each Series of Securities the Issuer and therefore the Securityholders are exposed to a single asset type and the non-diversified nature of the underlying assets does not make it appropriate to manage actively, therefore, the Issuer will not take any action to attempt to reduce the risk of loss resulting from price decreases and the Securities may be more volatile than another investment backed by a more broadly diversified portfolio and may fluctuate substantially over short or long periods of time. As a result, Securityholders bear the risk of a loss of a part or all of their investment.

Relevant Beneficial Holders are responsible for choosing an appropriate Digital Wallet

If any Securities are redeemed by way of physical settlement either by the Issuer or an Authorised Participant or Non-AP Holder (as applicable) pursuant to the Conditions, the relevant Cryptoasset may be transferred to the Relevant Beneficial Holder's Digital Wallet(s). If this transfer occurs to an inadequate or inappropriate Digital Wallet (which includes, but is not limited to, a digital wallet to which the Relevant Beneficial Holder does not have the corresponding private cryptographic key or keys, or which the Relevant Beneficial Holder cannot operate due to any other limitation, technical or otherwise), the Relevant Beneficial Holder will not be able to access and dispose of the Cryptoasset transferred to such Digital Wallet. For the Relevant Beneficial Holder, this means a total loss of its investment. Each Relevant Beneficial Holder is responsible for ensuring that its Digital Wallet(s) are appropriate for such Relevant Beneficial Holder's purposes. The Relevant Beneficial Holder is also entirely responsible for the secure storage of the private key of its Digital Wallet(s) in order to receive and dispose of the Cryptoasset transferred to such Digital Wallet. The loss or theft of the private key (which includes an unauthorised copy of all or a part of the key or keys) can result in a total loss of all of the Cryptoasset held in the Digital Wallet(s) of the Relevant Beneficial Holder.

In addition, the ability in certain circumstances for Relevant Beneficial Holders to redeem by way of physical settlement will be conditional upon the Relevant Beneficial Holder having an appropriate Digital Wallet with the Prime Execution Agent or Custodian. If a Relevant Beneficial Holder does not have such a Digital Wallet, they may be unable to redeem the Securities by way of physical settlement (as further set out in the Conditions).

Risks relating to an increase and/or decrease in issuance and market supply of the Securities

While the Issuer has the right to issue additional Securities that are fungible with an already issued Series of Securities, the Issuer is under no obligation to issue additional Securities in relation to a Series of Securities already issued. Even if the Issuer decides to issue additional Securities in relation to a Series of Securities already issued, in the primary market the Issuer only sells Securities to Authorised Participants and there is no guarantee that Authorised Participants subscribing to the newly issued Securities of a Series of Securities will make them available on the secondary market. This may result in reduced liquidity and increased price volatility in an existing Series of Securities. On the one hand, if the Issuer does not issue additional Securities in relation to a Series of Securities already issued, or Authorised Participants do not sell those additional Securities on the secondary market, this could increase the price of the Securities compared to the relevant Cryptoasset. On the other hand, if the Issuer issues additional Securities (and/or Authorised Participants start selling such Securities on the secondary market) at a time when the Securities are trading at a premium compared to the relevant Cryptoasset, this could result in a reduction of the premium compared to the relevant Cryptoasset and thus in a decrease in the price of the Securities.

Limited recourse obligations, non-petition and related risks

The Securityholders, Buy-Back Payees and the Transaction Parties of each Series will have no recourse to other assets of the Issuer, including assets of the Issuer attributable to other Series nor to any other party (including, but not limited to, the Trustee). The proceeds available for the repayment of the Securities of a Series at any time may not be sufficient to cover all or any of the amounts that would otherwise be payable in respect of the Securities of that Series, including, without limitation, the Principal Amount on an Early Redemption.

If the proceeds of the realisation of the Secured Property for a Series prove insufficient to make payments or deliveries in respect of the Securities of that Series, no other assets will be available for payment or delivery in respect of the shortfall. Following distribution of the proceeds of realisation of the Secured Property for a Series, any outstanding claim against the Issuer in relation to the Securities for that Series will be extinguished. No debt or other obligation will be owed by the Issuer in respect of such claim.

In such circumstances holders of Securities of the relevant Series may lose some or all of their investment in the Securities.

None of the Transaction Parties, the Buy-Back Payees, the Securityholders or any person acting on behalf of any of them may, at any time, bring, institute or join with any other person in bringing, instituting or joining insolvency, administration, bankruptcy, winding-up, examinership or any other similar proceedings (whether court-based or otherwise) in relation to the Issuer or any of its assets, and none of them will have any claim arising with respect to the sums, assets and/or property attributable to any other securities issued by the Issuer (save for any further securities which form a single series with the Securities) or not attributable to any particular Series.

While assets held in relation to any particular Series of Securities are not available to satisfy the claims of holders of a different Series of Securities, there is a risk that the Issuer may become subject to claims or other liabilities (whether in respect of the Securities or otherwise) which are not themselves subject to limited recourse or non-petition limitations. Prospective investors should also refer to the risk factor entitled "*Registered Global Certificate*" above with respect to enforcement rights of holders of Securities against the Issuer.

2.2.2 Risks related to the Transaction Security arrangements in place in respect of the Securities

Transaction Security granted to secure a Series of Securities may be unenforceable or enforcement of the Transaction Security may be delayed

The Issuer has created security interests with respect to the rights and claims arising in connection with the Prime Execution Agreement, the Custody Agreement, the Issuer's rights, interest and title over the English law governed Transaction Documents, the Series Cash Account and the sums held by the relevant Paying Agent in favour of the Trustee (for itself and the Secured Creditors, including the Securityholders) as Transaction Security for the Secured Obligations (as described more fully in the Conditions and the relevant Security Agreements in respect of a Series of Securities). For various reasons these security arrangements may not be sufficient to protect the Securityholders in the event of the Issuer's, the Custodian's, the Account Bank's, the Prime Execution Agent's or another party's bankruptcy or liquidation. Given the lack of legal certainty of how to take security over cryptoassets, there is a legal risk that the security interest in respect of the relevant Cryptoassets is not enforceable given it is a Cryptoasset and there could be uncertainties on how to enforce such Transaction Security. These risks may further evolve as the applicable law in relation to Cryptoassets develops. In addition, the enforcement of the Transaction Security may be delayed or even impossible, as further set out in the risk factor entitled "*Realisation of Transaction Security and role of the Trustee*" below.

Moreover, investors should note that some of the security interests are not governed by English law, but by foreign laws, as further set out in section entitled "*Summary of Transaction Documents*" below. In particular, security in relation to the custody arrangements will depend on the entity acting as Custodian and the relevant Security Agreement to be entered into in connection with an individual issuance may be governed by the laws of Ireland or, depending on the jurisdiction in which the relevant Custodian is located, another jurisdiction. This may make the enforcement of the security interests more costly and time-consuming.

Further, the security in respect of Issuer's rights in connection with the Prime Execution Agreement is governed by New York law and the Cryptoassets and/or cash held with the Prime Execution Agent are not segregated from assets held for other clients of the Prime Execution Agent. This may make enforcement of such security interest more costly and time-consuming and such security will only entitle the Issuer to a *pro rata* share of the Cryptoassets and/or cash the Prime Execution Agent holds on behalf of customers who hold similar entitlements against the Prime Execution Agent (as discussed further in the section entitled "*Description of the Custody Arrangements and the Prime Execution Agreement*").

It should also be noted that the Trustee will not be responsible to any of the Securityholders for any failure in perfecting or protecting the Transaction Security unless directly caused by its gross negligence or wilful misconduct.

Realisation of Transaction Security and role of the Trustee

The Trustee may (but is not obligated to unless directed by an Extraordinary Resolution or in writing by holders of at least one-fifth in number of the relevant Series of Securities then outstanding) take any action permitted by the Conditions, the Trust Deed and the relevant Security Agreements in an enforcement scenario without having regard to the effect of such action on individual Securityholders. Fees, costs and expenses for the Trustee will need to be paid in advance and the Trustee shall not be required to take an action in relation to enforcement of the Transaction Security that would involve any personal liability or expense without having first being indemnified and/or secured and/or pre-funded to its satisfaction by one or more investors of the relevant Series. All fees, costs and expenses related to the enforcement will be the sole responsibility of, and will be deducted from any payments made to, the relevant investors. Securityholders should therefore be prepared to bear the costs associated with any such indemnification and/or security and/or pre-funding or be prepared to accept the consequences of the Trustee not taking any such step or action in an enforcement scenario. Any inaction by the Trustee in such circumstances will not entitle Securityholders to take action against 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 in such circumstances.

The Trustee shall have no responsibility whatsoever to any other party or to any investor in a particular Series of Securities as regards any deficiency which might arise because the Trustee is subject to any tax in respect of the Transaction Security or any part thereof or any income therefrom or any proceeds thereof.

2.2.3 Risks related to the admission of the Securities to trading

There may be no or only a limited active trading market for the Securities

Although it is intended that application will be made to Xetra for the Securities to be admitted to trading on its regulated market, there is no assurance that an active trading secondary market will develop. Accordingly, there can be no assurance as to the development or liquidity of any trading market for the Securities. The Securities may trade at a discount to their initial offering price after their initial issuance, depending upon factors including, without limitation, the market for similar securities, general economic and market conditions, the financial condition of the Issuer and the value of the Cryptoasset underlying the relevant Securities.

The specific risk is that Securityholders may not be able to sell Securities readily or at prices that will enable Securityholders to realise their anticipated yield.

Products listed on a regulated market in Germany or the Host Member States may be suspended from trading

Regulated markets in Germany or the Host Member States provide for rules determining admissible securities. It cannot be excluded that during the lifetime of the Securities, the Securities are no longer admissible for reasons beyond the control of the Issuer. This may lead to the suspension or delisting of the Securities.

The trading price of the Securities could decrease if the creditworthiness of the Issuer worsens or is perceived to worsen (notwithstanding the fact that the Securities are collateralised with actual holdings of the relevant Cryptoasset)

Even though the Securities are collateralised with the actual holdings of the relevant Cryptoasset, the materialisation of any of the risks regarding the Issuer can still result in the Issuer becoming less likely to be in a position to fully perform all of its respective obligations under the Securities when they fall due (*e.g.* due to operational constraints). As a result, the market value of the Securities may suffer. In addition, even if the Issuer is not actually less likely to be in a position to fully perform all of the obligations under the Securities when they fall due, market participants could nevertheless have a different perception.

The specific risk is that if any of these risks occur, third parties would only be willing to purchase Securities at a substantial discount relative to the price of the relevant Cryptoasset, which in turn may result in Securityholder's loss of the investment in the Securities.

2.2.4 Taxation risks relating to the Securities

Tax treatment of investment in the Securities may differ from tax treatment of investment in the relevant Cryptoasset

Tax treatment of an investment in the Securities may be less favourable than investment in the relevant Cryptoasset for a wide range of investors. Investors considering investments in the Securities should therefore seek independent legal, tax or investment advice in order to determine their potential tax liability (including but not limited to capital gains tax). Additionally, prospective investors' attention is drawn to the section entitled "*Taxation*" of this Base Prospectus and the other tax disclosures in this Base Prospectus. This Base Prospectus is, however, not intended to provide the basis of any evaluation of the taxation issues relevant to an investment in the Securities. Each Securityholder is solely responsible for all taxes which it may incur as a result of acquiring, holding or disposing of Securities in any jurisdiction relevant to it.

Taxation risks relating to the Securities and no gross-up

There is currently no tax certainty regarding the treatment of investments in cryptoassets across various jurisdictions due to the novelty of the asset class. Accordingly, the taxation of the Cryptoassets and associated investments can vary significantly from jurisdiction to jurisdiction and may be subject to change, potentially also with retroactive effect. Any change in the tax treatment of the Cryptoassets could result in the Issuer incurring additional taxes which would be deducted from the relevant Buy-Back Settlement Amount or Early Redemption Amount payable or deliverable with respect to the Securities. This would result in Securityholders receiving less than if such taxes had not been incurred.

Furthermore, the Issuer may become exposed to significant tax risks. Any major tax burden may hinder the Issuer's ability to maintain the listing of the Securities or require it to discontinue operations which may result in an Early Redemption Event as specified in Condition 9.4 or ultimately in the Issuer's insolvency, all of which may cause the Securityholders to sustain significant losses on their investment.

All payments and deliveries in respect of the Securities (including the relevant Buy-Back Settlement Amount or Early 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 (including a FATCA withholding as defined in Condition 14.4). 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. Accordingly, the Securityholders may receive a lower return than would be received on an investment where no withholding tax is payable or where the relevant issuer has an automatic obligation to gross up any payments to the securityholders. No Event of Default will occur as a result of any such withholding or deduction.

2.3 RISKS RELATING TO THE ISSUER

The following descriptions of the risk factors relating to the Issuer and their occurrence within a risk category should be understood as descriptions of residual risks, *i.e.* of the remaining risks following all counter measures taken in order to avoid such risks or limit their adverse effects.

2.3.1 Risks related to the Issuer's business activities

The Issuer is a special purpose vehicle

The Issuer has been established as a special purpose vehicle for the purpose of issuing debt securities and is subject to restrictions on the activities that it will undertake. While the Issuer is subject to general financial risks such as currency risk, liquidity risk and counterparty credit risk, the primary exposure of the Issuer is risk related to its activity as a special purpose vehicle for the purpose of issuing debt securities. Its sole activities shall be investing in the Cryptoassets which form the assets underlying the Securities of each Series and entering into and performing its obligations under agreements related to the foregoing. As of the date of this Base Prospectus, the Issuer has an issued and fully-paid up share capital of CHF 100,000. Other than the subscription moneys received in respect of the issued share capital (to the extent not used to discharge certain establishment expenses of the Issuer) and amounts standing to the credit of the Issuer Cash Account(s), the Issuer has, and will have, no assets other than in respect of a Series of Securities, any rights, property, sums or other assets on which such Series of Securities issued under the Programme are secured. This means that if the assets on which a Series of Securities are secured are not sufficient to meet the sums payable by the Issuer in respect of that Series, there are no other assets available to the Issuer to make those payments. In such circumstances, the Securityholders would not receive the amounts owing to them. This may even lead to the total loss of the amount invested by the Securityholders in the Securities.

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

The Issuer is structured to be insolvency-remote and will include in its contracts with other parties that they may not make any application for the commencement of winding-up or bankruptcy or similar proceedings under the laws of any jurisdiction against the Issuer. In addition, there are restrictions on the Securityholders, Buy-Back Payees and Transaction Parties bringing insolvency proceedings against the Issuer (see the risk factor entitled "*Limited recourse obligations, non-petition and related risks*"). If such provisions are upheld, it would be unlikely that the Issuer could become insolvent.

However, there is no guarantee that all claims that arise against the Issuer will be on a non-petition basis, 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 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 early termination.

Additionally, should the limited recourse or non-petition provisions be found to be unenforceable in a particular jurisdiction and as a result the Issuer becomes or is declared insolvent according to the law of any country having jurisdiction over it or any of its assets, the insolvency laws of that country may determine the validity of the claims of Securityholders and may prevent Securityholders from enforcing their rights or delay such enforcement. In particular, depending on the jurisdiction concerned and the nature of the assets and security, the Transaction Security created in favour of the Trustee may be set aside or ranked behind certain other creditors and the assets subject to such Transaction Security may be transferred to another person free of such Transaction Security.

In addition, certain jurisdictions have procedures designed to facilitate the survival of companies in financial difficulties. In such jurisdictions, the rights of the Trustee to enforce the Transaction Security may be limited or delayed by such procedures.

The Issuer does not have a long and comprehensive track record

The Issuer was registered with the commercial register of the Canton of Zurich, Switzerland on 5 August 2024. The Issuer therefore does not have a long and comprehensive track record of successfully carrying out the business activity described in this Base Prospectus. The Issuer is, however, appointing service providers that have experience in providing services for cryptoasset products. There is a risk that the Issuer will not be successful in issuing Securities which may affect the demand for and liquidity of any Series of Securities and the price of any Series of Securities. If the Issuer were to be unsuccessful in the issuance of Securities, the Issuer may cease its business activities as issuer or ultimately become insolvent. Although, the Issuer will take reasonable efforts to develop its business, there can be no assurance that the planned business activities will be successful in the future which could have an adverse impact on the Issuer's business and financial situation and could lead to a total loss for the Securityholders.

The Issuer is dependent on its reputation and the reputation of its service providers and counterparties

Due to the highly competitive market environment in the Issuer's core business (the issuance of securities linked to cryptoassets), the Issuer depends on its reputation and the reputation of its service providers and counterparties to maintain and grow its core business. Any material adverse event, such as (but not limited to) non-performance, defaults and insolvencies of service providers or counterparties, legal proceedings involving the Issuer or any service provider or counterparty or negative media reports on the Issuer or its service providers or counterparties, could impact the Issuer's reputation, which could depress the Issuer's capacity to attract investment for Series of Securities. This, in turn, could affect the demand for and liquidity of any Series of Securities and the price of any Series of Securities. If this triggers an Early Redemption Event in relation to a Series of Securities, this may result in the Issuer giving

an Early Redemption Notice and all Securities in that Series becoming subject to an Early Redemption (such risks are further described in the risk factor entitled "*Early Redemption Events and Events of Default*" above).

Risk of data breaches in relation to data about subscriptions and redemptions

The Issuer, the Administrator, the Transfer Agent, the Prime Execution Agent and the Arranger may maintain data about subscriptions for and redemptions of each Series of Securities. For every subscription or redemption, the Issuer, the Administrator, the Transfer Agent, the Prime Execution Agent and/or the Arranger may receive and maintain in relation to each subscribing or redeeming Securityholder, Authorised Participant and/or Non-AP Holder the following data: (i) proof of identity and/or incorporation documents; (ii) residence or incorporation address; (iii) certain bank and securities accounts details; (iv) Digital Wallet information; (v) contact information, and (vi) such other information as may be requested by the Issuer, the Administrator, the Transfer Agent, the Prime Execution Agent and/or the Arranger from time to time. A significant data breach may have wide reaching adverse effects, including trading losses and reputational damage, which may adversely impact the Issuer's core business and could therefore have a negative impact on the Issuer's capacity to attract and/or retain investors and therefore the value of the Securities.

2.3.2 Risk relating to service providers, counterparties and third parties

Risks relating to the Custodians

The Issuer's ability to meet its obligations with respect to the Securities will be dependent upon the performance by each relevant Custodian of its obligations under the relevant Custody Agreement. Consequently, the Securityholders are relying on the creditworthiness of the relevant Custodian.

In the event of an insolvency of a Custodian, the Cryptoassets held by such Custodian in the relevant Issuer Wallet for the benefit of the Issuer should be protected as such Cryptoassets should be identified separately from the assets of such Custodian and their other clients. However, there can be no assurance that the Issuer will be able to obtain delivery of and/or realise the Cryptoassets (whether in full or in part) held in the Issuer Wallet(s) with such Custodian on a timely basis. In addition, the Issuer could incur expenses in connection with having to assert its claims against the Cryptoassets even if title could properly be ascertained to belong to the Issuer.

Although each Custodian shall be required to segregate Cryptoassets held for the Issuer from any assets held by such Custodian for other clients and the Custodian's own assets, Securityholders will be at risk if a Custodian does not, in practice, maintain such a segregation. In order to mitigate the risk of the Custodian not segregating Underlying Cryptoassets, the Custody Agreements provide that each Custodian will maintain a list setting out the identifying information of Underlying Cryptoassets held by the Custodian for the benefit of the Issuer in the Issuer Wallet(s) and will update this list on at least a daily basis.

In addition, if the Cryptoassets are lost or stolen whilst held with a Custodian, the relevant Custodian may be unable to return the Underlying Cryptoassets or otherwise compensate the Issuer, which would result in a loss for the Issuer and, therefore, for Securityholders. For the impact of the Underlying Cryptoasset being lost or stolen, please see the risk factor entitled "*Risks relating to the custody and holding of cryptoassets underlying each Series and to the provision of services by the Custodian and the Prime Execution Agent*" above.

Reliance on the records of a Custodian

The definitive records of each relevant Custodian in respect of the Issuer Wallet(s) for each Series are prepared by its employees and its computer systems which track the amount of Underlying Cryptoasset in each account for each relevant Series of Securities. In the event that there are computer system failures or human errors in making any relevant entries to the records, then in the event of an insolvency of a Custodian it may be difficult to determine the

accuracy of any entries and such determination may take significant time, notwithstanding any business continuity plans that may be in place to mitigate such failures.

Cryptoassets are controllable only by the possessor of both the unique public key and private key or keys relating to the relevant cryptoasset network address, or "digital wallet", at which the cryptoasset is held. Private keys must be safeguarded and kept private in order to prevent a third-party from accessing the cryptoasset held in such wallet. The loss, theft, compromise or destruction of a private key required to access a cryptoasset may be irreversible. If a private key is lost, stolen, destroyed or otherwise compromised and no backup of the private key is accessible, the owner would be unable to access the cryptoasset corresponding to that private key and the private key will not be capable of being restored by the cryptoasset network resulting in the total loss of the value of the cryptoasset linked to the private key.

Credit risk exposure to the Prime Execution Agent

Whenever the Issuer has to effect a sale or purchase of Cryptoassets (including, but not limited to, Cash Subscriptions, Cash Redemptions and realisation of TER Cryptoasset), the Issuer may be required to pay cash and/or deliver Cryptoassets to its Trading Balance with the Prime Execution Agent prior to receipt in full of the cash proceeds of a Cryptoasset sale or Cryptoasset (as applicable).

In the event that the Prime Execution Agent becomes insolvent following such delivery of Cryptoasset or payment of cash (as applicable) by the Issuer to the Trading Balance but prior to either (a) the cash proceeds of a Cryptoasset sale being transferred from the Trading Balance to the Series Cash Account or (b) the Cryptoasset being transferred from the Trading Balance to the Issuer Wallet (as applicable), it may be difficult for the Issuer to recover the relevant Cryptoassets and/or cash (as applicable) and the Issuer could rank as an unsecured creditor of the Prime Execution Agent or have an omnibus claim alongside other creditors of the Prime Execution Agent. The Issuer may not be able to proceed against the Prime Execution Agent unless it is put in funds for such action.

Risks relating to the transfer of custody arrangements

It is expected that the custody arrangements will be transferred from Coinbase Custody International Limited to an affiliate of Coinbase Global Inc. ("**Coinbase Global**") (currently expected to be Coinbase Ireland Limited), once the affiliate entity receives its MiCA authorisation.

The process of transferring custody arrangements from one entity to another increases the risk that the Underlying Cryptoassets may be lost or stolen as the Underlying Cryptoasset must be moved from one cold wallet to another.

For the impact of the Underlying Cryptoasset being lost or stolen, please see the risk factor entitled "*Risks relating to the custody and holding of cryptoassets underlying each Series and to the provision of services by the Custodian and the Prime Execution Agent*" above.

There may also be risks arising from any need to retake (or reperfect) the related security interest following a transfer.

Prime Execution Agent's reliance on critical banking relationships

The Prime Execution Agent relies on bank accounts to provide its trading platform services, including temporarily holding any cash related to a customer's purchase or sale of Cryptoassets. To the extent that the Prime Execution Agent faces difficulty establishing or maintaining banking relationships, the loss of the Prime Execution Agent's banking partners or the imposition of operational restrictions by these banking partners and the inability for the Prime Execution Agent to utilise other financial institutions may result in a disruption of creation and redemption activity of the Issuer, or cause other operational disruptions or adverse effects for the Issuer.

The Issuer could also suffer losses in the event that a bank in which the Prime Execution Agent holds customer cash, including the cash associated with the Trading Balance (which is used by

the Prime Execution Agent to move cash flows associated with the Issuer's orders to buy and/or sell Cryptoassets) becomes insolvent.

Credit risk exposure to Account Bank

Where the Prime Execution Agent or a Cryptoasset Trading Counterparty has sold Cryptoassets in relation to a Cash Redemption, or an Authorised Participant has requested a Cash Subscription, the Prime Execution Agent, the relevant Cryptoasset Trading Counterparty or the relevant Authorised Participant (as applicable) will pay cash into the Series Cash Account for such Series of Securities opened and maintained by the Account Bank. In relation to a Cash Redemption, once Cryptoassets representing the aggregate Cryptoasset Entitlement in respect of the Securities subject to Cash Redemption have been sold, the Account Bank will pay such cash proceeds to the Securityholders to satisfy the Early Redemption Amount or Buy-Back Settlement Amount (as applicable). In relation to a Cash Subscription, a cash amount equal to the Subscription Settlement Amount for the relevant Subscription Order shall be transferred from the Series Cash Account to the Prime Execution Agent or Cryptoasset Trading Counterparty (as the case may be). While the cash is held by the Account Bank, the Issuer, and by extension, Securityholders will have credit exposure to the Account Bank. As the Account Bank will hold such cash as banker, in the event of insolvency of the Account Bank while holding such cash, the Issuer would be treated as a general creditor of the Account Bank in relation to such cash holdings.

Credit risk exposure to the Paying Agent

Payments from the Issuer to Securityholders in respect of a redemption of all outstanding Securities of a Series in accordance with the Conditions will be made by the relevant Paying Agent on behalf of the Issuer. Pursuant to the relevant Agency Agreement, the Issuer (or the Administrator, Transfer Agent or Arranger acting on its behalf) is required to transfer to the relevant Paying Agent such amount as may be due under the Securities on the day prior to the date on which such payment in respect of the Securities becomes due or such other date and time to be agreed between the Paying Agent and the Issuer (or the Administrator, Transfer Agent or Arranger acting on its behalf).

If the relevant Paying Agent, while holding funds for payment to Securityholders in respect of the Securities, is declared insolvent, the Securityholders may not receive all (or any part) of any amounts due to them in respect of the Securities from the relevant Paying Agent. The Issuer will still be liable to Securityholders in respect of such unpaid amounts but the Issuer may have insufficient assets to make such payments (or any part thereof) and Securityholders may not receive all, or any part, of any amounts due to them. Consequently, Securityholders are relying on the creditworthiness of the relevant Paying Agent in respect of the performance of its obligations under the relevant Agency Agreement to make or facilitate payments to Securityholders.

Risks relating to the Arranger

The Issuer will rely on the Arranger to facilitate the operation of each Series of Securities, including but not limited to, giving instructions in relation to subscriptions and redemptions of Securities and providing calculations to the other Transaction Parties (as set out in the Conditions, the Arranger Agreement and the other Transaction Documents). The Arranger may also assist the Issuer in making certain determinations on its behalf including in relation to Early Redemption Events, the calculation of Early Redemption Amounts and Disruption Events. The Issuer will also rely on the Arranger to pay, out of the Arranger's own resources, the agreed operational fees of the Issuer's service providers should the proceeds of sale of the Cryptoassets be insufficient to cover such costs in full, in addition to the costs of setting up the Issuer and the costs of setting up a Series of Securities prior to the launch of such Series. The Issuer may rely on the Arranger's assistance without the consent of the Securityholders, the Trustee or the other Transaction Parties. The Arranger has no obligations to the Securityholders in relation to such role.

If the Arranger is unable to fulfil this role, provides incorrect information (including instructions and calculations), or if its recommendations have a negative impact on the value of the

Securities, this may lead to a loss for Securityholders. If the Arranger is unable to pay for the agreed fees and costs of the Issuer as described above, such fees and costs could reduce the Underlying Cryptoassets held by the Issuer for each Series and thereby reduce the ability of the Issuer to hold sufficient Cryptoassets to back the Cryptoasset Entitlement in full for each Series, which may lead to a loss for Securityholders.

Risks relating to service providers generally

Cryptoassets are known for their high volatility, unique technical, legal and regulatory challenges, and rapidly evolving market dynamics. The Issuer's service providers' limited experience in this specific field may not fully equip them to navigate these complexities effectively.

The past performance of the service providers in other investment vehicles or relating to other assets are no indication of their ability to arrange the issuance of the Securities. The unique nature of cryptoassets makes past performance an unreliable indicator of future success in this area. The cryptoasset market is technology-driven and requires a deep understanding of the underlying blockchain technology and security considerations. The service providers' limited experience may not fully encompass the technical expertise required to mitigate risks such as cyber threats, technological failures, or operational errors related to cryptoasset transactions and custody.

Should the service providers' experience prove inadequate or unsuitable for arranging a cryptoasset-based investment like the Securities, it could result in suboptimal decision-making, increased operational risks, and potential legal or regulatory non-compliance. These factors could adversely affect the Issuer's operations, leading to potential losses for investors or a decrease in the value of the Securities.

Additionally, in certain limited circumstances the Initial Trade Credit Lender may be entitled to provide instructions with respect to the transfer of the assets held with the Custodian with respect to a Series outside the Transaction Security in order to repay amounts due and payable to the Initial Trade Credit Lender by the Issuer under the Initial Trade Credit Agreement. If the Initial Trade Credit Lender were to provide an incorrect instruction, there is a risk that the assets available to the Issuer with respect to a Series would be reduced leading to potential losses for investors.

Conflict of interest risks relating to activities of Transaction Parties

The Transaction Parties may participate in transactions related to Cryptoassets, either for their own account (subject to certain internal employee trading operating practices) or for the account of others, such as clients, and such transactions may occur prior to, during, or after the commencement of this offering. Such transactions may not serve to benefit the Securityholders and may have a positive or negative effect on the value of the relevant Cryptoassets held by the Issuer and, consequently, on the value of the Securities.

As these parties may trade Cryptoassets for their own accounts at the same time as the Issuer, prospective Securityholders should be aware that such persons may take positions in Cryptoassets which are opposite, or ahead of, the positions taken for the Issuer. There can be no assurance that any of the foregoing will not have an adverse effect on the performance of Securities.

Transaction Parties and their affiliates may also issue securities or tokens or enter into financial instruments in relation to the relevant Cryptoassets. Such activities could present certain conflicts of interest, could adversely affect the price and liquidity of the Securities and may have an adverse effect on the value of the Securities.

A Transaction Party and/or its affiliates may be entitled to receive fees or other payments under or in connection with other products linked to the relevant Cryptoassets or otherwise and to exercise all rights, including rights of termination or resignation, which they may have, even though so doing may have a detrimental effect on investors in the Securities.

A Transaction Party and/or its affiliates may, from time to time, by virtue of such activities and their status as arranger, adviser or otherwise, possess or have access to information relating to the relevant Cryptoassets and/or the other Transaction Parties. There is no obligation on any Transaction Party to disclose to any investor in the Securities any such information.

A Transaction Party and/or its affiliates may, as an issuer or counterparty of Cryptoasset-linked obligations or transactions, engage in activities designed to reduce its exposure to the risk of adverse price movements that may impact on the prices of the Cryptoasset on any particular day, meaning it may be different from the level which it would otherwise have been, whether directly or indirectly. Such activities may have an adverse effect on the value of the Securities.

The Prime Execution Agreement provides that the Coinbase entities party thereto (the "**Coinbase Entities**") may have actual or potential conflicts of interest in connection with providing the services pursuant to the Prime Execution Agreement (the "**Prime Execution Services**"). As a result of these and other conflicts, when acting as principal, the Coinbase Entities may have an incentive to favour their own interests and the interests of their affiliates over the Issuer's interests and have in place certain policies and procedures that are designed to mitigate such conflicts. For further details please see the section entitled "*Description of the Custody Arrangements and the Prime Execution Agreement*" below.

When carrying out its duties, the Trustee will have regard to the interests of the Securityholders in a Series of Securities as a class and is not required to have regard to the interests or consequences for a specific Securityholder or Relevant Beneficial Holder.

Conflict of interest risks relating to the activities of the BlackRock Group

The activities of the Arranger and its affiliates (the "**BlackRock Group**") in the management of, or their interest in, their own accounts and other accounts they manage, may present conflicts of interest that could disadvantage the Issuer and its Securityholders. The Arranger and its affiliates provide services to other investment vehicles and clients that may follow an investment programme similar to that of the Issuer. The Arranger and its affiliates collectively are involved worldwide with a broad spectrum of financial services and asset management activities and may engage in the ordinary course of business in activities in which their interests or the interests of their clients may conflict with those of the Issuer and its Securityholders. The Arranger and/or affiliates act or may act as an investor, investment banker, research provider, investment manager, financier, underwriter, advisor, market maker, trader, prime execution agent, lender, agent and principal, and have other direct and indirect interests, in assets in which the Issuer invests. For example, as of the date of this Base Prospectus, an affiliate of the Arranger holds a position in bitcoin, initially for the purpose of making a seed investment in a US private bitcoin trust formed in 2022. An affiliate of the Arranger may also hold a position in a cryptoasset for the purpose of making a seed investment in a Series of Securities of the Issuer. Additionally, various funds managed by affiliates of the Arranger have from time to time held long positions in the cash-settled bitcoin futures market of CME Group and may hold long positions in other cryptoasset futures markets. Further, various officers and employees of the Arranger may hold or have exposures to bitcoin in various degrees given the current state of global adoption of bitcoin.

Any member within the BlackRock Group, and any of the directors of the foregoing, may have an interest in the Issuer or in any transaction effected with or for it, or a relationship of any description with any other person, which may involve a potential conflict with their respective duties to the Issuer and/or Arranger, and none of them will be liable to account for any profit or remuneration derived from so doing.

The BlackRock Group expects to receive compensation from an affiliate of the Custodian for the BlackRock Group's technology support of such affiliate's enhanced integration with the Aladdin Platform, and a portion of such compensation may be based on the use of such affiliate's products and services by Aladdin clients.

Mr Robert Majewski, who is a Director of the Issuer, is also an employee of the BlackRock Group (though not of the Arranger itself) and consequently is connected with the Arranger as he is employed by its affiliate.

The BlackRock Group is one of the world's largest asset management firms. The BlackRock Group, its subsidiaries and their respective officers and employees, like Mr Majewski, are engaged worldwide in activities that include managing securities for other clients who may have interests other than (and which may be contrary to) those of the Issuer or a Securityholder. These activities and interests may include multiple advisory, financial and other relationships with, or interests in, issuers of securities or other instruments that may also be purchased or sold by the Issuer. As a result, officers and employees of the BlackRock Group, like Mr Majewski, may have obligations to such other businesses or their clients in respect of those interests.

These are considerations of which a Securityholder should be aware, and which may give rise to an actual, potential or perceived conflict, where the interests between Mr Majewski's role as a Director and his connection with the Arranger could diverge from those of the Issuer or Securityholders generally. While the BlackRock Group maintains a conflicts of interest policy, it is not always possible for the risk of detriment to a client's interests to be entirely mitigated such that, on every transaction when acting for clients, a risk of detriment to their interests does not remain. Mr Majewski will comply with his regulatory obligation to disclose to the Issuer any potential conflict of interest between his role as Director to the Issuer and as an employee of the BlackRock Group.

Conflict of interest risks relating to the activities of Apex entities

Additionally, Mr Damjan Cosic and Mr Dylan McGrath, who are Directors of the Issuer, are also employees of Apex Corporate Services (Schweiz) GmbH (though not of the Trustee or Share Trustee themselves). Consequently, they are connected with the Trustee and Share Trustee as they are employed by an affiliate of the Trustee and Share Trustee.

There may also be considerations where the interests between Mr Damjan Cosic and Mr Dylan McGrath roles' as Directors and their connections with the Trustee could diverge from those of the Issuer or Securityholders generally. While Apex Group Limited ("**Apex**") maintains a conflicts of interest policy, it is not always possible for the risk of detriment to a client's interests to be entirely mitigated such that, on every transaction when acting for clients, a risk of detriment to their interests does not remain. Mr Damjan Cosic and Mr Dylan McGrath will comply with their regulatory obligations to disclose to the Issuer any potential conflict of interest between their role as Directors to the Issuer and as an employee of Apex.

2.3.3 Legal and regulatory risks

Potential impact of changes in law or regulation on the Issuer and the Programme

The Issuer's business is issuing Series of Securities linked to Cryptoassets. Although some financial supervisory authorities in Switzerland or across Europe may restrict trading in Cryptoassets and/or the categories of market participants which may deal with Cryptoassets, the Issuer is not currently required to be licensed, registered or authorised under any securities, commodities, banking or financial services laws of its jurisdiction of incorporation. However, there can be no guarantee that legal and regulatory requirements will not change in the future to require this. In addition, the regulatory authorities in one or more other jurisdictions relevant to the Issuer's business may determine that the Issuer is required to be licensed, registered or authorised under the securities, commodities, banking or financial services laws of that jurisdiction. Any such requirement or change could require the Issuer to obtain licences, registrations or authorisations or even make it impossible for the Issuer to perform its current business. The Issuer may not be granted such licences, registrations or authorisations or it may face severe financial implications as a result of obtaining or seeking to obtain them. Failure to obtain and maintain any required approvals, certifications, permits and licences could lead to substantial sanctions, including criminal, civil or administrative penalties and/or increased regulatory scrutiny, and liability for damages. In certain cases, the Issuer could also be forced to suspend operations until it obtains required approvals, certifications, permits or licences or otherwise brings its operations into compliance. Compliance with these regulatory requirements may be difficult and costly and it may impact the manner in which the Issuer operates, which could adversely affect its performance.

Any such requirement or change could consequently have an adverse impact on the Issuer in terms of increasing the cost of it doing business and/or limiting its ability to continue to operate and may adversely impact the holders of Securities by reducing the value of their investment. It may also result in the Issuer (at its discretion) giving a Change in Law or Regulation Redemption Notice in relation to a Series of Securities and therefore the Securities becoming subject to Early Redemption (see the risk factor entitled "*Early Redemption Events and Events of Default*" above).

Risks related to regulation of cryptoassets

The return on the Securities of a Series is linked to the performance of the Cryptoassets for that Series. There is a lack of regulatory consensus regarding the regulation of relevant cryptoassets in some jurisdictions and regulatory regimes governing cryptoassets are likely to evolve rapidly. Legislative, executive regulatory and self-regulatory bodies in different jurisdictions may, in the future, adopt or amend laws, regulations, guidance, or other actions which may severely affect the future development of cryptoassets and the growth of the markets for this asset class. This may affect the adoption, utility and performance of each Series of Securities. It is possible that future regulatory developments would restrict or prohibit the purchase and/or direct or indirect investment in cryptoassets, which may, in turn, restrict the ability of investors to redeem pursuant to the Conditions. Failure by the Issuer or certain investors to comply with any laws, rules and regulations, some of which may not exist yet or are subject to interpretation and may be subject to change, could result in regulatory action, including civil penalties and fines and may negatively affect the rights of investors under a Series of Securities.

Risks related to regulation of cryptoasset service providers and counterparties

The regulation of entities providing services in relation to cryptoassets, such as entities involved in the custody of or arranging and/or executing transactions in cryptoassets, may be subject to change and rapid development. In particular, Regulation (EU) 2023/1114 on markets in cryptoassets and amending Regulations (EU) No 1093/2010 and (EU) No 1095/2020 and Directives 2013/36/EU and (EU) 2019/1937 ("**MiCA**") will come into force in phases from 2024, and certain provisions will be fully applicable during and from 2024. Amongst other things, MiCA requires certain cryptoasset service providers to be authorised in the EU and to comply with certain standards. It is possible that such service providers will incur costs, which may be significant, as a result of the implementation of MiCA, development of standards related to MiCA and potential future development of other regulations applicable to cryptoasset service providers.

In addition, in October 2023 the UK government announced that it proposes to adopt legislation under which certain activities relating to certain cryptoassets would be regulated, triggering a requirement for firms undertaking those activities to become authorised by the relevant UK financial services regulator and to subsequently comply with regulatory requirements for the conduct of those activities. At this stage much of the detail of this proposed regime remains uncertain. Once the regime comes into force, entities that must become authorised and comply with these regulatory requirements may incur costs as a result of compliance, which may be significant.

Costs incurred by the Transaction Parties and/or the Issuer as a result of MiCA, the UK's proposed cryptoasset regulatory regime or other developments in the regulation of cryptoasset service providers may result in an increase in the Issuer's costs, which could in turn result in an increase to the Total Expense Ratio of one or more Series of Securities and/or other fees and costs payable by Authorised Participants and Non-AP Holders in connection with Subscription Orders and Buy-Back Orders. An increase in the Total Expense Ratio will result in the Cryptoasset Entitlement in respect of a Series of Securities reducing at a faster rate. Such changes in law or regulation may also result in a Change in Law or Regulation Redemption Event (see the risk factor entitled "*Early Redemption Events and Events of Default*" above). Future developments may also restrict the ability of the relevant service providers to continue to provide their services to the Issuer, which could result in a variety of adverse consequences, including the need for the Issuer to change service providers or ultimately cease to offer the Securities.

If new regulations are introduced in Switzerland to require service providers for the provision of custody of, advising on, arranging transactions in, or other services relating to cryptoassets, to be regulated in Switzerland, this may require the Issuer to change its service providers, for example to change its custodian to a custodian that is regulated under Swiss regulations. The impact on the services received by the Issuer for a Series, and by extension its Securityholders, would depend on the differences between the relevant regulations.

Risk of breaches in the compliance processes of the Issuer or its service providers

The Issuer does not carry out any business other than the issuance of securities which are secured by the relevant Cryptoasset and does not safekeep, administer and/or protect cryptographic values or private cryptographic keys for others. As a result, the Issuer does not require any licences, regulatory authorisations or permissions or similar and is therefore not subject to extensive regulatory compliance requirements. The Issuer relies on the Authorised Participants, the Arranger, the Prime Execution Agent and the Custodian (each of whom are regulated financial institutions) to perform compliance checks.

Any breach of the compliance processes of the Issuer, the Authorised Participants, the Prime Execution Agent, the Custodian, the Arranger and/or other service providers could have a material adverse effect on the Issuer's core business, including reputational damage and significant legal and financial impact.

Dependence on authorisations for listing and trading of the Securities

In relation to the Securities to be issued under this Base Prospectus, application will be made to Xetra as well as to any further stock exchange in the EEA, Switzerland and/or the United Kingdom for the Securities to be admitted to trading on the regulated market of any such stock exchange (as specified in the relevant Final Terms). In relation to such Securities to be admitted to trading on the regulated market of Xetra or of any such other stock exchange, the Issuer depends on Xetra's authorisation and the permissibility under the rules and regulations of Germany and/or the authorisation and permissibility of any such other further stock exchange, as the case may be, to continue issuing and listing, as applicable, Series of Securities. Any change to the listing requirements, the regulation of the Securities, or the acceptance of Cryptoassets as the underlying asset could adversely impact the Issuer, the value and liquidity of a Series of Securities and investors in such Series of Securities. If any authorisation risk materialises, this could have a material adverse effect on the Issuer's business and financial situation.

Recharacterisation as a collective investment scheme or alternative investment fund

The Securities do not qualify as units of a collective investment scheme according to the relevant provisions of the Swiss Federal Act on Collective Investment Schemes of 15 June 2018 (*CISA, SR 951.31*), as amended, and are not registered thereunder. Therefore, neither the Securities nor the Issuer are governed by the CISA or approved or supervised by FINMA. Accordingly, investors do not have the benefit of the specific investor protection provided under the CISA. Investors should be aware that they are exposed to the credit risk of the Issuer and that the collateralisation of the Securities does not fully eliminate this risk.

The Securities are issued in the form of debt securities and are intended to be listed as non-equity securities in Germany. Nevertheless, there can be no assurance that the courts or regulatory authorities in any jurisdiction would not apply a different interpretation to the characterisation of the Securities, including recharacterising the Securities as units in a collective investment scheme or in an alternative investment fund under CISA, Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No 1095/2010 (the "**EU AIFMD**") or the UK's Alternative Investment Fund Managers Regulations 2013/1773 ("**UK AIFMD**").

Any such recharacterisation could have significant consequences, including but not limited to potentially necessitating the appointment of an authorised fund manager to manage the Issuer, requiring the management of the Issuer to comply with numerous regulatory standards and

restricting the ability of the Securities to be offered to certain investors. Compliance with any such requirements could materially increase costs for the Issuer and it is possible that the Issuer would instead cease to issue Securities and redeem the Securities then outstanding. In the event of such recharacterisation, it is also possible that the Issuer and related parties would be subject to penalties including censure and significant fines for the historic operation of the product other than in accordance with requirements applicable to collective investment schemes and/or alternative investment funds.

3. GENERAL INFORMATION ON THE BASE PROSPECTUS

3.1 IMPORTANT NOTICES

The Base Prospectus should be read and construed with any supplement hereto and with any documents incorporated by reference and, in relation to any issue of a Series of Securities, with the relevant Final Terms and must be interpreted accordingly.

No person has been authorised to give any information or to make any representation not contained in or not consistent with the Base Prospectus or any other document entered into in relation to the Base Prospectus or any information supplied by the Issuer or such other information as is in the public domain and, if given or made, such information or representation should not be relied upon as having been authorised by the Issuer or any financial intermediary (including Authorised Participants) with consent to use this Base Prospectus (see section "*4. Consent to use this Base Prospectus*").

Neither the Base Prospectus nor any Final Terms constitute an offer or a solicitation of an offer to purchase any Securities and should not be considered as a recommendation by the Issuer or the Arranger that any recipient of the Base Prospectus or any Final Terms should subscribe for or purchase any Securities.

Neither the delivery of the Base Prospectus or any Final Terms nor the offering, sale or delivery of any Securities shall, in any circumstances, create any implication that the information contained in the Base Prospectus is subsequent to the date hereof or the date upon which the Base Prospectus has been most recently amended or supplemented true and that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the prospects or financial or trading position of the Issuer.

The contents of the Base Prospectus will be updated in accordance with the provisions of the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (the "**Prospectus Regulation**").

The distribution of the Base Prospectus and any Final Terms, and any offering material relating to the Securities and the offering, sale and delivery of the Securities in certain jurisdictions may be restricted by law. Nobody may use the Base Prospectus or any Final Terms for the purpose of an offer or solicitation if in any jurisdiction such use would be unlawful. Persons into whose possession the Base Prospectus or any Final Terms comes are required by the Issuer and the financial intermediaries (including Authorised Participants) with consent to use this Base Prospectus to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Securities and on the distribution of the Base Prospectus or any Final Terms and other offering material relating to the Securities, see section "*10. Subscription, Sale and Offer of the Securities*".

Securities issued under this Base Prospectus have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"). The Securities are being offered outside the United States of America (the "**United States**" or "**U.S.**") in accordance with Regulation S under the Securities Act ("**Regulation S**"), and may not be offered, sold or delivered within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

This Base Prospectus may not be used for the purposes of an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised, or to any person to whom it is unlawful to make such offer or solicitation. The distribution of this Base Prospectus and the offering or sale of the Securities in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus comes are required by the Issuer, all Authorised Participants and the Arranger to inform themselves about and to observe any such restrictions.

The validity of this Base Prospectus will expire on 6 February 2026. After this date, the obligation to prepare a supplement in the event of significant new factors, material mistakes or material inaccuracies shall no longer apply.

To the extent that the Securities are distributed to retail investors in an European Economic Area ("**EEA**") jurisdiction and/or Switzerland (as applicable), the Directors will ensure that a key information document is issued in respect of each Series of Securities for retail investors located in the EEA, pursuant to the PRIIPs Regulation (as defined below), as may be amended from time to time (any such key information document hereinafter referred to as the "**KID**"). Such KID constitutes a foreign equivalent document within the meaning of article 59(2) of the Federal Act on Financial Services of 15 June 2018 (SR 950.1) ("**FinSA**") for the purposes of Swiss law. EEA and Swiss retail investors can refer to the KID for the relevant Securities for details of, principally, the purpose of the Securities, the summary risk indicator, performance scenarios, the summary cost indicator and the recommended holding period for the relevant Securities in accordance with Regulation (EU) No 1286/2014 on key information documents for packaged retail and insurance-based investment products, as may be amended from time to time (the "**PRIIPs Regulation**").

This Base Prospectus is not intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer, the Arranger or any Transaction Party that any recipient of this Base Prospectus should purchase the Securities. Prospective purchasers of Securities should ensure that they understand the nature of the Securities and the risks relating to an investment in the Securities and should consider the suitability of the Securities as an investment in the light of their own circumstances and financial condition.

The Securities involve a significant degree of risk and potential investors should be prepared to sustain a loss of all or part of their investment. It is the responsibility of prospective purchasers to ensure that they have sufficient knowledge, experience and professional advice to make their own legal, financial, tax, accounting and other business evaluation of the merits and risks of investing in the Securities and prospective purchasers should not rely on receiving any advice from the Issuer, the Arranger or any Transaction Party in that regard. Investors should read this Base Prospectus, including, without limitation, the section headed "Risk Factors" set out on page 11 onwards of this Base Prospectus, before investing in the Securities.

The Securities are not subject to the approval of, or supervision by, the Swiss Financial Market Supervisory Authority ("FINMA") and investors in the Securities will not benefit from supervision by FINMA. Securities issued under the Programme do not constitute participations in a collective investment scheme within the meaning of the Swiss Federal Act on Collective Investment Schemes of 23 June 2006 ("CISA"), as amended. Securities issued under the Programme are neither issued nor guaranteed by a Swiss financial intermediary. Investors are exposed to the credit risk of the Issuer.

None of the Arranger or any Transaction Party has separately verified the information contained in this Base Prospectus (save as otherwise provided above) and accordingly none of them makes any representation, recommendation or warranty, express or implied, regarding the accuracy, adequacy, reasonableness or completeness of the information contained herein or in any further information, notice or other document which may, at any time, be supplied in connection with the Securities or their distribution and none of them accepts any responsibility or liability therefor. None of the Arranger or any Transaction Party undertakes to review the financial condition or affairs of the Issuer during the life of the arrangements contemplated by this Base Prospectus or to advise any investor or potential investor in the Securities of any information coming to their attention.

No person has been authorised to give any information or to make any representation other than those contained in this Base Prospectus 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, the Arranger, any Authorised Participant, the Administrator, the Transfer Agent, the Registrar, any Paying Agent, the Custodian(s), the Prime Execution Agent, any Trade Credit Lender or any Cryptoasset Trading Counterparty. Neither

the delivery of this Base Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer or any Transaction Party since the date hereof 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 or any Transaction Party since the date hereof 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 at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

This document is not, and does not purport to be, investment advice, and none of the Issuer, the Arranger or any Transaction Party makes any recommendation as to the suitability of the Securities as an investment. The provision of this document to prospective investors is not based on any prospective investor's individual circumstances and should not be relied upon as an assessment of suitability for any prospective investor in the Securities, even if the Issuer, the Arranger or a Transaction Party possesses information as to the objectives of any prospective investor in relation to any transaction, series of transactions or trading strategy. Any trading or investment decisions a prospective investor takes are in reliance on its own analysis and judgement and/or that of its advisers.

None of the Issuer, the Arranger, any Transaction Party nor any affiliate of such persons has or assumes responsibility for the lawfulness of the acquisition of the Securities by a prospective purchaser of the Securities (whether for its own account or for the account of any third party), whether under the laws of the jurisdiction of its incorporation or any jurisdiction in which it operates (if different), or for compliance by that prospective purchaser (or any such third party) with any law, regulation or regulatory policy applicable to it.

Investment activities of certain investors are subject to investment laws and regulations or review or regulation by certain authorities. 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:

(i) is fully consistent with its (or, if it is acquiring the Securities in a fiduciary capacity, the beneficiary's) financial needs, objectives and condition;

(ii) complies and is fully consistent with all investment policies, guidelines and restrictions applicable to it (and, if it is acquiring the Securities in a fiduciary capacity, the beneficiary);

(iii) is not a breach of any legal, contractual or regulatory restrictions applicable to it; and

(iv) is a fit, proper and suitable investment for it (or, if it is acquiring the Securities in a fiduciary capacity, for the beneficiary), notwithstanding the clear and substantial risks inherent in investing in or holding the Securities.

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

A prospective investor should, without any reliance on the Issuer, the Arranger, any Transaction Party or any of their affiliates, conduct its own thorough analysis (including its own accounting, legal, regulatory, financial and tax analysis) prior to deciding whether to invest in any Securities issued under the Programme. Any evaluation of the suitability for an investor of an investment in Securities issued under the Programme depends upon that prospective investor's particular financial and other circumstances, investment objectives, risk tolerance, ability to bear financial loss as well as on the specific terms of the relevant Securities. An investment in the Securities may be suitable for investors who:

(i) are a professional or, where permitted in the relevant investor's jurisdiction, retail investor seeking to achieve investment objectives which align with those of the relevant Securities in the context of the investor's overall portfolio;

(ii) have sufficient knowledge and experience to make a meaningful evaluation of the Securities and to make an investment decision based on the information set out in this Base Prospectus and the relevant KID (applicable for EEA and Swiss retail investors) or, alternatively, to obtain professional investment, tax and other advice;

(iii) are able to bear capital and income risk and understand that the underlying asset class may be subject to significant risks and pricing volatility; and

(iv) have an asset base sufficiently substantial as to enable them to sustain any loss of an investment in the relevant Securities and have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Securities including, without limitation, any currency exposure arising from the currency for payments being different to the prospective investor's currency.

Prospective investors should not invest in the Securities unless they are prepared to lose all the money that they invest. This is a high risk investment and investors should not expect to be protected if something goes wrong.

If a prospective investor is in any doubt as to whether the Securities are a suitable investment for it, it should consult with appropriate advisers prior to deciding whether or not to make an investment in the Securities.

No person other than the Issuer will be obliged to make payments on the Securities of any Series and the Securities issued under the Programme will not be guaranteed or insured by, or be the responsibility of, any other entity.

An investment in the Securities will not have the status of a bank deposit and will not be within the scope of any deposit protection scheme or any client money protection scheme.

The language of this Base Prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

Prospective investors and investors are referred to the privacy notice of the Issuer, or on behalf of, the Issuer (the "**Privacy Notice**").

The Privacy Notice explains, among other things, how the Issuer processes personal data about individuals who invest in the Securities or apply to invest in the Securities and personal data about the directors, officers, employees and ultimate beneficial owners of institutional investors, that is received by the Issuer (or on its behalf), is processed.

The Privacy Notice may be updated from time to time. The latest version of the Privacy Notice is available at www.ishares.com.

If you would like further information on the collection, use, disclosure, transfer or processing of your personal data or the exercise of any of the rights in relation to personal data as set out in the Privacy Notice, please address questions and requests to: The Data Protection Officer, BlackRock, 12 Throgmorton Avenue, London, EC2N 2DL.

3.2 FORM AND PUBLICATION OF THE BASE PROSPECTUS

This document constitutes a base prospectus within the meaning of Article 8(1) of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (the "**Prospectus Regulation**") of iShares Digital Assets AG (the "**Base Prospectus**"). This Base Prospectus and the relevant final terms (the "**Final Terms**") for any issue of Securities will be published in electronic form together with all documents incorporated by reference on the website of the Issuer (www.ishares.com). The product webpage for the relevant Series can be reached by navigating to the investor's country on the website and using the search function to search for the name of the relevant Series. This Base Prospectus has been approved by the *Bundesanstalt für Finanzdienstleistungsaufsicht* ("**BaFin**") in its capacity as competent authority under the Prospectus Regulation.

3.3 APPROVAL AND NOTIFICATION OF THE BASE PROSPECTUS

(a) This Base Prospectus has been approved by the BaFin as competent authority under Regulation (EU) 2017/1129.

(b) The BaFin only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129.

(c) Such approval should not be considered as an endorsement of the Issuer or the quality of the Securities that are the subject of this Base Prospectus.

(d) Investors should make their own assessment as to the suitability of investing in the Securities.

In order to be able to conduct a public offer and/or a listing of the Securities on a regulated market (within the meaning of Article 2 j) of the Prospectus Regulation), the Issuer has requested or will request a notification of the Base Prospectus pursuant to Article 25 of the Prospectus Regulation (the "**EEA Passport**") into Austria, Denmark, Finland, France, Italy, the Netherlands, Norway and Sweden. The Issuer reserves the right to apply to BaFin for EEA Passports into further EEA states.

This Base Prospectus will be deemed to have been approved by the Swiss Review Body in accordance with article 54 (2) FinSA upon the filing of this Base Prospectus with such Swiss Review Body.

3.4 RESPONSIBILITY STATEMENT

iShares Digital Assets AG with its registered office at Seestrasse 5, 8002 Zurich, Switzerland accepts responsibility for the information contained in this Base Prospectus and declares that to the best of its knowledge the information contained in this Base Prospectus is in accordance with the facts and that the Base Prospectus makes no omission likely to affect its import.

3.5 THIRD PARTY INFORMATION

Where information has been sourced from a third party, the Issuer confirms that this information has been accurately reproduced and that as far as the issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

3.6 INCORPORATION BY REFERENCE

The pages specified below of the following document which has been published or which is published simultaneously with this Base Prospectus and filed with BaFin shall, in accordance with Article 19(1) *lit*. (d) of the Prospectus Regulation, be incorporated by reference into section 5.8.3 *Interim Financial Information* of this Base Prospectus, and shall form part of, this Base Prospectus (the "**Document Incorporated by Reference**"):

The interim financial statements of the Issuer from the date of its incorporation (5 August 2024) to 30 November 2024 in accordance with IFRS together with an independent auditor's report:

Information incorporated by reference	Page reference (to the relevant pages of the PDF copy)
1 Financial Statements	
1.1 Statement of comprehensive income	5
1.2 Statement of financial position	6
1.3 Statement of changes in equity	7
1.4 Statement of cash flows	8
1.5 Notes to the financial statements	9-12
2 Report of the Independent Auditor	3 and 4

Only certain parts of the Document Incorporated by Reference are incorporated by reference. The non-incorporated parts of the Document Incorporated by Reference are either not relevant for the investors or covered elsewhere in the Prospectus.

The Document Incorporated by Reference has been filed with BaFin. It is available free of charge by the Issuer at its registered office and can be found at https://www.ishares.com/de/professionelle-anleger/de/literature/interim-report/ishares-digital-assets-ag-en.pdf (for professional investors) and https://www.ishares.com/de/privatanleger/de/literature/interim-report/ishares-digital-assets-ag-en.pdf (for retail investors).

3.7 DOCUMENTS ON DISPLAY

For so long as Securities may be issued pursuant to this Base Prospectus and for so long as any listed Securities remain outstanding, copies of the current version of each of the documents specified below (together with all earlier versions of such documents to the extent that there are Securities of any Series outstanding in respect of which the version in question of such document is still relevant), during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted), for inspection at the specified office of the Arranger:

- the Trust Deed;
- the Articles of Association of the Issuer;
- this Base Prospectus together with any supplement hereto;
- each Security Agreement;
- each set of Final Terms;
- each KID;
- each of the documents incorporated by reference herein; and
- such other documents (if any) as may be required by the rules of any Relevant Stock Exchange.

The Issuer reserves the right to redact certain provisions from the copies of the above listed documents for security / data protection reasons.

For so long as Securities may be issued pursuant to this Base Prospectus and for so long as any listed Securities remain outstanding, this Base Prospectus and any supplement thereto will be available in electronic format on the website maintained on behalf of the Issuer at www.ishares.com. The product webpage for the relevant Series can be reached by navigating to the investor's country on the website and using the search function to search for the name of the relevant Series (for example "iShares Bitcoin ETP").

