



ETC Issuance GmbH

(a limited liability company incorporated under the laws of the Federal Republic of Germany,
having its corporate domicile in Frankfurt am Main, Federal Republic of Germany)

as Issuer

**Programme for the issuance of Bonds secured by Cryptocurrencies
(the "Programme")**

Under the Programme, ETC Issuance GmbH (the "**Issuer**") may from time to time issue bonds in bearer form secured by Bitcoin, Bitcoin Cash, Ethereum, Litecoin or XRP (each a "**Cryptocurrency**" and together, the "**Cryptocurrencies**") or by a basket (each a "**Basket**") consisting of various Cryptocurrencies (the "**Bonds**"). The Bonds do not have a fixed maturity date. The Bonds will be governed by the laws of the Federal Republic of Germany ("**Germany**").

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 ETC Issuance GmbH (the "**Base Prospectus**"). This Base Prospectus will be published in electronic form together with all documents incorporated by reference on the website of the Issuer (<https://www.btc-etc.com>). This Base Prospectus has been approved by the *Bundesanstalt für Finanzdienstleistungsaufsicht* ("**BaFin**") in its capacity as competent authority under the Prospectus Regulation.

BaFin only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer or of the quality of the Bonds that are the subject of this Base Prospectus. Investors should make their own assessment as to the suitability of investing in the Bonds.

In relation to the Bonds to be issued under this Base Prospectus, application may be made to the Frankfurt Stock Exchange for the Bonds to be admitted to trading on the regulated market (*regulierter Markt*) of the Frankfurt Stock Exchange. The regulated market of the Frankfurt Stock Exchange is a regulated market 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. Application may also be made to any further stock exchange in the European Economic Area for the Bonds to be admitted to trading on the regulated market of any such stock exchange.

The Bonds have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended, (the "**Securities Act**"). The Bonds are being offered outside the United States of America (the "**United States**" or "**U.S.**") in accordance with Regulation S under the Securities Act, 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 validity of this Base Prospectus will expire at the end of 13 January 2022. Any obligation to supplement a base prospectus in the event of significant new factors, material mistakes or material inaccuracies does not apply when a base prospectus is no longer valid.

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1. GENERAL DESCRIPTION OF THE PROGRAMME

1.1. GENERAL

Under this Base Prospectus, ETC Issuance GmbH (the "**Issuer**") may from time to time issue Bonds in units with no par value denominated in Euro. The total amount of a specific issue of Bonds will be set out in the relevant final terms document (the "**Final Terms**", substantially in the form set out below under "12. FORM OF FINAL TERMS") prepared in relation to each issue of Bonds under the Programme. Each issue of Bonds (each a "**Series of Bonds**") is represented by a global note (the "**Global Note**").

Bonds issued under this Base Prospectus are issued under German law, are debt securities (*Schuldverschreibungen*) within the meaning of § 793 of the German Civil Code (*Bürgerliches Gesetzbuch*) and are being issued in bearer form. Bonds issued under this Base Prospectus do not provide for any interest payments and do not have a fixed maturity date.

1.2. STRUCTURES OF BONDS TO BE ISSUED UNDER THE BASE PROSPECTUS

This Base Prospectus provides for the issue of Bonds with the following Cryptocurrencies as underlyings or a combination of such Cryptocurrencies in form of a Basket comprised of two or more of such Cryptocurrencies:

1. Bitcoin
2. Bitcoin Cash
3. Ethereum
4. Litecoin
5. XRP

A more detailed description of these structures is set out below under "10. GENERAL DESCRIPTION OF THE BONDS – 10.2. Description of the Bonds".

1.3. ISSUE PROCEDURES

The terms and conditions applicable to the relevant Series of Bonds (the "**Terms and Conditions**") will be determined as follows:

The Final Terms will (i) determine which of Option I (applicable to Bonds linked to a single Cryptocurrency) or Option II (applicable to Bonds linked to a Basket of Cryptocurrencies) of the Terms and Conditions shall apply to the relevant Series of Bonds by inserting such determined Option in Part I of the Final Terms and (ii) specify and complete the Options so determined.

1.4. ISSUE PRICE AND YIELD

The issue price of the relevant Series of Bonds will be specified in the relevant Final Terms.

For any entity supervised by a financial supervisory authority in a member state of the European Economic Area, the United Kingdom, Canada, Australia, Singapore, New Zealand, Japan, Switzerland, Hong Kong (SAR) or the United States which has been appointed by the Issuer as an authorised participant (the "**Authorised Participants**"), the issue price for the relevant Series of Bonds to be issued will be determined at the time of pricing on the basis of the calculation methods as further described below under "14. SUBSCRIPTION, SALE AND OFFER OF THE BONDS – 14.1.4. Method of determination of the Issue Price".

For investors other than Authorised Participants, the purchase price for a Series of Bonds will be determined by each Authorised Participant on an ongoing basis and may be subject to additional subscription fees.

The yield of the Bonds cannot be calculated at the issue date of a Series of Bonds.

1.5. PURCHASE OF BONDS

In the primary market, each issue of a Series of Bonds is initially only 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) also with regard to specific offering jurisdictions. As a consequence, only Authorised Participants may buy Bonds directly from the Issuer in the primary market. Investors will not be able to buy Bonds directly from the Issuer in the primary market but may only buy Bonds in the secondary market (i) directly from an Authorised Participant or from any person (ii) via a stock exchange (in case of Bonds admitted to trading on a stock exchange) or (iii) over the counter.

1.6. REASON FOR THE OFFERS

Unless specified otherwise in the relevant Final Terms, the reason for the issue of Bonds under the Programme is primarily to finance the general business development of the Issuer.

1.7. LISTING AND ADMISSION TO TRADING

In relation to the Bonds to be issued under this Base Prospectus, application may be made to the Frankfurt Stock Exchange for the Bonds to be admitted to trading on the regulated market (*regulierter Markt*) of the Frankfurt Stock Exchange as well as to any further stock exchange in the European Economic Area for the Bonds to be admitted to trading on the regulated market of any such stock exchange (as specified in the relevant Final Terms).

1.8. NOTIFICATION

The Issuer has requested BaFin to provide the competent authority in the Republic of Austria ("**Austria**"), the Republic of Croatia ("**Croatia**"), the Republic of Cyprus ("**Cyprus**"), the Czech Republic ("**Czechia**"), the Kingdom of Denmark ("**Denmark**"), the Republic of Estonia ("**Estonia**"), the Republic of Finland ("**Finland**"), the French Republic ("**France**"), the Hellenic Republic ("**Greece**"), the Republic of Ireland ("**Ireland**"), the Republic of Italy ("**Italy**"), the Grand Duchy of Luxembourg ("**Luxembourg**"), the Republic of Malta ("**Malta**"), the Kingdom of the Netherlands ("**The Netherlands**"), the Kingdom of Norway ("**Norway**"), the Republic of Poland ("**Poland**"), the Portuguese Republic ("**Portugal**"), the Slovak Republic ("**Slovakia**"), the Republic of Slovenia ("**Slovenia**"), the Kingdom of Spain ("**Spain**") and the Kingdom of Sweden ("**Sweden**") with a certificate of approval attesting that this Base Prospectus has been drawn up in accordance with the Prospectus Regulation.

1.9. AUTHORISATION

The establishment of the Programme and the issuance of any Series of Bonds under this Base Prospectus have been authorised by a resolution of ETC Issuance GmbH dated 15 December 2020.

1.10. CLEARING AND SETTLEMENT

Payments and transfers of any Series of Bonds will be settled through Clearstream Banking AG, Frankfurt am Main, Mergenthalerallee 61, 65760 Eschborn, Germany.

The securities codes assigned to each Series of Bonds will be specified in the relevant Final Terms.

1.11. RATING

Neither the Issuer nor any Series of Bonds are rated.

2. RISK FACTORS

ETC Issuance GmbH (the "**Issuer**") believes that the following factors may affect its ability to fulfil its obligations under the Bonds.

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 mentioned 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.

2.1. RISKS RELATING TO THE ISSUER

The following descriptions of the risk factors relating to the Issuer and their occurrence within a risk category, with the two most material risk factor presented first in each 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.

2.1.1. Risks related to the Issuer's business activities

Risks related to the limited business objective of the Issuer.

The focus of the Issuer's business activities is the issuance of bonds linked to one Cryptocurrency or Cryptocurrencies comprising the Basket. The Issuer will not carry out any other business than the issue of bonds which are secured by Cryptocurrencies or Baskets of Cryptocurrencies and other digital assets. Because of this limited business objective, the Issuer is exposed to the risk that the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket do not become successful or become less successful (such risks are further described under the headline "2.2.3. Risks related to the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket" below) going forward and the Issuer cannot adapt to such changed circumstances. Due to this limited business objective the Issuer may then be unsuccessful in carrying out its business which could have an adverse impact on the Issuer's business and financial situation.

The Issuer does not have a long and comprehensive track record.

The Issuer was registered with the commercial register of the local court (*Amtsgericht*) of Frankfurt am Main, Germany on 27 August 2019. Due to such a short period of existence, the Issuer does not have a long and comprehensive track record of successfully operating the business activity described herein. Since 5 June 2020, the Issuer has issued under a different prospectus - which was also approved by BaFin - Bitcoin related bonds with a similar structure to the bonds which are described in this Base Prospectus. Hence, there is a risk that the Issuer will not be successful in issuing the Bonds, and that the Issuer will not make profits, despite this being the Issuer's aim. If the Issuer becomes unsuccessful in the issuance of securities, the Issuer may cease its business activities as issuer or ultimately become insolvent. Although, the Issuer takes 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.

Reputation.

The Issuer depends on its reputation and the reputation of associated parties to maintain and grow its core business. Any material adverse event could impact the Issuer's reputation, which could, in turn, depress the Issuer's profitability, creditworthiness and fundraising capacity. This, in turn, can affect the demand for and liquidity of any Series of Bonds and price of any Series of Bonds on the market related to the prices of the relevant Cryptocurrency or a Basket of Cryptocurrencies and – in case such development triggers a Mandatory Redemption Event in relation to a Series of Bonds – may result in the Issuer giving a Mandatory Redemption Notice (such risks are further described under 2.2.1 "The Issuer is allowed at any time to perform a mandatory redemption in case certain events as specified in the Terms and Conditions materialise").

Data.

The Issuer maintains significant amounts of data about subscriptions to and redemptions of each Series of Bonds. For every subscription or redemption, the Issuer may receive and maintain in relation to each subscribing or redeeming investor the following data: (i) proof of identity and/or incorporation documents; (ii) residence or incorporation address; (iii) certain bank and securities accounts details; (iv) blockchain digital wallets information; (v) contact information and (vi) such other information requested by the Issuer 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 profitability, creditworthiness and fundraising capacity.

2.1.2. Risks related to the Issuer's corporate structure

Major shareholders.

The Issuer is wholly owned by ETC Management Ltd. ("ETCM"), which, in turn, is wholly owned by ETC Holdings Ltd, the ultimate parent company of the Issuer (the "**Holding Company**").

The shares in the Holding Company are especially concentrated on four shareholders, (i) XTX Investments UK Limited, which holds 22.50 per cent. of the shares, (ii) MLM Holdings Ltd, which holds 22.50 per cent. of the shares, (iii) BCS Prime Brokerage Ltd, which holds 11.25 per cent. of the shares and (iv) ITI Capital Ltd, which holds 11.25 per cent. of the shares. The additional 32.50 per cent. of the Holding Company's shares are distributed among other co-founders, partners and management with shareholdings of less than 10 per cent. each.

The major shareholder of XTX Investments UK Limited is Alexander Gerko, who owns, indirectly via XTX Topco Limited and its wholly owned subsidiaries XTX Midco Limited and XTX Investments Limited, more than 75.00 per cent. of the shares in XTX Investments UK Limited. The additional company shares are distributed between individual shareholders with shareholdings of less than 10 per cent. each.

The sole shareholder of MLM Holdings Ltd is Maximilian Monteleone.

Oleg Mikhasenko is the sole shareholder of BCS Prime Brokerage Ltd, indirectly through his 100 per cent. shareholding in FG BCS LTD.

Alexander Gerko, Oleg Mikhasenko, Maximilian Monteleone and ITI Capital Ltd or their representatives can remove any and all members of the board of directors of the Issuer with a majority vote. As such, these shareholders have significant influence on the management of the Issuer. There can be no assurance that these shareholders or their representatives will exercise their voting rights in a manner that benefits the Issuer or Bondholders.

2.1.3. Legal and regulatory risks

Compliance.

Pursuant to the regulatory framework which is currently applicable to the Issuer, it faces relatively low compliance requirements, as it is, for example, not directly responsible for "know your client" ("**KYC**") checks or anti-money laundering ("**AML**") checks of end investors. However, the Issuer takes reasonable efforts to establish the nature of counterparty and customer activities and ascertain the legitimacy of counterparty funds. In this respect the Issuer relies on its Authorised Participants to perform checks on the sources of funds. It should be stressed that performing KYC/AML checks in respect of transactions related to the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket is new and challenging and even though Authorised Participants are regulated entities, there is risk of compliance failures with respect to KYC/AML. Any breach of the compliance processes of the Issuer, Authorised Participants or service providers could have a material adverse effect on the Issuer's core business, including reputational damage and significant legal and financial impact.

Change in regulatory status of the Issuer.

The Issuer's business is focused on issuing Series of Bonds linked to the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket. Although some financial supervisory authorities across Europe may restrict trading in cryptocurrencies and/or categories of market participants which may deal with cryptocurrencies, the Issuer is currently not required to be licensed, registered or authorised under any securities, commodities or banking laws of its jurisdiction of incorporation or operation and currently operates without supervision by any authority in any jurisdiction. However, 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 or banking laws of such jurisdiction and there can be no guarantee that legal or regulatory requirements with respect thereto will not change in the future. Any such requirement or change could require the Issuer to obtain licenses, registrations or authorisations or even make it impossible for the Issuer to perform its current business. The Issuer may not be granted such licenses, registrations or authorisations or it may face severe financial implications. This may have an adverse impact on the Issuer conducting its business and the administration of any Series of Bonds and may result in the Issuer giving a Mandatory Redemption Notice in relation to a Series of Bonds (such risks are further described under 2.2.1 "*The Issuer is allowed at any time to perform a mandatory redemption in case certain events as specified in the Terms and Conditions materialise*").

Risks related to regulation of blockchain technologies and digital assets.

The Bonds are linked to one Cryptocurrency or a Basket of Cryptocurrencies and the regulatory regime governing the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket is currently undeveloped and likely to evolve rapidly. Various legislative and executive bodies in Germany and in other countries may in the future, adopt laws, regulations, guidance, or other actions, which may severely impact the future development of the Cryptocurrencies and other crypto assets and the growth of the markets for this asset class and, in turn, the adoption, utility and performance of each Series of Bonds. 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 a variety of adverse consequences, including civil penalties and fines and may negatively affect the rights of investors under a Series of Bonds.

Dependence on certain service providers and potential conflicts of interest.

The Issuer is dependent on a number of service providers to maintain the issue of a Series of Bonds and the security relating to such Series of Bonds. These include the Depositary, Authorised Participants, the Paying Agent and Fiscal Agent, the Administrator, the Clearing System and the security trustee, which is authorised under the Terms and Conditions to hold and administer security interest over the collateral (which includes the Deposited Cryptocurrency) for the benefit of the holders of a Series of Bonds (each a "**Bondholder**" and together, the "**Bondholders**"), itself and the Bondholders' Representative (as defined below), if appointed, (the "**Security Trustee**"). Should there be a material adverse change in cooperation with any existing service provider and a suitable alternative be unavailable or impracticable, it may be impossible for the Issuer to continue to maintain any listing of a Series of Bonds and fulfill its obligations thereunder. In addition, the role of service providers may give rise to conflicts of interest, which are adverse to the interests of any Bondholders.

The Bonds provide for a right of the Issuer to initiate mandatory redemption in respect of a Series of Bonds if any third-party service provider, including the Issuer's auditors, legal advisors, the Clearing System, the Paying Agent, the Fiscal Agent, the Security Trustee, the Authorised Participants, the Administrator and the Depositary, stops providing services to the Issuer, and the Issuer fails to find a replacement within a reasonable time.

Dependence on authorisations.

In relation to the Bonds to be issued under this Base Prospectus, application may be made to the Frankfurt Stock Exchange for the Bonds to be admitted to trading on the regulated market (*regulierter Markt*) of the Frankfurt Stock Exchange as well as to any further stock exchange in the European Economic Area for the Bonds 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 Bonds to be admitted to trading on the regulated market of the Frankfurt Stock Exchange or of any such other stock exchange, the Issuer depends on the Frankfurt Stock Exchange'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 Bonds. Any change to the listing requirements, the regulation of the Bonds, or acceptance of cryptocurrency as the underlying asset could adversely impact the Issuer, the value and liquidity of a Series of Bonds and investors in such Series of Bonds. If any authorisation risk materialises, this could have a material adverse effect on the Issuer's business and financial situation.

2.1.4. Internal control and IT risks

Attacks by "hackers" and sabotage from outside the Issuer.

The whole business of the Issuer depends on certain information technology (IT) infrastructure. Additionally, service providers (e.g. the Administrator, the Paying Agent and the Clearing System) also rely on IT systems to provide services to the Issuer. Both the Issuer's IT systems and IT systems of such service providers may be hacked by criminals. The Issuer is exposed to the risk of being partially, temporarily or even permanently prevented from carrying out its business activities or it may become in breach of its covenants and even become insolvent, and any Bondholders may lose a part or all of their investment in a Series of Bonds due to such security breach.

Attacks by "hackers" and sabotage from within the Issuer.

The Issuer's business is focused on issuing Series of Bonds. The Issuer does not and will not own or produce any other assets. The IT infrastructure used by the Issuer is its only means to administer each Series of Bonds during their lifetime, which includes in particular the transfer of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket related to each Series of Bonds. Hacker attacks, sabotage or fraud carried out by the managing director or potential future employees of the Issuer or third parties may sabotage the IT systems, which may lead to the failure of hardware and/or software systems of the Issuer. This may also have a negative impact on the Issuer's business activities.

2.2. RISKS RELATING TO THE BONDS

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

2.2.1. Risks related to the nature and the Terms and Conditions of a Series of Bonds

Auction cannot be carried out due to missing participants or insufficient bids.

If a Bondholder is prevented from receiving the relevant underlying Cryptocurrency or any or all of the underlying Cryptocurrencies comprising the Basket for legal reasons, in particular due to regulatory provisions applicable to it and because of that the Series of Bonds are redeemed in USD, the Issuer has to arrange for a Cryptocurrency auction to receive USD in order to redeem the Series of Bonds. Pursuant to the Terms and Conditions, a Cryptocurrency auction shall be deemed unsuccessful if the relevant reference price of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket (the "**Reference Price**") as of the relevant determination date is not available, or it is expected not to be available on the dates when it is required for the purposes of the procedure (which is further described in the Terms and Conditions) or the winning bidder fails to transfer to the Issuer the balances within the prescribed timeframe or there is no winning bidder in the auction, i.e. if either no bids were submitted or all bids were rejected or all submitted qualifying bidders failed to deposit a bid guarantee amount, or for any other reason. If the auction fails, Bondholders face the risk that the Bonds cannot be redeemed in USD and Bondholders do not have any mechanism to monetise the Bonds (except selling the Bonds for fiat currency (e.g. USD or Euro) in the secondary market, if a liquid market exists). In such case Bondholders could only sell the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket through exercise of the Cryptocurrency Put Option and would

have to rely on crypto-exchanges to exchange the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket for fiat currency.

Issuer has the choice to accept or reject a bid (up to a certain extent).

If it is required, pursuant to the Terms and Conditions, to conduct a Cryptocurrency Auction Procedure, the Auctioneer shall *inter alia* reject bids, if they are submitted for less than 80 percent of the Reference Price, or for less or more than the full amount of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket. This means that bids can be accepted at 80 percent of the Reference Price and therefore significantly less than the Reference Price. The Auctioneer may, at its sole and absolute discretion, not accept bids, which were submitted later than 48 hours before 13:00 (CET) on the Auction Price Determination Date, and may not accept bids where there is a suspicion as to legality of source of funds of the potential bidder. There is also a risk that some groups of potential bidders will be completely excluded from participation in the auction if the Auctioneer cannot make the offer of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket to such groups of potential bidders for regulatory reasons. In addition, there is also a risk for a Bondholder that the Cryptocurrency Auction Procedure shall be deemed unsuccessful in total. This would be the case if e.g. no winning bidder in the auction exists or the winning bidder fails to transfer to the Issuer the balances pursuant to the Terms and Conditions. As a consequence, the price achieved on the Cryptocurrency auction can be below the current market price of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket, which would have a negative impact on the Bondholder's investment, or a Cryptocurrency Auction Procedure can fail in its entirety and not result in any sale of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket at any price. Additionally, the Issuer reserves the right to charge certain redemption fees even in case of a failed Cryptocurrency Auction Procedure.

Risks related to the exercise of the put option in the Terms and Conditions of a Series of Bonds.

Bondholders have a put option (the "**Put Option**") to sell Bonds to the Issuer against payment of the Cryptocurrency Entitlement (as more particularly defined and calculated below). The Issuer may fail to make Cryptocurrency payments, at all or in a timely manner, due to failure in the relevant Cryptocurrency network to verify payments, operational deficiencies at the Depositary, the Administrator or the Issuer. In addition, there is a risk that investors may not be able to exercise the Put Option if they do not provide sufficient information to the Issuer in accordance with the Terms and Conditions.

Furthermore, if a Bondholder exercises the Put Option due to a specific value of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket and there is a delay in the redemption process, there is a risk that the value of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket can fluctuate/decrease in that time period.

If the transmission network fees for the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket are higher than an investor has specified as the level it is prepared to pay, the redemption could take longer to process, during which the value of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket may have fluctuated/decreased.

Additionally, if a Bondholder exercises the Put Option and requests USD settlement because it is prevented from receiving the underlying Cryptocurrency or any or all of the underlying Cryptocurrencies comprising the Basket for legal reasons, in particular due to regulatory provisions applicable to it, obligations of the Issuer to remit USD to such Bondholder after the surrender of the relevant Bonds to the Issuer constitute unsecured obligations of the Issuer. Only settlement obligations related to the exercise of the Cryptocurrency Put Option (the "**Secured Put Option Obligations**") constitute secured obligations of the Issuer. Claims of a Bondholder for payments in USD, due to the exercise of the USD Put Option will only be settled after the relevant Bondholder has delivered its Bonds to the Issuer and during the period from delivery of the Bonds until actual payment of USD, the relevant Bondholder will no longer be the owner of the Bond, nor have a secured claim against the Issuer.

The Issuer is allowed at any time to perform a mandatory redemption in case certain events as specified in the Terms and Conditions materialise.

The Issuer may at any time, in its sole and absolute discretion, elect to terminate and redeem all but not some of the Bonds at their Cryptocurrency Entitlement in case of occurrence of certain events as further specified in the Terms and Conditions (the "**Mandatory Redemption**"). In exercising such discretion, the Issuer is not required to have any regard to the interests of the Bondholders, and Bondholders may receive less, or substantially less, than their initial investment. The Issuer has to make an advance notice of the Mandatory Redemption, but there is a risk that the Issuer will fail to make such notice, or it will not be received by all Bondholders, which can result in some or all Bondholders failing to sell the Bonds or exercise their Put Option rights prior to the Mandatory Redemption. The Mandatory Redemption Price of the Bonds redeemed in USD can be less or substantially less than the equivalent price of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket, as the Issuer will try to sell the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket using the Cryptocurrency Auction Procedure, and all risks related to the relevant underlying Cryptocurrencies' auctions apply. Additionally, should the Issuer fail to realise the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket using the Cryptocurrency Auction Procedure, it is entitled to use any other reasonable procedure to sell the holdings in the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket, and there is a risk that such procedures would result in the sale of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket at a price less or substantially less than the minimum stipulated by the Cryptocurrency Auction Procedure.

Additionally, the Mandatory Redemption might result in the effective disposal of the Bonds for tax purposes by some or all Bondholders on a date earlier than planned or anticipated, which can result in less beneficial tax treatment of an investment in the Bonds for such Bondholders than otherwise would be available should the investment be maintained for a longer period of time.

Fees related to the redemption of the Bonds upon exercise of the put option.

If, in relation to a Series of Bonds, the Issuer has appointed one or more Authorised Participants and the outstanding total number of Bonds of such Series of Bonds multiplied by the Cryptocurrency Entitlement and the Reference Price is greater than or equal to a certain threshold amount specified in relation to each Series of Bonds in USD, the Issuer may charge an upfront redemption fee corresponding to a maximum amount to be specified in the relevant Final Terms at its sole and absolute discretion for the exercise of a Put Option by a Bondholder who is not an Authorised Participant, and where the Put Option is exercised in relation to a number of Bonds which, if multiplied by the Cryptocurrency Entitlement and then multiplied by the Reference Price, is less than USD 250,000 (the "**Upfront Redemption Fee**"). Payment of the Upfront Redemption Fee can lead to a lower than expected yield when exercising the Put Option. In addition to the Upfront Redemption Fee, the exercise of the Put Option triggers an exercise fee specified in relation to each Series of Bonds as an amount up to a maximum percentage of the Cryptocurrency Entitlement for each Bond in relation to which the Put Option is exercised (depending on whether the Put Option is exercised by an Authorised Participant or a Bondholder other than an Authorised Participant) (the "**Exercise Fee**"). The Exercise Fee will be deducted from the Cryptocurrency Entitlement or, in the case of USD settlement, from the proceeds of the sale of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket and accordingly the redemption amount per Bond received will be less than the actual Cryptocurrency Entitlement or, in the case of USD settlement, the proceeds of the sale of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket. Additionally, in the case of USD settlement, the Issuer reserves the right to charge relevant fees even if the Cryptocurrency Auction Procedure fails and, subsequently, the redemption request is cancelled.

Ability to comply with the Terms and Conditions and Events of Default.

The Issuer is required to comply with the Terms and Conditions. Events beyond the Issuer's control, including changes in the economic and business condition in which it operates, may affect the Issuer's ability to comply with the undertakings set out in the Terms and Conditions. Further, there is a risk that a breach of the Terms and Conditions will result in certain events, entitling Bondholders to declare all

but not some of its Bonds due and payable (each such event, an "**Event of Default**"), which could cause a material adverse effect on the Issuer's financial position.

Upon the occurrence of an Event of Default as defined in the Terms and Conditions, each Bondholder may be entitled to declare due and payable its entire claims arising from the Bonds and demand immediate payment of the Cryptocurrency Entitlement. If such claims are declared due and payable, the Issuer must then distribute the Cryptocurrency Entitlement in accordance with the Terms and Conditions. The value of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket can fluctuate during the time when such distribution of the Cryptocurrency Entitlement is being processed to be executed. In order for the distribution to be made, Bondholders need to have their own digital cryptocurrency wallet or wallets (in case of a Basket) (the "**Digital Wallet(s)**") and report such Digital Wallet(s) to the Issuer and a failure of doing so will result in the respective Bondholder not receiving the Cryptocurrency Entitlement. Additionally, the Issuer may receive more redemption requests in an Event of Default than it can operationally process. This may result in delays for the Bondholders receiving their Cryptocurrency Entitlement.

Investing in the Bonds does not correspond to a direct investment in the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket.

Investors should be aware that the market value of the Bonds does not exclusively depend on the prevailing price of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket and changes in the prevailing price of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket may not necessarily result in a comparable change in the market value of the Bonds. The performance of the Bonds may differ significantly from direct holdings of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket as a result of negative effects of fees and charges (see "*The Bonds are subject to transaction costs and charges*", including, but not limited to the Exercise Fee upon redemption), in addition to the negative effect of any other risks described herein. The return on the Bonds may not reflect the return if the investor had actually owned the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket and held such investment for a similar period.

Passive investment risk.

The Bonds cannot be considered as an actively managed investment and may be affected by a general decline in the value of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket (see also under 2.2.3 "*Risks related to the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket*"). Neither the Issuer nor any other party will actively manage the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket or the Bonds. As a result, the Issuer will not take any action to attempt to reduce the risk of loss resulting from price decreases. As a result, Bondholders bear the risk of a loss of a part or all of their investment.

Changes in regulation of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket.

The Bonds are linked to an underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket. A potential investor has, therefore, to consider that the regulation of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket is subject to change. Therefore, it cannot be ruled out that the regulatory treatment of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket by national authorities and courts or international standard setting bodies could be subject to changes in the future. As a result of such changes, the purchase and/or direct or indirect investment in the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket, including with respect to the Bonds may be prohibited or otherwise restricted. Furthermore, if an investment in the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket is prohibited, Bondholders may not redeem and receive the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket pursuant to the Terms and Conditions.

Moreover, changes in the regulation of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket, including with respect to the Bonds, may adversely impact the

Issuer, the value of the Bonds and the value of the Security. As a result, Bondholders bear the risk of a loss of a part or all of their investment.

Bondholders may be responsible for choosing an appropriate Digital Wallet (an inadequate or inappropriate Digital Wallet for the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket can lead to the loss of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket).

If any Bonds are terminated either by the Issuer or the Bondholder pursuant to the Terms and Conditions and the Bondholder is entitled to receive payments in the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket, the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket must be transferred to the Bondholder'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 Bondholder does not have the corresponding private cryptographic key or keys, or which the Bondholder cannot operate due to any other limitation, technical or otherwise), the Bondholder will not be able to access and dispose of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket. For the Bondholder, this means a total loss of its investment. The decision on choosing the correct compatible Digital Wallet(s) lies solely with the Bondholder. The Bondholder 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 underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket. 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 assigned underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket within the Digital Wallet(s).

Bondholders who do not provide the information regarding their Digital Wallet to the Issuer during the mandatory redemption process in a timely manner, may be treated by the Issuer as prevented from receiving the underlying Cryptocurrency or any or all of the underlying Cryptocurrencies comprising the Basket due to legal or regulatory reasons and may have their Bonds redeemed in USD, and all risks related to the Cryptocurrency Auction Procedure and Mandatory Redemption (as it applies to redemptions in USD may materialise (see in particular "Auction cannot be carried out due to missing participants or insufficient bids" and "Issuer has the choice to accept or reject a bid (up to a certain extent)").

Supply.

While the Issuer has the right to issue additional Bonds that are fungible with an already issued Series of Bonds, the Issuer is under no obligation to issue additional Bonds in relation to the Series of Bonds already issued. Even if the Issuer decides to issue additional Bonds in relation to a Series of Bonds already issued, given that, in the primary market, the Issuer only sells Bonds to Authorised Participants, there is no guarantee that Authorised Participants subscribing to the newly issued Bonds of a Series of Bonds will make them available in the secondary market. Additionally, the relevant Final Terms of a Series of Bonds only allow for subscriptions in exchange for Cryptocurrency, which has certain minimum contents of Cryptocurrency qualifying as "freshly mined". This requires that the relevant Authorised Participant subscribing the Bonds with such units of the underlying Cryptocurrency or underlying Cryptocurrencies comprising the Basket is able to assure to the Issuer in the specified form and providing specific proof, that at least a specified minimum portion of the so transferred units of the Cryptocurrency or units of the Cryptocurrencies comprising the Basket, have been transferred only through a specified limited number of digital wallets. In this case, Authorised Participants might not be able to source such Cryptocurrency and thus subscribe for such Bonds. This may create reduced liquidity and increased price volatility in the existing Series of Bonds. On the one hand, if the Issuer does not issue additional Bonds in relation to a Series of Bonds already issued, or Authorised Participants do not sell those additional Bonds in the secondary market, this could increase the price of the Bonds compared to the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket. On the other hand, when the Issuer starts issuing additional Bonds (and/or Authorised Participants start selling such Bonds in the secondary market) at a moment when the Bonds are trading at a premium compared to the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket, this could result in a reduction of the premium compared to the underlying

Cryptocurrency or the underlying Cryptocurrencies comprising the Basket and thus in a decrease in the price of the Bonds.

No recourse and no guarantee.

Pursuant to the Terms and Conditions, the Bonds will be obligations solely of the Issuer. In particular, the Bonds will not be obligations of, or guaranteed by the Paying Agent, the Fiscal Agent, the Depositary, the Security Trustee, the Administrator or the Authorised Participants or any other partner or affiliate of the Issuer or any direct or indirect holder of the Issuer.

No person has guaranteed the performance of the Issuer's obligations, and no Bondholder has any direct rights of enforcement against any such person. As a result, Bondholders bear the risk of a loss of part or all of their investment in a Series of Bonds.

Risk-hedging transactions.

The ability to eliminate or to restrict the initial risks of a Series of Bonds arising from their purchase by, for example, concluding any hedging transactions during their lifetime, depends mainly on the market conditions and the economic terms of such Series of Bonds. As a consequence, such transactions may be concluded at unfavourable market prices (or not at all), which may result in corresponding losses. Investors should, therefore, not rely on the ability to conclude transactions at any time during the term of such Series of Bonds that will allow them to offset or limit relevant risks.

The Terms and Conditions of a particular Series of Bonds can be amended by a Bondholders' resolution and any such resolution will be binding for all Bondholders. Any such resolution may effectively be passed with the consent of less than a majority of the aggregate principal amount of the Bonds outstanding.

The Terms and Conditions of a particular Series of Bonds, including the terms of payment of principal, can be amended (with the consent of the Issuer) by a Bondholders' resolution and any such resolution will be binding for all Bondholders of such Series of Bonds. Any such resolution may effectively be passed with the consent of less than a majority of Bondholders holding the aggregate principal amount of the Bonds of such Series of Bonds outstanding.

According to the Terms and Conditions and the German Act on Issues of Debt Securities of 2009 (*Gesetz über Schuldverschreibungen aus Gesamtemissionen* - SchVG; "German Act on Issues of Debt Securities" or the "**SchVG**"), Bondholders of a particular Series of Bonds can, by resolution, consent to amendments of the Terms and Conditions of such Series of Bonds. Accordingly, although no obligation to make any payment or render any other performance may be imposed on any Bondholder, the Bondholders may, by resolution, materially change the substance of the Terms and Conditions of a particular Series of Bonds, in particular in the case of Section 5 paragraph 3 numbers 1 through 9 of the SchVG. Under the SchVG and the Terms and Conditions of a particular Series of Bonds, such amendments require a resolution of Bondholders holding in the aggregate at least 75 percent of the votes cast in respect of the Series of Bonds. Subject to contestation in court, any such resolution will be binding on all Bondholders of such Series of Bonds.

The voting process under the Terms and Conditions will be governed in accordance with the SchVG, pursuant to which the required participation of Bondholder votes (quorum) is principally set at 50 percent of the aggregate principal amount of the outstanding Series of Bonds at the time of the first Bondholders' meeting or a vote without meeting. If the quorum is not met for the first voting process, there is no minimum quorum for the second voting process in relation to the same resolution (unless the resolution to be passed requires a qualified majority, in which case Bondholders representing at least 25 percent of the outstanding Series of Bonds by principal amount must participate in the meeting). As the relevant majority for Bondholders' resolutions is generally based on votes cast, rather than on principal amount of Bonds outstanding, the aggregate principal amount of Bonds of a Series of Bonds required to vote in favour of an amendment will vary based on the Bondholders' votes participating.

The specific risk is that Bondholders of a particular Series of Bonds are being outvoted and losing rights towards the Issuer against its will in the event that Bondholders holding a sufficient aggregate principal amount of the Bonds participate in the vote and agree to amend the Terms and Conditions of a particular

Series of Bonds by majority vote in accordance with the Terms and Conditions and the SchVG which, in turn, may result in a Bondholder's loss of the investment in the Bonds.

