

AMC - Anaideia

THIS DOCUMENT IS NOT AVAILABLE IN ANY OFFICIAL SWISS LANGUAGE

The financial instrument described in this document does not constitute a participation in a collective investment scheme in the meaning of the Swiss Collective Investment Schemes Act and is not licensed by the Swiss Financial Market Supervisory Authority FINMA ("FINMA") thereunder. Accordingly, neither the financial instrument nor holders of such financial instrument benefit from protection under the Swiss Collective Investment Schemes Act or supervision by the FINMA and investors are exposed to the credit risk of the Issuer. However, this credit risk is mitigated, since the Issuer is incorporated as an SPV (Special Purpose Vehicle), which should not have any material creditors other than the investors in the Product.

I. Product Description

This Product is an actively managed certificate offering the opportunity to participate in the performance of a notional basket of assets (the "Underlying Notional Basket"), which is actively managed by the AMC Asset Manager in its sole discretion based on the Investment Strategy. The performance of the Products depends on the success of the Investment Strategy and the AMC Asset Manager's ability to successfully implement the Investment Strategy. The AMC Asset Manager is solely responsible for selecting the components of the Underlying Notional Basket from the Universe of Instruments and rebalancing the composition of the Underlying Notional Basket from time to time to implement the Investment Strategy. The following terms constitute the terms and conditions of the Products. These terms and conditions are binding to the Issuer on any person who holds the Products (or an interest in them) at any time. A person may only hold the Products (or an interest in them) on the basis of these terms and conditions. Due to the direct exposure of this Product to crypto assets, investors of the product are exposed to elevated risk and are held to understand such risk as described in paragraph IV. "General information about and inherent risks related to Crypto Assets".

Product Information

Type of Product ("Products")

**Actively Managed Certificate
with Dynamic and Discretionary Managed Underlying Notional Basket**

SSPA Category

1300, Tracker Certificate

ISIN / Valor

CH1108676177 / 110867617

AMC Asset Manager

Smart Wealth AG

Bellerivestrasse 18, 8008 Zurich, Switzerland

Asset Manager licensed by FINMA and monitored by the supervisory organisation AOS

AMC Asset Manager Advisor

Anaideia Sarl

Avenue de Sévelin 13a

1004 Lausanne

The AMC Asset Manager Advisor supports and advises the AMC Asset Manager while implementing and monitoring the Investment Strategy.

Reference Currency

USD

Denomination

USD 1'000

Issue Price

USD 1'000 per Product

The Issue Price may be more than the market value of the Products at the Issue Date. The Issue Price may take into account amounts with respect to commissions relating to the issue and sale of the Products, while secondary market prices may exclude such amounts.

Initial Basket Value

USD 1'000

End of Subscription

5. October 2023, 16:00 Zurich time

Issue Date / Payment Date

9. October 2023

Initial Fixing Date

10. October 2023

Term

Open end, i.e., the Product does not have a fixed maturity date

Settlement Type

Cash

Offer Mode

Private Placement

This document does not comprise, and no action has been taken to qualify this document as, a prospectus in any jurisdiction (including the Issuer's jurisdiction of establishment).

Invitations for purchase of the Product will be made only to persons that are eligible to participate in a private offer in their jurisdiction and under the laws of the Issuer's jurisdiction, including to Professional Clients or Qualified Investors or such other persons as are eligible to invest in their home jurisdiction and in respect of whom no public offer is made.

Reference Asset

The Underlying Notional Basket consists of the components selected by the AMC Asset Manager at its sole discretion out of the Universe of Instruments to implement the Investment Strategy.

Investment Strategy

The following strategy is specifically designed to take advantage of a cryptocurrency bull market. For that reason, the time window given for this strategy is 2-3 years.

Market Timing

34% of AUM is allocated to market timing with proprietary AI-based systems:

- 15% of AUM is used to trade CME futures with a leverage of 2x, and a maximum of 4x under exceptional circumstances.
- 19% of AUM is used for margin/spot trading of cryptocurrencies against cash, aiming to offset market downside risk.

Medium Term Investing

66% of AUM is allocated to a medium-term (6-12 months) investment strategy focusing on the Ethereum ecosystem.

- This strategy is based on fundamental analysis supported by AI systems plugged into blockchain transactions data.
- The portfolio can change based on the individual rising/declining fundamentals or forecasted trends.

The initial portfolio consists of around 30 different tokens.

Some of the tokens in the portfolio generate yield through a Proof of Stake (PoS) consensus mechanism known as Staking.

Short positions must at any time respect the margin requirements by the Broker or Crypto Broker.

The AMC Asset Manager is solely responsible for determining and implementing the Investment Strategy. Neither the Issuer, the Swiss Paying Agent, the AMC Asset Manager Advisor nor the Calculation Agent monitors the implementation of the Investment Strategy and assumes any responsibility whatsoever for the implementation of the Investment Strategy, the composition of the Underlying Notional Basket and its impact on the performance of the Products.

Universe of Instruments

All components of the Underlying Notional Basket must feature sufficient market liquidity relative to the respective outstanding value of the Underlying Notional Basket. The investment universe comprises:

Crypto Assets

- A broad range of Crypto Assets listed on centralized and decentralized exchanges, available for trading at the Crypto Broker;
- The following Crypto Assets are prohibited:
 - Privacy Coins (defined as any Crypto asset which rules and protocols hide or obscure transactions on its blockchain by way of anonymising the origin and destination of transacted coins or tokens, the amount transacted and/or balances of wallet addresses),
 - Algorithmic Stable Coins,
 - Non-Fungible Tokens (NFTs);

Futures

Futures which meet all of the following criteria:

- Only if listed on a stock exchange (same regions as underlyings)
- Short positions must at any time respect the margin requirements by the respective Broker
- Must not leverage the Underlying Notional Basket

Admissible underlying asset types: Cryptocurrencies

Cash Component

- Eligible currencies: CHF, USD, EUR

Cumulative weighting of all Cash Components must not exceed 50% of the Underlying Notional Basket

Reinvestments of Returns / Distributions

Any returns / distributions in respect of any components of the Underlying Notional Basket are notionally credited to the cash component of the Underlying Notional Basket. Staking rewards are automatically paid by the respective blockchain and credited to the Issuer's account at the Crypto Broker in favour of the Underlying Notional Basket.