4. CONSENT TO USE THE BASE PROSPECTUS

Each financial intermediary (including Authorised Participants) subsequently reselling or finally placing a Series of Securities - if and to the extent this is so expressed in the Final Terms relating to a particular Series of Securities - is entitled to use this Base Prospectus in Germany and the Host Member States for the subsequent resale or final placement of the Securities comprised in such Series of Securities during the relevant offer period (as set out in the relevant Final Terms) during which a subsequent resale or final placement of the Securities can be made, provided however, that this Base Prospectus is still valid in accordance with the Prospectus Regulation. The Issuer accepts responsibility for the information given in this Base Prospectus also with respect to such subsequent resale or final placement of the Securities.

The Issuer's consent to use this Base Prospectus for the subsequent resale or final placement of Securities by the financial intermediaries may be restricted to certain jurisdictions and subject to conditions as stated in the relevant Final Terms.

This Base Prospectus and the relevant Final Terms may only be delivered to potential investors together with all supplements published before such delivery. Any supplement to this Base Prospectus will be available for viewing in electronic form on the website of the Issuer (www.ishares.com) and on the website of the European Securities and Markets Authority (https://www.esma.europa.eu).

When using this Base Prospectus and the relevant Final Terms, each financial intermediary must make certain that it complies with all applicable laws and regulations in force in the respective jurisdictions.

In the event of an offer being made by a financial intermediary, such financial intermediary shall provide information to investors on the Terms and Conditions of a Series of Securities at the time of that offer.

Any financial intermediary using this Base Prospectus shall state on its website that it uses this Base Prospectus and the relevant Final Terms in accordance with this consent and the conditions attached to this consent.

5. DESCRIPTION OF THE ISSUER

5.1 INFORMATION ABOUT ISHARES DIGITAL ASSETS AG

5.1.1 Corporate Information

The Issuer's legal and commercial name is iShares Digital Assets AG (the "**Issuer**").

The Issuer is a stock corporation (*Aktiengesellschaft*) organised and existing under the laws of Switzerland for an unlimited duration. The Issuer was incorporated on 5 August 2024 and first registered with the Commercial Register of the Canton of Zurich under the company register number CHE-267.176.567.

The founders of the Issuer are as follows: Apex TSI Limited.

As a special purpose vehicle which has been established primarily for the issuance of securities, the Issuer does not conduct any operational business except for the business activity as described below (section 5.2 "*Business Overview*"). The Issuer has no employees.

The registered office of the Issuer is at Seestrasse 5, 8002 Zurich, Switzerland.

The telephone number is +41 43 488 4350.

The Issuer's Legal Entity Identifier (LEI) is 529900SWRY4YFHG55I08.

The Issuer does not intend to carry out crypto-custody-business within the meaning of section 1 (1a) sentence 2 no 6 of the German Banking Act (*Kreditwesengesetz* – "**KWG**") and therefore does not require a banking license pursuant to section 32 KWG. The Issuer itself does not safekeep, administrate and/or protect cryptographic values or private cryptographic keys for itself or others. The Cryptoassets owned by the Issuer, and the corresponding cryptographic keys, are held by the Custodian.

5.1.2 Website

The website maintained by or on behalf of the Issuer at www.ishares.com or any replacement therefor notified to Securityholders. Unless specifically incorporated by reference into this Base Prospectus, information contained on the website does not form part of this Base Prospectus.

Any websites included in this Base Prospectus are for information purposes only and do not form part of this Base Prospectus unless incorporated by reference into this Base Prospectus.

5.1.3 Share Capital

The registered share capital of the Issuer amounts to CHF 100,000, divided into 100,000 registered shares with a par value of CHF 1.00 each. The share capital has been fully paid up. All shares carry the same rights and obligations. The shares were created under Swiss law.

The Issuer does not have any contingent capital or a capital band.

Voting rights

Each registered share carries one vote at general meetings. Voting rights may be exercised only after a shareholder has been registered in the Issuer's share register as a shareholder with voting rights.

Pre-emptive rights

Under Swiss law, any share issue, whether for cash or non-cash consideration, is subject to the prior approval of the shareholders at a general meeting. Shareholders of the Issuer have certain pre-emptive rights (*Bezugsrechte* and *Vorwegzeichnungsrechte*) to subscribe for new issued shares and, priority subscription rights, warrants, option bonds, convertible bonds, or similar debt instruments with option rights in proportion to the nominal value of shares held. A resolution adopted at a general meeting with a super-majority of at least two-thirds of the shares and the

absolute majority of the nominal share capital represented at such meeting may repeal, limit or suspend pre-emptive rights in certain limited circumstances.

Allocation of annual net profits and dividends

Dividends may be paid only if the Issuer has sufficient distributable profits or sufficient free reserves to allow the distribution of a dividend. Swiss law generally requires that at least 5% of the annual net profits of a holding company must be retained by the company as general reserves for as long as such reserves amount to less than 20% of the company's paid-in nominal share capital. Any net profits remaining are at the disposal of the general meeting. In addition, the distribution of dividends is dependent upon the company's dividend policy, earnings, its financial condition, the condition of the markets, the general economic climate and other factors, including cash requirements, business prospects and tax, regulatory and other legal considerations. The allocation of the net profits of a company is approved at the general meeting. Under Swiss law, the proposal of the board of directors to distribute dividends requires the approval of the general meeting and must be based upon audited financial statements. Furthermore, the company's auditors must confirm that the dividend proposal of the board of directors conforms to law and the Articles of Association. The Issuer may distribute interim dividends, i.e. dividends from distributable net profits of the current financial year, based on audited interim financial statements upon the proposal of the board of directors and the approval of the general meeting.

Dividends are usually due and payable not earlier than three days after the shareholders' resolution relating to the allocation of profits has been passed. The statute of limitations in respect of dividend payments is five years.

5.1.4 **Recent Events**

No recent events particular to Issuer have occurred, which are to a material extent relevant to the evaluation of the Issuer's solvency.

5.1.5 **Statutory Auditors**

PricewaterhouseCoopers AG with their registered office at Birchstrasse 160, Postfach, 8050 Zurich, Switzerland have on 9 August 2024 been appointed as the first independent auditors of the Issuer after the founding of the Issuer. PricewaterhouseCoopers AG is a member of EXPERTSuisse and is supervised by and registered with the Swiss Federal Audit Oversight Authority (FAOA), and its register number currently is 500003.

5.1.6 **Borrowing and funding structure and financing of activities**

The activities of the Issuer are expected to be financed by the issuance of the Securities under this Base Prospectus over time. In accordance with the terms of the Arranger Agreement, the Arranger will pay for the costs of setting up the Issuer and the costs of setting up a Series arising prior to launch of such Series out of its own resources. This arrangement is not conditional on a Series being launched or the number of Securities issued for each Series.

5.2 **BUSINESS OVERVIEW**

Pursuant to article 2 of the Issuer's articles of association, the purpose of the Issuer is to issue listed and exchange-traded as well as non-listed privately placed financial products and related services in Switzerland and worldwide. Any activity subject to FINMA authorisation is excluded. The Issuer may undertake all commercial, financial and other activities suitable to promote or related to the Issuer's purpose. The Issuer is empowered to open domestic and foreign branches and subsidiaries and to acquire and sell companies and enterprises.

The Issuer's articles of association have not been revised since the Issuer was incorporated on 5 August 2024 and are published on the Issuer Website at www.ishares.com.

The Issuer may carry on any business directly or indirectly connected with its business purpose and may also carry on any activities which may be directly or indirectly conducive to the promotion of the business purpose of the Issuer. The Issuer may also establish, acquire or

dispose of subsidiaries or branches in Switzerland and abroad or acquire interests in other companies.

The Base Prospectus does not contain any statements made by the Issuer regarding its competitive position.

5.3 ORGANISATIONAL STRUCTURE

The Issuer is not part of a group. The board of directors is solely responsible for the management of the affairs of the company. It has not delegated the management of the affairs of the company to individual directors or third parties.

5.4 TREND INFORMATION

5.4.1 Material Adverse Change in the Prospects of iShares Digital Assets AG

There has been no material adverse change in the prospects of the Issuer since 30 November 2024.

5.4.2 Significant Changes in the Financial Performance

There has been no significant change in the financial performance of the Issuer since 30 November 2024.

5.4.3 Additional Information on Trends

There are no known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Issuer's prospects for the current financial year.

5.5 PROFIT FORECASTS AND ESTIMATES

The Base Prospectus does not include any forecasts or estimates.

5.6 ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

5.6.1 Directors

The Organisational Regulations of the Issuer provide that a majority of the board of directors may not be directors, officers or employees of the Arranger and its affiliates.

As at the date of this Base Prospectus, the Directors of the Issuer are as follows:

Damjan Cosic: Mr Cosic is a Managing Director and Head of Corporate Services for Apex Corporate Services (Schweiz) GmbH in Switzerland, is based in Zurich and has headed Apex Corporate Services (Schweiz) GmbH business for the past seven years. As Managing Director, Mr Cosic oversees all operational aspects of the service teams across different service lines.

Mr Cosic has held roles within Apex for more than 14 years, including during the acquisitions of Capita plc in 2011 and Link Group in 2017 (publicly listed financial institutions), where he had extensive responsibilities for management accounting, covenant compliance analysis, treasury activities, tax, audits, regulatory reporting, and management of intra-group lending and company secretarial services.

Mr Cosic's professional background is in the field of statutory and internal audits and risk and compliance services. Mr Cosic started his career with KPMG Croatia in 2000 in the audit practice, graduated from Zagreb University, in Business Administration & Accounting. Mr Cosic is also a Fellow ACCA (Association of Chartered Certified Accountants) member and his working languages are English, Croatian and German.

Dylan McGrath: Mr McGrath is Client Director/Managing Officer and Client and Digital Assets Services Manager at Apex Corporate Services (Schweiz) GmbH in Switzerland. Mr McGrath is based in Zurich and has been with Apex in Switzerland for over 9 years.

In the digital asset space, Mr McGrath oversees the administration, reporting and processing of issuances of exchange traded products listed on Swiss and European stock exchanges, backed by digital assets, across multiple strategies, including single asset and index tracking products, as well as yield and staking products.

Mr McGrath started his career with Kempinski at their corporate office in Geneva as a corporate accountant. He graduated from the University of Liverpool with a Masters in International Finance and Accounting. He is also currently studying towards becoming a Fellow ACCA (Association of Chartered Certified Accountants) member. His working languages are English (native) and German (intermediate).

Robert Majewski: Mr Majewski CFA, CAIA, FRM, Director, is a Head of Risk Management at BlackRock Asset Management Switzerland AG. Mr Majewski is a member of the Risk and Quantitative Analysis Group, and as Head of Risk Management at BlackRock Asset Management Schweiz AG he is responsible for implementing and maintaining an effective risk management framework to ensure compliance with regulatory requirements across all areas of risk. Mr Majewski is based in Zurich and has been with BlackRock in Switzerland for over 6 years.

Mr Majewski has more than 20 years of professional experience in risk management and asset management. Prior to his current position at BlackRock, he was a Senior Risk Analyst at Credit Suisse Funds AG, where he led the risk management reporting team and was responsible for the overall risk reporting production for the Boards and Executive Committees of different fund management companies.

Mr Majewski earned a Masters in Banking and Finance at the University of Basel in 2004. He is a CFA, FRM and CAIA charterholder and is a member of the CFA Society Switzerland. Mr Majewski is also the Chairman of the Asset Management Association Switzerland Risk Management expert committee.

The business address of the directors is the same as the registered office of the Issuer.

As at the date of this Base Prospectus, Robert Majewski is connected with the Arranger and its affiliates. For the avoidance of doubt, he shall not be liable to account to the Issuer in respect of such conflict, for example, as a result of receiving remuneration as a director and employee of the Arranger and/or its affiliates.

Apex Corporate Services (Schweiz) GmbH is the corporate secretary of the Issuer. Its duties include the provision of registered office and corporate secretarial services and certain administration services, including beneficial ownership register support services. The appointment of the corporate secretary may be terminated by the Issuer giving not less than 3 months' notice and the corporate secretary may retire upon not less than 6 months' written notice.

5.6.2 Potential Conflicts of Interest

Mr Damjan Cosic and Mr Dylan McGrath, who are Directors of the Issuer, are also employees of Apex Corporate Services (Schweiz) GmbH (though not of the Trustee or Share Trustee themselves). Consequently, they are connected with the Trustee and Share Trustee as they are employed by an affiliate of the Trustee and Share Trustee.

There may be considerations where the interests between Mr Damjan Cosic and Mr Dylan McGrath roles' as Directors and their connections with the Trustee could diverge from those of the Issuer or Securityholders generally. While Apex Group Limited ("**Apex**") maintains a conflicts of interest policy, it is not always possible for the risk of detriment to a client's interests to be entirely mitigated such that, on every transaction when acting for clients, a risk of detriment to their interests does not remain. Mr Damjan Cosic and Mr Dylan McGrath will comply with their regulatory obligations to disclose to the Issuer any potential conflict of interest between their role as Directors to the Issuer and as an employee of Apex.

Mr Robert Majewski, who is a Director of the Issuer, is also an employee of the BlackRock Group (though not of the Arranger itself) and consequently is connected with the Arranger as he is employed by its affiliate.

These may be considerations where the interest between Mr Majewski's role as a Director and his connection with the Arranger could diverge from those of the Issuer or Securityholders generally. While the BlackRock Group maintains a conflicts of interest policy, it is not always possible for the risk of detriment to a client's interests to be entirely mitigated such that, on every transaction when acting for clients, a risk of detriment to their interests does not remain. Mr Majewski will comply with his regulatory obligation to disclose to the Issuer any potential conflict of interest between his role as Director to the Issuer and as an employee of the BlackRock Group.

Aside from the above, the Directors have declared that no potential conflicts of interest between any duties to the Issuer and their private interest or other duties exist.

5.7 MAJOR SHAREHOLDERS

Apex TSI Limited, as share trustee (the "**Share Trustee**") is the sole shareholder of the Issuer. Under the terms of a declaration of trust (the "**Declaration of Trust**") that was amended and restated on 3 October 2024, the Share Trustee holds the shares on trust for charitable purposes. The Share Trustee has no beneficial interest in and derives no benefit (other than its fees for acting as Share Trustee) from its holding of the shares of the Issuer. There are no arrangements, known to the Issuer, the operation of which may at a subsequent date result in a change in control of the Issuer.

5.8 FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFIT AND LOSSES

5.8.1 Historical Annual Financial Information

The financial year of the Issuer is the calendar year. The Issuer was incorporated on 5 August 2024 and a first annual report will be prepared as of and for the year ending 31 December 2024. The Issuer will publish yearly financial statements for each financial year.

5.8.2 **Auditing of Historical Annual Financial Information**

The audited annual financial statements of the Issuer for each financial year will be prepared in accordance with International Financial Reporting Standards ("**IFRS**") as adopted by the European Union and will also incorporate legal and regulatory requirements. The Issuer will publish half-yearly financial statements for each financial year within two months following the end of the first half of the financial year. The Issuer will publish yearly financial statements for each financial year within four months of the end of the financial year.

Physical copies of the half-yearly and yearly financial statements are available upon request.

5.8.3 **Interim Financial Information**

Interim financial information from the date of incorporation of the Issuer to the 30 November 2024 have been prepared in accordance with IFRS. The audited interim financial information of the Issuer together with an independent auditor's report is incorporated by reference into this Base Prospectus (as detailed under "*3.6. Incorporation by Reference*"). The Issuer will publish half-yearly financial statements for each financial year.

5.8.4 **Significant Changes in the Financial Position**

There has been no significant change in the financial position of the Issuer since 30 November 2024.

5.8.5 **Litigation and Arbitration 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 Issuer's establishment, a significant effect on the financial position or profitability of the Issuer.

5.9 **MATERIAL CONTRACTS**

The Issuer has entered into the following agreements (with respect to the agreements entered into on or around the date of this Base Prospectus) or will enter into the following agreements (with respect to the agreements to be entered into on or around the Series Issue Date in relation to a Series of Securities) and has conducted or will conduct, as the case may be, the following transactions which are material to the Issuer's ability to meet its obligations to Securityholders. All agreements have an infinite term. It can, however, not be excluded that the Issuer, will not terminate agreements and enter into other agreements in the future.

The following is a summary of certain provisions of such agreements relating to the Programme and the Securities and should be read in conjunction with the rest of this Base Prospectus. The summaries below are of certain provisions of the agreements and do not purport to be complete and are subject to the detailed provisions of the relevant agreements.

Capitalised terms used in the summaries below but not defined therein shall have the meanings given to such terms in the Conditions.

5.9.1 **Trust Deed**

The Issuer will enter into a trust deed dated on or about the Series Issue Date of the iShares Bitcoin ETP Series of the Securities issued under the Programme (such trust deed as further modified and/or supplemented and/or restated from time to time, the "**Trust Deed**") with the Arranger and Apex Corporate Trustees (UK) Limited (the "**Trustee**", which expression shall include any successor as Trustee and any other person or persons from time to time acting as Trustee under the Trust Deed). The Trust Deed constitutes the Securities and contains the covenants of the Issuer with respect to the Securities which are held on trust by the Trustee for and on behalf of the Securityholders.

In respect of each Series of Securities, the Trust Deed will constitute the Securities of the relevant Series and will set out the various obligations of the Issuer and the rights and obligations of the Trustee.

The Trust Deed will contain the Issuer's covenant to the Trustee to pay any Early Redemption Amount or Buy-Back Settlement Amount (as applicable) and the Issuer's covenant to the Trustee to deliver Cryptoassets in respect of Securities subject to a Physical Redemption, in each case in accordance with the Conditions.

The Trust Deed will also contain provisions relating to the Issuer's duty to provide various persons with information, to prepare and display certain information (including, but not limited to, notices of Events of Default or Early Redemption Events and copies of annual financial statements), only to do such things as are contemplated in the Trust Deed (most importantly, in relation to the issue of the Securities of the relevant Series) and its duties with respect to its obligations under such Securities.

The Trustee acts for the benefit of the Securityholders for the time being of the Securities (as defined in the Conditions) in accordance with the provisions of the Trust Deed.

With respect to modifications and waivers, the Trust Deed provides as follows:

(a) in the circumstances set out in Clause 8.1.3 of the Trust Deed (as set out in full in Condition 18.2 (*Modification and Waiver (without Trustee Consent)*)), the Trustee shall, without the consent or sanction of any of the Securityholders or any other Secured Creditor, take any action or execute any agreement the Issuer requires in order to give effect to any modification, amendment, waiver or supplement made by the Issuer (without the consent of the Trustee) in accordance with Condition 18.2 (*Modification and Waiver (without Trustee Consent)*);

(b) in the circumstances set out in Clause 8.1.1 of the Trust Deed (as set out in full in Condition 18.3 (*Modification and Waiver with the agreement of the Trustee (Reliance on Issuer Certificate*))), the Trustee shall, without the consent or sanction of any of the Securityholders or any other Secured Creditor, concur with the Issuer in making certain modifications, amendments, waivers and supplements to the Conditions and/or the Transaction Documents provided that the Trustee has received a certificate from the Issuer in the form specified in the Trust Deed certifying that modifications, amendments, waivers and supplements are properly made in accordance with Condition 18.3 (*Modification and Waiver with the agreement of the Trustee (Reliance on Issuer Certificate*)); and

(c) in the circumstances set out in Clause 8.1.2 of the Trust Deed (as set out in Condition 18.4 (*Modification with the agreement in Trustee (Trustee Discretion)*)), the Trustee may, without the consent or sanction of any of the Securityholders or any other Secured Creditor, concur with the Issuer in making certain modifications, amendments, waivers and supplements to the Conditions and/or the Transaction Documents provided that such modification is not materially prejudicial to the interests of the Securityholders of a Series.

The statements in the Conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed.

5.9.2 Master Services Agreement

The Issuer will enter into an English law governed master services agreement with the Arranger, the Administrator, the Transfer Agent and the Trustee (such master services agreement as further modified and/or supplemented and/or restated from time to time, the "**Master Services Agreement**") to appoint The Bank of New York Mellon (International) Limited to provide the Issuer with administration, and transfer agency services in relation to each Series of Securities (in such capacities the "**Administrator**" and the "**Transfer Agent**"). The Arranger is also a party to the agreement in order to perform certain obligations on the Issuer's behalf.

The Master Services Agreement sets out the duties and obligations of the Administrator and Transfer Agent and the basis for their liability, remuneration and indemnification. It also sets out the standard of service expected of them, requirements applicable to subcontracting of services, procedure for the remediation of breaches, compensation payable by them in respect of breaches, their record keeping obligations as well as monitoring, inspection and audit rights of the Issuer. Any variation in the appointment of the Administrator will not be effective unless the Arranger and the Administrator have consented to such variation or as otherwise permitted pursuant to the Master Services Agreement.

The services provided pursuant to the Master Services Agreement shall include (i) administration services and (ii) transfer agency services in relation to each Series of Securities.

In particular, the obligations of the Administrator shall include (but not be limited to) determining the Cryptoasset Entitlement in respect of each Series of Securities for each day during the term of the relevant Securities.

Under the Master Services Agreement, the Administrator and Transfer Agent are required to provide their services diligently with the level of skill, care and technical ability expected of a first class provider of similar services. They will be liable for any losses suffered by the Issuer to the extent arising from their negligence, fraud, bad faith, wilful default, recklessness, breach of contract, breach of applicable laws and breach of confidentiality obligations or that of their sub-contractors. The agreement provides for them to indemnify the Arranger and the Issuer for losses arising from third party claims if such losses are based on breach by them of their data protection, information security, or confidentiality obligations.

The Master Services Agreement also provides for certain indemnities from the Issuer in favour of the Administrator and Transfer Agent otherwise than due to their negligence, fraud, bad faith, wilful default, recklessness, breach of contract, breach of applicable laws and breach of confidentiality obligations or that of their sub-contractors.

The Issuer may terminate the appointment of the Administrator and/or the Transfer Agent in one or more capacities under the Master Services Agreement on or after the agreed initial term without reason, on giving not less than three months' notice. Notwithstanding the foregoing, the Issuer may, at any time, terminate the appointment of the Administrator in one or more capacities under the Master Services Agreement with immediate effect if (among other things) the Administrator:

(a) commits material breach of its duties or obligations under the Master Services Agreement (which is not remedied within 30 days of notification);

(b) materially fails to comply with applicable laws (which is not remedied within 30 days of notification);

(c) ceases to maintain regulatory approvals required to provide the services and fails to rectify if permitted by the regulatory authority;

(d) is found to be guilty of misconduct by regulatory authorities in the conduct of its business areas providing the services where such misconduct is of sufficient materiality to make it reasonable for the Issuer to terminate;

(e) becomes insolvent; or

(f) undergoes a change of control in certain circumstances.

The Administrator may terminate the Services (in whole or in part) at any time by notice to the Issuer and the Arranger on the occurrence of certain events, including (but not limited to) a breach by the Issuer or the Arranger of certain material obligations, including material breach by the Issuer of its obligation to indemnify or adhere to its confidentiality obligations (which is not remedied within 30 days of notification) and failure to pay fees. Following the agreed initial term the Administrator may also terminate the Master Services Agreement on giving at least six months' prior notice to that effect.

Following service of a notice of termination, the Administrator and the Transfer Agent shall be required to continue providing the relevant services for an additional period not exceeding 24 months from the effective date of the termination in accordance with the terms of the Master Services Agreement.

5.9.3 **Custody Agreements and Prime Execution Agreements**

In respect of each Series of Securities, the Issuer and the Custodian will have entered into an Irish law governed custody agreement and the Issuer will have entered into a New York law governed prime execution agreement with the Prime Execution Agent.

The Custody Agreement

The Issuer will enter into the Custody Agreement with the Custodian, which as at the date of this Base Prospectus is Coinbase Custody International Limited. The Issuer may, in its sole discretion, add, terminate or change custodians and it will have no obligation whatsoever to do so or to seek any particular terms for the Issuer from such alternative or additional custodians (other than the right to secure any of the Issuer's rights or assets under such arrangement in favour of the Trustee in accordance with the Conditions).

The Custodian will keep custody of all of the Issuer's Cryptoassets in segregated accounts in the Issuer Wallet, other than the Issuer's Cryptoassets which are temporarily maintained in the Trading Balance with the Prime Execution Agent as described below in "*The Prime Execution Agreement*". Issuer assets held in the Issuer Wallet are held in segregated wallets, and are not commingled with the Custodian's or its affiliates' assets, or the assets of the Custodian's other customers. The Issuer Wallet is held at blockchain addresses at which only the Issuer's assets are held.

The Custodian will keep all of the private keys associated with the Issuer's Cryptoassets held at the Custodian in the Issuer Wallet in cold storage. Cold storage is a safeguarding method by which the private key material corresponding to the relevant Cryptoasset is (are) generated and stored in an offline manner. Private key material is generated in offline computers or devices that are not connected to the internet so that they are more resistant to being hacked. The Custodian has confirmed that no single individual has access to full private keys. The Custodian's internal audit team performs periodic internal audits over custody operations, and the Custodian has confirmed that Systems and Organizational Control ("**SOC**") attestations covering private key management controls are also performed on the Custodian by an external provider.

In the event of a fork, the Custody Agreement provides that the Custodian may temporarily suspend services, and may, in their sole discretion, determine whether or not to support (or cease supporting) either branch of the forked protocol entirely, **provided that** the Custodian shall use commercially reasonable efforts to avoid ceasing to support both branches of such forked protocol and will support, at a minimum, the original digital asset. The Custody Agreement further provides that, unless specifically communicated by the Custodian and its affiliates through a written public statement on the Prime Execution Agent's website, the Custodian does not support airdrops, metacoins, coloured coins, side chains, or other derivative, enhanced or forked protocols, tokens or coins, which supplement or interact with bitcoin.

Subject to the provisions below relating to the Initial Trade Credit Lender, the Custodian is not permitted to withdraw the Issuer's Cryptoassets from the Issuer Wallet, or loan, hypothecate, pledge or otherwise encumber the Issuer's Cryptoassets, without the consent of the Issuer.

Under the Custody Agreement, the Custodian's liability is limited in scope and the aggregate liability is capped, including as follows: (i) other than with respect to claims and losses arising from fraud or wilful misconduct, among others, the Custodian's aggregate liability under the Custody Agreement shall not exceed the greater of (A) the greater of (x) $5 million and (y) the aggregate fees paid by the Issuer to the Custodian in the 12 months prior to the event giving rise to the Custodian's liability, and (B) the value of the affected bitcoin or cash giving rise to the Custodian's liability; (ii) the Custodian's aggregate liability in respect of each cold storage

address shall not exceed $100 million; (iii) in respect of the Custodian's obligations to indemnify the Issuer and its affiliates against third-party claims and losses to the extent arising out of or relating to, among others, the Custodian's violation of any law, rule or regulation with respect to the provision of its services, the Custodian's liability shall not exceed the greater of (A) $5 million and (B) the aggregate fees paid by the Issuer to the Custodian in the 12 months prior to the event giving rise to the Custodian's liability; and (iv) in respect of any incidental, indirect, special, punitive, consequential or similar losses, the Custodian is not liable, even if the Custodian has been advised of or knew or should have known of the possibility thereof. The Custodian is not liable for delays, suspension of operations, failure in performance, or interruption of service to the extent it is directly due to a cause or condition beyond the reasonable control of the Custodian.

The Custody Agreement is governed by Irish law and provides that disputes arising under it are subject to arbitration. The Custodian may not terminate the Custody Agreement or suspend, restrict, terminate or modify the custodial services on less than 180 days' notice to the Issuer, except in the event of (i) a Coinbase Change in Law (as defined below) or (ii) for certain limited fault-based circumstances ("**Cause**"), including material breach of the Custody Agreement (and such breach remains uncured for a period of 30 calendar days) or a bankruptcy event. The Custody Agreement may be terminated in accordance with the termination provisions set out in the Prime Execution Agreement, including the provision of the Transition Services during the Transition Period and the Issuer's termination rights (as described in more detail in "*The Prime Execution Agreement*" below).

The Prime Execution Agreement

Pursuant to the Prime Execution Agreement, the Issuer's Cryptoasset holdings and cash holdings from time to time in respect of a Series of Securities may be temporarily held with the Prime Execution Agent, an affiliate of the Custodian, in the Trading Balance, including in connection with creations and redemptions of Securities of such Series, and the sale of TER Cryptoassets.

The Issuer may, in its sole discretion, add, terminate or change prime execution agents at any time but it will have no obligation whatsoever to do so or to seek any particular terms for the Issuer from such alternative or additional prime execution agents (other than the right to secure any of the Issuer's rights or assets under such arrangement in favour of the Trustee in accordance with the Conditions).

The Trading Balance represents an entitlement to a *pro rata* share of the Cryptoassets and/or cash the Prime Execution Agent holds on behalf of customers who hold similar entitlements against the Prime Execution Agent. The Trading Balance represents an omnibus claim on the Prime Execution Agent's Cryptoasset and/or cash held on behalf of the Prime Execution Agent's customers. There are no policies that would limit the amount of Cryptoasset that can be held temporarily in the Trading Balance maintained by the Prime Execution Agent. However, Cryptoassets are only moved into the Trading Balance in connection with and to the extent of purchases, sales and transfers of Cryptoassets by the Issuer and such Cryptoassets are swept from the Trading Balance to the Issuer Wallet each trading day pursuant to a regular end-of-day sweep process. The Prime Execution Agent has confirmed to the Issuer and the Arranger that it keeps the majority of assets in cold wallets, to promote security, while the balance of assets is kept in hot wallets to facilitate rapid withdrawals. The Prime Execution Agent has further confirmed to the Issuer and the Arranger that the percentage of assets maintained in cold versus hot storage is determined by ongoing risk analysis and market dynamics, in which the Prime Execution Agent attempts to balance anticipated liquidity needs for its customers as a class against the anticipated greater security of cold storage. To the extent applicable, the Issuer's use of Trade Credits and early order cutoffs are also designed to limit the amount of time that any of the Issuer's Cryptoassets is held in the Trading Balance.

The Prime Execution Agent is not required by the Prime Execution Agreement to hold any of the Cryptoassets in the Trading Balance in cold storage or to hold any such Cryptoassets in segregation, and neither the Issuer nor the Arranger can control the method by which the Prime Execution Agent holds the Cryptoassets credited to the Trading Balance.

The Prime Execution Agent relies on bank accounts to provide its trading platform services and including temporarily holding any cash related to a customer's purchase or sale of Cryptoassets. In particular, the Prime Execution Agent has disclosed that customer cash held by the Prime Execution Agent, including the cash associated with the Trading Balance, is held in for benefit of ("**FBO**") accounts with one or more banks ("**FBO Accounts**") for the benefit of the Prime Execution Agent's customers, and/or in eligible money market funds rated "AAA" by S&P (or the equivalent from any eligible rating service), provided that such investments are held in accounts in Coinbase's name for the benefit of customers and are held in accordance with applicable laws and/or regulatory approval, as applicable. The Prime Execution Agent has confirmed to the Issuer that it has implemented the following policy with respect to the cash associated with the Trading Balance. First any cash related to the Issuer's purchase or sale of Cryptoassets will be held in an FBO Account or in an eligible money market fund. The amount of Issuer cash held at each FBO Account shall, unless otherwise agreed by the Issuer in writing, be in an amount at each bank that is the lower of (i) the Federal Deposit Insurance Corporation ("**FDIC**") insurance limit for deposit insurance (or the equivalent in the relevant jurisdiction) and (ii) any bank-specific limit set by the Prime Execution Agent for the applicable bank. Deposit insurance does not apply to cash held in an eligible money market fund. The Prime Execution Agent has agreed to title the accounts in a manner designed to enable receipt of FDIC deposit insurance (or the equivalent in the relevant jurisdiction) where applicable on a pass-through basis. Second, to the extent the Issuer's cash in the Trading Balance in aggregate exceeds the amounts that can be maintained at the banks on the foregoing basis, the Prime Execution Agent has confirmed that it currently conducts an overnight sweep of the excess into eligible money market funds.

To the extent the Issuer sells Cryptoassets through the Prime Execution Agent, the Issuer's orders will be executed at trading venues that have been approved in accordance with the Prime Execution Agent's due diligence and risk assessment process (the "**Connected Trading Venues**"). The Prime Execution Agent has confirmed that its due diligence on Connected Trading Venues includes reviews conducted by the legal, compliance, security, privacy and finance and credit-risk teams.

The Issuer has not independently verified the Prime Execution Agent's representations and/or any confirmations provided by the Prime Execution Agent.

To the extent that the Issuer permits Directed Cash Dealings and enters into cryptoasset trading agreements directly with one or more Cryptoasset Trading Counterparties other than the Prime Execution Agent it may be possible for Authorised Participants to request Cryptoasset orders be placed with such Cryptoasset Trading Counterparties (or, for the avoidance of doubt, the Prime Execution Agent). In that case the Issuer will be able to directly instruct trades with such Cryptoasset Trading Counterparties and not merely through the Prime Execution Agent.

There are a number of circumstances in which a conflict can arise in relation to the execution of orders by the Prime Execution Agent. For example, orders may be routed to the Prime Execution Agents own execution venue and Prime Execution Agent may act in a principal capacity with respect to certain orders. Subject to the foregoing, and to certain policies and procedures that the Prime Execution Agreement requires the Prime Execution Agent to have in place to mitigate conflicts of interest when executing the Issuer's orders, the Prime Execution Agreement provides that the Prime Execution Agent shall have no liability, obligation, or responsibility whatsoever for the selection or performance of any Connected Trading Venue, and that other Connected Trading Venues and/or trading venues not used by the Prime Execution Agent may offer better prices and/or lower costs than the Connected Trading Venue used to execute the Issuer's orders.

Coinbase Global maintains a commercial crime insurance policy, which is intended to cover the loss of client assets held by Coinbase Global and all of its subsidiaries, including the Prime Execution Agent, including from employee collusion or fraud, physical loss including theft, damage of key material, security breach or hack, and fraudulent transfer. The insurance maintained by Coinbase Global is shared among all of Coinbase and its subsidiaries' customers, is not specific to the Issuer or to customers holding Cryptoassets with the Custodian or Prime Execution Agent and may not be available or sufficient to protect the Issuer from all possible losses or sources of losses.

The Prime Execution Agent is permitted to suspend or terminate the Prime Execution Agreement under certain circumstances. The Prime Execution Agent, for itself or as agent for the Custodian and Initial Trade Credit Lender, may not terminate the Prime Execution Agreement (including the Custody Agreement) or suspend, restrict terminate or modify the Prime Execution Services on less than 180 days' notice to the Issuer, except in the event of (i) any change in or adoption of any applicable law, rule, or regulation which, in the reasonable opinion of counsel to Coinbase will prohibit or materially impede some or all of the arrangement contemplated by the Prime Execution Agreement (a "**Coinbase Change in Law**") or (ii) for Cause.

In the event of Coinbase Change in Law, a truncated time period can apply which in some cases can be immediate, **provided that**, any such suspension, restriction, termination or modification is narrowly tailored and, to the extent not prohibited by the Coinbase Change in Law, the Coinbase Entities will continue to provide, at a minimum, services relating to custody of the Issuer's assets and access to the Prime Execution Agent's trading platform and execution and settlement of order (the "**Transition Services**") following any Coinbase Change in Law.

Notwithstanding any termination of the Prime Execution Agreement by the Prime Execution Agent for Cause, for a 180-day period commencing on the date the Issuer is notified of any termination for Cause (the "**Transition Period**") the Coinbase Entities or their affiliates shall continue to provide the Transition Services and render such assistance as the Issuer may reasonably request to enable the continuation and orderly assumption of the Transition Services to be effected by the Issuer, its affiliate or any alternative service provider and shall continue to provide the Transition Services pursuant to the Prime Execution Agreement, except to the extent any Transition Service is prohibited under applicable law.

The Issuer may terminate the Prime Execution Agreement, including the Custody Agreement, in whole or in part for any reason upon 30 days' notice to the Prime Execution Agent, for itself or as agent on behalf of the Custodian or Initial Trade Credit Lender, or, subject to any notice requirement and cure period that may apply, immediately upon certain limited fault-based circumstances in respect of a Coinbase Entity (including, among others, a bankruptcy event).

Under certain circumstances, the Prime Execution Agent is permitted to halt or suspend trading on the Prime Execution Agent's platform, or impose limits on the amount or size of, or reject, the Issuer's orders, including in the event of, among others, (a) delays, suspension of operations, failure in performance, or interruption of service that are directly due to a cause or condition beyond the reasonable control of the Prime Execution Agent, (b) the Issuer has engaged in unlawful or abusive activities or fraud, or (c) a security or technology issue occurred and is continuing that results in the Prime Execution Agent being unable to provide trading services or accept the Issuer's order, in each case, subject to certain protections for the Issuer.

Subject to the provisions below relating to the Initial Trade Credit Lender, neither the Prime Execution Agent nor any other Coinbase Entity is permitted to withdraw the Issuer's Cryptoassets from the Issuer Wallet, or loan, hypothecate, pledge or otherwise encumber the Issuer's Cryptoassets, without the consent of the Issuer.

Under the Prime Execution Agreement, there are equivalent limitations in scope of the liability and the aggregate liability is capped as set out in more detail in respect of the Custody Agreement above. Both the Issuer and the Prime Execution Agent and its affiliates (including the Custodian) are required to indemnify each other under certain circumstances.

The Prime Execution Agreement (other than the Custody Agreement) is governed by New York law and provides that disputes arising under it are subject to arbitration.

The Initial Trade Credit Lender

To avoid having to pre-fund purchases or sales of Cryptoassets in connection with Cash Subscriptions, Cash Redemptions and to pay TER, to the extent applicable, the Issuer may, in its sole discretion, borrow Cryptoassets or cash (a "**Trade Credit**") from the Initial Trade Credit Lender on a short-term basis.

This allows the Issuer to buy or sell Cryptoassets through the Prime Execution Agent in an amount that exceeds the cash or Cryptoassets credited to the Trading Balance at the Prime Execution Agent at the time such order is submitted to the Prime Execution Agent, which is expected to facilitate the Issuer's ability to process cash creations and redemptions and to pay fees and expenses, to the extent applicable, in a timely manner by seeking to lock in the Cryptoasset price on the trade date for creations and redemptions or the payment date for payment of fees, rather than waiting for the funds associated with the creation to be transferred by the Account Bank to the Prime Execution Agent prior to purchasing the Cryptoassets or for the Cryptoassets held in the Issuer Wallet to be transferred to a Trading Balance prior to selling the Cryptoassets.

Trade Credits do not bear any interest if repaid when due. Any fee for the extension of Trade Credits is expected to be covered as part of the Subscription Fee, the Non-AP Buy-Back Fee, the Buy-Back Fee or the Early Redemption Fee, as applicable. Where Trade Credits are extended and there is a subsequent settlement failure with respect to the Securities to which such Trade Credits relate, the Issuer (or the Arranger on its behalf) shall instruct the return of such Trade Credits to the Trade Credit Lender (and where the Issuer (or the Arranger on its behalf) fails to provide such instruction, the Trade Credit Lender shall be entitled to instruct such return on behalf of the Issuer).

In the event Trade Credits are unavailable from the Initial Trade Credit Lender or become exhausted, the Issuer would require the Authorised Participant to deliver cash on the trade date so that a purchase order can be settled in a timely manner. For a redemption order, the Issuer may use financing when the Cryptoasset remains in the Issuer Wallet at the point of intended execution of the sale of Cryptoassets. In the event Trade Credits are unavailable or become exhausted in this situation, the Issuer will instruct the Custodian to move Cryptoassets out of the Issuer Wallet into the Trading Balance so that it could be sold directly in response to a redemption order or to pay fees and expenses. Under these circumstances, the Issuer may not be able to lock in the Cryptoasset price on the trade date, as applicable, and would instead have to wait until the transfer from the Issuer Wallet to the Trading Balance was completed before selling the Cryptoassets. The Trade Credit amount, combined with the Issuer requiring delivery of cash for creations on the trade date when Trade Credits are unavailable and the ability of the Issuer to delay redemption settlement until the Issuer is able to transfer Cryptoassets from the Issuer Wallet to the Trading Balance, is sufficient, in the Issuer's view, to support the needs of the Issuer.

Additional Trade Credit Agreements

In respect of each Series of Securities, the Issuer may enter into additional Trade Credit Agreements with one or more Trade Credit Lenders other than the Initial Trade Credit Lender. Trade Credit Lenders will be third parties selected by the Issuer (or the Arranger on its behalf) or selected by an Authorised Participant and approved by the Issuer (or the Arranger on its behalf) according to criteria determined by the Issuer (or the Arranger on its behalf) in its sole discretion to extend Trade Credits in relation to Cash Subscriptions and Cash Redemptions.

5.9.4 **Cryptoasset Trading Counterparty Agreement(s)**

In respect of each Series of Securities, the Issuer may enter into one or more Cryptoasset Trading Counterparty Agreements with one or more Cryptoasset Trading Counterparties. Cryptoasset Trading Counterparties will be third parties selected by the Issuer (or the Arranger on its behalf) or selected by an Authorised Participant and approved by the Issuer (or the Arranger on its behalf) according to criteria determined by the Issuer (or the Arranger on its behalf) in its sole discretion with which the Issuer will transact the sale or purchase of Cryptoassets from time to time pursuant to a Cryptoasset Trading Counterparty Agreement. As at the date of this Base Prospectus, no Cryptoasset Trading Counterparties have been appointed.

5.9.5 **Arranger Agreement**

The Issuer will have entered into an English law governed arranger agreement with the Arranger.

The Arranger Agreement sets out the duties and obligations of the Arranger in relation to the relevant Series of Securities and the basis for its liability, remuneration and indemnification. It also sets out the conditions for appointment, resignation and termination of the Arranger.

Under the Arranger Agreement, the Issuer appoints the Arranger to act on behalf of the Issuer under the Conditions and relevant Transaction Documents.

The Arranger Agreement sets out the authority and obligation for the Arranger to buy or arrange the purchase or sell or arrange the sale of, as well as determine and give necessary instructions regarding the delivery of, Cryptoassets on behalf of the Issuer. It also sets out the obligation of the Issuer to periodically pay the Arranger the sale proceeds of the TER Cryptoasset and the obligation of the Arranger to pay the agreed operational fees of the Issuer's service providers.

The Issuer may at any time vary the appointment of the Arranger or terminate its appointment by giving not less than 180 calendar days' prior notice to that effect. No variation in the appointment of the Arranger will be effective unless the Arranger has consented to such variation. Notwithstanding the foregoing, the Arranger Agreement may be terminated (a "**Summary Termination**") by either the Issuer or the Arranger by notice in writing to the other party if at any time the other party goes into liquidation or otherwise is insolvent, the Arranger ceases to be permitted to act as such under applicable laws or the other party committed a material breach of the Arranger Agreement which is not remedied within the agreed time.

The Arranger may resign its appointment at any time without giving any reason by giving the Issuer, the Trustee and the Administrator at least 180 calendar days' prior notice to that effect.

Without prejudice to the effect of any Summary Termination, no resignation or termination of the appointment of the Arranger will take effect until a replacement Arranger has been appointed; provided that if the Issuer fails within a period of 30 calendar days of notice of resignation given pursuant to the preceding paragraph to appoint a successor to such Arranger, the resigning party will be entitled to select such an entity and provided such entity is acceptable to the Issuer and the Trustee, the Issuer will appoint such entity as successor Arranger.

5.9.6 **Authorised Participant Agreements**

The Issuer and the Arranger will have entered into an English law governed authorised participant agreement with each of the Authorised Participants in relation to the Securities.

Pursuant to each Authorised Participant Agreement, the Issuer appoints the relevant Authorised Participant as an Authorised Participant under the Programme. An Authorised Participant will only have duties in respect of a particular Series of Securities if it is appointed as an Authorised Participant in respect of that Series of Securities. Each Series of Securities in respect of which the relevant Authorised Participant is appointed will be listed in a schedule to the Authorised Participant Agreement.

Each Authorised Participant Agreement specifies the terms on which the relevant Authorised Participant may subscribe for and request that the Issuer buys back Securities of each Series. In respect of each Series of Securities for which it has been appointed Authorised Participant, the relevant Authorised Participant will be required to comply with the procedures set out in the Authorised Participant Agreement and this Base Prospectus.

These procedures set out in each Authorised Participant Agreement include the conditions which must be satisfied for a Subscription Order to be valid and the conditions for settlement of the Securities subscripted for on the Subscription Settlement Date.

In addition, the conditions which must be satisfied for a Buy-Back Order to be valid are also specified.

Each Authorised Participant Agreement includes the conditions for the appointment of an Authorised Participant by the Issuer and the circumstances in which the Issuer may terminate such Authorised Participant Agreement and vice versa in certain cases (for example: (i) upon 60 calendar days' written notice to the other parties; (ii) with immediate effect if (a) the Issuer determines that the Authorised Participant has committed a material breach of the Authorised

Participant Agreement and to the extent that such breach is capable of being remedied, the Authorised Participant fails to cure such breach within 15 calendar days, (b) the Issuer determines that the conduct of the relevant Authorised Participant is detrimental to the reputation or development potential of the business of the Issuer or the Arranger or the relationships of those entities with third parties, (c) the Issuer reasonably believes that the relevant Authorised Participant poses a credit risk, or (d) a Bankruptcy Event in respect of an Authorised Participant occurs).

Each Authorised Participant Agreement sets out the circumstances in which such Authorised Participant Agreement will terminate automatically. Such circumstances include a situation in which the Authorised Participant's representations, warranties and agreements cease to be true and accurate.

Each Authorised Participant Agreement includes an indemnity from the relevant Authorised Participant relating to the representations and warranties given by it in such agreement.

5.9.7 **Agency Agreement**

The Issuer will enter into an English law governed agency agreement with the Arranger, The Bank of New York Mellon, London Branch (the "**Paying Agent**" and the "**Registrar**") and the Trustee (such agency agreement as further modified and/or supplemented and/or restated from time to time, the "**Agency Agreement**").

The obligations of the Paying Agent set out in the Agency Agreement will include (but shall not be limited to) the delivery of the Registered Global Certificates to the Clearing System and, in respect of an Early Redemption Event, administering payments in relation to the Securities held in global form through the Clearing Systems. The Registrar has been appointed as the registrar to provide certain registration services, including maintaining the Register in relation to each Series of Securities.

The Agency Agreement sets out the duties and obligations of the Paying Agent and the Registrar in relation to the relevant Series and the basis for liability, remuneration and indemnification of the Paying Agent and Registrar (respectively). It also sets out the conditions for appointment, resignation and termination of the Paying Agent and Registrar (respectively).

5.9.8 **Account Bank Agreement**

The Issuer will enter into an English law governed account bank agreement with the Arranger, The Bank of New York Mellon, London Branch (the "**Account Bank**") and the Trustee (such account bank agreement as further modified and/or supplemented and/or restated from time to time, the "**Account Bank Agreement**").

Pursuant to the Account Bank Agreement, the Account Bank has been appointed as the account bank to open and maintain cash accounts in respect of each Series. The Issuer is entitled to credit such cash accounts with amounts to be paid by the Paying Agent to Securityholders on behalf of the Issuer.

The Account Bank Agreement sets out the duties and obligations of the Account Bank in relation to the cash accounts held on behalf of the Issuer in relation to each Series and the basis for liability, remuneration and indemnification of the Account Bank. It also sets out the conditions for appointment, resignation and termination of the Account Bank as Account Bank.

5.9.9 **Security Arrangements**

On a subscription of Securities of a Series by an Authorised Participant, the Issuer will only issue Securities to the Authorised Participant after the Custodian of the Issuer has received Cryptoassets from the Authorised Participant, this means Securities issued under the Programme will always be fully 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 will be granted under English law, New York law and Irish law security agreements and any Additional Security Agreements (the "**Security Agreements**") in favour of the Trustee who will hold the Transaction Security on trust for itself

and the other Secured Creditors in accordance with the Security Agreements. The enforcement of a claim against any Transaction Security may only be exercised with respect to the Transaction Security relating to a particular Series of Securities and such enforcement shall not be with respect to the Transaction Security held in relation to another Series of Securities.

Transaction Security

The Secured Obligations of the Issuer in respect of each Series of Securities are secured, pursuant to the relevant Security Agreements, by:

(a) a first ranking charge governed by Irish law in favour of the Trustee (for itself and the Secured Creditors) over (i) the Issuer Wallet in respect of the relevant Series of Securities, (ii) all amounts and Cryptoassets from time to time standing to the credit thereof and (iii) all other rights in relation to all amounts and Cryptoassets from time to time standing to the credit thereof;

(b) an assignment governed by Irish law in favour of the Trustee (for itself and the Secured Creditors) of all rights of the Issuer against the Custodian under the Custody Agreement in respect of the relevant Series of Securities;

(c) an assignment by way of security in favour of the Trustee (for itself and the Secured Creditors) of all of the Issuer's rights, title, interest and benefit present and future in, to and under the Arranger Agreement, the Master Services Agreement, the Agency Agreement(s), the Registrar Agreement(s), the Authorised Participant Agreements and the Account Bank Agreement (in each case, to the extent that they relate to the relevant Series of Securities);

(d) a first fixed charge in favour of the Trustee (for itself and the Secured Creditors) over the Series Cash Account in respect of the relevant Series of Securities, all amounts from time to time standing to the credit thereof (together with all interest accruing from time to time thereon and the debts represented thereby);

(e) an assignment in favour of the Trustee (for itself and the Secured Creditors) of all rights of the Issuer against the Prime Execution Agent under the Prime Execution Agreement including to amounts owed now or in the future by the Prime Execution Agent to the Issuer in connection with the Trading Balance and purchase or sale of Cryptoassets by the Prime Execution Agent (on behalf of the Issuer) pursuant to the Prime Execution Agreement (to the extent that they relate to the relevant Series of Securities); and

(f) any other Security Interest expressed to be created in an Additional Security Agreement.

"**Additional Security Agreement(s)**" include any document (other than those security documents listed in (a) - (e) above) creating a Security Interest in favour of the Trustee:

(i) specified in the Final Terms as an Additional Security Agreement;

(ii) over a Cryptoasset Trading Counterparty Agreement or Trade Lending Agreement entered into in accordance with Condition 7.1.5; and/or

(iii) with respect any rights of the Issuer as against an additional, replacement or substitute Administrator, Registrar, Transfer Agent, Paying Agent, Arranger, Account Bank, Custodian or Prime Execution Agent (as applicable) or any assets to be held by such additional, replacement or substitute Administrator, Registrar, Transfer Agent, Paying Agent, Arranger, Account Bank, Custodian or Prime Execution Agent (as applicable) entered into in accordance with Condition 14.6.3.

The Transaction Security is granted to the Trustee as continuing security for the Secured Obligations.

No security will be taken in respect of the Issuer Expenses Account(s).

Order of Priority

In respect of a Series of Securities, following (i) an Early Redemption Trade Date, the Issuer shall; or (ii) the service of an Event of Default Redemption Notice, the Trustee shall (subject to the provisions of the Trust Deed and the relevant Security Agreements) apply the Secured Property and proceeds derived from the realisation of the Secured Property in relation to such Series of Securities (whether by way of liquidation or enforcement and after taking account of any Taxes incurred, withheld or deducted by or on behalf of the Issuer) as follows:

(a) *firstly*, in payment or satisfaction of all fees, costs, charges, expenses, liabilities and other amounts properly incurred by or payable to the Trustee or any receiver in connection with an Early Redemption and/or an Event of Default relating to such Series of Securities under or pursuant to the relevant Security Agreements, the Trust Deed and/or any other Transaction Document (which for the purpose of Condition 6.2 and the relevant Security Agreements shall include, 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) and the costs of enforcing or realising all or some of the Transaction Security, but shall exclude agreed fees and expenses of a standard and operational nature payable by the Arranger in accordance with clause 6 (*Payment of Fees and Expenses*) of the Arranger Agreement);

(b) *secondly*, in payment or satisfaction of amounts due to the Arranger under Condition 5.4.4 and clause 9.1 of the Arranger Agreement, the enforcement proceeds of any TER Cryptoasset and/or any TER Sale Proceeds in respect of such Series of Securities accrued up to (but excluding) the Early Redemption Trade Date;

(c) *thirdly*, in payment or satisfaction of the Issuer Series Fees and Expenses to the extent due and payable to Secured Creditors in respect of such Series of Securities (on a *pro rata* and *pari passu* basis);

(d) *fourthly*, in settlement of any valid Buy-Back Orders that have been accepted and processed but not yet settled through no fault of the relevant Authorised Participant or Non-AP Holder (as applicable) (on a *pro rata* and *pari passu* basis);

(e) *fifthly*, in payment or delivery of the Early Redemption Amount per outstanding Security owing to the Securityholders (on a *pro rata* and *pari passu* basis);

(f) *sixthly*, in payment of the Principal Amount (less any applicable Early Redemption Fee) of any Security in respect of which a Securityholder has elected to receive the Principal Amount in lieu of the Early Redemption Amount (on a *pro rata* and *pari passu* basis); and

(g) *seventhly*, in payment of the balance (if any) to the Issuer.

6. GENERAL INFORMATION ON THE SECURITIES

6.1 KEY FEATURES

6.1.1 Type of Securities / Governing Law

Debt Securities

The Securities are issued in the form of debt securities. The Securities represent indebtedness of the Issuer.

Method of Issue

Securities will be issued in Series. Each Series will provide exposure to bitcoin (BTC) (the "**Cryptoasset**"). Each Series may comprise a number of different Tranches issued on identical terms other than the Issue Date. The Securities of each Tranche of a Series shall be interchangeable with all other Securities of that Series.

Form of Securities

The Securities of a Series will be issued in registered form and represented on issue by a registered global certificate. The registered global certificate in respect of the Securities will be deposited with a common depository for the Relevant Clearing System. The registered global certificate in respect of the Securities of a Series will be exchangeable for individual certificates in limited circumstances. Title to all Securities will be recorded by the Registrar(s) on the Register. Title to the Securities will pass by registration in the Register.

Currency

All Series of Securities are denominated in U.S. dollars, unless otherwise specified in the Final Terms.

Principal Amount

Each Security of a Series will have the same Principal Amount, which operates as a minimum repayment amount payable by the Issuer after deduction of the Early Redemption Fee at the election of the Securityholder on an Early Redemption of the Securities (subject to the limited recourse described in "*Limited Recourse and Non-Petition*" under 6.1.5 below). The Principal Amount of each Security is as specified in the relevant Final Terms. Following an Early Redemption Event or an Event of Default, payment of Principal Amounts will be subordinated to payments of Early Redemption Amounts in the priority of payments.

Withholding Tax

All payments in respect of the Securities will be made net of and after allowance for any withholding or deduction for, or on account of, any Taxes. In the event that any withholding or deduction for, or on account of, any Tax applies to payments and/or deliveries in respect of the Securities of any Series, the Securityholders of such Securities will be subject to such Tax or deduction and will not be entitled to receive amounts to compensate for any such Tax or deduction. No Event of Default will occur as a result of any such withholding or deduction.

Governing Law

In respect of a Series of Securities:

(i) the Securities (and the Trust Deed constituting them), the Security Deed and the other Transaction Documents (other than the other Security Agreements, the Custody Agreement and the Prime Execution Agreement) will be governed by English law;

(ii) the Prime Execution Agreement, NY Security Agreement and Initial Trade Credit Agreement will be governed by New York law; and

(iii) the Irish Security Agreement and the Custody Agreement will be governed by Irish law.

As no Cryptoasset Trading Counterparty Agreements have been entered into at the date of this Base Prospectus, the governing law of such agreements is not known at this date.

6.1.2 **Open ended, Buy-back of Securities**

Securities will be undated securities with no final maturity date. The Securities have an indefinite term (open ended).

The Issuer may, from time to time, buy-back all or some of the Securities, subject to the suspension of buy-backs during a Suspension Period or after an Early Redemption Order Cut-off Date or service of an Event of Default Redemption Notice.

6.1.3 **Form and Status / Transferability**

Form

The Securities of a Series will be issued in registered form and represented on issue by a registered global certificate. The registered global certificate in respect of the Securities will be deposited with a common depository for the Relevant Clearing System. The registered global certificate in respect of the Securities of a Series will be exchangeable for individual certificates in limited circumstances. Title to all Securities will be recorded by the Registrar(s) on the Register. Title to the Securities will pass by registration in the Register.

Each Series of Securities is constituted by the Trust Deed and secured by the relevant Security Agreements.

Status

The Securities are secured, limited recourse debt obligations of the Issuer, at all times ranking *pari passu* and without any preference among themselves, secured in the manner described in the Terms and Conditions and recourse in respect of which is limited in the manner described in the Terms and Conditions.

Clearing and Settlement

The Final Terms in respect of each Series of Securities will specify whether the Securities have been accepted for clearance through Euroclear and Clearstream, Luxembourg or any other Relevant Clearing System.

The International Securities Identification Number (ISIN) and any other identification number for each Series of Securities will be set out in the relevant Final Terms.

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 Clearing System that is a Relevant Clearing System for a Series of Securities will be specified in the relevant Final Terms.

6.1.4 **Dependency of the Securities on the Underlying Cryptoasset**

Potential investors should be aware that holding the Securities of each Series provides unlimited participation in the investment exposure to the Cryptoasset for that Series. The section headed "*Value of the Securities*" below explains that the value of the Securities is dependent on the Cryptoasset Entitlement of the Securities.

For the purposes of categorisation in accordance with the European Structured Investment Products Association (EUSIPA) the Securities would qualify as participation securities, in the form of "Tracker" securities (category 1300). The performance of the Securities would be affected on a one-to-one basis by price movements of the Cryptoasset for that Series, if not for fees and costs payable by the Issuer for each Series (e.g. the Total Expense Ratio) and by investors (e.g. buy-back and early redemption fees), which will reduce the value of the Securities. When such fees and costs are factored in, they will affect the return on the Securities

so that the return on the Securities may not be the same as the investor actually owning and holding the relevant Cryptoasset directly.

Please see under 7.2.10 *Example Calculations in relation to Early Redemption and Buy-back of Securities*.

If investors purchase and sell Securities on the secondary market (which includes trading on a stock exchange, market, trading facility or over-the-counter), the price at which the Securities trade on the secondary market would be influenced not only by the value and volatility of the relevant Cryptoasset but also by other factors, including the liquidity of the Securities on the secondary market. For further information, please refer to the risk factor headed "*No direct investment in the relevant Cryptoasset and risks of fluctuations in the value of the Cryptoasset*".

Value of the Securities

The Value of the Securities is dependent on the Cryptoasset Entitlement. Each Security of each Series will have a Cryptoasset Entitlement which is as described under "*Cryptoasset Entitlement*" below. As the Buy-Back Settlement Amount or the Early Redemption Amount due in respect of a Security is determined by reference to such Security's Cryptoasset Entitlement (or, in the case of Cash Redemptions, such Security's *pro rata* share of the proceeds of sale of an amount of Cryptoasset equal to the aggregate Cryptoasset Entitlement of all Securities of the relevant Series which are subject to such Cash Redemption), the value of a Security at any time is expected to be influenced primarily by the value of an amount of the relevant Cryptoasset equal to the Cryptoasset Entitlement at such time.