Since no Bondholders' Representative will be appointed on the issue date of a Series of Bonds, it will be more difficult for Bondholders to take collective action with respect to such Series of Bonds.

Under the SchVG, a joint representative (*gemeinsamer Vertreter*) of the Bondholders (the "**Bondholders' Representative**") may be appointed on the basis of the terms and conditions of debt securities. The Bondholders' Representative is not a trustee and its functions differ in material respects from those of a trustee appointed under the U.S. Trust Indenture Act of 1939 or similar legislation. No initial Bondholders' Representative will be appointed under the Terms and Conditions. Any appointment of a Bondholders' Representative for the Bonds of a particular Series of Bonds post issuance of such Series of Bonds will, therefore, require a majority resolution of the Bondholders of such Series of Bonds.

The specific risk is that if the appointment of a Bondholders' Representative is delayed, this will make it more difficult or even impossible for Bondholders of a Series of Bonds to take collective action to enforce their rights under the Bonds.

It is possible that a Bondholder may be deprived of its individual right to pursue and enforce its rights under the Terms and Conditions if such right was passed to a Bondholders' Representative.

If a Bondholders' Representative will be appointed by majority decision of the Bondholders of a Series of Bonds it is possible that a Bondholder may be deprived of its individual right to pursue and enforce its rights under the Bonds against the Issuer, if such right was passed to the Bondholders' Representative by majority vote who is then exclusively responsible to claim and enforce the rights of all the Bondholders.

The specific risk is that Bondholders of such Series of Bonds may not be able to enforce their rights under the Bonds individually but with consent and depending on the action of a Bondholders' Representative only which, in turn, may result in a Bondholder's loss of the investment in the Bonds.

The Bonds are subject to transaction costs and charges.

When Bonds are purchased or sold, several types of incidental costs (including transaction fees and commissions) are incurred in addition to the purchase or sale price of the Bonds. These incidental costs may significantly reduce or eliminate any profit from holding the Bonds. Credit institutions as a rule charge commissions which are either fixed minimum commissions or pro-rata commissions, depending on the order value. To the extent that additional – domestic or foreign – parties are involved in the execution of an order, including, but not limited to, domestic dealers or brokers in foreign markets, Bondholders may also be charged for the brokerage fees, commissions and other fees and expenses of such parties (third party costs). In addition to such costs directly related to the purchase of securities (direct costs), potential investors must also take into account any follow-up costs (such as custody fees).

The specific risk is that such additional costs may lower the yield of the investment substantially. Therefore, potential investors should inform themselves about any additional costs incurred in connection with the purchase, custody or sale of the Bonds before investing in the Bonds.

No assurance can be given as to the impact of any possible judicial decision or change of laws or administrative practices after the date of this Base Prospectus.

The Terms and Conditions are based on the laws of Germany in effect as at the date of this Base Prospectus. Certain agreements which the Issuer entered into in connection with the Bonds are subject to the laws of other jurisdictions than German ("**Foreign Law Jurisdictions**"). No assurance can be given as to the impact of any possible judicial decision or change to the laws of Germany or the laws of a Foreign Law Jurisdiction or administrative practice or the official application or interpretation of German law or the laws of a Foreign Law Jurisdiction after the date of this Base Prospectus.

The specific risk is that Bondholders may face detrimental changes in German law which negatively impact their rights under the Bonds. This could even lead to situations where Bondholders are not

allowed to enforce their rights under the Bonds which in turn may result in a Bondholder's loss of the investment in the Bonds.

2.2.2. Risks related to the Security of the Bonds

Security granted to secure a Series of Bonds may be unenforceable or enforcement of the Security may be delayed.

The Issuer has undertaken to have an amount in the underlying Cryptocurrency or underlying Cryptocurrencies comprising the Basket equal to or higher than the Secured Obligations Amount (i.e. the sum of Outstanding Amount, Secured Put Option Obligations Amount and Secured Settlement Obligations Amount) always deposited with the Depositary, and has pledged such deposited underlying Cryptocurrency or underlying Cryptocurrencies comprising the Basket in favour of the Bondholders as Security for the Issuer's debt to the Bondholders. These security arrangements may not be sufficient to protect the Bondholders in the event of the Issuer's or the Depositary's bankruptcy or liquidation due to various reasons. There is a legal risk that the security interest in respect of the underlying Cryptocurrency or underlying Cryptocurrencies comprising the Basket is not enforceable given it is a cryptocurrency and there could be uncertainties on how to enforce such Security or changes in legislation. In addition, the enforcement of the Security may be delayed.

Moreover, investors should note that the security interests are not governed by German law, but by foreign laws. This may make the enforcement of the security interests more costly and time consuming.

Credit risk.

The Issuer will be exposed to the credit risk of depositary institutions with whom it holds the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket. Credit risk, in this case, is the risk that the Depositary holding the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket will fail to fulfil an obligation or commitment to the Issuer. The underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket is/are maintained by the Depositary in segregated accounts, which are intended to be protected in the event of insolvency of the Depositary. However, any insolvency of the Depositary may result in delayed access to the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket provided as a Security. In such a situation, Bondholders may face a loss due to asset price fluctuation.

Fraud risk arising from third parties.

The Issuer is interacting with a number of third parties, including, but not limited to, the Depositary, the Security Trustee, Authorised Participants, the Administrator and exchanges. The Issuer is also relying on its own staff for its operations. As a result, the Issuer is exposed to the risk of misconduct, negligence or fraud by these third parties and its employees. This could result in serious reputational or financial harm or damage to the assets of the Issuer which are pledged as a Security for the Bonds and also result in losses for the investors in the Bonds. It is not always possible to deter misconduct and the internal control systems set up by the Issuer or the relevant third parties may not always be effective. Also, these risks may not be fully covered by insurance.

Realisation of Security and role of the Security Trustee.

The Security Trustee may take any action permitted by the Terms and Conditions and the relevant Security Documents in an enforcement scenario without having regard to the effect of such action on individual Bondholders. Fees, costs and expenses for the Security Trustee will need to be paid in advance. 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.

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

The Security Trustee will only act upon instruction of the Bondholder's Representative in relation to a particular Series of Bonds. No initial Bondholders' Representative will be appointed under the Terms and Conditions. Any appointment of a Bondholders' Representative for the Bonds of a particular Series of Bonds after the issuance of such Bonds will, therefore, require a majority resolution of the Bondholders of such Series of Bonds. The specific risk is that no Bondholders' Representative will be appointed because a majority resolution by such Bondholders has not been passed or that the Bondholders' Representative might not instruct the Security Trustee in the interest of all individual Bondholders of such Series of Bonds. In such an event it may be difficult or even impossible for such Bondholders to take collective action and to enforce the Security.

Recognition of Security and choice of law in other jurisdictions.

The laws of certain jurisdictions may affect some or all of the security interests over assets representing the Security. In the event that the laws of a jurisdiction do not recognise the security interests granted by the Security, such security may not be effective in relation to assets deemed located in that jurisdiction and/or the ranking of the claims in relation to such assets may change and unsecured claims may become first-ranking.

2.2.3. Risks related to the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket

Price volatility of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket.

The value of the Bonds is affected by the price of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket – which fluctuates widely and is influenced by a number of factors. The amount received by Bondholders (i) upon redemption of the Bonds in USD, in case that a Bondholder is prevented from receiving the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket for legal reasons, or (ii) upon sale on the stock exchange depends on the performance of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket.

Prices of Cryptocurrencies fluctuate widely and, for example, may be impacted by the following factors:

- *Global or regional political, economic or financial events* – global or regional political, economic and financial events may have a direct or indirect effect on the price of Cryptocurrencies;
- *Regulatory events or statements by the regulators* – there is lack of consensus regarding the regulation of cryptocurrencies and uncertainty regarding their legal and tax status and regulations of cryptocurrencies continue to evolve across different jurisdictions worldwide. Any change in regulation in any particular jurisdiction may impact the supply and demand in that specific jurisdiction and other jurisdictions due to the global network of exchanges for cryptocurrencies, as well as composite prices used to calculate the underlying value of such cryptocurrencies (if any), as the data sources span multiple jurisdictions. See also "*Political risk in the market of Cryptocurrencies*".
- *Investment trading, hedging or other activities by a wide range of market participants which may impact the pricing, supply and demand for crypto assets* – markets for crypto assets are local, national and international and include a broadening range of products and participants. Significant trading may occur on any system and platform, or in any region, with subsequent impacts on other systems, platforms and regions.
- *Forks in underlying protocols* – The underlying Cryptocurrencies are each open source projects. As a result, any individual can propose refinements or improvements to a network's source code through one or more software upgrades that could alter the protocols governing the network and the properties of each underlying Cryptocurrency. When a modification is proposed and a majority of users and miners consent to the modification, the change is implemented and the network remains uninterrupted. However, if less than a majority of the

users and miners consent to the proposed modification, the consequence could become what is known as a "fork" (i.e. a "split") of the network (and the blockchain), with one part running the pre-modified software and the other running modified software. The effect of such a fork would be the existence of two versions of the network running in parallel, and the creation of a new digital assets which lacks interchangeability with its predecessor. Additionally, a fork could be introduced by an unintentional, unanticipated software flaw in multiple versions of otherwise compatible software users run. The circumstances of each fork are unique, and their relative significance varies. It is not possible to predict with accuracy the impact that any anticipated fork could have in terms of pricing, valuation and market disruption. Newly-forked assets in particular may have less liquidity than more established assets, resulting in greater risk. See also *"Split of a blockchain"*.

- *Disruptions to the infrastructures or means by which each of the underlying Cryptocurrencies are produced, distributed and stored, are capable of causing substantial price movements in a short period of time* – Cryptocurrency infrastructure operators or ‘miners’ who use computers to solve mathematical problems to verify transactions are rewarded for these efforts by increased supply of such cryptocurrency. The computers that make up the infrastructure supporting each of the underlying Cryptocurrencies are decentralised and belong to a combination of individuals and large corporations. Should a significant subset of the pool of each of the underlying Cryptocurrencies choose to discontinue operations, pricing, liquidity and the ability to transact in each of such Cryptocurrencies could be limited. As each of the underlying Cryptocurrencies is designed to have a finite supply pool of units of each of the underlying Cryptocurrencies, this finite supply pool will eventually be fully mined (meaning the creation of new cryptocurrency units through a predetermined mathematical process within a computer network) at some point in the future. This makes mining unsustainable since block rewards would no longer be available to miners, thereby leading to a reduction in the number of miners. This may trigger the collapse of the network as no miners would want to validate blocks without any economic incentive. Also, as block rewards decrease at a rate that was built into the network at its inception (as a consequence of the finite supply pool), the economic incentives for miners of each of the underlying Cryptocurrencies may not be sufficient to match their costs of validating blocks, potentially leading to miners transitioning to other networks, in turn slowing transaction validation and usage. This can adversely impact the price of each of the underlying Cryptocurrencies. Other critical infrastructure which may be adversely affected includes storage solutions, exchanges and custodians for each of the underlying Cryptocurrencies. For example, the potential for instability of cryptocurrency exchanges and the closure or temporary shutdown of exchanges due to business failure or malware could impact the liquidity of, demand for, and supply of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket (and other crypto assets). In addition, volatility in the pricing of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket leads to increased opportunities for speculation and arbitrage, which, in turn, contributes to price fluctuations.
- *Execution risk* – It may be impossible to execute trades in the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket at the quoted price. Any discrepancies between the quoted price and the execution price may be a result of the availability of assets, any relevant spreads or fees at the exchange or discrepancies in the pricing across exchanges. See also in 2.2.1 *"The Bonds are subject to transaction costs and charges"*.

Political risk in the market for the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket.

The legal status of the underlying Cryptocurrencies varies between different countries. The lack of consensus concerning the regulation of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket and how the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket shall be handled tax wise causes insecurity regarding the legal status of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket. As the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket are unregulated assets in many jurisdictions, there is a risk that politics and future regulations will affect

the markets for the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket and companies operating in such markets. It is impossible to know or predict exactly how politics and future regulations may affect the markets. However, future regulations and changes in the legal status of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket are political risks which may affect the price of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket. If the Issuer fails to comply with potential future regulations, this may lead to the Issuer incurring losses and it may also have an adverse impact on the Issuer's ability to carry out its business.

Valuation of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket

The market value of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket is not related to any specific company, government or asset. The valuation of these assets depends on future expectations for the value of the network, number of transactions and the overall usage of the asset. See also "*Price volatility of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket*". This means that a significant amount of the value in the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket is speculative and could lead to increased volatility. Investors could experience significant gains, losses and/or volatility depending on the valuation of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket through the exposure to Bonds. Due to the speculative nature of an investment in the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket, their prices may fluctuate for any reason and such fluctuations may not be predictable.

Momentum pricing of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket has previously resulted, and may continue to result, in speculation regarding future appreciation or depreciation in the value of such assets, further contributing to volatility and potentially inflating prices at any given time. As a result, pricing of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket may change due to shifting investor confidence in future outlook of the asset class. These dynamics may impact the value of an investment in the Bonds.

Potential for market abuse.

Markets for the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket are growing rapidly. These markets are local, national and international and include a broadening range of products and participants. Significant trading may occur on systems and platforms and with minimum predictability. Any sudden, rapid change in demand and supply of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket, could cause significant price volatility. In addition, neither the underlying Cryptocurrency nor any of the underlying Cryptocurrencies comprising the Basket is backed by any central government and different regulatory standards apply across countries and in regions. The characteristics of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket and underlying infrastructure could be used by certain market participants to exploit market abuse opportunities such as front-running (a form of insider dealing, whereby inside information of a future transaction is exploited to buy or sell financial assets for own account), spoofing (a form of fraud, whereby the communication with the target is disguised to gain access to its personal information and/or network for further attacks), pump-and-dump (a form of fraud, whereby the price of a financial asset is artificially inflated through false and misleading information) and fraud across different systems, platforms or geographical locations. As a result of reduced oversight, these schemes may be more prevalent in the crypto asset market than in the general market for financial products. Potential for market abuse in the form of such schemes may impact market conditions of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket, thereby impacting the value of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket and thereafter the value of an investment in the Bonds.

Split of a blockchain.

There is a risk that source codes or protocols of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket will be further developed and this for various reasons would lead to a split of the virtual currency into several protocols (so-called "**Hard Fork**"). A Hard Fork is a

fundamental change to the mutually agreed rules so that computers running the old code do not execute transactions that will be recognised as valid by computers running the new code. A Hard Fork can be indisputable, controversial or a spin-off. An indisputable Hard Fork can be compared to a software upgrade, which all (or almost all) users agree, so that the change results in only one network and one set of rules. A disputed Hard Fork can cause disagreement among users creating two competing incompatible networks who compete for the same brand. For example, the Bitcoin network had a spin-off on 1 August 2017, which resulted in a Bitcoin (BTC) and Bitcoin Cash (BCH).

If a Hard Fork in form of a spin-off occurs (the "**Split**") and leads to the creation of two or more cryptocurrencies, each Bond shall represent a claim on a group of post-Split cryptocurrencies that corresponds to such Cryptocurrency Entitlement as each Bond represented before the Split. However, the weight of each cryptocurrency in such group shall be determined only upon (i) Bondholders representing at least 20 percent of all Outstanding Bonds having notified the Issuer in writing about the occurrence of the Split; or (ii) the Issuer having notified the Bondholders about the occurrence of the Split. Bondholders may therefore have a less favourable claim under the Bonds than might have been the case if the weight of the cryptocurrencies had been determined at an earlier point in time.

Following a Split, the Issuer may, at its sole discretion and after having notified the Bondholders, decide to split the Bonds into separate Bonds each such new Bond representing a claim on the Issuer for a separate post-Split cryptocurrency in the group of cryptocurrencies that each Bond represented immediately following the Split. The Issuer may in its sole and absolute discretion and after having notified the Bondholders, suspend Put Option exercises and issuances of Bonds for a reasonable period of time, not exceeding 90 (ninety) days, in order to allow for an arrangement as described above. As indicated, the analysis whether to support a Split by splitting the Bonds is at the sole discretion of the Issuer. These considerations include, but are not limited to, availability of a custody solution, trading support from market makers, sufficient liquidity and the availability of a price on or around the date of the Split. While these attributes may change over time, the Issuer may require that any forked assets have an available custody and trading solution on the fork date. There is no guarantee that all cryptocurrencies will have the same performance or the same technical development and this could lead to a negative impact on the Bondholders. In addition, a newly-forked asset may increase other risks such as liquidity risk, market manipulation risk, risk of bankruptcy or insolvency and increased volatility, amongst others. See also "*Price volatility of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket*".

Exchange rate risks and failure of crypto-exchange platforms.

Bonds can be redeemed at their Cryptocurrency Entitlement, meaning that the Bondholders will receive units of the underlying Cryptocurrency or units of the underlying Cryptocurrencies comprising the Basket, if so chosen by the Bondholder. If the Bondholders intend to exchange such units of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket into fiat currencies, such as, for example, Bitcoin into USD, there is a risk of insufficient liquidity in the market. It is not possible to predict whether a market for the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket will exist and whether such market will be liquid or illiquid and how the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket can be traded in such market. Among other things, this can lead to very volatile exchange rates. Bondholders may incur transaction costs and fees while exchanging from the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket into fiat currency, such as USD. The Bondholders also bear the risk that no such exchange is possible at all and that no market is available for this purpose.

The historical market price of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket or its/their exchange rate(s) is not an indicator of its future development. It is not possible to predict whether the market price(s) of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket will rise in relation to another currency or fall.

Transactions in the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket may be misused for criminal activities, including money laundering.

Transactions in cryptocurrencies are public, but the exact identity of the sending party and the recipient of these transactions are not normally known. Transactions are largely untraceable and provide cryptocurrency consumers with a high degree of anonymity. It is therefore possible that the cryptocurrency networks will be used for transactions associated with criminal activities, including money laundering. If, as a result of the aforementioned, authorities close down trading platforms, impose regulations or otherwise restrict or complicate the use of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket, this may affect their value and therefore the value of the Bonds.

Development of the Protocols of the Cryptocurrencies.

The protocols of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket (the "**Protocols**") are publicly available and under development. Further development and acceptance of each of the Protocols is dependent on a number of factors. The development of the Protocols may be prevented or delayed, should disagreements between participants, developers and members of the relevant network arise. New and improved versions of the source code are accepted if the majority of members of the network implement relevant changes in their nodes, meaning upgrading their software to the latest version of the codes. Should a situation arise where it is not possible to reach a majority in the relevant network regarding the implementation of a new version of a Protocol, this may mean that, among other things, the improvement of relevant underlying Cryptocurrency's scalability may be restrained. Should the development of a Protocol be prevented or delayed, this may adversely affect the value of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket.

Further, as the structures of each of the Protocols are public, any kind of direct compensation for the developers of the Protocols is missing, which could lead to decreased incentives for continuous development of the Protocols. Should a Protocol not develop further, the value of the relevant underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket will decrease, which in turn would affect the value of the Bonds.

Technical risks related to the Cryptocurrencies including 51 percent attacks.

Miners of the Cryptocurrencies earn ("mine") units of the relevant Cryptocurrency by confirming transactions and reaching consensus, and a pre-defined number of units of such Cryptocurrency is distributed between the miners proportional to their utilised computing ("hashing") power. The results of the reached consensus defined by the relevant Protocol is the public ledger known as the blockchain. If an attacker succeeds in providing more than 50 percent of the blockchain miners computing power in a so-called "51 percent attack", it can manipulate what is designed (by the relevant Protocol) to be a blockchain version reached by consensus to a certain extent (in particular, such an attacker will be able to 'roll back' or exclude valid transactions from the blockchain). Such an attack, in particular, enables perpetrators to 'double-spend' units of the relevant Cryptocurrency by a way of exchanging some pre-existing units of the relevant Cryptocurrency for some other value (either other units of the relevant Cryptocurrency, other crypto-asset or fiat currency), and then rolling-back the transaction where such perpetrators surrender their units of the relevant Cryptocurrency without rolling back the transactions (if any) where they receive any value in exchange for their units of the relevant Cryptocurrency. Such an attack is in principle also possible with less than 51 percent of the mining power. The attacker could also block others' transactions by denying them a confirmation. The value of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket as well as the investment in the Bonds would be negatively affected by such attacks, and the Issuer can become insolvent with some or total loss of value for the Bondholders if it becomes a victim of a 'double-spending' attack, where a fraudulent party will subscribe to the Bonds using units of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket, but then roll-back the transaction which deposits units of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket to the Depositary Wallet.

In addition, the rapid development of quantum computing could have an impact on the integrity of the blockchain. A blockchain is a mathematical structure securing data through asymmetric cryptography (public and private keys) and a hash function (which is a cryptographic method used for mining the underlying Cryptocurrencies). Advanced quantum computing could threaten the integrity of a blockchain. Shor's algorithm, a quantum algorithm for finding the prime factors of an integer, run on a large enough quantum computer can crack various cryptographic algorithms, including the blockchain one. Cryptocurrencies are based on Elliptic Curve Cryptography which is not quantum-computer resistant. If the integrity of the blockchains of the underlying Cryptocurrency or any of the underlying Cryptocurrencies comprising the Basket is threatened, the value of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket as well as the value of the Bonds would be negatively affected.

Bugs in the Protocols.

The source codes of the Cryptocurrencies is public and may be downloaded and viewed by anyone. There may be one or more bugs in the codes which are yet to be found and repaired, or which will occur in the development of the Protocols, which may jeopardize the integrity and security of the networks of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket.

Internet disruptions.

The functionality of crypto asset networks such as the networks of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket relies on the internet. A significant disruption of internet connectivity (i.e. affecting a large number of users or geographic regions) could prevent the functionality and operations of such network until the internet disruption is resolved. An internet disruption could adversely affect an investment in the Bonds and the ability of the Issuer to operate.

Risk of losing units of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket in a Digital Wallet due to fraud, accident or similar.

Bondholders receiving units of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket as a result of a redemption of the Bonds should be aware of the risk of losing such units when they hold or deposit such units in a Digital Wallet. Units of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket are usually stored in a "digital wallet" on a computer, laptop or smart phone. Digital Wallets have a public key, and a private key or password that allows their owners to access them. However, Digital Wallets are not impervious to hacking. Similar to conventional wallets, money may therefore be stolen from Digital Wallets. Cases have been reported of consumers losing cryptocurrency in excess of USD 1,000,000, with little prospect of having it returned. In addition, loss of the key or password to a Digital Wallet (which includes unauthorised copy of the key or the password or a part of it), may result in cryptocurrency stored on the Digital Wallet to be lost forever. There are no central agencies that record passwords or issue replacement ones. Bondholders may lose all, or part, of their units of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket as a result of these factors.

Hacks of Digital Wallets.

There are three types of hacks of digital wallets that can affect an investment in the Bonds. In this context, a "hack" refers to any unauthorised access to the private keys necessary to sign transactions on the blockchain transferring value out of the relevant digital wallet. This includes "brute force" attacks (i.e. attacks seeking to obtain the information regarding the private keys through a trial-and-error method, whereby software is used to generate a large number of consecutive guesses). While such attacks are currently unlikely, it should be noted that the development of quantum computing is expected to make such attacks possible, as the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket are based on Elliptic Curve Cryptography which is not quantum-computer resistant, see also "*Technical Risks Related to the Cryptocurrencies including 51 percent attacks*".

- A hack of the Depositary Wallet could result in the loss of the main body of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket backing the Bonds. Such a hack could thus result in a loss of value of the Bonds for all the Bondholders. Bondholders would risk losing their entire investment. While the Depositary takes significant measures to prevent a hack of the Depositary Wallet(s), it is not possible to entirely exclude this risk.
- A hack of a Bondholder's Digital Wallet into which the redemption proceeds of the Bonds of a particular Bondholder are transferred, would only result in a loss of value for that particular Bondholder. Such a hack would not affect the position of other Bondholders. In this respect, please also refer to "*Risk of losing units of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket in a Digital Wallet due to fraud, accident or similar*" above.
- A hack of any digital wallet of the Issuer which is not the Depositary Wallet would not directly affect Bondholders, but it could affect the financial and economic position of the Issuer and could result in the Issuer ceasing its commercial operations and winding-up its activities, which would adversely affect an investment in the Bonds in particular due to a mandatory redemption.

Competition between cryptocurrencies.

Different cryptocurrencies compete with each other. If other cryptocurrencies see more innovation to reach competitive advantages, the importance of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket may be reduced, which will decrease the value of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket and the Bonds.

Large-scale sales of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket.

Political or economic events, either domestically or in foreign jurisdictions, may motivate large-scale purchases or sales of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket. Large-scale sales of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket may result in a decline in the price of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket, which will adversely affect an investment in the respective Bonds.

There are some substantial holdings of units of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket on publicly-known digital wallets which have not been involved in transactions on the 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 such units of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket "locked" in such digital wallets are effectively excluded from circulation. In the event that holdings of a Cryptocurrency considered locked up forever were to enter into circulation, the price of such Cryptocurrency might be severely affected by the increasing supply.

Additionally, even if such holdings are not actually sold and there is any indication that 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 relevant blockchain), market expectations with regard to total supply of the relevant Cryptocurrency can change dramatically and it can negatively affect the price of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket, which will adversely affect an investment in the Bonds.

Actions by early adopters of the Cryptocurrencies.

There is no registry showing which individuals or entities own units of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket or the quantity of units of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket 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 the underlying Cryptocurrency or the underlying Cryptocurrencies

comprising the Basket that have been mined to date. There are no regulations in place that would prevent large holders of units of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket from selling their holdings. Such a sale may adversely affect the price of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket and an investment in the Bonds.

Potential decline in the adoption of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket.

As with all new assets and technological innovation, the crypto asset industry is subject to a high degree of uncertainty. Further adoption of each of the Cryptocurrencies will require (i) growth in their acceptance as currency for payments and/or (ii) growth in the use of blockchain applications based on the Cryptocurrencies. Adoption of crypto assets also requires an accommodating regulatory environment. The Issuer does not and will not have any strategy related to the development of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket and any applications for the blockchain technology. Lack of expansion in the usage of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket and the relevant blockchains could adversely affect their price and investment in the Bonds.

In addition, there is no assurance that the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket will maintain their value over the long term (see also "*Price volatility of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket*" and "*Valuation of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket*"). The value of each of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket is subject to risks related to its usage. Even if growth in the usage and/or acceptance of crypto assets such as the Cryptocurrencies occurs in the near or medium-term, there is no assurance that crypto assets usage will continue to grow over the long-term. Contraction in the use of crypto assets may result in increased volatility or a reduction in the price of crypto assets, including the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket, which would adversely impact the value of the Bonds.

Additionally, it is possible that crypto assets as an asset class are widely adopted and successful, but the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket in particular become obsolete and are replaced by a new generation of crypto-assets, this could negatively affect the price of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket and consequently the price of the Bonds.

Transaction costs may vary depending on network load (unpredictable for Issuer and Bondholder).

Charges apply when transferring units of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket as part of the redemption of the Bonds in the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket. In case of a Basket, these charges apply to the transfer of the units of each underlying Cryptocurrency comprising the Basket. The amount of fees required to maximise the chances of a reasonably fast confirmation of the transaction does not depend on the value of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket transferred. The transferring participant can determine the transaction fees it is willing to pay. The higher this value is, the faster the transaction will be confirmed. When miners form new blocks, they are economically incentivised to select those transactions from the pool of unconfirmed transactions (known as the "**Mempool**") that have the highest transaction fee. Such selection is necessary because the number of transactions which can be included in any particular block is limited by the relevant Protocol's specification. The transaction costs required to be paid in order to maximize the chances of timely processing of any transaction, are thus not constant over time, but depend on the size of the Mempools and on the proposed fees of transactions posted by other participants. Furthermore, miners may collude in an anticompetitive manner in order to reject low transaction fees, forcing users to pay higher transaction fees. Due to the reasons outlined above, the level of transaction fees required to maximise the chances of prompt transfer instruction processing, as well as the actual timing of any transaction is therefore unpredictable and Bondholders might receive

the units of the relevant underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket later than anticipated, or in extreme cases, not at all.

Amplification of risks in case of a Basket of underlying Cryptocurrencies

If a Series of Bonds is linked to a Basket of Cryptocurrencies, fluctuations in the value of or the realisation of any of the risks set out above in relation to a single Cryptocurrency contained in the Basket may either be offset or amplified by fluctuations in the value of the other Cryptocurrencies comprising the Basket. Accordingly, the market value of the Bonds linked to the Basket may deviate from the performance of the Basket and/or the underlying Cryptocurrencies comprising the Basket as, among other factors, correlations, volatilities and the general market interest rate level may have an additional influence on the performance of the Bonds.

2.2.4. Risks related to the admission of the Bonds to trading

The Bonds do not have an established trading market and an active trading market for the Bonds may not develop.

Each Series of Bonds represent a new issue of securities for which there is currently no established trading market. Although the Issuer intends to obtain admission of the relevant Series of Bonds to trading on the regulated market of the Frankfurt Stock Exchange and may also apply to any further stock exchange in the European Economic Area for the Bonds to be admitted to trading on the regulated markets of any such stock exchange, there can be no assurance that a market for the relevant Series of Bonds will develop or, if it does develop, continue or that it will be liquid, thereby enabling investors to sell their Bonds when desired, or at all, or at prices they find acceptable or at prices which are expected due to a particular price of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket.

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

Products listed on the regulated market of the Frankfurt Stock Exchange or any further stock exchange in the European Economic Area may be suspended from trading.

The Frankfurt Stock Exchange and other stock exchanges in the European Economic Area provide for rules determining admissible securities. It cannot be excluded that during the lifetime of the Bonds, the Bonds are no longer admissible for reasons beyond the control of the Issuer. This may lead to the suspension or delisting of the Bonds.

The trading price of the Bonds could decrease if the creditworthiness of the Issuer worsens or is perceived to worsen (notwithstanding the fact that the Bonds are secured by actual holdings of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket).

Even though the Bonds are secured by the actual holdings of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket, 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 Bonds when they fall due (e.g. due to operational constraints). As a result, the market value of the Bonds 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 Bonds 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 Bonds at a substantial discount relative to the price of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket, which in turn may result in a Bondholder's loss of the investment in the Bonds.

2.2.5. Taxation risks relating to the Bonds

Tax treatment of investment in the Bonds may differ from tax treatment of investment in the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket

Tax treatment of an investment in the Bonds may be less favourable than investment in the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket for a wide range of investors. Investors considering investments in the Bonds shall seek independent legal, tax or investment advice in order to determine their potential tax liability (including but not limited to capital gains tax (*Kapitalertragsteuer*)).

Financial Transaction Tax.

On 14 February 2013, the European Commission published a proposal (the "**Commission's Proposal**") for a Directive for a common financial transactions tax (the "**FTT**"). According to the Commission's Proposal, the FTT shall be implemented in certain EU Member States, including Germany (the "**Participating Member States**").

Pursuant to the Commission's Proposal, the FTT shall be payable on financial transactions provided that at least one party to the financial transaction is established or deemed established in a Participating Member State and there is a financial institution established or deemed established in a Participating Member State which is a party to the financial transaction, or is acting in the name of a party to the transaction. The FTT shall, however, not apply to (*inter alia*) primary market transactions referred to in Article 5(c) of Regulation (EC) No 1287/2006, including the activity of underwriting and subsequent allocation of financial instruments in the framework of their issue. Thus, the issuance of the Bonds should not be subject to the FTT.

The rates of the FTT shall be fixed by each Participating Member State but for transactions involving financial instruments other than derivatives shall amount to at least 0.1 percent of the taxable amount. The taxable amount for such transactions shall in general be determined by reference to the consideration paid or owed in return for the transfer. The FTT shall be payable by a financial institution established or deemed established in a Participating Member State which is a party to the financial transaction, acting in the name of a party to the transaction or where the transaction has been carried out on its account. Where the FTT due has not been paid within the applicable time limits, each party to a financial transaction, including persons other than financial institutions, shall become jointly and severally liable for the payment of the FTT due.

According to the coalition agreement between the German Christian Democratic Party (*CDU*), the German Christian Social Party (*CSU*) and the German Social Democratic Party (*SPD*), the current German government still has the intention to introduce a financial transaction tax. In June 2018, Germany and France agreed to further pursue the implementation of a financial transaction tax in the EU for which the current French financial transaction tax (which is mainly focused on transactions regarding shares in listed companies with a market capitalisation of more than EUR 1 billion), could serve as a role model.

Nevertheless, the FTT remains subject to negotiation between the Participating Member States and was (and most probably will be) the subject of legal challenge. It may still be adopted and be altered prior to its adoption, the timing of which still remains unclear. Moreover, once any directive has been adopted (the "**Directive**"), it will need to be implemented into the respective domestic laws of the Participating Member States and the domestic provisions implementing the Directive might deviate from the Directive itself. Finally, additional EU Member States may decide to participate.

The specific risk is that the FTT may result in a negative tax treatment applied to the Bonds which in turn may result in a Bondholder's loss of investment in the Bonds. Therefore, potential investors should consult with their tax advisors with regard to the tax treatment in this context if investing in the Bonds.

Tax Risk related to the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket

The taxation of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket and associated companies can vary significantly by jurisdiction and is subject to significant revisions. The status of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket remains undefined. Accordingly, the way in which the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket are taxed varies from country to country. Before making a decision to invest in the Bonds, investors should consult their local tax advisor on matters of taxation.

The Issuer may become exposed to significant tax risk. Any major burden may hinder Issuer's ability to maintain the listing of the Bonds and, in the event that such tax burden results in insolvency, to otherwise continue to operate as expected. Additionally, materialisation of certain tax risks may result in the Issuer giving a Mandatory Redemption Notice (such risks are further described under 2.2.1 *'The Issuer is allowed at any time to perform a mandatory redemption in case certain events as specified in the Terms and Conditions materialise'*).

3. IMPORTANT NOTICE

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

Bonds 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 Bonds 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 validity of this Base Prospectus will expire at the end of 13 January 2022. There is no obligation to supplement a base prospectus in the event of significant new factors, material mistakes or material inaccuracies if a base prospectus is no longer valid.

The Final Terms in respect of any Series of Bonds will include a legend entitled "MiFID II Product Governance" which will outline the target market assessment in respect of each Series of Bonds and which channels for distribution of the Bonds are appropriate. Any person subsequently offering, selling or recommending the Bonds (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of each Series of Bonds (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the "**MiFID Product Governance Rules**"), any dealer subscribing for any Bonds is a manufacturer in respect of such Bonds, but otherwise neither any dealer(s) nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

If the Final Terms in respect of any Series of Bonds include a legend in the context of any prohibition to make an offer of Bonds to retail investors in certain jurisdiction(s), such Bonds (the "**Retail-Restricted Bonds**") are not intended to be offered and shall not be offered to any retail investor in such jurisdiction(s). 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 MiFID II; (ii) a customer within the meaning of Directive 2016/97/EU (as amended, the "**Insurance Distribution Directive**"), respectively, 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 the Prospectus Regulation. Consequently, no key information document required by the PRIIPs Regulation for offering Retail-Restricted Bonds in such jurisdiction(s) has been prepared and therefore offering the Retail-Restricted Bonds to any retail investor in such jurisdictions may be unlawful under the PRIIPs Regulation or other applicable provisions.