Basket Value

Means the value of the Basket as determined by the Calculation Agent on a particular Business Day based on the closing prices of the components of the Underlying Notional Basket, taking into account the AMC Fees, which are calculated and deducted from the Basket Value by the Calculation Agent. The Calculation Agent determines the Basket Value based on the values provided by the Broker and Crypto Broker.

Right of Objection

The Issuer has the right to reject, at his sole discretion, components selected by the AMC Asset Manager should any situation whatsoever arise whereby the Issuer due to technical constraints cannot execute a corresponding transaction in the market or due to any other reasons is unable to hedge its position as Issuer of the Products.

AMC Asset Management Agreement

The AMC Asset Manager and the Issuer have entered into an asset management agreement whereby the AMC Asset Manager has been appointed by the Issuer to act as asset manager in respect of the Underlying Notional Basket and whereby the AMC Asset Manager will determine and implement the Investment Strategy and determine the components of the Underlying Notional Basket and rebalance the Underlying Notional Basket from time to time.

Further Information about the Investment Strategy

Available free of charge upon request from the AMC Asset Manager.

Current Composition of the Underlying Notional Basket (including the weighting of the components of the Underlying Notional Basket)

Available free of charge upon request from the AMC Asset Manager.

AMC Fees

AMC Asset Manager Fee

1.50% per annum of the current Basket Value, payable to the AMC Asset Manager in respect of the management of the Underlying Notional Basket.

Performance Fee

25% on the performance of the Underlying Notional Basket, payable to the AMC Asset Manager in respect of the management of the Underlying Notional Basket. The Performance Fee is calculated and deducted from the Value of the Underlying Notional Basket on each Business Day. It is determined by the Calculation Agent as follows:

$$PF_t = PF * Basket\ Value_{t-1} * \max \left[0; \frac{Value_t}{HWM_{t-1}} - 1 \right]$$

Where:

PF_t	Performance Fee on Bank Business Day t;
PF	Performance Fee of 25%;
$Basket\ Value_{t-1}$	Value of the Underlying Notional Basket on Bank Business Day t-1;
$Value_t$	Value of the Underlying Notional Basket on Bank Business Day t before deducting the Performance Fee;
HWM_{t-1}	HWM (High Water Mark) shall be on any Bank Business Day t the greater of the HWM on the immediately preceding Bank Business Day (t-1) and the $Value_t$ and a Hurdle Rate of 2.50% per quarter. The HWM and hurdle rate are reset annually on basis of the Initial Fixing Date.

Administration Fee	Up to 0.50% per annum of the current Basket Value, but subject to a minimum lump sum fee of CHF 10'000 per annum, payable to the Issuer in respect of the administration of the Product.
Other Ongoing Costs	In case of a rebalancing of the composition of the Underlying Notional Basket notional costs may apply.
Deductions of AMC Fees to the Basket Value	Deductions of the AMC Fees are made to the Basket Value on a daily basis. The AMC Fees are generally deducted from the notional cash component of the Underlying Notional Basket and reflect the notional amount payable periodically to the AMC Asset Manager and the Issuer.

Events & Redemption

Investor Early Redemption Event	Unless previously redeemed, repurchased or cancelled, on any Business Day after the Issue Date (the "Investor Early Redemption Date"), the holder of any Product may exercise its right to require the Issuer to redeem such Product on the Redemption Date at the Redemption Amount by delivering an Exercise Notice to the Swiss Paying Agent in a form satisfactory to the Swiss Paying Agent no later than 15:00 local Zurich time. Exercise Notices received after that time will become effective on the following Business Day.
Issuer Call Event	Unless previously redeemed, repurchased or cancelled, on any Business Day after the Issue Date, the Issuer may exercise its right to redeem the Products, subject to a 30 calendar day notice period, on the last Business Day of the calendar month (the "Issuer Call Date"), in whole but not in part, on the Redemption Date at the Redemption Amount per Product by notifying the holders (through the Swiss Paying Agent) of such exercise and the Issuer Call Date. In extraordinary cases, at the sole discretion of the Issuer, the Issuer has the right to call all Products with immediate effect, without prior notice, in cases such as illegality, illiquidity, impossibility, increased costs of trading or a trading disruption in the constituents of the Investment Universe.
AMC Asset Manager Termination Event	An AMC Asset Manager Termination Event shall be deemed to occur on any day after the Initial Fixing Date if: (i) the AMC Asset Manager is removed or has resigned; (ii) the AMC Asset Management Agreement is terminated.
Stop-Loss Event	A Stop-Loss Event can be declared by the Issuer on any day after the Initial Fixing Date if the Calculation Agent determines that:

$$\frac{Basket\ Value_t}{Initial\ Basket\ Value} \leq [30.00]\%$$

Where:

"Basket Value_t" Means the Basket Value on such day "t".

Upon the occurrence of the above condition, the Issuer is entitled to declare at its discretion a Stop-Loss Event and immediately terminate the AMC Asset Management Agreement with the AMC Asset Manager and to reallocate the Underlying Notional Basket into cash amounts in the Reference Currency. In this case, the Issuer may call the Products as described above (Issuer Call Event). In such case, no notice period applies.