Cryptoasset Entitlement

The Cryptoasset Entitlement on the Series Issue Date shall be as specified in the relevant Final Terms as the "Initial Cryptoasset Entitlement".

On each subsequent day, the Cryptoasset Entitlement is reduced at a rate equal to the portion of the Total Expense Ratio applicable to such day.

The Cryptoasset Entitlement of a further Tranche of a Series of Securities is the Cryptoasset Entitlement of such Series on the Subscription Trade Date of such Tranche.

The Issuer has agreed with the Arranger that the Arranger will pay the agreed operational fees of the Issuer's service providers in respect to a Series out of the cash sale proceeds of the TER Cryptoasset of such Series. To the extent that such sale proceeds are insufficient to pay the agreed operational fees and expenses of a Series in full, the Arranger will pay for the shortfall out of its own resources, such that amount of agreed operational fees chargeable to the Cryptoassets for a Series is limited to the Total Expense Ratio for such Series.

With respect to the Issuer Series Fees and Expenses, such fees and expense will be paid from any cash held by the Issuer that does not form part of the assets of a Series (i.e. the Issuer Cash Account). In the event that such cash is insufficient, the Arranger has agreed with the Issuer that the Arranger will pay such amounts out of its own resources (i) if no Early Redemption Event has occurred, and (ii) if and to the extent that the Issuer paying such amounts would result in the amount of Cryptoassets held for a Series (including in the Issuer Wallet and the Trading Balance) to fall below the aggregate Cryptoasset Entitlement for all Securities of that Series. Following an Early Redemption Event, Issuer Series Fees and Expenses will be payable out of the proceeds of the Secured Property with respect to the relevant Series in accordance with the priority of payments set out in Condition 6.2 (Application of Secured Property and Proceeds of Enforcement of Transaction Security).

Transaction costs arising on subscriptions, buy-backs, early redemptions and compulsory redemptions will be charged by the Issuer to the relevant Authorised Participants and investors.

Prospective investors should, however, note that the market price of the Securities may not match the value of the Cryptoasset underlying such Securities due to factors including those set out under the risk factor entitled "*Investing in the Securities does not correspond to a direct investment in the relevant Cryptoasset(s)*".

Total Expense Ratio (TER)

In respect of each Series of Securities, an "all in one" operational fee is payable to the Arranger, which accrues at a rate per annum equal to the Total Expense Ratio for such Series.

The Total Expense Ratio is the percentage rate per annum specified in the relevant Final Terms for each Series and is applied to the Cryptoasset Entitlement on a daily basis to determine a daily deduction of an amount of the relevant Cryptoasset from the Cryptoasset Entitlement. The Total Expense Ratio specified in the Final Terms may include a full or partial waiver of TER for a fixed period from and including the Series Issue Date.

The Total Expense Ratio in respect of a Series of Securities may be varied by the Issuer on the request of the Arranger from time to time, **provided that** no increase in the Total Expense Ratio in respect of a Series of Securities will take effect unless Securityholders of such Series have been given at least 30 calendar days' prior notice.

6.1.5 **Limited Recourse and Non-Petition**

In respect of a Series of Securities, the Transaction Parties, the Buy-Back Payees and the Securityholders shall have recourse only to the Secured Property in respect of the Securities of such Series, subject always to the Transaction Security, and not to any other assets of the Issuer or any other party (including, without limitation, the Trustee). If, following realisation in full of the Secured Property of such Series (whether by way of liquidation or enforcement) and application of available assets as provided in Condition 6, the Trust Deed and the Security Agreements, as applicable, any outstanding claim against the Issuer relating to such Series remains unsatisfied, then such outstanding claim shall be extinguished and no obligation shall be owed by the Issuer in respect thereof. Following the extinguishment of any such claim in accordance with Condition 6.6, none of the Transaction Parties, the Buy-Back Payees, the Securityholders or any other person acting on behalf of any of them shall be entitled to take any further steps against the Issuer or any of its officers, shareholders, corporate service providers or directors to recover any further amount in respect of the extinguished claim and no obligation shall be owed to any such persons by the Issuer in respect of such further amount.

None of the Transaction Parties, the Securityholders or any person acting on behalf of any of them may, at any time, bring, institute or join with any other person in bringing, instituting or joining insolvency, administration, bankruptcy, winding-up, examinership or any other similar proceedings (whether court-based or otherwise) in relation to the Issuer or any of its assets, and none of them will have any claim arising with respect to the sums, assets and/or property attributable to any other securities issued by the Issuer (save for any further securities which form a single series with the Securities) or not attributable to any particular Series.

The limited recourse and non-petition provisions will have a corresponding impact on the interests of Relevant Beneficial Holders as they do on Securityholders, since the obligation of the Relevant Clearing System to make payment on the Securities to underlying account holders is limited to distribution of monies received by the Securityholder from the Issuer.

6.1.6 **Final Terms**

The Conditions applicable to each Series of Securities shall be completed by the information set out the applicable final terms (the "**Final Terms**"). References to the "**applicable Final Terms**" is to the Final Terms executed in relation to such Series of Securities.

While this Base Prospectus includes general information about all Securities, the Final Terms is the document that sets out the specific details of each particular issuance of Securities. For example, the Final Terms will contain:

(a) the Series Issue Date;

(b) the Series Currency;

(c) the Principal Amount;

(d) the Initial Cryptoasset Entitlement;

(e) the Total Expense Ratio as at the Series Issue Date; and

(f) any other information needed to complete the terms included in this Base Prospectus for the particular Securities (identified by the words 'as specified in the Final Terms' or other equivalent wording).

The Final Terms will constitute final terms for the purposes of the Prospectus Regulation. Each Final Terms will be filed with BaFin and when listed with Xetra.

6.2 TRANSACTION PARTIES

6.2.1 Arranger

BlackRock International Limited, a limited company incorporated in Scotland with registration number SC160821 and with its registered office located at Exchange Place One, 1 Semple Street, Edinburgh EH3 8BL, United Kingdom.

6.2.2 Trustee

Apex Corporate Trustees (UK) Limited, a limited company incorporated in England with registration number 00239726 and with its registered office located at 4th Floor, 140 Aldersgate Street, London EC1A 4HY United Kingdom.

6.2.3 Administrator and Transfer Agent

The Bank of New York Mellon (International) Limited, a limited company incorporated in England with registration number 03236121 and with its registered office located at 160 Queen Victoria Street London EC4V 4LA, United Kingdom.

6.2.4 Registrar

The Bank of New York Mellon, London Branch which, as at the date of this Base Prospectus, is the only Registrar with respect to the Securities with its office located at 160 Queen Victoria Street, London EC4V 4LA, United Kingdom. The Issuer may appoint further registrars in relation to a Series pursuant to an Agency Agreement.

6.2.5 Custodian

Coinbase Custody International Limited, a limited company incorporated in Ireland with registration number 657718 and with its registered office located at 70 Sir John Rogerson's Quay, Dublin, D02R296, Ireland.

6.2.6 Prime Execution Agent

Coinbase, Inc., a company incorporated in California and with its registered office located at 248 3rd St, #434, Oakland, CA 94607, USA.

6.2.7 Principal Distributor

BlackRock Investment Management (UK) Limited, a limited company incorporated in England with registration number 2020394 and with its registered office located at 12 Throgmorton Avenue, London EC2N 2DL, United Kingdom.

6.2.8 Initial Trade Credit Lender

Coinbase Custody International Limited, a limited company incorporated in Ireland with registration number 657718 and with its registered office located at 70 Sir John Rogerson's Quay, Dublin, D02R296, Ireland.

6.2.9 **Trade Credit Lenders**

The Trade Credit Lender(s) in relation to a Series are such entities as, from time to time, are appointed under a Trade Credit Agreement in order to extend Trade Credits. The only Trade Credit Lender as at the date of this Base Prospectus is the Initial Trade Credit Lender.

6.2.10 **Cryptoasset Trading Counterparty**

The Cryptoasset Trading Counterparty/ies in relation to a Series are such counterparty or counterparties which, from time to time, are appointed under a Cryptoasset Trading Counterparty Agreement in order to effect the purchase and/or sale of Cryptoassets. As at the date of this Base Prospectus, no Cryptoasset Trading Counterparties have been appointed.

6.2.11 **Authorised Participants and Distributors**

In respect of a Series of Securities, when selling the Securities of such a Series, Authorised Participants may make offers to investors on the terms and subject to the restrictions set out in this Base Prospectus and the Final Terms relating to the relevant Securities. The Authorised Participant(s) in respect of each Series of Securities will be specified in the Final Terms relating to each Series. The Issuer may, from time to time, appoint additional Authorised Participants or remove Authorised Participants in respect of the relevant Series of Securities. The list of Authorised Participants from time to time in respect of a Series of Securities will be published on the Issuer Website.

To the fullest extent permitted by law, no Authorised Participant accepts any responsibility for the contents of this Base Prospectus or for any other statement made or purported to be made by it or on its behalf in connection with the Issuer or the issue and offering of the Securities. To the fullest extent permitted by law, each Authorised Participant disclaims all and any liability whether arising in tort or contract or otherwise which it might otherwise have in respect of this Base Prospectus and/or any such statement.

Authorised Participants and distributors of the Securities (each a "**Distributor**") shall be required and be deemed to have agreed to comply with the Authorised Distributor Terms set out below.

The "**Authorised Distributor Terms**" are that the relevant Authorised Participant and/or Distributor will, and it agrees, represents, warrants and undertakes for the benefit of the Issuer (and the Authorised Participant that appointed it, in the case of a Distributor) that it will, at all times in connection with the relevant offer to the public:

(i) act in accordance with, and be solely responsible for complying with, all applicable laws, rules, regulations and guidance of any applicable regulatory bodies (the "**Rules**"), including the MiFID II Directive, Regulation (EU) No 600/2014 ("**MiFIR**") (as MiFIR forms part of "retained EU law", as defined in the European Union (Withdrawal) Act 2018) and the Rules published by the United Kingdom Financial Conduct Authority (the "**FCA**") (including, without limit its guidance for distributors in "The Responsibilities of Providers and Distributors for the Fair Treatment of Customers" and certain obligations under the Prospectus Regulation Rules, the Listing Rules and the Disclosure and Transparency Rules (each as set out and defined in the FCA's Handbook of rules and guidance)) from time to time including (as applicable), without limitation and in each case, Rules relating to both the appropriateness or suitability of any investment in the Securities by any person and disclosure to any potential investor, and will immediately inform the Issuer if at any time the relevant Authorised Participant or Distributor becomes aware or suspects that it is or may be in violation of any Rules and take all appropriate steps to remedy such violation and comply with such Rules in all respects;

(ii) comply with the restrictions set out in this Base Prospectus, including without limitation, under "*Subscription and Sale*" in this Base Prospectus (which would apply to a Distributor as if it were an Authorised Participant);

(iii) ensure that any fee (and any other commissions or benefits of any kind) received or paid by that Authorised Participant or Distributor in relation to the offer or sale of the

Securities does not violate the Rules and, to the extent required by the Rules, is fully and clearly disclosed to investors or potential investors; and

(iv) hold all licences, consents, approvals and permissions required in connection with solicitation of interest in, or offers or sales of, the Securities under the Rules, including, without limitation, authorisation under the UK's European Union (Markets in Financial Instruments) Regulations 2017 (as amended, the "**MiFID Regulations**") and the FSMA and comply with applicable anti-money laundering, anti-bribery, anti-corruption and "know your client" Rules (including, without limitation, taking appropriate steps, in compliance with such Rules, to establish and document the identity of each potential investor prior to initial investment in any Securities by that investor), and will not permit any application for Securities in circumstances where the Authorised Participant or Distributor has any suspicions as to the source of the application moneys.

The Issuer has given an undertaking to the Authorised Participants that if, at any time during the duration of the Programme, there is a significant new factor, material mistake or material inaccuracy relating to information contained in this Base Prospectus which is capable of affecting the assessment of any Securities and whose inclusion in or removal from this Base Prospectus is necessary for the purpose of allowing an investor or prospective investor to make an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Issuer, the rights attaching to the Securities and the reasons for the issuance and its impact on the Issuer, the Issuer shall prepare an amendment or supplement to this Base Prospectus or publish a replacement Base Prospectus for use in connection with any subsequent offering of the Securities and shall supply to the Authorised Participants, the Trustee and the Agents such number of copies of such supplement hereto as they may reasonably request.

6.2.12 **Paying Agent**

The Bank of New York Mellon, London Branch, which as at the date of this Base Prospectus, is the only Paying Agent with respect to the Securities. The Issuer may appoint further paying agents in relation to a Series pursuant to an Agency Agreement.

6.2.13 **Account Bank**

The Bank of New York Mellon, London Branch, which as at the date of this Base Prospectus, is the only Account Bank with respect to the Securities. The Issuer may appoint further account banks in relation to a Series pursuant to an Account Bank Agreement.

6.3 AUTHORISATION

The establishment of the Programme and the issuance of any Series of Securities under this Base Prospectus have been authorised by a resolution of iShares Digital Assets AG dated on or around the date of this Base Prospectus.

The Issuer has obtained all necessary consents, approvals and authorisations (if any) which are necessary in Switzerland at the date of this Base Prospectus in connection with the establishment of the Programme. The establishment of the Programme was authorised by a resolution of the board of directors of the Issuer passed on 14 January 2025.

6.4 INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFERING OF THE SECURITIES

Unless specified otherwise in the relevant Final Terms and in the following paragraph, there is no interest, including a conflict of interest, that is material to the issue/offer, detailing the persons involved and the nature of the interest.

Save for any fees payable to the financial intermediaries (including Authorised Participants), as of the date of this Base Prospectus so far as the Issuer is aware, no person involved in the offer of the Securities has an interest material to any issue/offer of any Series of Securities. The intermediaries (including Authorised Participants) as well as the service providers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial

banking transactions with, and may perform other services for, the Issuer in the ordinary course of business.

6.5 REASONS FOR THE OFFER AND USE OF PROCEEDS

The reason for the issue of Securities under the Programme is primarily to finance the general business development of the Issuer and to invest in cryptoassets and other digital assets with proceeds from the issue of the Securities.

The Issuer will use all proceeds received from the issuance of the Securities, whether in cash or in Cryptoassets, for general corporate purposes and in order to hedge its obligations under the Securities. When hedging its obligations under the Securities, the Issuer may, but shall not be obliged to vis-à-vis the Securityholders, use some or all of the issuance proceeds to acquire certain Cryptoassets.

The estimated net proceeds from the issue of a Series of Securities will be specified in the relevant Final Terms.

6.6 POST-ISSUANCE INFORMATION

The Issuer will provide post-issuance information in relation to the Cryptoasset Entitlement of the Securities in respect of each day on the immediately following Business Day on the website maintained on behalf of the Issuer at www.ishares.com (or such other website as may be notified to Securityholders in accordance with the Conditions).

6.7 RATING OF SECURITIES

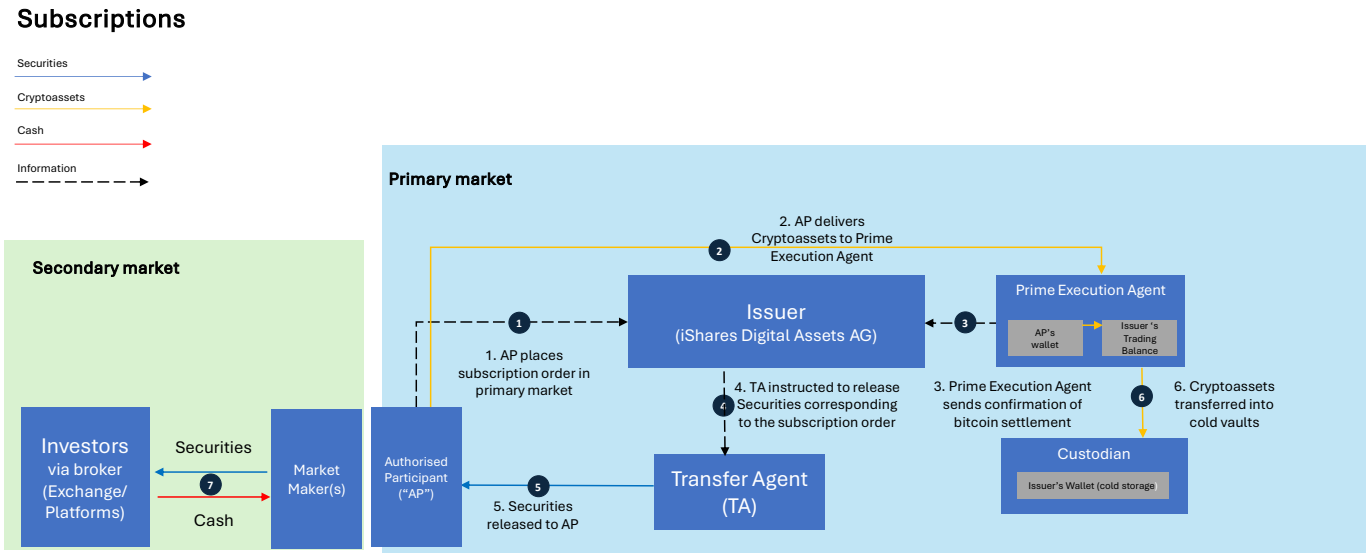
The Securities are unrated.

7. DESCRIPTION OF THE SECURITIES

7.1 SUBSCRIPTION, PURCHASE, SALE

7.1.1 Diagrams on subscription, purchase, redemption of the Securities (Buy-Backs)

Subscriptions by Authorised Participants / Purchase by investors (Physical Subscription)



Primary market:

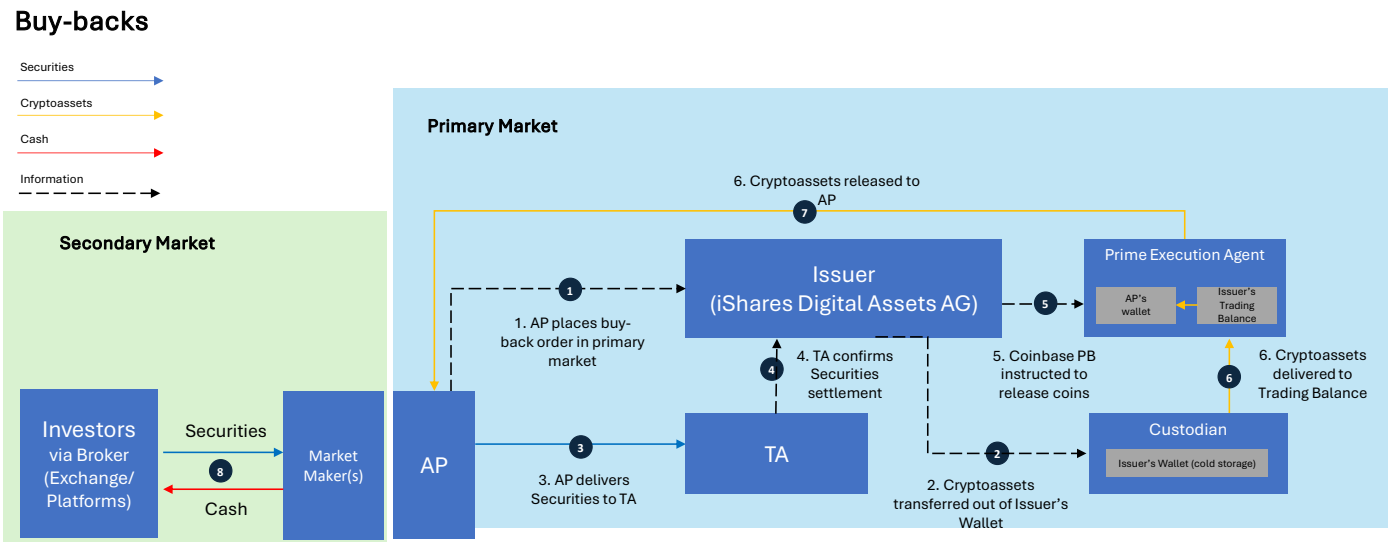
1. Authorised Participant places subscription order in primary market with the Issuer.
2. Authorised Participant delivers Cryptoassets to Prime Execution Agent (assuming in-kind subscription, i.e. delivery of Cryptoassets as opposed to cash payment).
3. Prime Execution Agent sends confirmation of Cryptoasset settlement to the Issuer.
4. Transfer Agent instructed by the Issuer to release Securities corresponding to the Subscription Order.
5. Securities released by the Transfer Agent to the Authorised Participant.
6. Cryptoassets transferred from the Trading Balance with the Prime Execution Agent into the Issuer Wallet with the Custodian (cold storage).

Secondary market:

7. Investors purchase Securities from market makers and pay cash.

Redemptions of the Securities (Buy-Backs)

A. Buy-Backs from Authorised Participants



Primary market:

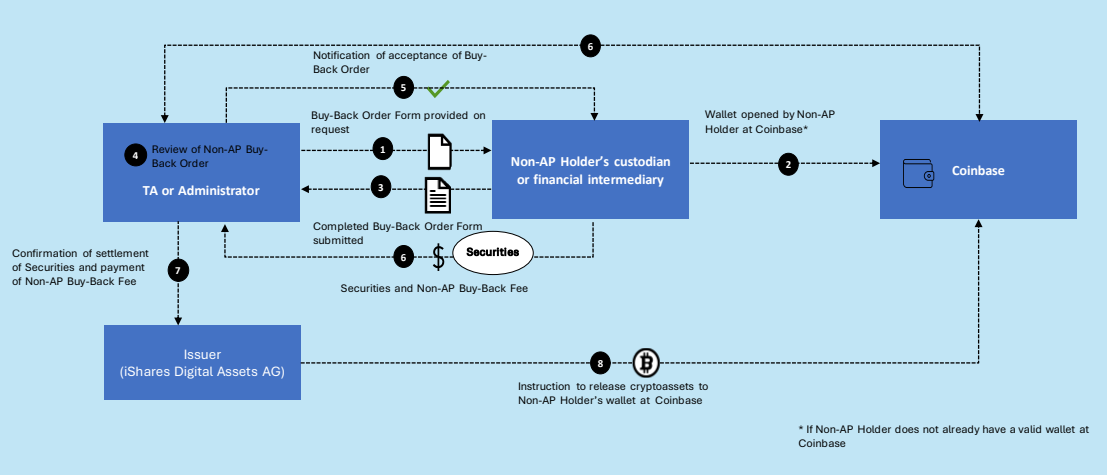
1. Authorised Participant places Buy-Back Order in primary market with the Issuer.
2. Issuer instructs Custodian to transfer Cryptoassets out of Issuer Wallet.
3. Authorised Participant delivers Securities to Transfer Agent.
4. Transfer Agent confirms Securities settlement to the Issuer.
5. Prime Execution Agent instructed by Issuer to release coins.
6. Cryptoassets delivered to Trading Balance at the Prime Execution Agent.
7. Cryptoassets released to Authorised Participant's wallet at the Prime Execution Agent.

Secondary market:

8. Investors sell Securities to market makers and receive cash.

B. Buy-Backs from Non-AP Holders (i.e. redemptions by investors)

Buy-Backs from Non-AP Holders



1. Buy-Back Order Form provided on request by Transfer Agent (on behalf of the Issuer) to Non-AP Holder's custodian or financial intermediary.
2. Wallet opened by Non-AP Holder at Coinbase (if Non-AP Holder does not already have a valid wallet at Coinbase (or such other entity as may be permitted from time-to-time in accordance with the Buy-Back Order Form)).
3. Completed Buy-Back Order Form submitted by Non-AP Holder's custodian or financial intermediary to Transfer Agent (on behalf of the Issuer).
4. Review of Non-AP Buy-Back Form by Transfer Agent or Administrator.
5. Notification of acceptance of Buy-Back Order by Transfer Agent (on behalf of the Issuer) to Non-AP Holder's custodian or financial intermediary.
6. Securities and Non-AP Buy-Back Fee transferred from Non-AP Holder's custodian or financial intermediary to Transfer Agent (on behalf of the Issuer).
7. Confirmation of settlement of Securities and payment of Non-AP Buy-Back Fee from Transfer Agent (on behalf of the Issuer) to Issuer.
8. Instruction from Issuer to release Cryptoassets to Non-AP Holder's wallet at the Custodian.

7.1.2 **Subscription**

Issues of Securities

The Issuer, under its Secured Cryptoasset Linked Securities Programme, may issue Securities of a Series to Authorised Participants appointed in respect of such Series.

The following Authorised Participants may be appointed as Authorised Participants for a Series of Securities and the appointed Authorised Participants will be specified in the relevant Final Terms and on the Issuer Website.

Name (regulatory status)	Address	Description
Flow Traders B.V. (AFM regulated)	Jacob Bontiusplaats 9 Amsterdam 1018 LL The Netherlands	Flow Traders B.V. will face professional investors and eligible counterparties when dealing in the Securities
Jane Street Financial Limited (FCA regulated)	2 & A Half Devonshire Square London EC2M 4UJ United Kingdom	Jane Street Financial Limited will face professional investors and eligible counterparties when dealing in the Securities

Authorised Participants will be required to, either:

(a) in the case of Physical Subscriptions, transfer an amount of the relevant Cryptoasset; or

(b) in the case of Cash Subscriptions (if available), pay an amount in the Series Currency,

in each case, which is equal to the Subscription Settlement Amount and to pay the applicable Subscription Fee (unless the Issuer (or the Arranger on its behalf) has waived the Subscription Fee or agreed that the Subscription Fee may be paid following subscription). The Issuer will not issue Securities to an Authorised Participant until the Subscription Settlement Amount has been delivered or paid (as applicable) and the Subscription Fee has been paid in accordance with the terms of the relevant Authorised Participant Agreement.

Cash Subscriptions will only be accepted by the Issuer (within prescribed parameters) for a Series if it is stated in the Final Terms for that Series or the Issuer has, prior to the date on which a Subscription Order is placed, notified Authorised Participants that it will accept Cash Subscriptions for that Series. The Issuer may in its absolute discretion determine whether to accept a subscription by way of Physical Subscription only, or by way of Physical Subscription or Cash Subscription.

Further Issues of Securities

After the first issuance of Securities in a Series, the Issuer may, from time to time, in accordance with the relevant Transaction Documents, create and issue further securities either:

(i) as a new Series of Securities upon such terms as the Issuer may determine at the time of their issue; or

(ii) having the same terms and conditions as an existing Series of Securities in all respects and so that such further issue will be consolidated and form a single series with such Series of Securities,

subject to the suspension of subscriptions during a Suspension Period or after an Early Redemption Order Cut-off Date or service of an Event of Default Redemption Notice.

Any new securities forming a single series with Securities already in issue and which are expressed to be constituted by the Trust Deed and secured by the same Security Agreements will, on issue, be constituted by the Trust Deed and secured by such Security Agreements

without any further formality and will be secured by the same Secured Property of that Series of Securities (as increased or supplemented in connection with such issue of new securities).

Subscriptions

Only an Authorised Participant of a Series may request that the Issuer issue additional Tranches of Securities of that Series by delivering a valid Subscription Order subject to and in accordance with the terms of the relevant Authorised Participant Agreement. The Issuer (or the Arranger, the Administrator or Transfer Agent on its behalf) has the absolute discretion to accept or reject in whole or in part any Subscription Order.

Authorised Participants subscribing for Securities will need to:

(i) deliver to or for the account of the Issuer either: (A) in the case of Physical Subscriptions, an amount of the relevant Cryptoasset; or (B) in the case of Cash Subscriptions (if available), an amount in the Series Currency, in each case, which is equal to the Subscription Settlement Amount by the relevant cut-off time on the Subscription Settlement Date; and

(ii) pay any Subscription Fee as set out in the relevant Authorised Participant Agreement by the relevant cut-off time on the Subscription Settlement Date (unless the Issuer (or the Arranger on its behalf) has waived the Subscription Fee or agreed that the Subscription Fee may be paid following the Subscription Settlement Date).

The Issuer may in its absolute discretion determine whether to accept a subscription by way of Physical Subscription only, or by way of Physical Subscription or Cash Subscription. Cash Subscriptions will only be accepted by the Issuer (within prescribed parameters) if it is stated in the relevant Final Terms or the Issuer has, prior to the date on which a Subscription Order is placed, notified Authorised Participants that it will accept Cash Subscriptions. As at the date of this Base Prospectus, Cash Subscriptions will not be accepted by the Issuer and no assurance can be given as to if or when Cash Subscriptions will be available.

The Subscription Settlement Amount is either:

(i) in the case of a Physical Subscription, an amount of the relevant Cryptoasset equal to the product of the number of the additional Securities and the Cryptoasset Entitlement for such Series of Securities as at the relevant Subscription Trade Date; or

(ii) in the case of a Cash Subscription, an amount in the Series Currency that is the price at which an amount of the relevant Cryptoasset equal to the product of the number of the additional Securities and the Cryptoasset Entitlement for such Series of Securities as at the relevant Subscription Trade Date is purchased by the Issuer.

The Issuer will only issue Securities to an Authorised Participant on the Subscription Settlement Date if all conditions to an issue of the Securities are satisfied which includes (x) the Authorised Participant having satisfied all of its settlement obligations by the relevant cut-off times, and (y) in the case of a Physical Subscription, the Prime Execution Agent having confirmed to the Arranger that the amount of the relevant Cryptoasset delivered by the Authorised Participant as the Subscription Settlement Amount has been transferred to the Prime Execution Agent for the account of the Issuer in respect of the relevant Series of Securities or, in the case of a Cash Subscription, the Authorised Participant having satisfied its Cash Subscription obligations under the Authorised Participant Agreement.

Subscription Fee

The Subscription Fee is an amount determined by the Issuer (or the Arranger on its behalf) in its sole discretion as being equal to the costs, charges, fees and spreads incurred by or on behalf of the Issuer in connection with a Subscription Order, including, without limitation:

(i) any custody charges, blockchain network fees (including gas fees), ETP servicing fees, transactions costs, brokerage fees and costs, bank charges, interest, foreign exchange conversions and spreads, governmental charges, registration fees, (in the case of cash

settlement where available) spreads to take into account the price and cost at which the relevant Cryptoasset is purchased, hedging-related costs, other fees and expenses charged by service providers, and any other costs relevant to carrying out a Subscription Order and the related transfer of cash or relevant Cryptoassets; and

(ii) any withholding, stamp duty, transfer taxes, and any present or future taxes levied, collected, withheld or assessed by or on behalf of any relevant authority having the power to tax in relation to a Subscription Order.

The Subscription Fee in respect of a Series of Securities may be changed from time to time by notice to the Authorised Participants in respect of the relevant Series.

7.1.3 **Dealings in Securities**

Securities may be purchased or sold over-the-counter (OTC) on the secondary market by investors which are Qualified Holders. Investors wishing to purchase or sell Securities on the secondary market should place their orders via their broker. Orders to purchase Securities on the secondary market may incur brokerage and/or other costs which are not charged by the Issuer and over which the Issuer and the Arranger have no control. Such charges are publicly available on the relevant exchange on which the Securities are listed or can be obtained from brokers.

It is intended that application will be made to for the Securities to be listed on Xetra. The purpose of the listing is to facilitate investors (including investors who are not Authorised Participants) to purchase and sell Securities on the secondary market, normally via a broker, in a quantity of one Security or more. The "**secondary market**" is the market on which the Securities are traded between investors rather than with the Issuer itself, which may either take place on a Relevant Stock Exchange or OTC. In accordance with the requirements of the Relevant Stock Exchange, market-makers (which could be, but need not be, Authorised Participants) are expected to provide liquidity and bid and offer prices to facilitate the secondary market trading of the Securities.

The price of any Securities traded on the secondary market will go down and up and will be determined by the market and prevailing economic conditions which may affect the value of the relevant cryptoasset in relation to the Securities. The market price of a Security listed or traded on a Relevant Stock Exchange or OTC may not reflect the Cryptoasset Entitlement of the relevant Series and the prices could be volatile.

The secondary market dealing timetable depends upon the terms of the OTC trade or, where applicable, the rules of any Relevant Stock Exchange upon which the Securities are traded. Please contact your professional advisor or broker for details of the relevant dealing timetable.

Only Authorised Participants may subscribe for the Securities from the Issuer on the primary market. The "**primary market**" is the market on which Securities are issued or bought back by the Issuer. Authorised Participants have to be capable of delivering the Securities within the clearing systems relevant to the stock exchanges on which the Securities are listed. Authorised Participants may request that the Issuer buys back their Securities and must comply with the requirements set out in their respective Authorised Participant Agreement with the Issuer. The Authorised Participants in respect of each Series of Securities will be specified in the relevant Final Terms or on the Issuer Website.

The Issuer may, at its sole discretion, accept Physical Redemption requests from Non-AP Holders. Non-AP Holders have to comply with the requirements set out in Condition 8.3 of the Terms and Conditions of the Securities if they request that the issuer buys back their Securities directly.

Investors that are not Authorised Participants and who wish to request that the Issuer buys back their Securities directly have to comply with the requirements set out in Condition 8.3 of the Terms and Conditions of the Securities.

7.1.4 Primary Market Dealings for Authorised Participants

In-kind Dealings

At launch of a Series, the Issuer may, at its sole discretion, accept only Physical Subscriptions and buy back requests with physical settlement.

Directed Cash Dealings

The Issuer may, from a date notified by the Issuer to the Authorised Participants or as set out in the Final Terms, commence accepting subscription and buy back requests from Authorised Participants with cash settlement using the directed cash dealings model ("**Directed Cash Dealings**").

The Directed Cash Dealings model allows an Authorised Participant making a cash subscription or buy back request to specify that the Issuer will purchase or sell (as applicable) the relevant cryptoassets with a particular eligible Cryptoasset Trading Counterparty selected by the Authorised Participant (i.e. a directed cash subscription or repurchase). If an Authorised Participant requests a Directed Cash Dealing, the Authorised Participant will be required to specify the designated Cryptoasset Trading Counterparty in its dealing request. The Issuer (or the Arranger on its behalf) has absolute discretion on whether to accept such Directed Cash Dealing request. If it accepts such Directed Cash Dealing request, it will use reasonable endeavours to transact the relevant cryptoasset with the designated Cryptoasset Trading Counterparty (save in exceptional market circumstances), subject to the designated Cryptoasset Trading Counterparty being acceptable to the Issuer (or the Arranger on its behalf) and being able to transact the relevant cryptoasset. Authorised Participants that wish to select a designated Cryptoasset Trading Counterparty are required, prior to the Issuer (or the Arranger on its behalf) transacting the relevant cryptoasset, to contact the relevant cryptoasset trading desk of the designated Cryptoasset Trading Counterparty to arrange the trade and to agree pricing and other terms of the trade.

As part of the Authorised Participant's settlement obligations for a Directed Cash Dealing subscription, the Authorised Participant would be responsible for (i) ensuring that the designated Cryptoasset Trading Counterparty transfers to the Issuer the relevant cryptoasset, and (ii) paying the fees and costs charged by the designated Cryptoasset Trading Counterparty to reflect the cost of execution for selling the relevant cryptoasset to the Issuer (by way of the relevant portion of the Subscription Fee).

The Authorised Participant is responsible for ensuring that the designated Cryptoasset Trading Counterparty purchases the relevant cryptoasset from the Issuer for a Directed Cash Dealing buy-back of Securities. The Authorised Participant will receive, in effect, the price paid by the designated Cryptoasset Trading Counterparty for purchasing the relevant cryptoasset from the Issuer, less any associated fees and costs charged by the designated Cryptoasset Trading Counterparty to reflect the cost of execution (by way of payment from the Issuer to the Authorised Participant of the Buy-Back Settlement Amount).

The Issuer, the Arranger and any other Transaction Parties will not be responsible, and shall have no liability, if the execution of the relevant cryptoasset with a designated Cryptoasset Trading Counterparty and, by extension, an Authorised Participant's Subscription Order or Buy-Back Order, is not carried out due to an omission, error, failed or delayed trade or settlement on the part of the Authorised Participant or the designated Cryptoasset Trading Counterparty. It is the responsibility of the Authorised Participant to arrange the trade and agree the pricing and other terms of the trade with its selected designated Cryptoasset Trading Counterparty and the Issuer, the Arranger and other Transaction Parties will not accept any responsibility or liability if the execution request is not achieved in the way desired by the Authorised Participant for any reason whatsoever. Should an Authorised Participant or the designated Cryptoasset Trading Counterparty to which the Authorised Participant directed the relevant cryptoasset transaction default on, delay settlement of, or change the terms of, any part of the relevant cryptoasset transaction, the Authorised Participant shall bear all associated risks and costs, including, without limitation, costs incurred by the Issuer and/or the Arranger and/or any other Transaction Party as a result of the delay, default or change of terms to the relevant cryptoasset

transaction. In such circumstances, the Issuer and the Arranger have the right to transact with another Cryptoasset Trading Counterparty or via the Prime Execution Agent and to amend the terms of the Authorised Participant's Subscription Order or Buy-Back Order, including the subscription price and/or repurchase proceeds, to take into account the default, delay and/or terms of the underlying Cryptoasset transaction.

Failure to Deliver

In the event that an Authorised Participant fails to meet its delivery obligations on settlement, within the stated settlement times for the relevant Series (available on the Order Entry Facility) the Issuer and/or Arranger reserves the right (but shall not be obliged) to cancel the relevant Subscription Order. The Authorised Participant shall indemnify the Issuer for any loss suffered by the Issuer as a result of a failure or delay by the Authorised Participant to meet its delivery obligations on settlement, within the stated settlement times, including (but not limited to) any market exposure, interest charges and other costs suffered by the Issuer. The Issuer reserves the right to cancel the provisional allotment of the relevant Securities on a failed subscription settlement and/or, for a subscription with cash settlement, may temporarily borrow an amount equal to the subscription and invest the amount borrowed in the relevant cryptoasset for the relevant Series and then use the subscription amount, when received, to repay the borrowings. The Issuer reserves the right to charge the relevant Authorised Participant for any interest or other costs incurred by the Issuer as a result of this borrowing. Where a designated Cryptoasset Trading Counterparty under a Directed Cash Dealing subscription fails or delays in delivering the required relevant cryptoasset, the Issuer (and the Arranger acting on its behalf) has a right to transact with a different Cryptoasset Trading Counterparty or via the Prime Execution Agent and to charge the relevant Authorised Participant for any interest or other costs incurred by the Issuer relating to the failed and new transactions. If the Authorised Participant fails to reimburse the Issuer for those charges, the Issuer (or the Arranger acting on its behalf) will have the right to sell all or part of the applicant's holdings of Securities (of any Series) in order to meet those charges.

A Buy-Back Order by an Authorised Participant will only be valid if the Authorised Participant satisfies its settlement obligation to deliver the required number of Securities to the Transfer Agent's account for settlement in the relevant International Central Securities Depository by the relevant settlement date. In the event an Authorised Participant fails to deliver the required Securities in relation to a Buy-Back Order within the stated settlement times for the relevant Series (available on the Order Entry Facility), the Issuer and/or Arranger reserves the right (but shall not be obliged) to treat this as a settlement failure by the Authorised Participant and to cancel the relevant Buy-Back Order, and the Authorised Participant shall indemnify the Issuer for any loss suffered by the Issuer as a result of a failure by the Authorised Participant to deliver the required Securities in a timely fashion, including (but not limited to) any market exposure and costs suffered by the Issuer.

In the event that an Authorised Participant is liable to reimburse the Issuer in respect of Subscription Fees or Buy-Back Fees (e.g. for any shortfall in the sum paid to the Issuer on a subscription or any excess repurchase proceeds received from the Issuer on a buy-back of Securities), the Issuer reserves the right to charge the relevant Authorised Participant for any interest or other costs incurred by the Issuer as a result of the Authorised Participant's failure to reimburse the Issuer in a timely manner after receiving notice of the sum payable.

7.1.5 Investment by non-Authorised Participant investors

Prospective investors who are not themselves Authorised Participants (Non-AP Holders) cannot purchase the Securities directly from the Issuer in the primary market. There are two ways in which such investors can purchase the Securities (as further explained in section "*7.2.1. General Functioning of the Securities*").

(a) Purchase directly from an Authorised Participant

To purchase Securities from an Authorised Participant, prospective investors interested in purchasing Securities may contact the Authorised Participants for the relevant Series of Securities using the contact information for Authorised Participants provided on the

website maintained on behalf of the Issuer at www.ishares.com and, as far as known at the date of the relevant Series of Securities, in Part A of the Final Terms of such Series under section 15. "*Authorised Participant(s)*" and ask to purchase the required number of Securities. Payment for the Securities purchased directly from Authorised Participants may be made in units of the relevant Cryptoasset or fiat currency, depending on which forms of payment are accepted by the relevant Authorised Participant at the time of purchase. Each Authorised Participant may charge a fee to the investor at its own discretion; or

(b) Purchase via a securities exchange or from another party on the secondary market

Alternatively, instead of purchasing the Securities from an Authorised Participant, an investor may also purchase the Securities on the secondary market from another party (i) on the relevant securities exchange (following the Securities being admitted to trading on a regulated market, equivalent market or multilateral trading facility) or (ii) over the counter. Securities can be purchased by prospective investors with any accepted legal tender.

7.2 FUNCTIONING OF THE SECURITIES

7.2.1 General Functioning of the Securities

The Securities allow investors, save for costs and fees which are reducing the value of the Securities, to participate in the positive or negative performance of bitcoin (BTC) as the Cryptoasset. The Securities are collateralised with the Cryptoasset.

On the secondary market, Securities can be purchased by prospective investors with any accepted legal tender.

Only Authorised Participants may purchase Securities directly from the Issuer in the primary market, and these Securities can either be subscribed for with units of the Cryptoasset (Physical Subscriptions) or in the case of Cash Subscriptions (if available), by payment of an amount in the Series Currency.

Units of the Cryptoasset received by the Issuer through such transactions will be transferred to the Custodian which will keep custody of all of the Issuer's Cryptoassets in segregated accounts in the Issuer Wallet, other than the Issuer's Cryptoassets which are temporarily maintained in the Trading Balance with the Prime Execution Agent as described above in "*The Prime Execution Agreement*". Issuer assets held in the Issuer Wallet are held in segregated wallets, and are not commingled with the Custodian's or its affiliates' assets, or the assets of the Custodian's other customers. The Issuer Wallet is held at blockchain addresses at which only the Issuer's assets are held (for a detailed description of such Security and the relevant agreements, see section "*7.2.10. Description of the Security Arrangements*").

7.2.2 Redemption of the Securities (Buy-Backs)

Buy-Back requests

Authorised Participants and Non-AP Holders may request that the Issuer buys back Securities from such Authorised Participant or Non-AP Holder in return for either (i) an amount of the relevant Cryptoasset or (ii) if at the relevant time the Issuer is accepting Cash Redemptions by Authorised Participants and/or Non-AP Holders for the relevant Series, a cash amount in the Series Currency, in each case, equal to the Buy-Back Settlement Amount, **provided that** the Authorised Participant or Non-AP Holder has satisfied certain conditions which include the return of such Securities and, in the case of Physical Redemptions, payment of any applicable Buy-Back Fee or Non-AP Buy-Back Fee (unless the Issuer (or the Arranger on its behalf) has waived the Buy-Back Fee or Non-AP Buy-Back Fee or agreed that it may be paid following the relevant buy-back) or, in the case of Cash Redemptions, payment of any applicable Residual Buy-Back Fee or Residual Non-AP Buy-Back Fee (unless the Issuer (or the Arranger on its behalf) has waived the Residual Buy-Back Fee or Residual Non-AP Buy-Back Fee or agreed that it may be paid following the relevant buy-back).

Cash Redemptions will only be accepted by the Issuer (within prescribed parameters) if it is stated in the relevant Final Terms or the Issuer has, prior to the date on which a Buy-Back Order is placed, notified Authorised Participants and/or Non-AP Holders (via a notice to Securityholders on the Issuer's Website) that it will accept Cash Redemptions from Authorised Participants and/or Non-AP Holders. Even if Cash Redemption is specified in the relevant Final Terms or has been notified, the Issuer may (in its sole discretion) reject any Buy-Back Order specifying Cash Redemption.

As at the date of this Base Prospectus, Cash Redemptions will not be accepted by the Issuer from either Authorised Participants or Non-AP Holders and no assurance can be given as to if or when Cash Redemptions will be available for either or both of Authorised Participants or Non-AP Holders.

It is intended that Authorised Participants of a Series will sell Securities on the secondary market to investors who have either directly approached the Authorised Participant or to investors on a stock exchange on which the Securities are listed (as applicable) for a purchase price agreed between the Authorised Participant and such investor(s) in respect of the Securities. Investors may sell the Securities from time to time on the secondary market via brokers to third parties or Authorised Participants, as agreed between the relevant parties.

With respect to each Series of Securities, the Issuer's main assets are (i) its holdings of the Underlying Cryptoassets held at the Custodian in the Issuer Wallet in respect of such Series; (ii) amounts standing to the credit of the Series Cash Account in respect of such Series; and (iii) its contractual rights and claims under the Transaction Documents in respect of such Series, including, without limitation, claims against the Prime Execution Agent under the Prime Execution Agreement for Cryptoassets held in the Trading Balance at the Prime Execution Agent relating to such Series.

The Issuer has the obligation to pay an "all-in-one" operational fee to the Arranger (equal to the sale proceeds of an amount of the Underlying Cryptoassets for a Series representing the reduction in the Cryptoasset Entitlement for that Series by daily application of the Total Expense Ratio). Such sale proceeds will be periodically paid to the Arranger. The Arranger will use these proceeds to pay the agreed operational fees of itself and other Agents to the Issuer. The remaining Underlying Cryptoassets (together with any Trading Balance) for a Series (equal to the aggregate Cryptoasset Entitlement of that Series) will be available to meet the Issuer's obligations to pay or deliver the Buy-Back Settlement Amount or the Early Redemption Amount (subject to the limited recourse described in "*Limited Recourse and Non-Petition*" under 6.1.5).

Buy-back of Securities from an Authorised Participant

An Authorised Participant who is a Relevant Beneficial Holder in respect of such Securities may request that the Issuer buy-back Securities in respect of the relevant Series by delivering a valid

Buy-Back Order subject to and in accordance with the terms of the relevant Authorised Participant Agreement.

An Authorised Participant may request in a Buy-Back Order that the Issuer buy-back Securities by way of Physical Redemption or Cash Redemption, **provided that**, Cash Redemptions will only be accepted by the Issuer (within prescribed parameters) if it is specified as applicable in the relevant Final Terms or the Issuer has, prior to the date on which the Buy-Back Order is placed, notified Authorised Participants that it will accept Cash Redemptions from Authorised Participants in respect of the relevant Series of Securities. As at the date of this Base Prospectus, Cash Redemptions will not be accepted by the Issuer from Authorised Participants and no assurance can be given as to if or when Cash Redemptions will be available for Authorised Participants. Even if Cash Redemption is specified in the relevant Final Terms or has been notified, the Issuer may (in its sole discretion) reject any Buy-Back Order specifying Cash Redemption.

Securities purchased by the Issuer will be purchased for the Buy-Back Settlement Amount, which is:

(i) for Physical Redemptions, an amount of the relevant Cryptoasset equal to the Cryptoasset Entitlement for such Securities subject to the relevant Buy-Back Order as at the relevant Buy-Back Trade Date; and

(ii) for Cash Redemptions, an amount equal to the greater of (i) zero and (ii) the product of the Cryptoasset Sale Proceeds per Security and the aggregate number of Securities subject to Cash Redemption to be purchased pursuant to the relevant Buy-Back Order, *less* the aggregate applicable Buy-Back Fee.

A Buy-Back Fee is payable on all Buy-Back Orders. The Issuer will only transfer the Buy-Back Settlement Amount to an Authorised Participant once the Authorised Participant has (i) deposited the relevant Securities in the account specified in the relevant Authorised Participant Agreement by the relevant cut-off time on the Buy-Back Settlement Date; and (ii) in the case of Physical Redemptions, paid the Buy-Back Fee (in cash) as set out in the relevant Authorised Participant Agreement by the relevant cut-off time on the Buy-Back Settlement Date (unless the Issuer (or the Arranger on its behalf) has waived the Buy-Back Fee or agreed that the Buy-Back Fee may be paid following the Buy-Back Settlement Date) or, in the case of Cash Redemptions, paid any Residual Buy-Back Fee in accordance with the relevant Authorised Participant Agreement.

All Securities purchased by or on behalf of the Issuer will be cancelled. Any Securities so cancelled will not be reissued or resold and the obligations of the Issuer in respect of any such Securities shall be discharged.

Buy-back of Securities from Non-AP Holders

A Non-AP Holder may request that the Issuer buy back all or part of its holding of Securities by delivering a valid Buy-Back Order. The form of Buy-Back Order will be available from iSharesDigitalAssetsETPDirectRedemptions@bny.com (or such other email address as is made available on the Issuer Website).

A Non-AP Holder may request in a Buy-Back Order that the Issuer buy-back Securities by way of Physical Redemption or Cash Redemption, **provided that**, Cash Redemptions will only be accepted by the Issuer (within prescribed parameters) from Non-AP Holders if it is specified as applicable in the relevant Final Terms or the Issuer has, prior to the date on which the Buy-Back Order is placed, notified Non-AP Holders that it will accept Cash Redemptions from Non-AP Holders in respect of the relevant Series of Securities. Even if Cash Redemption is specified in the relevant Final Terms or has been notified, the Issuer may (in its sole discretion) reject any Buy-Back Order specifying Cash Redemption.

Securities purchased by the Issuer will be purchased for the Buy-Back Settlement Amount which is:

(i) for Physical Redemptions, an amount of the relevant Cryptoasset equal to the Cryptoasset Entitlement for such Securities subject to the relevant Buy-Back Order as at the relevant Buy-Back Trade Date; and

(ii) for Cash Redemptions, an amount equal to the greater of (i) zero and (ii) the product of the Cryptoasset Sale Proceeds per Security and the aggregate number of Securities subject to Cash Redemption to be purchased pursuant to the relevant Buy-Back Order, *less* the aggregate applicable Non-AP Buy-Back Fee.

A Residual Non-AP Buy-Back Fee may also apply in respect of a Cash Redemption by Non-AP Holders (see "*Residual Non-AP Buy-back Fee*" below under 7.2.3 (d)).

A Buy-Back Fee is payable on all Buy-Back Orders. The Issuer will only transfer the Buy-Back Settlement Amount to a Non-AP Holder once the Non-AP Holder has (i) deposited the relevant Securities in such account as notified by the Issuer (or the Arranger, Administrator or Transfer Agent on its behalf) by the relevant cut-off time on the Buy-Back Settlement Date; and (ii) in the case of Physical Redemptions, paid the Buy-Back Fee by the relevant cut-off time on the Buy-Back Settlement Date (unless the Issuer (or the Arranger on its behalf) has waived the Buy-Back Fee or agreed that the Buy-Back Fee may be paid following the Buy-Back Settlement Date) or, in the case of Cash Redemptions, paid any Residual Non-AP Buy-Back Fee by the relevant cut-off time on the Buy-Back Settlement Date (unless the Issuer (or the Arranger on its behalf) has waived the Residual Non-AP Buy-Back Fee or agreed that the Residual Non-AP Buy-Back Fee may be paid following the Buy-Back Settlement Date).

All Securities purchased by or on behalf of the Issuer will be cancelled. Any Securities so cancelled will not be reissued or resold and the obligations of the Issuer in respect of any such Securities shall be discharged.

7.2.3 **Fees related to the redemption of the Securities**

(a) Buy-Back Fee

An amount in the Series Currency determined by the Issuer (or the Administrator, the Transfer Agent or the Arranger on its behalf) in its sole discretion as being equal to the costs, charges, fees and spreads incurred by or on behalf of the Issuer in connection with a Buy-Back Order, including, without limitation:

(i) any custody charges, blockchain network fees (including gas fees), ETP servicing fees, transactions costs, brokerage fees and costs, bank charges, interest, foreign exchange conversions and spreads, governmental charges, registration fees, (in the case of cash settlement, where available) spreads to take into account the price and cost at which the relevant Cryptoasset is sold, hedging-related costs, other fees and expenses charged by service providers, and any other costs relevant to carrying out a Buy-Back Order and the related transfer of cash or relevant Cryptoassets; and

(ii) any withholding, stamp duty, transfer taxes, and any present or future taxes levied, collected, withheld or assessed by or on behalf of any relevant authority having the power to tax in relation to a Buy-Back Order.

The Buy-Back Fee in respect of a Series of Securities may be changed from time to time by notice to the Authorised Participants in respect of the relevant Series.

(b) Residual Buy-Back Fee

The Residual Buy-Back Fee shall only apply in respect of a Cash Redemption if the Buy-Back Fee appliable to Securities subject to that Cash Redemption is greater than the product of the Cryptoasset Sale Proceeds per Security and the aggregate number of Securities subject to that Cash Redemption. The Residual Buy-Back Fee applicable to a Cash Redemption shall be an amount in the Series Currency determined by the Issuer (or the Administrator, the Transfer Agent or Arranger on its behalf) in its sole discretion as being equal to the amount (if any) by which the Buy-Back Fee for that Cash

Redemption is greater than the Buy-Back Settlement Amount for that Cash Redemption (ignoring for these purposes the deduction of the Buy-Back Fee in the calculation of Buy-Back Settlement Amount).

(c) Non-AP Buy-Back Fee

An amount in the Series Currency determined by the Issuer (or the Arranger on its behalf) in its sole discretion as being equal to the costs, charges, fees and spreads incurred by or on behalf of the Issuer in connection with a Buy-Back Order, including, without limitation:

(i) any custody charges, blockchain network fees (including gas fees), ETP servicing fees, transactions costs, brokerage fees and costs, bank charges, interest, foreign exchange conversions and spreads, governmental charges, registration fees, (in the case of cash settlement, where available) spreads to take into account the price and cost at which the relevant Cryptoasset is sold, hedging-related costs, other fees and expenses charged by service providers, and any other costs relevant to carrying out a Buy-Back Order and the related transfer of cash or relevant Cryptoassets; and

(ii) any withholding, stamp duty, transfer taxes, and any present or future taxes levied, collected, withheld or assessed by or on behalf of any relevant authority having the power to tax in relation to a Buy-Back Order.

The Non-AP Buy-Back Fee in respect of a Series of Securities may be changed from time to time by notice to the Securityholders.

(d) **Residual Non-AP Buy-Back Fee**

The Residual Non-AP Buy-Back Fee shall only apply in respect of a Cash Redemption if the Non-AP Buy-Back Fee appliable to Securities subject to that Cash Redemption is greater than the product of the Cryptoasset Sale Proceeds per Security and the aggregate number of Securities subject to that Cash Redemption. The Residual Non-AP Buy-Back Fee applicable to a Cash Redemption shall be an amount in the Series Currency determined by the Issuer (or the Administrator, the Transfer Agent or Arranger on its behalf) in its sole discretion as being equal to the amount (if any) by which the Non-AP Buy-Back Fee for that Cash Redemption is greater than the Buy-Back Settlement Amount for that Cash Redemption (ignoring for these purposes the deduction of the Non-AP Buy-Back Fee in the calculation of Buy-Back Settlement Amount).

7.2.4 **Cryptoasset Sale**

In connection with a Cash Redemption (including with respect to an Early Redemption), the Issuer, or the Arranger on its behalf, may request that the relevant amount of relevant Cryptoasset for a Series be sold, in the sole discretion of the Issuer (or the Arranger on its behalf), by the Prime Execution Agent, as the Issuer's agent, and/or to one or more Cryptoasset Trading Counterparties. Following receipt by the Issuer (or the relevant Agent on the Issuer's behalf) of proceeds of such sale, the Issuer (or the Administrator, Transfer Agent or the Arranger on its behalf) will calculate the "Cryptoasset Sale Proceeds per Security" as being the proceeds of such sale divided by the relevant number of Securities, for the purposes of determining the Buy-Back Settlement Amount or Early Redemption Amount, as applicable, in respect of such Cash Redemption (see "*Buy-back of Securities from Authorised Participants*", "*Buy-back of Securities from Non-AP Holders*" above and "*Early Redemption Amount*" and "*Qualified Holders and Compulsory Redemptions*" below).

Upon the Transaction Security relating to a Securities becoming enforceable, the Trustee may request some or all of the Underlying Cryptoasset and/or Trading Balance for a Series to be sold, in accordance with the Trust Deed.

7.2.5 **Early Redemption**

Early Redemption Events

If an Early Redemption Event occurs and one or more Early Redemption Notices (if applicable) are given, each Security of the relevant Series will be redeemed at the Early Redemption Amount on the Early Redemption Settlement Date.

The Early Redemption Events are, in summary:

(i) **Issuer Call Redemption Event**: the Issuer has elected to redeem all Securities of the relevant Series;

(ii) **Change in Law or Regulation Redemption Event**: due to the adoption of or change in any applicable law or interpretation of such law:

(a) it has become (or the Issuer reasonably expects that it will become) illegal or impracticable for the Issuer to (x) hold, acquire or dispose of the relevant Cryptoassets, and/or (y) perform its obligations under the Securities;

(b) it has (or reasonably expects that it is likely to) become necessary for the issuer to obtain a licence, authorisation or other approval for the continuation or maintenance of the business relating to or supporting the Securities or activities in relation to such Securities; or

(c) it would (or would expect to) incur an increased cost in performing its obligations under the Securities;

(iii) **Service Provider Non-Replacement Redemption Event**: any of (A) the Arranger, (B) the Administrator, (C) any Custodian, (D) the relevant Registrar, (E) the relevant Transfer Agent, (F) the relevant Paying Agent, (G) the relevant Account Bank, (H) all of the Authorised Participants, (I) the Corporate Services Provider, (J) the Prime Execution Agent and/or the Initial Trade Credit Lender, in each case, in relation to the relevant Series of Securities, resign or their appointment in relation to the relevant Series of Securities is terminated and no successor or replacement has been appointed within 60 calendar days of the date of notice of resignation or termination or the date the appointment was automatically terminated;

(iv) **Prime Execution Agent Redemption Event**: if, in respect of a Series of Securities, (a) the Prime Execution Agent fails to pay or deliver an amount due where required pursuant to the terms of the Prime Execution Agreement to or to the order of the Issuer and subject to any applicable grace periods in the Prime Execution Agreement, or (b) a Bankruptcy Event has occurred with respect to the Prime Execution Agent and no successor or replacement has been appointed within 60 calendar days of the date of such Bankruptcy Event;

(v) **Custodian Bankruptcy Redemption Event**: if a Custodian Bankruptcy Event has occurred with respect to a Custodian and no successor or replacement has been appointed within 60 calendar days of the Custodian Bankruptcy Event;

(vi) **Hard Fork/Airdrop Redemption Event**: if a Hard Fork, Airdrop or Equivalent Event occurs in relation to the Cryptoasset and/or Underlying Cryptoasset relating to a Series and the Issuer (or the Arranger on its behalf) determines in its sole discretion that such Hard Fork, Airdrop or Equivalent Event cannot be resolved in accordance with the provisions of Condition 11 (*Cryptoasset Modification*); and/or

(vii) **Continued Disruption Redemption Event**: if the Issuer (or the Arranger on its behalf) determines in its sole discretion that a Disruption Event is continuing for 30 days or more.