Investment and redemption restrictions

Prospective investors should satisfy themselves that an investment in a Series of Bonds would comply with any laws, regulations or guidelines applicable to them and would be in line with their individual investment objectives, especially in regard of a redemption of the Bonds by way of delivery of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket. If a Bondholder is unable to receive the underlying Cryptocurrency or any or all of the underlying Cryptocurrencies comprising the Basket due to legal or regulatory reasons (such as Undertakings for Collective Investment in Transferable Securities (UCITS) within the meaning of Article 1 of the Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009), the Bonds will not be redeemed by delivery of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket. Instead, paragraphs (2) and (4) of section 4 of the Terms and Conditions provide for a mechanism, according to which the Bonds will be redeemed by selling units of the relevant underlying Cryptocurrency or units of any or all of the underlying Cryptocurrencies comprising the Basket using the Cryptocurrency Auction Procedure and by making available the USD proceeds of such auction to the relevant Bondholder (for a detailed description, see *Section 10.2.4 – Redemption of the Bonds*). If any

prospective investor is in any doubt with regard to its ability to invest in the Bonds or to receive units of the relevant underlying Cryptocurrency or units of any or all of the underlying Cryptocurrencies comprising the Basket, it should consult a professional advisor prior to making an investment.

The Bonds may not be a suitable investment for all investors.

Each potential investor in a Series of Bonds must determine the suitability of its investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the relevant Series of Bonds, the merits and risks of investing in a Series of Bonds and the information contained or incorporated by reference in this Base Prospectus and the Final Terms relating to such Series of Bonds;
- have access to and knowledge of appropriate analytical tools to evaluate (in the context of its particular financial situation and the investment(s) it is considering) investing in a Series of Bonds and the impact the investment in such Series of Bonds will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of investing in a Series of Bonds;
- understand thoroughly the terms of a Series of Bonds and be familiar with the financial markets; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

The specific risk is that if investing in a Series of Bonds turns out to be not a suitable investment for such investor, due to the factors set out above, such investor may suffer a substantial loss (including a total loss) which may negatively impact its overall investment strategy.

In this Base Prospectus, all references to "**dollars**", "**USD**", "**US dollars**", "**U.S.\$**" "**United States dollars**" or "**\$**" are to the currency of the United States, all references to "**BTC**" are to Bitcoin, a cryptocurrency and worldwide payment system, released as an open-source software in 2009 and displayed on <https://bitcoin.org/en/>, all references to "**BCH**" are to Bitcoin Cash, a cryptocurrency and worldwide payment system which was created in 2017 by a hard fork from the Bitcoin network, and displayed on <https://www.bitcoincash.org/>, all references to "**ETH**" are to Ethereum which was created in 2015 and displayed on <https://ethereum.org/en/eth/>, all references to "**LTC**" are to Litecoin, a BTC spin-off starting in 2011 and displayed on <https://litecoin.org/> and all references to "**XRP**" are to Ripple, displayed on <https://ripple.com/xrp/>.

4. RESPONSIBILITY STATEMENT

ETC Issuance GmbH with its registered office at Thurn- und Taxis-Platz 6, 60313 Frankfurt am Main, Germany accepts responsibility for the information contained in this Base Prospectus and declares to the best of its knowledge that 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.

In connection with an issue of any Series of Bonds and with regard to such issue only, if so specified under the item "*Listing Agent's Responsibility*" in the relevant Final Terms, XTX Markets SAS, with its registered office at 3-5 Rue St Georges, Paris 75009, France, Legal Entity Identifier (LEI) 213800J256ZBGMGZLV44, accepts responsibility for the Base Prospectus, including the Final Terms, and confirms that to the best of its knowledge and belief, the information for which it accepts responsibility as aforesaid is in accordance with the facts and does not omit anything likely to affect the importance of such information.

By approving this Base Prospectus, BaFin assumes no responsibility as to the economic and financial soundness of the transaction and the quality or solvency of the Issuer.

5. DISCLOSURE REGARDING FORWARD LOOKING STATEMENTS

This Base Prospectus contains forward looking statements. Forward looking statements provide the Issuer's current expectations or forecasts of future events. Forward looking statements include statements about the Issuer's expectations, beliefs, plans, objectives, intentions, assumptions and other statements that are not historical facts. Words or phrases such as "anticipate", "expect", "intend", "plan", "potential", "predict", "project" or "will", may identify forward looking statements, statements regarding the Issuer's disclosure concerning its operations, cash flows, capital expenditure and financial position.

Investors are cautioned that forward looking statements are not guarantees of future performance. Forward looking statements may, and often do, differ materially from actual results. All forward looking statements in this Base Prospectus speak only as of the date of this Base Prospectus, reflect the Issuer's current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Issuer's operations, results of operations, growth strategy and liquidity. Investors should specifically consider the factors identified in this Base Prospectus which could cause actual results to differ before making an investment decision. All of the forward looking statements made in this Base Prospectus are qualified by these cautionary statements. The Issuer undertakes no obligation to update or review any forward looking statement, whether as a result of new information, future developments or otherwise. All subsequent written and oral forward looking statements attributable to the Issuer or individuals acting on behalf of the Issuer are expressly qualified in their entirety by this paragraph.

6. CONSENT TO THE USE OF THE BASE PROSPECTUS

Each financial intermediary (including Authorised Participants) subsequently reselling or finally placing a Series of Bonds - if and to the extent this is so expressed in the Final Terms relating to a particular Series of Bonds - is entitled to use this Base Prospectus in Austria, Croatia, Czechia, Cyprus, Denmark, Estonia, Finland, France, Greece, Ireland, Italy, Luxembourg, Malta, The Netherlands, Norway, Poland, Portugal, Slovakia, Slovenia, Spain and Sweden for the subsequent resale or final placement of the Bonds comprised in such Series of Bonds during the relevant offer period (as set out in the relevant Final Terms) during which a subsequent resale or final placement of the Bonds 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 Bonds.

The Issuer's consent to use this Base Prospectus for the subsequent resale or final placement of Bonds 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 (<https://www.btc-etc.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 Bonds 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.

7. REASONS FOR THE OFFER AND USE OF PROCEEDS

In the primary market, the Bonds will be initially purchased by Authorised Participants from the Issuer exclusively with the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket. Units of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket received by the Issuer through the subscription of the Bonds will be transferred to the Depositary Wallet and pledged by a security agreement for the benefit of the Bondholders, the Security Trustee and the Bondholders' Representative (if appointed).

The Issuer intends to make profits with the issue of the Bonds. The Issuer makes profit through charging subscription fees, certain redemption fees and ongoing fees corresponding to the Diminishing Entitlement Rate (as specified in the relevant Final Terms in relation to each Series of Bonds) on the Units of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket received as proceeds for the subscription of the Bonds and deposited in the Depositary Wallet in relation to each Series of Bonds.

8. GENERAL INFORMATION ABOUT THE ISSUER

8.1. GENERAL INFORMATION

The Issuer's legal name is ETC Issuance GmbH.

The Issuer is a limited liability company (*Gesellschaft mit beschränkter Haftung*) organised and existing under the laws of Germany, with its registered office in Thurn- und Taxis-Platz 6, 60313 Frankfurt am Main, Germany and registered with the commercial register of the local court (*Amtsgericht*) of Frankfurt am Main, Germany, under the registration number HRB 116604.

The Issuer was founded on 27 August 2019. As a special purpose vehicle which has been established primarily for the issuance of the Bonds, the Issuer does not conduct any operational business except for the activity as described below ("*8.3 Principal Activities of the Issuer*").

The Issuer has no employees except for the managing director and a non-executive director.

The Issuer's Legal Entity Identifier (LEI) is 875500BTZPKWM4X8R658.

The website of the Issuer is <https://www.btc-etc.com> and the phone number is +49 69 8088 3728.

The Issuer does not carry out crypto-custody-business within the meaning of section 1 (1a) sentence 2 no 6 of the German Banking Act ("**KWG**") and does therefore not require a banking license pursuant to section 32 KWG. While the Bonds are secured with the underlying Cryptocurrency or the underlying Cryptocurrencies comprising a Basket, the Issuer itself does not safekeep, administrate and/or protect cryptographic values or private cryptographic keys for others. Such function is instead performed by the Depositary.

8.2. CORPORATE PURPOSE

Pursuant to Section 2 of the Issuer's articles of association, the objective of the Issuer is the administration of its own assets. The Issuer may conduct all transactions directly related to the object of its business. It may also hold shares in other companies with the same or similar objectives, acquire, establish or sell such shares and establish branches.

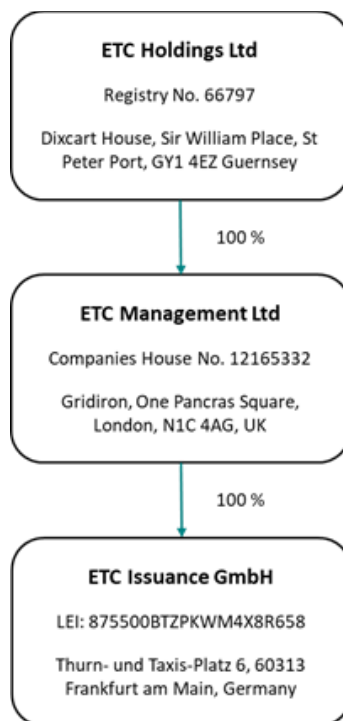
8.3. PRINCIPAL ACTIVITIES OF THE ISSUER

The only activity of the Issuer is the issue of bonds which are secured by cryptocurrencies and other digital assets. Through the issue of such bonds, the Issuer intends to satisfy investor demand for tradeable securities through which an investment in cryptocurrencies and other digital assets can be made.

8.4. ORGANISATIONAL STRUCTURE

The Issuer is a wholly-owned subsidiary of ETC Management Ltd ("**ETCM**"). The Issuer does not have any subsidiaries of its own. It is a special purpose vehicle that has been established primarily for the issuance of securities and is expected to be treated as a tax resident of the United Kingdom.

The following chart provides an overview of the structure of the group of which the Issuer forms part as of the date of this Base Prospectus:



As mentioned above, the Issuer's sole shareholder is ETCM (see also "8.9. Major Shareholders"). ETCM, with its registered office at Gridiron, One Pancras Square, London N1C 4AG, United Kingdom, has a management agreement in place with the Issuer to handle the general management of operations, relationships with partners and coordinating marketing activity.

ETC Holdings Ltd, Dixcart House, Sir William Place, St Peter Port, GY1 4EZ, Guernsey (the "**Holding Company**") is ETCM's sole shareholder, which owns certain intellectual property rights related to the project and has been entrusted with the overall governance of the group.

The table below shows the major shareholders of the Holding Company with a stake of more than 10 percent as of the date of this Base Prospectus:

Shareholder	Shareholding percentage	Further Information
XTX Investments UK Limited	22.5 percent	XTX Investments UK Limited is the investment arm of the XTX Markets group. XTX Markets group is one of the world's largest electronic market makers and one of the group's member, XTX Markets SAS, is a participant of XETRA and will be a designated sponsor when the Bonds are admitted to trading. The major shareholder of XTX Investments UK Limited is Alexander Gerko, who owns, indirectly via XTX Topco Limited and its wholly owned subsidiaries XTX Midco Limited and XTX Investments Limited, more than 75.00 per cent. of the shares in XTX Investments UK Limited. The additional company shares are distributed between individual shareholders with shareholdings of less than 10 per cent. each.

Shareholder	Shareholding percentage	Further Information
BCS Prime Brokerage Ltd	11.25 percent	BCS Prime Brokerage Ltd is a broker based in London and regulated by the Financial Conduct Authority. Until recently the managing director of the Issuer, Bradley Duke, was co-CEO of BCS Prime Brokerage Ltd. The current CEO of BCS Prime Brokerage Ltd, Tim Bevan, acts as a non-executive director for ETCM and the Issuer. Oleg Mikhasenko is the sole shareholder of BCS Prime Brokerage Ltd, indirectly through his 100 per cent shareholding in FG BCS LTD.
ITI Capital Ltd	11.25 percent	ITI Capital Ltd is a broker based in London and regulated by the Financial Conduct Authority. As a shareholder, they bring experience in structuring and selling exchange traded products and will also act as an Authorised Participant (as further described in the Terms and Conditions).
MLM Holdings Ltd	22.5 percent	MLM Holdings Ltd has been founded by Maximillian Monteleone who brings experience in managing complex projects, as well as knowledge about the relevant technology and operations to the venture. Maximilian has been running an IT development company, acted as a project manager on certain European Union initiatives, and holds a MSc. from NOVA School of Business and Economics and a CEMS MIM degree. The sole shareholder of MLM Holdings Ltd is Maximilian Monteleone.

8.5. MANAGEMENT BOARD

Currently, the Issuer's management board consists only of one managing director. The current managing director of the Issuer is:

Name	Occupation
Bradley Duke	Managing Director

Bradley Duke has spent most of his career in the regulated financial services industry. He worked at investment bank Jefferies at their offices in New York, Paris and London from 2000 until 2008 and at the equities broker KCG in London from 2008 until 2012 where he headed the team at Knight Direct Europe. Bradley co-founded the fin-tech and payments company Zapper and until recently was co-CEO of the UK branch of investment bank, BCS Global Markets.

Bradley Duke holds a bachelor degree in economics from the University of Cape Town, an MBA from Vrije Universiteit Brussels and completed the Blockchain Strategy Program at the University of Oxford – Saïd Business School in 2018. He is also a founding member of the London Blockchain Foundation.

The managing director can be contacted at ETC Management Ltd, Gridiron, One Pancras Square, London N1C 4AG, United Kingdom.

The managing director has declared that no potential conflicts of interest between any duties to the Issuer and its private interest or other duties exist.

8.6. SHARE CAPITAL

The registered share capital of the Issuer amounts to EUR 25,000. The share capital has been fully paid up. All shares carry the same rights and obligations. The shares were created under German law.

8.7. FISCAL YEAR

The fiscal year of the Issuer is the calendar year.

8.8. AUDITORS

Ernst & Young S.A. with their registered office at 35e Avenue John F. Kennedy, Luxembourg, L-1855 Luxembourg are the statutory auditors of the Issuer. Ernst & Young S.A. is a member of Luxembourg Institute of Auditors (*Institute Des Réviseurs D`entreprises*).

8.9. MAJOR SHAREHOLDERS

The Issuer's sole shareholder is ETCM. The sole shareholder of ETCM is the Holding Company. The Holding Company as the ultimate parent company of the Issuer was capitalised from its shareholders through a contribution in cash which amounts to 0.7 million pounds sterling ("GBP")¹.

8.10. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER

ITI Capital Ltd and XTX Investments UK Limited, an affiliate of XTX Markets Ltd, are shareholders of the Issuer. ITI Capital Ltd and XTX Markets SAS, which is also an affiliate of XTX Markets Ltd, have been appointed as Authorised Participants. Both, ITI Capital Ltd, as a shareholder of the Issuer, and XTX Markets SAS, as affiliate of XTX Markets Ltd, the parent company of the Issuer's shareholder XTX Investments UK Limited, could gain an information advantage over the other Authorised Participants, especially as Authorised Participants act independently in setting fees and may therefore differ.

If not specified otherwise in the Final Terms for a Series of Bonds, other than the interests described above, there are no material interests, in particular, no potential material conflicts of interest with service providers or in relation to the public offering or the admission to trading of the Bonds.

8.11. MATERIAL CONTRACTS AND TRANSACTIONS

The Issuer has entered into the following agreements and has conducted the following transactions which are material to the Issuer's ability to meet its obligations to Bondholders:

- German Security and Security Trust Agreement entered into between the Issuer and Apex Corporate Trustees (UK) Limited in its function as the Security Trustee dated on or around the date of the relevant Final Terms in relation to each Series of Bonds. The German Security and Security Trust Agreement provides a security interest in favour of the Security Trustee for the benefit of the Bondholders, the Security Trustee itself and the Bondholders' Representative (if appointed) relating to all of the Issuer's rights, title, interest and benefit, present and future, in, to and from the Issuance Account and Issuer-Owned Bonds in relation to each Series of Bonds. The German Security and Security Trust Agreement is governed by the laws of the Federal Republic of Germany;
- Cryptocurrency Security Agreement entered into between the Issuer and Apex Corporate Trustees (UK) Limited in its function as the Security Trustee dated on or around the date of the relevant Final Terms in relation to each Series of Bonds. Pursuant to the Cryptocurrency Security Agreement, the Issuer grants a security interest in the Deposited Cryptocurrency and any other assets held in the Depositary Wallet and the associated account of the Issuer maintained by the Depositary in relation to each Series of Bonds for the benefit of the

¹ Dated as of 5 January 2021, the exchange rate from GBP to EUR was as follows: 1 GBP = 1.10807 EUR.

Bondholders, the Security Trustee itself and the Bondholders' Representative (if appointed). The Cryptocurrency Security Agreement is governed by the laws of the State of New York;

- Depositary Account (Wallet) Control Agreement entered into between the Issuer, BitGo Trust Company, Inc. in its function as the Depositary and Apex Corporate Trustees (UK) Limited in its function as the Security Trustee dated on or around the date of the relevant Final Terms in relation to each Series of Bonds. The Depositary Account (Wallet) Control Agreement grants to the Security Trustee the right to take exclusive control of the Depositary Wallet upon an Event of Default. The Depositary Account (Wallet) Control Agreement thereby provides to the Security Trustee, upon such Event of Default, the means to repossess and foreclose upon the Deposited Cryptocurrencies and any other assets held in the Depositary Wallet for the purpose of paying the Secured Obligations to the Bondholders. Additionally, the terms of the Depositary Account (Wallet) Control Agreement prevent the Issuer from withdrawing any funds from the Depositary Wallet without the consent of the Administrator even absent an Event of Default. The Depositary Account (Wallet) Control Agreement is governed by the laws of the State of New York;
- Issuance Account Control Agreement entered into between the Issuer, Baader Bank AG in its function as a financial intermediary maintaining the Issuance Account for the Issuer (the "**Depo Bank**") and Apex Corporate Trustees (UK) Limited in its function as the Security Trustee dated on or around the date of the relevant Final Terms in relation to each Series of Bonds. The terms of the Issuance Account Control Agreement prevent the Issuer from transferring any Bonds from the Issuance Account without the consent of the Administrator even absent an Event of Default. The Issuance Account Control Agreement is governed by the laws of the Federal Republic of Germany;
- Custodial Services Agreement between the Issuer and BitGo Trust Company, Inc. in its function as the Depositary dated on or around the date of the relevant Final Terms in relation to each Series of Bonds relating to the custody of Cryptocurrencies which are held on the Depositary Wallet for repayment to the Bondholders in relation to each Series of Bonds. The Custodial Services Agreement is governed by the laws of the State of South Dakota;
- Agreement(s) with the Depo Bank in relation to the maintenance of securities accounts, including Issuance Accounts for each Series of Bonds;
- Agreements with Authorised Participants relating to the initial purchase of Bonds and the marketing of the same;
- Administration Agreement entered into between the Issuer and Apex Corporate & Advisory Services Ltd in relation to all Series of Bonds dated 5 June 2020 relating to the approvals required from the Administrator for any transfer of Issuer-Owned Bonds or Deposited Cryptocurrencies in relation to any Series of Bonds, which have been pledged as security for the benefit of the Bondholders, the Security Trustee itself and the Bondholders' Representative (if appointed). The Administration Agreement is governed by the laws of Malta;
- Agency Agreement entered into between the Issuer and Baader Bank AG dated on or around the date of this Base Prospectus relating to Baader Bank AG acting as paying, fiscal and listing agent for the Bonds in relation to all Series of Bonds. The Agency Agreement is governed by the laws of the Federal Republic of Germany;
- Management and Marketing Agreement between the Issuer and ETCM dated 5 June 2020 related to accounting, the general management and administration of the Issuer by ETCM, marketing of the Bonds, administrative assistance in processing subscriptions to and redemptions of the Bonds, and, in certain situations, IT support of the Issuer (which includes the support of the website of the Issuer) in relation to all Series of Bonds. The Management and Marketing Agreement is governed by laws of England and Wales; and

- On 4 June 2020, BaFin has approved a prospectus of the Issuer, allowing for the issuance of up to 21,000,000,000 BTC_{ETC}TM Bonds secured by Bitcoin without fixed maturity. Since 5 June 2020, the Issuer is issuing such bonds (ISIN DE000A27Z304, Common Code 211382520, WKN A27Z30). As of the date of this Base Prospectus the Issuer has issued 12,627,894 of such bonds.

8.12. TREND INFORMATION

There has been no material adverse change in the prospects of the Issuer since 31 December 2019, the date of its Annual Financial Statements.

There has been no significant change in the financial performance of the group of which the Issuer forms part since 30 June 2020, the date of the Issuer's latest interim financial statements.

8.13. SIGNIFICANT CHANGES IN THE FINANCIAL POSITION

There has been no significant change in the financial position of the group of which the Issuer forms part since 30 June 2020, the date of the Issuer's latest published interim financial information.

8.14. LEGAL 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 incorporation, a significant effect on the financial position or profitability of the Issuer.

9. HISTORICAL FINANCIAL INFORMATION

The Issuer was incorporated on 27 August 2019. The Issuer's financial information set forth in this Base Prospectus has, unless otherwise indicated, been derived from the Issuer's annual financial statements as of 31 December 2019 (the "**Financial Statements 2019**") and the Issuer's interim financial statements as of 30 June 2020 (the "**Interim Financial Statements**") and, together with the Financial Statements 2019, the "**Financial Statements**").

The Financial Statements 2019 have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") as adopted in the European Union (the "**EU**"). The Financial Statements 2019 have been audited and an unqualified auditor's report has been issued.

The Interim Financial Statements have been prepared in accordance with the German Commercial Code (*Handelsgesetzbuch*). The Interim Financial Statements have neither been audited nor been reviewed by the auditors of the Issuer.

The fiscal year of the Issuer commences on 1 January and ends on 31 December. The next financial statements of the Issuer will be prepared as of and for the year ended 31 December 2020.

The following selected financial information is based on and extracted from the Financial Statements.

<i>Income Statement</i>	30 June 2020	31 December 2019
Operating profit/loss	EUR (4,454.31)	EUR (6,457)

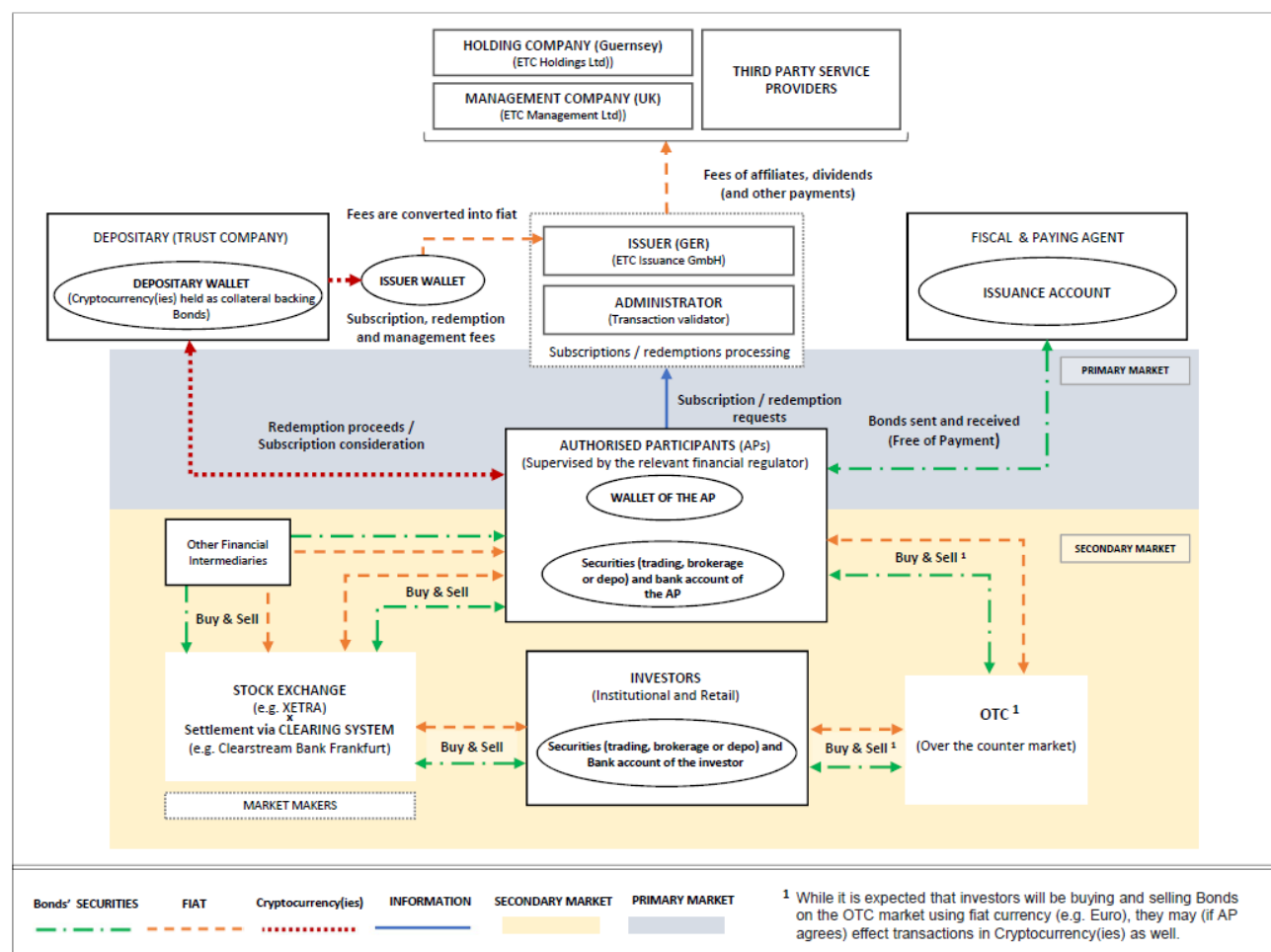
<i>Balance Sheet</i>	30 June 2020	31 December 2019
Net financial debt	EUR 2,616,387.09	EUR 0

<i>Cash Flow Statement</i>	30 June 2020	31 December 2019
Net Cash flows from operating activities	EUR (222.78)	EUR (481)
Net Cash flows from financing activities	EUR 2,616,387.09	EUR 25,000
Net Cash flow from investing activities	EUR (2,616,387.09)	EUR 0

10. GENERAL DESCRIPTION OF THE BONDS

10.1. DIAGRAM ON SUBSCRIPTION, PURCHASE, SALE AND SECURITY

Diagram 1: Bonds' Subscription, Redemption, Purchase & Sale – PRIMARY and SECONDARY Market



As shown in the diagram above, each prospective investor, who is not an Authorised Participant, has two means to invest in the Bonds (as further explained in section 10.2. *Description of the Bonds - Form of Bonds*).

(a) Purchase directly from Authorised Participant

An investor cannot purchase the Bonds directly from the Issuer in the primary market. An investor may buy the Bonds directly from an Authorised Participant. For this, prospective investors interested in purchasing Bonds may contact the Authorised Participants for the relevant Series of Bonds via the channels of communication (such as, for example, telephone, fax or e-mail) under the contact information set out in the table in section "14.1.1. Offer to the public" and in Part II of the Final Terms of the relevant Series of Bonds in the column "Authorised Participants acting as Offerors" and request for a subscription of the Bonds. Authorised Participants may also directly contact their clients and other potential investors to offer such subscription of the Bonds. The Bonds may be purchased directly from Authorised Participants in both cryptocurrency/cryptocurrencies and fiat-currency, depending on which kind of currency is accepted by the relevant Authorised Participant, whereby each Authorised Participant may charge a subscription fee from the investor who it is selling the Bonds at its own discretion; or

(b) Purchase via Stock Exchange or from any other party in the secondary market

Instead of purchasing the Bonds via an Authorised Participant an investor may also purchase the Bonds in the secondary market from any person (i) via the relevant Stock Exchange (in case

of Bonds admitted to trading on a stock exchange) or (ii) over the counter. Bonds can be purchased by prospective investors with any accepted currency.

10.2. DESCRIPTION OF THE BONDS

10.2.1. Form of Bonds

Bonds issued under this Base Prospectus are issued under German law, are debt securities (*Schuldverschreibungen*) within the meaning of § 793 of the German Civil Code (*Bürgerliches Gesetzbuch*) and are being issued in bearer form. The Bonds do not provide for interest payments and do not have a fixed maturity date.

In the secondary market, Bonds can be purchased by prospective investors with any accepted currency.

Only Authorised Participants may purchase Bonds directly from the Issuer in the primary market, and these Bonds can only be subscribed for with units of the relevant underlying Cryptocurrency or units of the underlying Cryptocurrencies comprising the Basket in the case of a Series of Bonds linked to a Basket. For the avoidance of doubt, if Bonds are subscribed for with units of the underlying Cryptocurrencies comprising a Basket, Authorised Participants are required to transfer units of each of the underlying Cryptocurrencies comprising the Basket in an amount per unit of the Basket as further specified in the relevant Final Terms of each Series of Bonds.

If so specified in the relevant Final Terms, the Bonds may only be subscribed or purchased with units of the underlying Cryptocurrency or underlying Cryptocurrencies comprising the Basket which qualify as “freshly mined”.

This qualification requires that the relevant Authorised Participant subscribing the Bonds with such units of the underlying Cryptocurrency or underlying Cryptocurrencies comprising the Basket is able to assure to the Issuer in the specified form and providing specific proof, that at least a minimum portion (as specified in the relevant Final Terms) of the so transferred units of the Cryptocurrency or units of the Cryptocurrencies comprising the Basket, have been transferred only through a limited number of digital wallets (as specified in the relevant Final Terms).

Units of Cryptocurrencies received by the Issuer through such transactions will be transferred to a depositary wallet operated by the relevant Depositary (the “**Depositary Wallet**”) which is/are pledged as security in favour of the Bondholders of a particular Series of Bonds, the Security Trustee itself and the Bondholders’ Representative (if appointed) (for a detailed description of such security and the relevant agreements, see “10.3. Description of the Security”). In case of a Basket of underlying Cryptocurrencies, the units of each of the underlying Cryptocurrencies comprising the Basket will be transferred to a separate depositary wallet specifically operated for each individual Cryptocurrency comprising the Basket. The Issuer will procure that at any given time it holds such amount of the underlying Cryptocurrency or units of the underlying Cryptocurrencies comprising the Basket on the Depositary Wallet which is equal to or exceeds the Secured Obligations Amount. In case of a Basket of underlying Cryptocurrencies, the units of each of the underlying Cryptocurrencies comprising Baskets will be transferred to a separate Depositary Wallet specifically operated for such Cryptocurrency.

10.2.2. Description of the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket

According to the European Banking Authority’s opinion on “virtual currencies” dated as of 4 July 2014, virtual currencies or cryptocurrencies “are a digital representation of value that is neither issued by a central bank or public authority nor necessarily attached to a fiat currency, but is accepted by natural or legal persons as a means of exchange and can be transferred, stored or traded electronically”. In addition, all cryptocurrencies are based on the idea of a limited money supply. Unlike the money that central banks can print indefinitely and the book money that commercial banks create, new cryptocurrency units are created through a predetermined mathematical process within a computer network. This process is called “mining”. BaFin has qualified Bitcoin as unit of account (*Rechnungseinheiten*) within the meaning of section 1 para. 11 sent. 1 of the German Banking Act (*Kreditwesengesetz* – “**KWG**”)

and Bitcoin and other cryptocurrencies are thus financial instruments within the meaning of the KWG. Bitcoin and other cryptocurrencies are, however, not legal tender and do neither qualify as currency nor foreign note or coin.

Bitcoin

Bitcoin is the first decentralised cryptocurrency and was released as an open-source software in 2009. Bitcoin was developed to secure payment transactions over a peer-to-peer network (blockchain). Bitcoin intends to bridge the need for a trusted third party, democratise the monetary system and ensure that transactions are anonymous.

Bitcoin Cash

Bitcoin Cash is a cryptocurrency created in August 2017, from a hard fork of Bitcoin. Bitcoin Cash increases the size of blocks allowing more transactions to be processed and to accelerate the verification process. Because Bitcoin Cash is able to process transactions more quickly than the Bitcoin network, the transaction processing times and fees tend to be lower.

Ethereum

Launched in July 2015, Ethereum is a cryptocurrency based on an open-source, blockchain-based, decentralised software platform (which is also called Ethereum). The cryptocurrency Ethereum is the second largest cryptocurrency after Bitcoin. Unlike Bitcoin or Bitcoin Cash, Ethereum was not established to create an alternative monetary system, but rather to facilitate and monetize the operation of the Ethereum smart contract and decentralised application (dapp) platform.

Litecoin

Launched in the year 2011 as a fork of Bitcoin, Litecoin is an alternative cryptocurrency based on the model of Bitcoin. Litecoin differs from Bitcoins in aspects like faster block generation rate, an increased total supply compared to Bitcoin and uses another new mining algorithm called scrypt.

XRP

Ripple is a blockchain protocol and cryptocurrency first released in 2012. The coin for the cryptocurrency is pre-mined and called XRP. The Ripple network, although decentralised as the Bitcoin network, is owned and operated by a private company with the same name. While Bitcoin is seeing increasing use by individuals and organisations as a virtual currency, the Ripple payment system is more popular among banks. RippleNet is a consortium of more than 200 financial institutions based in more than 40 countries, allowing the facilitation of cross-border payments.

10.2.3. Description of the Depositary

The Issuer has appointed BitGo Trust Company, Inc. ("**BitGo**") as Depositary under the Programme.

BitGo is a qualified custodian, regulated by the South Dakota Division of Banking. Pursuant to information on its website (<https://www.bitgo.com/>), BitGo provides institutional investors with security, compliance, and custodial solutions for blockchain-based currencies. BitGo is currently the world's largest processor of on-chain bitcoin transactions, processing 15 percent of all global bitcoin transactions, worth of USD 15 billion per month across all cryptocurrencies. The company has a customer base that includes the world's largest cryptocurrency exchanges and spans more than 50 countries. BitGo is headquartered in Palo Alto, California, and has offices in London, Singapore, and Tokyo.

The Issuer may, however, from time to time appoint another Depositary under the Programme in relation to a particular Series of Bonds.

10.2.4. Redemption of the Bonds

Bonds will either be redeemed in units of the underlying Cryptocurrency or in units of the underlying Cryptocurrencies comprising the Basket. For the avoidance of doubt, if the Bonds will be redeemed in units of the underlying Cryptocurrencies comprising the Basket, Bondholders will receive units of each of the underlying Cryptocurrencies comprising the Basket in an amount per Unit of the Basket as further described in the relevant Final Terms.