Redemption Amount

In case of an Investor Early Redemption Event:

- The Issuer will cause to be paid on the Redemption Date to the respective holder in respect of such Product(s) on a best effort basis a cash amount per Product in the Reference Currency determined by the Calculation Agent in accordance with the following formula:

$$\text{Nominal} \times \text{MAX} \left(\frac{\text{Basket Value}_{\text{final}}}{\text{Initial Basket Value}}; 0 \right)$$

Where:

“Basket Value_{final}” Means the Basket Value on the Investor Early Redemption Date

In case of an Issuer Call Event, Stop Loss Event, or an AMC Asset Manager Termination Event:

- The Issuer will cause to be paid to each holder of such Products on the Redemption Date on a best effort basis a cash amount per Product in the Reference Currency determined by the Calculation Agent as the net cash proceeds from the liquidation of components of the Underlying Notional Basket during the Liquidation Period less a potential termination fee.

Liquidation Period

Means, the period of five Business Days following an Investor Early Redemption Date, Issuer Call Date, Stop Loss Event, or an AMC Asset Manager Termination Event, as the case may be. The Liquidation Period may be extended if the Issuer deems an extension appropriate in its sole discretion to liquidate the components of the Underlying Notional Basket.

Redemption Date

In case of an Investor Early Redemption Event, Issuer Call Event, Stop Loss Event, or an AMC Asset Manager Termination Event:

- the last Business Day of the Liquidation Period

Further Information

Minimum Investment Amount at issuance

USD 50'000

Listing

Unlisted, the Products will not be listed or traded on an exchange or trading venue

Secondary Market

The Issuer may appoint a third party to provide, on a commercially reasonable effort basis, bid and offer prices for the Products on a regular basis under normal market conditions. Liquidity of the Products may be limited due to the liquidity constraints of the Underlying Notional Basket. Orders will be executed on a best effort basis. A commission relating to the sale of the Products may apply on secondary market buy orders.

Sell orders are binding and cannot be withdrawn upon receipt by the Swiss Paying Agent.

Number of Products

50'000, subject to increase and decrease.

Relevant Clearing System

SIX SIS, Switzerland

Issuer

Asset Segregated SPV #139 IC

44 Esplanade, St Helier, Jersey JE4 9WG

IC incorporated in Jersey with registered number 146035, an incorporated cell of Swiss Asset Segregated AMC Platform ICC, an incorporated cell company incorporated in Jersey with registered number 132318.

	The Issuer has taken all reasonable care to ensure that the facts stated herein are true and accurate in all material respects, and that there are no other facts the omission of which would make misleading any statement in the document and that it accepts responsibility accordingly.
Swiss Paying Agent	ISP Securities AG, Bellerivestrasse 45, 8034 Zurich, Switzerland
Calculation Agent	ISP Securities AG, Bellerivestrasse 45, 8034 Zurich, Switzerland
Broker	ISP Securities AG & Interactive Brokers LLC
Crypto Broker	Bitcoin Suisse AG, Grafenauweg 12, 6300 Zug, Switzerland
Custodian	ISP Securities AG & Interactive Brokers LLC & Bitcoin Suisse AG Custody for Crypto Assets is provided by Bitcoin Suisse AG through the Bitcoin Suisse Vault.
Storage Provider	Bitcoin Suisse AG, Grafenauweg 12, 6300 Zug, Switzerland Bitcoin Suisse Vault provides Asset Segregated SPV #139 IC his own offline cold storage. Associated charges might be subject to change as determined by the Storage Provider / Custodian.
Governing Law / Jurisdiction	The Products (incl. the terms and conditions) shall be subject to and governed by Swiss law. Any dispute in respect of the Products shall fall within the jurisdiction of the courts of Zurich.
Business Day Centre(s) for payment	Zurich
Business Day Convention for payment	Following Business Day Convention
Selling Restrictions	Swiss, Jersey and EEA selling restrictions apply: The Products may not be offered, sold or otherwise made available to any investor other than in compliance with applicable law and regulation, including the laws of the place of the offer (namely Switzerland, the EEA, Israel or such other place as the Product may be offered) and the laws of Jersey. Jersey: The Products may not be distributed, offered or sold in any jurisdiction in circumstances where such action in respect of the Products would comprise an invitation to the public under the laws of Jersey. United States: The Products may not be sold or offered within the United States or to U.S. persons. For further information see section "V. Selling Restrictions".
Form of Products	Uncertificated Products / Intermediated Products
Status of the Products	The Products represent general contractual unsecured, unsubordinated obligations of the Issuer and ranking pari passu with each other and with all other unsecured, unsubordinated obligations of the Issuer.
Limited recourse, non-petition, etc	The recourse of holders of the Products against the Issuer in respect of any claim in connection with the Products is limited solely to the assets comprised in the Underlying Notional Basket (the "Recourse Assets"). Holders have no recourse to any other asset of any kind of the Issuer. If the net proceeds from realising the Recourse Assets are insufficient to satisfy in full the claims of each holder of the Products against the Issuer in connection with the Products (i) the unsatisfied amount of that holder's claim will be automatically extinguished and that holder will have no right to payment of that unsatisfied amount, and (ii) that holder may not take, continue or join in any insolvency, liquidation, bankruptcy or similar or analogous action, procedure or proceedings against the Issuer under the laws of any jurisdiction. The obligations of the Issuer in connection with the Products are solely corporate obligations of the Issuer. No holder of the Products will have recourse to any shareholder, director, officer, employee or agent of the Issuer in connection with any claim against the Issuer in connection with the Products.

Market Disruption

If the Issuer and/or the Calculation Agent determines, in its reasonable discretion, that a day relevant for the determination of the price of one or some of the components of the Underlying Notional Basket (each an "Affected Component") is a Disrupted Day then the Issuer and/or the Calculation Agent shall determine the relevant price of the Affected Component in its reasonable discretion taking into account established market practice, including, but not limited to, using the most recently traded price or a fair value established at its sole discretion.