Events of Default

If an Event of Default occurs and the Trustee gives an Event of Default Redemption Notice, the Securities of the relevant Series will immediately become due and payable at their Early Redemption Amount (unless such Securities are already due and payable before such time). The Transaction Security over the Secured Property in respect of the relevant Series of Securities will also become enforceable upon the service of such notice.

The Events of Default are:

(i) the Issuer has defaulted for more than 14 calendar days in the payment of any sum or delivery of any Cryptoasset due in respect of the Securities of the relevant Series or any of them other than where such default occurs during a Suspension Period or as otherwise permitted by these Conditions;

(ii) the Issuer does not perform or comply with any one or more of its material obligations under the Securities, the Trust Deed or the relevant Security Agreements, which default is not remedied within 30 calendar days after there shall have been given, by registered or certified mail, to the Issuer by the Trustee or to the Issuer and the Trustee by holders of at least 25 per cent in number of the Securities of such Series then outstanding, a written notice specifying such non-performance or compliance and requiring it to be remedied and stating that such notice is a notice of such default hereunder; or

(iii) a Bankruptcy Event has occurred with respect to the Issuer.

For the purpose of determining the Early Redemption Amount payable to Securityholders following delivery of an Event of Default Redemption Notice: (i) the "**Early Redemption Trade Date**" shall be the date specified for such purpose in the Event of Default Redemption Notice and (ii) all Securities of such Series shall be Cash Redemption Securities. Other than to the extent that any Securityholder has validly elected for payment of Principal Amount prior to the delivery of an Event of Default Redemption Notice, no Securityholder shall be deemed to have elected to receive an amount in the Series Currency equal to the Principal Amount per Security held in lieu of the Early Redemption Amount in accordance with Condition 9.2 (*Principal Amount*).

Early Redemption Amount

On an Early Redemption, Securities will be redeemed by Cash Redemption.

The Early Redemption Amount will be an amount in the Series Currency determined by the Issuer (or the Administrator, Transfer Agent or the Arranger on its behalf) equal to the greater of (i) zero, and (ii) the product of the Cryptoasset Sale Proceeds per Security and the aggregate number of Securities then outstanding, *less* the aggregate applicable Early Redemption Fee.

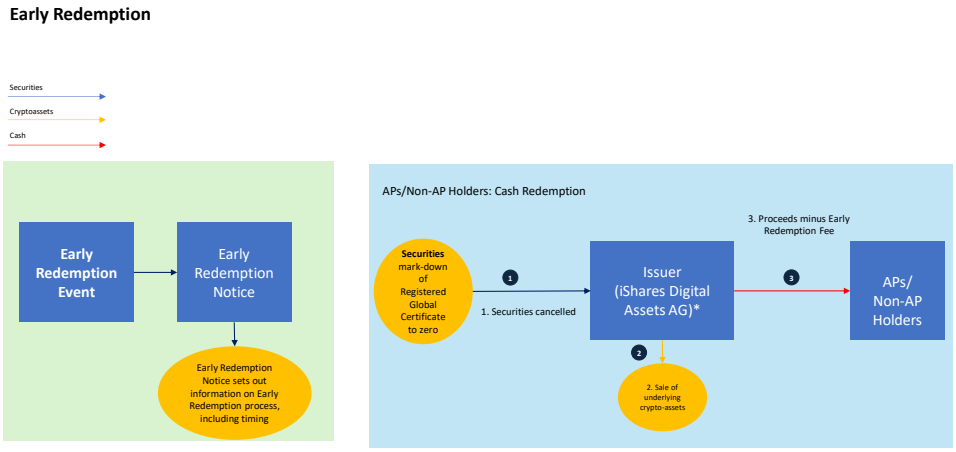
Notwithstanding the above, Securityholders may elect to receive an amount in the Series Currency equal to the Principal Amount *less* any applicable Early Redemption Fee *in lieu* of payment or delivery of the Early Redemption Amount on the Early Redemption Settlement Date. Any Securities in respect of which an Authorised Participant has requested Physical Redemption will be subject to an election not to receive the Principal Amount in respect of such Securities.

Securityholders should note that as payment of amounts owed to other creditors of the Issuer in respect of the relevant Series may rank in priority to payment or delivery of the Early Redemption Amount or Principal Amount to Securityholders, Payment of Early Redemption Amounts will rank in priority to payments of Principal Amounts. Securityholders may not receive the Early Redemption Amount or Principal Amount in full if the amounts due to such prior ranking creditors and the Securityholders exceed the available assets of the Issuer in respect of the Series.

Early Redemption Fee

In respect of a Cash Redemption Security, an amount equal to the costs incurred by or on behalf of the Issuer in connection with the early redemption of all Cash Redemption Securities, divided by the total number of Cash Redemption Securities.

Early Redemption Diagram



7.2.6 Qualified Holders and Compulsory Redemptions

In the event that the Issuer becomes aware that any Securities are or may be legally or beneficially owned by a person who is not a Qualified Holder, it may compulsorily redeem such Securities following notice in writing to the Securityholder concerned and such Securityholder would receive the Buy-Back Settlement Amount, *less* any Buy-Back Fee, Non-AP Buy Back Fee or other costs and expenses incurred in relation to such compulsory redemption (to the extent not already deducted in the definition of Buy-Back Settlement Amount).

"**Qualified Holder**" means any person, corporation or entity other than (i) a U.S. person as defined under Regulation S; (ii) a Benefit Plan Investor (as defined below); (iii) any other person, corporation or entity to whom a sale or transfer of Securities, or in relation to whom the holding of Securities (whether directly or indirectly affecting such person, and whether taken alone or in conjunction with other persons, connected or not, or any other circumstances appearing to the Issuer to be relevant) (a) would cause the Securities to be required to be registered under the Securities Act, (b) would cause the Issuer to become a "controlled foreign corporation" within the meaning of the US Internal Revenue Code of 1986, (c) would cause the Issuer to have to file periodic reports under Section 13 of the United States Securities Exchange Act of 1934, as amended (the "**Exchange Act**") (d) would cause the assets of the Issuer to be deemed to be "plan assets" of a Benefit Plan Investor (as defined below), or (e) would cause the Issuer otherwise not to be in compliance with the Securities Act, the US Employee Retirement Income Security Act of 1974, Section 4975 of the US Internal Revenue Code of 1986, Similar Law, or the Exchange Act; or (iv) a custodian, nominee, trustee or the estate of any person, corporation or entity described in (i) to (iii) above.

7.2.7 Sale of Securities on the Secondary Market

A Securityholder may sell its Securities on the securities exchange (in case of Securities admitted to trading on a regulated market, equivalent market or multilateral trading facility) or via an OTC market at any time (provided that a liquid market exists). The Issuer will not charge any fees. However, broker fees may be incurred.

7.2.8 Disruption Events

The Issuer, or the Arranger on its behalf, may postpone or suspend the issuance and/or buy-back and/or redemption of Securities and/or the settlement of any issuance, buy-back or redemption at any time after the occurrence and during the continuation of a Disruption Event by giving a Suspension Notice.

A Suspension Notice may cover a single day or a period over which the Disruption Event continues and may relate to one or more Series of Securities or to specific issuance(s), redemption(s), order(s) or holder(s), as specified in the Suspension Notice. If the Suspension Notice is for a period of time, the Suspension Period will end when the Issuer notifies the relevant parties that it shall recommence the issue, buy-back, redemption or settlement of Securities, as applicable.

During a Suspension Period, the Issuer is entitled (subject to the terms of the Suspension Notice):

(i) not to accept Subscription Orders and/or Buy-Back Orders, generally or with respect to particular orders;

(ii) to postpone or cancel the settlement of existing Subscription Orders and Buy-Back Orders, generally or with respect to particular orders; and

to postpone any Early Redemption Trade Date and/or payment or delivery of the Early Redemption Amount.

The Disruption Events are:

(a) a Cryptoasset Trading Disruption;

(b) it is impossible or not reasonably practicable for the Administrator or the Issuer (or the Arranger on the Issuer's behalf) to determine the Cryptoasset Entitlement for that Series and/or to notify the Securityholders of the Cryptoasset Entitlement in accordance with the Transaction Documents;

(c) as a result of the imposition of exchange controls or any other circumstances, it is impossible or not reasonably practicable for the Issuer or the relevant Agent(s) to receive or transfer amounts in the Series Currency through, to or from its accounts;

(d) it is not reasonably practicable for the Issuer (or any Transaction Party on its behalf) to transmit, process, list or settle any issuance, repurchase or other buy-back of the Securities in accordance with the Conditions and/or to transfer cash or Cryptoassets required in connection with any issue, repurchase or other redemption of the Securities or there is an interruption to the Order Entry Facility;

(e) any Trade Credit Lender fails to extend credit in the manner contemplated by the relevant Trade Credit Agreement when requested;

(f) if any of the Arranger, the Administrator, one or more relevant Custodian(s), the relevant Registrar, the relevant Transfer Agent, the relevant Paying Agent, the relevant Account Bank, all of the Authorised Participants, the Corporate Services Provider, all Trade Credit Lenders, all Cryptoasset Trading Counterparties (only if and to the extent any have been appointed) and/or the Prime Execution Agent in relation to the relevant Series of Securities temporarily suspend their services to the Issuer or resign or their appointment in relation to the relevant Series of Securities is terminated for any reason and a successor or replacement has not yet been appointed, for such time until such suspension is lifted or a successor or replacement has been appointed, as applicable;

(g) if an Issuer Call Redemption Notice, a Change in Law or Regulation Redemption Notice or a Hard Fork/Airdrop Redemption Notice (as applicable) has been given in accordance with Condition 9.4;

(h) if the Prime Execution Agent fails to pay or deliver an amount due where required pursuant to the terms of the Prime Execution Agreement to or to the order of the Issuer;

(i) if any Cryptoasset Trading Counterparty fails to pay or deliver an amount due where required pursuant to the terms of the relevant Cryptoasset Trading Counterparty Agreement to or to the order of the Issuer;

(j) if a Custodian Bankruptcy Event has occurred with respect to a Custodian and/or a Bankruptcy Event has occurred with respect to the Prime Execution Agent;

(k) if the Issuer (or the Arranger on its behalf) determines that all or any material part of any Underlying Cryptoasset in respect of a Series of Securities is no longer held in the Issuer Wallet in respect of such Series, other than in accordance with the Conditions and Transaction Documents; and/or

(l) any other event which the Issuer (or the Arranger on its behalf), in its sole discretion, considers to be a disruption event in relation to the relevant Series or any Security of that Series.

Cryptoasset Trading Disruption

The occurrence or continuance of any of the following events in respect of the relevant Series (or one or more Securities of that Series) or related Cryptoasset or Underlying Cryptoasset, as determined by the Issuer (or the Arranger on its behalf), in its sole discretion, shall constitute a Cryptoasset Trading Disruption:

(a) a material suspension of, or material limitation in, trading and/or settlement of the Cryptoasset for that Series (including, without limitation, a permanent or temporary discontinuation of trading);

(b) any circumstances exist as a result of or in which it is impossible or not reasonably practicable for the Issuer or the relevant Agent on its behalf to acquire the Cryptoasset or dispose of the Underlying Cryptoasset and/or determine the value of the Cryptoasset or Underlying Cryptoasset;

(c) the Custodian, the Prime Execution Agent or all Trade Credit Lenders for a Series temporarily suspend, or there is any other interruption in, the provision of its services for any reason including, without limitation, the occurrence of a Hard Fork;

(d) any Underlying Cryptoasset held by the Custodian and/or Cryptoasset in the Trading Balance for that Series has failed a Quarantine Review and are, as a consequence, inaccessible to the Issuer and/or no longer constitute Underlying Cryptoassets or Cryptoassets in the Trading Balance for that Series; or

(e) it is otherwise not reasonably practicable (from a cost, risk, technology or operational perspective, or for any other reason) to invest in, hold or custody the Cryptoassets and/or to trade and/or deliver the Cryptoassets.

Cryptoasset Modification

The Cryptoassets relating to a Series of Securities may from time to time be subject to:

(a) Airdrops;

(b) Hard Forks;

(c) events which have effects which the Issuer or the Arranger on its behalf considers in its sole discretion to be materially equivalent or similar to Airdrops or Hard Forks, as applicable (an "**Equivalent Event**"),

(each, a "**Cryptoasset Modification**").

None of the Issuer, the Arranger, the Trustee, any Custodian, the Prime Execution Agent or other Transaction Party shall be under an obligation to monitor whether a Cryptoasset Modification has occurred or to investigate or establish whether a particular event or circumstance is a Cryptoasset Modification or to take any action in connection with or as a result of a Cryptoasset Modification, although settlement of a Subscription Order or a Buy-Back Order may be delayed as a result of a Cryptoasset Modification.

None of the Issuer, the Trustee nor any Agent are required to actively participate in any Airdrop or Equivalent Event, nor shall they be required to take any steps to secure receipt of Cryptoassets or any other assets relating to an Airdrop or Equivalent Event. No modification will be made to the Cryptoasset Entitlement of a Series of Securities into which account or wallet an Airdrop or Equivalent Event has been made and the Securityholders of such Series shall have no entitlement to the Cryptoassets or other assets received by the Issuer as a result of an Airdrop or Equivalent Event, nor the value represented by such Cryptoassets or assets, unless otherwise determined in accordance with the Conditions.

The Issuer will not be required to hold such Cryptoassets or assets nor realise any value from them and any such additional Cryptoassets or asset will not form part of the Cryptoasset Entitlement with respect to any Series of Securities.

If a Hard Fork or Equivalent Event occurs in respect of the Cryptoassets relating to a Series of Securities, the Issuer, or the Arranger on its behalf will determine in its sole discretion which network, among the group of incompatible forks, is generally accepted as the applicable network and should therefore be considered the appropriate network for the purposes of such Series of Securities. In making this determination, the Issuer (or the Arranger on its behalf) may take into consideration factors including, but not limited to, the ability of the Custodian(s) and/or the Prime Execution Agent and/or the Cryptoasset Trading Counterpart(ies) of any relevant Series to support the relevant prefork and forked assets, the Issuer's or Arranger's (as applicable) expectations of the reactions that core developers, users, miners and others may have to the fork, and any other factors that the Issuer or the Arranger (as applicable) deems relevant. There is no guarantee that the Issuer, or the Arranger on its behalf will choose the network and the associated cryptoasset that is ultimately the most valuable fork.

If a Cryptoasset Modification occurs then the Issuer (or the Arranger on its behalf) may (but shall be under no obligation to) take any action and/or make any adjustment to the Conditions and/or any Transaction Document which it considers (in its sole discretion) to be appropriate to take account of such Cryptoasset Modification.

7.2.9 **Additional Assets**

If (a) the Underlying Cryptoasset together with any Cryptoasset in the Trading Balance in respect of a Series is greater than the aggregate Cryptoasset Entitlement for all Securities of that Series as a result of (i) any rounding up of Subscription Settlement Amounts in accordance with the Conditions or (ii) any rounding down of Buy-Back Settlement Amounts in accordance with the Conditions, (b) an Airdrop is received into the Issuer Wallet and/or Trading Balance and no adjustment has been made under Condition 11 in connection with such Airdrop, and/or (c) the Issuer receives into the Series Cash Account or any other account of the Issuer from time to time cash amounts not otherwise contemplated by the Conditions including, without limitation, CSDR penalty payments, credits, rebates or interest and the Issuer (or the Arranger on its behalf) determines in its sole discretion that such moneys are not required in order to meet its obligations to Securityholders under the Conditions, (each of (a), (b) and (c), an "**Additional Asset**") then the Issuer may, without the consent of the Trustee or Securityholders and in its sole discretion from time to time (i) liquidate all or any part of such Additional Assets, (ii) sell or transfer any Additional Assets (or the proceeds thereof) out of the Series Cash Account, Issuer Wallet or the Trading Balance (as applicable) and/or (iii) apply any Additional Assets or the proceeds thereof (as the case may be) to discharge CSDR debit penalties, any of the Issuer's costs, taxes and expenses (including legal and professional fees and expenses, indemnity and liability payments) and/or any amounts payable by or to the Arranger including, without limitation, to reduce the TER Sale Proceeds that would otherwise be payable to the Arranger under the Arranger Agreement.

In addition, the Issuer may, without the consent of the Trustee or Securityholders, in its sole discretion, permanently and irrevocably abandon any Additional Asset without receiving any payment or compensation therefor.

7.2.10 Example Calculations in relation to Early Redemption and Buy-Backs

The following sets out example calculations illustrating the redemption proceeds that investors may expect to receive in certain hypothetical scenarios following (i) an Early Redemption of Securities by the Issuer, (ii) a Buy-Back of Securities requested by an Authorised Participant, and (iii) a Buy-Back of Securities requested by a Non-AP Holder (as described in more detail above). These are illustrative examples only and are not forecasts and the scenarios are not exhaustive.

The scenarios are based on the following assumptions:

Product-Level Assumptions for iShares Bitcoin ETP Series

Series Currency: USD ($)

Issue Price of one Security at the Series Issue Date: $5

Price of one underlying Cryptoasset at the Series Issue Date: $75,000

Initial Cryptoasset Entitlement ($CE_{(0)}$) per Security at the Issue Date: 0.00006666 Cryptoasset per Security

Cryptoasset Entitlement at redemption on the day "t" days after the Series Issue Date calculated in accordance with the formula:

$$\mathrm{CE_t} = \mathrm{CE_{t\text{-}1}} \times (1\text{-}\mathrm{TER_t})^{\frac{1}{N}}$$

Where:

*"**CE_t**" means the Cryptoasset Entitlement in respect of the relevant day;*

*"**CE_{t-1}**" means the Cryptoasset Entitlement in respect of the immediately preceding day;*

*"**TER_t**" means the Total Expense Ratio as at the relevant day in respect of the relevant Series, expressed as a decimal; and*

*"**N**" means 365 (or 366 in a leap year).*

as further described in the Conditions.

Total Expense Ratio (TER) on an ongoing basis: 0.30 per cent per annum (30 basis points) applied on a daily basis.

TER Waiver: The example calculations below assume that a hypothetical TER waiver has been applied with the following terms: for the first 9 months from the Series Issue Date of the iShares Bitcoin ETP Series, the Total Expense Ratio is reduced to 0.15 per cent per annum by the Arranger waiving a part of the Total Expense Ratio payable by the Issuer to the Arranger. At the end of 9 months, the Total Expense Ratio returns to 0.30 per cent per annum.

Assumptions regarding amounts invested in the product at the Series Issue Date (assuming that all transaction fees and expenses have already been deducted)

Investor Type	*Amount Invested*	*No. of Securities redeemed*	*Relevant Scenario*
All investors (termination of a Series of Securities)	*$5000*	*1,000*	*1*
Authorised Participants	*$100,000*	*20,000*	*2*
Investors that are not Authorised Participants (i.e.	*$5000*	*1,000*	*3*

Investor Type	*Amount Invested*	*No. of Securities redeemed*	*Relevant Scenario*
Non-AP Holders including private individuals)			

The calculation examples in the tables below show hypothetical numbers for:

Scenario 1: The Early Redemption Amount less Early Redemption Fee (in USD) that an investor holding 1,000 Securities on an Early Redemption may receive, based on the assumptions set out above and in the notes accompanying the table. The table includes:

- Cryptoasset Entitlement: Showing how the aggregate Cryptoasset Entitlement values may vary over time (from 1st anniversary since the Series Issue Date until the 10th anniversary).

- Price Performance Scenarios: Showing how the cryptoasset sales proceeds may vary under different price performance scenarios being (i) zero price increase, (ii) 5% annual price increase and (iii) 5% annual price decrease.

Scenario 2: The Buy-Back Fee (in USD) payable by an Authorised Participant, and the Buy-Back Settlement Amount (in Cryptoasset) that the Authorised Participant may receive, on a buy-back (i.e. redemption) request for 20,000 Securities, based on the assumptions set out above and in the notes accompanying the table.

The table includes:

- Cryptoasset Entitlement: Showing how the aggregate Cryptoasset Entitlement and the Buy-Back Settlement Amount (both in Cryptoasset) may vary over time (from 1st anniversary since the Series Issue Date until the 10th anniversary).

Scenario 3: The Non-AP Buy-Back Fee (in USD) payable by an investor who is a Non-AP Holder, and the Buy-Back Settlement Amount (in Cryptoasset) that the Non-AP Holder may receive on a buy-back (i.e. redemption) request for 1,000 Securities, based on the assumptions set out above and in the notes accompanying the table.

The table includes:

- Cryptoasset Entitlement: Showing how the aggregate Cryptoasset Entitlement and the Buy-Back Settlement Amount (both in Cryptoasset) may vary over time (from 1st anniversary since the Series Issue Date until the 10th anniversary).

The value that investors and Authorised Participants may receive on a redemption will depend on (i) the Cryptoasset Entitlement per Security at the time of redemption (which decreases daily by the amount of Total Expense Ratio that is used to pay for certain operational fees and expenses for the relevant Series), (ii) the time elapsed since the issuance of the Securities (*Years since Series Issue Date*), (iii) the future performance of the underlying Cryptoasset up to the redemption of the Securities (in cash or in Cryptoasset), and (iv) the fees applied to the redemption of the Securities (i.e. Early Redemption Fee (in cash) on an Early Redemption in cash by the Issuer, or Buy-Back Fee (in cash) on a physical redemption by an Authorised Participant, or a Non-AP Buy-Back Fee (in cash) on a physical redemption by an investor who is a Non-AP Holder).

The following table shows Scenario 1, which is an example of an Early Redemption whereby a Series of Securities is being terminated:

In all early redemption scenarios, a 6 basis points Early Redemption Fee has been applied[3]

Anniversary since Series Issue Date	Aggregate Cryptoasset Entitlement multiplied by 1000 Securities (in Cryptoasset) [1]	Scenario 1: Early Redemption (in cash) [3]								
		Cryptoasset Sale Proceeds (in USD) for 1000 Securities, valued at underlying Cryptoasset price (assuming zero price increase) [5]	Early Redemption Fee (in USD) [4] [5]	Early Redemption Amount less Early Redemption Fee (in USD) [5] [2] [5] [8]	Cryptoasset Sale Proceeds (in USD) for 1000 Securities, valued at underlying Cryptoasset price (assuming 5% annual price increase) [6]	Early Redemption Fee (in USD) [4] [6]	Early Redemption Amount less Early Redemption Fee (in USD) [2] [6] [8]	Cryptoasset Sale Proceeds (in USD) for 1000 Securities, valued at underlying Cryptoasset price (assuming 5% annual price depreciation) [7]	Early Redemption Fee (in USD) [4] [7]	Early Redemption Amount less Early Redemption Fee (in USD) [2] [7] [8]
On Series Issue Date [9]	0.06666000	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
1st	0.06653000	4,989.75	3.00	4,986.75	5,239.23	3.15	5,236.08	4,740.26	2.85	4,737.41
3rd	0.06617000	4,962.75	2.98	4,959.77	5,745.00	3.45	5,741.55	4,254.93	2.56	4,252.37
5th	0.06580000	4,935.00	2.97	4,932.03	6,298.44	3.78	6,294.66	3,818.60	2.30	3,816.30
8th	0.06525000	4,893.75	2.94	4,890.81	7,230.29	4.34	7,225.95	3,246.61	1.95	3,244.66
10th	0.06489000	4,866.75	2.93	4,863.82	7,927.42	4.76	7,922.66	2,913.90	1.75	2,912.15

The following table shows Scenario 2, a primary market redemption of Securities with the Issuer requested by an Authorised Participant ("AP"):

In all primary market redemption (AP buy-back) scenarios, a fee of USD 1,300 will be payable.

Anniversary since Series Issue Date	Aggregate Cryptoasset Entitlement multiplied by 1 Security (in Cryptoasset) (1)	Scenario 2: Buy-back of Securities from an Authorised Participant(10) Physical Redemption)	
		Buy-Back Fee Payable (USD) (11)	Buy-Back Settlement Amount for 20,000 Securities (in Cryptoasset) (12)
On Series Issue Date(16)	0.00006666	1,300	n/a
1st	0.00006653	1,300	1.33060000
3rd	0.00006617	1,300	1.32340000
5th	0.00006580	1,300	1.31600000
8th	0.00006525	1,300	1.30500000
10th	0.00006489	1,300	1.29780000

The following table shows Scenario 3, which is a primary market redemption of Securities with the Issuer requested by a Non-AP Holder.

In all non-AP primary market redemption scenarios, a fixed fee of USD 1,500 will be payable.

Anniversary since Series Issue Date	Aggregate Cryptoasset Entitlement multiplied by 1 Security (in Cryptoasset) (1)	Scenario 3: Buy-back of Securities from a Non-AP Holder (13) (Physical Redemption	
		Non-AP Buy-Back Fee Payable (USD) (14)	Buy-Back Settlement Amount for 1,000 Securities (in Cryptoasset) (15)
On Series Issue Date(17)	0.00006666	1,500	n/a
1st	0.00006653	1,500	0.06653000
3rd	0.00006617	1,500	0.06617000
5th	0.00006580	1,500	0.06580000
8th	0.00006525	1,500	0.06525000

10th	0.00006489	1,500	0.06489000

Explanatory Notes:

(1) The Cryptoasset Entitlement on the Series Issue Date for each Security in a Series is disclosed in the Final Terms for the first issuance of Securities for that Series. On each subsequent day, the Cryptoasset Entitlement is reduced by the deduction of the Total Expense Ratio for that Series (the Total Expense Ratio is used to pay for agreed operational fees of the Issuer's service providers). The Total Expense Ratio is a fixed percentage rate that is disclosed in the Final Terms for the relevant Series. This table takes into account a fee waiver of the Total Expense Ratio as explained in the assumptions above. The Cryptoasset Entitlement for each Series will be available on the Issuer Website. The aggregate Cryptoasset Entitlement used to calculate the Early Redemption Amount and the Buy-Back Settlement Amount is rounded down to the decimal places shown in the table.

(2) On an Early Redemption by the Issuer (i.e. whereby a full Series of Securities of the Issuer is being terminated), the amount (in cash) that Securityholders will receive for the Securities held will be the Early Redemption Amount less the Early Redemption Fee (in cash). The Early Redemption Amount will depend on the Cryptoasset Entitlement per Security. The Early Redemption Amount will consist of the sale proceeds from selling the amount of Cryptoassets determined by the Issuer (or the Administrator, the Transfer Agent or the Arranger on its behalf) to be equivalent to the Cryptoasset Entitlement for the Securities being redeemed.

Each Series has been designed so that the amount of Cryptoassets held for each Series will fully cover the aggregate Cryptoasset Entitlement for all Securities in issue for the relevant Series, and also for the Cryptoasset Entitlement to be reduced only by the Total Expense Ratio. However, there are risks factors that could impact the amount of Cryptoassets held for a Series, the sale price of the Cryptoassets and also the Cryptoasset Entitlement. These risk factors are set out in the section of this Prospectus headed "Risk Factors".

The Cryptoasset Entitlement on the Series Issue Date for each Security in a Series is disclosed in the Final Terms for the first issuance of Securities for that Series. On each subsequent day, the Cryptoasset Entitlement is reduced by the deduction of the Total Expense Ratio for that Series (the Total Expense Ratio is used to pay for agreed operational fees of the Issuer's service providers). The Total Expense Ratio is a fixed percentage rate that is disclosed in the Final Terms for the relevant Series. This table takes into account a fee waiver of the Total Expense Ratio as explained in the assumptions above. The Cryptoasset Entitlement for each Series will be available on the Issuer Website.

(3) Early Redemptions will be made via Cash Redemption. The table assumes that Securityholders will receive the Early Redemption Amount less Early Redemption Fee (in cash) on the Early Redemption Settlement Date (which is the default) and that they do not instead elect to receive an amount in the Series Currency equal to the Principal Amount less any applicable Early Redemption Fee (as described in the Terms and Conditions of the Securities, and the Principal Amount is disclosed in the Final Terms for the relevant Series).

(4) The Early Redemption Fee per Security is an amount equal to the costs incurred by or on behalf of the Issuer in connection with the early redemption of all relevant Securities of the Series (including the broker commission when selling the Cryptoassets and any prospective costs of distributing the Early Redemption Amount less the Early Redemption Fee, but without building in any market price movements in the Cryptoasset sale proceeds as this is not possible to predict), divided by the total number of relevant Securities. The actual Early Redemption Fee will be notified by the Issuer to Securityholders after the underlying Cryptoasset has been sold and within a reasonable time of the costs of carrying out the Early Redemption and terminating the relevant Series becoming known. It is difficult to accurately predict in advance what the Early Redemption Fee might be. For the purpose of this example calculation, we are assuming that the pro-rated Early Redemption Fee could be around 6 basis points of the Early Redemption Amount. The actual Early Redemption Fee will depend on market conditions at time of the Early Redemption and the actual fee could be higher or lower.

(5) The calculation of the Cryptoasset sale proceeds from the sale of the Cryptoasset Entitlement assumes that 1,000 Securities are being redeemed and also assumes that the price of one unit of the underlying Cryptoasset on the Series Issue Date is $75,000.

3 market circumstances are shown in this table:

(a) no change in Cryptoasset price subsequent to the Series Issue Date;

(b) 5% average increase in Cryptoasset price in each year; and

(c) 5% average depreciation in Cryptoasset price in each year.

The column with footnote 5 shows the estimated Cryptoasset sale proceeds and the Early Redemption Amount less Early Redemption Fee in the circumstance that there is no change to the Cryptoasset price subsequent to the Series Issue Date. Therefore, the price for one unit of Cryptoasset on Early Redemption is assumed to be unchanged at $75,000. Sale proceeds and the Early Redemption Amount less the Early Redemption Fee are rounded down to the nearest cent. The actual Cryptoasset sale proceeds will depend on market conditions at the time of sale and the actual amount could be higher or lower.

(6) The column with footnote 6 assumes that the price of one unit of the underlying Cryptoasset on the Series Issue Date is $75,000 and there is a 5% increase in underlying Cryptoasset price in each subsequent year. The positive 5% price change is hypothetical and the actual price change will differ. The price may go down as well as up. Sale proceeds are rounded down to the nearest cent. The actual Cryptoasset sale proceeds will depend on market conditions at the time of sale and the actual amount could be higher or lower. It is assumed that 1,000 Securities are being redeemed.

(7) The column with footnote 7 assumes that the price of one unit of the underlying Cryptoasset on the Series Issue Date is $75,000 and there is a 5% depreciation in underlying Cryptoasset price in each subsequent year. Sale proceeds and the Early Redemption Amount less the Early Redemption Fee are rounded down to the nearest cent. The actual Cryptoasset sale proceeds will depend on market conditions at the time of sale and the actual amount could be higher or lower. It is assumed that 1,000 Securities are being redeemed.

(8) For Early Redemptions in cash, the Early Redemption Fee (in cash) will be deducted from the Early Redemption Amount (in cash) before the net proceeds are paid to Securityholders. Securityholders will only receive a payment on an Early Redemption if the Early Redemption Amount exceeds the Early Redemption Fee. If the Early Redemption Amount is equal to or less than the Early Redemption Fee, Securityholders will not be charged for the shortfall and will not receive any payment.

(9) Assumes that there will not be any Early Redemption on the Series Issue Date itself.

(10) Only Physical Redemptions will be permitted initially for buy-back requests by Authorised Participants. Therefore, the example calculations show the Buy-Back Settlement Amount in Cryptoasset.

(11) When an Authorised Participant requests a buy-back of Securities by the Issuer, the Authorised Participant will have to pay a Buy-Back Fee. The Buy-Back Fee is a flat fee of $1,300 per Buy-Back Order. The Buy-Back Fee is payable in cash by the Authorised Participant to the Issuer prior to the

Authorised Participant receiving the Buy-Back Settlement Amount in Cryptoasset from the Issuer. Any increase in the Buy-Back Fee will be notified to Authorised Participants in advance of an increase becoming effective.

(12) The Buy-Back Settlement Amount (in Cryptoasset) for Physical Redemption is the aggregate amount of Cryptoasset Entitlement in respect of the number of Securities being redeemed. This calculation will not change even if the trading price of the Cryptoasset changes. The example calculation for buy-backs by Authorised Participants assumes that 20,000 Securities are being redeemed, which is the expected minimum Buy-Back Order size for Authorised Participants on the primary market.

Each Series has been designed so that the amount of Cryptoassets held for each Series will fully cover the aggregate Cryptoasset Entitlement for all Securities in issue for the relevant Series, and the Cryptoasset Entitlement will be reduced only by the Total Expense Ratio. However, there are risks factors that could impact the amount of Cryptoassets held for a Series, the sale price of the Cryptoassets and also the Cryptoasset Entitlement. These risk factors are set out in the section of this Prospectus headed “Risk Factors”.

(13) It is expected that most Non-AP Holders would generally sell their Securities on the secondary market through their broker, custodian or other intermediary, rather than redeem their Securities on the primary market, as the former is generally more cost effective and operationally quicker for Non-AP Holders. If a Non-AP Holder redeems Securities by requesting a buy-back of these Securities by the Issuer, only Physical Redemptions will be permitted initially. Therefore, the example calculations show the Buy-Back Settlement Amount in Cryptoasset.

(14) When an investor (which is not an Authorised Participant) requests a buy-back (i.e. redemption) of Securities by the Issuer, the Non-AP Holder will have to pay a Non-AP Buy-Back Fee in cash for each order. The Non-AP Buy-Back Fee is a flat fee of $1,500. The calculation example assumes that a Non-AP Holder is requesting that the Issuer buys back 1,000 Securities from the Non-AP Holder.

The Non-AP Buy-Back Fee is payable in cash by an investor, who is a Non-AP Holder, to the Issuer prior to the investor receiving the Buy-Back Settlement Amount in Cryptoasset from the Issuer. Any increase in the Non-AP Buy-Back Fee will be notified to the Securityholders at least 10 calendar days in advance of an increase becoming effective. Securityholders that hold Securities for the benefit of end investors should pass on such notification to end investors.

(15) The Buy-Back Settlement Amount (in Cryptoasset) for Physical Redemption is the aggregate amount of Cryptoasset Entitlement in respect of the number of Securities being redeemed. This calculation will not change even if the trading price of the Cryptoasset changes. The example calculation for buy-backs by Non-AP Holders assumes that 1,000 Securities are being redeemed.

Each Series has been designed so that the amount of Cryptoassets held for each Series will fully cover the aggregate Cryptoasset Entitlement for all Securities in issue for the relevant Series, and the Cryptoasset Entitlement will be reduced only by the Total Expense Ratio. However, there are risks factors that could impact the amount of Cryptoassets held for a Series, the sale price of the Cryptoassets and also the Cryptoasset Entitlement. These risk factors are set out in the section of this Prospectus headed “Risk Factors”.

(16) Assumes that there will not be any AP buy-backs requested on the Series Issue Date itself.

(17) Assumes that there will not be any non-AP buy-backs requested on the Series Issue Date itself.

7.3 DESCRIPTION OF THE TRANSACTION SECURITY ARRANGEMENTS

7.3.1 Security and Secured Property

With respect to each Series of Securities, the Issuer's main assets are its holdings of Underlying Cryptoasset in respect of such Series and its contractual rights under the Transaction Documents insofar as they relate to such Series.

The obligations of the Issuer in respect of each Series of Securities are secured, pursuant to the relevant Security Agreements, by:

(i) a first ranking charge governed by Irish law in favour of the Trustee (for itself and the Secured Creditors) over (i) the Issuer Wallet in respect of the relevant Series of Securities, (ii) all amounts and Cryptoassets from time to time standing to the credit thereof and (iii) all other rights in relation to all amounts and Cryptoassets from time to time standing to the credit thereof;

(ii) an assignment governed by Irish law in favour of the Trustee (for itself and the Secured Creditors) of all rights of the Issuer against the Custodian under the Custody Agreement in respect of the relevant Series of Securities;

(iii) an assignment by way of security governed by English law in favour of the Trustee (for itself and the Secured Creditors) of all of the Issuer's rights, title, interest and benefit present and future in, to and under the Arranger Agreement, the Master Services Agreement, the Registrar Agreement(s), the Agency Agreement(s), the Authorised Participant Agreements and the Account Bank Agreement (in each case, to the extent that they relate to the relevant Series of Securities);

(iv) a first fixed charge governed by English law in favour of the Trustee (for itself and the Secured Creditors) over the Series Cash Account in respect of the relevant Series of Securities, all amounts from time to time standing to the credit thereof (together with all interest accruing from time to time thereon and the debts represented thereby);

(v) an assignment governed by New York law in favour of the Trustee (for itself and the Secured Creditors) of all rights of the Issuer against the Prime Execution Agent under the Prime Execution Agreement including to amounts owed now or in the future by the Prime Execution Agent to the Issuer in connection with the Trading Balance and purchase or sale of Cryptoassets by the Prime Execution Agent (on behalf of the Issuer) pursuant to the Prime Execution Agreement (to the extent that they relate to the relevant Series of Securities); and

(vi) any other Security Interest expressed to be created in an Additional Security Agreement.

The Security is granted to the Trustee as continuing Security for the Secured Obligations

7.3.2 Enforcement of the Transaction Security created under the relevant Security Agreements

The Transaction Security over the Secured Property in respect of a Series of Securities will become enforceable upon the service of an Event of Default Redemption Notice.

8. DESCRIPTION OF THE UNDERLYING

8.1 CRYPTOASSET MARKET OVERVIEW

The information provided below is not a complete summary of information relating to cryptoassets as an asset class, their storage or relevant legislation. Prospective buyers of Securities are advised to conduct their own independent investigation of bitcoin (BTC), as the Underlying Cryptoasset and forming part of the Secured Property for the relevant Series of Securities, or consult with their relevant advisers as to the prospects and consequences of a purchase of Securities linked to bitcoin (BTC) as cryptoasset.

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

8.1.1 Introduction

Cryptoassets are the oldest, largest, and most active application of blockchain technology. The market capitalisation of cryptoassets sits at over US$2tn in aggregate, across more than 10,000 different assets, though bitcoin retains a dominant market share at around 50 per cent. Cryptoassets possess a suite of properties that give them utility; they are global, nearly instantaneously transferrable, digitally native, decentralised, and programmable.

Cryptoassets have rapidly gained global attention and adoption due to speculation that cryptoassets and blockchain technology could have the potential to revolutionise various industries by offering decentralised and transparent alternatives to traditional systems. Cryptoassets are considered digitally native assets because they are issued on a blockchain. What makes them unique is that they use cryptography, peer-to-peer networking, and a public ledger that is amended via consensus to regulate the generation of new units, verify the transactions, and secure the records of ownership without reliance on an intermediary. Cryptoassets can be subdivided into the following two broad categories based on their predominant use case:

(i) ***Protocol tokens***: these are the foundational assets of blockchain networks, serving as the base currency within their respective ecosystems. Protocol tokens are integral to the operation and security of their blockchain protocols, enabling various functionalities. Protocol tokens can be further classified into different types based on their primary use case:

  (a) ***Store of value and Payments tokens***: These tokens are designed primarily for the purpose of storing and transferring the protocol's native asset. Such blockchains are designed to be stable, resilient, and intentionally simple. The primary example of such tokens is generally considered to be bitcoin.

  (b) ***Smart Contract blockchain tokens***: Other protocols are designed with more flexibility. Allowing for a diverse range of applications or assets to be built on top. Ethereum is a key example, supporting various application types including decentralised finance (DeFi) and Non-Fungible tokens (NFTs).

(ii) ***Application tokens***: Decentralised applications typically have native tokens that power their services and confer governance rights, allowing users to influence the application's rules and economic terms. These tokens often serve as the application's base currency and are used to reward early adopters for their participation in the network.

8.1.2 Overview of Blockchain

Blockchain is the technological foundation of all elements of the ecosystem, including cryptoassets, digital currencies, tokenisation, and DeFi. A blockchain is a distributed database that is shared amongst the nodes of a network of computers that enables real-time consensus. As a database, a blockchain stores information in digital format, maintaining a secure and

decentralised record of transactions. The core innovation of blockchain technology is that it guarantees the fidelity and security of a record of data and generates trust without the need for a trusted third party.

8.1.3 Consensus mechanisms

Every blockchain needs a "consensus mechanism" to establish accuracy across the network through ensuring that all participants agree on the state of the blockchain and the validity of transactions. Consensus mechanisms across blockchains differ but often require participants to risk something of value to propose new blocks and earn rewards.

Blockchains achieve consensus primarily through two mechanisms: Proof of Work ("**PoW**") and Proof of Stake ("**PoS**"). Proof of Work involves miners competing to solve intricate cryptographic puzzles, with the first to solve these puzzles earning the right to add a new block to the blockchain and receiving a reward. Over time, PoW rewards are generally expected to be proportionate to the computational power of each miner.

In contrast, Proof of Stake consensus mechanism requires network participants to deposit ("**stake**") a native cryptoasset in order to participate as a "validator" on the network. Proof of Stake validators typically earn rewards in the form of new cryptoassets for timely block proposals and attestations; Validators will often incur modest punishments for failing to do this work and severe punishments (slashing) for malicious activity. Over time, PoS rewards are generally expected to be proportionate to the total amount staked. Ethereum was originally launched as a PoW blockchain but has fully transitioned to PoS since September 2022. Both PoW and PoS attempt to ensure the verification and agreement of transactions across the network, thereby maintaining the blockchain's integrity and security without the need for a trusted centralised intermediary.

8.1.4 Cryptoasset Pricing

Cryptoassets derive their value from several factors, including the underlying technology, the cryptoasset's utility and the community's perception of their potential. However, the pricing of cryptoassets is subject to significant volatility and unpredictability. A key challenge in the global 24/7 cryptoasset market is that prices can often exhibit substantial fluctuations over short periods due to factors influencing market dynamics, such as large trades by significant holders, security incidents within exchanges, macroeconomic factors, and regulatory developments. While cryptoasset volatility remains elevated compared with more established asset classes, it has tended to decline gradually over time, especially with regard to the more mature cryptoassets. Nonetheless, volatility remains a prevalent feature in the trading patterns of cryptoassets, including bitcoin, and this volatility can be exacerbated by the fact that offshore markets enable large amounts of leverage, which can contribute to volatility.

8.2 BITCOIN

Bitcoin is a digital asset that is created and transmitted through the operations of the peer-to-peer Bitcoin network, a decentralised network of computers that operates on cryptographic protocols. No single entity owns or operates the Bitcoin network; the infrastructure of the network is instead collectively maintained by its users. The Bitcoin network allows people to exchange tokens of value, called bitcoin, which are recorded on a public transaction ledger known as the Bitcoin blockchain. Bitcoin can be used to pay for goods and services, or it can be converted to fiat currencies, such as the U.S. dollar, at rates determined on bitcoin platforms that enable trading in bitcoin or in individual end-user to end-user transactions under a barter system.

The Bitcoin network is commonly understood to be decentralised and does not require governmental authorities or financial institution intermediaries to create, transmit or determine the value of bitcoin. Rather, bitcoin is created and allocated by the Bitcoin network protocol through a "mining" process. The value of bitcoin is determined by the supply of, and demand for, bitcoin on bitcoin platforms or in private end-user to end-user transactions.

New bitcoins are created and rewarded to the miners of a block in the Bitcoin blockchain for verifying transactions. The Bitcoin blockchain is a shared database that includes all blocks that

have been solved by miners and it is updated to include new blocks as they are solved. Each bitcoin transaction is broadcast to the Bitcoin network and, when included in a block, recorded in the Bitcoin blockchain. As each new block records outstanding bitcoin transactions, and outstanding transactions are settled and validated through such recording, the Bitcoin blockchain represents a complete, transparent and unbroken history of all transactions of the Bitcoin network.

History of Bitcoin

The Bitcoin network was initially contemplated in a white paper published in 2008 that also described bitcoin and the operating software to govern the Bitcoin network. The white paper was purportedly written by Satoshi Nakamoto. However, no individual with that name has been reliably identified as bitcoin's creator, and the general consensus is that the name is a pseudonym for the actual inventor or inventors. The first bitcoins were created in 2009 after Nakamoto released the Bitcoin network source code (the software and protocol that created and launched the Bitcoin network). The Bitcoin network has been under active development since that time by a loose group of software developers who have come to be known as core developers.

Overview of Bitcoin Network Operations

In order to own, transfer or use bitcoin directly on the Bitcoin network (as opposed to through an intermediary, such as a platform), a person generally must have internet access to connect to the Bitcoin network. Bitcoin transactions may be made directly between end-users without the need for a third-party intermediary. To prevent the possibility of double-spending bitcoin, a user must notify the Bitcoin network of the transaction by broadcasting the transaction data to its network peers. The Bitcoin network provides security against double-spending by memorialising every transaction in the Bitcoin blockchain, which is publicly accessible and transparent. This memorialisation and verification against double-spending is accomplished through the Bitcoin network mining process, which adds "blocks" of data, including recent transaction information, to the Bitcoin blockchain.

Overview of Bitcoin Transfers

Prior to engaging in bitcoin transactions directly on the Bitcoin network, a user generally must first install on its computer or mobile device a Bitcoin network software program that will allow the user to generate a "private" and "public" key pair associated with a bitcoin address that is commonly referred to as a "wallet." The Bitcoin network software program and the bitcoin address also enable the user to connect to the Bitcoin network and transfer bitcoin to, and receive bitcoin from, other users.

To receive bitcoin, the bitcoin recipient must provide its public key to the party initiating the transfer. This activity is analogous to a recipient for a transaction in U.S. dollars providing a routing address in wire instructions to the payor so that cash may be wired to the recipient's account. The payor approves the transfer to the address provided by the recipient by "signing" a transaction that consists of the recipient's public key with the private key of the address from where the payor is transferring the bitcoin. The recipient, however, does not make public or provide to the sender its related private key.

Neither the recipient nor the sender reveals their private keys in a transaction because the private key authorises transfer of the funds in that address to other users. Therefore, if a user loses his private key, the user may permanently lose access to the bitcoin contained in the associated address. Likewise, bitcoin is irretrievably lost if the private key associated with them is deleted and no backup has been made. When sending bitcoin, a user's Bitcoin network software program must validate the transaction with the associated private key. The resulting digitally validated transaction is sent by the user's Bitcoin network software program to the Bitcoin network to allow transaction confirmation.

Some bitcoin transactions are conducted "off-blockchain" and are therefore not recorded in the Bitcoin blockchain. Some "off-blockchain transactions" involve the transfer of control over, or ownership of, a specific digital wallet holding bitcoin or the reallocation of ownership of certain

bitcoin in a digital wallet containing assets owned by multiple persons, such as a digital wallet maintained by a digital assets platform. In contrast to on-blockchain transactions, which are publicly recorded on the Bitcoin blockchain, information and data regarding off-blockchain transactions are generally not publicly available. Therefore, off-blockchain transactions are not truly bitcoin transactions in that they do not involve the transfer of transaction data on the Bitcoin network and do not reflect a movement of bitcoin between addresses recorded in the Bitcoin blockchain. For these reasons, off-blockchain transactions are subject to risks as any such transfer of bitcoin ownership is not protected by the protocol behind the Bitcoin network or recorded in, and validated through, the blockchain mechanism.

Summary of a Bitcoin Transaction

In a bitcoin transaction directly on the Bitcoin network between two parties (as opposed to through an intermediary, such as a platform or a custodian), the following circumstances must initially be in place: (i) the party seeking to send bitcoin must have a Bitcoin network private key, and the Bitcoin network must verify that the cryptographically associated public key has sufficient bitcoin to complete the transaction; (ii) the receiving party must have a Bitcoin network public key; and (iii) the spending party must have internet access with which to send its spending transaction.

The receiving party must provide the spending party with its public key. After the provision of a recipient's Bitcoin network public key, the spending party must enter the address into its Bitcoin network software program along with the number of bitcoin to be sent. The number of bitcoin to be sent will typically be agreed upon between the two parties based on a set number of bitcoin or an agreed upon conversion of the value of fiat currency to bitcoin. Since every computation on the Bitcoin network requires the payment of bitcoin, including verification and memorialisation of bitcoin transfers, there is a transaction fee involved with the transfer, which is based on computation complexity and not on the value of the transfer and is paid by the payor with a fractional number of bitcoin.

After the entry of the Bitcoin network address, the number of bitcoin to be sent and the transaction fees, if any, to be paid, will be transmitted by the spending party. The transmission of the spending transaction results in the creation of a data packet by the spending party's Bitcoin network software program, which is transmitted onto the decentralised Bitcoin network, resulting in the distribution of the information among the software programs of users across the Bitcoin network for eventual inclusion in the Bitcoin blockchain.

As discussed in greater detail below in "*Creation of a New Bitcoin*", Bitcoin network miners record transactions when they solve for and add blocks of information to the Bitcoin blockchain. When a miner solves for a block, it creates that block, which includes data relating to (i) the solution to the block, (ii) a reference to the prior block in the Bitcoin blockchain to which the new block is being added and (iii) pending transactions that have not yet been added to the Bitcoin blockchain. The miner becomes aware of outstanding, unrecorded transactions through the data packet transmission and distribution discussed above.

Upon the addition of a block included in the Bitcoin blockchain, the Bitcoin network software program of both the spending party and the receiving party will show confirmation of the transaction on the Bitcoin blockchain and reflect an adjustment to the bitcoin balance in each party's Bitcoin network public key, completing the bitcoin transaction. Once a transaction is confirmed on the Bitcoin blockchain, it is effectively irreversible.

Creation of a New Bitcoin

New bitcoins are created through the mining process as discussed below.

The Bitcoin network is kept running by computers all over the world. In order to incentivise those who incur the computational costs of securing the network by validating transactions, there is a reward that is given to the computer that was able to create the latest block on the chain. Every 10 minutes, on average, a new block is added to the Bitcoin blockchain with the latest transactions processed by the network, and the computer that generated this block is currently awarded 3.125 bitcoin. Due to the nature of the algorithm for block generation, this process

(generating a "proof-of-work") is random. Over time, rewards are expected to be proportionate to the computational power of each machine.

The process by which bitcoin is "mined" results in new blocks being added to the Bitcoin blockchain and new bitcoin tokens being issued to the miners. Computers on the Bitcoin network engage in a set of prescribed complex mathematical calculations in order to add a block to the Bitcoin blockchain and thereby confirm bitcoin transactions included in that block's data.

To begin mining, a user can download and run Bitcoin network mining software, which turns the user's computer into a "node" on the Bitcoin network that validates blocks. Each block contains the details of some or all of the most recent transactions that are not memorialised in prior blocks, as well as a record of the award of bitcoin to the miner who added the new block. Each unique block can be solved and added to the Bitcoin blockchain by only one miner. Therefore, all individual miners and mining pools on the Bitcoin network are engaged in a competitive process of constantly increasing their computing power to improve their likelihood of solving for new blocks. As more miners join the Bitcoin network and its processing power increases, the Bitcoin network adjusts the complexity of the block-solving equation to maintain a predetermined pace of adding a new block to the Bitcoin blockchain approximately every ten minutes. A miner's proposed block is added to the Bitcoin blockchain once a majority of the nodes on the Bitcoin network confirms the miner's work. Miners that are successful in adding a block to the Bitcoin blockchain are automatically awarded bitcoin for their effort and may also receive transaction fees paid by transferors whose transactions are recorded in the block. This reward system is the method by which new bitcoin enter into circulation to the public.

The Bitcoin network is designed in such a way that the reward for adding new blocks to the Bitcoin blockchain decreases over time. Once new bitcoin tokens are no longer awarded for adding a new block, miners will only have transaction fees to incentivise them, and as a result, it is expected that miners will need to be better compensated with higher transaction fees to ensure that there is adequate incentive for them to continue mining.

Limits on Bitcoin Supply

Under the source code that governs the Bitcoin network, the supply of new bitcoin is mathematically controlled so that the number of bitcoin grows at a limited rate pursuant to a pre-set schedule. The number of bitcoin awarded for solving a new block is automatically halved after every 210,000 blocks are added to the Bitcoin blockchain, approximately every four years. Currently, the fixed reward for solving a new block is 3.125 bitcoin per block. This deliberately controlled rate of bitcoin creation means that the number of bitcoin in existence will increase at a controlled rate until the number of bitcoin in existence reaches the pre-determined 21 million bitcoin. However, the 21 million supply cap could be changed in a hard fork. For further information, please see the risk factor entitled "*Risks in relation to a temporary or permanent "fork"*" above. As of December 31, 2023, approximately 19.6 million bitcoins were outstanding and the date when the 21 million bitcoin limitation will be reached is estimated to be the year 2140.

Modifications to the Bitcoin Protocol

Bitcoin is an open-source project with no official developer or group of developers that controls the Bitcoin network. However, the Bitcoin network's development is overseen by a core group of developers. The core developers are able to access, and can alter, the Bitcoin network source code and, as a result, they are responsible for quasi-official releases of updates and other changes to the Bitcoin network's source code. The release of updates to the Bitcoin network's source code does not guarantee that the updates will be automatically adopted. Users and miners must accept any changes made to the bitcoin source code by downloading the proposed modification of the Bitcoin network's source code. A modification of the Bitcoin network's source code is effective only with respect to the bitcoin users and miners that download it. If a modification is accepted by only a percentage of users and miners, a division in the Bitcoin network will occur such that one network will run the pre-modification source code and the other network will run the modified source code. Such a division is known as a "fork." For further information, please see the risk factor entitled "*Risks in relation to a temporary or permanent "fork"*" above. Consequently, as a practical matter, a modification to the source code becomes

part of the Bitcoin network only if accepted by participants collectively having most of the processing power on the Bitcoin network. There have been several forks in the Bitcoin network, including but not limited to, forks resulting in the creation of Bitcoin Cash (1 August 2017), Bitcoin Gold (24 October 2017) and Bitcoin SegWit2X (28 December 2017), among others.

Core development of the Bitcoin network source code has increasingly focused on modifications of the Bitcoin network protocol to increase speed and scalability and also allow for non-financial, next generation uses. For example, following the activation of Segregated Witness on the Bitcoin network, an alpha version of the Lightning Network was released. The Lightning Network is an open-source decentralised network that enables instant off-Bitcoin blockchain transfers of the ownership of bitcoin without the need of a trusted third-party. The system uses bidirectional payment channels that consist of multi-signature addresses. One on-blockchain transaction is needed to open a channel and another on-blockchain transaction can close the channel. Once a channel is open, value can be transferred instantly between counterparties, who are engaging in real bitcoin transactions without broadcasting them to the Bitcoin network. New transactions will replace previous transactions and the counterparties will store everything locally as long as the channel stays open to increase transaction throughput and reduce computational burden on the Bitcoin network. Other efforts include increased use of smart contracts and distributed registers built into, built atop or pegged alongside the Bitcoin blockchain. The Issuer's activities will not directly relate to such projects, though such projects may use bitcoin as tokens for the facilitation of their non-financial uses, thereby potentially increasing demand for bitcoin and the utility of the Bitcoin network as a whole. Conversely, projects that operate and are built within the Bitcoin blockchain may increase the data flow on the Bitcoin network and could either "bloat" the size of the Bitcoin blockchain or slow confirmation times. At this time, such projects remain in early stages and have not been materially integrated into the Bitcoin blockchain or the Bitcoin network.

Forms of Attack Against the Bitcoin Network

All networked systems are vulnerable to various kinds of attacks. As with any computer network, the Bitcoin network contains certain flaws. For example, the Bitcoin network is currently vulnerable to a "51 per cent attack" where, if a mining pool were to gain control of more than 50 per cent of the hash rate for a digital asset, a malicious actor would be able to prevent new transactions from confirmation, and reverse new transactions that are completed while they are in control of the network, effectively enabling them to double-spend their bitcoins.

In addition, many digital asset networks have been subjected to a number of denial of service attacks, which has led to temporary delays in block creation and in the transfer of bitcoin. Any similar attacks on the Bitcoin network that impact the ability to transfer bitcoin could have a material adverse effect on the price of bitcoin and the value of the Securities.

8.3 MARKET PARTICIPANTS

Miners

Miners are primarily professional mining operations that design and build dedicated machines and data centres, including mining pools, which are groups of miners that act cohesively and combine their processing to solve blocks. When a pool solves a new block, the pool operator receives the bitcoin and, after taking a nominal fee, splits the resulting reward among the pool participants based on the processing power each of them contributed to solve for such block. Mining pools provide participants with access to smaller, but steadier and more frequent, bitcoin payouts.

Investment and Speculative Sector

This sector includes the investment and trading activities of both private and professional investors and speculators. Historically, larger financial services institutions are publicly reported to have limited involvement in investment and trading in digital assets, although the participation landscape is beginning to change.

Retail Sector

The retail sector includes users transacting in direct peer-to-peer bitcoin transactions through the direct sending of bitcoin over the Bitcoin network, as well as users accessing bitcoin through digital asset platforms. The retail sector also includes transactions in which consumers pay for goods or services from commercial or service businesses through direct transactions or third-party service providers.

Service Sector

This sector includes companies that provide a variety of services including the buying, selling, payment processing and storing of bitcoin. Bitstamp, Coinbase, Kraken and LMAX Digital are some of the larger bitcoin trading platforms by volume traded. Coinbase Custody International Limited, the Custodian for the Issuer as at the date of this Base Prospectus, is a digital asset custodian that provides custodial accounts that store bitcoin for users. If the Bitcoin network grows in adoption, it is anticipated that service providers may expand the currently available range of services and that additional parties will enter the service sector for the Bitcoin network.

8.4 COMPETITION

More than 10,000 other digital assets have been developed since the inception of bitcoin, currently the most developed digital asset because of the length of time it has been in existence, the investment in the infrastructure that supports it, and the network of individuals and entities that are using bitcoin in transactions. Some industry groups are also creating private, permissioned blockchain versions of digital assets. For further information, please see the risk factors entitled "*Competition from digital currencies and emerging payments initiatives involving financial institutions*", "*Prices of bitcoin may be affected due to stablecoins (including Tether, USDC and EURC) and their regulatory treatment*" and "*Competition from the emergence or growth of other cryptoassets or methods of investing in bitcoin*".

8.5 STORAGE OF CRYPTOASSETS

Ownership of cryptoasset at specific addresses on the blockchain is secured by control of a corresponding private key. As such, cryptoasset storage involves managing and safeguarding the private keys associated with digital assets, rather than storing the assets themselves.

There are various methods of storage, primarily categorised as hot (online) wallets and cold (offline) wallets. Hot wallets are connected to the internet, providing easy access for frequent transactions. They offer convenience but generally require robust security measures to protect against cyber threats. Cold wallets, on the other hand, are generated and stored offline and generally considered more secure by keeping private keys away from potential online attacks. This method is often used for long-term storage of substantial assets. Both hot and cold wallets may employ multi-signature ("**multi-sig**") technology or other forms of cryptographic consensus enforcement as well, which provides an additional layer of security by requiring multiple private keys to authorise transactions. This ensures that no single party can unilaterally access the assets, thereby reducing the risk of theft.