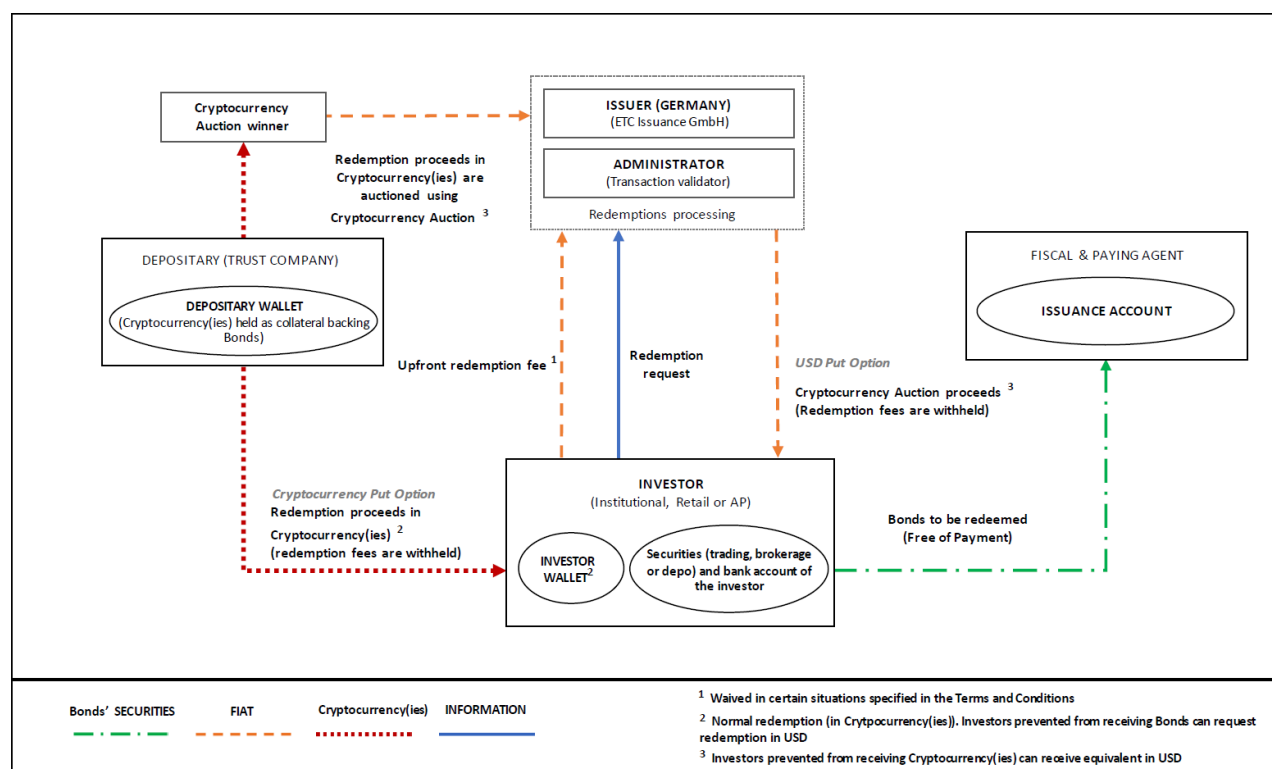
Given that the Bonds will be redeemed in the underlying Cryptocurrency or the underlying Cryptocurrencies comprising the Basket, each Bondholder will require a Digital Wallet for the underlying Cryptocurrency in order to receive such units of the underlying Cryptocurrency or units of the underlying Cryptocurrencies comprising the Basket. In the case of the underlying Cryptocurrencies comprising the Basket, the Bonds will be redeemed in units of all of the underlying Cryptocurrencies comprising the Basket, and a separate Digital Wallet for each of the underlying Cryptocurrencies comprising the Basket is required.

Where a Bondholder is prevented from having one or several Digital Wallets or receiving units of the underlying Cryptocurrency or units of the underlying Cryptocurrencies comprising the Basket, it may choose to sell Bonds in the secondary market via a stock exchange (in case of Bonds admitted to trading on a stock exchange) or via an OTC market (see 10.2.6. *Sale of Bonds in the secondary market*). Alternatively, if such inability to receive units of underlying Cryptocurrency or units of the underlying Cryptocurrencies comprising the Basket is due to regulatory reasons, a Bondholder may also redeem the Bonds in USD as described below, and the USD proceeds of the Cryptocurrency Auction Procedure will be made available to the Bondholder.

For the avoidance of doubt, in case of a Basket of Cryptocurrencies, a Bondholder will be unable to receive Units of the Basket, if it is unable to receive any or all of the underlying Cryptocurrencies comprising the Basket. In such case, the sale of units of the underlying Cryptocurrencies comprising the Basket via Cryptocurrency Auction Procedure will not be limited to the underlying Cryptocurrencies, which the Bondholder is unable to receive. Instead, the units of all underlying Cryptocurrencies comprising the Basket will be subject to sale via Cryptocurrency Auction Procedure.

Bonds will either be redeemed (a) at the Issuer's discretion upon the occurrence of a Mandatory Redemption Event at their Mandatory Redemption Price as further described below, or (b) upon exercise of a Put Option by a Bondholder at their Cryptocurrency Entitlement or – if a Bondholder is prevented from receiving units of the relevant Cryptocurrency or units of any or all of the underlying Cryptocurrencies comprising the Basket for legal reasons, in particular due to regulatory provisions applicable to it – in USD via the Cryptocurrency Auction Procedure as described in the diagram below:

Diagram 2: Bonds' redemption at investor's request



(a) Mandatory Redemption

Bonds may be redeemed by the Issuer upon the occurrence of a Mandatory Redemption Event (as further described in the Terms and Conditions) at their Mandatory Redemption Price.

The exercise of the mandatory redemption right by the Issuer leads inevitably to a redemption of the Bonds. The Mandatory Redemption Price per Bond will be (i) the Cryptocurrency Entitlement; or (ii) if a Bondholder is prevented from receiving units of the relevant Cryptocurrency or units of any or all of the underlying Cryptocurrencies comprising the Basket for legal reasons, in particular due to applicable regulatory provisions, the Cryptocurrency Sale Proceeds (as defined below) divided by the number of Outstanding Bonds redeemed in USD, minus any reasonable third-party fees related to the redemption of the Bonds.

"Cryptocurrency Entitlement" means, as at any Business Day, a Bondholder's claim against the Issuer in respect of each Bond, expressed as the number of units of the Cryptocurrency or Units of the Basket per Bond, and calculated by the Issuer in its sole discretion in accordance with the following formula (as further described in the Terms and Conditions):

$$CE = ICE \times (1 - DER)^n$$

Where:

"CE" means Cryptocurrency Entitlement;

"ICE" means Initial Cryptocurrency Entitlement (as defined below);

"DER" means Diminishing Entitlement Rate (as defined below); and

"n" means Number of Days/365.

For the avoidance of doubt, in case of Bonds linked to underlying Cryptocurrencies comprising the Basket, the Cryptocurrency Entitlement refers to the specified number of units of each underlying Cryptocurrency contained in one Unit of the Basket. This means that a Bondholder

will not receive units of a single Cryptocurrency, but units of all Cryptocurrencies comprising the Basket in an amount per Bond as specified in the definition of "Basket" in the relevant Final Terms.

In order for a Bondholder to receive the Cryptocurrency Entitlement, such Bondholder needs to (i) submit a duly completed mandatory redemption form (obtainable from the website of the Issuer) (the "**Mandatory Redemption Form**"), and any documents requested in such form for verification of the Bondholder's identity and (ii) transfer its Bonds to the Issuance Account free of payment.

If a Bondholder fails to perform (i) or (ii) within a twenty-day period after the notice regarding the Mandatory Redemption has been published, the Issuer will treat such Bondholder as prevented from receiving units of the underlying Cryptocurrency or units of any or all of the Cryptocurrencies comprising the Basket for legal or regulatory reasons and redeem the relevant Bonds in USD.

(b) Put Option

Each Bondholder may at any time in whole or in part redeem its Bonds against payment of (i) the Cryptocurrency Entitlement; or (ii) if a Bondholder is prevented from receiving units of the relevant underlying Cryptocurrency or units of any or all of the underlying Cryptocurrencies comprising the Basket for legal reasons, in particular due to regulatory provisions applicable to it, the Cryptocurrency Sale Proceeds (as defined below).

In order to exercise the Put Option a Bondholder needs to (i) submit a duly completed put option exercise notice in the form obtainable from the website of the Issuer (the "**Put Option Exercise Form**"), including any documents requested in such form for verification of the Bondholder's identity, (ii) pay the Upfront Redemption Fee (if any) to an account specified by the Issuer, and (iii) transfer the Bonds in relation to which the Put Option is exercised to the Issuance Account free of payment. Such Put Option Exercise Form shall include (among other information) the number of Bonds being redeemed and information on the Bondholder's Digital Wallet(s).

(c) Auction

If a Bondholder is prevented from receiving units of the relevant Cryptocurrency or units of any or all of the underlying Cryptocurrencies comprising the Basket for legal reasons, in particular due to regulatory provisions applicable to it, the Bonds may be redeemed in USD against payment of an amount equal to the Cryptocurrency Sale Proceeds. "**Cryptocurrency Sale Proceeds**" means an amount in USD obtained from the sale of units of the Cryptocurrency or units of the underlying Cryptocurrencies comprising the Basket equating to the Cryptocurrency Entitlement multiplied by the number of Bonds being redeemed in USD from the Deposited Cryptocurrency/Cryptocurrencies with the relevant Depository by using one or several (as the case may be) Cryptocurrency Auction Procedures.

If the Issuer is required to arrange for a Cryptocurrency Auction Procedure, the Auctioneer shall – upon instruction from the Issuer (if applicable) – announce that it is auctioning the required number of units of the relevant Cryptocurrency or units of the underlying Cryptocurrencies comprising the Basket on the Issuer's official website (<https://www.btc-etc.com>).

Bids submitted for less than 80 percent of the Reference Price (with the "**Reference Price**" being, as of the relevant determination date, either (i) in case of a single Cryptocurrency as underlying, the Bloomberg Cryptocurrency Fixing for the relevant Cryptocurrency, or (ii) in case of a Basket, the sum of the Bloomberg Cryptocurrency Fixings for the relevant Cryptocurrencies comprising the Basket, multiplied by the number of units of the relevant Cryptocurrencies per Unit of the Basket as the case may be, as displayed by Bloomberg under the Bloomberg ticker of the relevant Cryptocurrency/Cryptocurrencies between 16:00 and 16:15 (EST) on the Auction Price Determination Date) or bids for less or more than the full number of units of the relevant Cryptocurrency or units of the underlying Cryptocurrencies comprising the Basket being auctioned will be rejected.

In case the bid is accepted by the Auctioneer, the bidder shall arrange for the transfer of a Bid Guarantee Amount to the Issuer as a guarantee for its bid (being 10 percent of the Reference Price, calculated based on the Reference Price at the Business Day preceding the Announcement Date, multiplied by the number of units of the relevant Cryptocurrency or Units of the Basket being auctioned). Bids, for which no bid guarantees have been received by the Issuer, will not be considered valid and legally binding. Bids for which the bidders have posted a Bid Guarantee Amount are irrevocable and may not be cancelled by the bidders, but may be improved on request by the bidder. Upon the Issuer receiving a Bid Guarantee Amount from the bidder, or upon receiving an amendment (increase) of the bid by the bidder, the Auctioneer will announce such received or updated bid on the Issuer's official website (<https://www.btc-etc.com>) within 24 hours of receipt.

No later than 12 hours before 13:00 (CET) on the Auction Price Determination Date, the Auctioneer will notify the highest bidder, if any, that such bidder has won the auction. The bidder shall arrange for the payment of the balance between the value of its bid, expressed as a percentage of the Reference Price at the Auction Price Determination Date, multiplied by such Reference Price and the number of units of the relevant Cryptocurrency or Units of the Basket being auctioned, and the Bid Guarantee Amount credited to the Issuer. If such balance is negative, the Issuer shall transfer the balance to the bidder.

(d) Example Calculations for the option of a single underlying Cryptocurrency:

The table below contains example calculations of the redemption proceeds of the Bonds depending on (i) the time elapsed since the issuances of the Bonds (*Years since Issue Date*), (ii) the future performance of the underlying Cryptocurrency based on an exemplary level of the underlying Cryptocurrency as of the date of the redemption of the Bonds (*Underlying Cryptocurrency EUR*) and the fees applied to the Bonds (*Exercise Fee*).

Such calculations are based on the following assumptions:

Initial investment amount at the Issue Date: EUR 10,000

Cost for one unit of the relevant Cryptocurrency at the Issue Date: EUR 5,000

Initial Cryptocurrency Entitlement (ICE) at the Issue Date: 0.001 per Bond

Diminishing Entitlement Rate (DER) of 2.00 per cent. *per annum* applied on a daily basis.

Cryptocurrency Entitlement (CE) at redemption calculated in accordance with the formula: **CE = ICE x (1-DER)ⁿ**, as further described in section a) *Mandatory Redemption*.

Initial investment ignoring fees² at the Issue Date: 2,000 Bonds.

The result of the calculation described above is displayed below in the column "*Redemption Proceeds*" for each scenario.

² The amount of the fees depends on the respective Authorised Participant or if an investor purchase the Bonds via the stock exchange.

Years since Issue Date	CE (per 1000 Bonds) in relevant underlying Cryptocurrency	Underlying Cryptocurrency EUR (for example only, not a forecast)	Scenario 1: Mandatory Redemption			Scenario 2: Redemption by any Bondholder with the Issuer			Scenario 3: Redemption of an Authorised Participant with the Issuer		
			Upfront Redemption Fee (EUR)	Exercise Fee ⁽¹⁾	Redemption proceeds (in EUR, valued at current relevant underlying Cryptocurrency price	Upfront Redemption Fee (EUR) ⁽²⁾	Exercise Fee	Redemption proceeds (in EUR, valued at current relevant underlying Cryptocurrency price	Upfront Redemption Fee (EUR) ⁽³⁾	Exercise Fee ⁽³⁾⁽⁴⁾	Redemption proceeds (in EUR, valued at current relevant underlying Cryptocurrency price ⁽⁵⁾
0	1.0000	5,000.00	-	-	10,000.00	50.00	1%	9,900.00	-	0.50%	9,950.00
1	0.9800	7,500.00	-	-	14,700.00	50.00	1%	14,553.00	-	0.50%	14,626.50
5	0.9039	4,000.00	-	-	7,231.37	50.00	1%	7,159.06	-	0.50%	7,195.21
10	0.8171	48,000.00	-	-	78,438.99	50.00	1%	77,654.60	-	0.50%	78,046.79

- (1) Pursuant to § 4.(2) of the Terms and Conditions the Issuer may withhold any reasonable third-party fees related to the redemption of the Bonds
- (2) Pursuant to § 4.(3) of the Terms and Conditions the Upfront Redemption Fee is waived if:
- (i) no Authorised Participants are appointed by the Issuer;
 - (ii) the Outstanding Amount multiplied by the Reference Price, in each case as of the date on which the Issuer receives the Put Option Exercise Form, is less than a certain specified threshold amount in USD (for example 10,000,000.00 (ten million USD));
 - (iii) the Cryptocurrency Put Option is exercised in relation to a number of Bonds which, if multiplied by the Cryptocurrency Entitlement and then multiplied by the Reference Price, in each case as of the date on which the Issuer receives the Put Option Exercise Form, have a value of greater than USD 250,000.00 (two hundred fifty thousand USD);
- (3) Assuming the Authorised Participant does not charge any fees (or charges negligible fees)
- (4) Exercise Fee might be lower in accordance with a particular Authorised Participant Agreement
- (5) A particular Authorised Participant may choose not to accept redemption requests from certain Bondholders at their sole and absolute discretion and in line with their internal policies

10.2.5. Fees related to the redemption of the Bonds

(a) Redemption directly with the Issuer

A Bondholder may exercise its Put Option directly and request redemption directly from the Issuer. Bonds will be redeemed in the underlying Cryptocurrency (or the underlying Cryptocurrencies comprising the Basket) to the Digital Wallet of the Bondholder unless a Bondholder is prevented from receiving units of the underlying Cryptocurrency or units of the underlying Cryptocurrencies comprising the Basket for legal reasons, in particular due to applicable regulatory provisions. In such case, the Bondholder may demand redemption in USD.

If a Bondholder decides to demand redemption directly from the Issuer and, irrespective of whether the repayment is made in the relevant Cryptocurrency or units of the underlying Cryptocurrencies comprising the Basket or in USD, the Issuer may charge a fee of up to 1.00 percent of the Cryptocurrency Entitlement for each Bond in relation to which the Put Option is exercised (lower fees apply for redemptions by Bondholders who are Authorised Participants).

In addition, the Issuer may charge at its sole and absolute discretion an upfront redemption fee corresponding to a maximum amount to be specified in the relevant Final Terms (the "**Upfront Redemption Fee**"). No such Upfront Redemption Fee shall be payable if: (i) the number of Bonds multiplied by the Cryptocurrency Entitlement (specified in the relevant Final Terms) and then multiplied by the Reference Price, in each case as of the date on which the Issuer receives the Put Option Exercise Form, is greater than or equal to USD 250,000; or (ii) no Authorised Participants are appointed by the Issuer; or (iii) the Outstanding Amount multiplied by the Reference Price (specified in the relevant Final Terms), in each case as of the date on which the Issuer receives the Put Option Exercise Form, is less than a certain threshold amount specified in relation to each Series of Bonds in USD; or (iv) the Put Option is exercised by an Authorised Participant.

(b) Redemption via an Authorised Participant

A Bondholder may exercise its Put Option through an Authorised Participant, if the Bondholder qualifies in accordance with client acceptance policies of the Authorised Participant (which the Issuer has no influence over). In such case, the Bonds will be redeemed in the relevant Cryptocurrency or units of the underlying Cryptocurrencies comprising the Basket to the Digital Wallet of the Bondholder unless a Bondholder is prevented from receiving units of the relevant Cryptocurrency or units of any or all of the underlying Cryptocurrencies comprising the Basket for legal reasons, in particular due to applicable regulatory provisions. In this case, the Bondholder, acting through an Authorised Participant, may demand redemption in USD.

For every redemption through an Authorised Participant and irrespective of whether the repayment is made in the relevant Cryptocurrency or units of the underlying Cryptocurrencies comprising the Basket or in USD, the Issuer will charge a fee which shall not exceed an amount equal to 0.50 percent of the Cryptocurrency Entitlement (and which will be specified in the relevant Final Terms) for each Bond in relation to which the Put Option is exercised.

No Upfront Redemption Fee will apply to redemption through an Authorised Participant. However, the Issuer has no influence on whether and to what extent the Authorised Participant will charge additional fees. These fees may vary depending on the Authorised Participant.

Additionally, the Issuer has no influence over client acceptance policies of the Authorised Participants, and prospective investors in the Bonds shall be aware that it might be not possible for them to redeem the Bonds through an Authorised Participant **at all** and the only way to realise the value of their investment in the Bonds will be to redeem directly with the Issuer or sell the Bonds in the secondary market via a stock exchange (in case of Bonds admitted to trading on a stock exchange) or via an OTC market (provided that a liquid market exists). In case a Bondholder is forced to redeem its Bonds directly with the Issuer, see (c) "*Redemption if no Authorised Participant has been appointed by the Issuer*".

(c) Redemption if no Authorised Participant has been appointed by the Issuer

Where no Authorised Participant has been appointed by the Issuer or where a Bondholder does not qualify in accordance with client acceptance policies of any Authorised Participant, a Bondholder may either exercise its Put Option directly vis-à-vis the Issuer and request redemption directly from the Issuer or sell its Bonds in the secondary market. Where a Bondholder exercises its Put Option directly vis-à-vis the Issuer the Bonds will be redeemed in the relevant Cryptocurrency or units of the underlying Cryptocurrencies comprising the Basket to the Digital Wallet of the Bondholder unless a Bondholder is prevented from receiving units of the relevant Cryptocurrency or units of any or all of the underlying Cryptocurrencies comprising the Basket for legal reasons, in particular due to applicable regulatory provisions. In such case, the Bondholder may demand redemption in USD.

If a Bondholder decides to demand redemption directly from the Issuer and, irrespective of whether the repayment is made in the relevant Cryptocurrency or units of the underlying Cryptocurrencies comprising the Basket or in USD, the Issuer may charge a fee of up to 1.00 percent of the Cryptocurrency Entitlement (as specified in the relevant Final Terms) for each Bond in relation to which the Put Option is exercised (lower fees apply for redemptions by the Bondholders who are Authorised Participants).

In addition, the Issuer may charge at its sole and absolute discretion an Upfront Redemption Fee. However, no such Upfront Redemption Fee applies if no Authorised Participants are appointed by the Issuer but may apply where an Authorised Participant has been appointed by the Issuer but the Bondholder does not qualify in accordance with client acceptance policies of such Authorised Participant.

10.2.6. Sale of Bonds in the Secondary Market

A Bondholder may sell its Bonds on the stock exchange (in case of Bonds admitted to trading on a stock exchange) 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.

10.3. DESCRIPTION OF THE SECURITY

The Issuer will grant the following security (the "**Security**") for the benefit of the Bondholders, the Security Trustee itself and the Bondholders' Representative (if appointed):

10.3.1. Security over Depositary Wallet

Pursuant to § 12 para. 3 of the Terms and Conditions the Issuer shall at any given time procure that it holds such amount of the underlying Cryptocurrency or units of the underlying Cryptocurrencies comprising the Basket equal to or exceeding the Secured Obligations Amount on the Depositary Wallet held with the Depositary (the "**Deposited Cryptocurrency**" or "**Deposited Cryptocurrencies**"). The Issuer and Apex Corporate Trustees (UK) Limited as Security Trustee and the Depositary, BitGo Trust Company, Inc. (or any other entity designated as the Depositary by the Issuer), have entered or will enter into an account control agreement (the "**Depositary Account (Wallet) Control Agreement**") in relation to each Series of Bonds and the Issuer and the Security Trustee have entered or will enter into a Cryptocurrency security agreement (the "**Cryptocurrency Security Agreement**") in relation to each Series of Bonds, each governed by laws of the State of New York.

Pursuant to the Cryptocurrency Security Agreement, the Issuer grants a security interest in the Deposited Cryptocurrency and any other assets in relation to each Series of Bonds held in the Depositary Wallet and the associated account of the Issuer maintained by the Depositary (the "**Depositary Account**"), and certain proceeds of such assets, together referred to as the "**Collateral**", in favour of the Bondholders, the Security Trustee itself and the Bondholders' Representative (if appointed). The security interest granted in the Collateral secures the Secured Obligations, as defined in the German Security and Security Trust Agreement.

The Cryptocurrency Security Agreement grants to the Security Trustee the right to repossess and foreclose upon the Collateral in relation to each Series of Bonds upon an Event of Default for the

purpose of paying the Secured Obligations. Event of Default is defined in the Cryptocurrency Security Agreement to mean that (i) any one or more of the Issuer or the Bondholders' Representative shall deliver written notice to the Security Trustee of the occurrence of an Event of Default listed in subparagraph (1) of paragraph 1 of Section 12 of the Terms and Conditions or (ii) Issuer shall fail to duly perform any of certain specified covenants set forth in the Cryptocurrency Security Agreement, and such failure, if capable of remedy, continues unremedied for more than 45 (forty-five) days after the Security Trustee or the Bondholders' Representative has delivered notice thereof to the Issuer.

The Depositary Account (Wallet) Control Agreement grants to the Security Trustee the right to take exclusive control of the Depositary Account in relation to each Series of Bonds upon an Event of Default, as defined in the Cryptocurrency Security Agreement, by delivering to the Depositary a "Notice of Exclusive Control". Following delivery of a Notice of Exclusive Control by the Security Trustee to the Depositary, the Issuer no longer has a right to withdraw assets from the Depositary Account but has a period of 30 (thirty) days during which the Issuer may contest the existence of an Event of Default. Following such thirty-day period, provided the Notice of Exclusive Control has not been rescinded by the Security Trustee upon direction by the Bondholders' Representative, the Security Trustee has the right to withdraw and dispose of the Deposited Cryptocurrency and any other assets held in the Depositary Wallet and the Depositary Account for the purpose of paying the Secured Obligations.

To assist the Security Trustee, the Administrator, which is appointed (and replaced, if applicable) by the Issuer in relation to all Series of Bonds only with the consent of the Security Trustee, is legally required to verify compliance of the Issuer with (i) the covenant set out in § 12 (3) (*Deposited Cryptocurrency / Deposited Cryptocurrencies*) of the Terms and Conditions and (ii) the obligation of the Issuer to transfer Bonds to a subscribing party once the appropriate subscription price was paid into the Depositary Wallet. The terms of the Depositary Account (Wallet) Control Agreement prevent the Issuer from transferring or disposing of any assets from the Depositary Account and / or the Depositary Wallet without consent of the Administrator, even absent an Event of Default.

10.3.2. Security over Issuer-Owned Bonds

Pursuant to the German Security and Security Trust Agreement described below, the Issuer has granted (or will grant) a pledge over the unsold or repurchased Bonds in relation to each Series of Bonds held now or in the future in the name of the Issuer on the Issuance Account in relation to each Series of Bonds, or any other account(s) replacing or substituting for this present Issuance Account for whatever reason, to which the pertinent co-ownership interests in the collective custody holdings (*Miteigentumsanteile am Girosammelbestand*) are being and shall exclusively be credited to.

In addition, the Issuer, the Security Trustee and the financial intermediary maintaining the Issuance Account for the Issuer (the "**Depo Bank**", currently Baader Bank AG) has entered or will enter into the Issuance Account Control Agreement in relation to each Series of Bonds, pursuant to which the Administrator has to approve for the Depo Bank any transfer of the Bonds out of the Issuance Account to ensure that an appropriate number of units of the relevant Cryptocurrency or units of the underlying Cryptocurrencies comprising the Basket was deposited to the Depositary Wallet by the party subscribing to the Bonds and the Issuer is in continuous compliance with the covenant set out in § 12 (3) (*Deposited Cryptocurrency / Deposited Cryptocurrencies*) of the Terms and Conditions.

10.3.3. German Security and Security Trust Agreement

In relation to each Series of Bonds, the Issuer and the Security Trustee have entered or will enter into a German Security and Security Trust Agreement (as attached as Annex 1 to the respective Global Note), pursuant to which the Security Trustee will be appointed to act as security trustee of and for the benefit of the Bondholders, the Security Trustee itself and the Bondholders' Representative (if appointed) in connection with the administration and the handling of the rights of the Bondholders against the Issuer as well as among themselves in relation to the Security. In particular, the Security Trustee shall (i) hold, administer and enforce such Security which is assigned or transferred to it by way of security (*Sicherungsabtretung/Sicherungsübereignung*) or otherwise granted under a non-accessory security right (*nicht akzessorische Sicherheit*) and exercise its rights and discharge its duties under this Agreement as trustee (*Treuhänder*) for the benefit of the Bondholders; (ii) administer and enforce such Security which has been created by way of pledge (*Verpfändung*) or otherwise transferred to it under

an accessory security right (*akzessorische Sicherheit*); and (iii) act in relation to the Security in accordance with the terms and subject to the conditions of the German Security and Security Trust Agreement.

11. TERMS AND CONDITIONS

TERMS AND CONDITIONS OF THE BONDS (the "Terms and Conditions")

EMISSIONSBEDINGUNGEN DER SCHULDVERSCHREIBUNGEN (die "Emissionsbedingungen")

These Terms and Conditions in relation to Option I and Option II, as set out below, are written in the English and German language. The Final Terms in relation to each Series of Bonds will determine which language version shall be the only legally binding version. The version which shall not be legally binding, shall be provided for convenience only.

Diese Emissionsbedingungen in Bezug auf Option I und Option II, wie nachstehend dargestellt, sind in englischer und deutscher Sprache abgefasst. In den Endgültigen Bedingungen der jeweiligen Serie von Schuldverschreibungen wird festgelegt, welche Sprachfassung rechtlich bindend ist. Die nicht rechtlich bindende Sprachfassung wird nur als unverbindliche Übersetzung zur Verfügung gestellt.

Option I: Terms and Conditions for Bonds linked to a single underlying Cryptocurrency

§ 1

Currency, Denomination, Form, Subscription Restrictions, Certain Definitions

(1) *Currency, Denomination.* This issue of notes of ETC Issuance GmbH (the "**Issuer**") is being issued in an aggregate amount of [●] bonds (the "**Bonds**") on [●] (the "**Issue Date**"). Each Bond represents the right of the Bondholder to demand from the Issuer (a) delivery of [*insert relevant Cryptocurrency*] (the "**Cryptocurrency**") equal to the Cryptocurrency Entitlement in accordance with these Terms and Conditions or, if the Bondholder is prevented from receiving units of the Cryptocurrency for legal or regulatory reasons applicable to it, (b) payment of a cash amount determined in accordance with the conditions set out in § 4 (2) or § 4 (4) below.

(2) *Subscription Restrictions.* The Bonds may only be subscribed or purchased by Authorised Participants from the Issuer in the primary market against transfer of an number of units of the Cryptocurrency corresponding to the Cryptocurrency Entitlement (as of the date of the subscription or purchase in the primary market) per Bond to be subscribed or purchased.

[A subscription or purchase of Bonds from the Issuer by Authorised Participants in the primary market, is only permitted, if the relevant Authorised Participant subscribing to or purchasing Bonds assures to the

Option I: Emissionsbedingungen für an eine einzelne Kryptowährung gebundene Schuldverschreibungen

§ 1

Währung, Stückelung, Form Zeichnungsbeschränkungen, Bestimmte Definitionen

(1) *Währung, Stückelung.* Diese Emission der ETC Issuance GmbH (die "**Emittentin**") wird in der Gesamtanzahl von [●] Schuldverschreibungen (die "**Schuldverschreibungen**") am [●] (der "**Begebungstag**") begeben. Jede Schuldverschreibung verbrieft das Recht des Schuldverschreibungsinhabers von der Emittentin (a) die Lieferung von [*maßgebliche Kryptowährung einfügen*] (die "**Kryptowährung**") entsprechend dem Kryptowährungsanspruch gemäß den Emissionsbedingungen, oder, falls ein Anleihegläubiger aus rechtlichen oder regulatorischen Gründen daran gehindert ist Einheiten der Kryptowährung zu erhalten, (b) die Zahlung eines gemäß dieser Bestimmung festgelegten Barbetrags zu verlangen gemäß den in § 4 (2) bzw. § 4 (4) dargelegten Bedingungen.

(2) *Zeichnungsbeschränkungen.* Eine Zeichnung oder ein Erwerb der Schuldverschreibungen von der Emittentin durch Autorisierte Teilnehmer ist im Primärmarkt nur gegen Übertragung einer Anzahl von Einheiten der Kryptowährung entsprechend des Kryptowährungsanspruchs (zum Tag der Zeichnung oder des Erwerbs im Primärmarkt) je zu zeichnender bzw. zu erwerbender Schuldverschreibung.

[Ein Erwerb von Schuldverschreibungen von der Emittentin durch Autorisierte Teilnehmer im Primärmarkt darf nur dann erfolgen, wenn der jeweilige, die Schuldverschreibungen zeichnende

Issuer, upon presentation of the Verification Documents, that at least a portion of the so transferred units of the Cryptocurrency corresponding to the Freshly Mined Cryptocurrency Portion qualifies as Freshly Mined Cryptocurrency. Any requests for subscription or purchase of Bonds from the Issuer in the primary market by an Authorised Participant not complying with these provisions shall be invalid.

Whereby:

"Freshly Mined Cryptocurrency" means a number of units of the Cryptocurrency received by the Issuer for the subscription of the Bonds by an Authorised Participant, whereby in relation to every unit of Cryptocurrency so received, no matter how small its portion, if it was transferred through any digital wallets during the period between its original creation (mining) and receipt by the Issuer (each such digital wallet, an **"Intermediary Wallet"**), the number of such Intermediary Wallets does not exceed the Allowed Number of Intermediary Wallets. *For the avoidance of doubt:* digital wallets of the Issuer which are part of the Depositary Wallet and the first digital wallet where such units of the Cryptocurrency was credited upon creation (the **"Miner Wallet"**) shall not be counted;

"Verification Documents" means for every Intermediary Wallet and for the Miner Wallet (i) notarized and apostilled (if notarized outside of the European Economic Area) copies of the identity documents and proof of address of the person controlling the relevant wallet (the **"Controlling Person"**); (ii) notarized and apostilled (if notarized outside of the European Economic Area) written statement from the Controlling Person confirming the beneficial ownership of such wallet, as well as reasons for relevant transfer of the relevant units of the Cryptocurrency through the Intermediary Wallet (if applicable);

"Freshly Mined Cryptocurrency Portion" means an amount of Freshly Mined Cryptocurrency corresponding to [●] per cent. of the transferred units of the Cryptocurrency as portion of the subscription for the Bonds by an Authorised Participant. The Freshly Mined Cryptocurrency Portion may be increased by the Issuer at any time and the Issuer

oder erwerbende Authorisierte Teilnehmer unter Vorlage der Verifizierungsdokumente gegenüber der Emittentin zusichert, dass zumindest ein Anteil der zu übertragenden Einheiten der Kryptowährung entsprechend des Frisch-geminte Kryptowährungsanteils als Frisch-geminte Kryptowährung einzustufen ist. Jedes Angebot zur Zeichnung oder zum Erwerb von Schuldverschreibungen von der Emittentin durch einen Authorisierten Teilnehmer im Primärmarkt, welches diesen Anforderungen nicht genügt, ist unwirksam.

Dabei gilt:

"Frisch-geminte Kryptowährung" bezeichnet eine Anzahl an Einheiten der Kryptowährung, die die Emittentin von einem Authorisierten Teilnehmer für die Zeichnung der Schuldverschreibungen erhalten hat, wobei für jede zu dieser Anzahl gehörende Einheit der Kryptowährung, egal wie klein dieser Anteil sein mag, im Falle der Übertragung durch digitale Wallets während des Zeitraums zwischen der ursprünglichen Schöpfung des Anteils (Mining) und dem Empfang durch die Emittentin (jedes solche digitale Wallet, ein **"Zwischen-Wallet"**) die Anzahl an Übertragungen durch Zwischen-Wallets, die Erlaubte Anzahl an Zwischen-Wallets nicht übersteigt. *Zur Klarstellung:* digitale Wallets der Emittentin, welche Teil des Verwahrstellen-Wallets sind, sowie das erste digitale Wallet, auf welches die maßgeblichen Einheiten der Kryptowährung bei ihrer Entstehung gebucht wurden (das **"Miner-Wallet"**) werden nicht mitgezählt;

"Verifizierungsdokumente" bezeichnet für jedes Zwischen-Wallet und für das Miner-Wallet (i) eine notariell beglaubigte und mit einer Apostille versehene (falls außerhalb des Europäischen Wirtschaftsraums notariell beglaubigt) Kopien der Ausweisdokumente und ein Adressnachweis der Person, die das maßgebliche Wallet kontrolliert (die **"Kontrollperson"**); (ii) eine notariell beglaubigte und mit einer Apostille versehene (falls außerhalb des Europäischen Wirtschaftsraums notariell beglaubigt) schriftliche Erklärung der Kontrollperson, in der das wirtschaftliche Eigentum an der Wallet bestätigt wird, sowie die Gründe für die entsprechenden Übertragungen der maßgeblichen Einheiten der Kryptowährung durch die Zwischen-Wallets (sofern zutreffend);

"Frisch-geminter Kryptowährungsanteil" bezeichnet einen Anteil an Frisch-geminter Kryptowährung in Höhe von [●] % der zwecks Zeichnung der Schuldverschreibungen durch einen Authorisierten Teilnehmer übertragenen Einheiten der Kryptowährung. Der Frisch-geminte Kryptowährungsanteil kann durch die Emittentin

shall notify the Bondholders thereof in accordance with § 18;

"Allowed Number of Intermediary Wallets" means [●]. The Allowed Number of Intermediary Wallets may be lowered by the Issuer at any time and the Issuer shall notify the Bondholders thereof in accordance with § 18.]

(3) *Form.* The Bonds are being issued in bearer form.

(4) *Global Note.* The Bonds are represented by a global note (the "**Global Note**") without coupons. The Global Note shall be signed by or on behalf of the Issuer and shall be authenticated by or on behalf of the Fiscal Agent. Definitive certificates representing individual Bonds and coupons will not be issued and the right of the Bondholders to request the issue and delivery of definitive Bonds shall be excluded.

(5) *Clearing System.* The Global Note will be kept in custody by or on behalf of the Clearing System until all obligations of the Issuer under the Bonds have been satisfied. "**Clearing System**" means Clearstream Banking AG, Frankfurt, Mergenthalerallee 61, 65760 Eschborn, Germany and any successor in such capacity.

Pursuant to the book-entry registration agreement between the Issuer and the Clearing System, the Issuer has appointed Clearstream Banking AG, Frankfurt ("**CBF**") as its book-entry registrar in respect of the Bonds, and CBF has agreed to maintain a register showing the aggregate number of the Bonds represented by the Global Note under its own name. CBF has agreed, as agent of the Issuer, to maintain records of the Bonds credited to the accounts of the accountholders of CBF for the benefit of the holders of the co-ownership interests in the Bonds represented by the Global Note, and the Issuer and CBF have agreed that the actual number of Bonds from time to time shall be evidenced by the records of CBF.