"Disrupted Day" means any Business Day on which any relevant exchange fails to open for trading during its regular trading session or on which an event has occurred that disrupts or impairs (as determined by the Issuer and/or Calculation Agent) the ability of market participants to effect transactions in or obtain market prices for, any components of the Underlying Notional Basket.

Calculations and Determinations

Any determination or calculation made by the Issuer, the Swiss Paying Agent or the Calculation Agent shall be made in its sole and absolute discretion having regard to standard market practices, provided such determination or calculation is made in good faith and in a commercially reasonable manner. All such determinations and calculations in respect of the Products shall (in the absence of manifest or proven error or wilful misconduct) be conclusive and binding.

Amendment of the Terms and Conditions

The Issuer shall be entitled to amend the terms and conditions of the Product set out in this document without the consent of the holders of the Products in such manner as the Issuer deems necessary, if the amendment (i) is of a formal, minor or technical nature, (ii) is made to cure a manifest or proven error, (iii) is made to cure any ambiguity, (iv) is made to correct an error or omission such that, in the absence of such correction, the terms and conditions would not otherwise represent the intended terms and conditions of the Products on which the Products were issued or (v) will not materially and adversely affect the interests of the holders of the Products; or if the Issuer reasonably believes that an amendment is necessary or appropriate as a result of a change in any law or regulation or decisions taken by courts of law or governmental authorities in Switzerland or Jersey or any other relevant jurisdiction.

Notices

Incidental amendments to the terms and conditions of the Products (if issued), will be made available by the AMC Asset Manager.

Audit

The financial statements of the Issuer will not be audited. However, under the Issuer's articles of association, the holders of at least 10% (by value) of the Issuer's issued debt securities may require the Issuer to have its most recent financial statements audited at the expense of the security holders which required the audit.

Swiss Taxation

The following summary on Swiss Taxation does not purport to address all tax consequences of the Products and is not intended to be, nor should it be construed to be, tax advice. No representation as to the tax consequences to any particular person is made hereby. Investors are advised to consult their own tax adviser in light of their particular circumstances as to the tax consequences of the Products. Tax laws can change, possibly with retroactive effect.

(A) Swiss Taxation

Swiss Withholding Tax: No Swiss withholding tax.

Swiss Stamp Taxes: Primary and secondary market transactions of the Product are subject to Swiss Turnover Tax.

Swiss Income Tax: The investment income is subject to income tax so far as it is not declared (tax-free) capital gains. Each year the Issuer will submit the annual accounts for the product, required for tax purposes, to the FTA. In the case that is not possible for the Issuer to submit to the FTA the mentioned financial statements, taxation will be discretionary and based upon a fair market yield on the product value per closing date.

(B) General Tax Information

Transactions and payments relating to this product may be subject to further (foreign) transaction taxes, duties and/or withholding taxes. All payments from this product will occur with any applicable taxes and duties deducted.

The taxation mentioned is a non-binding and non-exhaustive summary of the applicable treatment of Swiss-domiciled private investors for tax purposes.

The investor's specific circumstances, however, are not taken into account. Swiss and/or foreign tax law or the authoritative practice of Swiss and/or foreign tax authorities can change at any time or specify further tax or charge liabilities (possibly even with retrospective effect). Potential investors should have the tax effects of the purchase, holding, sale or repayment of this Product examined by their own tax adviser - especially with respect to the effects of taxation under another jurisdiction.

(C) U.S. Federal Income Tax Withholding on Dividend Equivalent Payments

Section 871(m) of the U.S. Internal Revenue Code of 1986, as amended, and the final U.S. Treasury regulations promulgated thereunder ("**Section 871(m)**") generally impose a 30% withholding tax (unless an income tax treaty applies) on dividend equivalent amounts paid or deemed paid to non-U.S. holders with respect to certain financial instruments linked to U.S. equities or indices that include U.S. equities. Holders of the Product should consult with their own tax advisers regarding the potential application of Section 871(m) to the Products.

II. Profit and Loss Perspectives

The following seeks to highlight certain key aspects of the profit and loss prospects of the proposed issue of Products and is qualified in its entirety by, and should be read together with, the entirety of this document, in particular the Section "Important Risks".

Each Product entitles its holder to receive the Redemption Amount on the Redemption Date, being a cash amount in the Reference Currency linked to the value of the Underlying Notional Basket. Potential profit is unlimited. The maximum loss consists of a total loss of the invested amount.

III. Important Risks

Investing in the Products involves a number of risks. The following risks are material for the purpose of assessing the risks associated with the Product. All of these risks are contingencies that may or may not occur and the Issuer does not express a view on the likelihood of any such contingency occurring. The risks discussed below are not exhaustive, and additional risks and uncertainties that are not presently known to the Issuer, or that the Issuer currently believes to be immaterial, could also have a material impact on the Product.

Prospective investors in the Products must ensure that they fully understand the nature of the Products, as well as the extent of their exposure to risks associated with an investment in the Products. They should consider the suitability of an investment in the Products based on their own individual financial, fiscal and other circumstances. In particular, prospective investors should be aware that the Products may decline in value and should be prepared to sustain a substantial or total loss of their investment in the Products and ensure that their acquisition is fully consistent with their financial needs and investment policies, is lawful under the laws of the jurisdiction of their location or incorporation and/or in which they operate, and is a suitable investment for them to make. Prospective investors in the Products should consult their professional advisers investing in the Products.

Product Specific Risks

This Product is not capital protected and the performance of the Product is linked to the performance of the Underlying Notional Basket. The performance of the Underlying Notional Basket depends, among other things, on the quality of the AMC Asset Manager's investment decisions. If the Investment Strategy is not successful or the AMC Asset Manager does not successfully implement the Investment Strategy, the investors may not make a profit but incur a partial or total loss with their investment in the Products.