The primary challenge in cryptoasset storage is balancing security with accessibility. While cold wallets and multi-sig solutions which require multiple parties to participate in a transaction are generally considered more secure, they may be less convenient for frequent use. Conversely, hot wallets provide easy access but necessitate stringent security practices to mitigate risks. Ensuring the safe storage of private keys is paramount in protecting cryptoassets.

8.6 REGULATORY OVERSIGHT AND DEVELOPMENTS

Overview

As cryptoassets have grown in both popularity and market size, a number of jurisdictions have been examining the operation of cryptoasset networks, users and platforms, with a particular focus on how to ensure the safety and soundness of exchanges or other service-providers that hold cryptoasset for users and how to minimise the extent to which cryptoassets can be used to launder the proceeds of illegal activities or fund criminal or terrorist enterprises. Due to

different underlying legislation, different policy approaches and different levels of progress with creating specific cryptoasset regulatory regimes, this has resulted in great variance in the applicable regulatory regimes.

Currently, different regulators may regulate the same cryptoasset and cryptoasset activities in a different way. Even within a jurisdiction, the regulatory treatment of cryptoassets can vary markedly depending on the specific cryptoasset in question. For example, cryptoassets like bitcoin or Ethereum are often regarded as unregulated investments and are not typically subject to the rules that apply to traditional investments such as shares, bonds and units in funds. By contrast, cryptoassets that share the same characteristics as traditional investments may be treated and regulated in the same way as the corresponding financial instrument, irrespective of the differences in how the cryptoasset is held or traded.

As regulation in this area develops, various jurisdictions have, and may continue to, adopt laws and regulations that may affect the network, platforms and service providers in relation to cryptoassets. There remains significant uncertainty regarding any future actions with respect to the regulation of cryptoassets generally. It is also possible that the laws and regulations of one jurisdiction in relation to cryptoassets may conflict with those of another jurisdiction and may therefore impede the growth or sustainability of the cryptoasset economy in certain jurisdictions or globally, or otherwise negatively affect the value of cryptoasset.

EU

In the EU, Regulation (EU) 2023/1114 on markets in cryptoassets, and amending Regulations (EU) No 1093/2010 and (EU) No 1095/2010 and Directives 2013/36/EU and (EU) 2019/1937 ("**MiCA**") introduces an EU regulatory framework for the issuance of, intermediating and dealing in cryptoassets. MiCA entered into force in June 2023, with the majority of its provisions becoming applicable from 30 June 2024 and 30 December 2024. It creates a broad regulatory framework for cryptoassets in the EU which regulates the issuance of, and admission to trading of, cryptoassets, including transparency and disclosure requirements. MiCA also introduces licensing of cryptoasset service providers, issuers of asset-referenced tokens and issuers of electronic money tokens. It clarifies the regulatory obligations applicable to issuers of asset-referenced tokens, issuers of electronic money tokens and crypto-asset service providers, including consumer protection rules for the issuance, trading, exchange and custody of cryptoassets. MiCA also aims to strengthen confidence in cryptoasset markets by creating a market abuse regime prohibiting market manipulation and insider dealing and clarifies the powers, including the co-operation and sanctions framework, available to competent authorities.

The requirements under MiCA are broadly similar to requirements under other, existing EU financial services regulatory regimes, including requirements relating to disclosures, governance and licensing. However, as there are nuances between MiCA and other existing financial services regulatory regimes, there are uncertainties as to whether a given instrument will fall under the MiCA definition of "cryptoasset" or would be subject to another regulation, for example a financial instrument under Directive 2014/65/EU on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU ("**MiFID II**").

Other EU laws may also have an impact on cryptoassets and cryptoasset-related activities. MiCA is part of the European Commission's wider digital finance strategy, which also includes Regulation (EU) 2022/2554 on digital operational resilience for the financial sector and amending Regulations (EC) 1060/2009, (EU) 648/2012, (EU) 600/2014, (EU) 909/2014 and (EU) 2016/1011 ("**DORA**"). DORA will also apply to cryptoasset service providers when it comes into effect in January 2025.

UK

Currently, the UK regulators treat different types of cryptoasset differently accordingly to their underlying features and, in particular, whether those features are similar to those of conventional investments that are currently regulated. As a result, the extent to which the cryptoasset and activities in relation to that cryptoasset are regulated varies significantly depending on the cryptoasset in question.

Extensive work is now underway in the UK to bring a broader range of cryptoassets activities within the regulatory perimeter. The year of 2023 saw a number of publications from the UK government and financial regulators on the development of regulation for stablecoins and cryptoassets in the UK. Under the proposals, activities relating to certain cryptoassets would become regulated in a similar way to activities relating to traditional investments, requiring entities conducting those activities to become authorised by UK financial regulators and to then comply with certain standards when carrying on their cryptoasset-related activities. Specific rules will be developed in phases, and the overall timeframe for the development of this package is currently unclear.

Switzerland

Switzerland has not enacted specific legislation covering cryptoassets but has incorporated aspects related to cryptoassets into the existing financial services regulation and the practice of the Swiss Financial Market Supervisory Authority ("**FINMA**"). Since 2018, FINMA has classified cryptoassets based on their economic and actual purpose and distinguishes between payment, utility, and asset tokens, including hybrid tokens. While the classification has not changed since its introduction, the Swiss legal framework was amended with the aim of increasing protection for those using the services of wallet providers and trading platforms for digital assets.

In 2021, the DLT Act (a series of amendments to existing acts) introduced: (1) DLT Rights as a new category of assets that may be created with registration on a distributed ledger and that are available for securities issued on a blockchain, (2) DLT MTFs (multilateral trading facilities) as a new license category for trading venues where DLT Rights can be traded, (3) the expansion of regulation for organised trading facilities (OTFs) to also allow trading activities in digital assets and (4) rules on how digital assets can be set aside in the insolvency of a wallet provider. As a result of the DLT Act, providers of custody or trading activities with payment tokens may need to be licensed as a bank or securities firm unless they can apply for a "**FinTech**" license. DLT trading facilities require a license under the Financial Markets Infrastructure Act ("**FMIA**"). This section is a high-level description and does not and cannot consider the regulatory implications of dealing in the Securities or any Cryptoassets relating thereto. Investors should also be aware that the Securities may be regulated in a different manner to the relevant Cryptoasset, despite the link between the relevant Cryptoasset and the Securities.

9. TERMS AND CONDITIONS OF THE SECURITIES

The following is the text of the terms and conditions that, subject to completion by the provisions of the Final Terms of the relevant Series of Securities, shall be applicable to the Securities of such Series. As these terms and conditions apply separately to each Series of Securities, references in these terms and conditions to "Securities" are to the Securities of the relevant Series only.

Italicised wording contained in the Conditions is included as instructions, guidance or disclosure only and does not form part of the Conditions of the Securities.

A non-binding translation of the following text of the terms and conditions may be prepared in relation to each Series of Securities. The English language version of the terms and conditions shall be binding and shall prevail in all circumstances. Any such translations will not be reviewed and approved by the BaFin or any another similar body in any other jurisdiction.

Securityholders (and any persons who claim through or under them) are bound by and are deemed to have notice of all the provisions of the relevant Transaction Documents which are applicable to them.

Copies of the Trust Deed, the Articles of Association of the Issuer, the Base Prospectus together with any supplement hereto, each Security Agreement and each set of Final Terms referred to in these terms and conditions are available for inspection during normal business hours at the specified office of the Arranger.

References to any time in the Conditions are expressed using the 24-hour-clock convention. References in the Conditions to a party publishing any value, rate, level, notice or other information shall be deemed to include any agent, delegate or appointee of such party publishing such value, rate, level, notice or other information on behalf of that party.

1. DEFINITIONS

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

"**Account Bank**" means The Bank of New York Mellon, London Branch and any successor or replacement thereto and/or any other or additional account bank as may be specified in the applicable Final Terms or notified to Securityholders from time to time.

"**Account Bank Agreement**" means the account bank agreement entered into on or prior to the first issuance of Securities by the Issuer, the Account Bank, the Arranger and any other parties thereto, as amended, supplemented, novated or replaced from time to time.

"**Additional Business Centre"** means, in respect of a Series, any additional business centre specified in the applicable Final Terms.

"**Administrator**" means The Bank of New York Mellon (International) Limited and any successor or replacement thereto.

"**Agency Agreement**" means, (i) in respect of the Initial Paying Agent, the agency agreement entered into on or prior to the first issuance of Securities by the Issuer, the Initial Paying Agent, the Initial Registrar, the Arranger and any other parties thereto, as amended, supplemented, novated or replaced from time to time (the "**Initial Agency Agreement**"); and (ii) in respect of any other Paying Agent, the agency agreement entered into by the Issuer, the Arranger and the relevant Paying Agent and any other parties thereto relating to such Paying Agent's appointment as such, as amended, supplemented, novated or replaced from time to time. Further Paying Agents may be appointed under separate Agency Agreements or may accede to an existing Agency Agreement from time to time, if so required by the rules of any relevant Stock Exchange.

"**Agents**" means the Arranger, the Administrator, the Custodians, the Registrar(s), the Transfer Agent(s), the Paying Agent(s), the Account Bank, the Prime Execution Agent and such other agent(s) as may be appointed from time to time in relation to the Securities under the Arranger Agreement, the Master Services Agreement, the Custody Agreements, the Registrar Agreement(s), the Agency Agreement(s), the Account Bank Agreement, the Prime Execution

Agreement or any other agreement with the Issuer under which such agent is appointed from time to time in relation to the Securities, as applicable, and any successor or replacement thereto and "**Agent**" means any of them.

"**Airdrop**" means the allocation and distribution of cryptoassets by a third party to the holders of a different cryptoasset including, without limitation, by way of "crypto dust".

"**Arranger**" means BlackRock International Limited, in its capacity as arranger under the Programme and any successor and/or replacement thereto.

"**Arranger Agreement**" means the arranger agreement entered into on or prior to the first issuance of Securities by the Issuer, the Arranger and any other parties thereto, as amended, supplemented, novated or replaced from time to time.

"**Authorised Participant**" means, in respect of a Series of Securities any authorised participant that is appointed as an Authorised Participant for such Series of Securities under an Authorised Participant Agreement, and any successor or replacement thereto.

"**Authorised Participant Agreement**" means, in respect of an Authorised Participant, the authorised participant agreement entered into by the Issuer, the Arranger, and the relevant Authorised Participant and any other parties thereto relating to such Authorised Participant's appointment as such, as amended, supplemented, novated or replaced from time to time.

"**BaFin**" means the *Bundesanstalt für Finanzdienstleistungsaufsicht*.

"**Bankruptcy Event**" means, with respect to an entity, the entity becomes incapable of acting, is dissolved (other than pursuant to a consolidation, amalgamation or merger), is adjudged bankrupt or insolvent, files a voluntary petition in bankruptcy, makes a general assignment, arrangement or composition with or for the benefit of its creditors, consents to the appointment of a receiver, administrator, examiner, liquidator or other similar official of either the entity or all or substantially all of its assets or admits in writing its inability to pay or meet its debts as they mature or suspends payment thereof or, if a resolution is passed or an order made for the winding-up, official management, liquidation or dissolution of such entity (other than pursuant to a consolidation, amalgamation or merger), a receiver, administrator, examiner, liquidator or other similar official of either the entity or all or substantially all of its assets is appointed, a court order is entered approving a petition filed by or against it under applicable bankruptcy or insolvency law, or a public officer takes charge or control of the entity or its property or affairs for the purpose of liquidation.

"**Blockchain**" means a single, sequenced, standardised and cryptographically secured record of activity to be shared among and acted upon by multiple participants.

"**Business Day**" means, in respect of a Series of Securities, each day (other than a Saturday or a Sunday) on which commercial banks are generally open for business in (i) London, United Kingdom, (ii) each Additional Business Centre specified in the Final Terms (if any) and (iii) such other location as the Issuer (or the Arranger on its behalf) may determine and notify to Securityholders from time to time in accordance with Condition 19.

"**Buy-Back Fee**" has the meaning given to it in Condition 8.2.4.

"**Buy-Back Order**" means a request for the Issuer to buy-back Securities from either (i) an Authorised Participant delivered in accordance with the relevant Authorised Participant Agreement and Condition 8.2; or (ii) a Non-AP Holder delivered in accordance with Condition 8.3 and the Buy-Back Order Form current as at the date of such order.

"**Buy-Back Order Form**" means a buy-back request form that can be obtained from the Issuer and which must be completed by a Non-AP Holder in respect of any Buy-Back Order submitted by such Non-AP Holder in accordance with Condition 8.3.

"**Buy-Back Payee**" means:

(a) with respect to a Buy-Back of Securities from Non-AP Holders in accordance with Condition 8.3, a Non-AP Holder who has deposited the relevant Securities subject to the Buy-Back Order in an account notified by Issuer (or the Administrator, the Transfer Agent or the Arranger on its behalf) on behalf of the Issuer in accordance with Condition 8.3.8(a); and

(b) with respect to a compulsory Buy-Back of Securities from non-Qualified Holders in accordance with Condition 8.4, a Securityholder or Relevant Beneficial Holder who has deposited the relevant Compulsory Redemption Securities in accordance with Condition 8.4 or whose Securities have otherwise been cancelled.

"**Buy-Back Settlement Amount**" means, in respect of a buy-back of Securities by the Issuer and the related Buy-Back Settlement Date:

(a) in relation to Securities subject to Physical Redemption, an amount of Cryptoasset determined by the Arranger as being equal to the product of the Cryptoasset Entitlement in respect of the relevant Buy-Back Trade Date and the aggregate number of Securities subject to Physical Redemption to be purchased pursuant to the relevant Buy-Back Order; and

(b) in relation to Securities subject to Cash Redemption, an amount in the Series Currency determined by the Arranger as being equal to the greater of (i) zero and (ii) the product of the Cryptoasset Sale Proceeds per Security and the aggregate number of Securities subject to Cash Redemption to be purchased pursuant to the relevant Buy-Back Order *less* the aggregate applicable Buy-Back Fee or Non-AP Buy-Back Fee, as applicable, to Securities subject to Cash Redemption.

"**Buy-Back Settlement Date**" means, subject to Condition 10.4, (a) in respect of a Physical Redemption or a Cash Redemption by an Authorised Participant, the Business Day specified in accordance with the terms of the relevant Authorised Participant Agreement and the terms of the Order Entry Facility, (b) in respect of a Physical Redemption by a Non-AP Holder, the Settlement Day selected by the Issuer (or the Arranger on behalf of the Issuer) that is not more than 10 Business Days following the relevant Buy-Back Trade Date, or (c) in respect of a Cash Redemption by a Non-AP Holder (where available), the Settlement Day selected by the Issuer (or the Arranger on behalf of the Issuer) that is not more than 10 Business Days following the receipt by or on behalf of the Issuer of the Cryptoasset Sale Proceeds in respect of the final Cryptoasset Sale Date relating to that Cash Redemption **provided that,** in each case, if such day is not a Settlement Day, the Buy-Back Settlement Date shall be the immediately following Settlement Day.

"**Buy-Back Trade Date**" means, subject to Condition 10.4, a Business Day on which a Buy-Back Order submitted by the Authorised Participant (or a Non-AP Holder pursuant to Condition 8.3) by the relevant cut-off time is determined to be valid and accepted by or on behalf of the Issuer in accordance with the terms of the relevant Authorised Participant Agreement or, if the relevant Buy-Back Order has been delivered by a Non-AP Holder, Condition 8.3.

"**Cash Redemption**" means, in relation to a buy-back or redemption of any Securities, settlement of the Issuer's buy-back or redemption obligation by sale of the amount of the relevant Cryptoasset equal to the Cryptoasset Entitlement of the relevant Securities and payment of the proceeds of sale to the relevant Securityholder in accordance with Condition 8.2 (in respect of a buy-back of Securities from Authorised Participants), Condition 8.3 (in respect of a buy-back of Securities from Non-AP Holders), Condition 8.4 (in respect of a compulsory buy-back of Securities) or Condition 9.1 (in respect of an Early Redemption of Securities).

"**Cash Redemption Securities**" means, in respect of a Series of Securities, Securities which are subject to Cash Redemption and are therefore termed "Cash Redemption Securities".

"**Cash Subscription**" means a subscription for Securities in accordance with Condition 8.1 the Subscription Order for which specifies that the Subscription Settlement Amount will be settled

in cash. The Issuer will only accept Cash Subscriptions if it is permitted in the relevant Final Terms or if, prior to the date on which the Subscription Order is placed, it has notified Authorised Participants that it will accept Cash Subscriptions.

"**Certificate**" has the meaning given in the Trust Deed.

"**Change in Law or Regulation Redemption Event**" has the meaning given to it in Condition 9.3.2.

"**Change in Law or Regulation Redemption Notice**" has the meaning given to it in Condition 9.3.2.

"**Clearing System**" means (i) Euroclear, (ii) Clearstream, Luxembourg, or (iii) any other recognised clearing system in which Securities of a Series may be cleared.

"**Clearstream, Luxembourg**" means Clearstream Banking, *société anonyme* and any successor thereto or replacement thereof.

"**Compulsory Redemption Cryptoassets**" has the meaning given to it in Condition 8.4.5(b).

"**Compulsory Redemption Cryptoasset Sale Notice**" has the meaning given to it in Condition 8.4.5(b).

"**Compulsory Redemption Notice**" has the meaning given to it in Condition 8.4.1.

"**Compulsory Redemption Securities**" has the meaning given to it in Condition 8.4.1.

"**Compulsory Redemption Trade Date**" has the meaning given to it in Condition 8.4.2.

"**Conditions**" means these terms and conditions, as completed by Part A of the relevant Final Terms and as amended, supplemented, novated and/or replaced from time to time.

"**Continued Disruption Redemption Event**" has the meaning given to it in Condition 9.3.7.

"**Continued Disruption Redemption Notice**" has the meaning given to it in Condition 9.3.7.

"**Corporate Services Agreement**" means the corporate services agreement, with an effective date of 5 August 2024, entered into by the Issuer and the Corporate Services Provider as amended, supplemented, novated or replaced from time to time.

"**Corporate Services Provider**" means, with respect to the Issuer, Apex Corporate Services (Schweiz) GmbH whose registered office is at Seestrasse 5, 8002 Zurich, Switzerland and any successor or replacement thereto.

"**Cryptoasset**" means, in respect of a Series of Securities, the cryptoasset relating to such Series as specified in the relevant Final Terms for that Series.

"**Cryptoasset Entitlement**" has the meaning given to it in Condition 5.3.

"**Cryptoasset Modification**" has the meaning given to it in Condition 11.1.

"**Cryptoasset Sale**" means the sale of Cryptoasset as contemplated in Condition 13.

"**Cryptoasset Sale Date**" means, in relation to a Cryptoasset Sale, the day on which the Cryptoasset Sale occurs.

"**Cryptoasset Sale Proceeds**" has the meaning given to it in Condition 13.2.

"**Cryptoasset Sale Proceeds per Security**" has the meaning given to it in Condition 13.2.

"**Cryptoasset Trading Counterparty**" means a third party selected by the Issuer (or the Arranger on its behalf) or selected by an Authorised Participant and approved by the Issuer (or the Arranger on its behalf) according to criteria determined by the Issuer (or the Arranger on its

behalf) in its sole discretion with which it will transact the sale or purchase of Cryptoassets from time to time pursuant to a Cryptoasset Trading Counterparty Agreement;

"**Cryptoasset Trading Counterparty Agreement**" means any agreement entered into between, among others, a Cryptoasset Trading Counterparty and the Issuer from time to time in connection with the sale and/or purchase of Cryptoassets.

"**Cryptoasset Trading Disruption**" means the occurrence or continuance of any of the following events in respect of the relevant Series (or one or more Securities of that Series) or related Cryptoasset or Underlying Cryptoasset, as determined by the Issuer (or the Arranger on its behalf), in its sole discretion:

(a) a material suspension of, or material limitation in, trading and/or settlement of the Cryptoasset for that Series (including, without limitation, a permanent or temporary discontinuation of trading);

(b) any circumstances exist as a result of or in which it is impossible or not reasonably practicable for the Issuer or the relevant Agent on its behalf to acquire the Cryptoasset or dispose of the Underlying Cryptoasset and/or determine the value of the Cryptoasset or Underlying Cryptoasset;

(c) the Custodian, the Prime Execution Agent or all Trade Credit Lenders for a Series temporarily suspend(s), or there is any other interruption in, the provision of its (or their) services for any reason including, without limitation, the occurrence of a Hard Fork;

(d) any Underlying Cryptoasset held by the Custodian and/or Cryptoasset in the Trading Balance for that Series has failed a Quarantine Review and are, as a consequence, inaccessible to the Issuer and/or no longer constitute Underlying Cryptoassets or Cryptoassets in the Trading Balance for that Series; or

(e) it is otherwise not reasonably practicable (from a cost, risk, technology or operational perspective, or for any other reason) to invest in, hold or custody the Cryptoassets and/or to trade and/or deliver the Cryptoassets.

"**Custodian**" means each custodian appointed in relation to a Series, being Coinbase Custody International Limited and/or any successor(s) thereto and/or any other or additional custodian as may be specified in the applicable Final Terms or notified to Securityholders from time to time.

"**Custodian Bankruptcy Event**" means, in respect of a Custodian, a Bankruptcy Event has occurred with respect to that Custodian.

"**Custodian Bankruptcy Redemption Event**" has the meaning given to it in Condition 9.3.5.

"**Custodian Bankruptcy Redemption Notice**" has the meaning given to it in Condition 9.3.5.

"**Custody Agreement**" means: (i) the Irish law custody agreement dated on or about Series Issue Date of the iShares Bitcoin ETP Series of Securities issued under the Programme entered into by the Issuer, Coinbase Custody International Limited and the Arranger and any other parties thereto, as amended, supplemented, novated or replaced from time to time; and (ii) any other custody agreement(s) between the Issuer, any other Custodian(s) in respect of each Series of Securities and any other parties thereto entered into from time to time.

"**CSDR**" means Regulation (EU) No 909/2014 of the European Parliament and of the Council of 23 July 2014 on improving securities settlement in the European Union and on central securities depositories, as amended from time to time.

"**Delivery Precision Level**" means, in relation to a Series of Securities, the level specified as such in the relevant Final Terms.

"**Digital Wallet**" means a digital cryptoasset wallet of a Non-AP Holder or an Authorised Participant (as applicable).

"**Disruption Event**" has the meaning given to it in Condition 10.1.

"**Early Redemption**" means, in relation to a Series of Securities, a redemption of all outstanding Securities of such Series following the occurrence of an Early Redemption Event or Event of Default.

"**Early Redemption Amount**" has the meaning given to it in Condition 9.1.1(a).

"**Early Redemption Event**" has the meaning given to it in Condition 9.3.

"**Early Redemption Fee**" has the meaning given to it in Condition 9.1.3.

"**Early Redemption Notice**" means each notice given in accordance with Condition 9.3.

"**Early Redemption Order Cut-off Date**" has the meaning given to it in Condition 9.4.

"**Early Redemption Settlement Date**" has the meaning given to it in Condition 9.1.2.

"**Early Redemption Trade Date**" means, subject to Condition 10.3, the date specified as such in the Early Redemption Notice or, if no such date is specified in the Early Redemption Notice, the date of occurrence of an Early Redemption Event as specified in Condition 9.3, and if any such day is not a Business Day, the next following Business Day.

"**Equivalent Event**" has the meaning given to it in Condition 11.1.

"**Euroclear**" means Euroclear Bank SA/NV and any successor thereto or replacement thereof.

"**Event of Default**" means any of the following:

(a) the Issuer has defaulted for more than 14 calendar days in the payment of any sum or delivery of any Cryptoasset in respect of the Securities of the relevant Series or any of them, other than where such default occurs during a Suspension Period or as otherwise permitted by these Conditions;

(b) the Issuer does not perform or comply with any one or more of its material obligations under the Securities, the Trust Deed or the relevant Security Agreements, which default is not remedied within 30 calendar days after there shall have been given, by registered or certified mail, to the Issuer by the Trustee or to the Issuer and the Trustee by holders of at least 25 per cent in number of the Securities of such Series then outstanding, a written notice specifying such non-performance or compliance and requiring it to be remedied and stating that such notice is a notice of such default hereunder; and/or

(c) Bankruptcy Event has occurred with respect to the Issuer.

"**Event of Default Redemption Notice**" has the meaning given to it in Condition 16.

"**Exchange Act**" means the United States Securities Exchange Act of 1934, as amended.

"**Exchange Date**" means a day falling not less than 60 calendar days (or such other time period as may be notified by the Issuer to the Securityholders from time to time) after the day 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 relevant Registrar is located.

"**Extraordinary Resolution**" has the meaning given in the Trust Deed.

"**FATCA withholding**" has the meaning given to it in Condition 14.4.

"**FCA**" means the United Kingdom Financial Conduct Authority in its capacity as competent authority under the FSMA and any successor thereto.

"**Final Cryptoasset Entitlement**" has the meaning given to it in Condition 9.1.1(a).

"**Final Terms**" means, with respect to a Series, the final terms issued specifying the relevant issue details of the Securities of such Series, in the form set out in this Base Prospectus relating to such Securities or such other form as may be agreed between the Issuer and the Arranger.

"**FSMA**" means the United Kingdom Financial Services and Markets Act 2000 as amended and/or supplemented from time to time.

"**Hard Fork**" means, in respect of a Cryptoasset in respect of a Series of Securities, the splitting of the protocol applicable to that Cryptoasset which results in (i) two or more Blockchains which are technologically incompatible with each other and (ii) two or more digital assets being available for trading simultaneously, one being native to the original Blockchain that existed immediately prior to the aforementioned protocol split and one or more relating to the new Blockchain(s) resulting from such protocol split.

"**Hard Fork/Airdrop Redemption Event**" has the meaning given to it in Condition 9.3.6.

"**Hard Fork/Airdrop Redemption Notice**" has the meaning given to it in Condition 9.3.6.

"**holder**" has the meaning given to it in Condition 2.2.

"**Individual Registered Certificate**" has the meaning given in the Trust Deed.

"**ICSD**" means an international central securities depository.

"**Initial Cryptoasset Entitlement**" means, in respect of a Series of Securities, the Cryptoasset Entitlement on the Series Issue Date, which is specified in Condition 5.2.

"**Initial Paying Agent**" means The Bank of New York Mellon, London Branch and any successor thereto or replacement thereof.

"**Initial Registrar**" means The Bank of New York Mellon, London Branch and any successor thereto or replacement thereof.

"**Initial Transfer Agent**" means The Bank of New York Mellon (International) Limited and any successor thereto or replacement thereof.

"**Irish Security Agreement**" means the Irish law security agreement dated on or about the Series Issue Date of the relevant Series of Securities entered into as a deed by the Issuer, the Trustee and any other parties thereto as amended, supplemented, novated or replaced from time to time.

"**Issue Date**" means, in respect of a Tranche of Securities, the date on which the Securities of the relevant Tranche are due to be issued to the relevant Authorised Participant(s) which has subscribed for such Tranche of Securities.

"**Issuer**" means iShares Digital Assets AG, a stock corporation (*Aktiengesellschaft*) organised and existing under the laws of Switzerland having its registered office at Seestrasse 5, 8002 Zurich (or such other registered office as notified to Securityholders in accordance with Condition 19) and registered with the Commercial Register of the Canton of Zurich under the company register number CHE-267.176.567.

"**Issuer Call Redemption Event**" has the meaning given to it in Condition 9.3.1.

"**Issuer Call Redemption Notice**" has the meaning given to it in Condition 9.3.1.

"**Issuer Cash Account**" means one or more bank accounts in the name of the Issuer opened with any bank for the purposes of receiving, holding and transferring any Buy-Back Fees and Subscription Fees payable by Authorised Participants, CSDR penalty payments and the sale proceeds of the TER Cryptoasset. The Issuer Cash Accounts shall not be subject to the Transaction Security.

"**Issuer Series Fees and Expenses**" means, in respect of a Series of Securities, any fees, expenses and other amounts payable by the Issuer pursuant to the Transaction Documents

and/or properly incurred by the Issuer, but excluding any agreed operating fees and expenses payable by the Arranger relating to such Series of Securities in accordance with the Arranger Agreement.

"**Issuer Wallet**" means, in respect of a Series of Securities, one or more cryptoasset wallet(s) operated by the Custodian on behalf of the Issuer where the assets held in such wallet(s) with respect to such Series are segregated from the assets of any other customers of the Custodian, the assets of the Custodian itself and from any other assets of the Issuer (including with respect to any other Series) and where the rights and claims in connection with such assets are assigned as security in favour of the Securityholders and Trustee pursuant to the relevant Security Agreements to secure the Issuer's obligations arising in connection with the relevant Series of Securities.

"**Issuer Website**" means the website maintained by or on behalf of the Issuer at www.ishares.com or any replacement therefor notified to Securityholders in accordance with Condition 19.

"**KYC Requirement**" means applicable anti-money laundering, counter terrorist financing laws and regulations, sanctions and any related "know your customer" standards or requirements.

"**Master Services Agreement**" means the master services agreement dated on or about the Series Issue Date of the iShares Bitcoin ETP Series issued under the Programme entered into by the Issuer, the Administrator, the Arranger, the Transfer Agent, the Trustee and any other parties thereto, as amended, supplemented, novated or replaced from time to time.

"**Meeting Record Date**" has the meaning given to it in Condition 18.1.

"**Non-AP Buy Back Fee**" has the meaning given to it in Condition 8.3.8.

"**Non-AP Holder**" means any Relevant Beneficial Holder which is not an Authorised Participant.

"**Non-Disrupted Day**" means the Series Issue Date and each day thereafter that is a Business Day and is not a day which falls within a Suspension Period.

"**NY Security Agreement**" means the New York law security agreement dated on or about the Series Issue Date of the relevant Series of Securities entered into by the Issuer, the Trustee and any other parties thereto as amended, supplemented, novated or replaced from time to time.

"**Obligor**" means each person that has an obligation to the Issuer pursuant to the Secured Property.

"**Order Entry Facility**" means each electronic facility which may be used by Authorised Participants to submit dealing requests in respect of Securities and to obtain information in relation to the dealing procedures.

"**outstanding**" or "**in issue**" means, in relation to Securities of a Series, (i) on the Series Issue Date, the Securities issued on such date, and (ii) on any Business Day thereafter, all the Securities issued on or prior to such Business Day except (a) those that have been redeemed in accordance with Condition 8; (b) those that have been cancelled for any reason; (c) those that have become void or in respect of which claims have become prescribed; (d) those which have been issued and which are pending settlement to an Authorised Participant but in respect of which the relevant Subscription Settlement Amount has not been transferred to the Trading Balance or paid to the Series Cash Account; (e) those that have been delivered to or to the order of the Issuer for cancellation, but only with effect from the relevant Buy-Back Settlement Date or Early Redemption Settlement Date, as the case may be, **provided that** for the purposes of (1) ascertaining the right to attend and vote at any meeting of the Securityholders, (2) the determination of how many Securities are outstanding for the purposes of the Conditions, the Trust Deed and the relevant Security Agreements 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 Business Day to issue but in respect of which the relevant Subscription Settlement Amount has not been transferred to the Trading Balance or paid to the Series Cash Account and settlement to such relevant Authorised Participant(s) has not yet occurred shall not be deemed to be "outstanding" or "in issue" on such Business Day.

"**Paying Agent**" means, any paying agent appointed by the Issuer under an Agency Agreement and any successor thereto or replacement thereof. As at the date hereof, the Initial Paying Agent is the only Paying Agent appointed by the Issuer.

"**Physical Redemption**" means, in relation to a buy-back or redemption of any Securities, settlement of the Issuer's buy-back or redemption obligation by delivery of an amount of the relevant Cryptoasset to the relevant Authorised Participant or Non-AP Holder (as applicable);

"**Physical Redemption Securities**" means, in respect of a Series of Securities, Securities which are subject to Physical Redemption and are therefore termed "Physical Redemption Securities".

"**Physical Subscription**" means a subscription for Securities in accordance with Condition 8.1 the Subscription Order for which specifies that the Subscription Settlement Amount will be settled in Cryptoassets.

"**Plan Investor**" means any entity that is, or that is using the assets of, (A)(i) an "employee benefit plan" (as defined in Section 3(3) of the United States Employee Retirement Income Security Act of 1974, as amended ("**ERISA**")) that is subject to the fiduciary responsibility requirements of Title I of ERISA, (ii) a "plan" to which Section 4975 of the United States Internal Revenue Code of 1986, as amended (the "**Code**"), applies, or (iii) an entity whose underlying assets include "**plan assets**" (as defined pursuant to the "**Plan Assets Regulation**" issued by the United States Department of Labor at 29 C.F.R. Section 2510.3-101 as modified by Section 3(42) of ERISA) or otherwise under ERISA by reason of any such employee benefit plan or plan's investment in the entity (any such plan or entity described in (i), (ii) or (iii), a "**Benefit Plan Investor**") or (B) a non-U.S. plan, governmental plan, church plan or other plan that is subject to any federal, state, local, non-U.S. or other law that is similar to the provisions of Section 406 of ERISA or Section 4975 of the Code (a "**Similar Law**") unless its acquisition, holding and disposition of such security, or any interest therein, has not and will not result in a violation of such Similar Law.

"**Prime Execution Agent**" means Coinbase, Inc and any successor thereto or replacement thereof.

"**Prime Execution Agreement**" means the prime execution agreement entered into by the Issuer and the Prime Execution Agent and any other parties thereto in respect of a Series of Securities as amended, supplemented, novated or replaced from time to time.

"**Principal Amount**" means, in respect of a Series of Securities, the amount specified as such in the Final Terms for that Series.

"**Proceedings**" has the meaning given to it in Condition 23.3.

"**Programme**" means the Secured Cryptoasset Linked Securities Programme of the Issuer.

"**Qualified Holder**" means any person, corporation or entity other than (i) a U.S. person as defined under Regulation S; (ii) a Benefit Plan Investor; (iii) any other person, corporation or entity to whom a sale or transfer of Securities, or in relation to whom the holding of Securities (whether directly or indirectly affecting such person, and whether taken alone or in conjunction with other persons, connected or not, or any other circumstances appearing to the Issuer to be relevant) (a) would cause the Securities to be required to be registered under the Securities Act, (b) would cause the Issuer to become a "controlled foreign corporation" within the meaning of the US Internal Revenue Code of 1986, (c) would cause the Issuer to have to file periodic reports under Section 13 of the Exchange Act, (d) would cause the assets of the Issuer to be deemed to be "plan assets" of a Benefit Plan Investor, or (e) would cause the Issuer otherwise not to be in compliance with the Securities Act, the US Employee Retirement Income Security Act of

1974, Section 4975 of the US Internal Revenue Code of 1986, Similar Law or the Exchange Act; (iv) would cause the Issuer or any Transaction Party to breach applicable sanctions laws, regulations, executive orders or resolutions; or (v) a custodian, nominee, trustee or the estate of any person, corporation or entity described in (i) to (iv) above.

"**Quarantine Review**" means a review carried out by the Custodian (in respect of Underlying Cryptoassets) or the Prime Execution Agent (in respect of the Trading Balance) as relevant from time to time which may involve anti-money laundering checks, verification screenings and other related checks and procedures designed to ensure compliance with any KYC Requirements, applicable laws and regulations and/or that Custodian or Prime Execution Agent's own internal policies or procedures.

"**Register**" means, in respect of each Series of Securities, the register of Securityholders, which records the holders of all Securities of the relevant Series issued by the Issuer, and which is maintained by the Registrar(s) on behalf of the Issuer.

"**Registered Global Certificate**" has the meaning given in the Trust Deed.

"**Registrar**" means, in respect of a Series of Securities, the registrar that is appointed as a Registrar under a Registrar Agreement, and any successor thereto or replacement thereof. As at the date hereof, the Initial Registrar is the only Registrar appointed by the Issuer.

"**Registrar Agreement**" means (i) in respect of the Initial Registrar, the Initial Agency Agreement; and (ii) in respect of any other Registrar, the registrar agreement entered into by the Issuer, the Arranger, the relevant Registrar and any other parties thereto relating to such Registrar's appointment as such, as amended, supplemented, novated or replaced from time to time.

"**Regulation S**" means Regulation S under the Securities Act.

"**Relevant Beneficial Holder**" means, in respect of a Security, the holder of the beneficial interest in such Security (either directly or via a nominee).

"**Relevant Clearing System**" means, in respect of a Series of Securities, each Clearing System through which such Series of Securities is to be cleared, as specified in the Final Terms relating to such Series, and any additional Clearing System through which such Series of Securities is to be cleared from time to time.

"**Relevant Date**" has the meaning given to it in Condition 15.

"**Relevant Stock Exchange**" means, in respect of a Series of Securities, each Stock Exchange on which such Series of Securities is to be listed, as specified in the Final Terms of such Series, and any additional Stock Exchange which such Series of Securities is to be listed from time to time.

"**Residual Buy-Back Fee**" has the meaning given to it in Condition 8.2.5.

"**Residual Non-AP Buy-Back Fee**" has the meaning given to it in Condition 8.3.9.

"**RIS**" means a regulated information service for the purposes of giving information relating to the Securities and/or the rules of the Relevant Stock Exchange chosen by the Issuer from time to time.

"**Secured Creditor**" means, in respect of a Series of Securities each person to whom Secured Obligations are owed by the Issuer, in each case relating to such Series of Securities.

"**Secured Obligations**" means, in respect of a Series of Securities, the obligations of the Issuer under the Securities and each Transaction Document (excluding any Authorised Participant Agreement) and any other agreement in respect of which the Issuer's obligations are from time to time agreed between the Issuer and the Trustee to be "Secured Obligations" in each case to the extent such obligations relate to the relevant Series of Securities and "**Secured Obligation**" means any of them. For the avoidance of doubt, references to documents in this definition shall

be interpreted as references to such documents as amended, supplemented, novated and/or replaced from time to time.

"**Secured Property**" means, in respect of a Series of Securities any property, assets and/or sums which have been charged, assigned, pledged and/or otherwise made subject to the Transaction Security created by the Issuer in favour of the Trustee for itself and for the Secured Creditors pursuant to the Security Agreements for such Series of Securities, including the Underlying Cryptoasset relating to such Series of Securities.

"**Securities**" means, in respect of a Series, each of the undated limited recourse debt securities of such Series issued pursuant to the Programme.

"**Securities Act**" means the United States Securities Act of 1933, as amended.

"**Security Agreements**" means the Security Deed, the Irish Security Agreement, the NY Security Agreement and any other document creating a Security Interest in favour of the Trustee (i) specified in the Final Terms as an Additional Security Agreement, (ii) entered into in accordance with Condition 7.1.5 and/or (iii) entered into in accordance with Condition 14.6.3 (each an "**Additional Security Agreement**")(if any).

"**Security Deed**" means the English law security deed dated on or about the Series Issue Date of the relevant Series of Securities entered into as a deed by the Issuer, the Trustee and any other parties thereto as amended, supplemented, novated or replaced from time to time.

"**Securityholder**" has the meaning given to it in Condition 2.2.

"**Security Interest**" means any mortgage, charge (whether fixed or floating), standard security, assignation, pledge, lien, or other encumbrance securing any obligation or any other type of preferential arrangement (including without limitation, title transfer or retention arrangements) having a similar legal effect in any jurisdiction.

"**Series**" means, in respect of Securities, all Securities having the same ISIN, WKN or other similar identifier.

"**Series Cash Account**" means a cash account of the Issuer in respect of the Securities, if needed, to be held with the Account Bank in England into which amounts received by or on behalf of the Issuer shall be paid from time to time, including, but not limited to, Buy-Back Settlement Amounts (in relation to Cash Redemption Securities) and Early Redemption Amounts.

"**Series Currency**" means, in respect of a Series, the currency specified as such in the applicable Final Terms.

"**Series Issue Date**" means, in respect of a Series of Securities, the date specified as such in the Final Terms.

"**Service Provider Non-Replacement Redemption Event**" has the meaning given to it in Condition 9.3.3.

"**Service Provider Non-Replacement Redemption Notice**" has the meaning given to it in Condition 9.3.3.

"**Settlement Day**" means each day (other than a Saturday or a Sunday) on which (i) the Relevant Clearing Systems, Custodian(s), and (as specified in the Final Terms) the Relevant Stock Exchange(s), market(s) and/or trading facility/ies are open for business and (ii) commercial banks are generally open for business in (a) London, (b) each Additional Business Centre specified in the Final Terms (if any) and (c) in respect of a Settlement Day relating to a Cash Redemption, New York (if the Series Currency is USD) or such other location identified in the Final Terms (if the Series Currency is not USD).

"**specified office**" means, in relation to any Agent, the office identified in respect of such Agent in the relevant Transaction Document or any other office approved by the Trustee and notified to Securityholders in accordance with Condition 19.

"**Stock Exchange**" means Xetra and/or any other recognised stock exchange on which a Series of Securities may be listed or to which an application for listing of the Securities of a Series may be made.

"**Subscription Fee**" has the meaning given to it in Condition 8.1.5.

"**Subscription Order**" means a request for the Issuer to issue Securities delivered in accordance with the relevant Authorised Participant Agreement.

"**Subscription Settlement Amount**" means, in respect of a subscription for Securities and the related Subscription Settlement Date, either:

(a) in the case of a Physical Subscription, an amount of Cryptoasset determined by the Arranger as being equal to the product of the Cryptoasset Entitlement in respect of the relevant Subscription Trade Date and the aggregate number of Securities to be issued pursuant to the relevant Subscription Order; or

(b) in the case of a Cash Subscription, an amount in the Series Currency determined by the Arranger as being the price at which an amount of the relevant Cryptoasset equal to the product of the Cryptoasset Entitlement in respect of the relevant Subscription Trade Date and the aggregate number of Securities to be issued pursuant to the relevant Subscription Order is purchased by the Issuer.

"**Subscription Settlement Date**" means, subject to Condition 10.4, a Business Day which occurs after the Subscription Trade Date as determined in accordance with the terms of the relevant Authorised Participant Agreement, **provided that** if such day is not a Settlement Day, the Subscription Settlement Date shall be the immediately following Settlement Day.

"**Subscription Trade Date**" means, subject to Condition 10.4, a Business Day on which a Subscription Order is submitted by the Authorised Participant by the relevant cut-off time and determined to be valid and accepted and processed by or on behalf of the Issuer in accordance with the relevant Authorised Participant Agreement.

"**Substituted Obligor**" has the meaning given to it in Condition 18.5.

"**Suspension Period**" means the period during which the Issuer, or the Arranger on its behalf, has postponed or suspended the issuance and/or buy-back of Securities and/or the settlement of issuance or buy-back of Securities by providing a Suspension Notice in accordance with Condition 10.

"**Tax**" or "**Taxation**" means all forms of taxation levied by a Tax Authority and all penalties, charges, costs and interest relating thereto.

"**Tax Authority**" means any government, state or municipality or any local, state, federal or other fiscal, revenue, customs or excise authority, body or official anywhere in the world competent to impose, administer or collect any Taxation or make any decision or ruling on any matter relating to Taxation.

"**TER**" has the meaning given to it in Condition 5.4.1.

"**TER Cryptoasset**" has the meaning given to it in Condition 5.4.4.

"**TER Sale Proceeds**" has the meaning given to it in Condition 5.4.4.

"**Total Expense Ratio**" has the meaning given to it in Condition 5.4.1.

"**Trade Credit Agreement**" means (i) in respect of the Initial Trade Credit Lender, the committed trade financing agreement entered into on or prior to the first issuance of Securities by the Issuer

and the Initial Trade Credit Lender and any other parties thereto (the "**Initial Trade Credit Agreement**"); and (ii) in respect of any other Trade Credit Lenders, the committed trade financing agreement entered into on by the Issuer and the relevant Trade Credit Lender and any other relevant parties thereto, in each case in connection with the sale and/or purchase of Cryptoassets in respect of a Series of Securities as amended, supplemented, novated or replaced from time to time.

"**Trade Credit Lender**" means Coinbase Custody International Limited and/or any successor thereto (the "**Initial Trade Credit Lender**") and/or replacement thereof and/or any third party entity also appointed as a trade credit lender as specified in the applicable Final Terms or notified to Securityholders from time to time.

"**Trading Balance**" means, in relation to Securities of a Series, the Issuer's Cryptoasset holdings and cash holdings from time to time held in a trading account including any sub-accounts or connected accounts in respect of that Series with the Prime Execution Agent in accordance with the Prime Execution Agreement.

"**Tranche**" means, in relation to Securities of a Series, the Securities that are subscribed on the same Subscription Trade Date (with the same Cryptoasset Entitlement as at such date) and issued on the same Issue Date.

"**Transaction Document**" means, in respect of a Series of Securities and to the extent such document relates to such Series, each of:

(a) the Trust Deed;

(b) the Security Agreements;

(c) the Corporate Services Agreement;

(d) the Arranger Agreement;

(e) the Master Services Agreement;

(f) the Registrar Agreement(s);

(g) each Agency Agreement;

(h) each Custody Agreement;

(i) each Authorised Participant Agreement;

(j) the Prime Execution Agreement;

(k) each Trade Credit Agreement;

(l) each Cryptoasset Trading Counterparty Agreement;

(m) the Account Bank Agreement; and

(n) any other documents specified by the Issuer, from time to time, to be a "**Transaction Document**" in respect of such Series of Securities,

in each case as amended, supplemented, novated and/or replaced from time to time and "**Transaction Documents**" means all such documents.

"**Transaction Party**" means a party to a Transaction Document (other than the Issuer).

"**Transaction Security**" means, in respect of a Series of Securities, the security constituted by the Security Agreements for such Series.

"**Transfer Agent**" means, in respect of a Series of Securities, the Initial Transfer Agent and any other transfer agent appointed from time to time and, in each case, any successor thereto or

replacement thereof. As at the Series Issue Date, the Initial Transfer Agent is the only Transfer Agent appointed by the Issuer.

"**Trust Deed**" means the trust deed dated on or about the Series Issue Date of the iShares Bitcoin ETP Series of the Securities issued under the Programme entered into as a deed by the Issuer, the Trustee and the Arranger.

"**Trustee**" means Apex Corporate Trustees (UK) Limited and any successor or replacement thereto.

"**Underlying Cryptoasset**" means, in respect of a Series of Securities, all (or where the context requires, the relevant portion of) Cryptoasset at any time held by the Custodian(s) on behalf of the Issuer.

"**Underlying Cryptoasset Sale Cut-off Date**" means the date falling 30 Business Days following the Early Redemption Trade Date.

"**Xetra**" means the regulated market (*regulierter Markt*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*), in Frankfurt am Main, Germany.

2. FORM AND TITLE

2.1 Form

The Securities will be issued in registered form. The Securities will initially be represented by a Registered Global Certificate which may be exchanged for one or more Individual Registered Certificates in the circumstances described in Condition 3.

2.2 Title

Title to the Securities is recorded on the Register and shall pass by registration in the Register. The Register shall at all times be kept and maintained by the Registrar.

Except as ordered by a court of competent jurisdiction or as required by law, the holder of any Security represented by an Individual Registered Certificate whose name is registered in the Register shall be deemed to be and may be treated as its absolute owner for all purposes and regardless of any notice of ownership, trust or an interest in it, and no person shall be liable for so treating the holder. In the Conditions, "**Securityholder**" and "**holder**" of a Security means the person in whose name a Security of the relevant Series is registered in the Register.

3. TRANSFERS AND EXCHANGE

Investors in Securities held in global form should also refer to the section of the Prospectus entitled "Clearing and Settlement".

3.1 General

Legal title to the Securities will pass upon registration of the transfer in the Register maintained by the relevant Registrar.

3.2 Securities in global form

All transfers of Securities represented by a Registered Global Certificate shall be subject to and made in accordance with the rules, procedures and practices in effect of the Relevant Clearing System.

3.3 Exchange

While the Securities are cleared through the Relevant Clearing System(s), the Securities will be represented by a Registered Global Certificate. The Registered Global Certificate will be exchangeable (free of charge to the holder) on or after the Exchange Date in whole, but not in part, for Individual Registered Certificates if the following occur (unless otherwise notified by the Issuer to Securityholders in accordance with Condition 19):

3.3.1 the Relevant Clearing System(s) is/are closed for business for a continuous period of 14 calendar days (other than by reason of holidays, statutory or otherwise); and/or

3.3.2 the Relevant Clearing System(s) announce(s) an intention permanently to cease business or do(es) in fact permanently cease business.

Any such exchange may be effected on or after an Exchange Date by the holder of the Registered Global Certificate surrendering the Registered Global Certificate to or to the order of the relevant Registrar. In exchange for the Registered Global Certificate, the Issuer will deliver, or procure the delivery of, duly executed and authenticated Individual Registered Certificates representing in an aggregate number equal to the number of Securities represented by the Registered Global Certificate submitted for exchange.

3.4 **Securities represented by Individual Registered Certificates**

Transfers of Securities represented by Individual Registered Certificates are effected upon the surrender (at the specified office of the relevant Registrar or Transfer Agent) of the Individual Registered Certificates representing such Securities to be transferred, together with the form of transfer endorsed on such Individual Registered 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 relevant Registrar or Transfer Agent may reasonably require.

In the case of a transfer of part only of a holding of Securities represented by one Individual Registered Certificate, a new Individual Registered Certificate shall be issued to the transferee in respect of the part transferred and a further new Individual Registered Certificate in respect of the balance of the holding not transferred shall be issued to the transferor.

3.5 **Delivery of new Certificates**

Each new Individual Registered Certificate to be issued pursuant to this Condition 3 shall be available for delivery within three business days of surrender of the Individual Registered Certificate for exchange and receipt of the relevant form of transfer and any evidence required by the relevant Registrar or Transfer Agent. Delivery of the new Individual Registered Certificate(s) shall be made at the specified office of the relevant Registrar or Transfer Agent (as the case may be) to whom delivery or surrender of such request for exchange, form of transfer or Individual Registered Certificate shall have been made or, at the option of the Securityholder making such delivery or surrender as aforesaid and as specified in the relevant request for exchange, form of transfer or otherwise in writing, be mailed by uninsured post at the risk of the Securityholder entitled to the new Individual Registered Certificate (as applicable) to such address as may be so specified, unless such Securityholder requests otherwise and pays in advance to the Transfer Agent or the relevant Registrar (as applicable) the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 3.5, "**business day**" means a day, other than a Saturday or Sunday, on which banks are open for general business in the city in which the specified office of the relevant Registrar or Transfer Agent is located.

3.6 **Transfer Free of Charge**

Transfers of Securities shall be effected without charge by or on behalf of the Issuer, the relevant Registrar or Transfer Agent but upon payment by the relevant holder of any Tax or other governmental charges that may be imposed in relation to such transfer (or the giving of such indemnity as the Issuer, the relevant Registrar or Transfer Agent may require).

3.7 **Closed Periods**

If the rules and procedures of the relevant Registrar and/or for so long as the Securities are held in a Relevant Clearing System, the rules and procedures of the Relevant Clearing System 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 the Securities. Details of any such closed period are available from the relevant Registrar or the Relevant Clearing System (as applicable).

4. CONSTITUTION AND STATUS

Each Series of Securities is constituted by the Trust Deed and secured by the relevant Security Agreements. The Securities are secured, limited recourse debt obligations of the Issuer, at all times ranking *pari passu* and without any preference among themselves, secured in the manner described in Condition 6 and recourse in respect of which is limited in the manner described in Condition 6.6 and Condition 17.

5. CRYPTOASSET ENTITLEMENT

5.1 Determination of Cryptoasset Entitlement

The Administrator shall determine the Cryptoasset Entitlement in respect of each Series of Securities in accordance with Condition 5.3 for each day during the term of the relevant Securities up to (and including) the Early Redemption Trade Date and notify its determination of the Cryptoasset Entitlement to the Issuer and the Arranger on the same Business Day.

5.2 Initial Cryptoasset Entitlement

The "**Initial Cryptoasset Entitlement**" for each Series of Securities under the Programme shall be an amount per Security as specified in the relevant Final Terms.

5.3 Cryptoasset Entitlement

The "**Cryptoasset Entitlement**" on a particular day shall be an amount per Security determined by the Administrator as follows:

5.3.1 if the relevant day is the Series Issue Date, the Cryptoasset Entitlement shall be equal to the Initial Cryptoasset Entitlement;

5.3.2 in relation to any day from but excluding the Series Issue Date to and including the Early Redemption Trade Date, the Cryptoasset Entitlement shall be an amount calculated by the Administrator in accordance with the formula below:

$$\mathrm{CE_t} = \mathrm{CE_{t\text{-}1}} \times (1\text{-}\mathrm{TER_t})^{\frac{1}{N}}$$

Where:

"**CE_t**" means the Cryptoasset Entitlement in respect of the relevant day;

"**CE_{t-1}**" means the Cryptoasset Entitlement in respect of the immediately preceding day;

"**TER_t**" means the Total Expense Ratio as at the relevant day in respect of the relevant Series, expressed as a decimal (as determined by the Administrator); and

"**N**" means 365 (or 366 in a leap year).

In relation to any day from and including the Early Redemption Trade Date, the Cryptoasset Entitlement shall be an amount equal to the Cryptoasset Entitlement calculated with respect to Early Redemption Trade Date.

5.4 Total Expense Ratio

5.4.1 The "**Total Expense Ratio**" or "**TER**" is the rate per annum at which the "all in one" operational fee which is payable to the Arranger in respect of each Series of Securities is calculated. The TER for a Series is specified in the relevant Final Terms and is applied to the Cryptoasset Entitlement on a daily basis to determine a daily deduction of an amount of Cryptoasset from the Cryptoasset Entitlement. The Total Expense Ratio specified in the Final Terms may include a full or partial waiver of TER for a fixed period from and including the Series Issue Date.

5.4.2 The TER in respect of a Series of Securities may be varied by the Issuer on the request of the Arranger from time to time, **provided that**, no increase in the TER in respect of a Series of Securities will take effect unless Securityholders of such Series have been given at least 30 calendar days' prior notice in accordance with Condition 19.

5.4.3 The TER in respect of each Series of Securities from time to time and any proposed change to the TER of any Series of Securities shall be published on the Issuer Website.

5.4.4 The accrued Cryptoasset representing the reduction in the Cryptoasset Entitlement due to application of the TER (the "**TER Cryptoasset**") will be sold from time to time by the Issuer in a manner instructed by the Arranger. The cash proceeds of a sale of TER Cryptoasset (the "**TER Sale Proceeds**") will be paid to an account of the Arranger and the Arranger will pay the agreed operational fees of the Issuer's service providers (including those of the Arranger itself) out of such cash proceeds. The Arranger is not required to pay transaction costs (which will be payable by Authorised Participants and Non-AP Holders for their transactions via the applicable Subscription Fee, Buy-Back Fee, Non-AP Buy-Back Fee or Early Redemption Fee). The Arranger is not required to pay legal or professional fees and expenses and indemnity and liability payments (if any) of the Issuer. However, in the Arranger Agreement the Arranger has agreed with the Issuer that it will do so if (i) an Early Redemption Event has not occurred and (ii) to the extent the Issuer paying such amounts would result in the amount of Cryptoassets held for a Series (including in the Issuer Wallet and the Trading Balance) dropping below the aggregate Cryptoasset Entitlement for all Securities of that Series.

6. SECURITY

6.1 Transaction Security

6.1.1 The Secured Obligations of the Issuer in respect of each Series of Securities are secured, pursuant to the relevant Security Agreements, by:

(a) a first ranking charge governed by Irish law in favour of the Trustee (for itself and the Secured Creditors) over (i) the Issuer Wallet in respect of the relevant Series of Securities, (ii) all amounts and Cryptoassets from time to time standing to the credit thereof and (iii) all other rights in relation to all amounts and Cryptoassets from time to time standing to the credit thereof;

(b) an assignment governed by Irish law in favour of the Trustee (for itself and the Secured Creditors) of all rights of the Issuer against the Custodian under the Custody Agreement in respect of the relevant Series of Securities

(c) an assignment by way of security governed by English law in favour of the Trustee (for itself and the Secured Creditors) of all of the Issuer's rights, title, interest and benefit present and future in, to and under the Arranger Agreement, the Master Services Agreement, the Registrar Agreement(s), the Agency Agreement(s), the Authorised Participant Agreements and the Account Bank Agreement (in each case, to the extent that they relate to the relevant Series of Securities);

(d) a first fixed charge governed by English law in favour of the Trustee (for itself and the Secured Creditors) over the Series Cash Account in respect of the relevant Series of Securities, all amounts from time to time standing to the credit thereof (together with all interest accruing from time to time thereon and the debts represented thereby);

(e) an assignment governed by New York law in favour of the Trustee (for itself and the Secured Creditors) of all rights of the Issuer against the Prime Execution Agent under the Prime Execution Agreement including to amounts owed now or in the future by the Prime Execution Agent to the Issuer in connection with the Trading Balance and purchase or sale of Cryptoassets by the Prime Execution

Agent (on behalf of the Issuer) pursuant to the Prime Execution Agreement (to the extent that they relate to the relevant Series of Securities); and

(f) any other Security Interest expressed to be created in an Additional Security Agreement.

6.1.2 The Transaction Security is granted to the Trustee as continuing security for the Secured Obligations. In accordance with the relevant Security Agreements, prior to any enforcement of the Transaction Security, the Trustee will be deemed to release any part of the Secured Property from the Transaction Security without the need for any notice or other formalities for the purposes described in each of Condition 6.1.2(a), 6.1.2(b), 6.1.2(c) and 6.1.2(d) below.

(a) Sums and/or Cryptoasset held by any Custodian, the Account Bank, the Prime Execution Agent, the Administrator, any Transfer Agent and/or the relevant Paying Agent, as applicable, to the extent required for payment of any sum or delivery of any Cryptoasset in respect of the Securities and/or under the Transaction Documents, which for the avoidance of doubt shall include, without limitation:

(i) TER Cryptoasset and the proceeds of a sale thereof payable to the Arranger pursuant to Condition 5;

(ii) Buy-Back Settlement Amounts due and payable or deliverable to Authorised Participants pursuant to Condition 8.2 or to Buy-Back Payees pursuant to Condition 8.3 or Condition 8.4;

(iii) Early Redemption Amounts payable or deliverable to Securityholders;

(iv) Subscription Settlement Amounts paid by the Issuer to the Prime Execution Agent or a Cryptoasset Trading Counterparty for the purposes of effecting a purchase of Cryptoasset; and

(v) Cryptoassets delivered to the Prime Execution Agent or a Cryptoasset Trading Counterparty for the purposes of effecting a Cryptoasset Sale,

provided that for the purpose of the foregoing, such sums and/or Cryptoasset shall be deemed to be required for the relevant purpose if such sums and/or Cryptoasset are used for the purpose of reimbursing the Arranger where the Arranger has discharged any obligation of the Issuer to make payment of any sum or delivery of any Cryptoasset in respect of the Securities and/or under the Transaction Documents;

(b) Any part of the Secured Property to the extent required to (i) return any Cryptoassets, (ii) return the proceeds of any trade credit advance by a Trade Credit Lender and/or (iii) pay any fees, costs or other amounts to any Trade Credit Lender and/or any Cryptoasset Trading Counterparty in accordance with the provisions of the relevant Trade Credit Agreement and/or relevant Cryptoasset Trading Counterparty Agreement in each case following a failed settlement in respect of any Securities;

(c) Any Additional Assets (or the proceeds thereof) to be transferred or otherwise applied in accordance with the provisions of Condition 12; and

(d) Any part of the Secured Property to the extent required to comply with and subject to the provisions of Conditions 6.3, 6.6 and 6.7.