(6) *Bondholder.* "**Bondholder**" means any holder of a proportionate co-ownership or other beneficial interest or right in the Bonds and shall include those persons who are the beneficiaries of

jederzeit erhöht werden. Die Emittentin teilt dies den Anleihegläubigern gemäß § 18 mit;

"Erlaubte Anzahl an Zwischen-Wallets" bezeichnet [●]. Die Erlaubte Anzahl an Zwischen-Wallets kann von der Emittentin jederzeit verringert werden. Die Emittentin teilt dies den Anleihegläubigern gemäß § 18 mit.]

(3) *Form.* Die Schuldverschreibungen lauten auf den Inhaber.

(4) *Globalurkunde.* Die Schuldverschreibungen sind durch eine Globalurkunde (die "**Globalurkunde**") ohne Zinsscheine verbrieft. Die Globalurkunde wird von der Emittentin oder in deren Namen unterschrieben und ist von der Emissionsstelle oder in deren Namen mit einer Kontrollunterschrift versehen. Urkunden in effektiver Form, die einzelne Schuldverschreibungen und Zinsscheine verbrieften, werden nicht ausgegeben und das Recht der Anleihegläubiger, die Ausstellung und Lieferung von Einzelurkunden zu verlangen, ist ausgeschlossen.

(5) *Clearing System.* Die Globalurkunde wird von oder im Namen des Clearing Systems verwahrt, bis sämtliche Verpflichtungen der Emittentin aus den Schuldverschreibungen erfüllt sind. "**Clearing System**" bezeichnet Clearstream Banking AG, Frankfurt, Mergenthalerallee 61, 65760 Eschborn, Deutschland, und jedes Nachfolgesystem in dieser Funktion.

Gemäß dem zwischen der Emittentin und dem Clearing System abgeschlossenen Book-Entry Registration Agreement hat die Emittentin Clearstream Banking AG, Frankfurt ("**CBF**") als Effektenregisterführer bezüglich der Schuldverschreibungen bestellt und CBF hat sich verpflichtet, ein Register über die jeweilige Gesamtzahl der durch die Globalurkunde verbrieften Schuldverschreibungen unter eigenem Namen zu führen. CBF hat sich verpflichtet, als Beauftragte der Emittentin in ihren Büchern Aufzeichnungen über die auf den Konten der Kontoinhaber in CBF zugunsten der Inhaber der Miteigentumsanteile an den durch diese Globalurkunde verbrieften Schuldverschreibungen zu führen. Die Emittentin und CBF haben ferner vereinbart, dass sich die tatsächliche Zahl der Schuldverschreibungen, die jeweils verbrieft sind, aus den Unterlagen von CBF ergibt.

(6) *Anleihegläubiger.* "**Anleihegläubiger**" bezeichnet jeden Inhaber eines Miteigentumsanteils oder anderen vergleichbaren Anteils oder Rechts an den Schuldverschreibungen und umfasst solche

Secured Put Option Obligations or Secured Settlement Obligations.

(7) *United States.* For the purposes of these Terms and Conditions, "**United States**" means the United States of America (including the States thereof and the District of Columbia) and its possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and Northern Mariana Islands).

(8) *Definitions.*

"**Administrator**" means [Apex Corporate & Advisory Services Ltd, Central North Business Centre Level 1 Sqaq il-Fawwara Sliema SLM1670, Malta][●], in its function as agent who shall approve any transfer of Issuer-Owned Bonds or Deposited Cryptocurrency, which have been pledged as security for the benefit of the Bondholders, the Security Trustee and the Bondholders' Representative (if appointed);

"**Affiliate**" means any company within the meaning of Section 15 of the German Stock Corporation Act (*Aktiengesetz*);

"**Announcement Date**" shall have the meaning ascribed to it in § 14 (1);

"**Auction Price Determination Date**" shall have the meaning ascribed to it in § 14 (1);

"**Auction Start Date**" shall have the meaning ascribed to it in § 14 (1);

"**Auctioneer**" means the Issuer or any entity appointed by the Issuer to carry out the Cryptocurrency Auction Procedure;

"**Authorised Participant**" means any entity supervised by a financial supervisory authority in a member state of the European Economic Area, the United Kingdom, Canada, Australia, Singapore, New Zealand, Japan, Switzerland, Hong Kong (SAR) or the United States which has been appointed by the Issuer as an Authorised Participant;

"**Authorised Participant Agreement**" means an agreement entered into between the Issuer and an Authorised Participant, appointing the Authorised Participant and the fees, terms and conditions in respect of which it acts in such role;

Personen, die die Begünstigten der Gesicherten Put-Options-Verpflichtungen bzw. der Gesicherten Abwicklungsverpflichtungen sind.

(7) *Vereinigte Staaten.* Für die Zwecke dieser Emissionsbedingungen bezeichnet "**Vereinigte Staaten**" die Vereinigten Staaten von Amerika (einschließlich deren Bundesstaaten und des District of Columbia) sowie deren Territorien (einschließlich Puerto Rico, der der Amerikanischen Jungferninseln, Guam, Amerikanisch-Samoa, Wake Island und dem Commonwealth der Nördlichen Marianen).

(8) *Definitionen.*

"**Administrator**" bezeichnet [Apex Corporate & Advisory Services Ltd, Central North Business Centre Level 1 Sqaq il-Fawwara Sliema SLM1670, Malta][●], in ihrer Funktion als Beauftragter, der Übertragungen von Emittenteneigenen Schuldverschreibungen oder Hinterlegten Kryptowährung genehmigt, die als die als Sicherheit zugunsten der Anleihegläubiger des Sicherheitentreuhänders und des Gemeinsamen Vertreters (sofern bestellt) verpfändet wurden;

"**Verbundenes Unternehmen**" bezeichnet ein Unternehmen im Sinne des § 15 des deutschen Aktiengesetzes (*AktG*);

"**Ankündigungstag**" hat die diesem Begriff in § 14 (1) zugeschriebene Bedeutung;

"**Auktionspreisfestsetzungstag**" hat die diesem Begriff in § 14 (1) zugeschriebene Bedeutung;

"**Starttermin der Auktion**" hat die diesem Begriff in § 14 (1) zugeschriebene Bedeutung;

"**Auktionator**" bezeichnet die Emittentin oder ein Unternehmen, das von der Emittentin zur Durchführung des Kryptowährungs Auktionsverfahrens bestellt wurde;

"**Autorisierter Teilnehmer**" bezeichnet jedes von einer Finanzaufsichtsbehörde überwachte Unternehmen in einem Mitgliedstaat des Europäischen Wirtschaftsraums, des Vereinigten Königreichs, Kanada, Australien, Singapur, Neuseeland, Japan, der Schweiz, Hong Kong (SAR) oder den Vereinigten Staaten, das von der Emittentin als ein Autorisierter Teilnehmer ernannt wurde;

"**Autorisierter Teilnehmer-Vertrag**" bezeichnet einen zwischen der Emittentin und einem Autorisierten Teilnehmer geschlossenen Vertrag, durch den der Autorisierte Teilnehmer ernannt wird und die Kosten und Bedingungen in Bezug auf die Ausführung dieser Funktion festgelegt werden;

"Bid Guarantee Amount" shall have the meaning ascribed to it in § 14 (3);

"Bondholders' Meeting" means a meeting of Bondholders held in accordance with § 17;

"Bondholders' Representative" shall have the meaning ascribed to it in § 17 (5);

"Business Day" means a day (other than a Saturday, a Sunday or a public holiday) on which (i) the Clearing System, (ii) the banks in Frankfurt am Main, London and New York and (iii) the Trans-European Automated Real-time Gross settlement Express Transfer system 2 (TARGET2), or any successor system thereto ("**TARGET**") settle payments;

"Cryptocurrency Auction Procedure" shall have the meaning ascribed to it in § 14;

"Cryptocurrency Entitlement" means, as of any Business Day, the Bondholder's claim against the Issuer in respect of each Bond, expressed as the number of the units of the Cryptocurrency per Bond, and calculated by the Issuer in its sole discretion in accordance with the following formula:

$$CE = ICE \times (1 - DER)^n$$

Where:

"CE" means Cryptocurrency Entitlement;

"ICE" means Initial Cryptocurrency Entitlement (as defined below);

"DER" means Diminishing Entitlement Rate (as defined below); and

"n" means Number of Days/365.

In case the Diminishing Entitlement Rate is lowered by the Issuer, the Issuer may make in its sole and absolute discretion those changes to the above formula that are required in order to ensure that the new Diminishing Entitlement Rate only applies as of the date such change has been notified to the Bondholders in accordance with § 18 (including, but not limited to, adjusting the definition of the Initial Cryptocurrency Entitlement to mean the "Cryptocurrency Entitlement per Bond at the date on which the change to the relevant Diminishing Entitlement Rate has been notified to the Bondholders in accordance with § 18" and adjusting

"Gebotsgarantiebetrag" hat die diesem Begriff in § 14 (3) zugeschriebene Bedeutung;

"Gläubigerversammlung" bezeichnet eine Versammlung der Anleihegläubiger, die gemäß § 17 abgehalten wird;

"Gemeinsamer Vertreter" hat die diesem Begriff in § 17 (5) zugeschriebene Bedeutung;

"Geschäftstag" bezeichnet einen Tag (außer einem Samstag, einem Sonntag oder einem Feiertag), an dem (i) das Clearingsystem, (ii) die Banken in Frankfurt am Main, London und New York und (iii) das Trans-European Automated Real-time Gross settlement Express Transfer system 2 (TARGET2) oder jedes Nachfolgesystem ("**TARGET**") Zahlungen abwickeln;

"Kryptowährungs-Auktionsverfahren" hat die diesem Begriff in § 14 zugeschriebene Bedeutung;

"Kryptowährungsanspruch" bezeichnet, zu einem beliebigen Geschäftstag, den Anspruch eines Anleihegläubigers gegenüber der Emittentin in Bezug auf jede Schuldverschreibung, ausgedrückt als die Anzahl der Einheiten der Kryptowährung je Schuldverschreibungen, und von der Emittentin nach eigenen Ermessen gemäß folgender Formel berechnet:

$$CE = ICE \times (1 - DER)^n$$

Wobei:

"CE" den Kryptowährungsanspruch bezeichnet;

"ICE" den Anfänglichen Kryptowährungsanspruch (wie nachstehend definiert) bezeichnet;

"DER" die Abnehmende Anspruchsrate (wie nachstehend definiert) bezeichnet; und

"n" die Anzahl der Tage/365 bezeichnet.

Falls die Abnehmende Anspruchsrate von der Emittentin herabgesetzt wird, kann die Emittentin nach eigenem und absoluten Ermessen solche Änderungen an der vorstehenden Formel vornehmen, die erforderlich sind, um sicherzustellen, dass die neue Abnehmende Anspruchsrate nur ab dem Tag gilt, an dem diese Änderung den Anleihegläubigern gemäß § 18 mitgeteilt wurde (einschließlich (ohne Einschränkung) der Anpassung der Definition des Anfänglichen Kryptowährungsanspruchs, der "Kryptowährungsanspruch je Schuldverschreibung an dem Tag, an dem die Änderung der maßgeblichen Abnehmenden Anspruchsrate den Anleihegläubigern

the definition of Number of Days to mean "the number of days that have passed since the date on which the change to the relevant Diminishing Entitlement Rate has been notified to the Bondholders in accordance with § 18 up until and including the date on which the Cryptocurrency Entitlement is calculated");

"Cryptocurrency Put Option" shall have the meaning ascribed to it in § 4 (3);

"Cryptocurrency Sale Proceeds" shall have the meaning ascribed to it in § 4 (2);

"Custodian" shall have the meaning ascribed to it in § 19 (4);

"Default Rate" shall have the meaning ascribed to it in § 4 (4);

"Depo Bank" means [Baader Bank AG, Weihenstephaner Straße 4, 85716 Unterschleißheim, Germany][●], a financial intermediary maintaining the Issuance Account on behalf of the Issuer and any successor in such capacity;

"Depositary" means [BitGo Trust Company, Inc, an independent qualified cryptocurrency custodian under the laws of the State of South Dakota, regulated by the South Dakota Division of Banking with the credential number of TC.128-2] [●] or such other financial institution(s) that the Issuer, from time to time, has designated as the Depositary for its holdings of the Cryptocurrency pledged as security for the Bonds;

"Depositary Wallet" means a cryptocurrency wallet or wallets operated by the Depositary on behalf of the Issuer, where the assets held in such wallet are (i) segregated from the assets of any other customers of the Depositary and from any other assets of the Issuer; and (ii) are pledged as security in favour of the Bondholders pursuant to the Security Documents;

"Deposited Cryptocurrency" means the number of units of the Cryptocurrency held on the Depositary Wallet with the Depositary at any given time;

"Digital Wallet" means the relevant digital cryptocurrency wallet of each Bondholder required to receive and transfer units of the Cryptocurrency;

gemäß § 18 mitgeteilt wurde" bezeichnet und der Anpassung der Definition der Anzahl der Tage, die "die Anzahl der Tage, die von dem Tag, an dem die Änderung der maßgeblichen Abnehmenden Anspruchsrate den Anleihegläubigern gemäß § 18 mitgeteilt wurde, bis zu dem Tag (einschließlich), an dem der Kryptowährungsanspruch berechnet wird" bezeichnet);

"Kryptowährungs-Put-Option" hat die diesem Begriff in § 4 (3) zugeschriebene Bedeutung;

"Kryptowährungs-Verkaufserlöse" hat die diesem Begriff in § 4 (2) zugeschriebene Bedeutung;

"Depotbank" hat die diesem Begriff in § 19 (4) zugeschriebene Bedeutung;

"Ausfallrate" hat die diesem Begriff in § 4 (4);

"Depo Bank" bezeichnet [Baader Bank AG, Weihenstephaner Straße 4, 85716 Unterschleißheim, Deutschland][●], ein Finanzintermediär, der das Emissionskonto im Namen der Emittentin verwaltet, sowie etwaige Nachfolger in dieser Funktion;

"Verwahrstelle" bezeichnet [BitGo Trust Company, Inc, eine unabhängige qualifizierte Kryptowährungsdepotbank nach dem Recht des Bundesstaats South Dakota und reguliert durch die South Dakota Division of Banking, mit der Berechtigungsnachweis-Nummer TC.128-2][●] oder (ein) solche(s) anderes (anderen) Finanzinstitut(e),] das (die) die Emittentin von Zeit zu Zeit als Verwahrstelle für ihre Anteile an der Kryptowährung, die als Sicherheit für die Schuldverschreibungen hinterlegt sind, benennt;

"Verwahrstellen-Wallet" bezeichnet ein Kryptowährungs-Wallet oder Wallets (Konto), welches von der Verwahrstelle im Namen der Emittentin betrieben wird, wobei die in diesem Wallet gehaltenen Vermögenswerte (i) von den Vermögenswerten anderer Kunden der Verwahrstelle abgegrenzt sind und (ii) als Sicherheit zugunsten der Anleihegläubiger gemäß den Sicherheitendokumenten hinterlegt sind;

"Hinterlegte Kryptowährung" bezeichnet die Anzahl der Einheiten der Kryptowährung, welche bei der Verwahrstelle auf dem Verwahrstellen-Wallet zu jeder Zeit gehalten werden;

"Digitales Wallet" bezeichnet das maßgebliche digitale Kryptowährungs-Wallet jedes Anleihegläubigers, das für den Empfang und die Übertragung von Einheiten der Kryptowährung erforderlich ist;

"Diminishing Entitlement Rate" means the rate at which the Cryptocurrency Entitlement decays over time. As of the Issue Date, the Diminishing Entitlement Rate is [2.00][●] percent. The Diminishing Entitlement Rate may be lowered by the Issuer at any time and the Issuer shall notify the Bondholders thereof in accordance with § 18;

"Event of Default" shall have the meaning ascribed to it in § 11 (1);

"Exercise Fee" means

- (i) in the case of Bondholders who are Authorised Participants an amount which is set out in the relevant Authorised Participant Agreement, which shall not exceed an amount equal to [0.50][●] percent of the Cryptocurrency Entitlement for each Bond in relation to which the Put Option is exercised; or
- (ii) in the case of other Bondholders who are not Authorised Participants an amount equal to [1.00][●] percent of the Cryptocurrency Entitlement for each Bond in relation to which the Put Option is exercised.

The Exercise Fee may be lowered by the Issuer at any time and the Issuer shall notify the Bondholders thereof in accordance with § 18;

"Failed Auction" shall have the meaning ascribed to it in § 14 (6);

"FATF" means The Financial Action Task Force (on Money Laundering), an intergovernmental organization founded in 1989 to develop policies to combat money laundering;

"Fiscal Agent" means [Baader Bank AG, Weihenstephaner Straße 4, 85716 Unterschleißheim, Germany][●] or any other fiscal agent appointed by the Issuer;

"German Security and Security Trust Agreement" shall have the meaning ascribed to it in § 7 (1);

"Initial Cryptocurrency Entitlement" means [0.001][●] units of the Cryptocurrency per Bond, i.e. the Cryptocurrency Entitlement per Bond at the Issue Date;

"Abnehmende Anspruchsrate" bezeichnet die Rate, mit welcher der Kryptowährungsanspruch im Laufe der Zeit abnimmt. Am Emissionstag beträgt die Abnehmende Anspruchsrate [2,00 %][●]. Die Abnehmende Anspruchsrate kann von der Emittentin zu jeder Zeit herabgesetzt werden und die Emittentin teilt dies den Anleihegläubigern gemäß § 18 mit;

"Kündigungsgrund" hat die diesem Begriff in § 11 (1) zugeschriebene Bedeutung;

"Ausübungsgebühr" bezeichnet

- (i) im Falle von Anleihegläubigern, die Autorisierte Teilnehmer sind, einen Betrag, der in dem maßgeblichen Autorisierten Teilnehmer-Vertrag angegeben ist, der einen Betrag, der [0,50 %][●] des Kryptowährungsanspruchs für jede Schuldverschreibung, für die eine Put-Option ausgeübt wird, entspricht, nicht überschreiten darf; oder
- (ii) im Falle sonstiger Anleihegläubiger, die keine Autorisierten Teilnehmer sind, einen Betrag, der [1,00 %][●] des Kryptowährungsanspruchs für jede Schuldverschreibung, für die eine Put-Option ausgeübt wird, entspricht;

Die Ausübungsgebühr kann von der Emittentin zu jeder Zeit herabgesetzt werden und die Emittentin teilt dies den Anleihegläubigern gemäß § 18 mit;

"Fehlgeschlagene Auktion" hat die diesem Begriff in § 14 (6) zugeschriebene Bedeutung;

"FATF" bezeichnet die Arbeitsgruppe "Finanzielle Maßnahmen (gegen die Geldwäsche)" (*The Financial Action Task Force (on Money Laundering)*), eine zwischenstaatliche Organisation, die 1989 gegründet wurde, um Maßnahmen zur Bekämpfung der Geldwäsche zu entwickeln;

"Emissionsstelle" bezeichnet [Baader Bank AG, Weihenstephaner Straße 4, 85716 Unterschleißheim, Deutschland][●] oder jede von der Emittentin ernannte andere Emissionsstelle;

"Deutsche Sicherheiten- und Sicherheiten-Treuhandvertrag" hat die diesem Begriff in § 7 (1) zugeschriebene Bedeutung;

"Anfänglicher Kryptowährungsanspruch" bezeichnet [0,001][●] Einheiten der Kryptowährung je Schuldverschreibung, d.h. den Kryptowährungsanspruch je Schuldverschreibung am Emissionstag;

"Issuance Account" means a securities account maintained by the Depo Bank on behalf of the Issuer where Bonds beneficially owned by the Issuer are held or registered;

"Issuer-Owned Bonds" means the Bonds held in the Issuance Account, or any Bonds of which the Issuer itself is a Bondholder;

"Mandatory Redemption" shall mean the ability of the Issuer to redeem the Bonds at its option, as further described in § 4 (2);

"Mandatory Redemption Date" shall have the meaning ascribed to it in § 4 (2);

"Mandatory Redemption Event" shall have the meaning ascribed to it in § 4 (2);

"Mandatory Redemption Notice" shall have the meaning ascribed to it in § 4 (2);

"Mandatory Redemption Price" shall have the meaning ascribed to it in § 4 (2);

"Number of Days" means the number of days that have elapsed since the Issue Date (excluding) up until and including the date on which the Cryptocurrency Entitlement is calculated;

"Outstanding Amount" means, at any given time, the total number of Outstanding Bonds multiplied by the Cryptocurrency Entitlement;

"Outstanding Bonds" means Bonds issued and placed with investors that have not yet been repurchased or otherwise cancelled by the Issuer (excluding, for the avoidance of doubt, Issuer-Owned Bonds);

"Paying Agent" means [Baader Bank AG, Weihenstephaner Straße 4, 85716 Unterschleißheim, Germany][●] or any other paying agent appointed by the Issuer;

"Permitted Indebtedness" shall have the meaning ascribed to it in § 12 (2);

"Put Option" means the USD Put Option and the Cryptocurrency Put Option;

"Emissionskonto" bezeichnet ein Wertpapierdepot, das von der Depo Bank im Namen der Emittentin geführt wird, auf dem Schuldverschreibungen, die sich im wirtschaftlichen Eigentum der Emittentin befinden, gehalten werden bzw. registriert sind;

"Emittenteneigene Schuldverschreibungen" bezeichnet die Schuldverschreibungen, die in dem Emissionskonto gehalten werden, oder Schuldverschreibungen, deren Anleihegläubiger die Emittentin selbst ist;

"Zwangsrückzahlung" bezeichnet die Fähigkeit der Emittentin, die Schuldverschreibungen nach ihrer Wahl zurückzuzahlen, wie in § 4 (2) näher beschrieben;

"Zwangsrückzahlungstag" hat die diesem Begriff in § 4 (2) zugeschriebene Bedeutung;

"Zwangsrückzahlungsereignis" hat die diesem Begriff in § 4 (2) zugeschriebene Bedeutung;

"Zwangsrückzahlungsmittelteilung" hat die diesem Begriff in § 4 (2) zugeschriebene Bedeutung;

"Zwangsrückzahlungspreis" hat die diesem Begriff in § 4 (2) zugeschriebene Bedeutung;

"Anzahl der Tage" bezeichnet die Anzahl der Tage, die seit dem Emissionstag (ausschließlich) bis zu dem Tag (einschließlich), an dem der Kryptowährungsanspruch berechnet wird, vergangen sind;

"Ausstehender Betrag" bezeichnet zu jedem Zeitpunkt die Gesamtsumme der Ausstehenden Schuldverschreibungen multipliziert mit dem Kryptowährungsanspruch;

"Ausstehende Schuldverschreibungen" bezeichnet ausgegebene und bei Investoren platzierte Schuldverschreibungen, die noch nicht zurückgekauft oder anderweitig von der Emittentin gekündigt wurden (zur Klarstellung: ausgenommen Emittenteneigene Schuldverschreibungen);

"Zahlstelle" bezeichnet [Baader Bank AG, Weihenstephaner Straße 4, 85716 Unterschleißheim, Deutschland][●] oder jede von der Emittentin ernannte andere Zahlstelle;

"Zulässige Verbindlichkeiten" hat die diesem Begriff in § 12 (2) zugeschriebene Bedeutung;

"Put-Option" bezeichnet die USD-Put-Option und die Kryptowährungs-Put-Option;

"Put Option Exercise Date" shall have the meaning ascribed to it in § 4 (3) and § 4 (4);

"Put Option Exercise Form" shall have the meaning ascribed to it in § 4 (3) and § 4 (4);

"Qualified Majority" shall have the meaning ascribed to it in § 17 (2);

"Reference Price" means, as of the relevant determination date, the Bloomberg Cryptocurrency Fixing for [Bitcoin] [Bitcoin Cash] [Ethereum] [Litecoin] [XRP] as displayed by Bloomberg under Bloomberg ticker [XBT] [XBN] [XET] [XLC] [XRP] CFIX Curncy between 16:00 and 16:15 (EST);

"Relevant Taxing Jurisdiction" shall have the meaning ascribed to it in § 9 (1);

"SchVG" shall have the meaning ascribed to it in § 17 (1);

"Secured Put Option Obligations" means obligations of the Issuer (i) to settle the Cryptocurrency Entitlement with respect of those Bonds which are redeemed at the discretion of the Issuer due to a Mandatory Redemption Event in the Cryptocurrency, as further described in § 4 (2); or (ii) to transfer the Cryptocurrency Entitlement to the Bondholder exercising the Cryptocurrency Put Option, as further described in § 4 (3);

"Secured Put Option Obligations Amount" means amount in the Cryptocurrency of those Secured Put Option Obligations which are not yet fulfilled by the Issuer and remain outstanding;

"Secured Settlement Obligations" means obligations of the Issuer to transfer Bonds to the Authorised Participant subscribing to or purchasing Bonds from the Issuer in the primary market, but only if such subscribing or purchasing Authorised Participant has transferred (or arranged to be transferred) at least the Cryptocurrency Entitlement (as of the date of the subscription or purchase in the primary market) per Bond being subscribed or purchased in the primary market to the Depositary Wallet;

"Put-Options-Ausübungstag" hat die diesem Begriff in § 4 (3) und § 4 (4) zugeschriebene Bedeutung;

"Put-Options-Ausübungsformular" hat die diesem Begriff in § 4 (3) und § 4 (4) zugeschriebene Bedeutung;

"Qualifizierte Mehrheit" hat die diesem Begriff in § 17 (2) zugeschriebene Bedeutung;

"Referenzpreis" bezeichnet, zum maßgeblichen Festsetzungstag, die Bloomberg Kryptowährungsfestsetzung für [Bitcoin] [Bitcoin Cash] [Ethereum] [Litecoin] [XRP], wie von Bloomberg unter Bloomberg Ticker [XBT] [XBN] [XET] [XLC] [XRP] CFIX Curncy zwischen 16:00 Uhr und 16:15 Uhr (MEZ) angezeigt;

"Maßgebliche Steuerjurisdiktion" hat die diesem Begriff in § 9 (1) zugeschriebene Bedeutung;

"SchVG" hat die diesem Begriff in § 17 (1) zugeschriebene Bedeutung;

"Gesicherte Put-Options-Verpflichtungen" bezeichnet Verpflichtungen der Emittentin, (i) den Kryptowährungsanspruch in Bezug auf die Schuldverschreibungen, welche im Ermessen der Emittentin aufgrund eines Ereignisses der Zwangsrückzahlung in der Kryptowährung zurückgezahlt werden, abzuwickeln, wie in § 4 (2) näher beschrieben; oder (ii) den Kryptowährungsanspruch derjenigen Anleihegläubiger zu übertragen, welche die Kryptowährungs-Put-Option ausüben, wie in § 4 (3) näher beschrieben;

"Betrag der Gesicherten Put-Options-Verpflichtungen" bezeichnet den Betrag in der Kryptowährung derjenigen Gesicherten Put-Options-Verpflichtungen, die noch nicht von der Emittentin erfüllt wurden und noch ausstehend sind;

"Gesicherte Abwicklungsverpflichtungen" bezeichnet Verpflichtungen der Emittentin, Schuldverschreibungen auf Autorisierte Teilnehmer zu übertragen, welche Schuldverschreibungen der Emittentin zeichnen oder von der Emittentin im Primärmarkt erwerben, jedoch nur wenn der zeichnende oder erwerbende Autorisierte Teilnehmer zumindest den Kryptowährungsanspruch (zum Tag der Zeichnung oder des Erwerbs im Primärmarkt) je gezeichneter bzw. im Primärmarkt erworbener Schuldverschreibung auf das Verwahrstellen-Wallet übertragen hat (bzw. die Übertragung angewiesen hat);

"Secured Settlement Obligations Amount" means amount in the Cryptocurrency (aggregate Cryptocurrency Entitlement of the Bonds to be settled) of those Secured Settlement Obligations which are not yet fulfilled by the Issuer and remain outstanding;

"Secured Obligations Amount" means the sum of Secured Settlement Obligations Amount, Outstanding Amount and Secured Put Option Obligations Amount;

"Security" shall have the meaning ascribed to it in § 2 (2);

"Security Documents" means (a) the German Security and Security Trust Agreement; (b) the Cryptocurrency Security Agreement entered into between the Issuer and the Security Trustee, (c) the Depositary Account (Wallet) Control Agreement entered into between the Issuer, the Security Trustee and the Depositary; (d) the Issuance Account Control Agreement entered into between the Issuer, the Depo Bank and the Security Trustee; (e) any other agreement or document granting, acknowledging, perfecting or giving legal effect to Bondholder's security interest in the Depositary Wallet and/or the Deposited Cryptocurrency; or (f) any other agreement or document granting, acknowledging, perfecting or giving legal effect to Bondholder's security interest in the Issuance Account and/or Issuer-Owned Bonds;

"Security Trustee" means [Apex Corporate Trustees (UK) Limited, 6th Floor, 125 Wood Street, London EC2V 7AN, United Kingdom][●], which holds security interest in (i) the Depositary Wallet and the Deposited Cryptocurrency and (ii) the Issuance Account for the benefit of the Bondholders or any successor or replacement security trustee;

"Settlement Requirements" shall have the meaning ascribed to it in § 14 (5);

"Split" means a split, or fork, in the blockchain of the Cryptocurrency, leading to a division of the Cryptocurrency into two or more separate cryptocurrencies;

"Betrag der Gesicherten Abwicklungsverpflichtungen" bezeichnet den Betrag in der Kryptowährung (Gesamt-Kryptowährungsanspruch der abzuwickelnden Schuldverschreibungen) jener Gesicherten Abwicklungsverpflichtungen, die noch nicht von der Emittentin erfüllt wurden und noch ausstehend sind;

"Betrag der Gesicherten Verpflichtungen" bezeichnet die Summe des Betrags der Gesicherten Abwicklungsverpflichtungen, des Ausstehenden Betrags und des Betrags der Gesicherten Put-Options-Verpflichtungen;

"Sicherheit" hat die diesem Begriff in § 2 (2) zugeschriebene Bedeutung;

"Sicherheitendokumente" bezeichnet (a) den Deutschen Sicherheiten- und Sicherheiten-Treuhandvertrag; (b) den Kryptowährungs-Sicherheitenvertrag, der zwischen der Emittentin und dem Sicherheitentreuhänder geschlossen wurde, (c) den Depot-Konto-(Wallet)steuerungsvertrag, der zwischen der Emittentin, dem Sicherheitentreuhänder und der Verwahrstelle geschlossen wurde; (d) den Emissionskontosteuerungsvertrag, der zwischen der Emittentin, der Depo Bank und dem Sicherheiten-treuhänder geschlossen wurde; (e) jeden sonstigen Vertrag bzw. jedes sonstige Dokument, das die Sicherungsrechte des Anleihegläubigers an dem Verwahrstellen-Wallet und/oder der Hinterlegten Kryptowährung gewährleistet, anerkennt, vollendet oder diesen rechtliche Wirkung verleiht; oder (f) jeder sonstige Vertrag bzw. jedes sonstige Dokument, das die Sicherungsrechte des Anleihegläubigers an dem Emissionskonto und/oder den Emittenteneigenen Schuldverschreibungen gewährleistet, anerkennt, vollendet oder diesen rechtliche Wirkung verleiht;

"Sicherheitentreuhänder" bezeichnet [Apex Corporate Trustees (UK) Limited, 6th Floor, 125 Wood Street, London EC2V 7AN, Vereinigtes Königreich][●], die Sicherungsrechte an (i) dem Verwahrstellen-Wallet und der Hinterlegten Kryptowährung und (ii) dem Emissionskonto zugunsten der Anleihegläubiger hält, oder etwaige Nachfolger oder Ersatz-Sicherheitentreuhänder;

"Abwicklungsanforderungen" hat die diesem Begriff in § 14 (5) zugeschriebene Bedeutung;

"Teilung" bedeutet eine Teilung oder eine Weiterentwicklung, in der Blockchain der Kryptowährung, die zu einer Trennung der Kryptowährung in zwei oder mehrere getrennte Kryptowährungen führt;

"**Split Notification Event**" means either of the following: (i) Bondholders representing at least 20 percent of all Outstanding Bonds have notified the Issuer in writing about the occurrence of the Split; or (ii) the Issuer has notified the Bondholders about the occurrence of the Split in accordance with § 18;

"**Substitute Debtor**" shall have the meaning ascribed to it in § 15 (1);

"**Termination Notice**" shall have the meaning ascribed to it in § 11 (2);

"**Upfront Redemption Fee**" shall mean an amount of EUR [●] (EUR [*insert amount in words*]) which the Issuer may charge at its sole and absolute discretion for the exercise of a Put Option by a Bondholder who is not an Authorised Participant, and where the Put Option is exercised in relation to a number of Bonds which, if multiplied by the Cryptocurrency Entitlement and then multiplied by the Reference Price, in each case as of the date on which the Issuer receives the Put Option Exercise Form, have a value of less than USD 250,000.00 (USD two hundred fifty thousand);

The Upfront Redemption Fee may be lowered by the Issuer at any time and the Issuer shall notify the Bondholders thereof in accordance with § 18;

"**USD**" means U.S.\$, the lawful currency of the United States;

"**USD Put Option**" shall have the meaning ascribed to it in § 4 (4); and

"**Website**" means the Issuer's official website at <https://btc-etc.com>.

§ 2 Status, Security

(1) *Status.* The obligations under the Bonds constitute direct, unsubordinated and secured obligations of the Issuer ranking *pari passu* among themselves, Secured Put Option Obligations and Secured Settlement Obligations.

(2) *Security.* As continuing security for the payment and discharge of the obligations to the Bondholders under the Bonds the Issuer pledges in favour of the Bondholders, the Security Trustee and the Bondholders' Representative (if appointed) pursuant to the Security Documents (i) all of its

"**Ereignis einer Teilungsmitteilung**" bezeichnet jeweils Folgendes: (i) Anleihegläubiger, die mindestens 20 % aller Ausstehenden Schuldverschreibungen vertreten, haben die Emittentin schriftlich über das Ereignis der Teilung informiert; oder (ii) die Emittentin hat die Anleihegläubiger über das Ereignis einer Teilung gemäß § 18 informiert;

"**Ersatzschuldner**" hat die diesem Begriff in § 15 (1) zugeschriebene Bedeutung;

"**Kündigungserklärung**" hat die diesem Begriff in § 11 (2) zugeschriebene Bedeutung;

"**Rückzahlungsgebühr**" bezeichnet einen Betrag in Höhe von EUR [●] (EUR [*Betrag in Worten einfügen*]), welchen die Emittentin nach eigenem und absoluten Ermessen für die Ausübung einer Put-Option durch einen Anleihegläubiger, der kein Autorisierter Teilnehmer ist und die Put-Option für eine Anzahl von Schuldverschreibungen ausgeübt wird, die, wenn sie mit dem Kryptowährungsanspruch multipliziert und sodann mit dem Referenzpreis multipliziert werden, einen Wert von weniger als USD 250.000,00 (USD zweihundertfünfzigtausend) in jedem Falle zu dem Tag, an dem die Emittentin das Put-Options-Ausübungsformular erhält, ergibt, in Rechnung stellen kann;

Die Rückzahlungsgebühr kann von der Emittentin jederzeit verringert werden. Die Emittentin teilt dies den Anleihegläubigern gemäß § 18 mit;

"**USD**" bezeichnet US-\$, die rechtliche Währung der Vereinigten Staaten;

"**USD-Put-Option**" hat die diesem Begriff in § 4 (4) zugeschriebene Bedeutung; und

"**Website**" bezeichnet die offizielle Website der Emittentin auf <https://btc-etc.com>.