The risk associated with an investment in the Products is comparable to the risk associated with a direct investment in the components of the Underlying Notional Basket (subject to the Issuer's credit risk), and a total loss of the amount invested in the Products is possible, although any such loss is limited to the amount invested.

Investors do not acquire any security interest in the Underlying Notional Basket or any components of the Underlying Notional Basket or any other asset of the Issuer any time.

The Products are debt instruments in the form of a structured product and investors do not benefit from the protection under the Swiss Collective Investment Schemes Act or the Collective Investment Funds (Jersey) Law 1988 and neither the Product nor the Issuer are approved and supervised, respectively, by the Swiss Financial Market Supervisory Authority FINMA or the Jersey Financial Services Commission.

The Products are open-ended which means that they do not have a fixed maturity date. Instead, such Product provides for an investor a termination right (Investor Early Redemption

Right) and for the Issuer an issuer termination right (Issuer Call Right). The Issuer may exercise its Issuer Call Option at its own discretion at any time. Accordingly, the Products may be redeemed at a time when the value of the Products is lower than the purchase price an investor has paid when investing in the Products. This may cause investors to lose part of or their entire investments.

Market Risk

Market risk may have a negative impact on the value of and the return on an investment in the Product. Market risk is the risk associated with the effect of changes in market factors such as interest and foreign exchange rates, equity and commodity prices, credit spreads or implied volatilities, on the value of assets and liabilities held for both the short and long term.

Currency Risks

If the investor's reference currency is different from the currency, in which the Product is denominated, the investor bears the currency risk between the two currencies. The fluctuations in exchange rates could have an adverse effect on the value of or return on an investment in the Product, even if the redemption amount would otherwise provide for a positive return.

Liquidity Risks

Liquidity of the Products in the secondary market may be limited. Neither the Issuer nor any third party appointed by the Issuer makes a firm commitment nor assumes any legal obligation to provide liquidity by means of bid and offer prices for the Products. Accordingly, investors may not be able to buy or sell the Product.

Stop-Loss

While the Issuer may terminate the Product early upon the occurrence of a Stop-Loss Event, the Issuer is not obliged to do so and even if the Issuer terminates the Product upon the occurrence of a Stop-Loss Event, the Redemption Amount may still be significantly below the stop-loss barrier because of a potential delay in the liquidation of the components of the Underlying Notional Basket during the Liquidation Period during which the components of the Underlying Notional Basket may further decrease in value.

Issuer Risk

Investors are exposed to the default risk of the Issuer and bear the credit risk of the Issuer. The value of the Products is not only subject to the performance of the Underlying Notional Basket, but, among others, to the solvency of the Issuer, which may be negatively affected during the term of the Products. The Issuer does not have a credit rating and is not regulated nor subject to prudential supervision in Jersey or elsewhere.

The default risk of the Issuer is mitigated by the Issuer being incorporated as an incorporated cell of a Jersey incorporated cell company with no business operations other than the issuance of the Products and the acquisition and holding of the components of the Underlying Notional Basket in order to hedge its exposure under the Products. Accordingly, the Issuer should not have any material creditors other than the investors in the Product. The Issuer represents, that it has no business operations other than the issuance of the Products and the acquisition and holding of the components of the Underlying Notional Basket in order to hedge its exposure under the Products.

IV. General information about and inherent risks related to Crypto Assets

An investment in the certificates linked notionally to cryptocurrencies, such as, Bitcoin, Ethereum Ether, Ripple Litecoin etc., or a basket of Crypto Assets entails significant risks. Any of the factors below (and potentially even further factors that are not listed) may negatively impact the value, tradability, liquidity and security of the Underlying (referring hereby generally to crypto assets) and/or the Product or may result in the early termination of the Product:

Volatility of Underlying: The value of the Underlying may change significantly, even on an intraday basis. Changes and advances in technology, global political, economic or financial events, fraud, theft and cyber-attacks and regulatory changes, among others, may increase volatility substantially – elevating the potential of investment losses in the Product. In addition, the market for the Underlying is still at an early stage and the number of market participants is limited and may stay limited over the lifetime of the Product. A small number of market participants may result in potentially significant (and adverse) price swings and illiquidity (see Underlying Illiquidity Risk).

Lack of Intrinsic Value: The Underlying does not qualify as a legal tender in most countries. It has no underlying value in any form and does not represent anything of value. It may or may not have a value purely as a consequence of the fact that there is actual and imminent demand for its acquisition. In the absence of such demand the value of the Underlying is nil. In order to exchange offer and demand, there is the need of market. There may or may not be a market for the Underlying. In the absence of a market, demand for a specific Underlying may not meet a respective offer and there is no trade. In the absence of a market, and despite a demand, the value of a Underlying is nil.

Underlying Illiquidity Risk: The Underlying might be or become illiquid over the lifetime of the Product. Illiquidity of the Underlying may negatively impact the Issuer's ability to provide a secondary market for the Product, may result in a temporary or even indefinite increase of the bid/offer spread for the Product or result in the (early) termination of the Product.

Risk relating to Technology: Technology relating to the Underlying is still at an early stage and best practices are still to be determined and implemented. The technology is likely to undergo significant changes in the future. Technological advances in cryptography, code breaking or quantum computing etc. may pose a risk to the security of the Underlying and may facilitate price manipulation or forced consensus attacks by miners and others. In addition, alternative technologies could be established, making the Underlying less relevant or obsolete. The functioning of the Underlying may rely on (potentially open-source) software. Developers of such software are not employed or controlled by the Issuer or any other party related to this Product. Developers may introduce weaknesses and programming errors into the software or may stop developing the software (potentially at a critical stage where a security update is required), keeping the Underlying exposed to weaknesses, programming errors and threats of fraud, theft and cyber-attacks (see also "Fraud, Theft and Cyber-Attack Risk"). The inability to implement required changes to technology relating to the Underlying may negatively impact the Issuer's ability to provide a secondary market for the Product and may result in an increased bid/offer spread (potentially indefinitely) for the Product.