6.2 **Application of Secured Property and Proceeds of Enforcement of Transaction Security**

In respect of a Series of Securities, following (i) an Early Redemption Trade Date, the Issuer shall; or (ii) the service of an Event of Default Redemption Notice, the Trustee shall (subject to the provisions of the Trust Deed and the relevant Security Agreements) apply the Secured Property and proceeds derived from the realisation of the Secured Property in relation to such Series of Securities (whether by way of liquidation or enforcement and after taking account of any Taxes incurred, withheld or deducted by or on behalf of the Issuer) as follows:

6.2.1 *firstly*, in payment or satisfaction of all fees, costs, charges, expenses, liabilities and other amounts properly incurred by or payable to the Trustee or any receiver in connection with an Early Redemption and/or an Event of Default relating to such Series of Securities under or pursuant to the relevant Security Agreements, the Trust Deed and/or any other Transaction Document (which for the purpose of this Condition 6.2 and the relevant Security Agreements shall include, 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) and the costs of enforcing or realising all or some of the Transaction Security, but shall exclude agreed fees and expenses of a standard and operational nature payable by the Arranger in accordance with clause 6 (*Payment of Fees and Expenses*) of the Arranger Agreement);

6.2.2 *secondly*, in payment or satisfaction of amounts due to the Arranger under Condition 5.4.4, the enforcement proceeds of any TER Cryptoasset and/or any TER Sale Proceeds in respect of such Series of Securities accrued up to (but excluding) the Early Redemption Trade Date;

6.2.3 *thirdly*, in payment or satisfaction of the Issuer Series Fees and Expenses to the extent due and payable to Secured Creditors in respect of such Series of Securities (on a *pro rata* and *pari passu* basis);

6.2.4 *fourthly*, in settlement of any Buy-Back Settlement Amounts due and payable or deliverable to Authorised Participants pursuant to Condition 8.2 or to Buy-Back Payees pursuant to Condition 8.3 or Condition 8.4 (on a *pro rata* and *pari passu* basis);

6.2.5 *fifthly*, in payment or delivery of the Early Redemption Amount per outstanding Security owing to the Securityholders (on a *pro rata* and *pari passu* basis);

6.2.6 *sixthly*, in payment of the Principal Amount (less any applicable Early Redemption Fee) of any Security in respect of which a Securityholder has elected to receive the Principal Amount in lieu of the Early Redemption Amount (on a *pro rata* and *pari passu* basis); and

6.2.7 *seventhly*, in payment of the balance (if any) to the Issuer.

6.3 **Delivery and Sale of Underlying Cryptoasset**

The Issuer (or the Arranger acting on its behalf) may authorise and direct the Custodian(s) to deliver or procure the delivery of the Underlying Cryptoasset held by the Custodian(s) to (a) the Prime Execution Agent and/or one or more Cryptoasset Trading Counterparties in accordance with Condition 13 to effect a Cryptoasset Sale; and (b) where Physical Redemption applies, the Digital Wallet(s) specified by the relevant Authorised Participant (in relation to deposit of the Early Redemption Amount) or the relevant Authorised Participant or Non-AP Holder (as applicable) (in relation to the Buy-back Settlement Amount). The Issuer (or the Arranger acting on its behalf) may also authorise and direct the Prime Execution Agent in respect of any Cryptoassets held in the Trading Balance in a similar manner.

Pursuant to the terms of the Security Agreements, the Transaction Security described in Condition 6.1 shall automatically be released without further action on the part of the Trustee to the extent necessary to effect the Cryptoasset Sale or delivery of the relevant Cryptoassets to Relevant Beneficial Holders entitled to receive Physical Redemption in accordance with the Conditions; **provided that** nothing in this Condition 6.3 shall operate to release the charges and other security interests over the proceeds of the Cryptoasset Sale until such proceeds are

delivered to the Securityholders of Securities on the Early Redemption Settlement Date or Buy-Back Settlement Date with respect to Securities in respect of which Cash Redemption applies.

6.4 **Enforcement of Transaction Security Constituted under the Security Agreements**

The Transaction Security over the Secured Property in respect of a Series of Securities shall become enforceable upon the service of an Event of Default Redemption Notice.

6.5 **Realisation of Transaction Security**

At any time after the Transaction Security has become enforceable in respect of a Series of Securities, 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 such Series then outstanding or by an Extraordinary Resolution of the Securityholders of such Series, in each case subject to it having been pre-funded and/or secured and/or indemnified to its satisfaction by one or more Securityholders of such Series (or otherwise to its satisfaction), enforce the Transaction Security constituted under the Security Agreements relating to such Series.

To do this, the Trustee may, at its discretion, (i) enforce and/or terminate any Transaction Documents relating to the Securities in accordance with its or their terms, and/or take action against the relevant Obligor(s) and/or (ii) take possession of any Secured Property that is not in the form of Cryptoasset and/or realise all or part of the Secured Property over which the Transaction Security shall have become enforceable and may, in its discretion, but subject to the following sentence, sell, call in, collect and convert into money all or part of the Secured Property, in such manner 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 the Trustee will not be obliged or required to take any action or step which may involve it in incurring any personal liability or expense unless pre-funded and/or secured and/or indemnified to its satisfaction by one or more Securityholders of the relevant Series (or otherwise to its satisfaction).

The Trustee may appoint a receiver in respect of all or part of the Secured Property relating to the Securities over which any Transaction Security shall have become enforceable and may remove any 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.

Neither the Trustee nor any receiver appointed by it or any attorney or agent of the Trustee will, by reason of taking possession of any Secured Property relating to the Securities 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 Secured Property or from any act or omission in relation to such Secured Property or otherwise unless such loss or damage shall be caused by its own fraud, wilful default or gross negligence.

The Trustee shall not be required to take any action in relation to the enforcement of the Transaction Security that would involve any personal liability or expense without first being indemnified and/or secured and/or pre-funded to its satisfaction by one or more Securityholders of the relevant Series (or otherwise to its satisfaction).

6.6 **Shortfall after Application of Proceeds**

In respect of a Series of Securities, the Transaction Parties and the Securityholders shall have recourse only to the Secured Property in respect of the Securities of such Series, subject always to the Transaction Security, and not to any other assets of the Issuer. If, following realisation in full of the Secured Property of such Series (whether by way of liquidation or enforcement) and application of available assets as provided in this Condition 6, the Trust Deed and the Security Agreements, as applicable, any outstanding claim against the Issuer relating to such Series remains unsatisfied, then such outstanding claim shall be extinguished and no obligation shall be owed by the Issuer in respect thereof. Following the extinguishment of any such claim in accordance with this Condition 6.6, none of the Transaction Parties, the Securityholders or any other person acting on behalf of any of them shall be entitled to take any further steps against the Issuer or any of its officers, shareholders, corporate service providers or directors to recover

any further amount in respect of the extinguished claim and no obligation shall be owed to any such persons by the Issuer in respect of such further amount.

None of the Transaction Parties, the Securityholders or any person acting on behalf of any of them may, at any time, bring, institute or join with any other person in bringing, instituting or joining insolvency, administration, bankruptcy, winding-up, examinership or any other similar proceedings (whether court-based or otherwise) in relation to the Issuer or any of its assets, and none of them shall have any claim arising with respect to the sums, assets and/or property attributable to any other securities issued by the Issuer (save for any further securities which form a single series with the Securities) or not attributable to any particular Series.

The provisions of this Condition 6.6 shall survive notwithstanding any redemption of the Securities or the termination or expiration of any Transaction Document.

6.7 **Issuer's Rights as Beneficial Owner of Secured Property**

Without prejudice to Condition 18.1, at any time before any Transaction Security in respect of the relevant Series of Securities becomes enforceable, the Issuer shall, if directed to do so by an Extraordinary Resolution or may, with the sanction of an Extraordinary Resolution or with the prior written consent of the Trustee:

6.7.1 take such action in relation to the Secured Property relating to the Securities of such Series as it may think expedient; and

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

If any such direction or consent is given, the Issuer shall act only in accordance with such direction or consent, **provided that**, prior to the enforcement of the Transaction Security, the Issuer may release or modify the rights and assets which are comprised in the Secured Property without any further action or consent being required from Securityholders or the Trustee to the extent necessary in connection with any of the circumstances described in Condition 6.1 in relation to which the Transaction Security over such Secured Property is released.

6.8 **Custody Arrangements**

In accordance with Condition 7.16 and the Trust Deed, the Issuer (or the Arranger acting on its behalf) is permitted to transfer the Underlying Cryptoassets for a Series from the Issuer Wallet held at a Custodian to an Issuer Wallet held at any additional or successor Custodian appointed in respect of any Series.

7. **RESTRICTIONS**

In respect of a Series of Securities, so long as any of the Securities of such Series remain outstanding, the Issuer shall not, without the prior written consent of the Trustee:

7.1 engage in any business activities, save that the Issuer may without consent of the Trustee or any Securityholders engage in any of the following activities (or any other business activity which relates to or is incidental thereto):

7.1.1 issue, enter into, amend, exchange or repurchase and cancel or reissue or resell all or some only of the Securities of any Series under the Programme as may be provided in these Conditions and the Trust Deed and the relevant Transaction Documents and in connection therewith enter into or amend Transaction Documents accordingly;

7.1.2 acquire and own rights, property or other assets which are to comprise Secured Property for a Series of Securities issued under the Programme so as to enable it to discharge its obligations under such Series, and any relevant Transaction Document relating to such Series;

7.1.3 perform its respective obligations under any Securities issued under the Programme, and any relevant Transaction Document entered into in connection with such Series, and any agreements incidental to the granting of Transaction Security relating to any such Series of Securities or incidental to the issue and constitution of any Series of Securities issued under the Programme;

7.1.4 engage in any activity in relation to the Secured Property or any Transaction Document contemplated by the Conditions or such Transaction Document relating to any Series of Securities;

7.1.5 enter into any Cryptoasset Trading Counterparty Agreement or Trade Lending Agreement and grant one or more Security Interests in favour of the Trustee with respect to rights of the Issuer under such Cryptoasset Trading Counterparty Agreement or Trade Lending Agreement (as applicable) (which security agreement(s) shall be "**Additional Security Agreement(s)**"). For the avoidance of doubt, where the Issuer enters into a Cryptoasset Trading Counterparty Agreement or Trade Lending Agreement, the Issuer (or the Arranger on its behalf) shall be entitled to determine in its sole discretion whether or not to enter into an agreement granting a Security Interest over the rights of the Issuer under such Cryptoasset Trading Counterparty Agreement or Trade Lending Agreement to the Trustee;

7.1.6 incur indebtedness:

(a) in connection with Cash Subscriptions and Cash Redemptions (including, if applicable and without limitation, in connection with any failed settlement of Securities); and/or

(b) under the terms of the operational overdraft to the Issuer Cash Account;

7.1.7 subject as provided in the Trust Deed, the relevant Security Agreements and in the Conditions relating to any Series of Securities, enforce any of its rights, whether under the Trust Deed, the relevant Security Agreements, any other Transaction Document or otherwise under any agreement entered into in relation to any Series of Securities or any Secured Property relating to any such Series; and

7.1.8 perform any other act incidental to or necessary in connection with any of the above (which shall include, without limitation, the payment of any and all appliable taxes and levies due by the Issuer, the appointment of auditors and any other administrative or management functions necessary to maintain the Issuer and/or to keep it operating and/or to comply with any laws, regulations or rules applicable to it);

7.2 cause or permit the terms of the Transaction Security granted under the Security Agreements for any Series of Securities and the order of priority specified in the Conditions, the Trust Deed and the relevant Security Agreements, as applicable, to be amended, terminated or discharged (other than as contemplated by the Trust Deed, Security Agreements and/or the Conditions relating to such Series of Securities);

7.3 release any party to the Trust Deed, the relevant Security Agreements or any other relevant Transaction Document relating to a Series of Securities from any existing obligations thereunder (other than as contemplated by the Trust Deed, Security Agreements and/or the Conditions relating to such Series of Securities);

7.4 have any subsidiaries;

7.5 sell, transfer or otherwise dispose of the Secured Property in respect of any Series of Securities or any right or interest therein or thereto or create or allow to exist any charge, lien or other encumbrance over such Secured Property (to the extent it relates to the Issuer) except in accordance with the Conditions of the relevant Securities of any such Series, the Trust Deed, the relevant Security Agreements and any other Transaction Document relating to any such Series as may be applicable;

7.6 consent to any variation of, or exercise any powers or consent or waiver pursuant to, the terms of the Conditions, the Trust Deed, the relevant Security Agreements or any other Transaction Document relating to any Series of Securities (other than as contemplated by the relevant Conditions and the relevant Transaction Documents relating to any such Series);

7.7 consolidate or merge with any other person or convey or transfer its properties or assets substantially as an entirety to any person (other than as contemplated by the Trust Deed and the Conditions for any Series of Securities);

7.8 have any employees;

7.9 issue any shares (other than 100,000 ordinary shares of CHF1 each all of which are fully paid up and are held by or to the order of Apex TSI Limited (the "**Share Trustee**") under the terms of a declaration of trust as amended and restated on 3 October 2024 under which the Share Trustee holds them on trust for charitable purposes);

7.10 purchase, own, lease or otherwise acquire any real property (including, without limitation, office premises or like facilities);

7.11 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;

7.12 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;

7.13 except as contemplated by any relevant Transaction Document and/or the Conditions relating to a Series of Securities, advance or lend any of its moneys or assets, including, but not limited to, the rights, property or other assets comprising the Secured Property for any such Series of Securities, to any other entity or person;

7.14 subject as provided in Condition 7.1, incur any other indebtedness for borrowed moneys, other than issuing further Securities under the Programme in accordance with the Conditions (which may or may not form a single series with the Securities of any Series and may or may not be guaranteed by a third party) and creating or incurring further obligations relating to such Securities, **provided that**:

7.14.1 such further Securities and obligations are secured on assets of the Issuer other than (1) the Secured Property relating to any other Series of Securities and (2) the Issuer's share capital;

7.14.2 such further Securities and obligations are secured *pari passu* upon the Secured Property relating to the Series of Securities with which such Securities are to form a single series (as such Secured Property may be increased in connection with the issue of such further securities), all in accordance with Condition 8.1 of the relevant Series of Securities; and

7.14.3 if further Securities which are to form a single series with a Series of Securities are being issued, the relevant Authorised Participant has transferred to or to the order of the Issuer the Subscription Settlement Amount per Security to be issued; or

7.15 permit or cause any Underlying Cryptoasset to be transferred out of the Issuer Wallet in respect of the relevant Series other than a transfer made pursuant to these Conditions or any other Transaction Document or a transfer to another Issuer Wallet with respect to the same Series,

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 the objects of the Issuer as specified in its Articles of Association.

8. SUBSCRIPTION AND BUY-BACK OF SECURITIES

8.1 Subscription and Further Issues

8.1.1 Subject to Condition 6, the Issuer may (without the consent of the Trustee or any Securityholder), from time to time, in accordance with the Trust Deed, the Conditions, and the relevant Authorised Participant Agreements, create and issue further securities either:

(a) as a new Series of Securities upon such terms as the Issuer may determine at the time of their issue; or

(b) having the same terms and conditions as an existing Series of Securities in all respects and so that such further issue shall be consolidated and form a single series with such Series of Securities.

In respect of each Series of Securities represented by a Registered Global Certificate, the aggregate number of Securities outstanding for such Series shall not at any time exceed the maximum number of Securities specified in the relevant Registered Global Certificate **provided that** the Issuer may from time to time increase the maximum number of Securities so specified without requiring approval from Securityholders, the Trustee or any other Transaction Party.

8.1.2 Any new securities forming a single series with outstanding Securities of a Series and which are expressed to be constituted by the Trust Deed and secured by the same Security Agreements will, upon the issue thereof by the Issuer to one or more Authorised Participants, be constituted by the Trust Deed and secured by such Security Agreements without any further formality and shall be secured by the same Secured Property (as increased and/or supplemented in connection with such issue of such new securities) and references in these Conditions to "**Securities**", "**Secured Property**", "**Secured Obligations**" and "**Secured Creditors**" shall be construed accordingly.

8.1.3 Pursuant to the relevant Authorised Participant Agreement, only an Authorised Participant in respect of the relevant Series of Securities may request that the Issuer issue additional Tranches of Securities of the relevant Series to the Authorised Participant by the Authorised Participant delivering a valid Subscription Order, subject to and in accordance with the terms of such Authorised Participant Agreement. Once submitted, a Subscription Order is irrevocable, unless otherwise agreed by the Issuer (or the Arranger or Administrator or Transfer Agent on its behalf). The Issuer (or the Arranger or Administrator or Transfer Agent on its behalf) has the absolute discretion to accept or reject in whole or in part any Subscription Order. The Issuer will only accept a Subscription Order if a valid Subscription Order is given by an Authorised Participant of the relevant Series. Prior to the Issuer's acceptance of a Subscription Order, a Subscription Order only represents an Authorised Participant's unilateral offer to subscribe and has no binding effect on the Issuer.

8.1.4 Authorised Participants subscribing for Securities are, pursuant to the relevant Authorised Participant Agreement, required to:

(a) deliver to or for the account of the Issuer either: (i) in the case of Physical Subscriptions, an amount of Cryptoasset; or (ii) in the case of Cash Subscriptions, an amount in the Series Currency, in each case, which is equal to the Subscription Settlement Amount, by the relevant cut-off time on or prior to the Subscription Settlement Date; and

(b) pay any Subscription Fee as set out in the relevant Authorised Participant Agreement(s) by the relevant cut-off time on the Subscription Settlement Date (unless the Issuer (or the Arranger on its behalf) has waived the Subscription Fee or agreed that the Subscription Fee may be paid following the Subscription Settlement Date).

The Issuer may (at its absolute discretion) accept only Physical Subscriptions. Cash Subscriptions will only be accepted by the Issuer (within prescribed parameters) if this is specified in the relevant Final Terms or the Issuer has, prior to the date on which a Subscription Order is placed, notified Authorised Participants that it will accept Cash Subscriptions. The Issuer may in its absolute discretion determine whether to accept a subscription by way of Physical Subscription only, or by way of Physical Subscription or Cash Subscription.

8.1.5 The "**Subscription Fee**" is an amount determined by the Issuer (or the Administrator, the Transfer Agent or Arranger on its behalf) in its sole discretion as being equal to the costs, charges, fees and spreads incurred by or on behalf of the Issuer in connection with a Subscription Order, including, without limitation:

(a) any custody charges, blockchain network fees (including, without limitation, gas fees), ETP servicing fees, transactions costs, brokerage fees and costs, bank charges, interest, foreign exchange conversions and spreads, governmental charges, registration fees, (in the case of cash settlement, where available) spreads to take into account the price and cost at which the relevant Cryptoasset is purchased, hedging-related costs, other fees and expenses charged by service providers, and any other costs relevant to carrying out a Subscription Order and the related transfer of cash or relevant Cryptoassets; and

(b) any withholding, stamp duty, transfer taxes, and any present or future taxes levied, collected, withheld or assessed by or on behalf of any relevant authority having the power to tax in relation to a Subscription Order.

The Subscription Fee in respect of a Series of Securities may be changed from time to time by notice to the Authorised Participants in respect of the relevant Series.

8.1.6 The Issuer will only issue Securities to an Authorised Participant on the Subscription Settlement Date if all conditions precedent to an issue of the Securities are satisfied, which include, without limitation:

(a) the Authorised Participant having satisfied all of its settlement obligations as set out in Condition 8.1.4 and the Authorised Participant Agreement by the relevant cut-off times on the Subscription Settlement Date; and

(b) in the case of a Physical Subscription, the Prime Execution Agent having confirmed to the Arranger that the amount of Cryptoasset delivered by the Authorised Participant as the Subscription Settlement Amount has been transferred to the Prime Execution Agent for the account of the Issuer or, in the case of a Cash Subscription, the Authorised Participant having satisfied its Cash Subscription obligations under the Authorised Participant Agreement.

8.1.7 In accordance with Condition 8.1.3, the Issuer is not obliged to accept any Subscription Order in respect of a Series of Securities, including, without limitation if the Subscription Trade Date or Subscription Settlement Date would fall:

(a) within a Suspension Period;

(b) after an Early Redemption Order Cut-off Date; or

(c) after service of an Event of Default Redemption Notice.

8.1.8 Any Subscription Order in respect of which the Subscription Settlement Date occurs after an Early Redemption Trade Date shall, if not already cancelled prior to such date, be automatically cancelled (for the avoidance of doubt, notwithstanding the acceptance of such Subscription Order prior to such date) with effect from the Early Redemption Trade Date. Any Securities issued on a Subscription Settlement Date which are pending settlement to the relevant Authorised Participant as at the Early Redemption Trade Date shall, if not already cancelled prior to such date, be automatically cancelled with effect from the Early Redemption Trade Date.

8.2 **Buy-Back of Securities from Authorised Participants**

8.2.1 The Issuer may (without the consent of the Trustee or any Securityholder), from time to time, buy-back all or some of the Securities of any Series.

8.2.2 Subject to Condition 8.3, an Authorised Participant who is a Relevant Beneficial Holder in respect of Securities of the relevant Series may request that the Issuer buys back such Securities from the relevant Authorised Participant by the Authorised Participant delivering a valid Buy-Back Order subject to and in accordance with the terms of the Authorised Participant Agreement. The Issuer (or the Arranger or Administrator or Transfer Agent on its behalf) has the absolute discretion to accept or reject in whole or in part any Buy-Back Order. The Issuer will only accept a Buy-Back Order if a valid Buy-Back Order is given by an Authorised Participant of the relevant Series. Once submitted, a Buy-Back Order is irrevocable, unless otherwise agreed by the Issuer (or the Arranger or Administrator or Transfer Agent on its behalf).

8.2.3 Securities purchased by the Issuer from an Authorised Participant will be purchased by the Issuer for either: (x) an amount of the relevant Cryptoasset; or (y) if at the relevant time the Issuer is accepting Cash Redemptions by Authorised Participants, a cash amount in the Series Currency, in each case equal to the Buy-Back Settlement Amount. The Issuer will only transfer Cryptoasset or pay cash in an amount in the Series Currency equal to the Buy-Back Settlement Amount to the relevant Authorised Participant on the Buy-Back Settlement Date in accordance with the terms of the relevant Authorised Participant Agreement, including, without limitation, satisfaction by the Authorised Participant of its obligations to:

(a) deposit the relevant Securities subject to the Buy-Back Order in such account as set out in the relevant Authorised Participant Agreement by the relevant cut-off time on the Buy-Back Settlement Date; and

(b) in the case of Physical Redemptions, pay any applicable Buy-Back Fee by the relevant cut-off time on the Buy-Back Settlement Date (unless the Issuer (or the Arranger on its behalf) has waived the Buy-Back Fee or agreed that the Buy-Back Fee may be paid following the Buy-Back Settlement Date) or, in the case of Cash Redemptions, pay any Residual Buy-Back Fee in accordance with the relevant Authorised Participant Agreement (which may permit the Residual Buy-Back Fee to be paid after the Buy-Back Settlement Date).

Cash Redemptions will only be accepted by the Issuer (within prescribed parameters) under this Condition 8.2 if this is specified in the relevant Final Terms or the Issuer has, prior to the date on which a Buy-Back Order is placed, notified Authorised Participants that it will accept Cash Redemptions under this Condition 8.2. Even if Cash Redemption is specified in the relevant Final Terms or has been notified in accordance with this paragraph, the Issuer may (in its sole discretion) reject any Buy-Back Order specifying Cash Redemption. Whether Cash Redemption will be accepted or not under this Condition 8.2 is separate from, and without prejudice, to whether Cash Redemptions will be accepted or not under Condition 8.3.

8.2.4 The "**Buy-Back Fee**" is an amount in the Series Currency determined by the Issuer (or the Administrator, Transfer Agent or Arranger on its behalf) in its sole discretion as being equal to the costs, charges, fees and spreads incurred by or on behalf of the Issuer in connection with a Buy-Back Order, including, without limitation:

(a) any custody charges, blockchain network fees (including, without limitation, gas fees), ETP servicing fees, transactions costs, brokerage fees and costs, bank charges, interest, foreign exchange conversions and spreads, governmental charges, registration fees, (in the case of cash settlement, where available) spreads to take into account the price and cost at which the relevant Cryptoasset is sold, hedging-related costs, other fees and expenses charged by service providers, and any other costs relevant to carrying out a Buy-Back Order and the related transfer of cash or relevant Cryptoassets; and

(b) any withholding, stamp duty, transfer taxes, and any present or future taxes levied, collected, withheld or assessed by or on behalf of any relevant authority having the power to tax in relation to a Buy-Back Order.

8.2.5 The Residual Buy-Back Fee shall only apply in respect of a Cash Redemption if the Buy-Back Fee appliable to Securities subject to that Cash Redemption is greater than the product of the Cryptoasset Sale Proceeds per Security and the aggregate number of Securities subject to that Cash Redemption. The "**Residual Buy-Back Fee**" is an amount in the Series Currency determined by the Issuer (or the Administrator, Transfer Agent or Arranger on its behalf) in its sole discretion as being equal to the amount (if any) by which the Buy-Back Fee for the relevant Cash Redemption is greater than the Buy-Back Settlement Amount for that Cash Redemption (ignoring for these purposes the deduction of the Buy-Back Fee in the calculation of Buy-Back Settlement Amount).

8.2.6 The Buy-Back Fee in respect of a Series of Securities may be changed from time to time by notice to the Authorised Participants in respect of the relevant Series. If a Buy-Back Order is placed after a notice has been given by the Issuer in respect of an Early Redemption Event, the Buy-Back Fee may be increased to include an amount (if any) to cover the estimated costs incurred, or to be incurred, by or on behalf of the Issuer in connection with the Early Redemption.

8.2.7 Securities purchased by or on behalf of the Issuer pursuant to a Buy-Back Order will be cancelled. Any Securities so cancelled will not be reissued or resold and the obligations of the Issuer in respect of any such Securities shall be discharged.

8.2.8 The Issuer (or the Arranger, Administrator or Transfer Agent acting on its behalf) is not obliged to accept any Buy-Back Order or buy-back any Securities in respect of a Series of Securities if such Buy-Back Order is not properly completed and delivered or otherwise does not comply with the requirements of this Condition 8.2 or the terms of the Authorised Participant Agreement, or if the Buy-Back Trade Date or Buy-Back Settlement Date would fall:

(a) within a Suspension Period;

(b) after an Early Redemption Order Cut-off Date; or

(c) after service of an Event of Default Redemption Notice.

Any determination as to whether such Buy-Back Order has been properly completed and delivered and is otherwise in compliance with the requirements of these Conditions and the relevant Authorised Participant Agreement, and/or whether a Buy-Back Trade Date or Buy-Back Settlement Date would fall within a Suspension Period, and/or after an Early Redemption Order Cut-off Date, and/or after service of an Event of Default Redemption Notice will be made by the Issuer, or the Arranger on its behalf, and shall be conclusive and binding on the Authorised Participants and the Securityholders.

8.2.9 If any Buy-Back Order is not accepted in accordance with this Condition 8.2 and the relevant Authorised Participant still wishes to request the buy-back of the relevant Securities, the Authorised Participant must submit a new, duly completed, Buy-Back Order which complies with the requirements of this Condition 8.2.

8.2.10 In the event that an Early Redemption Trade Date has occurred and there are still outstanding Buy-Back Orders from Authorised Participants that have been accepted and processed but which have not yet settled, the Issuer will use reasonable endeavours to continue to settle such Buy-Back Orders to the extent possible, save in relation to any Buy-Back Order that has failed to settle on the relevant Buy-Back Settlement Date due to the relevant Authorised Participant having failed to satisfy its settlement obligations on such Buy-Back Settlement Date in which case such Buy-Back Order may be cancelled by the Issuer and the relevant Securities redeemed as part of the Early Redemption.

8.3 **Buy-Back of Securities from Non-AP Holders**

8.3.1 A Non-AP Holder may request that the Issuer buy back all or part of its holding of Securities by delivering a valid Buy-Back Order subject to and in accordance with this Condition 8.3. Once submitted, a Buy-Back Order is irrevocable, unless otherwise agreed by the Issuer (or the Arranger, Administrator or Transfer Agent on its behalf).

8.3.2 The Issuer (or the Arranger, Administrator or Transfer Agent on its behalf) will only accept a Buy-Back Order from a Non-AP Holder if:

(a) the relevant Buy-Back Order is valid;

(b) any and all verification checks required, including, without limitation, the KYC Requirements and the checks required by Condition 8.3.6 and the Buy-Back Order Form, have been completed to the satisfaction of the Issuer, the Arranger or any other Agent which requires such verification checks to be complied with; and

(c) the conditions set out in this Condition 8.3 and each condition specified in the Buy-Back Order Form current at the time of delivery of the Buy-Back Order (other than those to be satisfied following acceptance of a Buy-Back Order) have been satisfied.

For the avoidance of doubt, a Buy-Back Trade Date will only occur in relation to a Buy-Back Order delivered by a Non-AP Holder upon acceptance of such Buy-Back Order by the Issuer (or the Administrator, Transfer Agent or Arranger on its behalf) in accordance with this Condition 8.3.2 after such conditions have been satisfied.

8.3.3 In order to be valid, a Buy-Back Order delivered by a Non-AP Holder (through its financial intermediary, being the relevant Clearing System or a broker or other financial intermediary acting as the intermediary to the Non-AP Holder) must:

(a) be delivered to the Issuer (via the Administrator or Transfer Agent);

(b) be accompanied by a Buy-Back Order Form completed to the satisfaction of the Issuer (or the Administrator, Transfer Agent or Arranger on its behalf). A Buy-Back Order Form shall, among other information:

(i) specify the number and Series of the Securities to be bought back (**provided that** only one Series may be specified);

(ii) be accompanied by a proof of holding of the relevant amount of Securities by the relevant Non-AP Holder;

(iii) in the case of a Physical Redemption, include the required details of the Digital Wallet to which the relevant Cryptoasset shall be delivered in satisfaction of the Buy-Back Settlement Amount and which meets the requirements of Condition 8.3.4 or in the case of a Cash Redemption, include the required details of the account to which the relevant amount of cash shall be paid in payment of the Buy-Back Settlement Amount;

(iv) include confirmation by the Non-AP Holder that such Non-AP Holder agrees to be bound by any limited recourse and non-petition provisions set out therein;

(v) be duly signed by the Non-AP Holder and by the relevant financial intermediary; and

(c) together with the Buy-Back Order Form, be verified and accepted by the Issuer (or the Administrator, Transfer Agent or Arranger on its behalf) as complete and in accordance with this Condition 8.3.

8.3.4 In the case of a Physical Redemption, it is the responsibility of the relevant Non-AP Holder to open and maintain a Digital Wallet and to do so in advance of submission of any Buy-Back Order. The Issuer (or the Administrator, Transfer Agent or Arranger on its behalf), shall not accept a Digital Wallet for the purposes of this Condition 8.3 unless such Digital Wallet meets the requirements specified in the Buy-Back Order Form current at the time of delivery of the Buy-Back Order.

8.3.5 Cash Redemptions will only be accepted by the Issuer (within prescribed parameters) under this Condition 8.3 if this is specified in the relevant Final Terms or the Issuer has, prior to the date on which a Buy-Back Order is placed, notified Securityholders via the Issuer Website that it will accept Cash Redemptions under this Condition 8.3. Even if Cash Redemption is specified in the relevant Final Terms or has been notified in accordance with this paragraph, the Issuer may (in its sole discretion) reject any Buy-Back Order specifying Cash Redemption. Whether Cash Redemption will be accepted or not under this Condition 8.3 is separate from and without prejudice to whether Cash Redemptions will be accepted or not under Condition 8.2.

8.3.6 The Transfer Agent shall complete required validation and financial crime checks in respect of the financial intermediary which maintains the relevant securities account for such Non-AP Holder and who will deliver to the Issuer (or the Administrator, Transfer Agent or Arranger on its behalf) the Securities subject to the Buy-Back Order.

8.3.7 Securities purchased by the Issuer in accordance with this Condition 8.3 will be purchased by the Issuer for either (x) an amount of the relevant Cryptoasset or (y) if at the relevant time the Issuer is accepting Cash Redemptions by Non-AP Holders, a cash amount in the Series Currency, in each case equal to the Buy-Back Settlement Amount. The Issuer will only transfer Cryptoasset or pay cash in an amount equal to the Buy-Back Settlement Amount to (in case of a Physical Redemption) the Digital Wallet or the account (in the case of a Cash Redemption) of the relevant Buy-Back Payee on the Buy-Back Settlement Date if:

(a) the relevant Non-AP Holder has deposited the relevant Securities subject to the Buy-Back Order in an account notified by the Issuer (or the Administrator, Transfer Agent or Arranger on its behalf) on behalf of the Issuer by the relevant cut-off time specified by the Administrator or Transfer Agent on the relevant Buy-Back Settlement Date;

(b) in the case of Physical Redemptions, the relevant Non-AP Holder has paid the Buy-Back Fee by the relevant cut-off time on the Buy-Back Settlement Date (unless the Issuer (or the Arranger on its behalf) has waived the Buy-Back Fee or agreed that the Buy-Back Fee may be paid following the Buy-Back Settlement Date) or, in the case of Cash Redemptions, paid any Residual Non-AP Buy-Back Fee by the relevant cut-off time on the Buy-Back Settlement Date (unless the Issuer (or the Arranger on its behalf) has waived the Residual Non-AP Buy-Back Fee or agreed that the Residual Non-AP Buy-Back Fee may be paid following the Buy-Back Settlement Date); and

(c) any other condition set out in this Condition 8.3 and each condition specified in the Buy-Back Order Form current at the time of delivery of the Buy-Back Order have been satisfied.

To the extent that any of the foregoing conditions are not satisfied on the Buy-Back Settlement Date, then (x) the payment of the Buy-Back Settlement Amount may (in the sole discretion of the Issuer or the Arranger on its behalf) be delayed for an indefinite period of time (subject always to Condition 15) until all such outstanding conditions are satisfied or waived in each case as determined by the Issuer (or the Arranger on its behalf) in its sole discretion or (y) on any day following the Buy-Back Settlement Date, the Issuer (or the Arranger on its behalf) may, in its sole discretion and by notice to the relevant Non-AP Holder, deem the relevant Buy-Back Order to be invalid.

8.3.8 The "**Non-AP Buy-Back Fee**" is an amount in the Series Currency determined by the Issuer (or the Administrator, Transfer Agent or Arranger on its behalf) in its sole discretion as being equal to the costs, charges, fees and spreads incurred by or on behalf of the Issuer in connection with a Buy-Back Order, including, without limitation:

(a) any custody charges, blockchain network fees (including, without limitation, gas fees), ETP servicing fees, transactions costs, brokerage fees and costs, bank charges, interest, foreign exchange conversions and spreads, governmental charges, registration fees, (in the case of cash settlement, where available) spreads to take into account the price and cost at which the relevant Cryptoasset is sold, hedging-related costs, other fees and expenses charged by service providers, and any other costs relevant to carrying out a Buy-Back Order and the related transfer of cash or relevant Cryptoassets; and

(b) any withholding, stamp duty, transfer taxes, and any present or future taxes levied, collected, withheld or assessed by or on behalf of any relevant authority having the power to tax in relation to a Buy-Back Order.

The Non-AP Buy-Back Fee in respect of a Series of Securities may be changed from time to time by notice to the Securityholders in accordance with Condition 19. If a Buy-Back Order is placed after a notice has been given by the Issuer in respect of an Early Redemption Event, the Non-AP Buy-Back Fee may be increased to include an amount equal to the estimated costs incurred, or to be incurred, by or on behalf of the Issuer in connection with the Early Redemption.

8.3.9 The Residual Non-AP Buy-Back Fee shall only apply in respect of a Cash Redemption if the Non-AP Buy-Back Fee appliable to Securities subject to that Cash Redemption is greater than the product of the Cryptoasset Sale Proceeds per Security and the aggregate number of Securities subject to that Cash Redemption. The "**Residual Non-AP Buy-Back Fee**" is an amount in the Series Currency determined by the Issuer (or the Administrator, Transfer Agent or Arranger on its behalf) in its sole discretion as being equal to the amount (if any) by which the Non-AP Buy-Back Fee for the relevant Cash Redemption is greater than the Buy-Back Settlement Amount for that Cash Redemption (ignoring for these purposes the deduction of the Non-AP Buy-Back Fee in the calculation of Buy-Back Settlement Amount).

8.3.10 In the event that an Early Redemption Trade Date has occurred and there are still outstanding Buy-Back Orders from Non-AP Holders that have been accepted and processed but which have not yet settled, the Issuer will use reasonable endeavours to continue to settle such Buy-Back Orders to the extent possible, save in relation to any Buy-Back Order that has failed to settle on the relevant Buy-Back Settlement Date due to the relevant Non-AP Holder having failed to satisfy its settlement obligations on such Buy-Back Settlement Date in which case such Buy-Back Order may be cancelled by the Issuer and the relevant Securities redeemed as part of the Early Redemption.

8.3.11 Securities purchased by or on behalf of the Issuer pursuant to a Buy-Back Order will be cancelled. Any Securities so cancelled will not be reissued or resold and the obligations of the Issuer in respect of any such Securities shall be discharged in full and the Issuer shall have no further obligations to the Securityholder or any other person with respect to such Securities.

8.3.12 The Issuer (or the Arranger or Administrator or Transfer Agent acting on its behalf) is not obliged to accept any Buy-Back Order or buy back any Securities in respect of a Series of Securities if such Buy-Back Order is not properly completed and delivered or otherwise does not comply with the requirements of this Condition 8.3, or if the Buy-Back Trade Date or Buy-Back Settlement Date would fall:

(a) within a Suspension Period;

(b) after an Early Redemption Order Cut-off Date; or

(c) after service of an Event of Default Redemption Notice.

Any determination as to whether such Buy-Back Order has been properly completed and delivered and is otherwise in compliance with the requirements of these Conditions and the Buy-Back Order Form, and/or whether a Buy-Back Trade Date or Buy-Back Settlement Date would fall within a Suspension Period, and/or after an Early Redemption Order Cut-off Date, and/or after service of an Event of Default Redemption Notice, and/or whether a suspension or postponement is in effect will be made by the Issuer, or the Arranger or the Transfer Agent on its behalf, and shall be conclusive and binding on the Non-AP Holder and the Securityholders.

8.4 **Compulsory Buy-Back of Securities from non-Qualified Holders**

8.4.1 Securities may not be legally or beneficially owned by any person who is not a Qualified Holder at any time. If any Securityholder or Relevant Beneficial Holder ceases to be a Qualified Holder, they shall be required to dispose of their Securities to Qualified Holders on the next Business Day thereafter. If the Issuer (or the Arranger acting on its behalf) becomes aware that any Securities are or may be legally or beneficially owned by a person who is not a Qualified Holder (such Securities, the "**Compulsory Redemption Securities**"), the Issuer (or the Arranger acting on its behalf) may, to the extent practicable, compulsorily redeem such Compulsory Redemption Securities following at least one Business Days' notice in writing to the Securityholder and/or the Relevant Beneficial Holder (as applicable) (copied to the Administrator or Transfer Agent) of such Compulsory Redemption Securities (such notice, a "**Compulsory Redemption Notice**").

8.4.2 The Compulsory Redemption Notice shall designate a "**Compulsory Redemption Trade Date**" and the Compulsory Redemption Securities shall, to the extent practicable, be redeemed by the Issuer as if a Buy-Back Trade Date had occurred in respect of a Buy-Back Order in respect of such Securities on the Compulsory Redemption Trade Date.

8.4.3 The Compulsory Redemption Notice will set out the requirements applicable to the Securityholder or Relevant Beneficial Holder (as applicable) in respect of the compulsory redemption, including but not limited to in relation to provision of account details, timing and manner of transfer of such Compulsory Redemption Securities, KYC Requirements and any other checks and other verifications.

8.4.4 Securities purchased by the Issuer pursuant to this Condition 8.4 will be purchased by the Issuer for a cash amount in the Series Currency equal to the Buy-Back Settlement Amount (as determined in accordance with Condition 8.4.5). Subject to Condition 8.4.6, the Issuer will pay cash in an amount equal to the Buy-Back Settlement Amount (as determined in accordance with Condition 8.4.5) to the account of the Buy-Back Payee on the Buy-Back Settlement Date.

8.4.5 For the purposes of determining the Buy-Back Settlement Amount relating to such Compulsory Redemption Trade Date:

(a) the Compulsory Redemption Securities shall be deemed to be Cash Redemption Securities held by a Non-AP Holder;

(b) the Issuer (or the Administrator, Transfer Agent or Arranger on its behalf) will determine the amount of Cryptoassets to be sold by the Issuer (the "**Compulsory Redemption Cryptoassets**") as an amount equal to the product of:

(i) the total number of Cash Redemption Securities subject to the relevant Compulsory Redemption Notice; and

(ii) the Cryptoasset Entitlement per Security of the relevant Series as at the Compulsory Redemption Trade Date,

and shall notify the Custodian that the Compulsory Redemption Cryptoasset will be sold by the Issuer in accordance with Condition 13 (each such notice, an "**Compulsory Redemption Cryptoasset Sale Notice**"); and

(c) any Buy-Back Fee, Non-AP Buy Back Fee or other costs and expenses incurred in relation to such compulsory redemption may be deducted from the Buy-Back Settlement Amount (to the extent not already deducted in the definition of Buy-Back Settlement Amount).

8.4.6 If:

(a) the Issuer (or any relevant Agent on its behalf) is not permitted by applicable law or regulation to pay the relevant Buy-Back Settlement Amount to the relevant Securityholder and/or Relevant Beneficial Holder (as applicable),

(b) the relevant Securityholder and/or Relevant Beneficial Holder fails to deposit the Compulsory Redemption Securities in the manner prescribed in the Compulsory Redemption Notice an account notified by the Issuer (or the Administrator, Transfer Agent or Arranger on its behalf) on behalf of the Issuer by the relevant cut-off time specified by the Issuer (or the Administrator, Transfer Agent or Arranger on its behalf) on the relevant Buy-Back Settlement Date;

(c) the relevant Securityholder and/or Relevant Beneficial Holder fails to provide relevant account details;

(d) the relevant Securityholder and/or Relevant Beneficial Holder has not complied with and completed all KYC Requirements and all verification and other checks (including, without limitation, checks equivalent to those set out in Condition 8.3.5) required by the Issuer, the Arranger or any other Agent which requires such checks to be complied with to such parties' satisfaction;

(e) the relevant Securityholder and/or Relevant Beneficial Holder fails to confirm that it agrees to be bound by any limited recourse and non-petition provisions set out therein and/or

(f) the relevant Securityholder and/or Relevant Beneficial Holder fails to comply with any other requirement set out in the Compulsory Redemption Notice,

then the payment of the Buy-Back Settlement Amount (as determined in accordance with Condition 8.4.5) may (in the sole discretion of the Issuer or the Arranger on its behalf) be delayed for an indefinite period of time (subject always to Condition 15) until all such outstanding conditions are satisfied or waived, in each case as determined by the Issuer (or the Arranger on its behalf) in its sole discretion.

8.4.7 To the extent possible, Compulsory Redemption Securities may be cancelled notwithstanding any failure by a Securityholder of Compulsory Redemption Securities to deliver such Compulsory Redemption Securities to the Issuer as instructed by the Compulsory Redemption Notice.

8.4.8 Notwithstanding the above, if the Securityholder and/or Relevant Beneficial Holder with respect to the Compulsory Redemption Securities furnishes the Issuer with evidence that the Securities are legally and beneficially owned by a Qualified Holder to the satisfaction of the Issuer (or the Arranger, Administrator or Transfer Agent on its behalf) prior to the Compulsory Redemption Trade Date, the Issuer will not redeem such Securities and such Securities shall not be treated as Compulsory Redemption Securities for the purposes of this Condition 8.4.

8.4.9 Each Securityholder, Relevant Beneficial Holder and each other person in the chain of title, by its acceptance of an interest in the Securities, is deemed to agree to cooperate with the Issuer to effect any compulsory buyback under this Condition 8.4 and the related Compulsory Redemption Notice.

8.4.10 Securities purchased by or on behalf of the Issuer pursuant to this Condition 8.4 will be cancelled. Any Securities so cancelled will not be reissued or resold and the obligations of the Issuer in respect of any such Securities shall be discharged in full and the Issuer shall have no further obligations to the Securityholder or any other person with respect to such Securities.

9. EARLY REDEMPTION

9.1 Early Redemption

If any of the Early Redemption Events listed in Condition 9.3 occurs with respect to a Series of Securities, subject to Condition 10.3, all Securities of the relevant Series outstanding as at the relevant Early Redemption Trade Date shall be redeemed on the related Early Redemption Settlement Date at the relevant Early Redemption Amount.

For the purposes of this Condition 9.1, all Securities are deemed to be subject to Cash Redemption.

Notwithstanding the above, Securities subject to a Buy-Back Order accepted by the Issuer (or the Arranger, Administrator or Transfer Agent on its behalf) in accordance with Condition 8.2 or 8.3 or subject to a deemed Buy-Back Order in accordance with Condition 8.4 prior to the relevant Early Redemption Trade Date shall continue to be subject to be bought back pursuant to Condition 8 and shall not be subject to Early Redemption under this Condition 9.1, **provided that** the Issuer (or the Arranger, Administrator or Transfer Agent on its behalf) may cancel the relevant Buy-Back Order (with the Securities subject to such Buy-Back Order being subject to Early Redemption pursuant to this Condition 9.1) if such Buy-Back Order has not settled prior to the Early Redemption Trade Date due to a failure by the Authorised Participant, Non-AP Holder or holder of Compulsory Redemption Securities to satisfy its settlement obligations on such Buy-Back Settlement Date.

9.1.1 **Early Redemption Amount:**

(a) The Early Redemption Amount in respect of a Security is an amount in the Series Currency determined by the Issuer (or the Administrator, Transfer Agent or Arranger on its behalf) to be equal to the greater of (i) zero and (ii) the Cryptoasset Sale Proceeds per Security *less* the Early Redemption Fee (the "**Early Redemption Amount**"). Following the occurrence of an Early Redemption Event, the Administrator or the Transfer Agent shall calculate the amount of the relevant Cryptoasset equal to the Cryptoasset Entitlement of each Security of the relevant Series as at the Early Redemption Trade Date (the "**Final Cryptoasset Entitlement**") and notify this to the Issuer and the Arranger.

(b) Payment of the Early Redemption Amount with respect to a Security, shall satisfy in full the Issuer's obligation with respect to such Security in full.

(c) In the event that the Issuer is unable to sell all of the Underlying Cryptoasset on or before the Underlying Cryptoasset Sale Cut-off Date, the Issuer (or the Arranger on its behalf) will use reasonable endeavours to sell the remaining Underlying Cryptoasset in any manner it considers appropriate in its sole discretion so as to pay the Early Redemption Amount to Securityholders.

9.1.2 The "**Early Redemption Settlement Date**" shall be the date selected by the Issuer (or the Arranger in the Issuer's behalf) that is not later than 10 Business Days following the receipt by the Issuer of all the Cryptoasset Sale Proceeds in respect of all Underlying Cryptoasset (including Cryptoasset sold on the last Cryptoasset Sale Date) into the Series Cash Account relating to the Underlying Cryptoasset or, if such day is not a Settlement Day, the immediately following Settlement Day, **provided that** if any Underlying Cryptoasset is not sold by the Underlying Cryptoasset Sale Cut-off Date, Condition 9.1.1(c) shall apply and the Early Redemption Settlement Date shall be postponed accordingly; or

9.1.3 The "**Early Redemption Fee**" shall be an amount per Security determined by the Arranger as an amount equal to the costs incurred by or on behalf of the Issuer in connection with the early redemption, divided by the total number of Securities then outstanding as determined by the Issuer, or the Arranger on its behalf, and notified to Securityholders in accordance with Condition 19 on or prior to the Early Redemption Settlement Date;

The Early Redemption Fee shall include an amount equal to the costs, charges, fees and spreads incurred by the Issuer in connection with the Early Redemption, including, without limitation:

(a) any custody charges, blockchain network fees (including, without limitation, gas fees), ETP servicing fees, transactions costs, brokerage fees and costs, bank charges, interest, foreign exchange conversions and spreads, governmental charges, registration fees, (for cash settlement) spreads to take into account the price and cost at which the relevant Cryptoasset is sold or delivered (as applicable), (for Series which use hedging) hedging-related costs, other fees and expenses charged by service providers, and other costs relevant to carrying out the Early Redemption and the related transfer of cash or relevant Cryptoassets and the termination of the relevant Series;

(b) any withholding, stamp duty, transfer taxes, and any present or future taxes levied, collected, withheld or assessed by or on behalf of any relevant authority having the power to tax in relation to the Early Redemption; and

(c) where relevant, any costs, fees and expenses of the Trustee incurred in relation to enforcing the Transaction Security or taking any steps required as a part of the sale, purchase or transfer of Cryptoassets.

9.1.4 The Issuer shall give notice to the Securityholders of the Early Redemption Trade Date and the Early Redemption Settlement Date of the Securities as soon as reasonably practicable in accordance with Condition 19.

9.2 **Principal Amount**

9.2.1 A Securityholder may, prior to a date and time set out in the Early Redemption Notice (that is prior to the Early Redemption Trade Date), elect in writing to the Issuer (or the Administrator, Transfer Agent or Arranger on its behalf) to receive in lieu of the Early Redemption Amount an amount in the Series Currency equal to the Principal Amount of the Securities held.

9.2.2 A payment by the Issuer of the Principal Amount less any applicable Early Redemption Fee to any Securityholder who has elected to receive such amount in lieu of the Early Redemption Amount shall be deemed to satisfy in full all of the Issuer's obligations to such Securityholder under the relevant Security.

9.2.3 Any obligation of the Issuer to make payment under this Condition 9.2 is subject to the limited recourse provisions of Condition 6.6.

9.3 **Early Redemption Events**

Each of the following events shall be an early redemption event in respect of a Series of Securities (each an "**Early Redemption Event**"):

9.3.1 **Issuer Call Redemption Event**: the Issuer, on giving an irrevocable notice (the "**Issuer Call Redemption Notice**") to the Transaction Parties and the Securityholders in accordance with Condition 19, elects to redeem all the Securities of the relevant Series and designate in the Issuer Call Redemption Notice a date on which an Early Redemption Event occurs for such purposes (such event an "**Issuer Call Redemption Event**").

For the purposes of Condition 9.1, an Issuer Call Redemption Event will occur on the date so designated in the Issuer Call Redemption Notice;

9.3.2 **Change in Law or Regulation Redemption Event**: on or after the Series Issue Date, due to:

(a) the adoption of, or any change in any applicable law, regulation, rule, order, ruling, agreement, practice or procedure (including, without limitation, any Tax law and any regulation, rule, order, ruling, agreement, practice or procedure of any applicable regulatory authority, applicable market association, Tax authority and/or any exchange); or

(b) any change in the interpretation by any court, tribunal, regulatory authority with competent jurisdiction, applicable market association, Tax authority and/or any exchange (including, without limitation, any relevant exchange or trading facility) of any applicable law, regulation, rule, order, ruling, agreement, practice or procedure (including, without limitation, any Tax law and any regulation, rule, order, ruling, agreement, practice or procedure of any applicable regulatory authority, applicable market association, Tax authority and/or any exchange),

the Issuer (or the Arranger on its behalf) determines that:

(c) it has (or reasonably expects that it will) become illegal or not reasonably practicable for the Issuer to (x) hold, acquire or dispose of all or some only of the relevant Cryptoassets, and/or (y) perform its obligations under the Securities;

(d) it has (or is reasonably expected that it is likely to) become necessary for the Issuer to obtain a licence, authorisation or other approval for the continuation or maintenance of the business relating to or supporting the Securities or activities in relation to such Securities; or

(e) it would (or would expect to) incur an increased cost in performing its obligations under the Securities (including, without limitation, any increase in any applicable Taxes, any decrease in any applicable Tax benefit and/or any other costs or liability to Tax of the Issuer relating to any change in any applicable Tax law, regulation, rule, order, ruling, agreement, practice or procedure), and

the Issuer, in its sole discretion, elects to give the Transaction Parties and the Securityholders in accordance with Condition 19 notice (a "**Change in Law or Regulation Redemption Notice**") that all the Securities of the relevant Series are to be redeemed and designates a date in the Change in Law or Regulation Redemption Notice on which an Early Redemption Event occurs for such purposes (such event a "**Change in Law or Regulation Redemption Event**").

For the purposes of Condition 9.1, a Change in Law or Regulation Redemption Event will occur on the date so designated in the Change in Law or Regulation Redemption Notice;

9.3.3 **Service Provider Non-Replacement Redemption Event**: if any of (A) the Arranger, (B) the Administrator, (C) any Custodian, (D) the relevant Registrar, (E) the relevant Transfer Agent, (F) the relevant Paying Agent, (G) the relevant Account Bank, (H) all of the Authorised Participants, (I) the Corporate Services Provider, (J) the Prime Execution Agent and/or the Initial Trade Credit Lender, in each case, in relation to the relevant Series of Securities resign or their appointment in relation to the relevant Series of Securities is terminated for any reason and no successor or replacement has been appointed within 60 calendar days of the date of notice of resignation or termination or the date the appointment was automatically terminated in accordance with the Arranger Agreement, the Master Services Agreement, the applicable Custody Agreement, the relevant Registrar Agreement, the relevant Agency Agreement, the Account Bank Agreement, the Authorised Participant Agreements, the Corporate Services Agreement, the Prime Execution Agreement or the Initial Trade Credit Agreement, the Issuer may

(but shall not be obliged to) give the Transaction Parties and the Securityholders notice in accordance with Condition 19 (a "**Service Provider Non-Replacement Redemption Notice**") that all the Securities of the relevant Series are to be redeemed and designate a date in the Service Provider Non-Replacement Redemption Notice on which an Early Redemption Event occurs for such purposes (such event a "**Service Provider Non-Replacement Redemption Event**").

For the purposes of Condition 9.1, a Service Provider Non-Replacement Redemption Event will occur on the date so designated in the Service Provider Non-Replacement Redemption Notice.

9.3.4 **Prime Execution Agent Redemption Event**: if, in respect of a Series of Securities, (a) the Prime Execution Agent fails to pay or deliver an amount due where required pursuant to the terms of the Prime Execution Agreement to or to the order of the Issuer and subject to any applicable grace periods in the Prime Execution Agreement, or (b) a Bankruptcy Event has occurred with respect to the Prime Execution Agent and no successor or replacement has been appointed within 60 calendar days of the date of such Bankruptcy Event, the Issuer may (but shall not be obliged to) give the Transaction Parties and the Securityholders notice in accordance with Condition 19 (a "**Prime Execution Agent Redemption Notice**") that all the Securities of the relevant Series are to be redeemed and designate a date in the Prime Execution Agent Redemption Notice on which an Early Redemption Event occurs for such purposes (such event a "**Prime Execution Agent Redemption Event**").

For the purposes of Condition 9.1, a Prime Execution Agent Redemption Event will occur on the date so designated in the Prime Execution Agent Redemption Notice.

9.3.5 **Custodian Bankruptcy Redemption Event**: if a Custodian Bankruptcy Event has occurred with respect to a Custodian and no successor or replacement has been appointed within 60 calendar days of the date of the Custodian Bankruptcy Event, the Issuer may (but shall not be obliged to) give the Transaction Parties and the Securityholders notice in accordance with Condition 19 (a "**Custodian Bankruptcy Redemption Notice**") that all the Securities of the relevant Series are to be redeemed and designate a date in the Custodian Bankruptcy Redemption Notice on which an Early Redemption Event occurs for such purposes (such event a "**Custodian Bankruptcy Redemption Event**").

For the purposes of Condition 9.1, a Custodian Bankruptcy Redemption Event will occur on the date so designated in Custodian Bankruptcy Redemption Notice.

9.3.6 **Hard Fork/Airdrop Redemption Event**: if a Hard Fork, Airdrop or Equivalent Event occurs in relation to the Cryptoasset and/or Underlying Cryptoasset relating to a Series and the Issuer (or the Arranger on its behalf) determines in its sole discretion that such Hard Fork, Airdrop or Equivalent Event cannot be resolved in accordance with the provisions of Condition 11, the Issuer may (but shall not be obliged to) give the Transaction Parties and the Securityholders notice in accordance with Condition 19 (a "**Hard Fork/Airdrop Redemption Notice**") that all the Securities of the relevant Series are to be redeemed and designate a date in the Hard Fork/Airdrop Redemption Notice on which an Early Redemption Event occurs for such purposes (such event a "**Hard Fork/Airdrop Redemption Event**").

For the purposes of Condition 9.1, a Hard Fork/Airdrop Redemption Event will occur on the date so designated in the Hard Fork/Airdrop Redemption Notice.

9.3.7 **Continued Disruption Redemption Event**: if the Issuer (or the Arranger on its behalf) determines in its sole discretion that a Disruption Event is continuing for 30 days or more, the Issuer may (but shall not be obliged to) give the Transaction Parties and the Securityholders notice in accordance with Condition 19 (a "**Continued Disruption Redemption Notice**") that all the Securities of the relevant Series are to be redeemed and designate a date in the Continued Disruption Redemption Notice on which an Early

Redemption Event occurs for such purposes (such event a "**Continued Disruption Redemption Event**").

For the purposes of Condition 9.1, a Continued Disruption Redemption Event will occur on the date so designated in the Continued Disruption Redemption Notice.

9.4 **Early Redemption Order Cut-off Dates**

9.4.1 In respect of the Early Redemption Events listed in Condition 9.3 above, the last day on which the Issuer will accept a valid Buy-Back Order (such day, an "**Early Redemption Order Cut-off Date**") in respect of the relevant Series will be:

(a) in respect of an Issuer Call Redemption Event, the fourth Settlement Day preceding the related Early Redemption Trade Date; and

(b) in respect of a Change in Law or Regulation Redemption Event, a Service Provider Non-Replacement Redemption Event, a Prime Execution Agent Redemption Event, a Custodian Bankruptcy Redemption Event, a Hard Fork/Airdrop Redemption Event or a Continued Disruption Redemption Event, the date on which a Change in Law or Regulation Redemption Notice, a Service Provider Non-Replacement Redemption Notice, a Prime Execution Agent Redemption Notice, a Custodian Bankruptcy Redemption Notice, a Hard Fork/Airdrop Redemption Notice or a Continued Disruption Redemption Notice (as applicable) is delivered, *provided that* the Issuer may (in its sole discretion) specify the Early Redemption Order Cut-off Date to be such later date as is specified in the Early Redemption Notice (provided that such date shall not fall after the fourth Settlement Day preceding the related Early Redemption Trade Date).