§ 2 Status, Sicherheit

(1) *Status.* Die Schuldverschreibungen begründen unmittelbare, nicht nachrangige und besicherte Verbindlichkeiten der Emittentin, die untereinander gleichrangig sind, Gesicherte Put-Options-Verpflichtungen und Gesicherte Abwicklungsverpflichtungen.

(2) *Sicherheit.* Als fortwährende Sicherheit für die Zahlung und Erfüllung der Verpflichtungen gegenüber den Anleihegläubigern aus den Schuldverschreibungen verpfändet die Emittentin (i) sämtliche ihrer gegenwärtigen und zukünftigen Rechte, Titel, Anteile und Nutzen an, zum und aus

rights, title, interest and benefit, present and future, in, to and under the Depositary Wallet and the Deposited Cryptocurrency and (ii) all of its rights, title, interest and benefit, present and future, in, to and from the Issuance Account and Issuer-Owned Bonds (the "**Security**"). Details of the accounts and the terms and conditions of the respective pledges shall be stipulated in the Security Documents between the Security Trustee and the Issuer. The Issuer shall make copies of the Security Documents available for inspection by the Bondholders at the Issuer's principal place of business (Gridiron, One Pancras Square, London, N1C 4AG, United Kingdom or any successor address in the United Kingdom or Germany, as communicated to the Bondholders in accordance with §18). The Issuer shall also make copies of the Security Documents available on the Website. The Issuer reserves the right to redact certain provisions related to the procedures of repossessing the Depositary Wallet by the Security Trustee from the copy of the Depositary Account (Wallet) Control Agreement for security reasons. The Security will be held, administered and enforced by the Security Trustee in accordance with the German Security and Security Trust Agreement.

dem Verwahrstellen-Wallet und der Hinterlegten Kryptowährung und (ii) sämtliche ihrer gegenwärtigen und zukünftigen Rechte, Titel, Anteile und Nutzen an, zum und vom Emissionskonto und den Emittenteneigenen Schuldverschreibungen (die "**Sicherheit**") zugunsten der Anleihegläubiger, des Sicherheitentreuhänders und des Gemeinsamen Vertreters gemäß den Sicherheitendokumenten zu. Einzelheiten der Konten und der Bedingungen der jeweiligen Pfandrechte sind in den Sicherheitendokumenten zwischen dem Sicherheitentreuhänder und der Emittentin festzulegen. Die Emittentin wird Kopien der Sicherheitendokumente zur Einsicht durch die Anleihegläubiger an ihrem Hauptgeschäftssitz (Gridiron, One Pancras Square, London, N1C 4AG, Vereinigtes Königreich oder jede Nachfolgeadresse im Vereinigten Königreich oder Deutschland, wie durch die Emittentin an die Anleihegläubiger gemäß § 18 mitgeteilt) zur Verfügung stellen. Die Emittentin wird außerdem Kopien der Sicherheitendokumente auf der Website zur Verfügung stellen. Die Emittentin behält sich hierbei das Recht vor, bestimmte Bestimmungen in Bezug auf das Verfahren zur Wiederinbesitznahme der Verwahrstellen-Wallet durch den Sicherheitentreuhänder aus der Kopie des Depot-Konto-(Wallet)steuerungsvertrags aus Sicherheitsgründen zu streichen. Die Sicherheit wird durch den Sicherheitentreuhänder in Übereinstimmung mit dem Deutschen Sicherheiten- und Sicherheiten-Treuhandvertrag gehalten, verwaltet und durchgesetzt.

(3) *Security Release and Proceeds.* The Security shall be released in accordance with the provisions of the German Security and Security Trust Agreement.

(3) *Freigabe der Sicherheit und Verfahren.* Die Sicherheit soll gemäß den Regelungen des Deutschen Sicherheiten- und Sicherheiten-Treuhandvertrags freigegeben werden.

§ 3 Interest

There will be no payments of interest on the Bonds.

§ 3 Verzinsung

Es erfolgen keine Zinszahlungen auf die Schuldverschreibungen.

§ 4 Redemption

(1) *Redemption.* The Bonds do not have a fixed maturity date.

(2) *Mandatory Redemption.* Upon occurrence of a Mandatory Redemption Event (as defined below) the Issuer at its sole and absolute discretion may, (but is not obliged to) give notice to the Bondholders in accordance with § 18 (the "**Mandatory Redemption Notice**"), such notice stating the applicable Mandatory Redemption Event. Upon giving a

§ 4 Rückzahlung

(1) *Rückzahlung.* Die Schuldverschreibungen haben keinen festgelegten Fälligkeitstag.

(2) *Zwangsrückzahlung.* Nach Eintritt eines Zwangsrückzahlungsereignisses kann die Emittentin, nach eigenem und absolutem Ermessen (sie ist jedoch nicht dazu verpflichtet), dies den Anleihegläubigern gemäß § 18 mitteilen (die "**Zwangsrückzahlungsmittelteilung**"). Diese Mitteilung gibt das anwendbare Zwangsrück-

Mandatory Redemption Notice, the Bonds shall be redeemed on the Mandatory Redemption Date at their Mandatory Redemption Price. A Mandatory Redemption Event means each of the following events:

- (a) for a continuous period of 90 (ninety) days the USD equivalent of the Outstanding Amount, calculated as the Outstanding Amount multiplied by the Reference Price, is less than USD [100,000,000.00][●] (USD [one hundred million][●]); or
- (b) any new or existing law or regulation, or interpretation of any existing law or regulation, requires the Issuer to obtain any license, permission or approval, or to become regulated or supervised in any way in Germany or elsewhere, to continue fulfilling its obligations under these Terms and Conditions, but excluding requirements to publish an approved prospectus with respect to the Bonds; or
- (c) as a result of any change in, or amendment to, the laws or regulations of the United Kingdom, the Federal Republic of Germany or any other member state of the European Economic Area or any political subdivision or taxing authority thereto or therein affecting taxation, the tax treatment of the Cryptocurrency in general changes materially, such change was not reasonably foreseeable at the Issue Date, and such change is in the assessment of the Issuer materially disadvantageous to the business of the Issuer (regardless of whether this affects the issuance of the Bonds); or
- (d) any third-party service provider, including the Issuer's auditors, legal advisers, the Clearing System, the Paying Agent, the Fiscal Agent, the Administrator, the Trustee and the Depositary, stops providing services to the Issuer, and the Issuer fails to find a replacement within reasonable time; or

zahlungseignis an. Bei Abgabe einer Zwangsrückzahlung-Mitteilung werden die Schuldverschreibungen am Zwangsrückzahlungstag zu deren Zwangsrückzahlungspreis zurückgezahlt. Jedes der folgenden Ereignisse bezeichnet ein Zwangsrückzahlungseignis:

- (a) für einen fortwährenden Zeitraum von 90 (neunzig) Tagen ist der USD-Gegenwert des Ausstehenden Betrags, berechnet als der Ausstehende Betrag multipliziert mit dem Referenzpreis, geringer als USD [100.000.000,00][●] (USD [einhundert Millionen][●]); oder
- (b) durch neue oder bestehende Gesetze oder Verordnungen, oder durch die Auslegung eines bestehenden Gesetzes oder einer Verordnung, wodurch die Emittentin verpflichtet ist, Lizenzen, Zulassungen oder Genehmigungen einzuholen oder sich in irgendeiner Weise in Deutschland oder anderswo einer Regulierung oder Überwachung zu unterstellen, um ihre Verpflichtungen gemäß diesen Emissionsbedingungen zu erfüllen, jedoch mit Ausnahme vom Erfordernis zur Veröffentlichung eines gebilligten Prospekts in Bezug auf die Schuldverschreibungen; oder
- (c) als Folge jeglicher Änderungen oder Ergänzungen der Gesetze oder Verordnungen des Vereinigten Königreichs, der Bundesrepublik Deutschland oder eines anderen Mitgliedstaats des Europäischen Wirtschaftsraums oder deren Gebietskörperschaften oder Steuerbehörden, die die Besteuerung betreffen oder sich darauf auswirken, die steuerliche Behandlung der Kryptowährung sich im Allgemeinen wesentlich ändert, die Änderung am Emissionstag vernünftigerweise nicht vorhersehbar war, und diese Änderung, nach Einschätzung der Emittentin, als wesentlich nachteilig für das Geschäft der Emittentin bewertet wird (ungeachtet, ob dies die Emission der Schuldverschreibungen beeinträchtigt).
- (d) ein Drittanbieter, einschließlich die Wirtschaftsprüfer, Rechtsberater, das Clearing System, die Zahlstelle, die Emissionsstelle, den Administrator, der Sicherheitentreuhänder und die Verwahrstelle der Emittentin, stellt seine Dienstleistungen gegenüber der Emittentin ein, und der Emittentin gelingt es nicht,

innerhalb eines angemessenen Zeitraums einen Ersatz zu finden; oder

- (e) if the Issuer was ordered by the competent court or otherwise became required by law to arrange for mandatory redemption.

- (e) wenn das zuständige Gericht anordnet, dass die Emittentin eine Zwangsrückzahlung zu veranlassen hat oder die Emittentin anderweitig gesetzlich dazu verpflichtet wurde.

The "**Mandatory Redemption Price**" per Bond shall be (i) the amount in the Cryptocurrency equal to the Cryptocurrency Entitlement; or (ii) if a Bondholder is prevented from receiving units of the Cryptocurrency for legal reasons, in particular due to regulatory provisions applicable to it, the amount in USD equal to the Cryptocurrency Sale Proceeds, divided by the number of Bonds redeemed in USD, minus any reasonable third-party fees related to redemption of the Bonds.

Der "**Zwangsrückzahlungspreis**" pro Schuldverschreibung entspricht (i) dem Betrag in der Kryptowährung, der dem Kryptowährungsanspruch entspricht, oder (ii) falls ein Anleihegläubiger aus rechtlichen Gründen daran gehindert ist, Einheiten der Kryptowährung zu erhalten, insbesondere aufgrund von für ihn geltenden regulatorischen Vorschriften, dem Betrag in USD, der den Kryptowährungs-Verkaufserlösen entspricht, dividiert durch die Anzahl der Schuldverschreibungen, die in USD zurückgezahlt werden, abzüglich etwaiger, mit der Rückzahlung der Schuldverschreibungen verbundener angemessener Fremdgebühren.

In order for a Bondholder to receive the Cryptocurrency Entitlement, such Bondholder needs to (i) submit a duly completed Mandatory Redemption Form (obtainable from the website of the Issuer), including any documents requested in such form for verification of the Bondholder's identity; and (ii) transfer its Bonds to the Issuance Account free of payment.

Damit ein Anleihegläubiger den Kryptowährungsanspruch erhält, muss dieser Anleihegläubiger (i) ein ordnungsgemäß ausgefülltes Zwangsrückzahlungsförmular (das über die Website der Emittentin erhältlich ist) einreichen, einschließlich sämtlicher Dokumente, die in diesem Muster für die Verifizierung der Identität des Anleihegläubigers verlangt werden und (ii) seine Schuldverschreibungen frei von Zahlung auf das Emissionskonto übertragen.

If a Bondholder fails to perform (i) or (ii) within a twenty-day period after the Mandatory Redemption Notice has been published, the Issuer will treat the relevant Bondholder as prevented from receiving units of the Cryptocurrency for legal or regulatory reasons and redeem the relevant Bonds in USD.

Wenn ein Anleihegläubiger (i) oder (ii) innerhalb einer Frist von zwanzig Tagen nach der Veröffentlichung der Zwangsrückzahlungsmittelung nicht erfüllt, wird die Emittentin den maßgeblichen Anleihegläubiger so behandeln, als sei er aus rechtlichen oder regulatorischen Gründen am Erhalt von Einheiten der Kryptowährung gehindert und die maßgeblichen Schuldverschreibungen in USD zurückzahlen.

"**Mandatory Redemption Date**" shall mean (i) for those Bonds redeemed in the Cryptocurrency, the third Business Day after the expiry of a thirty-day period after the Mandatory Redemption Notice has been published; or (ii) for those Bonds redeemed in USD, the third Business Day after successful completion of the Cryptocurrency Auction Procedure or alternative sale arrangements in case of its failure. The Cryptocurrency Auction Procedure shall begin (if required) upon expiry of a forty-day period after the Mandatory Redemption Notice has been published.

"**Zwangsrückzahlungstag**" bezeichnet (i) für Schuldverschreibungen, die in der Kryptowährung zurückgezahlt werden, den dritten Geschäftstag nach dem Ablauf eines 30-tägigen Periode, nachdem die Zwangsrückzahlungsmittelung veröffentlicht worden ist oder (ii) für Schuldverschreibungen, die in USD zurückgezahlt werden, den dritten Geschäftstag nach erfolgreichem Abschluss des Kryptowährungs-Auktionsverfahrens oder alternative Verkaufsarrangements im Fall des Scheiterns des Verfahrens. Das Kryptowährungs-Auktionsverfahren beginnt (falls erforderlich) nach Ablauf einer 40-tägigen Periode, nachdem die

"Cryptocurrency Sale Proceeds" means the amount in USD obtained from the sale of units of Cryptocurrency corresponding to the Cryptocurrency Entitlement (as of the date of the Mandatory Redemption Notice), multiplied by the number of Bonds being redeemed in USD, from Deposited Cryptocurrency using one or several Cryptocurrency Auction Procedure(s). If the Auctioneer fails to complete the sale using the Cryptocurrency Auction Procedure within 90 (ninety) days, the Auctioneer shall – following instructions from the Issuer (if applicable) – arrange for the sale of units of the Cryptocurrency using any other procedure aiming to achieve the best price within a reasonable amount of time.

In case the Issuer has given a Mandatory Redemption Notice, the Issuer shall no longer issue new Bonds or sell Issuer-Owned Bonds and arrange for cancellation of all Issuer-Owned Bonds.

(3) *Redemption at the Option of the Bondholders with Cryptocurrency Settlement.* Each Bondholder may terminate in whole or in part its Bonds against payment of the Cryptocurrency Entitlement for each of the Bonds held by the Bondholders in the Cryptocurrency (the **"Cryptocurrency Put Option"**). In order to terminate its Bonds, the Bondholder needs to (i) submit a duly completed put option exercise notice in the form obtainable from the Website (the **"Put Option Exercise Form"**), specifying that Cryptocurrency Settlement shall be applicable, including any documents requested in such form for verification of the Bondholder's identity; (ii) pay the Upfront Redemption Fee (if any) to an account specified by the Issuer; and (iii) transfer the Bonds in relation to which the Cryptocurrency Put Option is exercised to the Issuance Account free of payment. The date on which all of (i) to (iii) have been completed, shall be the **"Put Option Exercise Date"**.

No Upfront Redemption Fee shall be payable if: (i) no Authorised Participants are appointed by the Issuer; (ii) the Outstanding Amount multiplied by the

"Kryptowährungs-Verkaufserlöse" bezeichnet den Betrag in USD, der aus dem Verkauf von Einheiten der Kryptowährung erhalten wurde, entsprechend dem Kryptowährungsanspruch (zum Tag der Zwangsrückzahlungsmitteilung), multipliziert mit der Anzahl der Schuldverschreibungen, die in USD zurückgezahlt werden, aus Hinterlegter Kryptowährung unter Durchführung eines oder mehrerer Kryptowährungs-Auktionsverfahren. Falls es dem Auktionator nicht gelingt, den Verkauf unter Anwendung des Kryptowährungs-Auktionsverfahrens innerhalb von 90 (neunzig) Tagen abzuschließen, veranlasst der Auktionator – gemäß den Anweisungen von der Emittentin (falls anwendbar) – den Verkauf von Einheiten der Kryptowährung unter Anwendung eines anderen Verfahrens mit dem Ziel, den besten Preis innerhalb eines angemessenen Zeitraums zu erreichen.

Im Falle dass die Emittentin eine Zwangsrückzahlungsmitteilung abgegeben hat, wird die Emittentin keine neuen Schuldverschreibungen mehr ausgeben oder Emittenteneigene Schuldverschreibungen verkaufen und eine Annullierung aller Emittenteneigenen Schuldverschreibungen veranlassen.

(3) *Rückzahlung nach Wahl der Anleihegläubiger mit Kryptowährungs-Abwicklung.* Jeder Anleihegläubiger kann seine Schuldverschreibungen im Ganzen oder in Teilen gegen Zahlung des Kryptowährungsanspruchs für jede der Schuldverschreibungen, die von den Anleihegläubigern in der Kryptowährung gehalten werden, kündigen (die **"Kryptowährungs-Put-Option"**). Zur Kündigung seiner Schuldverschreibungen muss der Anleihegläubiger (i) eine ordnungsgemäß ausgefüllte Mitteilung über die Ausübung der Put-Option in der Form, die über die Website erhältlich ist (das **"Put-Options-Ausübungsformular"**) einreichen, in der er angibt, dass Kryptowährungs-Abwicklung anwendbar ist, sowie alle Dokumente, die in diesem Formular zur Überprüfung der Identität des Anleihegläubigers erforderlich sind, (ii) die Rückzahlungsgebühr (falls zutreffend) auf das von der Emittentin genannte Konto zahlen und (iii) die Schuldverschreibungen, für die die Kryptowährungs-Put-Option ausgeübt wird, auf das Emissionskonto frei von Zahlung übertragen. Der Tag, an dem alles unter (i) und (iii) Genannte abgeschlossen ist, ist der **"Put-Options-Ausübungstag"**.

Keine Rückzahlungsgebühr wird erhoben, wenn (i) keine Autorisierten Teilnehmer von der Emittentin ernannt werden; (ii) der Ausstehende Betrag

Reference Price, in each case as of the date on which the Issuer receives the Put Option Exercise Form, is less than USD [10,000,000.00][●] ([ten][●] million USD); (iii) the Cryptocurrency Put Option is exercised in relation to a number of Bonds which, if multiplied by the Cryptocurrency Entitlement and then multiplied by the Reference Price, in each case as of the date on which the Issuer receives the Put Option Exercise Form, have a value of greater than USD [250,000.00][●] ([two hundred fifty thousand][●] USD); or (iv) the Cryptocurrency Put Option is exercised by an Authorised Participant.

On the Put Option Exercise Date, the Issuer shall transfer the Cryptocurrency Entitlement in the Cryptocurrency for each Bond in relation to which the Cryptocurrency Put Option was exercised, calculated as of the Put Option Exercise Date, less the Exercise Fee (if any) to the relevant Bondholder's Digital Wallet as designated in the relevant Put Option Exercise Form,

- (i) in case of Bondholders who are Authorised Participants, as soon as practicable after the Put Option Exercise Date, but under all circumstances within the time-frame of a normal settlement/transfer cycle of the Cryptocurrency in the Cryptocurrency network (which may vary depending on the level of the network fees the Bondholder agrees to pay pursuant to the Put Option Exercise Form) plus 3 (three) Business Days; and
- (ii) in case of Bondholders who are not Authorised Participants, as soon as practicable after the Put Option Exercise Date, but under all circumstances within the time-frame of a normal settlement/transfer cycle of the Cryptocurrency in the Cryptocurrency network (which may vary depending on the level of the network fees the Bondholder agrees to pay pursuant to the Put Option Exercise Form) plus 30 (thirty) days.

If the Issuer fails to transfer the Cryptocurrency when due, the Issuer shall pay to the Bondholder the Default Rate (as defined below). Such Default Rate does not apply if the Issuer fails to deliver the

multipliziert mit dem Referenzpreis, in jedem Fall zu dem Tag, an dem die Emittentin das Put-Options-Ausübungsformular erhält, weniger als USD [10.000.000,00][●] (USD [zehn Millionen][●]) beträgt; (iii) die Kryptowährungs-Put-Option für eine Anzahl von Schuldverschreibungen ausgeübt wird, die, wenn sie mit dem Kryptowährungsanspruch und anschließend mit dem Referenzpreis multipliziert werden, in jedem Fall zu dem Tag, an dem die Emittentin das Put-Options-Ausübungsformular erhält, einen Wert haben, der größer ist als USD [250.000,00][●] (USD [zweihundertfünfzigtausend][●]); oder (iv) die Kryptowährungs-Put-Option von einem Autorisierten Teilnehmer ausgeübt wird.

Am Put-Options-Ausübungstag überträgt die Emittentin den Kryptowährungsanspruch in die Kryptowährung für jede Schuldverschreibung, für die die Kryptowährungs-Put-Option ausgeübt wurde, berechnet zum Put-Options-Ausübungstag, abzüglich der Ausübungsgebühr (falls vorhanden) an das maßgebliche Digitale Wallet des Anleihegläubigers, welches in dem maßgeblichen Put-Options-Ausübungsformular benannt wurde,

- (i) im Fall von Anleihegläubigern, die Autorisierte Teilnehmer sind, so bald wie möglich nach dem Put-Options-Ausübungstag, aber unter allen Umständen innerhalb des Zeitraums eines normalen Abwicklungs-/Übertragungszyklus der Kryptowährung im Kryptowährungs-Netzwerk (welche je nach Höhe der Gebühren für das Netzwerk variieren können, die der Anleihegläubiger gemäß dem Put-Options-Ausübungsformular zu zahlen bereit ist) zuzüglich 3 (drei) Geschäftstage; und
- (ii) im Fall von Anleihegläubigern, die keine Autorisierten Teilnehmer sind, so bald wie möglich nach dem Put-Options-Ausübungstag, aber unter allen Umständen innerhalb des Zeitraums eines normalen Abwicklungs-/Übertragungszyklus der Kryptowährung im Kryptowährungs-Netzwerk (welche je nach Höhe der Gebühren für das Netzwerk variieren können, die der Anleihegläubiger gemäß dem Put-Options-Ausübungsformular zu zahlen bereit ist) zuzüglich 30 (dreißig) Tage.

Falls die Emittentin nicht in der Lage ist, die Kryptowährung bei Fälligkeit zu überweisen, zahlt die Emittentin die Ausfallrate (wie nachstehend definiert) an die Anleihegläubiger. Diese Ausfallrate

Cryptocurrency for reasons beyond its control, which should include (but is not limited to) circumstances where the Issuer is required to comply with any provision of applicable law relating to the funding of terrorist activities or money laundering.

(4) *Redemption at the Option of the Bondholders with USD Settlement.* If a Bondholder is prevented from receiving the Cryptocurrency for legal reasons, in particular due to regulatory provisions applicable to it, such Bondholder may terminate in whole or in part its Bonds against payment of USD for each of the Bonds held by such Bondholder in an amount equal to the proceeds of sale of the Cryptocurrency Entitlement using the Cryptocurrency Auction Procedure (the "**USD Put Option**"). In order to terminate its Bonds, the Bondholder needs to (i) submit a duly completed put option exercise notice in the form obtainable from the Website (the "**Put Option Exercise Form**"), specifying that USD settlement shall be applicable, including any documents requested in such form for verification of the Bondholder's identity and inability to receive the Cryptocurrency; (ii) pay the Upfront Redemption Fee (if any) to an account specified by the Issuer; and (iii) transfer the Bonds in relation to which the USD Put Option is exercised to the Issuance Account free of payment. The date on which all of (i) to (iii) have been completed, shall be the "**Put Option Exercise Date**".

No Upfront Redemption Fee shall be payable if: (i) no Authorised Participants are appointed by the Issuer; (ii) the Outstanding Amount multiplied by the Reference Price, in each case as of the date on which the Issuer receives the Put Option Exercise Form, is less than USD [10,000,000.00][●] ([ten million][●] USD); (iii) the USD Put Option is exercised in relation to a number of Bonds which, if multiplied by the Cryptocurrency Entitlement and then multiplied by the Reference Price, in each case as of the date on which the Issuer receives the Put Option Exercise Form, have a value of greater than USD [250,000.00][●] ([two hundred fifty thousand][●] USD); or (iv) the USD Put Option is exercised by an Authorised Participant.

gilt nicht, wenn die Emittentin nicht zur Lieferung der Kryptowährung aus Gründen, die außerhalb ihrer Kontrolle liegen, in der Lage ist. Hierzu zählen Umstände (ohne Beschränkung auf diese Umstände), unter denen die Emittentin verpflichtet ist, Vorschriften geltenden Rechts zur Finanzierung von terroristischen Aktivitäten oder Geldwäsche einzuhalten.

(4) *Rückzahlung nach Wahl der Anleihegläubiger mit USD-Abwicklung.* Falls ein Anleihegläubiger aus rechtlichen Gründen daran gehindert wird, die Kryptowährung zu erhalten, insbesondere aufgrund von für ihn geltenden regulatorischen Vorschriften, kann dieser Anleihegläubiger seine Schuldverschreibungen im Ganzen oder in Teilen gegen Zahlung von USD für jede der von diesem Anleihegläubiger gehaltenen Schuldverschreibungen, zu einem Betrag kündigen, der den Verkaufserlösen des Kryptowährungsanspruchs nach dem Kryptowährungsauktionsverfahren entspricht (die "**USD-Put-Option**"). Zur Kündigung seiner Schuldverschreibungen muss der Anleihegläubiger (i) eine ordnungsgemäß ausgefüllte Mitteilung über die Ausübung der Put-Option in der Form, die über die Website erhältlich ist (das "**Put-Options-Ausübungsformular**") einreichen, in der er angibt, dass USD-Abwicklung anwendbar sein soll, sowie alle Dokumente, die in diesem Formular zur Überprüfung der Identität des Anleihegläubigers und die Unfähigkeit, die Kryptowährung zu erhalten, erforderlich sind, (ii) die Rückzahlungsgebühr (falls zutreffend) auf das von der Emittentin genannte Konto zahlen und (iii) die Schuldverschreibungen, für die die USD-Put-Option ausgeübt wird, auf das Emissionskonto frei von Zahlung übertragen. Der Tag, an dem alles unter (i) bis (iii) Genannte abgeschlossen ist, ist der "**Put-Options-Ausübungstag**".

Keine Rückzahlungsgebühr wird erhoben, wenn (i) keine Autorisierten Teilnehmer von der Emittentin ernannt werden; (ii) der Ausstehende Betrag multipliziert mit dem Referenzpreis, in jedem Fall zu dem Tag, an dem die Emittentin das Put-Options-Ausübungsformular erhält, weniger als USD [10.000.000,00][●] (USD [zehn Millionen][●]) beträgt; (iii) die USD-Put-Option für eine Anzahl von Schuldverschreibungen ausgeübt wird, die, wenn sie mit dem Kryptowährungsanspruch und anschließend mit dem Referenzpreis multipliziert werden, in jedem Fall zu dem Tag, an dem die Emittentin das Put-Options-Ausübungsformular erhält, einen Wert haben, der größer ist als USD [250.000,00][●] (USD [zweihundertfünftausend][●]); oder (iv) die USD-

On the Put Option Exercise Date, the Auctioneer shall auction such number of units of the Cryptocurrency as corresponds to the Cryptocurrency Entitlement for the Bonds in relation to which the USD Put Option is exercised, calculated as of the Put Option Exercise Date, in accordance with the Cryptocurrency Auction Procedure, described in § 14.

After successful completion of the Cryptocurrency Auction Procedure, the Issuer shall transfer the proceeds of the Cryptocurrency sale less the Exercise Fee (if any) to the respective Bondholder's account, as specified in the Put Option Exercise Form, within 7 (seven) Business Days from the receipt of the relevant Cryptocurrency Auction Procedure proceeds. If the Issuer fails to transfer the proceeds of the Cryptocurrency sale when due, the Issuer shall pay to the Bondholder 0.01 percent of the Cryptocurrency Entitlement multiplied by the number of Bonds in relation to which the Put Option was exercised for each day of delay (the "**Default Rate**"). Such Default Rate does not apply if the Issuer fails to deliver USD for reasons beyond its control, which includes (but is not limited to) circumstances where the Issuer is required to comply with any provision of applicable law relating to funding of terrorist activities or money laundering.

Without prejudice to other provisions of this same paragraph, in case of a Failed Auction, the Issuer shall return all Bonds in relation to which the USD Put Option was exercised, to the Bondholder within 7 (seven) Business Days. The Issuer may choose to charge any Exercise Fee to the respective Bondholder in case of a Failed Auction. In this case, the Issuer shall forfeit such number of Bonds for its own benefit to become Issuer-Owned Bonds from the Bonds to be returned to the Bondholder, so that Cryptocurrency Entitlement, as of the Put Option Exercise Date, multiplied by the number of Bonds forfeited does not exceed the Exercise Fee.

For the avoidance of doubt: The Bondholder shall be entitled to exercise any Put Option with respect to the returned Bonds at any time.

Put-Option von einem Autorisierten Teilnehmer ausgeübt wird.

Am Put-Options-Ausübungstag versteigert der Auktionator diejenige Anzahl an Einheiten der Kryptowährung, die dem Kryptowährungsanspruch für die Schuldverschreibungen entspricht, für die die USD-Put-Option ausgeübt wird, berechnet zum Put-Options-Ausübungstag, gemäß dem Kryptowährungs-Auktionsverfahren, wie in § 14 beschrieben.

Nach erfolgreichem Abschluss des Kryptowährungs-Auktionsverfahrens überweist die Emittentin den Erlös des Kryptowährungs-Verkaufs abzüglich der Ausübungsgebühr (falls vorhanden) auf das jeweilige Konto des Anleihegläubigers, wie in dem Put-Options-Ausübungsformular angegeben, innerhalb von 7 (sieben) Geschäftstagen ab Erhalt der maßgeblichen Erlöse des Kryptowährungs-Auktionsverfahrens. Falls die Emittentin nicht dazu in der Lage ist, die Erlöse des Kryptowährungs-Verkaufs bei Fälligkeit zu überweisen, zahlt die Emittentin an den Anleihegläubiger 0,01 % des Kryptowährungsanspruchs multipliziert mit der Anzahl der Schuldverschreibungen, für die die Put-Option ausgeübt wurde, für jeden Tag des Verzugs (die "**Ausfallrate**"). Diese Ausfallrate gilt nicht, wenn die Emittentin nicht zur Lieferung von USD in der Lage ist aus Gründen, die außerhalb ihrer Kontrolle liegen. Dies umfasst (unter anderem) Umstände, unter denen die Emittentin verpflichtet ist, Vorschriften geltenden Rechts zu Finanzierung von terroristischen Aktivitäten oder Geldwäsche einzuhalten.

Unbeschadet sonstiger Bestimmungen dieses Absatzes gilt: Im Falle einer Fehlgeschlagenen Auktion gibt die Emittentin alle Schuldverschreibungen, für die die USD-Put-Option ausgeübt wurde, an die Anleihegläubiger innerhalb von 7 (sieben) Geschäftstagen zurück. Die Emittentin kann im Falle einer Fehlgeschlagenen Auktion vom jeweiligen Anleihegläubiger eine Ausübungsgebühr verlangen. In diesem Fall verliert die Emittentin diese Anzahl von Schuldverschreibungen zu ihrem eigenen Vorteil, damit sie zu Emittenteneigenen Schuldverschreibungen aus den Schuldverschreibungen werden, da sie an die Anleihegläubiger zurückzugeben sind, so dass der Kryptowährungsanspruch, zum Put-Options-Ausübungstag, multipliziert mit der Anzahl der verfallenen Schuldverschreibungen die Ausübungsgebühr nicht übersteigt.

Zur Klarstellung: Die Anleihegläubiger sind berechtigt, eine Put-Option im Hinblick auf die

zurückgegebenen Schuldverschreibungen jederzeit auszuüben.

§ 5 Payments

(1) *Payment of Mandatory Redemption Price.* In the case of a Mandatory Redemption pursuant to § 4 (2) and in the case the Bonds are to be redeemed in USD, payment of the Mandatory Redemption Price in respect of those Bonds shall be made to the Paying Agent for further forwarding to the Clearing System or to its order for credit to the accounts of the relevant account holders of the Clearing System.

(2) *Discharge.* The Issuer shall be discharged by payment to, or to the order of, the Clearing System.

§ 6 Paying Agent, Fiscal Agent and Depositary

(1) *Appointment; Specified Offices.* The initial Paying Agent, the Fiscal Agent, the Depositary and their initial specified offices shall be:

Paying Agent and Fiscal Agent:

[Baader Bank AG
Weihenstephaner Straße 48
85716 Unterschleißheim
Germany]

[•]

Depositary:

[BitGo Trust Company, Inc
6216 Pinnacle Place
Suite 101
Sioux Falls, SD 57108
United States of America]

[•]

The Paying Agent, the Fiscal Agent and the Depositary reserve the right at any time to change their specified offices to some other office in the same country.

(2) *Variation or Termination of Appointment.* The Issuer reserves the right at any time to vary or terminate the appointment of the Paying Agent and/or the Depositary and to appoint: (i) a replacement Paying Agent or additional paying agents; and/or (ii) a replacement or additional Depositary. The Issuer shall at all times maintain a Paying Agent and a Depositary. Any variation,

§ 5 Zahlungen

(1) *Zahlung des Zwangsrückzahlungspreises.* Im Falle einer Zwangsrückzahlung gemäß § 4 (2) und im Falle, dass die Schuldverschreibungen in USD zurückzuzahlen sind, erfolgt die Zahlung des Zwangsrückzahlungspreises in Bezug auf diejenigen Schuldverschreibungen an die Zahlstelle zur weiteren Weiterleitung an das Clearing System oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearing Systems.

(2) *Erfüllung.* Die Emittentin wird durch Zahlung an das Clearing System oder dessen Order von ihrer Zahlungspflicht befreit.

§ 6 Zahlstelle, Emissionsstelle und Verwahrstelle

(1) *Bestellung; bezeichnete Geschäftsstellen.* Die anfänglich bestellte Zahlstelle, die Emissionsstelle, die Verwahrstelle und deren anfänglich bezeichneten Geschäftsstellen sind:

Zahlstelle und Emissionsstelle:

[Baader Bank AG
Weihenstephaner Straße 48
85716 Unterschleißheim
Deutschland]

[•]

Verwahrstelle:

[BitGo Trust Company, Inc
6216 Pinnacle Place
Suite 101
Sioux Falls, SD 57108
Vereinigte Staaten von Amerika]

[•]

Die Zahlstelle, die Emissionsstelle und die Verwahrstelle behalten sich das Recht vor, jederzeit ihre bezeichneten Geschäftsstellen durch eine andere Geschäftsstelle im selben Land zu ersetzen.

(2) *Änderung oder Beendigung der Bestellung.* Die Emittentin behält sich das Recht vor, jederzeit die Bestellung der Zahlstelle und/oder der Verwahrstelle zu ändern oder zu beenden und (i) eine Ersatz-Zahlstelle oder zusätzliche Zahlstellen; und/oder (ii) eine Ersatz-Verwahrstelle oder zusätzliche Verwahrstelle zu bestellen. Die Emittentin wird zu jedem Zeitpunkt eine Zahlstelle

termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after prior notice to the Bondholders given not less than 30 (thirty) but not more than 45 (forty-five) days from these events in accordance with § 18.

(3) *Agent of the Issuer.* The Paying Agent, the Depositary and any additional or replacement Paying Agent or Depositary appointed pursuant to paragraph (2) above act solely as agents of the Issuer and do not assume any obligations towards or relationship of agency or trust with any Bondholder.

§ 7 Security Trustee

(1) *Appointment.* Apex Corporate Trustees (UK) Limited is appointed as Security Trustee for the Security. Any Security hereunder shall be held and managed by the Security Trustee on behalf of all present and future Bondholders. The Security Trustee shall, in relation to third parties, act as the holder of the Security and manage it on behalf of the Bondholders. The detailed duties of the Security Trustee shall solely be governed by the security trust agreement entered into between the Issuer and the Security Trustee (the "**German Security and Security Trust Agreement**") as set out in Annex 1 to the respective Global Note.