Double Spending Risk: An individual or group controlling a majority of a crypto asset network could prevent transactions from posting accurately, or at all, or to be spent on multiple occasions and, in such a double spending situation, the related record of the transaction, posted on the public distributed ledger network, in an attack referred to as double spending; this could have a detrimental effect on sender and receiver.

Exchange Risk: Exchanges on which crypto assets trade are relatively new, and, in some cases, largely unregulated, and therefore, may be more exposed to fraud and security breaches than established regulated exchanges for other financial assets or instruments, which could have a negative impact on the performance of the Products.

Infrastructure Risk: Storage solutions, exchanges or custodians for crypto assets could be impacted by such disruptions. The potential for instability of exchanges and the closure or temporary shutdown of exchanges due to business failure or malware could impact the liquidity of, and supply of, the crypto Assets.

Adjustment Event Risk: As a result of one or more Adjustment Events, trading venues on which the Underlying is traded may suspend (temporarily or indefinitely) the ability to trade the Underlying or in the case of a Hard Fork a particular version of the "Underlying". Consequently, the Investors in the Product may (i) not get exposure (indefinitely) to all "underlying" versions following a Hard Fork and forego the value of one or more versions, or (ii) may get exposure to a version on a delayed basis (in which case that version might have a significant change in its value), or (iii) may not benefit or be negatively affected by an Adjustment Event relating to the Underlying. Following an Adjustment Event, the Issuer may make (but has no obligation to make) an amendment to the Product and/or Underlying including, but not limited to, an issuance of an additional product in its reasonable discretion. In addition, Adjustment Events may result in instability of the Underlying or an "underlying" version and Adjustment Events or the threat of a potential Adjustment Event may prevent the establishment of the Underlying. (Potential) Adjustment Events may negatively impact the Issuer's ability to provide a secondary market for the Product, may result in an increased bid/offer spread (potentially indefinitely) for the Product or result in the (early) termination of the Product.

Custody Risk: The Storage Provider / Custodian of Crypto Assets is not held liable for any loss or damage suffered: i) in the absence of any breach from its applicable duty of care, unless caused with unlawful intent or gross negligence; ii) due to events or the materialisation of risks outside the sphere of its influence. Events and risks considered outside the sphere of influence include, without limitation: (i) civil or labour disturbances, war, insurrection, riots, civil or military conflict, sabotage, labour unrest, strike, lock-out, fire, flood or water damage, acts of God, act of any governmental authority or threat of any authority (de jure or de facto), legal constraint, fraud or forgery, accident, explosion, mechanical breakdown, computer or systems failure, failure of equipment, failure or malfunction of communications media, or interruption of power supplies; (ii) the failure to perform, for any reason, of the Issuer's counterparty or of such counterparty's custodian or sub-custodian, or financial institution; (iii) acts or omissions of (or the bankruptcy or insolvency of) issuers and any entity acting for such issuers, order routers; (iv) the failure to perform for any reason of, or the incorrect performance of, any financial service provider used by and properly instructed by the Storage Provider / Custodian to carry out payment instructions; (v) reversal order, law, judicial process, decree, regulation, order or other action of any government, authority, court, self-regulatory organisation, government agency or instrumentality of government. Accordingly the occurrence of such instances could have a significant detrimental effect to the value of the underlying digital assets and lead to partial or total loss of your investment.

Fraud, Theft and Cyber-Attack Risk: The particular characteristics of the Underlying (e.g. only exist virtually on a computer network, transactions in the Underlying are not reversible and are done largely anonymously) make it an attractive target for fraud, theft and cyber-attacks. Investors in the Product are exposed to fraud, theft and cyber-attacks: (i) any high profile losses as a result of such events may raise scepticism over the long-term future of the Underlying and may prevent the establishment of the Underlying and may increase the volatility and illiquidity of the Underlying; (ii) any loss resulting from fraud, theft and cyber-attacks relating to Service Provider(s) of the Issuer will be indirectly borne by the Investors as the respectively decreased Redemption Amount will be negatively impacting the redemption. Investors in the Product are exposed to such risks and the redemption of the Product could be negatively affected (as defined in the section "Redemption").

Connected Party Risk: Depending on the Underlying and the design of the Underlying (centralized, decentralized), certain connected parties (management, developers, miners etc. as applicable) may pursue a strategy which may negatively impact the value, tradability, liquidity and security of the Underlying.

Regulatory Risk: The Underlying and Products relating to the Underlying have been in existence for relatively short time only and various regulatory bodies in Switzerland and globally have or are in the process of taking a view on required regulatory actions relating to the Underlying and related products (e.g. regulation concerning money laundering, taxation, consumer protection, publication requirements or capital flows etc.). Any forthcoming regulatory actions may result in the illegality of the Underlying (and products relating to the Underlying) or the implementation of controls relating to the trading (and therefore liquidity) of the Underlying. Forthcoming regulatory actions may also restrict the availability of markets and/or market participants permitted to engage in transactions related to the Underlying. In addition, control mechanisms may increase transaction fees in the Underlying significantly (and therefore impact the bid/offer spread of the Product). Investors should ensure that investing in this Product complies with their local regulation.

No Supervision: As of Initial Fixing Date, the Underlying does not have a function as and/or the full characteristics of a legal tender and is currently not supervised by any authority or institution such as a central bank. Consequently, there is no authority or institution which may intervene in the Underlying market to stabilize the value of the Underlying or prevent, mitigate or counter-attack irrational price developments of the Underlying.