9.4.2 In accordance with Condition 8.1, the Issuer may, in any circumstances and in its sole discretion, determine whether or not to accept any Subscription Order.

10. **DISRUPTION EVENTS**

10.1 **Disruption Events**

The Issuer, or the Arranger on its behalf, may (but is not obliged to), with respect to a Series of Securities (or one or more Securities of that Series) and any Business Day, determine in its sole discretion that one or more of the following disruption events has occurred or exists (each such event a "**Disruption Event**"):

10.1.1 a Cryptoasset Trading Disruption;

10.1.2 it is impossible or not reasonably practicable for the Administrator or the Issuer (or the Arranger on the Issuer's behalf) to determine the Cryptoasset Entitlement for that Series and/or to notify the Securityholders of the Cryptoasset Entitlement in accordance with the Transaction Documents;

10.1.3 as a result of the imposition of exchange controls or any other circumstances, it is impossible or not reasonably practicable for the Issuer or the relevant Agent(s) to receive or transfer amounts in the Series Currency through, to or from its accounts;

10.1.4 it is not reasonably practicable for the Issuer (or any Transaction Party on its behalf) to transmit, process, list or settle any issuance, repurchase or other buy-back of the Securities in accordance with the Conditions and/or to transfer cash or Cryptoassets required in connection with any issue, repurchase or other redemption of the Securities or there is an interruption to the Order Entry Facility;

10.1.5 the Initial Trade Credit Lender fails to extend credit in the manner contemplated by the Initial Trade Credit Agreement when requested;

10.1.6 any of the Arranger, the Administrator, one or more relevant Custodian(s), the relevant Registrar, the relevant Transfer Agent, the relevant Paying Agent, the relevant Account Bank, all of the Authorised Participants, the Corporate Services Provider, the Initial Trade Credit Lender, all Cryptoasset Trading Counterparties (only if and to the extent any have been appointed) and/or the Prime Execution Agent in relation to the relevant Series of Securities temporarily suspends their services to the Issuer or resigns or their appointment in relation to the relevant Series of Securities is terminated for any reason and a successor or replacement has not yet been appointed, for such time until such suspension is lifted or a successor or replacement has been appointed, as applicable;

10.1.7 an Issuer Call Redemption Notice, a Change in Law or Regulation Redemption Notice or a Hard Fork/Airdrop Redemption Notice (as applicable) has been given in accordance with Condition 9.3;

10.1.8 the Prime Execution Agent fails to pay or deliver an amount due where required pursuant to the terms of the Prime Execution Agreement to or to the order of the Issuer;

10.1.9 any Cryptoasset Trading Counterparty fails to pay or deliver an amount due where required pursuant to the terms of the relevant Cryptoasset Trading Counterparty Agreement to or to the order of the Issuer;

10.1.10 a Custodian Bankruptcy Event has occurred with respect to a Custodian and/or a Bankruptcy Event has occurred with respect to the Prime Execution Agent;

10.1.11 the Issuer (or the Arranger on its behalf) determines that all or any material part of any Underlying Cryptoasset in respect of a Series of Securities is no longer held in the Issuer Wallet in respect of such Series, other than in accordance with the Conditions and the Transaction Documents; and/or

10.1.12 any other event which the Issuer (or the Arranger on its behalf), in its sole discretion, considers to be a disruption event in relation to the relevant Series or any Security of that Series.

10.2 **Determination of Suspension Periods**

If the Issuer, or the Arranger on its behalf, determines that a Disruption Event has occurred or exists with respect to any Business Day, the Issuer, or the Arranger on its behalf, may (but shall not be obliged to) give notice of the postponement or suspension of the issuance and/or buy-back of Securities and/or the settlement of the issuance and/or buy-back of Securities (depending on the activity affected by the Disruption Event) to the affected Authorised Participants and/or affected Securityholders of the relevant Series on such Business Day (such notice, a "**Suspension Notice**"), specifying the Disruption Event which has occurred or is existing on the relevant Business Day. The Suspension Notice may state that the suspension or postponement is for a single day or will continue for as long as the Disruption Event continues, and whether it applies generally to one or more Series of Securities or applies to specific issuance(s), redemption(s), orders or holders of Securities and the suspension or postponement shall be implemented in accordance with the terms of the Suspension Notice. If the Suspension Notice is for a period of time, the Suspension Period will end when the Issuer, or the Arranger on its behalf, notifies the Authorised Participants, the Securityholders and the Trustee that it shall recommence the issue and buy-back of Securities.

Neither the Issuer nor the Arranger is under any obligation to monitor whether or not a Disruption Event has occurred or is continuing with respect to any Business Day unless a Suspension Notice has been given which will continue until the Disruption Event has ceased (and in such case, only until notification of the end of the Suspension Period) and shall have no liability to any Securityholder, Authorised Participant or any other person for any determination or non-determination that it makes of the occurrence or existence of a Disruption Event.

10.3 **Postponement of Early Redemption Trade Date and payment of Early Redemption Amount**

If the Early Redemption Trade Date falls within a Suspension Period and the Issuer or the Arranger on its behalf determines that the relevant Disruption Event would disrupt the actions required to be performed by the Issuer or a relevant Transaction Party in connection with an Early Redemption, then the Early Redemption Trade Date shall be deemed to have been postponed until the first following Non-Disrupted Day.

No additional amount shall be payable or deliverable to any Authorised Participant or any Securityholder in connection with the postponement of an Early Redemption Trade Date or an Early Redemption Settlement Date.

10.4 **Postponement and cancellation of Subscriptions and Buy-Backs**

10.4.1 If a Suspension Period has commenced on a Business Day and the issuance of some or all Securities is being suspended but not the settlement of some or all Securities, from such Business Day until the end of the Suspension Period:

(a) the Issuer is entitled not to accept affected Subscription Orders; and

(b) any Subscription Order that has been accepted and processed but not yet settled shall continue to be settled.

10.4.2 If a Suspension Period has commenced on a Business Day and the settlement of some or all Securities is being suspended, from such Business Day until the end of the Suspension Period:

(a) the Issuer is entitled not to accept affected Subscription Orders; and

(b) the settlement of any affected Subscription Order that has been accepted and processed but not yet settled at the time that the Suspension Period commenced shall be deemed to have been postponed until the first following Settlement Day that is a Non-Disrupted Day, **provided that** if such Non-Disrupted Day does not occur for 10 consecutive Business Days, the Issuer (or the Arranger, Transfer Agent or Administrator on its behalf) may cancel such Subscription Order.

10.4.3 If a Suspension Period has commenced on a Business Day and the buy-back of affected Securities is being suspended but not the settlement of any buy-back of Securities, from such Business Day until the end of the Suspension Period:

(a) the Issuer is entitled not to accept affected Buy-Back Orders; and

(b) any Buy-Back Order that has been accepted and processed but not yet settled shall continue to be settled.

10.4.4 If a Suspension Period has commenced on a Business Day and the settlement of the buy-back of affected Securities is being suspended, from such Business Day until the end of the Suspension Period:

(a) the Issuer is entitled not to accept affected Buy-Back Orders; and

(b) the settlement of any affected Buy-Back Order that has been accepted and processed but not yet settled at the time that the Suspension Period commenced shall be deemed to have been postponed until the first following Settlement Day that is a Non-Disrupted Day, **provided that** if such Non-Disrupted Day does not occur for 10 consecutive Business Days, the Issuer (or the Arranger, Transfer Agent or Administrator on its behalf) may cancel such Buy-Back Order.

One or more of the above may occur at the same time.

10.4.5 No additional amount shall be payable or deliverable to any Authorised Participant or any Securityholder in connection with the cancellation or postponement of the settlement of a Subscription Order or Buy-Back Order.

11. CRYPTOASSET MODIFICATIONS

11.1 The Cryptoassets relating to a Series of Securities may from time to time be subject to:

11.1.1 Airdrops;

11.1.2 Hard Forks;

11.1.3 events which have effects which the Issuer or the Arranger on its behalf considers in its sole discretion to be materially equivalent or similar to Airdrops or Hard Forks, as applicable (an "**Equivalent Event**"),

(each, a "**Cryptoasset Modification**").

11.2 None of the Issuer, the Arranger, the Trustee, any Custodian, the Prime Execution Agent or other Transaction Party shall be under an obligation to monitor whether a Cryptoasset Modification has occurred or to investigate or establish whether a particular event or circumstance is a Cryptoasset Modification. None of the Issuer, Arranger, Trustee, Custodian, the Prime Execution Agent or other Transaction Party shall be obliged to take any action in connection with or as a result of a Cryptoasset Modification, although settlement of a Subscription Order or a Buy-Back Order may be delayed as a result of a Cryptoasset Modification.

11.3 None of the Issuer, the Trustee nor any Agent are required to actively participate in any Airdrop or Equivalent Event, nor shall they be required to take any steps to secure receipt of Cryptoassets or any other assets relating to an Airdrop or Equivalent Event. No modification will be made to the Cryptoasset Entitlement of a Series of Securities into which account or wallet an Airdrop or Equivalent Event has been made and the Securityholders of such Series shall have no entitlement to the Cryptoassets or other assets received by the Issuer as a result of an Airdrop or Equivalent Event, nor the value represented by such Cryptoassets or assets, unless otherwise determined in accordance with Condition 11.5 below. The Issuer will not be required to hold such Cryptoassets or assets nor realise any value from them and any such additional Cryptoassets or asset will not form part of the Cryptoasset Entitlement with respect to any Series of Securities.

11.4 If a Hard Fork or Equivalent Event occurs in respect of the Cryptoassets relating to a Series of Securities, the Issuer, or the Arranger on its behalf will determine in its sole discretion which network, among the group of incompatible forks, is generally accepted as the applicable network and should therefore be considered the appropriate network for the purposes of such Series of Securities. In making this determination, the Issuer (or the Arranger on its behalf) may take into consideration factors including, but not limited to, the ability of the Custodian(s) and/or the Prime Execution Agent and/or the Cryptoasset Trading Counterpart(ies) of any relevant Series to support the relevant prefork and forked assets, the Issuer's or Arranger's (as applicable) expectations of the reactions that core developers, users, miners and others may have to the fork, and any other factors that the Issuer or the Arranger (as applicable) deems relevant. There is no guarantee that the Issuer, or the Arranger on its behalf will choose the network and the associated cryptoasset that is ultimately the most valuable fork.

11.5 If a Cryptoasset Modification occurs then, without prejudice to Condition 11.4 following the occurrence of a Hard Fork or Equivalent Event, the Issuer (or the Arranger on its behalf) may (but shall be under no obligation to) take any action and/or make any adjustment to these Conditions and/or any Transaction Document which it considers (in its sole discretion) to be appropriate to take account of such Cryptoasset Modification. This Condition 11.5 is subject to and without prejudice to Conditions 11.2 and 11.3 and imposes no obligation on the Issuer, the Arranger, the Trustee, any Custodian, the Prime Execution Agent or other Transaction Party to take any action in connection with a Cryptoasset Modification.

11.6 The Issuer shall give notice to the Securityholders of any changes made to these Conditions pursuant to Condition 11.5 in accordance with Condition 19.

12. ADDITIONAL ASSETS

If:

12.1 the Underlying Cryptoasset together with any Cryptoasset in the Trading Balance in respect of a Series is greater than the aggregate Cryptoasset Entitlement for all Securities of that Series as a result of (i) any rounding up to the next highest Delivery Precision Level of the Subscription Settlement Amount in connection with subscriptions or (ii) any rounding down to the next lowest Delivery Precision Level of Buy-Back Settlement Amounts deliverable by the Issuer in connection with redemptions;

12.2 an Airdrop is received into the Issuer Wallet and/or Trading Balance and no adjustment has been made under Condition 11 in connection with such Airdrop; and/or

12.3 the Issuer receives into the Series Cash Account or any other account of the Issuer (including the Issuer Cash Account) from time-to-time cash amounts not otherwise contemplated by these Conditions including, without limitation, CSDR penalty payments, credits, rebates or interest and the Issuer (or the Arranger on its behalf) determines in its sole discretion that such moneys are not required in order to meet its obligations to Securityholders under these Conditions,

(each, an "**Additional Asset**") then the Issuer may, without the consent of the Trustee or Securityholders and in its sole discretion from time to time (i) liquidate all or any part of such Additional Assets, (ii) sell or transfer any Additional Assets (or the proceeds thereof) out of the Series Cash Account, Issuer Wallet or the Trading Balance (as applicable) and/or (iii) apply any Additional Assets or the proceeds thereof (as the case may be) to discharge CSDR debit penalties, any of the Issuer's costs, taxes and expenses (including legal and professional fees and expenses, indemnity and liability payments) and/or any amounts payable by or to the Arranger including, without limitation, to reduce the TER Sale Proceeds that would otherwise be payable to the Arranger under the Arranger Agreement. In addition, the Issuer may, without the consent of the Trustee or Securityholders, in its sole discretion, permanently and irrevocably abandon any Additional Asset without receiving any payment or compensation therefor.

13. CRYPTOASSET SALE

13.1 In connection with a Cash Redemption (including an Early Redemption), the Issuer, or the Arranger on its behalf, may request that the relevant amount of the relevant Cryptoasset for a Series be sold on the Issuer's behalf. In addition, upon the Transaction Security relating to a Series becoming enforceable, the Trustee may request some or all of the Underlying Cryptoasset and/or the Trading Balance for a Series to be sold, in accordance with the Trust Deed.

A sale of such Cryptoassets by or on behalf of the Issuer may be effected with the Prime Execution Agent and/or one or more Cryptoasset Trading Counterparties, in the sole discretion of the Issuer (or the Arranger on its behalf).

13.2 Following receipt by the Issuer (or the relevant Agent on the Issuer's behalf) of proceeds of the sale of such Cryptoassets in the Series Currency (the "**Cryptoasset Sale Proceeds**") from the Prime Execution Agent or the Cryptoasset Trading Counterparty(ies), as applicable, the Administrator, the Transfer Agent or the Arranger will calculate the "**Cryptoasset Sale Proceeds per Security**" as being an amount per Security equal to:

13.2.1 such Cryptoasset Sale Proceeds; *divided by*

13.2.2 the relevant number of Securities, which is, as determined by the Administrator or the Transfer Agent:

(a) in respect of a Cryptoasset Sale following a Buy-Back Order in respect of which Cash Redemptions are permitted under these Conditions, the number of Cash

Redemption Securities relating to all Buy-Back Orders with the relevant Buy-Back Trade Date;

(b) in respect of a Cryptoasset Sale of Compulsory Redemption Cryptoassets, the number of Compulsory Redemption Securities specified in the relevant Compulsory Redemption Notice;

(c) in respect of a Cryptoasset Sale of Underlying Cryptoasset following the occurrence of an Early Redemption Event, the total number of Securities subject to Early Redemption; and

(d) in respect of a Cryptoasset Sale of relevant Cryptoassets following an enforcement of the Transaction Security, the total number of Securities subject to Early Redemption following the occurrence of an Event of Default.

14. PAYMENTS, DELIVERIES, REPLACEMENT OF SECURITIES, AGENTS AND CALCULATIONS

14.1 Payments Net of Taxes

All payments in respect of the Securities shall be made net of and after allowance for any withholding or deduction for, or on account of, any Taxes. In the event that any withholding, reduction or deduction for, or on account of, any Tax applies to payments in respect of the Securities, the Securityholders will be subject to such Tax or reduction or deduction and shall not be entitled to receive amounts to compensate for any such Tax or reduction or deduction. No Event of Default shall occur as a result of any such withholding or reduction or deduction.

14.2 Payments

14.2.1 General

The Issuer, the Administrator, the Transfer Agent or the relevant Paying Agent on behalf of the Issuer, shall pay or cause to be paid all payments of cash under the Conditions in respect of the Securities to the relevant Securityholder.

14.2.2 Securities held in a Relevant Clearing System

In the case of Securities held in a Relevant Clearing System, payments of cash shall only be made to or to the order of the person whose name is entered on the record of the beneficial interests of the Relevant Clearing System as determined at the close of business on the Clearing System Business Day prior to the due date for payment or such other date notified by the Issuer to Securityholders in accordance with Condition 19, where "**Clearing System Business Day**" means, in relation to Euroclear and Clearstream, Luxembourg, each day which is not a Saturday or a Sunday, 25 December or 1 January, and, in relation to any other Relevant Clearing System, each day on which such Relevant Clearing System is open for business.

14.2.3 Securities represented by Individual Registered Certificates

In the case of Securities represented by Individual Registered Certificates, payment shall be made, against presentation and surrender of the relevant Individual Registered Certificates at the specified office of the relevant Paying Agent or Registrar, by cheque payable in the relevant currency drawn on, or, at the option of the holder, by transfer to, an account denominated in such currency with a bank in the principal financial centre for such currency nominated by such holder, as the case may be.

14.3 Payments Subject to Fiscal Laws

All payments in respect of the Securities are subject in all cases to any applicable fiscal or other laws, regulations and directives in the place of payment. No commission or expenses shall be charged to the Securityholders in respect of such payments.

14.4 **FATCA**

Without prejudice to any other provision of this Condition 14 and notwithstanding any other provision in these Conditions, the Issuer, the Trustee and/or the Paying Agent shall be permitted to withhold or deduct any amounts required by the rules of U.S. Internal Revenue Code Sections 1471 through 1474 (or any amended or successor provisions), pursuant to any inter-governmental agreement, or implementing legislation adopted by another jurisdiction in connection with these provisions, or pursuant to any agreement with the US IRS ("**FATCA withholding**"). None of the Issuer, the Trustee and/or the Paying Agent will have any obligation to pay additional amounts or otherwise indemnify an investor for any FATCA withholding deducted or withheld by the Issuer, the Trustee, the Paying Agent or any other party as a result of any person (other than an agent of the Issuer) not being entitled to receive payments free of FATCA withholding. No Event of Default will occur as a result of any such withholding or deduction.

14.5 **Replacement of Securities**

If a Certificate representing any Securities 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 relevant Registrar or such other 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 and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Certificate representing such Securities is subsequently presented for payment, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Securities) and otherwise as the Issuer may require. Mutilated or defaced Certificates representing any Securities must be surrendered before replacements will be issued. Upon the issuance of any replacement Certificates representing such Securities, the Issuer may require the payment of a sum sufficient to cover any tax or other governmental or issuance charge that may be imposed in connection with such replacement and any other expense (including, without limitation, the fees and expenses of the relevant Registrar or other applicable agent) connected therewith.

14.6 **Appointment of Agents**

14.6.1 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.

14.6.2 The Issuer reserves the right at any time without the prior written approval of the Trustee or the Securityholders and in accordance with the provisions of the relevant Master Services Agreement, Registrar Agreement(s), Arranger Agreement, applicable Custody Agreement, Account Bank Agreement, Agency Agreement(s) and/or Prime Execution Agreement, to vary or terminate the appointment of the Administrator, the Registrar(s), the Transfer Agent(s), the Paying Agent(s), the Arranger, Account Bank, the Custodian or the Prime Execution Agent.

14.6.3 The Issuer reserves the right at any time without the prior written approval of the Trustee or the Securityholders to replace, substitute or appoint an additional Administrator, Registrar, Transfer Agent, Paying Agent, Arranger, Account Bank, Custodian or Prime Execution Agent (for the purposes of this Condition 14.6.3 only, the "**Relevant Party**"), provided that where the Issuer appoints such replacement, substitute or additional Relevant Party, the Issuer shall use reasonable endeavours to grant to the Trustee an equivalent Security Interest(s) in favour of the Trustee with respect to any rights of the Issuer as against the Relevant Party or any assets to be held by the Relevant Party in respect of the Securities as granted to the Trustee in relation to the Administrator, Registrar, Transfer Agent, Paying Agent, Arranger, Account Bank, Custodian or Prime Execution Agent (as applicable) as at the Series Issue Date (and such agreement(s) granting such Security Interest(s) shall be "**Additional Security Agreement(s)**").

14.6.4 Without prejudice to the provisions for the automatic termination of the appointment of an Agent in connection with the occurrence of an insolvency or similar event or proceedings in the relevant Transaction Documents, the Issuer shall use reasonable endeavours to at all times maintain, (i) a Registrar, (ii) one or more Custodians, (iii) an Arranger, (iv) an Administrator, (v) a Transfer Agent, (vi) at least two Authorised Participants, (vii) a Prime Execution Agent and (viii) such Paying Agents or other agents as may be required by any Stock Exchange on which the Securities may be listed.

14.6.5 Notice of any change of Paying Agent or any change to the specified office of an Agent shall be given to the Securityholders by the Issuer in accordance with Condition 19.

14.7 **Business Day Convention and Non-Settlement Days**

If any date for payment, delivery or transfer in respect of any Security is not a Settlement Day, the holder shall not be entitled to payment, delivery or transfer until the next following Settlement Day or to any compensation or other sum in respect of such postponed payment.

14.8 **Rounding**

For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified):

14.8.1 all amounts of Cryptoasset to be delivered to the Issuer shall be rounded up to the Delivery Precision Level of such Securities;

14.8.2 all amounts of Cryptoasset to be delivered by the Issuer shall be rounded down to the Delivery Precision Level of such Securities;

14.8.3 all amounts of cash to be paid to the Issuer shall be rounded up to the nearest cent (or its equivalent sub-unit in the Series Currency); and

14.8.4 all amounts of cash to be paid by the Issuer shall be rounded down to the nearest cent (or its equivalent sub-unit in the Series Currency).

15. **PRESCRIPTION**

Claims against the Issuer for payment or delivery under the Conditions in respect of the Securities shall be prescribed and become void unless made within 10 years from the date on which the payment or delivery of the Early Redemption Amount (or, if applicable the Principal Amount) in respect of the Securities first became due or (if any amount of the money or Cryptoasset payable or deliverable was improperly withheld or refused) the date on which payment or delivery in full of the amount outstanding was made or (if earlier) the date seven days after that on which notice is duly given to the Securityholders that, upon further presentation of the Individual Registered Certificate being made in accordance with the Conditions, such payment will be made, **provided that** payment is in fact made upon such presentation (such date the "**Relevant Date**"). At the end of the period, any unclaimed amounts (which may include any amounts that the Issuer is not permitted by law or regulation to pay to a Securityholder or are otherwise subject to suspension pursuant these Conditions) may be used by the Issuer for other purposes and/or donated to charity.

16. **EVENTS OF DEFAULT**

If an Event of Default occurs, the Trustee at its discretion may, or 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 if so directed by an Extraordinary Resolution (**provided that** in each case the Trustee shall have been indemnified and/or secured and/or pre-funded to its satisfaction by one or more Securityholders of the relevant Series (or, for so long as the Securities of the relevant Series are cleared through a Relevant Clearing System, one or more investors who have for the time being a number of Securities of such Series credited to the investors' securities accounts in the records of the Relevant Clearing System), or otherwise to its satisfaction), give notice to the Issuer (copied to each Transaction Party and the Securityholders in respect of the relevant Series in accordance with Condition 19) (such notice an "**Event of Default**

Redemption Notice") that the Securities of the relevant Series are, and they shall on the date specified by the Trustee in such Event of Default Redemption Notice become, due and payable at their Early Redemption Amount (unless such Securities are already due and payable before such time) and that the Transaction Security relating to the Securities of the relevant Series has become enforceable.

For the purpose of determining the Early Redemption Amount payable to Securityholders following delivery of an Event of Default Redemption Notice: (i) the "Early Redemption Trade Date" shall be the date specified for such purpose in the Event of Default Redemption Notice and (ii) all Securities of such Series shall be Cash Redemption Securities. Other than to the extent that any Securityholder has validly elected for payment of Principal Amount prior to the delivery of an Event of Default Redemption Notice, no Securityholder shall be deemed to have elected to receive an amount in the Series Currency equal to the Principal Amount per Security held in lieu of the Early Redemption Amount in accordance with Condition 9.2 (*Principal Amount*).

17. ENFORCEMENT

Only the Trustee may, at its discretion and without further notice, take such action or step or institute such proceedings against the Issuer as it may think fit to enforce the rights of the holders of the relevant Series of Securities against the Issuer, whether the same arise under general law, the Trust Deed, the relevant Series of Securities, any other Transaction Document or otherwise, but, in each case, it need not take any such action or step or institute such proceedings unless (a) in accordance with the terms of the Trust Deed, the Trustee is so directed by an Extraordinary Resolution or in writing by holders of at least 25 per cent in number of the relevant Series of Securities then outstanding and (b) it is secured and/or pre-funded and/or indemnified to its satisfaction by one or more Securityholders of the relevant Series (or, for so long as the Securities of the relevant Series are cleared through a Relevant Clearing System, investors who have for the time being a number of Securities of such Series credited to the investors' securities accounts in the records of the Relevant Clearing System) (or otherwise to its satisfaction). None of the holders of the relevant Series of Securities (or, for so long as the Securities of the relevant Series are cleared through a Relevant Clearing System, investors who have for the time being a number of Securities of such Series credited to the investors' securities accounts in the records of the Relevant Clearing System) shall be entitled to proceed directly against the Issuer unless the Trustee, having become bound to proceed in accordance with the terms of the Trust Deed, fails or neglects to do so within a reasonable time and such failure is continuing.

Only the Trustee may enforce the Transaction Security over the Secured Property in respect of a Series of Securities in accordance with the Security Agreements in respect of such Series and (other than as permitted by the Trust Deed and the Conditions) only the Trustee may, at its discretion and without further notice, take such action or step or institute such proceedings against the Issuer as it may think fit to enforce the Transaction Security over such Secured Property, but it need not take any such action or step or institute such proceedings unless (a) it shall have been so directed by an Extraordinary Resolution or in writing by holders of at least one-fifth in number of the relevant Series of Securities then outstanding (in accordance with the relevant Security Agreements) and (b) it shall have been secured and/or pre-funded and/or indemnified to its satisfaction by one or more Securityholders of the relevant Series (or, for so long as the Securities of the relevant Series are cleared through a Relevant Clearing System, investors who have for the time being a number of Securities of such Series credited to the investors' securities accounts in the records of the Relevant Clearing System) (or otherwise to its satisfaction). None of the Secured Creditors, the Securityholders or the other Transaction Parties shall be entitled to proceed directly against the Issuer in respect of the relevant Security Agreements unless the Trustee, having become bound to proceed in accordance with the terms of the relevant Security Agreements, fails or neglects to do so within a reasonable time and such failure is continuing. The Trustee, the Securityholders and the Transaction Parties acknowledge and agree that only the Trustee may enforce the Transaction Security over the Secured Property in respect of the relevant Series in accordance with, and subject to the terms of, the relevant Security Agreements.

The Trustee shall in no circumstances be obliged to take any action, step or proceeding that would involve any personal liability or expense without first being indemnified and/or secured and/or pre-funded to its satisfaction whether pursuant to the Trust Deed, the relevant Security Agreements, by one or more Securityholders of the relevant Series (or, for so long as the Securities of the relevant Series are cleared through a Relevant Clearing System, by investors who have for the time being a number of Securities of such Series credited to the investors' securities accounts in the records of the Relevant Clearing System) or otherwise.

18. MEETINGS OF SECURITYHOLDERS, MODIFICATION, WAIVER, SUBSTITUTION AND RESTRICTIONS

18.1 Meetings of Securityholders

The Trust Deed contains provisions for convening meetings of Securityholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of any of these Conditions or any provisions of the Trust Deed. Such a meeting may be convened by Securityholders holding not less than 10 per cent of the number of the Securities of the relevant Series for the time being outstanding.

The quorum for any meeting convened to consider an Extraordinary Resolution shall be two or more persons holding or representing a clear majority in the number of the Securities of the relevant Series for the time being outstanding, or at any adjourned meeting one or more persons being or representing Securityholders whatever the number of the Securities held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to vary any method of, or basis for, calculating the Early Redemption Amount in a manner which, in the reasonable opinion of the Issuer (or the Arranger on its behalf), would be materially prejudicial to Securityholders; (ii) to vary the currency or currencies of payment or denomination of the Securities; (iii) modify the provisions concerning the quorum required at any meeting of Securityholders or the majority required to pass an Extraordinary Resolution; (iv) modify the definitions of "Relevant Fraction" or "Reserved Matter" in the Trust Deed; (v) to modify the provisions of the Trust Deed concerning the special quorum provisions; or (vii) to modify the priority of payments set out in the Trust Deed and Condition 6, in which case the quorum for such meeting is subject to the special quorum provisions set out in the Trust Deed.

The holder of a Security represented by a Registered Global Certificate held in a Relevant Clearing System shall (unless such Registered Global Certificate represents only one Security) be treated as being two persons for the purposes of any quorum requirements of a meeting of Securityholders.

An Extraordinary Resolution passed at any meeting of the Securityholders shall be binding on all the Securityholders (and, for so long as the Securities of the relevant Series are cleared through a Relevant Clearing System, investors who have for the time being a number of Securities of such Series credited to the investors' securities accounts in the records of the Relevant Clearing System), whether or not they are present at the meeting.

The Issuer may specify a record date (a "**Meeting Record Date**") in relation to such meeting. The persons eligible to vote or to be represented at any such meeting will be the Securityholders on the relevant Meeting Record Date.

The Trust Deed provides for a resolution, with or without notice, in writing signed by or on behalf of the holder or holders (or, for as long as the Securities are represented by a Registered Global Certificate, a resolution made electronically) by or on behalf of the holder or holders of not less than half of the number of the Securities of the relevant Series for the time being outstanding to be as effective and binding as if it were an Extraordinary Resolution duly passed at a meeting of the Securityholders.

18.2 Modification and Waiver (without Trustee Consent)

Notwithstanding anything to the contrary in these Conditions, neither the approval of Securityholders (and, for so long as the Securities of the relevant Series are cleared through a Relevant Clearing System, investors who have for the time being a number of Securities of such

Series credited to the investors' securities accounts in the records of the Relevant Clearing System) nor the consent of the Trustee is required (without limitation) for:

18.2.1 the transfer of Cryptoasset to the Prime Execution Agent under the Prime Execution Agreement, to a Cryptoasset Trading Counterparty in respect of a Cryptoasset Sale, to an Authorised Participant under an Authorised Participant Agreement, to the Custodian under the applicable Custody Agreement or to the Relevant Beneficial Holder's Digital Wallet(s) in respect of Securities subject to Physical Redemption, and in each case the related release of Transaction Security, provided such transfer and release is effected in accordance with the terms of the relevant Transaction Document(s);

18.2.2 any change to the Total Expense Ratio, the Subscription Fee, the Buy-Back Fee, Non-AP Buy-Back Fee, and/or the Early Redemption Fee at any time;

18.2.3 any appointment of an additional or replacement Transaction Party provided such appointment or replacement is effected in accordance with the Conditions and the applicable Transaction Document(s);

18.2.4 any change related to the transfer of the custody and/or prime execution arrangements from one Custodian or Prime Execution Agent to a successor or replacement Custodian or Prime Execution Agent, as applicable, or the addition of one or more further Custodians and/or Prime Execution Agents in respect of any one or more Series;

18.2.5 any amendment to any term of the Conditions or any Transaction Document which relates to, or which the Issuer (or the Arranger on behalf of the Issuer) considers necessary or desirable to address, an operational, procedural, administrative or technical issue (including, without limitation, any amendment or modification to any service level agreement and/or the fee arrangements with any Transaction Counterparty the Issuer (or the Arranger on its behalf) considers in its sole discretion to be appropriate and commercially reasonable);

18.2.6 any change to or of the clearing or settlement system in which Securities are or may be cleared, held or deposited;

18.2.7 by notice to the Trustee, Registrar(s) and Administrator, any change to the form, nature, or method for registration, transfer and/or clearing of the Securities, including without limitation the conversion of the Securities from certificated to uncertificated form, or from uncertificated to certificated form;

18.2.8 the marketing or listing of the Securities of any Series in any additional jurisdiction and/or on any additional stock exchange, market or trading facility, and/or the withdrawal or cessation of marketing of the Securities of any Series in a jurisdiction, or delisting (or other withdrawal of listing) of the Securities of any Series from any stock exchange, market or trading facility, provided that the Securities of each Series are listed on at least one stock exchange, market or trading facility;

18.2.9 any increase in the maximum number of Securities specified in a Registered Global Certificate, or similar or equivalent instrument held in or deposited with a settlement system other than through an ICSD;

18.2.10 any split or consolidation of Securities, provided that the Cryptoasset Entitlement is reduced or increased proportionately;

18.2.11 any change to the order type for Authorised Participants and/or Non-AP Holders to deal in Securities, unless such change results in no order type being available for Authorised Participants or Non-AP Holders to request buy-backs of Securities;

18.2.12 adjustments to the Cryptoasset Entitlement to the extent required to align with any Cryptoasset Modification;

18.2.13 adjustment to the Cryptoasset Entitlement for any Series of Securities in relation to which the Underlying Cryptoasset has been damaged, stolen or otherwise lost;

18.2.14 any other modification to the Conditions, Securities, or Transaction Documents which relates or is incidental to, or is necessary or desirable to give effect to, any of the foregoing; or

18.2.15 any other modification to the Conditions, Securities, or Transaction Documents and any waiver or authorisation of any breach or proposed breach of any of the Conditions or any of the provisions of the Trust Deed and/or any Transaction Document that, in each case, the Issuer (or the Arranger on its behalf) does not consider to be materially prejudicial to the interests of Securityholders.

The Trustee shall, without the consent or sanction of any of the Securityholders or any other Secured Creditor, take any action or execute any agreement the Issuer requires in order to effect any modification, amendment, waiver or supplement pursuant to Condition(s) 18.2.1 to 18.2.15 above *provided that* the Trustee shall not be obliged to take any action or execute any agreement which, in the opinion of the Trustee, would have the effect of: (i) exposing the Trustee to any additional liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction; or (ii) adding to or increasing the obligations, liabilities or duties, or decreasing the rights, powers, authorisations, indemnities or protections, of the Trustee in respect of the Conditions and/or the Transaction Documents.

18.3 **Modification and Waiver with the agreement of the Trustee (Reliance on Issuer Certificate)**

The Trustee shall agree to any modification, amendment, waiver or supplement (including without limitation any additional document) to the Conditions, the Trust Deed, the relevant Security Agreements and/or any other Transaction Document without the consent of Securityholders (and, for so long as the Securities of the relevant Series are cleared through a Relevant Clearing System, investors who have for the time being a number of Securities of such Series credited to the investors' securities accounts in the records of the Relevant Clearing System) where such modification, amendment, waiver or supplement is:

18.3.1 of a formal, minor or technical nature;

18.3.2 to correct a manifest error;

18.3.3 necessary to comply with any mandatory provision of law or the rules of any stock exchange, market or quotation system, central securities depository, trading facility or clearing system;

18.3.4 to address or adapt to any upcoming or potential changes in law, regulations, best practice or market practice, including, without limitation, amending the operating model of a Series to address or adapt to such change(s);

18.3.5 to correct any inconsistency arising in the applicable Final Terms in respect of any Series of Securities as compared to any term sheet, brochure or other written communication in respect of the Securities that has been distributed to Securityholders in respect of that Series and the Issuer (or the Arranger on its behalf) has provided written confirmation distributed to Securityholders of such inconsistency appending the relevant written communication to which the Final Terms are to be conformed; or

18.3.6 to adapt any Series of Securities to changes to the settlement model and any related changes to the Registered Global Certificate or Individual Registered Certificate (as applicable),

and, in each case, in the opinion of the Issuer (or the Arranger on its behalf), such change is not materially prejudicial to the interests of Securityholders as a class.

The Trustee shall, without the consent or sanction of any of the Securityholders or any other Secured Creditor, concur with the Issuer in making any modification, amendment, waiver or supplement pursuant to Condition(s) 18.3.1 to 18.3.6 above to the Conditions and/or the Transaction Documents which the Issuer certifies to the Trustee (in accordance with the requirements of the Trust Deed) as being made in the opinion of the Issuer subject to and in

accordance with such Condition(s) (and upon which certification the Trustee will be entitled to conclusively rely without further enquiry or liability) **provided that** the Trustee shall not be obliged to agree to any modification, amendment, waiver or supplement which, in the opinion of the Trustee, would have the effect of: (i) exposing the Trustee to any additional liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction; or (ii) adding to or increasing the obligations, liabilities or duties, or decreasing the rights, powers, authorisations, indemnities or protections, of the Trustee in respect of the Conditions and/or the Transaction Documents.

For the purposes of the above certificate, the Issuer (or the Arranger on its behalf) will only be required to consider the interests of Securityholders as a class and shall not have regard to the consequences for individual Securityholders (or for so long as the Securities of the relevant Series are cleared through a Relevant Clearing System, investors who have for the time being a number of Securities of such Series credited to the investors' securities accounts in the records of the Relevant Clearing System).

18.4 **Modification with the agreement of the Trustee (Trustee Discretion)**

Without prejudice to Conditions 18.1 to 18.3, the Trustee may agree, without the consent of the Securityholders (and, for so long as the Securities of the relevant Series are cleared through a Relevant Clearing System, investors who have for the time being a number of Securities of such Series credited to the investors' securities accounts in the records of the Relevant Clearing System), to:

18.4.1 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, the relevant Security Agreements and/or any other Transaction Document that is in the opinion of the Trustee not materially prejudicial to the interests of the Securityholders; and/or

18.4.2 any modification to these Conditions, the Trust Deed, the relevant Security Agreements and/or any other Transaction Document which is in connection with the issuance of a new Series of Securities **provided that** such modification does not materially impact the interests of the Securityholders of any outstanding Series of Securities.

18.5 **Substitution**

The Trust Deed contains provisions permitting the Trustee to agree, subject to such amendment of the Trust Deed and such other conditions as the Trustee may require, without the consent of the Securityholders, to the substitution of any other company (the "**Substituted Obligor**") in place of the Issuer, or of any previous substituted company, as principal debtor under the Trust Deed, the relevant Security Agreements, the other Transaction Documents to which it is a party and the Securities.

In the case of such a substitution the Trustee may agree, without the consent of the Securityholders, to a change of the law governing the Securities and/or the Trust Deed **provided that** such change would not in the opinion of the Trustee be materially prejudicial to the interests of the Securityholders.

Under the Trust Deed, the Trustee may agree or require the Issuer to use all reasonable endeavours to procure the substitution of a company incorporated in some other jurisdiction as principal debtor under the Trust Deed, the relevant Security Agreements, the other Transaction Documents to which it is a party and the Securities in the event of the Issuer becoming subject to any form of Tax on its income or payments in respect of the Securities.

An agreement by the Trustee pursuant to this Condition 18.5 and the Trust Deed shall, 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 relevant Transaction Documents. The Substituted Obligor shall give notice of the substitution to the Securityholders within 14 calendar days of the execution of such documents and compliance with such requirements.

On completion of the formalities set out in the Trust Deed, the Substituted Obligor shall be deemed to be named in these Conditions, the Trust Deed, the other Transaction Documents

and the Securities as the principal debtor in place of the Issuer (or of any previous substitute) and these Conditions, the Trust Deed, the other Transaction Documents and the Securities shall be deemed to be amended as necessary to give effect to the substitution.

18.6 **Binding effect**

Any modification (including, without limitation, any waiver or substitution) in accordance with these Conditions shall be binding on the Securityholders (and, for so long as the Securities of the relevant Series are cleared through a Relevant Clearing System, investors who have for the time being a number of Securities of such Series credited to the investors' securities accounts in the records of the Relevant Clearing System) and the Transaction Parties and, if the Trustee so requires, any such modification shall be notified to the Securityholders in accordance with Condition 19 (*Notices*) as soon as practicable thereafter.

18.7 **Entitlement of the Trustee**

In accordance with the terms of the Trust Deed and the relevant Security Agreements, in connection with the exercise of its functions (including, but not limited to, those referred to in this Condition 18) the Trustee will have regard to the interests of the Securityholders as a class and will not have regard to the consequences of such exercise for individual Securityholders (and, for so long as the Securities of the relevant Series are cleared through a Relevant Clearing System, investors who have for the time being a number of Securities of such Series credited to the investors' securities accounts in the records of the Relevant Clearing System) and the Trustee will not be entitled to require, nor shall any Securityholder (and, for so long as the Securities of the relevant Series are cleared through a Relevant Clearing System, investors who have for the time being a number of Securities of such Series credited to the investors' securities accounts in the records of the Relevant Clearing System) be entitled to claim, from the Issuer any indemnification or payment in respect of any tax consequence of any such exercise upon them individually.

19. **NOTICES**

All notices to holders of Securities shall be valid if:

19.1.1 delivered to the Relevant Clearing System for communication by them to such holders, in the case of Securities held in a Relevant Clearing System. Any such notice shall be deemed to have been given on the day after the day on which such notice was given to the Relevant Clearing System; or

19.1.2 mailed to them at their respective addresses in the Register and deemed to have been given on the day it is delivered in the case of recorded delivery and three calendar days (excluding Saturdays or Sundays) in the case of inland post or seven calendar days (excluding Saturdays or Sundays) in the case of overseas post after the date of dispatch, in the case of Securities represented by Individual Registered Certificates; or

19.1.3 published on the website of one or more RIS(s) approved for such purposes by the applicable Relevant Stock Exchange(s) and any such notices shall be conclusively presumed to have been received by the holders; and/or

19.2 for so long as the Securities are listed on any Relevant Stock Exchange, published in accordance with the rules and regulations of such Relevant Stock Exchange or other relevant authority.

Any notice to holders of Securities may, in addition and in the sole discretion of the Issuer (or the Arranger on its behalf), be published on the Issuer Website.

If, in the opinion of the Issuer (or the Arranger on its behalf), publication in accordance with Condition 19.1.1, 19.1.2, 19.1.3 and/or Condition 19.2 above (as applicable) is not practicable, notice shall be validly given if published on the Issuer Website or in a publication in the relevant country with a circulation amongst relevant investors.

Notwithstanding the foregoing, where explicitly permitted by the relevant Condition, a notice may be delivered via the Issuer Website.

Any notices published in accordance with the foregoing provisions of this Condition 19 shall be conclusively presumed to have been received by the Securityholders on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made.

20. RIGHTS, OBLIGATIONS AND INDEMNIFICATION OF THE TRUSTEE

In accordance with the Trust Deed, the Trustee is not obliged or required to take any action, step or proceeding that would involve any personal liability or expense without first being pre-funded and/or secured and/or indemnified to its satisfaction.

The Trustee will accept without investigation, requisition or objection such right and title as the Issuer has to any of the Secured Property and need not examine or enquire into or be liable for any defect or failure in the right or title of the Issuer to the Secured Property or any part of it, whether such defect or failure was known to the Trustee or might have been discovered upon examination or enquiry and whether capable of remedy or not. The Trustee is not under any obligation to insure any property comprising the Secured Property or any certificate, note, bond or other evidence in respect thereof, or to require any other person to maintain any such insurance.

The Trustee will not be responsible for, nor will it have any liability with respect to any loss or theft or reduction in value of any property comprising the Secured Property. The Trustee will have no responsibility or liability to the Issuer, any Securityholder (and, for so long as the Securities of the relevant Series are cleared through a Relevant Clearing System, investors who have for the time being a number of Securities of such Series credited to the investors' securities accounts in the records of the Relevant Clearing System), any Secured Creditor or any other Transaction Party as regards any deficiency which might arise because (i) all or part of the property comprising the Secured Property is or will be held by the Custodian and/or (ii) the Trustee and/or the Custodian, as applicable, is subject to any Tax in respect of any of the Secured Property, any income therefrom and/or the proceeds thereof.

The Trustee will not be responsible or liable to the Issuer, any Securityholder (and, for so long as the Securities of the relevant Series are cleared through a Relevant Clearing System, investors who have for the time being a number of Securities of such Series credited to the investors' securities accounts in the records of the Relevant Clearing System), any Secured Creditor or any other Transaction Party for the validity, enforceability, value or sufficiency (which the Trustee will not investigate) of the Transaction Security relating to the Securities. The Trustee will not be liable to any Securityholder (and, for so long as the Securities of the relevant Series are cleared through a Relevant Clearing System, investors who have for the time being a number of Securities of such Series credited to the investors' securities accounts in the records of the Relevant Clearing System), any Secured Creditor, any other Transaction Party or any other person for any failure to make or cause to be made on its behalf the searches, investigations and enquiries which would normally be made by a prudent charge, mortgagee or assignee in relation to the Transaction Security relating to the Securities.

None of the Trustee, any receiver appointed by it or any attorney or agent of the Trustee will, by reason of taking possession of any Secured Property 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 Secured Property or from any act or omission in relation to such Secured Property or otherwise unless such loss or damage shall be caused by its own fraud.

In addition to the above, each Trust Deed also contains provisions for the indemnification of the Trustee and for its relief from responsibility including for the exercise of any voting rights in respect of the Securities.

21. RELEVANT CLEARING SYSTEM

None of the Issuer or any Transaction Party 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.

Where Securities are held in a Relevant Clearing System, a reference in these Conditions to a deposit or return of such Securities shall be deemed to refer to the taking of such action by an account holder in such Relevant Clearing System as is required to deposit or return such account holder's interest in the Securities in or to the relevant account in such Relevant Clearing System (or other Relevant Clearing System, as applicable).

22. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term or condition of the Securities, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

23. GOVERNING LAW AND JURISDICTION

23.1 Governing Law

The Securities, the Certificates and the Trust Deed and any non-contractual obligations arising out of or in connection with the Securities are governed by English law.

23.2 English courts

The courts of England have exclusive jurisdiction to settle any dispute (a "**Dispute**") that may arise out of or in connection with any Securities (including a dispute regarding any non-contractual obligation arising out of or in connection with the Securities).

23.3 Appropriate forum

The Issuer has in the Trust Deed agreed that the courts of England are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue to the contrary and any legal proceedings arising out of or in connection with the Securities ("**Proceedings**") may be brought in such courts.

23.4 Service of Process

The Issuer has irrevocably appointed a process agent to receive, for it and on its behalf, service of process in any Proceedings in England. Service of process on such process agent shall be deemed valid service upon the Issuer whether or not it is forwarded to and received by the Issuer. The Issuer shall inform the Trustee in writing of any change in its process agent's address within 28 calendar days of such change. If for any reason such process agent ceases to be able to act as such or no longer has an address in London, the Issuer irrevocably agrees to appoint a substitute process agent in England and to deliver to it a copy of the substitute process agent's written acceptance of that appointment, within 14 calendar days.

10. SUBSCRIPTION, SALE AND OFFER OF THE SECURITIES

10.1 OFFER OF THE SECURITIES

10.1.1 Initial purchase and onward sale of the Securities

Initial purchase by Authorised Participants

In the primary market each issue of a Series of Securities is initially only purchased by Authorised Participants and may subsequently be sold by such Authorised Participants to institutional and retail investors, in compliance with applicable selling restrictions during the relevant offer period (as specified in the relevant Final Terms). When selling the Securities which are the subject of the offering contemplated by this Base Prospectus, an offer to the public may be made in the countries specified in Part B of the Final Terms under 7. Distribution, "*Permitted Countries*".

The Authorised Participants which have been appointed for a Series of Securities will be specified in the relevant Final Terms. Any changes to the list of Authorised Participants will be detailed at the website of the Issuer (www.ishares.com).

Ways to acquire Securities

An investor intending to acquire or acquiring interests in any Securities (directly or through a nominee) from an Authorised Participant will do so, and offers and sales of the Securities to an investor by an Authorised Participant will be made, in accordance with any terms and other arrangements in place between such Authorised Participant and such investor including as to price, allocations and settlement arrangements. Neither the Issuer nor the Arranger will be a party to any such arrangements between investors and Authorised Participants and, accordingly, this Base Prospectus and any Final Terms may not contain such information and, in such case, an investor must obtain such information from the relevant Authorised Participant or the Arranger, as applicable. Investors should however note the following:

Amount of the offer

The number of Securities subject to the offer will be determined on the basis of the demand for the Securities and prevailing market conditions and be published.

Offer Period

Securities may be offered at any time between the Series Issue Date and the Early Redemption of such Series.

Publication of a Supplement

If the Issuer publishes a supplement to this Base Prospectus pursuant to Article 23 of the Prospectus Regulation which relates to the Issuer or the Securities, investors who have already agreed to purchase Securities before the supplement is published shall have the right to withdraw their acceptances by informing the relevant distributor in writing within 2 working days (or such other longer period as may mandatorily apply in the relevant country) of publication of the supplement. The terms and conditions of the Securities and the terms on which they are offered and issued will be subject to the provisions of any such supplement.

10.1.2 Conditions and technical details of the offer

Conditions of the Offer

Any offer of Securities is not subject to any conditions or time limits other than the time limits resulting from the validity of the Base Prospectus and the relevant offer period as specified above under 10.1.1 "*Initial purchase and onward sale of the Securities*". There is no possibility to reduce subscriptions. No minimum or maximum subscription amounts will be specified.

Subscription by Authorised Participants in the Primary Market

In the primary market, the Issuer will sell all Securities of a Series (only) to one or more Authorised Participants on their issue. The Authorised Participants may act as market makers on stock exchanges and may also offer (to the public) in over-the-counter transactions during the offer period. The Authorised Participants are likely to hold the Securities in inventory. The number of the Securities issued will not vary based on the results of any offer (with any offer being agreed on an individual basis) and, as a result, there is no necessity to notify the public of the results of any offer.

Purchase on the Secondary Market

Any investors who are not Authorised Participants can purchase the Securities on the secondary market either (i) from an Authorised Participant or (ii) via a securities exchange (in case of Securities admitted to trading on a regulated market, equivalent market or multilateral trading facility) through their broker or (iii) from any person over the counter for fiat (*e.g.* Euro). Where Securities are purchased from an Authorised Participant, such Securities can be purchased either with units of the relevant Cryptoasset (as set out in the relevant Final Terms) or with any other fiat currency or cryptoasset as will be determined by each Authorised Participant offering the Securities.

Clearing and Settlement

The Securities will be cleared through the International Central Securities Depositary (defined below) specified as the "Relevant Clearing System" in the relevant Final Terms in accordance with the rules and procedures of such International Central Securities Depositary.

The Securities will have the ISIN codes as specified in the relevant Final Terms.

The Issuer has applied for admission for clearing and settlement of the Securities through Euroclear and Clearstream (together the "**International Central Securities Depositaries**" and each a "**International Central Securities Depositary**"). A Registered Global Certificate in respect of each Series will be deposited with a common depositary, being the entity nominated by the International Central Securities Depositaries to hold the Registered Global Certificate (the "**Common Depositary**") and registered in the name of the nominee nominated by the Common Depositary which entity will be the registered holder of the Securities (the "**Nominee**") on behalf of the International Central Securities Depositaries. Interests in the Securities represented by the Registered Global Certificate will be transferable in accordance with applicable laws and any rules and procedures issued by the International Central Securities Depositaries. Legal title to the Securities will be held by the Nominee.

Only the Nominee will be a Securityholder. A purchaser of interests in the Securities will not be a registered Securityholder, but will hold an indirect beneficial interest in such Securities and the rights of such investors, where they are accountholders in an International Central Securities Depositary ("**Participants**"), shall be governed by their agreement with their International Central Securities Depositary or, where they are not Participants, shall be governed by their arrangement with their respective nominee, broker or central securities depositary (as appropriate) which may be a Participant or have an arrangement with a Participant. All references herein to actions by holders of the Registered Global Certificate will refer to actions taken by the Nominee as registered Securityholder following instructions from the applicable International Central Securities Depositary upon receipt of instructions from its Participants. All references herein to distributions, notices, reports, and statements to such Securityholder, shall be distributed to the Participants in accordance with such applicable International Central Securities Depositary's procedures.

Each Participant must look solely to the relevant International Central Securities Depositary for documentary evidence as to the amount of its interests in any Securities. Any certificate or other document issued by the relevant International Central Securities Depositary, as to the amount of interests in such Securities standing to the account of any person shall be conclusive and binding as accurately representing such records.

Each Participant must look solely to the relevant International Central Securities Depositary for such Participant's share of each payment or distribution made by the Issuer to or on the instructions of the Nominee and in relation to all other rights arising under the Registered Global Certificate. The extent to which, and the manner in which, Participants may exercise any rights arising under the Registered Global Certificate will be determined by the rules and procedures of the relevant International Central Securities Depositary. Participants shall have no claim directly against the Issuer, the Administrator, the Paying Agent or any other person (other than the relevant International Central Securities Depositary) in respect of payments or distributions due under the Registered Global Certificate which are made by the Issuer to or on the instructions of the Nominee and such obligations of the Issuer shall be discharged thereby. The International Central Securities Depositaries shall have no claim directly against the Issuer, Paying Agent or any other person (other than the Common Depositary).

The Issuer or its duly authorised agent may from time to time require investors to provide them with information relating to: (a) the capacity in which they hold an interest in Securities; (b) the identity of any other person or persons then or previously interested in such Securities; (c) the nature of any such interests; and (d) any other matter where disclosure of such matter is required to enable compliance by the Issuer with applicable laws or the constitutional documents of the Issuer.

The Issuer or its duly authorised agent may from time to time request that the applicable International Central Securities Depositary provide the Issuer with certain details in relation to Participants that hold interests in Securities including (but not limited to): ISIN, Participant name, Participant type – for example type of intermediary or entity or individual, residence of Participant and holdings of the Participant within the International Central Securities Depositaries, as appropriate, including the number of interests in the Securities held by each such Participant (and of which Series), and details of any voting instructions given by each such Participant. Participants which are holders of interests in Securities or intermediaries acting on behalf of such holders agree, pursuant to the respective rules and procedures of International Central Securities Depositaries, to the International Central Securities Depositaries disclosing such information to the Issuer or its duly authorised agent.

Similarly, the Issuer or its duly authorised agent may from time to time request that any central securities depositary or any nominee, broker or custodian which is a Participant provide the Issuer with details in relation to Securities or interests in Securities held with such central securities depositary or with a Participant (as appropriate) and details in relation to the holders of those Securities or interests in Securities, including (without limitation) holder types, residence, number and types of holdings and details of any voting instructions given by each holder. Holders of interests in Securities in a central securities depositary or with Participants, or intermediaries acting on behalf of such holders, agree to the central securities depositary and Participants disclosing such information to the Issuer or its duly authorised agent in accordance with its rules and procedures.

Investors may be required to provide promptly any information as required and requested by the Issuer or its duly authorised agent, and agree to the applicable International Central Securities Depositary or nominee, broker or central securities depositary (as appropriate) providing the identity of such Participant or investor to the Issuer or its duly authorised agent upon request.

Notices of general meetings and associated documentation will be issued by the Issuer to the Nominee. Each Participant must look solely to the relevant International Central Securities Depositary and the rules and procedures for the time being of the relevant International Central Securities Depositary governing delivery of such notices and exercising of voting rights. For investors other than Participants, delivery of notices and exercising of voting rights shall be governed by the arrangements with a Participant of the International Central Securities Depositary (for example, their nominee, broker or central securities depositories, as appropriate).

Exercise of Voting Rights through the International Central Securities Depositaries

The Nominee has a contractual obligation to promptly notify the Common Depositary of any Securityholder meetings of the Issuer and to relay any associated documentation issued by the Issuer to the Common Depositary, which, in turn, has a contractual obligation to relay any such notices and documentation to the relevant International Central Securities Depositary. Each International Central Securities Depositary will, in turn, relay notices received from the Common Depositary to its Participants in accordance with its rules and procedures. The Issuer understands that, in accordance with their respective rules and procedures, each International Central Securities Depositary is contractually bound to collate and transfer all votes received from its Participants to the Common Depositary and the Common Depositary is, in turn, contractually bound to collate and transfer all votes received from each International Central Securities Depositary to the Nominee, which is obliged to vote in accordance with the Common Depositary's voting instructions. Investors who are not Participants in an International Central Securities Depositary would need to rely on their broker, nominee, custodian bank or other intermediary which is a Participant, or which has an arrangement with a Participant, in the relevant International Central Securities Depositary to receive any notices of Securityholder meetings of the Issuer and to relay their voting instructions to the relevant International Central Securities Depositary.

Receipt of Payments through the International Central Securities Depositaries

Payments from the Issuer to holders in respect of a redemption of all outstanding Securities of a Series will be made via the Paying Agent to the relevant International Central Securities Depositary. Payment timings which are specified by the Issuer in the Conditions or otherwise apply to such payments to the relevant International Central Securities Depositary. The relevant International Central Securities Depositary will in turn pass on such payments to its relevant Participants. Investors who are not Participants in the relevant International Central Securities Depositary would need to arrange with their broker, nominee, custodian bank, central securities depositary or other intermediary which is a Participant, or which has an arrangement with a Participant, in a relevant International Central Securities Depositary to receive such payments and payment receipt timing may be impacted by the operational process of their broker, nominee, custodian bank, central securities depositary or other intermediary.

Book-entry systems

The International Central Securities Depositaries have each published rules and operating procedures designed to facilitate transfers of beneficial interests in Registered Global Certificates among their respective Participants. However, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued or changed at any time. None of the Issuer or any Transaction Party will be responsible for any performance by the International Central Securities Depositaries (or their respective direct or indirect participants) of any of their respective obligations under the rules and procedures governing their operations. All payments in respect of Securities represented by a global security will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the Clearing System Business Day immediately prior to the date for payment, where Clearing System Business Day means means, in relation to Euroclear and Clearstream, Luxembourg, each day which is not a Saturday or a Sunday, 25 December or 1 January, and, in relation to any other Relevant Clearing System, each day on which such Relevant Clearing System is open for business.

Securities Identification Numbers.

The International Securities Identification Number (ISIN) and any other identification number for each Series of Securities will be set out in the relevant Final Terms.

10.1.3 **Charges and costs relating to the offer**

The estimated total expenses of the issue and/or offer of each Series of Securities will be specified in the relevant Final Terms of each Series of Securities.

The Issuer may charge a subscription fee expressed as a certain percentage of the Cryptoasset Entitlement from the Authorised Participants, as specified in the relevant Final Terms of each Series of Securities. Authorised Participants may charge additional fees to investors who are purchasing Securities from them. These fees may vary and the Issuer has no influence on whether and to what extent the Authorised Participant is charging fees.

10.1.4 **Determination of the Issue Price**

Each Series of Securities will be issued at an Issue Price determined by the Issuer which will be stated in the relevant Final Terms.

10.2 **SELLING RESTRICTIONS**

10.2.1 **General**

Each Authorised Participant has represented, warranted and agreed that it has complied and will comply with all applicable laws and regulations in each country or jurisdiction in which it purchases, offers, sells or delivers Securities or possesses, distributes or publishes this Base Prospectus or any other offering material relating to the Securities. Persons into whose hands this Base Prospectus comes are required by the Issuer and the Authorised Participants to comply with all applicable laws and regulations in each country or jurisdiction in which they purchase, offer, sell or deliver Securities or possess, distribute or publish this Base Prospectus or any other offering material relating to the Securities, in all cases at their own expense.