(2) *Authorisation.* Each Bondholder instructs and authorises the Security Trustee (with the right of sub-delegation) to act as its security trustee (*Treuhänder*) and in particular (without limitation) to enter into and amend any documents evidencing Security, and to make and accept all declarations and take all actions it considers necessary or useful in connection with any Security on behalf of that Bondholder. The Security Trustee shall further be entitled to enforce or release any Security, to perform any rights and obligations under any documents evidencing Security and to execute new and different documents evidencing or relating to the Security.

und eine Verwahrstelle unterhalten. Eine Änderung, Beendigung, Bestellung oder ein Wechsel wird nur wirksam (außer im Insolvenzfall, in dem eine solche Änderung sofort wirksam wird), sofern die Anleihegläubiger hierüber gemäß § 18 vorab unter Einhaltung einer Frist von mindestens 30 (dreißig) und höchstens 45 (fünfundvierzig) Tagen nach dem Eintritt dieser Ereignisse informiert wurden.

(3) *Erfüllungsgehilfe der Emittentin.* Die Zahlstelle, die Verwahrstelle und etwaige zusätzliche oder Ersatz-Zahlstellen oder zusätzliche oder Ersatz-Verwahrstellen, die nach dem vorstehenden Absatz (2) bestellt wird, handeln ausschließlich als Erfüllungsgehilfen der Emittentin und übernehmen keinerlei Verpflichtungen gegenüber den Anleihegläubigern, und es wird kein Auftrags- oder Treuhandverhältnis zwischen ihnen und den Anleihegläubigern begründet.

§ 7 Sicherheitentreuhänder

(1) *Ernennung.* Apex Corporate Trustees (UK) Limited wird als Sicherheitentreuhänder für die Sicherheit ernannt. Alle Sicherheiten hierunter werden von dem Sicherheitentreuhänder im Namen aller gegenwärtigen und zukünftigen Anleihegläubiger gehalten und verwaltet. Der Sicherheitentreuhänder handelt gegenüber Dritten als Inhaber der Sicherheit und verwaltet diese im Namen der Anleihegläubiger. Die einzelnen Pflichten des Sicherheitentreuhänders unterliegen allein dem Sicherheiten-Treuhandvertrag, der zwischen der Emittentin und dem Sicherheitentreuhänder geschlossen wurde (der "**Deutsche Sicherheiten- und Sicherheiten-Treuhandvertrag**"), wie in Anhang 1 zur jeweiligen Globalurkunde angegeben.

(2) *Autorisierung.* Jeder Anleihegläubiger weist den Sicherheitentreuhänder an und bevollmächtigt diesen (mit dem Recht auf Weiterübertragung), als sein Sicherheitentreuhänder zu handeln und insbesondere (uneingeschränkt) Unterlagen auszufertigen und abzuändern, die die Sicherheit belegen, und alle Erklärungen abzugeben und anzunehmen und alle Maßnahmen zu ergreifen, die er im Namen dieses Anleihegläubigers für notwendig oder nützlich im Zusammenhang mit einer Sicherheit hält. Der Sicherheitentreuhänder ist zudem berechtigt, Sicherheiten durchzusetzen oder freizugeben, alle Rechte und Verpflichtungen unter Dokumenten auszuführen, die die Sicherheit belegen, und neue und andere Dokumente geltend zu machen, die die Sicherheit belegen oder in Bezug zur Sicherheit stehen.

(3) *Variation or Termination of Appointment.* The Issuer reserves the right at any time to vary or terminate the appointment of the Security Trustee and to appoint another Security Trustee. The Issuer shall at all times maintain a Security Trustee. Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after prior notice to the Bondholders given not less than 30 (thirty) but not more than 45 (forty-five) days from these events in accordance with § 18.

§ 8 Information Duties

Bondholders will receive copies of the relevant transaction documents in connection with the Bonds pursuant to the German Security and Security Trust Agreement as soon as reasonably practicable after the Issue Date.

§ 9 Taxation

(1) *Payments Free of Taxes.* All amounts payable in respect of the Bonds shall be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied at source by way of withholding or deduction by or on behalf of the Federal Republic of Germany (the "**Relevant Taxing Jurisdiction**") or any respective political subdivision or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law.

(2) *Other Tax Jurisdiction.* If at any time the Issuer becomes subject to any taxing jurisdiction other than, or in addition to, the Relevant Taxing Jurisdiction references in this § 9 to the Federal Republic of Germany shall be read and construed as references to the jurisdiction of the Issuer, and/or to such other jurisdiction(s).

§ 10 Presentation Period, Prescription

The presentation period provided for in section 801 paragraph 1, sentence 1 German Civil Code is reduced to ten years for the Bonds. The period of

(3) *Änderung oder Beendigung der Ernennung.* Die Emittentin behält sich das Recht vor, jederzeit die Ernennung des Sicherheitentreuhänders zu ändern oder zu beenden und einen anderen Sicherheitentreuhänder zu benennen. Die Emittentin hat zu jeder Zeit einen Sicherheitentreuhänder. Eine Änderung, Beendigung, Bestellung oder ein Wechsel wird nur wirksam (außer im Insolvenzfall, in dem eine solche Änderung sofort wirksam wird), sofern die Anleihegläubiger hierüber gemäß § 18 vorab unter Einhaltung einer Frist von mindestens 30 (dreißig) und höchstens 45 (fünfundvierzig) Tagen nach dem Eintritt dieser Ereignisse informiert wurden.

§ 8 Informationspflichten

Anleihegläubiger erhalten so bald wie möglich nach dem Emissionstag Kopien der maßgeblichen Transaktionsdokumente im Zusammenhang mit den Schuldverschreibungen gemäß dem Deutschen Sicherheiten- und Sicherheiten-Treuhandvertrag.

§ 9 Steuern

(1) *Zahlungen ohne Einbehalt oder Abzug von Steuern.* Alle in Bezug auf die Schuldverschreibungen zu zahlenden Beträge werden ohne Einbehalt oder Abzug von oder aufgrund von gegenwärtigen oder zukünftigen Steuern oder Abgaben gleich welcher Art gezahlt, die von oder im Namen der Bundesrepublik Deutschland (die "**Maßgebliche Steuerjurisdiktion**") oder einer jeweiligen steuererhebungsberechtigten Gebietskörperschaft oder Steuerbehörde dieses Länder im Wege des Einhalts oder Abzugs an der Quelle auferlegt oder erhoben werden, es sei denn, ein solcher Einbehalt oder Abzug ist gesetzlich vorgeschrieben.

(2) *Andere Steuerjurisdiktion.* Falls die Emittentin zu irgendeinem Zeitpunkt einer anderen oder zusätzlichen Steuerrechtsordnung als der Maßgeblichen Steuerjurisdiktion unterworfen wird, sollen die Bezugnahmen in diesem § 9 auf die Bundesrepublik Deutschland als Bezugnahmen auf die Rechtsordnung der Emittentin und/oder diese anderen Rechtsordnungen gelesen und ausgelegt werden.

§ 10 Vorlegungsfrist, Verjährung

Die Vorlegungsfrist gemäß § 801 Absatz 1 Satz 1 BGB für die Schuldverschreibungen wird auf zehn Jahre verkürzt. Die Verjährungsfrist für Ansprüche

limitation for claims under the Bonds presented during the period for presentation will be two years calculated from the expiration of the relevant presentation period.

§ 11 Events of Default

(1) *Events of Default.* If an Event of Default occurs and is continuing, each Bondholder shall be entitled to declare all but not some of its Bonds due and payable by submitting a Termination Notice (pursuant to sub-paragraph (2) below) to the Issuer for its entire claim arising from the Bonds and demand (subject to sub-paragraph (3) below) an immediate payment of the Cryptocurrency Entitlement per Bond. Each of the following is an "Event of Default":

- (a) the Issuer fails to pay out the Cryptocurrency Entitlement or any other amount in respect of the Bonds within 15 (fifteen) days from the relevant due date, except if the Issuer fails to pay out the Cryptocurrency Entitlement or any other amount in respect of the Bonds for reasons beyond its control, which should include (but is not limited to) circumstances where the Issuer is required to comply with any provision of applicable law relating to the funding of terrorist activities or money laundering.

For the avoidance of doubt: Failure to exercise the Put Option in USD due to an unsuccessful Cryptocurrency Auction Procedure shall not amount to such failure; or

- (b) the Issuer fails to duly perform any other obligation arising from the Bonds and such failure, if capable of remedy, continues unremedied for more than 45 (forty five) days after the Issuer has received notice thereof from a Bondholder; or
- (c) the Issuer is unable or admits its inability to pay its debts as they fall due; or
- (d) insolvency proceedings against the Issuer are instituted and have not been discharged or

aus den Schuldverschreibungen, die innerhalb der Vorlegungsfrist zur Zahlung vorgelegt wurden, beträgt zwei Jahre vom Ende der betreffenden Vorlegungsfrist an.

§ 11 Kündigungsgründe

(1) *Kündigungsgründe.* Tritt ein Kündigungsgrund ein und dauert dieser an, so ist jeder Anleihegläubiger berechtigt, alle, jedoch nicht nur einzelne, seiner Forderungen aus den Schuldverschreibungen durch Abgabe einer Kündigungs-erklärung (gemäß nachfolgendem Unterabsatz (2)) gegenüber der Emittentin fällig zu stellen und (vorbehaltlich des nachfolgenden Unterabsatz (3)) die unverzügliche Zahlung des Kryptowährungsanspruchs je Schuldverschreibung zu verlangen. Jedes der folgenden Ereignisse stellt einen "Kündigungsgrund" dar:

- (a) die Emittentin ist nicht in der Lage, den Kryptowährungsanspruch oder sonstige Beträge in Bezug auf die Schuldverschreibungen innerhalb von 15 (fünfzehn) Tagen ab dem maßgeblichen Fälligkeitstag auszus zahlen, es sei denn, die Emittentin zahlt einen Kryptowährungsanspruch oder sonstige Beträge nicht aus aufgrund von Ereignissen, die außerhalb ihrer Kontrolle liegen. Hierzu zählen Umstände (ohne Beschränkung auf diese Umstände), unter denen die Emittentin verpflichtet ist, Vorschriften geltenden Rechts zur Finanzierung von terroristischen Aktivitäten oder Geldwäsche einzuhalten.

Zur Klarstellung: Eine Nichtausübung der Put-Option in USD aufgrund eines erfolglosen Kryptowährungs-Auktionsverfahrens zählt nicht zu dieser Nichterfüllung; oder

- (b) die Emittentin erfüllt eine andere Verpflichtung aus den Schuldverschreibungen nicht und die Nichterfüllung dauert – sofern sie geheilt werden kann – jeweils länger als 45 (fünfundvierzig) Tage fort, nachdem die Emittentin eine Mitteilung darüber von dem Anleihegläubiger erhalten hat; oder
- (c) die Emittentin ist nicht in der Lage oder räumt ihre Unfähigkeit ein, ihre Schulden bei Fälligkeit zu zahlen; oder
- (d) gegen die Emittentin wird ein Insolvenzverfahren eingeleitet und nicht

stayed within 90 (ninety) days, or the Issuer applies for or institutes such proceedings; or

- (e) the Issuer enters into liquidation unless this is done in connection with a merger or other form of combination with another company and such company assumes all obligations of the Issuer in connection with the Bonds.

(2) *Termination Notices.* Any notice by a Bondholder to terminate its Bonds in accordance with this § 11 (a "**Termination Notice**") shall be made by means of a declaration in text form to the Paying Agent in the German or English language together with evidence by means of a certificate of the Custodian (as defined in § 19 (4)) that such Bondholder, at the time of such Termination Notice, is a Bondholder with respect of the relevant Bonds.

(3) *Cure.* For the avoidance of doubt, the right to declare Bonds due in accordance with this § 11 shall terminate if the situation giving rise to it has been cured before the right is exercised.

§ 12 Covenants

(1) *Undertaking regarding Security.* So long as any Bond remains outstanding, the Issuer will not (except where explicitly permitted under the Terms and Conditions):

- (a) create or permit to subsist any mortgage, pledge, lien, security interest, charge or encumbrance securing any obligation of any person (or any arrangement having a like or similar effect) upon all or any of the Security; or
- (b) transfer, sell, lend, part with or otherwise dispose of, or grant any option or present or future right to acquire, any of the Security.

(2) *Limitation on Incurrence of Indebtedness.* The Issuer shall not after the Issue Date, incur any

innerhalb von 90 (neunzig) Tagen aufgehoben oder ausgesetzt, oder die Emittentin beantragt oder leitet ein solches Verfahren ein, oder

- (e) die Emittentin wird liquidiert, es sei denn, dies geschieht im Zusammenhang mit einer Verschmelzung oder einer anderen Form des Zusammenschlusses mit einer anderen Gesellschaft und die andere Gesellschaft übernimmt alle Verpflichtungen, die die Emittentin im Zusammenhang mit den Schuldverschreibungen eingegangen ist.

(2) *Kündigungserklärungen.* Eine Erklärung eines Anleihegläubigers zur Kündigung seiner Schuldverschreibungen gemäß diesem § 11 (eine "**Kündigungserklärung**") hat mittels einer Erklärung an die Zahlstelle in Textform in deutscher oder englischer Sprache zusammen mit einer Bescheinigung der Depotbank (wie in § 19 (4) definiert), die belegt, dass dieser Anleihegläubiger der Anleihegläubiger in Bezug auf die maßgeblichen Schuldverschreibungen zum Zeitpunkt der Kündigungserklärung ist, zu erfolgen.

(3) *Heilung.* Zur Klarstellung wird festgehalten, dass das Recht zur Kündigung der Schuldverschreibungen gemäß diesem § 11 erlischt, falls der Kündigungsgrund vor Ausübung des Rechts geheilt worden ist.

§ 12 Zusicherungen

(1) *Verpflichtung bezüglich der Sicherheit.* So lange Schuldverschreibungen ausstehend sind, unterlässt es die Emittentin (außer wenn dies unter den Emissionsbedingungen ausdrücklich zulässig ist):

- (a) Hypotheken, Pfandrechte, Sicherungsrechte, Gebühren oder Belastungen, die Verpflichtungen einer Person sicherstellen (oder eine Vereinbarung, die die gleiche oder eine ähnliche Wirkung hat), auf alle oder eine der Sicherheiten zu gründen oder deren Bestehen zuzulassen; oder
- (b) eine der Sicherheiten zu übertragen, zu verkaufen, zu verleihen, zu teilen oder anderweitig zu veräußern, oder eine Option oder ein gegenwärtiges oder zukünftiges Recht auf Erwerb einer der Sicherheiten zu gewähren.

(2) *Beschränkung des Eingehens von Verbindlichkeiten.* Nach dem Emissionstag verpflichtet sich die Emittentin, keine

indebtedness for financing purposes with the exception of Permitted Indebtedness.

"Permitted Indebtedness" means

- (i) any costs incurred by the Issuer in its ordinary course of business; or
- (ii) any bonds issued which are backed by the Cryptocurrency, other cryptocurrencies, cryptographic or digital assets;

provided, however, that such costs or debt incurred by the Issuer shall have no impact on the Bondholders' Security.

(3) *Deposited Cryptocurrency.* The Issuer shall at any given time procure that it holds such amount of the Cryptocurrency equal to or exceeding the Secured Obligations Amount on the Depositary Wallet held with the Depositary (the "**Deposited Cryptocurrency**").

§ 13 Split

(1) *Split of Cryptocurrency.* If a Split occurs and leads to the creation of two or more cryptocurrencies, each Bond shall thereafter represent a claim on a group of post-Split cryptocurrencies that corresponds to such Cryptocurrency Entitlement as each Bond represented before the Split. The weight of each post-Split cryptocurrency in such group shall be (i) the balance of each such cryptocurrency held on the Depositary Wallet at the point of a Split Notification Event; divided by (ii) the Outstanding Amount at the point of the Split Notification Event. All such weights are subject to a maximum of 1.0.

(2) *Split of Bonds at the Discretion of the Issuer.* Following a Split, the Issuer may, in its sole discretion and after having notified the Bondholders in accordance with § 18, resolve to split the Bonds into separate Series of Bonds, each such new Series of Bonds representing a claim on the Issuer for a separate post-Split cryptocurrency in the group of cryptocurrencies that each Bond represented immediately following the Split.

Verbindlichkeiten zu Finanzierungszwecken einzugehen, mit Ausnahme der Zulässigen Verbindlichkeiten.

"Zulässige Verbindlichkeiten" bezeichnet

- (i) alle der Emittentin im Lauf ihres gewöhnlichen Geschäftsbetriebs entstandene Kosten; oder
- (ii) ausgegebene Schuldverschreibungen, die durch die Kryptowährung, andere Kryptowährungen, kryptographische oder digitale Vermögenswerte gesichert sind;

vorausgesetzt jedoch, dass die der Emittentin entstandenen Kosten oder Verbindlichkeiten die Sicherheit der Anleihegläubiger nicht beeinträchtigen.

(3) *Hinterlegte Kryptowährung.* Die Emittentin wird zu jedem Zeitpunkt dafür sorgen, dass sie denjenigen Betrag der Kryptowährung hält, die dem Betrag der Gesicherten Verpflichtungen auf dem bei der Verwahrstelle gehaltenen Verwahrstellen-Wallet entspricht oder diesen übersteigt (die "**Hinterlegte Kryptowährung**").

§ 13 Teilung

(1) *Teilung einer Kryptowährung.* Im Fall einer Teilung, die zur Entstehung von zwei oder mehreren Kryptowährungen führt, stellt jede Schuldverschreibung nach der Teilung einen Anspruch auf eine Ansammlung von post-Teilungs Kryptowährungen dar, der dem Kryptowährungsanspruch entspricht, den jede Schuldverschreibung vor der Teilung dargestellt hat. Die Gewichtung jeder post-Teilungs Kryptowährung in dieser Ansammlung ist (i) das Saldo einer jeden solchen Kryptowährung, das zum Zeitpunkt eines Ereignisses einer Teilungsmitteilung auf dem Verwahrstellen-Wallet gehalten wird; dividiert durch (ii) den Ausstehenden Betrag zum Zeitpunkt des Ereignisses einer Teilungsmitteilung. Sämtliche dieser Gewichtungen haben einen Höchstwert von 1,0.

(2) *Teilung von Schuldverschreibungen nach Ermessen der Emittentin.* Nach einer Teilung kann die Emittentin nach eigenem Ermessen und nach Mitteilung an die Anleihegläubiger gemäß § 18 beschließen, die Schuldverschreibungen in separate Serien von Schuldverschreibungen zu teilen, wobei jede dieser neuen Schuldverschreibungen einen Anspruch gegen die Emittentin auf eine eigene post-Teilungs Kryptowährung in der Ansammlung der Kryptowährungen darstellt, die jede

Schuldverschreibung unmittelbar nach der Teilung dargestellt hat.

(3) *Suspension of Put Option Exercises.* The Issuer may in its sole and absolute discretion and after having notified the Bondholders in accordance with § 18, suspend Put Option exercises, sales and/or issuances of Bonds for a reasonable period of time, not exceeding 90 (ninety) days, in order to allow for an arrangement described in paragraph (2).

(3) *Aussetzen der Put-Options-Ausübung.* Die Emittentin kann nach eigenem und absoluten Ermessen und nach Mitteilung an die Anleihegläubiger gemäß § 18 Put-Options-Ausübungen, Verkäufe und/oder Emissionen von Schuldverschreibungen für einen angemessenen Zeitraum, der 90 Tage nicht überschreitet, aussetzen, um eine in Absatz (2) beschriebene Regelung vorsehen zu können.

§ 14

Cryptocurrency Auction Procedure

(1) *Cryptocurrency Auction Announcement.* If the Issuer is required, pursuant to these Terms and Conditions, to arrange for a Cryptocurrency Auction Procedure, the Auctioneer shall – upon instruction from the Issuer (if applicable) – within (i) 30 (thirty) days from the Put Option Exercise Date; or (ii) 40 (forty) days from the date of the Mandatory Redemption Notice, as the case may be, announce that it is auctioning the required number of units of the Cryptocurrency on the Website, starting on a date, which is a Business Day and which is no later than 14 (fourteen) Business Days, and not earlier than 7 (seven) Business Days from the date of such announcement (the "**Announcement Date**") and such date when the Cryptocurrency Auction Procedure starts, the "**Auction Start Date**") and ending on a date specified in such announcement being no earlier than 7 (seven) Business Days and no later than 14 (fourteen) Business Days from the Auction Start Date (the "**Auction Price Determination Date**").

(2) *Bidding Process.*

(a) Any legal entity incorporated in a FATF member state or any natural person resident in such state (except where the participation of such bidder would result, in the opinion of the Auctioneer, in violation of the laws of any jurisdiction and/or would require the Auctioneer to obtain any license, permission, authorization, and/or would require the Auctioneer to become regulated or supervised in any way, or publish a prospectus within the meaning of Regulation (EU) 2017/1129) may submit written (including by email) bids to the Auctioneer for the full number of units of the Cryptocurrency being auctioned, expressed in the percentage of the Reference Price on

§ 14

Kryptowährungs-Auktionsverfahren

(1) *Ankündigung einer Kryptowährungs-Auktion.* Falls die Emittentin gemäß diesen Emissionsbedingungen verpflichtet ist, ein Kryptowährungs-Auktionsverfahren zu veranlassen, kündigt der Auktionator – auf Anweisung der Emittentin (falls zutreffend) – innerhalb von (i) 30 (dreißig) Tagen ab dem Put-Options-Ausübungstag; oder (ii) 40 (vierzig) Tag ab dem Tag der Zwangsrückzahlungsmittelteilung an, dass er den erforderlichen Betrag an Einheiten der Kryptowährung auf der Website versteigert, beginnend an einem Tag, der ein Geschäftstag ist und spätestens 14 (vierzehn) Geschäftstage, und frühestens 7 (sieben) Geschäftstage ab dem Tag dieser Ankündigung (der "**Ankündigungstag**") und der Tag, an dem das Kryptowährungs-Auktionsverfahren beginnt, der "**Starttermin der Auktion**"), und endend an einem Tag, der in dieser Ankündigung genannt wird und frühestens 7 (sieben) Geschäftstage und spätestens 14 (vierzehn) Geschäftstage ab dem Starttermin der Auktion (der "**Auktionspreisfestsetzungstag**").

(2) *Bieterverfahren.*

(a) Eine juristische Person mit Sitz in einem FATF-Mitgliedstaat oder eine in diesem Staat ansässige natürliche Person (außer wenn die Teilnahme dieses Bieters nach Meinung des Auktionators zu einem Verstoß gegen die Gesetze einer Jurisdiktion führen würde und/oder den Auktionator dazu verpflichten würde, eine Lizenz, Erlaubnis oder Autorisierung einzuholen und/oder den Auktionator dazu verpflichten würde, sich in irgendeiner Weise einer Regulierung oder Aufsicht zu unterstellen oder einen Prospekt im Sinne der Verordnung (EU) 2017/1129 zu veröffentlichen) kann schriftliche Gebote (auch per E-Mail) an den Auktionator abgeben für den vollen Betrag der versteigerten Einheiten der Kryptowährung,

the Auction Price Determination Date per unit of the Cryptocurrency in the future;	ausgedrückt in Prozent des Referenzpreises am Auktionspreisfestsetzungstag pro Einheit der Kryptowährung in der Zukunft;
(b) bids submitted at less than 80 percent of the relevant Reference Price or bids for less or more than the full number of units of the Cryptocurrency being auctioned shall be rejected;	(b) Gebote, die weniger als 80 % des maßgeblichen Referenzpreises betragen, oder Gebote für weniger oder mehr als den vollen Betrag der Einheiten der Kryptowährung, die versteigert werden, sind abzuweisen;
(c) bids submitted later than 48 hours before 13:00 (CET) on the Auction Price Determination Date, may, or may not be accepted by the Auctioneer, at its sole and absolute discretion;	(c) Gebote, die später als 48 Stunden vor 13:00 Uhr (MEZ) am Auktionspreisfestsetzungstag abgegeben werden, können vom Auktionator nach eigenem und absoluten Ermessen angenommen oder nicht angenommen werden;
(d) bids submitted for the same amount as another bid received by the Auctioneer earlier (which has not been rejected by the Auctioneer or declared cancelled, null and void due to failure by the bidder to transmit a bid guarantee amount as provided by subparagraph (3) below) shall be rejected;	(d) Gebote, die zu dem gleichen Betrag abgegeben werden wie ein früheres Gebot, welches der Auktionator zuvor empfangen hat (welches aufgrund des Versäumnisses des Bieters, einen Gebotsgarantiebtrag zu übermitteln, wie in nachstehendem Unterabsatz (3) vorgesehen, vom Auktionator nicht abgewiesen oder für ungültig erklärt wurde) sind abzuweisen;
(e) the Auctioneer reserves the right to reject otherwise qualifying bids if it has reasonable grounds to suspect that a bidder's funds are proceeds of activity which is criminal in Germany or the United Kingdom or would be criminal if occurred in Germany or the United Kingdom;	(e) Der Auktionator behält sich das Recht vor, anderweitig qualifizierende Gebote abzuweisen, wenn er berechtigte Gründe hat anzunehmen, dass die Gelder des Bieters Erlöse einer in Deutschland oder dem Vereinigten Königreich kriminellen Handlung sind oder strafbar wären, wenn sie in Deutschland oder im Vereinigten Königreich geschehen wären;
(f) the Auctioneer shall either accept or reject a bid within 24 hours of receiving it, and notify the bidder of its decision.	(f) Der Auktionator akzeptiert ein Gebot oder lehnt es innerhalb von 24 Stunden nach Empfang ab und teilt den Bietern seine Entscheidung mit.
(3) <i>Acceptance of Bids.</i> In case the bid is accepted by the Auctioneer, the bidder shall arrange for the transfer of 10 percent of the Reference Price, calculated based on the Reference Price at the Business Day preceding the Announcement Date, multiplied by the number of units of the Cryptocurrency being auctioned, to the Issuer as a guarantee for its bid (the " Bid Guarantee Amount "). Bids, for which no bid guarantees have yet been received by the Auctioneer, are not considered valid and legally binding on either the Auctioneer or the bidder. Bids for which the bidders have posted a Bid Guarantee Amount are irrevocable and may not be cancelled by the bidders, but may be improved on request by the bidder submitted no later than 24 hours	(3) <i>Annahme von Geboten.</i> Im Fall, dass ein Gebot vom Auktionator angenommen wird, veranlasst der Bieter die Überweisung von 10 % des Referenzpreises, berechnet auf Basis des Referenzpreises an dem Geschäftstag, der dem Ankündigungstag vorausgeht, multipliziert mit dem Betrag der Einheiten der Kryptowährung, die versteigert wurden, auf die Emittentin als Garantie für sein Gebot (der " Gebotsgarantiebtrag "). Gebote, für die noch keine Gebotsgarantie vom Auktionator empfangen worden sind, sind weder für den Auktionator noch den Bieter gültig und rechtlich bindend. Gebote, für die die Bieter einen Gebotsgarantiebtrag überwiesen haben, sind unwiderruflich und dürfen von den Bietern nicht

before 13:00 (CET) on the Auction Price Determination Date. Upon receiving a Bid Guarantee Amount from the bidder, or upon receiving an amendment (increase) of the bid by the bidder, the Auctioneer shall announce such received or updated bid on the Website within 24 hours of receipt.

(4) *Notification of Cryptocurrency Auction Results.* No later than 12 hours before 13:00 (CET) on the Auction Price Determination Date, the Auctioneer shall notify the highest bidder (among those who fulfilled the obligations to transfer the bid guarantee), if any, that such bidder has won the auction. The bidder shall arrange for the payment of the balance between the value of its bid, expressed as a percentage of the Reference Price at the Auction Price Determination Date, multiplied by such Reference Price and the number of units of the Cryptocurrency being auctioned, and the Bid Guarantee Amount credited to the Issuer pursuant to sub-paragraph (3) above, within 7 (seven) Business Days from the Auction Price Determination Date. If such balance is negative, the Issuer shall transfer the balance to the bidder within 7 (seven) Business Days from the Auction Price Determination Date.

(5) *Settlement of Cryptocurrency Auction.* The winning bidder shall (i) provide the Issuer with details of its digital cryptocurrency wallet to which the auctioned units of the Cryptocurrency shall be credited, in the form agreed between the Issuer and the winning bidder and (ii) notify the Issuer of the level of Cryptocurrency network fees it agrees to bear for the processing of the transfer (the "**Settlement Requirements**"). After (i) completion of the Settlement Requirements; and (ii) receipt of funds from the winning bidder pursuant to sub-paragraph (4) above (if any have to be transferred), the Issuer shall transfer the units of the Cryptocurrency (less the fees that the winning bidder has agreed to bear) to the designated digital cryptocurrency wallet of the winning bidder within the time-frame of a normal settlement/transfer cycle of the Cryptocurrency in the Cryptocurrency network (which may vary depending on the level of the network fees the winning bidder agreed to bear) plus 7 (seven) Business Days. Unless the Cryptocurrency Auction Procedure is performed as part of the Mandatory Redemption process, the winning bidder and the Issuer have the right to agree that instead of transferring units of the Cryptocurrency to the winning bidder's digital

storniert werden; sie können jedoch auf Wunsch durch den Bieter nachgebessert und spätestens 24 Stunden vor 13:00 Uhr (MEZ) am Auktionspreisfestsetzungstag abgegeben werden. Nach Empfang eines Gebotsgarantiebetrags vom Bieter, oder nach Empfang einer Änderung (Erhöhung) des Gebots durch den Bieter kündigt der Auktionator dieses empfangene und aktualisierte Gebot auf der Website innerhalb von 24 Stunden nach Empfang an.

(4) *Mitteilung der Kryptowährungs-Auktionsergebnisse.* Spätestens 12 Stunden vor 13:00 Uhr (MEZ) am Auktionspreisfestsetzungstag teilt der Auktionator dem Höchstbietenden (unter denen, die die Verpflichtungen zur Übertragung der Gebotsgarantie erfüllt haben), falls zutreffend, mit, dass dieser Bieter die Auktion gewonnen hat. Der Bieter veranlasst die Zahlung der Differenz zwischen dem Wert seines Gebots, ausgedrückt als Prozentsatz des Referenzpreises am Auktionspreisfestsetzungstag, multipliziert mit diesem Referenzpreis und der Anzahl der Einheiten der Kryptowährungen, die versteigert werden, und dem Gebotsgarantiebetrag, der der Emittentin gemäß vorstehendem Unterabsatz (3) gutgeschrieben wird, innerhalb von 7 (sieben) Geschäftstagen ab dem Auktionspreisfestsetzungstag. Falls diese Differenz negativ ist, überweist die Emittentin die Differenz an den Bieter innerhalb von 7 (sieben) Geschäftstagen ab dem Auktionspreisfestsetzungstag.

(5) *Abwicklung der Kryptowährungs-Auktion.* Der erfolgreiche Bieter (i) gibt der Emittentin Auskunft über die Einzelheiten seines digitalen Kryptowährungs-Wallets, dem die versteigerten Einheiten der Kryptowährung gutgeschrieben werden sollen, in der Form, wie sie zwischen der Emittentin und dem erfolgreichen Bieter vereinbart wird und (ii) teilt der Emittentin die Höhe der Kryptowährungs-Netzwerk-Gebühren mit, die der Bieter bereit ist, für die Bearbeitung der Überweisung zu tragen (die "**Abwicklungsanforderungen**"). Nach (i) Erfüllung der Abwicklungsanforderungen und (ii) Erhalt von Geldern vom erfolgreichen Bieter gemäß vorstehendem Absatz (4) (falls diese überwiesen werden müssen) überträgt die Emittentin Einheiten der Kryptowährung (abzüglich der Gebühren, die der erfolgreiche Bieter bereit ist zu tragen) auf das angegebene digitale Kryptowährungs-Wallet des erfolgreichen Bieters innerhalb des Zeitraums eines normalen Abwicklungs-/Übertragungszyklus der Kryptowährung im Kryptowährungs-Netzwerk (welche je nach Höhe der Gebühren für das Netzwerk variieren können) zuzüglich 7 (sieben) Geschäftstage. Sofern das Kryptowährungs-

cryptocurrency wallet, the Issuer will transfer such number of Issuer-Owned Bonds as agreed between the winning bidder and the Issuer, provided however, that the Cryptocurrency Entitlement, as of the Auction Price Determination Date, per Bond multiplied by the number of Issuer-Owned Bonds to be so transferred shall not exceed the number of units of the Cryptocurrency being auctioned.

Auktionsverfahren nicht als Teil eines Zwangsrückzahlungsverfahrens durchgeführt wird, haben der erfolgreiche Bieter und die Emittentin das Recht zu vereinbaren, dass anstelle der Übertragung von Einheiten der Kryptowährung auf das digitale Kryptowährungs-Wallet des erfolgreichen Bieters, die Emittentin diejenige Anzahl an Emittenteneigenen Schuldverschreibungen überträgt, wie zwischen dem erfolgreichen Bieter und der Emittentin vereinbart, vorausgesetzt, dass der Kryptowährungsanspruch zum Auktionspreisfestsetzungstag pro Schuldverschreibung, multipliziert mit der Anzahl der Emittenteneigenen Schuldverschreibungen, die auf diese Weise übertragen werden, den Betrag der Einheiten der Kryptowährung, die versteigert werden, nicht überschreitet.

(6) *Failed Auction.* The Cryptocurrency Auction Procedure shall be deemed unsuccessful if

- (a) the Reference Price is not available, or expected not to be available on the dates when it is required for the purposes of the procedure described in this § 14;
- (b) the winning bidder fails to transfer to the Issuer the balances pursuant to subparagraph (4) above within the prescribed timeframe or the Issuer is unable to accept the balances due to applicable legislation;
- (c) there is no winning bidder in the auction, i.e. if either no bids were submitted or all bids were rejected or all bidders who submitted a qualifying bid failed to deposit a bid guarantee amount in accordance with subparagraph (2) above, or for any other reason (each, a "**Failed Auction**").

§ 15 Substitution

(1) *Substitution.* The Issuer may, without the consent of the Bondholders, if no Event of Default is occurring, at any time substitute the Issuer with any Affiliate of the Issuer as principal debtor in respect of all obligations arising from or in connection with this issue (the "**Substitute Debtor**") provided that:

(6) *Fehlgeschlagene Auktion.* Das Kryptowährungs-Auktionsverfahren gilt als fehlgeschlagen, wenn

- (a) der Referenzpreis nicht verfügbar ist, oder erwartungsgemäß an den Tagen, an denen er zu Zwecken des in diesem § 14 beschriebenen Verfahrens erforderlich ist, nicht verfügbar ist;
- (b) der erfolgreiche Bieter es versäumt, der Emittentin die Differenz gemäß vorstehendem Unterabsatz (4) innerhalb des vorgeschriebenen Zeitrahmens zu überweisen oder die Emittentin nicht dazu in der Lage ist, die Salden aufgrund geltender Gesetzgebung anzunehmen;
- (c) es keinen erfolgreichen Bieter in der Auktion gibt, d.h. wenn entweder keine Gebote abgegeben wurden oder alle Gebote abgewiesen wurden oder alle Bieter, die ein qualifizierendes Gebot abgegeben haben, nicht in der Lage waren, einen Gebotsgarantiebetrug gemäß vorstehendem Unterabsatz (2) zu hinterlegen, oder aus sonstigen Gründen (jeweils eine "**Fehlgeschlagene Auktion**").