Internet Disruption Risk: The functionality of the Underlying's networks relies on the Internet. A significant disruption of Internet connectivity (i.e., affecting large numbers of users or geographic regions) could prevent the functionality and operations of such networks until the Internet disruption is resolved. An Internet disruption could adversely affect an investment in the Product.

Risk relating to Public Data: Investors should be aware that any purchase and sale of the Underlying is stored in a ledger (blockchain) and may be visible to the public. Such ledger is neither a property of nor under control of the Issuer or any other party related to this Product. Information available on the ledger may be exploited or miss-used in, as of today, unforeseen ways. Service Providers used by the Issuer for trading and holding/storing the Underlying, (i) may cease to exist, (ii) may be exposed to fraud, theft and cyber-attacks (see separate risk factor "Fraud, Theft and Cyber-Attack Risk"), or (iii) regulatory requirements and the Issuer's internal compliance requirements may prevent the Issuer to use a particular Service Provider for trading the Underlying. The Issuer has an unconditional right to remove, add or change one or more Service Provider at any time without prior notice. This potentially results in a wider bid/offer spread for the Product (e.g. due to a change of trading commission payable to the Service Provider). The Issuer may not be able to replace a Service Provider resulting in an early termination of the Product.

Trust in the Underlying: The Underlying only exist virtually and has no physical equivalent. Establishing a value for the Underlying is or may become difficult as the value depends on the expectation and trust that the Underlying has a future use. Among others, persistent high volatility, changes and advances in technology, fraud, theft and cyber-attacks and regulatory changes may prevent the establishment of the Underlying for future use and potentially rendering the Underlying worthless.

No Direct Access to Underlying/No Transfer: Investors in the Product do not have direct access to the Underlying or all information relating to the Underlying (among others such as information about storage, Service Provider(s) used for trading the Underlying or the so called "private keys" required for accessing and transferring the Underlying) and cannot transfer the Underlying related to the Product to a private storage facility.

Limited Trading Hours: Investors should note that the Underlying typically trades 24 hours on all weekdays (incl. Saturday, Sunday and public holidays). The trading hours of the Product however are restricted. Investors therefore cannot invest in or divest the Product and react to price movements or volatility of the Underlying outside the Product's trading hours. In addition, the secondary market is limited (see "Secondary Market" in section "Further Information").

Financial Bubble Risk: The market prices of the Underlying have been subject to extreme fluctuations and recently have appreciated rapidly. While there has also been recent depreciation, some market participants believe that there continues to be a Crypto Asset speculative bubble that could burst, leading to a dramatic fall in prices. If such a collapse occurs, the price of the Product likely falls accordingly and the resultant loss of confidence could lead to a lack of interest in and eventual demise of the Products.

Termination Risk: The Issuer may terminate the Product in accordance with the provisions as set forth above (please refer to section "Events & Redemption"). Such (early) termination may adversely affect the Investors' financial interests.

Tax Impact: There may be a tax impact on investing in the Product. The Issuer and any related Parties do not provide any tax opinion. Any Investor should consult with its own tax advisor prior to investing in the Product. In addition, Investors should be aware that taxation with respect to the Underlying and therefore this Product may (adversely) change over the lifetime of the Product. The Issuer and the Paying Agent have the right, but not the duty, to withhold or deduct any such taxes, duties, fees and/or charges.

Foreign Exchange Risk: The Investor in the Product is exposed to foreign exchange rate risk if the currency of the Underlying and Settlement Currency are not identical.

Risks related to Staking: Crypto Assets in a Proof of Stake (PoS) Network can be used to perform tasks for the blockchain to ensure the integrity, security and continuity of the network. This concept is known as staking. Stakers are rewarded with newly minted cryptocurrency, however, several risks are involved that relate to the aforementioned. Specifically, staked assets may be subject to a lock-up period during which they cannot be accessed and traded, thus lowering the Issuer's ability to provide a secondary market for the Product (see also "Underlying Illiquidity Risk"). Furthermore, the possibility to stake assets, the staking rewards and the duration of paying out such rewards depend on the PoS protocol and may be delayed and/or invalidated due to a failure in the transfer systems required for staking. Staking also involves the risk of validation penalties by the PoS protocol which can influence the rewards earned. The staked crypto assets can be lost in whole or in part due to events described under "Fraud, Theft and Cyber-Attack Risk."

V. Important Notice

The Issuer makes no representation as to the suitability or appropriateness of the financial instrument described in this document for any particular investor. This document is primarily provided for information purposes and does not constitute investment advice and is not a recommendation to invest in the financial instrument described in this document. Any individual intending to invest in such financial instrument should consult his or her professional adviser. This document does not constitute an offering document and this document is not a prospectus within the meaning of the Swiss Financial Services Act ("FinSA"). Neither the Issuer nor any intermediary or other person undertakes to update the information contained in this document.

The Swiss Paying Agent as well as the Calculation Agents are acting solely as agents of the Issuer and do not assume any obligation or duty to, or any relationship of agency or trust for or with, the holders of the Products.

VI. Selling Restrictions

Any Products purchased by any person for resale may not be offered in any jurisdiction in circumstances which would result in the Issuer being obliged to register or qualify any current or further documentation relating to the Products in such jurisdiction. The restrictions listed below must not be taken as definitive guidance as to whether the Products can be sold in a jurisdiction. Additional restrictions on offering, selling or holding of the Products may apply in other jurisdictions. Investors in the Products should seek specific advice before on-selling the Products.

SWITZERLAND

This document is not intended to constitute an offer or solicitation to purchase or invest in the Products and the Products may not be publicly offered, directly or indirectly, in Switzerland within the meaning of the Swiss Financial Services Act (the "FinSA") and will not be admitted to trading on a trading venue in Switzerland and neither this document nor any other offering or marketing material relating to any Products (x) constitutes a prospectus as such term is understood pursuant to the FinSA or (y) has been or will be filed with or approved by a Swiss reviewing body pursuant to

the FinSA and neither this document nor any other offering or marketing material relating to the Products may be publicly distributed or otherwise made publicly available in Switzerland.