Each Authorised Participant has represented, warranted and agreed that it will only offer, sell or otherwise make available the Securities in Permitted Countries (set out in the applicable Final Terms) and any other countries that have been agreed with the Issuer (or the Arranger acting on its behalf).

Any person subsequently offering, selling or recommending the Securities shall comply with all applicable laws and regulations in each country or jurisdiction in which it purchases, offers, sells or delivers Securities or possesses, distributes or publishes this Base Prospectus or any other offering material relating to the Securities.

Persons into whose hands this Base Prospectus comes are required by the Issuer to comply with all applicable laws and regulations in each country or jurisdiction in which they purchase, offer, sell or deliver Securities or possess, distribute or publish this Base Prospectus or any other offering material relating to the Securities, in all cases at their own expense.

10.2.2 **Restrictions within the European Economic Area**

In relation to each Member State of the European Economic Area (each, a "**Member State**"), each Authorised Participant has represented and agreed in the relevant Authorised Participant Agreement 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 a Member State except that it may sell Securities thereby making an offer of such Securities to the public in a Member State:

(a) if the Final Terms relating to the Securities specify that an offer of those Securities may be made otherwise than pursuant to Article 1 (4) of the Prospectus Regulation in that Member State (a "**Non-Exempt Offer**"), following the date of publication of the Base Prospectus in relation to such Securities which has been approved by the competent authority of that Member State or, where applicable, approved in another Member State and notified to the competent authority in that Member State, provided that the Base Prospectus has subsequently been completed by the Final Terms contemplating such Non-Exempt Offer in accordance with the Prospectus Regulation, in the period beginning and ending on the dates specified in the Base Prospectus and Final Terms, as applicable and the Issuer has consented in writing to its use for the purposes of that Non-Exempt Offer;

(b) at any time to persons who are qualified investors as defined in the Prospectus Regulation;

(c) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation), subject to obtaining the prior consent of the respective financial intermediaries or financial intermediaries nominated by the Issuer for any such offer; or

(d) at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Securities referred to in paragraphs (b) to (d) above shall require the Issuer or any Authorised Participant to publish a prospectus pursuant to Article 23 of the Prospectus Regulation or supplement a prospectus pursuant to Article 16 of the Prospectus Regulation.

For the purposes of this provision, the expression "**offer of Securities to the public**" in relation to any Securities in any Member 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 the Securities and the expression "**Prospectus Regulation**" means Regulation (EU) 2017/1129.

10.2.3 **Restrictions within Switzerland**

Selling Restriction in Switzerland

In relation to Switzerland, any person offering the Securities in Switzerland has represented and agreed that it has not made and will not make an offer of Securities which are the subject of the offering contemplated by the Base Prospectus as completed by the Final Terms in relation thereto to the public in Switzerland **except that** it may make an offer of such Securities to the public in Switzerland:

(a) if the Final Terms relating to the Securities specify that an offer of Securities to the public in Switzerland may be made otherwise than pursuant to article 36 FinSA (a "**Non-Exempt Offer**"), following the date of publication of this Base Prospectus in relation to such Securities which has been approved by a Swiss Review Body or, where applicable, approved in a Member State and deemed approved by a Swiss Review Body in accordance with article 54 (2) FinSA upon the filing this Base Prospectus with such Swiss Review Body, provided that (i) the Base Prospectus has subsequently been completed by the Final Terms contemplating such Non-Exempt Offer in accordance with the FinSA, in the period beginning and ending on the dates specified in the Base Prospectus and Final Terms, as applicable, (ii) the Final Terms will be published and filed with the Swiss Review Body in accordance with article 54 (3) FinSA at the end of the subscription period, and (iii) the Issuer has consented in writing to its use for the purposes of that Non-Exempt Offer;

(b) at any time to persons who are not retail clients as defined in article 4 (2) FinSA;

(c) at any time to fewer than 500 natural or legal persons, subject to obtaining the prior consent of the respective financial intermediaries or financial intermediaries nominated by the Issuer for any such offer; or

(d) at any time in any other circumstances falling within article 36 FinSA,

provided that no such offer referred to in paragraphs (b) to (d) above shall require the Issuer or any person offering the Securities under an obligation to publish a prospectus pursuant to article 35 FinSA or a supplement to a prospectus pursuant to article 56 FinSA.

For the purposes of this provision, the term "**offer of Securities to the public**", in relation to any Securities in Switzerland, means any invitation to the public to acquire Securities that contains sufficient information on the terms of the offer and the Securities themselves and is customarily intended to draw attention to a certain financial instrument and to sell it.

Selling Restriction for offers to retail clients in or from Switzerland

If specified in the Final Terms relating to the Securities, the Securities should only be offered to retail clients in or from Switzerland by financial intermediaries as defined in the Federal Act on Banks and Saving Banks of 8 November 1934 (SR 952.0), the Federal Act on Financial Institutions of 15 June 2018 (SR 954.1) and the Federal Act on Collective Investment Schemes of 23 June 2006 (SR 951.31), insurance companies as defined in the Federal Act on the Supervision of Insurance Undertakings of 17 December 2004 (SR 961.01), or a foreign institution that is subject to equivalent supervision.

For these purposes:

"Base Prospectus" means this base prospectus and any supplements hereto.

"**Final Terms**" means final terms pursuant to article 45 (3) FinSA or, where applicable, approved in a Member State and deemed approved by a Swiss Review Body in accordance with article 54 (2) FinSA upon the filing this Base Prospectus with such Swiss Review Body, equivalent documents under the Prospectus Regulation.

"**FinSA**" means the Federal Act on Financial Services of 15 June 2018 (SR 950.1).

"**FinSO**" means the Ordinance on Financial Services of 6 November 2019 (SR 950.11).

"**retail client**" means a retail client within the meaning of article 4 (2) FinSA.

"**Swiss Review Body**" means a review body (*Prüfstelle*) within the meaning of article 52 FinSA.

10.2.4 **Restrictions within Denmark**

In addition to the restrictions described in the section entitled "Restrictions within the European Economic Area" above, each Authorised Participant has represented and agreed in the relevant Authorised Participant Agreement or will be required to represent and/or agree (as applicable) that it has not offered or sold and will not offer, sell or deliver any Securities (i) directly or indirectly in Denmark by way of public offering or as a private placement, unless in compliance with the Danish Capital Markets Act (consolidated Act no. 198 of 24 February 2024, as amended from time to time) and the EU Prospectus Regulation; and (ii) to any retail investors (as defined in MiFID II) in Denmark, unless such offering is permitted pursuant to the applicable Final Terms in relation thereto and any applicable provisions of the EU PRIIPs Regulation are complied with.

For the purposes of this provision, an offer of Securities to the public in Denmark means the communication in any form and by any means and through any distribution channel of sufficient information on the terms of the offer and the relevant Securities to be offered so as to enable an investor in Denmark to decide to purchase or subscribe for such Securities.

10.2.5 **Restrictions within Norway**

In addition to the provisions of the selling restrictions for the European Economic Area (which includes Norway and as outlined in section 10.2.2), each Authorised Participant represents and agrees that it will not, directly or indirectly, offer for subscription or purchase or issue invitations to subscribe for or buy or sell the Securities or distribute any draft or definitive document in relation to any such offer, invitation or sale in Norway or to Norwegian residents except in compliance with Norwegian laws and regulations, including but not limited to section 16-2 of the Norwegian Financial Institutions Regulation (*Nw. finansforetaksforskriften*) of 9 December 2016 no. 1502, as amended, regarding sale of structured products.

Under no circumstances may an offer of the Securities be made in the Norwegian market without the Securities being initially recorded with the VPS in dematerialised form or in another central securities depository that is properly authorised or recognized as being entitled to register the Securities pursuant to Regulation (EU) no. 909/2014, to the extent the Securities must be registered according to the Norwegian Central Securities Depositories Act of 15 March 2019 (*Nw. verdipapirsentralloven*) and associated ancillary regulations.

10.2.6 **Restrictions within the United Kingdom**

Public Offer Selling Restriction under the UK Prospectus Regulation

Each Authorised Participant has represented and agreed in the relevant Authorised Participant Agreement 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 relevant Final Terms to the public in the United Kingdom, except that it may make an offer of such Securities to the public in the United Kingdom:

(a) if the relevant Final Terms in relation to the Securities specify that an offer of those Securities may be made by the Authorised Participant(s) other than pursuant to Article 1(4) of the UK Prospectus Regulation in the United Kingdom (a "**Non-exempt Offer**"), following the date of publication of this Base Prospectus in relation to such Securities which has been approved by the FCA, provided that any such prospectus has subsequently been completed by the final terms contemplating such Non-exempt Offer, in accordance with the UK Prospectus Regulation, in the period (if any) beginning and ending on the dates (if any) specified in such prospectus or final terms, as applicable;

(b) to any legal entity which is a qualified investor as defined in the UK Prospectus Regulation;

(c) to fewer than 150 natural or legal persons (other than qualified investors as defined in the UK Prospectus Regulation), subject to obtaining the prior consent of the relevant Authorised Participant or Authorised Participants appointed by the Issuer for any such offer; or

(d) in any other circumstances falling within Article 1(4) of the UK Prospectus Regulation,

provided that no such offer of Securities referred to in paragraphs (b) to (d) 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 prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision, the expression an "**offer of Securities to the public**" in relation to any Securities in the United Kingdom 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 the Securities and the expression "**UK Prospectus Regulation**" means Regulation (EU) 2017/1129 as it forms part of "retained EU law", as defined in the European Union (Withdrawal) Act 2018 (as amended).

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 UK while this is prohibited by the FCA in the FCA Handbook of Rules of and Guidance (the "**FCA Handbook**"). For these purposes a retail investor means a person who is one (or more) of:

(a) 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 ("**EUWA**");

(b) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA 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 EUWA; or

(c) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA.

Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (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.

Restrictions on financial promotion

Each Authorised Participant has represented and agreed in the relevant Authorised Participant Agreement that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of FSMA) in connection with the Securities in circumstances which do not breach section 21(1) of FSMA;

(b) it has not and will not sell, distribute or market the Securities in circumstances which breach the Conduct of Business ("**COBS**") Sourcebook of the FCA Handbook, including but not limited to COBS 22 of the FCA Handbook; and

(c) it has complied and will comply with all applicable provisions of FSMA and the FCA Handbook with respect to anything done by it in relation to such Securities in, from or otherwise involving the United Kingdom.

10.2.7 **Restrictions within the United States of America**

The Securities have not been and will not be registered under the Securities Act or under the securities law of any state or political sub-division of the United States of America or any of its territories, possessions or other areas subject to its jurisdiction including the Commonwealth of Puerto Rico (collectively, the "**United States**"). No person has registered nor will register as a commodity pool operator of the Issuer under the CEA and the CFTC Rules of the CFTC, and the Issuer has not been and will not be registered under any 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 ("**Regulation S**").

Accordingly, the Securities may not at any time be offered, sold or otherwise transferred except (i) in an "Offshore Transaction" (as such term is defined under Regulation S) and (ii) to or for the account or benefit of a Permitted Transferee.

A "**Permitted Transferee**" means any person who is not any of:

(a) a U.S. person as defined in Rule 902(k)(1) of Regulation S;

(b) 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 (for the avoidance of doubt, any person who is not a "Non-United States person" as such term is defined under CFTC Rule 4.7(a)(1)(iv), but excluding, for purposes of subsection (D) thereof, the exception to the extent that it would apply to persons who are not "**Non-United States persons**", shall be considered a U.S. person); or

(c) a "resident of the United States" for purposes of, and as defined in implementing regulations proposed or issued under, Section 13 of the Bank Holding Company Act of 1956, as amended ("**BHC Act**").

Transfers of Securities within the United States or to any person other than a Permitted Transferee (a "**Non-Permitted Transferee**") are prohibited.

The foregoing restrictions on the offer, sale or other transfer of Securities to a Non-Permitted Transferee may adversely affect the ability of an investor in the Securities to dispose of the Securities on the secondary market, if any, and significantly reduce the liquidity of the Securities. As a result, the value of the Securities may be materially adversely affected.

As defined in Rule 902(k)(1) of Regulation S, "**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) of the Code of Federal Regulations, Title 17) who are not natural persons, estates or trusts.

As defined in CFTC Rule 4.7, "**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 company 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 modified in the definition of "**Permitted Transferee**" above, the definition of "Non-United States person" excludes for purposes of sub-section (d) above, the exception in the proviso to the extent that it would apply to persons who are not "**Non-United States persons**".

As defined in the CFTC's proposed interpretive guidance and policy statement regarding cross-border application of certain swaps provisions of the CEA, 77 Fed. Reg. 41214, 41218 (Jul. 12, 2012), "**U.S. person**" means:

(a) Any natural person who is a resident of the United States;

(b) Any corporation, partnership, limited liability company, business or other trust, association, joint-stock company, fund, or any form of enterprise similar to any of the foregoing, in each case that is either:

(i) organized or incorporated under the laws of the United States or having its principal place of business in the United States ("**legal entity**") or

(ii) in which the direct or indirect owners thereof are responsible for the liabilities of such entity and one or more of such owners is a U.S. person;

(c) Any individual account (discretionary or not) where the beneficial owner is a U.S. person;

(d) Any commodity pool, pooled account, or collective investment vehicle (whether or not it is organized or incorporated in the United States) of which a majority ownership is held, directly or indirectly, by a U.S. person(s);

(e) Any commodity pool, pooled account, or collective investment vehicle the operator of which would be required to register as a commodity pool operator under the CEA;

(f) A pension plan for the employees, officers, or principals of a legal entity with its principal place of business inside the United States; and

(g) An estate or trust, the income of which is subject to United States income tax regardless of source.

As defined in the final regulations issued under Section 13 of the BHC Act, 17 CFR 225.10(d)(8), "**resident of the United States**" means a "**U.S. person**" as defined in Regulation S.

The definition set forth above of "**U.S. person**" in the CFTC's proposed interpretive guidance and policy statement regarding cross-border application of certain swaps provisions of the CEA is accurate as of the date of this Base Prospectus but is subject to change upon the issuance of final guidance and implementing regulations. Each person who offers, sells or otherwise transfers Securities has exclusive responsibility for ensuring that its offer, sale or other transfer is not to or for the account or benefit of any person other than a Permitted Transferee as such term is defined as of the date of such offer, sale, pledge or other transfer.

The Securities have not been approved or disapproved by the United States Securities and Exchange Commission ("**SEC**") or any other regulatory agency in the United States, nor has the SEC or any other regulatory agency in the United States passed upon the accuracy or adequacy of this document or the merits of the Securities. Any representation to the contrary is a criminal offence. Furthermore, the Securities do not constitute, and have not been marketed as, contracts for the sale of a commodity for future delivery (or options thereon) subject to the CEA, and neither trading in the Securities nor this document has been approved by the CFTC under the CEA, and no person other than a Permitted Transferee may at any time trade or maintain a position in the Securities.

Each Authorised Participant represents and agrees in the relevant Authorised Participant Agreement that it has complied and will comply with the aforementioned transfer and selling restrictions and it will have sent to each dealer to which it sells Securities a confirmation or other notice setting forth the restrictions on offers and sales of the Securities. Each Authorised Participant has further represented and agreed that it has not offered, sold or delivered and will not at any time offer, sell or deliver the Securities of any identifiable Tranche except in accordance with Rule 903 of Regulation S, and that none of it, its affiliates nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to such Securities, and it and they have complied and will comply with the offering restrictions requirement of Regulation S. Terms used in this paragraph have the meanings given to them by Regulation S.

10.2.8 Certain ERISA Considerations

Each purchaser and transferee is deemed to represent, warrant and agree that is not acquiring the Security with the assets of (a)(i) an "employee benefit plan" that is subject to the fiduciary

responsibility requirements of Title I of ERISA (ii) a "plan" to which Section 4975 of the Code applies, or (iii) an entity whose underlying assets include "plan assets" (as determined pursuant to the "plan assets regulation" issued by the United States Department of Labor at 29 C.F.R. Section 2510.3-101 as modified by Section 3(42) of ERISA) or otherwise under ERISA by reason of any such employee benefit plan or plan's investment in the entity (any such plan or entity described in (i), (ii) or (iii), a "**benefit plan investor**") or (b) a non-U.S. plan, governmental plan, church plan or other plan that is subject to any federal, state, local, non-U.S. or other law or regulation that is similar to the provisions of Section 406 of ERISA or Section 4975 of the Code (a "**similar law**") unless its acquisition and holding and disposition of such Security, or any interest therein, has not and will not constitute a violation of such similar law (any such plan or entity described in (a) or (b), a "**Plan Investor**"). The Issuer has the right, at its option, under the conditions of the Securities, to compulsorily redeem any Securities legally or beneficially owned by a person who contravenes such prohibition

11. LISTING AND TRADING OF THE SECURITIES

In relation to the Securities to be issued under this Base Prospectus, application may be made for admission of the Securities to trading on one or more regulated markets, equivalent markets or multilateral trading facilities. The applicable Final Terms will state on which regulated market(s), equivalent market(s) and/or multilateral trading facility(ies) the relevant Securities are to be admitted to trading and/or listed.

The Issuer intends to make an application for Securities issued under the Programme for the period of 12 months from the date of approval of this Base Prospectus to be admitted to listing on the regulated market (*regulierter Markt*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) in Frankfurt, Germany ("**Xetra**"). As at the date of this Base Prospectus, Xetra operates regulated markets for the purposes of the MiFID II Directive. A Series of Securities may be listed and/or admitted to trading on such other or further stock exchanges as may be agreed between the Issuer and the Arranger. References in this Base Prospectus to Securities being "listed" (and all related references) shall mean that such Securities have been admitted to listing and to trading on Xetra.

The Arranger will pay the expenses of the Issuer relating to the admission to trading of Securities on the relevant regulated markets, equivalent markets or multilateral trading facilities on which the Securities are traded.

12. TAXATION

12.1 WARNING REGARDING TAXATION

The tax legislation of the investor's Member State and of the Issuer's country of incorporation may have an impact on the income received from the Securities.

Below is a summary of certain tax considerations which may impact the return on the Securities.

For the purposes of this section only, references to "Securityholders" shall include the Relevant Beneficial Holders of such Securities.

12.2 SWITZERLAND

The following discussion is a summary of certain material Swiss tax considerations relating to the Securities issued by the Issuer where the Securityholders (i) are tax resident in Switzerland and are not Authorised Participants or (ii) have a tax presence in Switzerland and are not Authorised Participants.

The discussion does not aim to be a comprehensive description of all the Swiss tax considerations that may be relevant for a decision to invest in the Securities. The tax treatment for each investor depends on the 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 the Securities in light of their particular circumstances.

The discussion is based on legislation as of the date of this Base Prospectus and their interpretation by the Swiss tax administration published until this date, which all may be subject to changes, possibly with retroactive effect.

12.2.1 Swiss Withholding Tax

Any payments on the Securities should currently not be subject to Swiss federal withholding tax (*Verrechnungssteuer*). Further, Swiss resident Securityholders would be entitled to a full refund of the Swiss withholding tax, if any.

12.2.2 Income Taxation

Taxation of Swiss resident individuals holding the Securities as private assets

If the Securities are held by Swiss resident individuals as part of their private assets, any income from the Securities will be subject to ordinary Swiss income tax. Such income is subject to Swiss federal and cantonal and communal income tax regardless of whether it is distributed to the Securityholders or accrued. The income tax rate is progressive and varies depending on the canton and commune of residence of the Securityholders.

Taxation of Swiss resident individuals holding the Securities as assets of a Swiss business

Swiss resident individuals holding the Securities as part of a trade or business (*Geschäftsvermögen*) in Switzerland, in the case of foreign residents 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 of such Securities or Cryptoassets (subsequent to a Physical Redemption) according to Swiss statutory accounting principles (*Massgeblichkeitsprinzip*) for purposes of Swiss federal and cantonal and communal income taxes. The income tax rate is progressive and varies depending on the canton and commune of residence of the Securityholders.

The same consequences apply to individuals who are classified as "**professional securities dealers**" (*gewerbsmässiger Wertschriftenhändler*) for reasons of, inter alia, frequent dealing and leveraged investments in securities.

In addition to income tax, social security contributions have to be paid.

Taxation of corporations holding the Securities as assets of a Swiss business

Corporate entities holding the Securities as part of a trade or business (*Geschäftsvermögen*) in Switzerland, in the case of foreign residents 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 of such Securities or Cryptoassets (subsequent to a Physical Redemption) according to Swiss statutory accounting principles (*Massgeblichkeitsprinzip*) for purposes of Swiss federal and cantonal and communal income taxes. Contrary to individual income tax, corporate income tax is generally a flat tax (the corporate income tax rate also varies depending on the cantons and commune of seat of the corporation holding the Securities).

12.2.3 **Capital Gains Taxation**

Taxation of Swiss resident individuals holding the Securities as private assets

Capital gains or losses, respectively, realised by Swiss resident individuals upon the sale or other disposal of the Securities or the Cryptoassets (subsequent to a Physical Redemption) are tax-free private capital gains or non tax-deductible capital losses, respectively, if the Securities or the Cryptoassets are held as part of the private assets.

This does not apply if the individuals are classified, for income tax purposes, as "professional securities dealers" for reasons of, inter alia, frequent dealing and leveraged investments in securities. If an individual is classified as a "professional securities dealer" the capital gains or losses will be taxed in accordance with the principles set forth above under "12.2.2 Income Taxation – *Taxation of Swiss resident individuals holding the Securities as assets of a Swiss business*".

Taxation of individuals or corporations holding the Securities as assets of a Swiss business

If the Securities and Cryptoassets (subsequent to a Physical Redemption) are held by individuals or corporations as assets of a Swiss business, any capital gains or losses realised on the Securities or Cryptoassets are taxed in accordance with the taxation principles set forth above under "Income Taxation".

12.2.4 **Stamp Taxes**

Swiss Federal Issue Stamp Tax

The issue of the Securities is not subject to the Swiss federal issuance stamp tax.

Swiss Federal Securities Turnover Tax

The issue and subsequent sale and transfer of the Securities is not subject to Swiss federal securities turnover tax.

Gift, Inheritance and Estate Taxes

Subject to an applicable double tax treaty in an international scenario, transfers of the Securities may be subject to cantonal and/or communal inheritance tax, estate tax or gift tax if the deceased person had his or her last domicile in Switzerland, the donor is a resident of Switzerland or, in the case of a foreign deceased or a foreign resident person, the transfer involves an unincorporated business in Switzerland and the Securities are held as part of such business. No such taxes exist at the federal level. The tax rates depend on 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. The taxable base is usually the market value of the property transferred.

12.2.5 **Net Wealth Tax and Capital Tax**

Taxation of Swiss resident individuals holding the Securities as private or business assets

Securityholders who are Swiss resident individuals or non-Swiss resident individuals holding the Securities as part of a Swiss business operation or a Swiss permanent establishment are required to report the Securities as part of their private wealth or as part of the Swiss business assets, as the case may be, and are subject to annual cantonal and communal private wealth tax on any net taxable wealth (including the Securities). In the case of non-Swiss resident individuals holding the Securities as part of a Swiss business operation or a Swiss permanent establishment, this applies to the extent the aggregate taxable wealth is allocable to Switzerland. No net worth and capital taxes exist at the federal level.

Taxation of corporations holding the Securities as assets of a Swiss business

Securityholders incorporated in Switzerland are subject to cantonal and communal capital tax on the net taxable equity. In the case of non-Swiss resident corporations holding the Securities as part of a Swiss permanent establishment, this applies to the extent the aggregate taxable equity is allocable to Switzerland. No net worth and capital taxes exist at the federal level.

Non-Swiss resident Securityholders

Securityholders who are not resident in Switzerland for tax purposes and who, during the taxation year, have not engaged in any trade or business carried on through a business operation or permanent establishment in Switzerland, are neither subject to income tax or capital gains tax nor to net wealth tax or capital tax in Switzerland.

12.3 **GERMANY**

The following is a general summary of certain material German tax consequences resulting from an investment into the Securities by Securityholders that are (i) tax resident in Germany and (ii) not Authorised Participants. A particular focus is made on the tax consequences applicable to German resident individual persons holding the Securities as part of their private assets.

This summary does not purport to be a comprehensive description of all potential tax aspects that may be relevant to the decision to purchase the Securities. In particular, this summary does not consider the specific situation or circumstances relevant to a particular purchaser. This summary is based on the laws of Germany in force at the date of this Base Prospectus and their interpretation by the German tax administration and German tax courts as published until this date, which all may be subject to changes, possibly with retroactive effect.

Prospective purchasers of the Securities are advised to consult their own tax advisors as to the tax consequences of the purchase, holding, redemption and disposal of the Securities under the laws applicable in the Federal Republic of Germany.

It should further be noted that the following summary only expresses the opinion of the Issuer and must not be misunderstood as a representation or guarantee with regard to potential German tax consequences. In particular, the Issuer is not aware of any court rulings with respect to the taxation of securities linked to cryptoassets, so that it cannot be excluded that the German tax courts might take a differing view.

12.3.1 **Taxation of persons being subject to unlimited tax liability in the Federal Republic of Germany**

Persons (individuals and corporate entities) who are tax resident in Germany (in particular, persons having a residence, habitual abode, seat or place of management in Germany) are subject to income taxation (income tax or corporate income tax, as the case may be, plus solidarity surcharge thereon plus church tax and/or trade tax, if applicable) on their worldwide income, regardless of its source, including, in general, capital gains.

In the case of German tax-resident individual investors (*unbeschränkt Steuerpflichtige*) holding the Securities as private assets (*Privatvermögen*), the following should apply:

12.3.2 **Taxation of persons holding the Securities a part of their private assets**

The Securities should not qualify as other capital claims (*sonstige Kapitalforderungen*) in terms of section 20 para. 1 no. 7 German Income Tax Act (*Einkommensteuergesetz,* "**EStG**"). Accordingly, any capital gains realised upon a disposal of the Securities should not lead to capital income in terms of section 20 para. 2 EStG and should therefore not be subject to the flat tax regime (*Abgeltungsteuer*) generally applicable to capital income (*Einkünfte aus Kapitalvermögen*). Rather, the provisions on private sales transactions (*private Veräußerungsgeschäfte*) pursuant to section 22 no. 2 in conjunction with section 23 para. 1 sentence 1 no. 2 EStG should apply.

This view is based on the following considerations, pursuant to which the Securities should qualify as claims for a payment in kind (*Sachleistungsansprüche*):

The German Federal Tax Court (*Bundesfinanzhof,* **"BFH"**) in several decisions laid down principles on the German tax treatment of notes representing the right to demand the delivery of gold (cf. BFH rulings dated 12 May 2015, VIII R 19/14, VIII R 35/14 and VIII R 4/15 and BFH ruling dated 6 February 2018, IX R 33/17, all on Xetra-gold bearer bonds, as well as BFH ruling dated 16 June 2020, VIII R 7/17, on gold bullion securities). Subsequently, the German Federal Ministry of Finance (*Bundesministerium der Finanzen,* **"BMF"**) adopted these principles in its published official guidance and determined that notes shall for German tax purposes be treated as claims for a payment in kind and not as capital claims if (i) the issuer is obliged to invest almost all of the capital provided upon the issuance of the notes in gold or another underlying commodity and (ii) there is exclusively a right to a physical delivery of the underlying commodity or a right to a payout of the proceeds from a disposal of the commodity through the issuer (cf. most recently BMF circular of 19 May 2022, IV C 1 – S 2252/19/10003:009, para. 57).

In a circular dated 10 May 2022 (IV C 1 - S 2256/19/10003:001, para. 85) relating to the income tax treatment of virtual currencies and other tokens, the BMF states that the BFH judicature with respect to Xetra-gold bearer bonds and gold bullion securities shall apply accordingly to notes referenced to virtual currencies (such as bitcoin or Ethereum) or other tokens, provided that the notes convey exclusively (i) the right to a physical delivery of a predetermined amount of units of a virtual currency or other tokens deposited with the Issuer or (ii) the right to a payout of the proceeds from a disposal of the units of a virtual currency or other tokens through the Issuer. In these cases, the notes shall not qualify as capital claims within the meaning of section 20 para. 1 no. 7 EStG but rather as claims for a payment in kind.

The Securities should meet the aforementioned criteria, since the Issuer is obliged to invest almost all of the capital provided into the Cryptoassets and the Securities exclusively convey, in case of a Physical Redemption, the right to a physical delivery of a predetermined number of units of the relevant Cryptoassets against the Issuer or, in case of a Cash Redemption, the right to a payout of the Cryptoasset Sale Proceeds. The mere fact that a Securityholder may claim a payout of the Cryptoasset Sale Proceeds following a disposal of the Cryptoassets by or on behalf of the Issuer should not be harmful. This view is confirmed by the BFH ruling dated 16 June 2020 (VIII R 7/17). As can also be taken from the BFH ruling dated 16 June 2020 (VIII R 7/17), the Securities should further not qualify as derivative transactions within the meaning of sec. 20 para. 2 sentence 1 no. 3 EStG.

Thus, the Securities should not qualify as capital claims (*Kapitalforderungen*) within the meaning of section 20 para. 1 no. 7 EStG but rather as claims for a payment in kind (*Sachleistungsansprüche)*. As a consequence, capital gains realised by a German tax resident individual holding the Securities as private assets (*Privatvermögen*) from a sale of the Securities should result in income from private sales transactions pursuant to section 22 no. 2 in conjunction with section 23 para. 1 sentence 1 no. 2 EStG and should only be taxable if the holding period of the Securities is one year or less. If the holding period is longer than one year, capital gains should not be taxable.

The redemption of the Securities by way of Physical Redemption should not constitute a (potentially taxable) disposal under the private sales transaction rules (irrespective of the holding period), since it is the mere fulfilment of the claim for a payment in kind; the acquisition costs of the Securities are rolled over to the Cryptoassets (cf. BFH ruling dated 6 February 2018, IX R 33/17). A subsequent sale of the Cryptoassets received upon the Physical Redemption should, in contrast, be subject to the private sales transaction rules, i.e. it should be taxable if the holding period of the Cryptoassets is one year or less. For purposes of calculating such holding period, due to the aforementioned BFH rulings, it seems acceptable to assume that the point in time at which the Cryptoassets were acquired corresponds to the point in time at which the Securities were acquired and not only the point in time at which the Cryptoassets were delivered upon the Physical Redemption. Since, however, there is no guidance in that respect from the tax authorities or from the German fiscal courts, a risk remains that the German tax authorities could take a different view on this question.

In case of a Cash Redemption (i.e. a payout of the Cryptoasset Sale Proceeds following a disposal of the Cryptoassets by or on behalf of the Issuer), the disposal of the Cryptoassets by or on behalf of the Issuer should constitute a disposal of the Securityholder under the private sales transaction rules, which should therefore be taxable if the period between the acquisition of the Securities and the Cash Redemption was one year or less.

Any taxable capital gains realised upon a sale or redemption of the Securities or the Cryptoassets are calculated as the difference between the sales price for the Securities or the Cryptoassets, respectively, on the one hand and the acquisition costs of the Securities or the Cryptoassets, respectively, on the other hand, less any tax allowable expenses. The taxable capital gains must be included in the annual German income tax return of the Securityholder and should, in principle, be subject to the personal progressive income tax rate (of currently up to 45 per cent) plus solidarity surcharge of up to 5.5 per cent thereon and, if applicable, plus church tax thereon. Pursuant to section 23 para. 3 sentence 5 EStG, capital gains remain tax-free if the total sum of capital gains generated from all private sales transactions within a calendar year (not limited to such from the Securities) is less than EUR 1,000.

Capital losses from private sales transactions can only be set-off against capital gains from other private sales transactions of the same calendar year. If no such capital gains exist within the same calendar year, the capital losses may be set-off against capital gains from private sale transactions generated in the directly preceding calendar year or in subsequent calendar years.

Capital gains from private sales transactions should generally not be subject to German withholding tax (*Kapitalertragsteuer*), so that German custodian banks should not deduct withholding tax on any capital gains from a sale or redemption of the Securities or Cryptoassets, respectively.

12.3.3 **Taxation of persons holding the Securities a part of their business assets**

If the Securities are held by German tax resident persons (individuals or corporate entities) holding the Securities as part of their business assets (*Betriebsvermögen*), the following should apply:

Capital gains realised upon a sale of the Securities and capital gains realised upon a sale of the Cryptoassets subsequent to a Physical Redemption should, in case of individuals, irrespective of any holding period, be subject to income tax at the personal progressive income tax rate (of currently up to 45 per cent) plus 5.5 per cent solidarity surcharge thereon and, if applicable, plus church tax thereon. Corporate entities should be subject to corporate income tax at a flat rate of 15 per cent plus 5.5 per cent plus solidarity surcharge thereon. Such capital gains may also be subject to German trade tax at the applicable local rates if the Securities or Cryptoassets form part of a German trade or business. Losses from the sale of the Securities or the Cryptoassets are generally recognised for tax purposes.

The redemption of the Securities by way of a Physical Redemption should not constitute a (taxable) disposal of the Securities. The acquisition costs of the Securities should be rolled over to the Cryptoassets.

A disposal of the Cryptoassets by or on behalf of the Issuer in case of a Cash Redemption should, irrespective of any holding period, constitute a taxable disposal of the Securityholder.

Capital gains from a from a sale or redemption of the Securities or Cryptoassets, respectively, should not be subject to German withholding tax.

12.3.4 **Taxation of persons not being subject to unlimited tax liability in the Federal Republic of Germany**

Foreign resident Securityholders should not be taxable in Germany with capital gains from a sale or redemption of the Securities or Cryptoassets, respectively. Exceptions apply, for example, where the Securities are held as business assets of a German permanent establishment or trigger for other reasons German taxable source income (so-called "**limited tax liability**").

German withholding tax should not be withheld from such capital gains. This should hold true even if the Securities are held in custody with a German custodian bank.

12.4 **DENMARK**

The following is a general description of the taxation in Denmark of securities linked to and collateralised with underlying securities, goods and other assets etc., as defined in the Danish Capital and Exchange Gains Act ("Kursgevinstloven") of 29 September 2022 (as amended), section 29(3), at the date of this Base Prospectus, and is subject to any changes in law and the interpretation and application thereof, which changes could be made with retroactive effect. The following general description does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to acquire, hold or dispose of Securities and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as professional dealers in securities) may be subject to special rules. Potential investors are under all circumstances strongly recommended to contact their own tax advisor to clarify the individual consequences of their investment, holding and disposal of Securities. The Issuer makes no representations regarding the tax consequences of purchase, holding or disposal of the Securities.

12.4.1 **Taxation of Danish Resident Securityholders**

Structured securities can be designed in many ways and with many different underlying assets or in a way that the yield will depend on various index or currency flows. The Danish taxation depends on the specific characteristics of the Securities.

The following tax rules generally apply to structured securities linked to and collateralised with underlying securities, goods and other assets etc., as defined in the Danish Capital and Exchange Gains Act, section 29(3).

Gains and losses on structured securities are generally treated as gains and losses on financial instruments in accordance with section 29(3) of the Danish Capital and Exchange Gains Act.

However, there are exceptions – for example, securities which are adjusted solely in relation to developments in the consumer prices index (as computed by Statistics Denmark ("Danmarks Statistik")), the net consumer-price index or a similar index within the European Union or any of its Member States.

The gains and losses on structured securities are calculated irrespective of the rules applying to the underlying asset.

Gains and losses on structured securities issued to corporate entities and individuals are predominantly treated as taxable income in accordance with a mark-to-market principle ("lagerprincippet"), such as on an unrealised basis meaning that gains and losses on structured securities will be taxed even if there has been no changes in the ownership of the structured securities.

Individuals who are not deemed to engage in financial trade are taxed on gains as capital income, such as at a rate up to approximately 42 per cent in 2024.

Corporate entities are generally able to deduct losses on structured securities, whereas individuals may, in general, only offset losses on structured securities against (previous and future) gains on other financial instruments. However, in both cases, certain restrictions or exceptions apply.

Pension funds and other entities governed by the Danish Act on Taxation of Pension Yield ("Pensionsafkastbeskatningsloven") of 6 January 2023 (as amended) would, irrespective of realisation (whether or not there has been a change of ownership), be taxed on the annual value increase or decrease of the securities according to a mark-to-market principle as specifically laid down in the act. The yield is taxed at a flat rate of 15.3 per cent.

For individuals and corporate entities, income derived from securities in the form of payments that constitute interests are subject to Danish taxation according to section 4, subparagraph E of the Central Government Tax Act ("Statsskatteloven") Act of 10 April 1922 (as amended).

Corporate entities are generally subject to 22 per cent. corporate income tax, whereas individuals are generally taxed as capital income at a rate up to approximately 42 per cent. in 2024.

Individuals and corporate entities are in general entitled to a tax credit in their Danish taxable income according to section 33 of the Danish Tax Assessment Act ("Ligningsloven") of 13 January 2023 (as amended), or in accordance with applicable tax treaties. The refund is calculated in accordance with a net principle ("nettoprincippet") which implies that the expenses relating to the foreign income are deducted.

12.5 NORWAY

12.5.1 Introduction

The following is a general summary of certain Norwegian tax consequences for Securityholders who are resident in Norway for tax purposes.

The summary is based upon the laws of Norway as it is interpreted and practised as of the date of this Base Prospectus. Such laws, rules and regulations may be subject to changes after this date, possibly on a retroactive basis. The summary does not address foreign tax laws.

Certain specific tax consequences may occur for certain categories of Norwegian Securityholders, e.g. for Norwegian Securityholders to which special tax regimes apply, if the Norwegian Securityholder ceases to be tax resident in Norway, etc. The tax treatment of each holder may depend on the Securityholder's specific situation and the Securities issued to the Securityholder. The following comments are of a general nature and included herein solely for information purposes. They are not intended to be, nor should they be construed to be, legal or tax advice. The purpose of this summary is to provide a high-level and general overview of the main tax consequences that may arise under Norwegian law and does not purport to be exhaustive in respect of all tax issues of relevance for Norwegian Securityholders.

Each Securityholder should consult a tax advisor as to the tax consequences relating to their particular circumstances resulting from purchase, holding, redemption and disposal of the Securities.

The Norwegian tax consequences depend inter alia on the classification of the Securities for Norwegian tax purposes. The summary below is based on the assumption that the Securities are considered as debt for tax purposes. It is also assumed that the Securities are debentures (Nw: *mengdegjeldsbrev*). In preparatory works, "mengdegjeldsbrev" is defined as several debt instruments issued at the same time with identical text.

12.5.2 **Income Taxation**

Any kind of return received on the Securities prior to the disposal is taxable as "ordinary income" subject to the flat rate of 22% (2024), or 25% for financial institutions covered by the Norwegian financial tax (No: *Finansskatt*). Return on the Securities is taxed on accruals basis (i.e. regardless of when the return is actually paid).

12.5.3 **Capital Gains taxation**

Capital gains or losses, respectively, realised with the disposal of the Securities is treated as realisation of the Securities and will trigger a capital gain or loss. Capital gains will be taxable as "ordinary income", subject to the flat rate of 22% (2024), or 25% for financial institutions covered by the Norwegian financial tax (No: *Finansskatt*). The tax liability applies irrespective of how long the Securities have been owned and the number of Securities that have been realised. Losses will be deductible in the Securityholder's "ordinary income", taxed at the same tax rate.

Any capital gain or loss is computed as the difference between the amount received by the Securityholder on realisation and the cost price of the Securities. The cost price is equal to the price for which the Securityholder acquired the Securities. Costs incurred in connection with the acquisition and realisation of the Securities may be deducted from the Shareholder's taxable income in the year of the realisation.

Redemption by way of Physical Redemption will, as a starting point, be considered as realisation for Norwegian tax purposes. This entails that gains or losses due to difference between the value of the Securities at the time of Physical Redemption and the cost price of the Securities, will be taxable as or deductible in "ordinary income" as capital gains, as described above in this section.

12.5.4 **Net Wealth Taxation**

Limited liability companies and similar entities are not subject to net wealth taxation.

Individuals tax resident in Norway are subject to net wealth taxation in Norway. The value of the Securities at the end of each income year will be included in the computation of the Securityholder's taxable net wealth for municipal and state net wealth tax purposes. Listed Securities are valued at their quoted value on 1 January in the tax assessment year, while non-listed Securities are valued at their estimated market value on 1 January in the tax assessment year (i.e. the year subsequent to the relevant fiscal year). The marginal tax rate for net wealth tax is currently 1% (2024) for net wealth exceeding NOK 1,700,000 and below NOK 20,000,000. Net wealth below a threshold of NOK 1,700,000 per person is not subject to net wealth tax. Net wealth exceeding NOK 20,000,000 is taxed at a marginal rate of 1.1% (2024).

12.5.5 **VAT and Transfer Taxes**

No VAT, stamp or similar duties are currently imposed in Norway on the transfer or issuance of Securities.

12.5.6 **Inheritance Tax**

Norway does not impose inheritance or gift tax. However, the heir acquires the donor's tax input value based on principles of continuity. Thus, the heir will be taxable for any increase in value in the donor's ownership, at the time of the heir's realization.

12.6 **FINLAND**

The following discussion is a summary of certain material Finnish tax considerations relating to the Securities issued by the Issuer where the Securityholders (i) are tax resident in Finland and (ii) not Authorised Participants.

The below summary does not purport to be a comprehensive description of all Finnish tax aspects that could be of relevance to Securityholders that are resident in Finland for tax

purposes. The comments in this part are based on current Finnish tax law as applied in Finland and the Finnish tax practice, and are subject to any changes in law or its interpretation that could affect the stated tax consequences also retroactively. The summary only concerns Securityholders who are the beneficial owners of the income. The summary does not address any tax implications to Securityholders who are subject to special tax rules, such as, among others, entities exempt from income tax, non-business carrying entities, individuals taxable under the Business Income Tax Act (Fin. *laki elinkeinotulon verottamisesta* (360/1968), as amended), and general and limited partnerships.

Prospective Securityholders should consult their own professional advisors as to the tax treatment of their investment under the laws of Finland.

It should further be noted that the following summary only expresses the understanding of the Issuer as of the date of this Base Prospectus and must not be misunderstood as a representation or guarantee with regard to potential Finnish tax consequences. It cannot be excluded that the Finnish Tax Administration or courts might take a differing view of the potential tax implications described herein.

12.6.1 General

The scope of taxation in Finland is defined by the tax liability position of a taxpayer. Finnish residents for taxation purposes are subject to taxation in Finland on their worldwide income. Persons that are not resident in Finland for taxation purposes and are not deemed to have a permanent establishment in Finland for Finnish tax purposes are subject to taxation in Finland solely in respect of their Finnish source income.

Generally, an individual is deemed to be a Finnish resident for taxation purposes if the individual continuously stays in Finland for more than six months or if the permanent home and abode of the individual is in Finland. A citizen of Finland who has moved abroad is regarded as resident for Finnish taxation purposes until three years have passed after the end of the year of emigration, even if the individual would not continuously stay in Finland for more than six months and the permanent home and abode would not be located in Finland, if the individual cannot prove that they have not had any essential ties to Finland during the tax year in question.

Corporate entities established under the laws of Finland are regarded as Finnish residents for taxation purposes. Additionally, corporate entities with their place of effective management in Finland are generally considered tax resident in Finland.

Double tax treaties may restrict the authority of the Finnish state to tax the foreign source income of an individual or entity deemed as resident of Finland pursuant to Finnish domestic tax law.

12.6.2 Taxation of Finnish Resident Individual Securityholders

Income Taxation of the Securities

The Issuer generally notes that due to limited case law and guidelines, the tax treatment of the Securities may be subject to interpretation. If the Securities are deemed not to qualify for capital gains taxation, there is a risk that losses incurred from the sale or redemption of the Securities is not deductible in the taxation of an individual Securityholder.

If the Securities are deemed to qualify for capital gains taxation, the capital gains from the sale or redemption of the Securities are generally taxed at the capital income tax rate of 30 per cent, or 34 per cent as regards capital income exceeding EUR 30,000 per calendar year. Capital loss is generally deductible from capital gains and other capital income arising in the same year or the subsequent five years. However, capital gains are exempted from tax if the total amount of the consideration from the disposals during a tax year does not exceed EUR 1,000. Similarly, capital loss is not tax deductible if the total amount of the consideration from the disposals during a tax year as well as the total amount of the acquisition costs of the assets sold during the tax year do not exceed EUR 1,000.

Capital gains and losses are calculated as the difference between the consideration from the disposal and the aggregate of the actual acquisition cost and sales related expenses. Generally,

subject to limited exemptions, individuals may alternatively choose to apply the presumptive acquisition cost instead of the actual acquisition cost of the assets. The presumptive acquisition cost of 20 per cent is deducted from the disposal but, if the individual has held the assets for at least ten years, the presumptive acquisition cost is 40 per cent of the consideration from the disposal. If the presumptive acquisition cost is applied instead of the actual acquisition cost, all expenses arising from acquiring the capital gains are deemed to be included in the presumptive acquisition cost and, therefore, cannot be deducted separately from the consideration from the disposal.

If the Securities are deemed not to qualify for capital gains taxation, income from the sale or redemption of the Securities is generally taxable at the capital income tax rate of 30 per cent or 34 per cent, whereas losses are generally treated as non-deductible. According to the Finnish Tax Administration guidelines, other derivatives than certain types of listed derivatives (or in certain cases, transferrable derivatives that could be listed) such as warrants and certificates, options, futures and forwards, generally do not qualify for capital gains taxation, whereby losses incurred from such derivatives are generally not deductible in taxation. Such other derivatives may include e.g. contracts for differences (CFD) and over-the-counter (OTC) derivatives. Also income from e.g. zero-coupon bonds does not as a starting point qualify for capital gains taxation (deemed interest), although tax treatment as capital gains and losses may in certain circumstances be applicable.

Income Taxation of Cryptoassets

The Finnish tax law does not include any specific regulation on the tax treatment of cryptoassets.

According to the Finnish Tax Administration guidelines, a cryptoasset is determined as value in digital form which has not been issued by a central bank or other authority and is not a legal tender, which can be used by a person as a means of payment, and which can be transferred, stored and exchanged electronically, regardless of whether the value of such cryptoasset is tied to an official currency.

In accordance with the current Finnish Tax Administration guidelines, the sale, exchange, or other disposal or use of cryptoassets should generally qualify for capital gains taxation (see *Income Taxation of the Securities* above). Taxation may realize, for example, in connection with Physical Subscription and/or any disposal of the Cryptoassets subsequent to Physical Redemption.

12.6.3 **Taxation of Finnish Corporate Securityholders**

The following applies to Finnish corporate entities taxed in accordance with the Business Income Tax Act. As of 2020, most Finnish corporate entities are taxed exclusively in accordance with the Business Income Tax Act.

Finnish corporations are subject to a national corporate income tax on their worldwide income. Corporate income is taxed according to a fixed tax rate which currently is 20 per cent. Capital gains and losses are calculated by deducting the total sum of the acquisition cost and selling cost from the disposal proceeds. Confirmed losses can generally be carried forward and deducted from the taxable income for ten years following the loss-making year, provided that no change in ownership triggering forfeiture of tax loss carry-forwards occur. Specific limitations may however apply to the deductibility of capital losses depending on the asset class of the disposed assets.

Capital gains or losses may also realize from the disposal of cryptoassets in connection with Physical Subscription and/or any disposal of the Cryptoassets subsequent to Physical Redemption. The taxation should generally follow the same principles for capital gains and losses as described regarding the disposal of the Securities.

12.6.4 **Transfer Tax, Value Added Tax**

Transfer of the Securities should not be subject to Finnish transfer taxation. Further, transfer of cryptoassets should in general not be subject to Finnish transfer taxation.

Subscription or disposal of the Securities should not be subject to Finnish VAT. According to the Finnish Central Tax Board's ruling, bitcoins are considered as means of payment in value added taxation. The ruling should, in general, be applicable to other cryptoassets similar to bitcoin; however, as the ruling has considered bitcoin specifically, a potentially differing interpretation in connection with other cryptoassets cannot be completely ruled out. Physical Subscription or potential Physical Redemption would thus not be expected to incur Finnish VAT implications.

12.7 **DAC 8**

The Council of the EU adopted on 17 October 2023 a directive amending the EU rules on administrative cooperation in the area of taxation (Council Directive amending Directive 2011/16/EU, "DAC 8"). One of the key objectives of this legislation is to extend the scope of the automatic exchange of information between EU member states to income from transactions with cryptoassets and e-money. DAC 8 complements the Markets in Cryptoassets Regulation (MiCAR) and contains many cross-references to MiCAR (including to the definition of cryptoassets).

EU member states will have until 31 December 2025 to transpose the new rules into national law and most provisions shall apply from 1 January 2026 on. They will require all cryptoasset service providers (e.g. crypto exchanges or wallet providers), of whatever size and wherever located, to report on cryptoasset transactions carried out by clients residing in the EU. DAC 8 covers both domestic and cross-border transactions.

Securityholders should consult their tax advisors regarding how these rules apply to their investment in the Securities.

12.8 **FATCA**

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a "**foreign financial institution**" may be required to withhold on certain payments it makes to persons that fail to meet certain certification, reporting or related requirements ("**foreign passthru payments**").

A number of jurisdictions (including Switzerland) have entered into, or have agreed in substance to, intergovernmental agreements ("**IGAs**") with the United States to implement FATCA, which modify the way in which FATCA applies in their jurisdictions. Under the IGA provisions as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold from payments that it makes. Certain aspects of the application of FATCA or the IGAs to instruments such as the Securities, including whether withholding would ever be required with respect to payments made on such instruments, are uncertain and may be subject to change.

Securityholders should consult their own tax advisors regarding how these rules may apply to their investment in the Securities.

12.9 **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 a very broad scope and could, if introduced, apply to certain dealings in the Securities (including secondary market transactions) in certain circumstances. Generally, it would apply to certain dealings in the Securities where at least one party is a financial institution, and at least one party is established in a participating Member State. However, the FTT proposal remains subject to negotiations between the 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 Securityholders are advised to seek their own professional advice in relation to the FTT.

13. FORM OF FINAL TERMS

The form of Final Terms that will be issued in respect of a Series, subject only to the deletion of non-applicable provisions, is set out below:

Final Terms dated [•]

iSHARES DIGITAL ASSETS AG

Issue of up to [*specify number of Securities*] Securities of iShares Bitcoin ETP issued under its Secured Cryptoasset Linked Securities Programme (the "**Securities**").

Part A – Contractual Terms

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions set forth in the Base Prospectus dated 6 February 2025 [and the Supplement[(s)] to this Base Prospectus dated 6 February 2025 [and [•]]] which [together]constitute[s] a Base Prospectus for the purposes of the Prospectus Regulation (Regulation (EU) 2017/1129) (the "**Prospectus Regulation**"). This document constitutes the final terms of the Securities described herein for the purposes of Article 8(4) of the Prospectus Regulation and must be read in conjunction with such Base Prospectus [(as so supplemented)]. 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 this Base Prospectus. This Base Prospectus, KIDs and any Supplement to this Base Prospectus are available for viewing on the website maintained on behalf of the Issuer at www.ishares.com (the product webpage for the iShares Bitcoin ETP can be reached by navigating to the investor's country on the website and using the search function to search for "iShares Bitcoin ETP"). A summary of the individual issue is annexed to these Final Terms.

[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 sub-paragraphs. Italics denote guidance for completing the Final Terms.]

[When completing final terms or adding any other information, consideration should be given as to whether such terms or information constitute "significant new factors" and consequently trigger the need for a supplement to this Base Prospectus under Article 23 of the Prospectus Regulation.]

The Securities are not subject to the approval of, or supervision by, the Swiss Financial Market Supervisory Authority ("FINMA") and investors in the Securities will not benefit from supervision by FINMA. Securities issued under the Programme do not constitute participations in a collective investment scheme within the meaning of the Swiss Federal Act on Collective Investment Schemes of 23 June 2006 ("CISA"), as amended. Securities issued under the Programme are neither issued nor guaranteed by a Swiss financial intermediary. Investors are exposed to the credit risk of the Issuer.

All provisions in the Conditions corresponding to items in these Final Terms which are indicated as not applicable, not completed or deleted shall be deemed to be deleted from the Conditions.

1.	Issuer:	iShares Digital Assets AG
2.	Series:	iShares Bitcoin ETP
3.	Series Currency:	[USD] [•]
4.	Number of Securities of the Series:	Up to [•]
5.	Issue Price:	[•]
6.	Principal Amount:	[•]
7.	Initial Cryptoasset Entitlement:	[•]
8.	Series Issue Date:	[•]

9.	Date on which Board approval for issuance of Securities obtained:	[•]
10.	Additional Security Agreements:	[*Specify, if any*] [Not Applicable]
11.	Additional Business Centre:	[*Specify, if any*] [Not Applicable]
12.	Cash Subscriptions:	[Applicable]/[Not applicable unless otherwise notified by the Issuer in accordance with the Conditions]
13.	Cash Redemptions:	[Applicable]/[Not applicable unless otherwise notified by the Issuer in accordance with the Conditions]
14.	Delivery Precision Level:	[•] decimal places

TRANSACTION PARTIES

15.	Authorised Participant(s):	[Flow Traders B.V., Jacob Bontiusplaats 9, 1018 LL Amsterdam, The Netherlands] [Jane Street Financial Limited, 2 & A Half Devonshire Square London EC2M 4UJ, United Kingdom]
16.	Cryptoasset Trading Counterparty(ies) (as at the Series Issue Date):	[•] The full list of Cryptoasset Trading Counterparties in respect of the Series from time to time is available on request from the Issuer, or the Arranger on its behalf.
17.	Paying Agent(s):	[The Bank of New York Mellon, London Branch] [•]
18.	Custodian(s)	[Coinbase Custody International Limited] [•]
19.	Account Bank	[The Bank of New York Mellon, London Branch] [•]

PROVISIONS RELATING TO FEES

20.	Total Expense Ratio (as at Series Issue Date):	[The Total Expense Ratio is [•] per cent. per annum.] [A [full][partial] TER waiver will apply from and including the Series Issue Date, to and including [*specify date*]. During this period, the Total Expense Ratio will be [zero][●] per cent. per annum].
21.	Subscription Fee (as at the Series Issue Date):	[•] per Subscription Order

GENERAL PROVISIONS APPLICABLE TO THE SECURITIES

22.	[Non-exempt Offer:	When selling the Securities which are the subject of the offering contemplated by this Final Terms, an offer may be made by the Authorised Participant(s) other than pursuant to Article 1(4) of the Prospectus Regulation in [*specify Member State(s) - which must be jurisdictions where this Base Prospectus and any supplements have been*

	passported] and any other Member State where this Base Prospectus (and any supplements) have been notified to the competent authority in that Member State and published in accordance with the Prospectus Regulation from the Series Issue Date (inclusive) to the later of (i) the date of expiry of the Base Prospectus and (ii) the expiry of the validity of a new base prospectus immediately succeeding the Base Prospectus[, **provided that** no offer of the Securities may be made for the first time in Austria until a notification relating to the Securities has been filed to the issue calendar (*Emissionskalender*) maintained by the Austrian Control Bank *(Oesterreichische Kontrollbank Aktiengesellschaft)* as notification office (*Meldestelle*), all as prescribed by the Austrian Capital Market Act 2019 (*Kapitalmarktgesetz 2019*) as amended from time to time. Such notification shall be filed as soon as possible prior to the commencement of the relevant offer of the Securities]. When selling the Securities which are the subject of the offering contemplated by this Final Terms, an offer of the Securities may be made by the Authorised Participant(s) other than pursuant to article 36 FinSA from the Series Issue Date (inclusive) to the later of (i) the date of expiry of the Base Prospectus and (ii) the expiry of the validity in Switzerland of a new base prospectus immediately succeeding the Base Prospectus.]/[Not Applicable].
Selling restriction on sales to retail clients in or from Switzerland:	[The Securities should only be offered to retail clients in or from Switzerland by financial intermediaries as defined in the Federal Act on Banks and Saving Banks of 8 November 1934 (SR 952.0), the Federal Act on Financial Institutions of 15 June 2018 (SR 954.1), and the CISA, insurance companies as defined in the Federal Act on the Supervision of Insurance Undertakings of 17 December 2004 (SR 961.01) or a foreign institution that is subject to equivalent supervision. For these purposes, a retail client means a retail client within the meaning of article 4 (2) FinSA.]/[Not applicable]

Signed on behalf of the Issuer:

By:

Duly authorised

Part B – Other Information

1. **LISTING**

(i)	Listing:	Application [will be][has been] made for the Securities to be admitted to listing on [the][each] Relevant Stock Exchange.
(ii)	Trading:	Application [will be][has been] made by the Issuer (or on its behalf) for the Securities to be admitted to trading on the regulated market of the Frankfurt Stock Exchange (Xetra) and to be admitted to the official list of the Frankfurt Stock Exchange . [The earliest date on which the Securities will be admitted to trading will be [•].] [As at the date of these Final Terms, Securities of this Series have been admitted to trading on [the Frankfurt Stock Exchange[and [•]]].
(iii)	Relevant Stock Exchange:	[Frankfurt Stock Exchange] [•]
(iv)	Estimate of the total expenses related to the admission to trading:	[•]

2. **[NOTIFICATION**

The BaFin [has been requested to provide/has provided – *include first alternative for an issue which is contemporaneous with the establishment or update of the Programme and the second alternative for subsequent issues*] the [*include names of competent authorities of host EU Member States*] with a certificate of approval attesting that this Base Prospectus has been drawn up in accordance with the Prospectus Regulation.]

3. **INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE**

[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.]

4. **REASONS FOR THE OFFER**

Reasons for the offer:	See section headed "*Use of Proceeds*" in the Base Prospectus. [*Specify if any additional*]
Estimated net proceeds:	[•]

5. **PERFORMANCE OF THE CRYPTOASSET AND OTHER INFORMATION CONCERNING THE CRYPTOASSET**

Information on the past and future performance and volatility of bitcoin can be obtained by electronic means from [https://bitcoin.org/en/] [•]. Such information can be obtained free of charge.

See also description of the Cryptoasset in the section entitled "*Cryptoasset Market Overview*" in the Base Prospectus.

6. **OPERATIONAL INFORMATION**

ISIN:	[•]
Any other identification number (if applicable):	[•]
Relevant Clearing System(s):	[Euroclear Bank S.A./N.V. and Clearstream Banking, *société anonyme*] [•]
Delivery:	[Delivery free of payment.] [Delivery versus payment.] [•]
Trading Method:	[Securities] [•]
Minimum Trading Amount:	[At least 1 Security] [•]
Maximum Issue Size:	The aggregate number of Securities of the Series which are outstanding from time to time will not exceed an up-to amount of [•] Securities.
Information with regard to the manner, place and date of the publication of the results of the offer.	[•][Not applicable]

7. **DISTRIBUTION**

TEFRA:	[*Specify, if applicable*] [Not Applicable]
Permitted Countries:	[•]

Annex – Issue Specific Summary

[Issue specific summary to be inserted]

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