The Products must only be offered, sold or otherwise made available in Switzerland to "qualified investors" pursuant to the Swiss Collective Investment Schemes Act that qualify as "professional clients" under the FinSA. The Products are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any non-qualified investors / private clients in Switzerland.

JERSEY

The financial instrument described in this document is being offered by way of private placement and is not being issued by way of an invitation to the public (as determined under the Companies (Jersey) Law 1991, as amended (the **Companies Law**)). Consequently, this document does not constitute a prospectus under the Companies Law. The Jersey registrar of companies has not consented, and is not required to consent, to its circulation under article 5 of the Companies (General Provisions) (Jersey) Order 2002. The Jersey Financial Services Commission has given, and has not withdrawn, its consent under article 4 of the Control of Borrowing (Jersey) Order 1958 to the issue of financial instrument described in this document. It must be distinctly understood that, in giving this consent, the Jersey Financial Services Commission takes no responsibility for the financial soundness of the Issuer (or the financial instrument) or for the correctness of any statements made, or opinions expressed, with regard to it. The Jersey Financial Services Commission is protected by the Control of Borrowing (Jersey) Law 1947, as amended, against liability arising from the discharge of its functions under that law.

The investments described in this document do not constitute a collective investment fund for the purpose of the Collective Investment Funds (Jersey) Law 1988, as amended, on the basis that they are investment products designed for financially sophisticated investors with specialist knowledge of, and experience of investing in, such investments, who are capable of fully evaluating the risks involved in making such investments and who have an asset base sufficiently substantial as to enable them to sustain any loss that they might suffer as a result of making such investments. These investments are not regarded by the Jersey Financial Services Commission as suitable investments for any other type of investor.

Any individual intending to invest in the financial instrument described in this document should consult his or her professional adviser and ensure that he or she fully understands all the risks associated with making such an investment and has sufficient financial resources to sustain any loss that may arise from it.

Any discretionary investment manager or other person who acquires, directly or indirectly, an interest in the financial instrument described in this document for or on behalf of any other person (an *underlying investor*) must be satisfied that the financial instrument is suitable for the underlying investor and that the underlying investor is able to bear the economic consequences of the financial instrument, including the possibility of the loss of the entire investment.

EUROPEAN ECONOMIC AREA

The Products are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("EEA"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU ("MiFID II"); (ii) a customer within the meaning of Directive 2002/92/EC ("IMD"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Directive 2003/71/EC (as amended, the "Prospectus Directive"). Consequently, no key information document required by Regulation (EU) No 1286/2014 (the "PRIIPs Regulation") for offering or selling the Products or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Products or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

UNITED KINGDOM

Offering or sale of the Products, including any communication related thereto, within or into the UK, must comply with the restrictions on financial promotion under the Financial Services and Markets Act 2000 ("FSMA"), in particular Section 19 and 21. Specifically, section 21 of FSMA states that "a person must not in the course of business communicate an invitation to engage in investment activity unless the person is an authorised person, or the content of the communication has been approved by an authorised person, or the communication is covered by an exemption." This Term Sheet may therefore be sent only to investment professionals or to persons to whom it would otherwise be lawful to distribute it. Furthermore, the Financial Conduct Authority ("FCA") prohibits the sale of products that reference Crypto Assets to retail clients, whereby the term 'retail client' is defined under the Conduct of Business Sourcebook ("COBS") Chapter 3.4 of the FCA as being a client who is not a professional client or an eligible counterparty.

NOTICE TO RESIDENTS OF ISRAEL

THIS OFFERING HAS NOT BEEN APPROVED BY THE ISRAELI SECURITIES AUTHORITY AND WILL ONLY BE DISTRIBUTED TO ISRAELI RESIDENTS AS A "PRIVATE OFFERING" AND IN A MANNER THAT WILL NOT CONSTITUTE "AN OFFER TO THE PUBLIC" UNDER SECTIONS 15 AND 15A OF THE ISRAEL SECURITIES LAW, 5728-1968 ("THE SECURITIES LAW") OR SECTION 25 OF THE JOINT INVESTMENT TRUSTS LAW, 5754-1994 ("THE JOINT INVESTMENT TRUSTS LAW"), AS APPLICABLE. THE INTERESTS ARE BEING OFFERED TO A LIMITED NUMBER OF INVESTORS AS SET FORTH IN THE ISRAELI SECURITIES LAW, AS WILL BE AMENDED FROM TIME TO TIME, AND/OR THOSE CATEGORIES OF QUALIFIED INVESTORS ("MASHKIA KASHIR") LISTED IN THE FIRST ADDENDUM ("THE ADDENDUM") TO THE SECURITIES LAW ("QUALIFIED INVESTORS"), WHO HAVE PROVIDED WRITTEN CONFIRMATION THAT THEY QUALIFY AS QUALIFIED INVESTORS, AND THAT THEY ARE AWARE OF THE CONSEQUENCES OF SUCH DESIGNATION.

UNITED STATES OF AMERICA

THE PRODUCTS HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), AND MAY NOT BE AT ANY TIME OFFERED, SOLD, PLEDGED, ASSIGNED, DELIVERED, TRANSFERRED, EXCHANGED, EXERCISED OR REDEEMED WITHIN THE UNITED STATES OR TO OR FOR THE ACCOUNT OR BENEFIT OF ANY U.S. PERSON (AS DEFINED IN THE ACT OR THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED). THE PRODUCTS ARE BEING OFFERED AND SOLD OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN RELIANCE ON REGULATION S UNDER THE ACT AND MAY NOT BE LEGALLY OR BENEFICIALLY OWNED AT ANY TIME BY ANY U.S. PERSON.