§ 15 Ersetzung

(1) *Ersetzung.* Sofern kein Kündigungsgrund eintritt, ist die Emittentin ohne Zustimmung der Anleihegläubiger berechtigt, jederzeit die Emittentin durch ein Verbundenes Unternehmen der Emittentin als Hauptschuldner in Bezug auf alle Verpflichtungen, die sich aus oder im Zusammenhang mit dieser Emission ergeben, zu

ersetzen (der "**Ersatzschuldner**"), vorausgesetzt, dass:

- | | |
|--|---|
| <p>(a) the Substitute Debtor, in a manner legally effective, assumes all obligations of the Issuer in respect of the Bonds;</p> <p>(b) the Security will be legally effective at all times;</p> <p>(c) the Substitute Debtor and the Issuer have obtained all necessary governmental and regulatory approvals and consents for such substitution and that all such approvals and consents are in full force and effect and that the obligations assumed by the Substitute Debtor in respect of the Bonds are valid and binding in accordance with their respective terms enforceable by each Bondholder;</p> <p>(d) the Substitute Debtor is licensed (or exempt from the requirement to be licensed) to execute transactions in the Cryptocurrency;</p> <p>(e) the Substitute Debtor can transfer to the Paying Agent in the currency required and without being obligated to deduct or withhold any taxes or other duties of whatever nature levied by the country in which the Substitute Debtor or the Issuer has its domicile or tax residence, all amounts required for the fulfilment of the payment obligations arising under the Bonds;</p> <p>(f) the Substitute Debtor has agreed to indemnify and hold harmless each Bondholder against any tax, duty, assessment or governmental charge imposed on such Bondholder in respect of such substitution; and</p> <p>(g) there shall have been delivered to the Paying Agent, at the cost of the Issuer, an opinion or opinions by lawyers of recognised standing to the effect that subparagraphs (a) to (f) above have been satisfied.</p> <p>(2) <i>Notice.</i> Any substitution of the Issuer pursuant to this paragraph and the date of effectiveness of such substitution shall be published in accordance with § 18.</p> | <p>(a) der Ersatzschuldner in rechtswirksamer Weise alle Verpflichtungen der Emittentin in Bezug auf die Schuldverschreibungen übernimmt;</p> <p>(b) die Sicherheit zu jederzeit rechtswirksam ist;</p> <p>(c) der Ersatzschuldner und die Emittentin alle erforderlichen behördlichen und regulatorischen Genehmigungen und Zustimmungen für diese Ersetzung eingeholt haben und diese Genehmigungen und Zustimmungen allesamt rechtskräftig sind und die von dem Ersatzschuldner in Bezug auf die Schuldverschreibungen übernommenen Verpflichtungen gültig und bindend gemäß deren jeweiligen von jedem Anleihegläubiger durchsetzbaren Bedingungen sind;</p> <p>(d) der Ersatzschuldner ermächtigt (oder von dem Erfordernis der Ermächtigung befreit) ist, Transaktionen in der Kryptowährung auszuführen;</p> <p>(e) der Ersatzschuldner alle erforderlichen Beträge zur Erfüllung der Zahlungsverpflichtungen aus den Schuldverschreibungen an die Zahlstelle in der erforderlichen Währung überweisen kann, ohne zum Abzug oder Einbehalt von Steuern oder sonstigen Abgaben, gleich welcher Art, die von dem Land, in dem der Ersatzschuldner oder die Emittentin seinen (ihren) Sitz oder Steuersitz hat, erhoben werden, verpflichtet zu sein,</p> <p>(f) der Ersatzschuldner sich verpflichtet hat, jeden Anleihegläubiger zu entschädigen und schadlos zu halten von jeglichen Steuern, Abgaben, Veranlagungen oder behördlichen Gebühren, die dem Anleihegläubiger in Bezug auf diese Ersetzung auferlegt werden; und</p> <p>(g) Rechtsgutachten von angesehenen Rechtsanwälten der Zahlstelle auf Kosten der Emittentin zugestellt wurden, in der Weise, dass die vorstehenden Unterabsätze (a) bis (f) erfüllt sind.</p> <p>(2) <i>Mitteilung.</i> Jede Ersetzung der Emittentin gemäß diesem Absatz und der Tag der Wirksamkeit einer solchen Ersetzung ist gemäß § 18 zu veröffentlichen.</p> |
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(3) *Change of References.* Upon effectiveness of the substitution any reference in these Terms and Conditions to the Issuer shall from then on be deemed to refer to the Substitute Debtor and any reference to the Relevant Taxing Jurisdiction with respect to the Issuer shall from then on be deemed to refer to the Relevant Taxing Jurisdiction with respect to the Substitute Debtor. Furthermore, in the event of such substitution and if the Relevant Taxing Jurisdiction of the Substitute Debtor does not include the Federal Republic of Germany, an alternative reference to the Federal Republic of Germany shall be deemed to have been included in addition to the reference according to the preceding sentence to the Relevant Taxing Jurisdiction of the Substitute Debtor.

(4) *Release from Obligations.* Upon effective substitution of the Issuer as set forth in this paragraph, the Issuer shall be released from any obligation arising from or in connection with the Bonds.

§ 16

Further Issues, Purchases and Cancellation

(1) *Further Issues.* Without prejudice to § 12 (3), the Issuer may from time to time, without the consent of the Bondholders, sell Issuer-Owned Bonds or issue further Bonds having the same terms and conditions as the Bonds in all respects (or in all respects except for the relevant issue date and/or issue price) so as to form a single series with the Bonds.

(2) *Purchases.* Without prejudice to § 12 (3), the Issuer may at any time purchase Bonds in the open market or otherwise and at any price. Bonds purchased by the Issuer may, at the option of the Issuer, be held, resold or surrendered to the Paying Agent for cancellation.

§ 17

Amendments of the Terms and Conditions by Resolutions of Bondholders, Bondholders' Representative

(1) *Amendment of the Terms and Conditions.* The Terms and Conditions may be amended with consent of the Issuer by virtue of a majority

(3) *Änderung von Verweisen.* Nach Inkrafttreten der Ersetzung gilt jeder Verweis in diesen Emissionsbedingungen auf die Emittentin von diesem Zeitpunkt an als Verweis auf den Ersatzschuldner und jeder Verweis auf die Maßgebliche Steuerjurisdiktion in Bezug auf die Emittentin gilt von diesem Zeitpunkt an als Verweis auf die Maßgebliche Steuerjurisdiktion in Bezug auf den Ersatzschuldner. Im Falle einer solchen Ersetzung und wenn die Maßgebliche Steuerjurisdiktion des Ersatzschuldners nicht die Bundesrepublik Deutschland umfasst, gilt zudem ein alternativer Verweis auf die Bundesrepublik Deutschland als zusätzlich zu dem Verweis gemäß vorstehendem Satz zur Maßgeblichen Steuerjurisdiktion des Ersatzschuldners aufgenommen.

(4) *Befreiung von Verpflichtungen.* Nach wirksamer Ersetzung der Emittentin, wie in diesem Absatz dargelegt, ist die Emittentin von allen Verpflichtungen aus oder in Verbindung mit den Schuldverschreibungen befreit.

§ 16

Begebung Weiterer Schuldverschreibungen, Ankauf und Entwertung

(1) *Begebung weiterer Schuldverschreibungen.* Unbeschadet der Bestimmungen des § 12 (3), ist die Emittentin berechtigt, jederzeit ohne Zustimmung der Anleihegläubiger Emittenteneigene Schuldverschreibungen zu verkaufen oder weitere Schuldverschreibungen mit in jeder Hinsicht gleicher Ausstattung (gegebenenfalls mit Ausnahme des jeweiligen Begebungstags und/oder des Ausgabepreises) in der Weise zu begeben, dass sie mit diesen Schuldverschreibungen eine einheitliche Serie bilden.

(2) *Ankauf.* Unbeschadet der Bestimmungen des § 12 (3), ist die Emittentin berechtigt, jederzeit Schuldverschreibungen im freien Markt oder anderweitig zu jedem beliebigen Preis zu kaufen. Die von der Emittentin erworbenen Schuldverschreibungen können nach Wahl der Emittentin von ihr gehalten, weiterverkauft oder bei der Zahlstelle zwecks Entwertung eingereicht werden.

§ 17

Änderung der Emissionsbedingungen durch Beschlüsse der Anleihegläubiger, Vertreter der Anleihegläubiger

(1) *Änderung der Emissionsbedingungen.* Die Emissionsbedingungen können mit Zustimmung der Emittentin durch Mehrheitsbeschluss der

resolution of the Bondholders pursuant to sections 5 et seqq. of the German Act on Issues of Debt Securities (*Gesetz über Schuldverschreibungen aus Gesamtemissionen* – "**SchVG**"), as amended from time to time. In particular, the Bondholders may consent to amendments which materially change the substance of the Terms and Conditions, including such measures as provided for under section 5 paragraph 3 of the SchVG by resolutions passed by such majority of the votes of the Bondholders as stated under paragraph (2) below. A duly passed majority resolution shall be binding equally upon all Bondholders.

(2) *Majority.* Except as provided by the following sentence and *provided that* the quorum requirements are being met, the Bondholders may pass resolutions by simple majority of the voting rights participating in the vote. Resolutions which materially change the substance of the Terms and Conditions, in particular in the cases of section 5 paragraph 3 numbers 1 through 9 of the SchVG, may only be passed by a majority of at least 75 percent of the voting rights participating in the vote (a "**Qualified Majority**").

(3) *Vote without a meeting.* Subject to paragraph (4) below, resolutions of the Bondholders shall exclusively be made by means of a vote without a meeting in accordance with section 18 of the SchVG. The request for voting will provide for further details relating to the resolutions and the voting procedure. The subject matter of the vote as well as the proposed resolutions shall be notified to the Bondholders together with the request for voting. The exercise of voting rights is subject to the Bondholders' registration. The registration must be received at the address stated in the request for voting no later than the third day preceding the beginning of the voting period. As part of the registration, Bondholders must demonstrate their eligibility to participate in the vote by means of a special confirmation of the Custodian in accordance with § 19 (4) (i) (a) and (b) hereof in text form and by submission of a blocking instruction by the Custodian stating that the relevant Bonds are not transferable from (and including) the day such registration has been sent to (and including) the day the voting period ends.

(4) *Second Bondholders' Meeting.* If it is ascertained that no quorum exists for the vote without meeting pursuant to paragraph (3) above, the scrutineer may convene a noteholders' meeting, which shall be deemed to be a second noteholders'

Anleihegläubiger nach Maßgabe der §§ 5 ff. des Gesetzes über Schuldverschreibungen aus Gesamtemissionen ("**SchVG**") in seiner jeweils geltenden Fassung geändert werden. Die Anleihegläubiger können insbesondere einer Änderung wesentlicher Inhalte der Emissionsbedingungen, einschließlich der in § 5 Abs. 3 SchVG vorgesehenen Maßnahmen, durch Beschlüsse mit den in dem nachstehenden Absatz (2) genannten Mehrheiten zustimmen. Ein ordnungsgemäß gefasster Mehrheitsbeschluss ist für alle Anleihegläubiger gleichermaßen verbindlich.

(2) *Mehrheit.* Vorbehaltlich des nachstehenden Satzes und der Erreichung der erforderlichen Beschlussfähigkeit, beschließen die Anleihegläubiger mit der einfachen Mehrheit der an der Abstimmung teilnehmenden Stimmrechte. Beschlüsse, durch welche der wesentliche Inhalt der Emissionsbedingungen geändert wird, insbesondere in den Fällen des § 5 Abs. 3 Nr. 1 bis 9 SchVG, bedürfen zu ihrer Wirksamkeit einer Mehrheit von mindestens 75 % der an der Abstimmung teilnehmenden Stimmrechte (eine "**Qualifizierte Mehrheit**").

(3) *Abstimmung ohne Versammlung.* Vorbehaltlich des nachstehenden Absatz (4) sollen Beschlüsse der Anleihegläubiger ausschließlich durch eine Abstimmung ohne Versammlung nach § 18 SchVG gefasst werden. Die Aufforderung zur Stimmabgabe enthält nähere Angaben zu den Beschlüssen und den Abstimmungsmodalitäten. Die Gegenstände und Vorschläge zur Beschlussfassung werden den Anleihegläubigern mit der Aufforderung zur Stimmabgabe bekannt gemacht. Die Ausübung der Stimmrechte ist von einer Anmeldung der Anleihegläubiger abhängig. Die Anmeldung muss unter der in der Aufforderung zur Stimmabgabe mitgeteilten Adresse spätestens am dritten Tag vor Beginn des Abstimmungszeitraums zugehen. Mit der Anmeldung müssen die Anleihegläubiger ihre Berechtigung zur Teilnahme an der Abstimmung durch einen in Textform erstellten besonderen Nachweis der Depotbank gemäß § 19(4)(i)(a) und (b) und durch Vorlage eines Sperrvermerks der Depotbank, aus dem hervorgeht, dass die betreffenden Schuldverschreibungen ab dem Tag der Absendung der Anmeldung (einschließlich) bis zum Tag, an dem der Abstimmungszeitraum endet (einschließlich), nicht übertragbar sind, nachweisen.

(4) *Zweite Gläubigerversammlung.* Wird für die Abstimmung ohne Versammlung gemäß dem vorstehenden Absatz (3) die mangelnde Beschlussfähigkeit festgestellt, kann der Abstimmungsleiter eine Gläubigerversammlung

meeting within the meaning of section 15 paragraph 3 sentence 3 of the SchVG. Attendance at the second noteholders' meeting and exercise of voting rights is subject to the Bondholders' registration. The registration must be received at the address stated in the convening notice no later than the third day preceding the second noteholders' meeting. As part of the registration, Bondholders must demonstrate their eligibility to participate in the vote by means of a special confirmation of the Custodian in accordance with § 19 (4) (i) (a) and (b) hereof in text form and by submission of a blocking instruction by the Custodian stating that the relevant Bonds are not transferable from (and including) the day such registration has been sent to (and including) the stated end of the noteholders' meeting.

(5) *Bondholders' Representative.* The Bondholders may by majority resolution provide for the appointment or dismissal of a joint representative (the "**Bondholders' Representative**"), the duties and responsibilities and the powers of such Bondholders' Representative, the transfer of the rights of the Bondholders to the Bondholders' Representative and a limitation of liability of the Bondholders' Representative. Appointment of a Bondholders' Representative may only be passed by a Qualified Majority if such Bondholders' Representative is to be authorised to consent, in accordance with paragraph (2) above, to a material change in the substance of the Terms and Conditions.

(6) *Publication.* Any notices concerning this § 17 shall be made exclusively pursuant to the provisions of the SchVG.

§ 18 Notices

- (1) *Notices.*
- (a) All notices regarding the Bonds, other than any notices stipulated in § 17 (6) which shall be made exclusively pursuant to the provisions of the SchVG, will be published in the German Federal Gazette (*Bundesanzeiger*) and on the Website.
- (b) The Issuer will be entitled to deliver all notices concerning the Bonds to the Clearing System for communication by the Clearing System to the Bondholders to the extent that the rules of the stock exchange on which the

einberufen, die als zweite Versammlung im Sinne des § 15 Abs. 3 Satz 3 SchVG anzusehen ist. Die Teilnahme an der zweiten Gläubigerversammlung und die Ausübung der Stimmrechte sind von einer Anmeldung der Anleihegläubiger abhängig. Die Anmeldung muss unter der in der Bekanntmachung der Einberufung mitgeteilten Adresse spätestens am dritten Tag vor der zweiten Gläubigerversammlung zugehen. Mit der Anmeldung müssen die Anleihegläubiger ihre Berechtigung zur Teilnahme an der Abstimmung durch einen in Textform erstellten besonderen Nachweis der Depotbank gemäß § 19(4)(i)(a) und (b) und durch Vorlage eines Sperrvermerks der Depotbank, aus dem hervorgeht, dass die betreffenden Schuldverschreibungen ab dem Tag der Absendung der Anmeldung (einschließlich) bis zum angegebenen Ende der Gläubigerversammlung (einschließlich) nicht übertragbar sind, nachweisen.

(5) *Gemeinsamer Vertreter.* Die Anleihegläubiger können durch Mehrheitsbeschluss die Bestellung oder Abberufung eines gemeinsamen Vertreters (der "**Gemeinsame Vertreter**"), die Aufgaben und Befugnisse des Gemeinsamen Vertreters, die Übertragung von Rechten der Anleihegläubiger auf den Gemeinsamen Vertreter und eine Beschränkung der Haftung des Gemeinsamen Vertreters bestimmen. Die Bestellung eines Gemeinsamen Vertreters bedarf einer Qualifizierten Mehrheit, wenn er ermächtigt werden soll, Änderungen des wesentlichen Inhalts der Emissionsbedingungen gemäß dem vorstehenden Absatz (2) zuzustimmen.

(6) *Veröffentlichung.* Bekanntmachungen betreffend diesem § 17 erfolgen ausschließlich gemäß den Bestimmungen des SchVG.

§ 18 Mitteilungen

- (1) *Mitteilungen.*
- (a) Alle Bekanntmachungen, die die Schuldverschreibungen betreffen, außer den in § 17(6) vorgesehenen Bekanntmachungen, die ausschließlich gemäß den Bestimmungen des SchVG erfolgen, werden im Bundesanzeiger und auf der Website veröffentlicht.
- (b) Die Emittentin ist berechtigt, alle die Schuldverschreibungen betreffenden Mitteilungen an das Clearing System zur Weiterleitung an die Anleihegläubiger zu übermitteln, sofern die Regularien der Börse, an der die Schuldverschreibungen notiert

Bonds are listed or admitted to trading permit so.

oder zum Handel zugelassen sind, dies zulassen.

(2) *Effectiveness of notices.* Any notice will be deemed to have been validly given on the date of the first publication (or, if required to be published in a newspaper, on the first date on which publication shall have been made in the required newspaper) or, as the case may be, on the fourth Business Day after the date of such delivery to the Clearing System.

(2) *Wirksamkeit von Mitteilung.* Mitteilungen gelten am Tag der ersten Veröffentlichung als wirksam erfolgt (oder, wenn eine Veröffentlichung in einer Tageszeitung erforderlich ist, an dem ersten Tag, an dem die Veröffentlichung in der vorgeschriebenen Tageszeitung erfolgt sein soll) bzw. am vierten Geschäftstag nach dem Tag der Lieferung an das Clearing System.

§ 19

Governing Law, Place of Performance and Place of Jurisdiction, Enforcement

(1) *Governing Law.* The Bonds, as to form and content, and all rights and obligations of the Bondholders and the Issuer, shall be governed by German law. The Security Documents, as to form and content, and all rights and obligations of the Bondholders and the Issuer, shall be governed by German law and the laws of the State of New York.

(2) *Place of Jurisdiction.* To the extent legally permissible, the courts of Frankfurt am Main, Federal Republic of Germany, shall have jurisdiction for any actions or other legal proceedings arising out of or in connection with the Bonds. The local court (*Amtsgericht*) of Frankfurt am Main shall have jurisdiction for all judgments in accordance with section 9 paragraph 2, section 13 paragraph 3 and section 18 paragraph 2 SchVG in accordance with section 9 paragraph 3 SchVG. The regional court (*Landgericht*) in the district of Frankfurt am Main shall have exclusive jurisdiction for all judgments over contested resolutions by Bondholders in accordance with section 20 paragraph 3 SchVG. Should the Issuer change its registered seat, the statutory jurisdiction pursuant to the SchVG shall apply.

(3) *Calculations and Determinations Binding.* All calculations and determinations required to be made by these Terms and Conditions shall be made by the Issuer, or any party appointed by the Issuer, in its sole and absolute discretion.

(4) *Enforcement.* Any Bondholder may in any proceedings against the Issuer, or to which such Bondholder and the Issuer are parties, protect and enforce in its own name its rights arising under the relevant Bonds on the basis of (i) a statement issued by the Custodian with which such Bondholder maintains a securities account in respect of the Bonds

§ 19

Anwendbares Recht, Erfüllungsort und Gerichtsstand, Gerichtliche Geltendmachung

(1) *Anwendbares Recht.* Form und Inhalt der Schuldverschreibungen sowie die Rechte und Pflichten der Anleihegläubiger und der Emittentin bestimmen sich nach deutschem Recht. Form und Inhalt der Sicherheitendokumente und die Rechte und Pflichten der Anleihegläubiger und der Emittentin bestimmen sich nach deutschem Recht und dem Recht des Bundesstaats New York.

(2) *Gerichtsstand.* Gerichtsstand für sämtliche im Zusammenhang mit den Schuldverschreibungen entstehenden Klagen oder sonstigen Verfahren ist, soweit rechtlich zulässig, Frankfurt am Main, Bundesrepublik Deutschland. Für Entscheidungen gemäß § 9 Abs. 2, § 13 Abs. 3 und § 18 Abs. 2 SchVG ist gemäß § 9 Abs. 3 SchVG das Amtsgericht Frankfurt am Main zuständig. Für Entscheidungen über die Anfechtung von Beschlüssen der Anleihegläubiger ist gemäß § 20 Abs. 3 SchVG das Landgericht Frankfurt am Main zuständig. Sollte die Emittentin ihren eingetragenen Sitz ändern, gilt die gesetzliche Zuständigkeit nach dem SchVG.

(3) *Verbindliche Berechnungen und Festsetzungen.* Alle Berechnungen und Festsetzungen, die durch diese Emissionsbedingungen vorzunehmen sind, werden von der Emittentin oder einer von der Emittentin nach eigenem und absolutem Ermessen ernannten Partei vorgenommen.

(4) *Gerichtliche Geltendmachung.* Jeder Anleihegläubiger ist berechtigt, in jedem Rechtsstreit gegen die Emittentin oder in jedem Rechtsstreit, in dem der Anleihegläubiger und die Emittentin Partei sind, seine Rechte aus den maßgeblichen Schuldverschreibungen im eigenen Namen auf der folgenden Grundlage zu sichern und geltend zu

(a) stating the full name and address of the Bondholder, (b) specifying the aggregate principal amount of Bonds credited to such securities account on the date of such statement and/or specifying the aggregate principal amount of Bonds transferred from such Bondholder's securities account to the Issuance Account (including effective dates of such transfer(s)) and (c) confirming that the Custodian has given written notice to the Clearing System containing the information pursuant to (a) and (b), and (ii) a copy of the Global Note representing the relevant Bonds certified as being a true copy of the original Global Note by a duly authorised officer of the Clearing System or a depository of the Clearing System, without the need for production in such proceedings of the actual records or the Global Note representing the Bonds. For purposes of the foregoing, "**Custodian**" means any bank or other financial institution of recognised standing authorised to engage in securities custody business with which the Bondholder maintains a securities account in respect of the Bonds, including the Clearing System. Each Bondholder may, without prejudice to the foregoing, protect and enforce its rights under these Bonds also in any other way which is admitted in the country of the proceedings.

machen: (i) einer Bescheinigung der Depotbank, bei der er für die Schuldverschreibungen ein Wertpapierdepot unterhält, welche (a) den vollständigen Namen und die vollständige Adresse des Anleihegläubigers enthält, (b) den Gesamtnennbetrag der Schuldverschreibungen bezeichnet, die unter dem Datum der Bestätigung auf dem Wertpapierdepot verbucht sind und/oder den Gesamtnennbetrag der Schuldverschreibungen bezeichnet, die von diesem Wertpapierdepot des Anleihegläubigers auf das Emissionskonto überwiesen wurde (einschließlich der Stichtage dieser Übertragung(en)) und (c) bestätigt, dass die Depotbank gegenüber dem Clearing System eine schriftliche Erklärung abgegeben hat, die die vorstehend unter (a) und (b) bezeichneten Informationen enthält, und (ii) einer Kopie der die betreffenden Schuldverschreibungen verbriefenden Globalurkunde, deren Übereinstimmung mit dem Original eine vertretungsberechtigte Person von dem Clearing System oder einer Verwahrstelle des Clearing Systems bestätigt hat, ohne dass eine Vorlage der Originalbelege oder der die Schuldverschreibungen verbriefenden Globalurkunde in einem solchen Verfahren erforderlich wäre. Für die Zwecke des Vorstehenden bezeichnet "**Depotbank**" jede Bank oder ein sonstiges anerkanntes Finanzinstitut, das berechtigt ist, das Depotgeschäft zu betreiben und bei der/dem der Anleihegläubiger ein Wertpapierdepot für die Schuldverschreibungen unterhält, einschließlich dem Clearing System. Unbeschadet der vorstehenden Bestimmungen ist jeder Anleihegläubiger berechtigt, seine Rechte aus diesen Schuldverschreibungen auch auf jede andere im Land des Verfahrens zulässige Weise geltend zu machen.

§ 20 Language

These Terms and Conditions are written in the [English][German] language and provided with a [German][English] language translation. The [English][German] version shall be the only legally binding version. The [German][English] translation is for convenience only.

§ 20 Sprache

Diese Emissionsbedingungen sind in [englischer][deutscher] Sprache abgefasst; eine Übersetzung in die [deutsche][englische] Sprache ist beigelegt. Nur die [englische][deutsche] Fassung ist rechtlich bindend. Die [deutsche][englische] Übersetzung ist unverbindlich.

**Option II: Terms and Conditions for Bonds
linked to a basket of underlying
Cryptocurrencies**

§ 1

**Currency, Denomination, Form, Subscription
Restrictions, Certain Definitions**

(1) *Currency, Denomination.* This issue of notes of ETC Issuance GmbH (the "**Issuer**") is being issued in an aggregate amount of [●] bonds (the "**Bonds**") on [●] (the "**Issue Date**"). Each Bond represents the right of the Bondholder to demand from the Issuer (a) delivery of a basket of cryptocurrencies (each a "**Cryptocurrency**" and together, the "**Cryptocurrencies**"), as specified below the ("**Basket**"), equal to the Cryptocurrency Entitlement in accordance with these Terms and Conditions or, if the Bondholder is prevented from receiving Units of the Basket or units of any or all the Cryptocurrencies comprising the Basket for legal or regulatory reasons applicable to it, (b) payment of a cash amount determined in accordance with the conditions set out in § 4 (2) or § 4 (4) below.

(2) *Subscription Restrictions.* The Bonds may only be subscribed or purchased by Authorised Participants from the Issuer in the primary market against transfer of a number of units of each of the Cryptocurrencies comprising the Basket corresponding to the Cryptocurrency Entitlement (as of the date of the subscription or purchase in the primary market) per Bond to be subscribed or purchased.

[A subscription or purchase of Bonds from the Issuer by Authorised Participants in the primary market, is only permitted, if the relevant Authorised Participant subscribing to or purchasing Bonds assures to the Issuer, upon presentation of the Verification Documents, that at least a portion of the so transferred units of each of the Cryptocurrencies comprising the Basket corresponding to the Freshly Mined Cryptocurrency Portion qualifies as Freshly Mined Cryptocurrency. Any requests for subscription or purchase of Bonds from the Issuer in the primary market by an Authorised Participant not complying with these provisions shall be invalid.

**Option II: Emissionsbedingungen für an
einen Korb von Kryptowährungen gebundene
Schuldverschreibungen**

§ 1

**Währung, Stückelung, Form,
Zeichnungsbeschränkungen, Bestimmte
Definitionen**

(1) *Währung, Stückelung.* Diese Emission der ETC Issuance GmbH (die „**Emittentin**“) wird in der Gesamtanzahl von [●] Schuldverschreibungen (die "**Schuldverschreibungen**") am [●] (der "**Begebungstag**") begeben. Jede Schuldverschreibung verbrieft das Recht des Schuldverschreibungsinhabers von der Emittentin (a) die Lieferung eines Korbs von Kryptowährungen (jeweils eine "**Kryptowährung**" und zusammen, die "**Kryptowährungen**"), wie nachstehend näher bezeichnet (der "**Korb**"), entsprechend dem Kryptowährungsanspruch gemäß den Emissionsbedingungen, oder, falls ein Anleihegläubiger aus rechtlichen oder regulatorischen Gründen daran gehindert ist, Einheiten des Korbs oder Einheiten einiger oder aller der im Korb enthaltenen Kryptowährungen zu erhalten, (b) die Zahlung eines gemäß dieser Bestimmung festgelegten Barbetrags zu verlangen gemäß den in § 4 (2) bzw. § 4(4) dargelegten Bedingungen.

(2) *Zeichnungsbeschränkungen.* Eine Zeichnung oder ein Erwerb der Schuldverschreibungen von der Emittentin durch Autorisierte Teilnehmer ist im Primärmarkt nur gegen Übertragung einer Anzahl von Einheiten jeder der im Korb enthaltenen Kryptowährungen entsprechend des Kryptowährungsanspruchs (zum Tag der Zeichnung oder des Erwerbs im Primärmarkt) je zu zeichnender bzw. zu erwerbender Schuldverschreibung.

[Ein Erwerb von Schuldverschreibungen von der Emittentin durch Autorisierte Teilnehmer im Primärmarkt darf nur dann erfolgen, wenn der jeweilige, die Schuldverschreibungen zeichnende oder erwerbende Autorisierte Teilnehmer unter Vorlage der Verifizierungsdokumente gegenüber der Emittentin zusichert, dass zumindest ein Anteil der zu übertragenden Einheiten jeder der im Korb enthaltenen Kryptowährungen entsprechend des Frisch-geminte Kryptowährungsanteils als Frisch-geminte Kryptowährung einzustufen ist. Jedes Angebot zur Zeichnung oder zum Erwerb von Schuldverschreibungen von der Emittentin durch einen Autorisierten Teilnehmer im Primärmarkt, welches diesen Anforderungen nicht genügt, ist unwirksam.

Whereby:

"Freshly Mined Cryptocurrency" means a number of units of each of the Cryptocurrencies comprising the Basket received by the Issuer for the subscription of the Bonds by an Authorised Participant, whereby in relation to every unit of the relevant Cryptocurrencies comprising the Basket so received, no matter how small its portion, if it was transferred through any digital wallets during the period between its original creation (mining) and receipt by the Issuer (each such digital wallet, an **"Intermediary Wallet"**), the number of such Intermediary Wallets does not exceed the Allowed Number of Intermediary Wallets. *For the avoidance of doubt:* digital wallets of the Issuer which are part of the Depositary Wallet and the first digital wallet where such units of the Cryptocurrency was credited upon creation (the **"Miner Wallet"**) shall not be counted;

"Verification Documents" means for every Intermediary Wallet and for the Miner Wallet (i) notarized and apostilled (if notarized outside of the European Economic Area) copies of the identity documents and proof of address of the person controlling the relevant wallet (the **"Controlling Person"**); (ii) notarized and apostilled (if notarized outside of the European Economic Area) written statement from the Controlling Person confirming the beneficial ownership of such wallet, as well as reasons for relevant transfer of the relevant units of the Cryptocurrency through the Intermediary Wallet (if applicable);

"Freshly Mined Cryptocurrency Portion" means an amount of Freshly Mined Cryptocurrency corresponding to [●] per cent. of the transferred units of each of the Cryptocurrencies comprising the Basket as portion of the subscription for the Bonds by an Authorised Participant. The Freshly Mined Cryptocurrency Portion may be increased by the Issuer at any time and the Issuer shall notify the Bondholders thereof in accordance with § 18;

"Allowed Number of Intermediary Wallets" means [●]. The Allowed Number of Intermediary Wallets may be lowered by the Issuer at any time and the Issuer shall notify the Bondholders thereof in accordance with § 18.]

Dabei gilt:

"Frisch-geminte Kryptowährung" bezeichnet eine Anzahl an Einheiten jeder der im Korb enthaltenen Kryptowährungen, die die Emittentin von einem Autorisierten Teilnehmer für die Zeichnung der Schuldverschreibungen erhalten hat, wobei für jede zu dieser Anzahl gehörende Einheit der jeweiligen im Korb enthaltenen Kryptowährungen, egal wie klein dieser Anteil sein mag, im Falle der Übertragung durch digitale Wallets während des Zeitraums zwischen der ursprünglichen Schöpfung des Anteils (Mining) und dem Empfang durch die Emittentin (jedes solche digitale Wallet, ein **"Zwischen-Wallet"**) die Anzahl an Übertragungen durch Zwischen-Wallets, die Erlaubte Anzahl an Zwischen-Wallets nicht übersteigt. *Zur Klarstellung:* digitale Wallets der Emittentin, welche Teil des Verwahrstellen-Wallets sind, sowie das erste digitale Wallet, auf welches die maßgeblichen Einheiten der Kryptowährung bei ihrer Entstehung gebucht wurden (das **"Miner-Wallet"**) werden nicht mitgezählt;

"Verifizierungsdokumente" bezeichnet für jedes Zwischen-Wallet und für das Miner-Wallet (i) eine notariell beglaubigte und mit einer Apostille versehene (falls außerhalb des Europäischen Wirtschaftsraums notariell beglaubigt) Kopien der Ausweisdokumente und ein Adressnachweis der Person, die das maßgebliche Wallet kontrolliert (die **"Kontrollperson"**); (ii) eine notariell beglaubigte und mit einer Apostille versehene (falls außerhalb des Europäischen Wirtschaftsraums notariell beglaubigt) schriftliche Erklärung der Kontrollperson, in der das wirtschaftliche Eigentum an der Wallet bestätigt wird, sowie die Gründe für die entsprechenden Übertragungen der maßgeblichen Einheiten der Kryptowährung durch die Zwischen-Wallets (sofern zutreffend);

"Frisch-geminter Kryptowährungsanteil" bezeichnet einen Anteil an Frisch-geminter Kryptowährung in Höhe von [●] % der zwecks Zeichnung der Schuldverschreibungen durch einen Autorisierten Teilnehmer übertragenen Einheiten jeder der im Korb enthaltenen Kryptowährungen. Der Frisch-geminte Kryptowährungsanteil kann durch die Emittentin jederzeit erhöht werden. Die Emittentin teilt dies den Anleihegläubigern gemäß § 18 mit;

"Erlaubte Anzahl an Zwischen-Wallets" bezeichnet [●]. Die Erlaubte Anzahl an Zwischen-Wallets kann von der Emittentin jederzeit verringert werden. Die Emittentin teilt dies den Anleihegläubigern gemäß § 18 mit.]

(3) *Form.* The Bonds are being issued in bearer form.

(4) *Global Note.* The Bonds are represented by a global note (the "**Global Note**") without coupons. The Global Note shall be signed by or on behalf of the Issuer and shall be authenticated by or on behalf of the Fiscal Agent. Definitive certificates representing individual Bonds and coupons will not be issued and the right of the Bondholders to request the issue and delivery of definitive Bonds shall be excluded.

(5) *Clearing System.* The Global Note will be kept in custody by or on behalf of the Clearing System until all obligations of the Issuer under the Bonds have been satisfied. "**Clearing System**" means Clearstream Banking AG, Frankfurt, Mergenthalerallee 61, 65760 Eschborn, Germany and any successor in such capacity.

Pursuant to the book-entry registration agreement between the Issuer and the Clearing System, the Issuer has appointed Clearstream Banking AG, Frankfurt ("**CBF**") as its book-entry registrar in respect of the Bonds, and CBF has agreed to maintain a register showing the aggregate number of the Bonds represented by the Global Note under its own name. CBF has agreed, as agent of the Issuer, to maintain records of the Bonds credited to the accounts of the accountholders of CBF for the benefit of the holders of the co-ownership interests in the Bonds represented by the Global Note, and the Issuer and CBF have agreed that the actual number of Bonds from time to time shall be evidenced by the records of CBF.

(6) *Bondholder.* "**Bondholder**" means any holder of a proportionate co-ownership or other beneficial interest or right in the Bonds and shall include those persons who are the beneficiaries of Secured Put Option Obligations or Secured Settlement Obligations.

(7) *United States.* For the purposes of these Terms and Conditions, "**United States**" means the United States of America (including the States thereof and the District of Columbia) and its possessions (including Puerto Rico, the U.S. Virgin

(3) *Form.* Die Schuldverschreibungen lauten auf den Inhaber.

(4) *Globalurkunde.* Die Schuldverschreibungen sind durch eine Globalurkunde (die "**Globalurkunde**") ohne Zinsscheine verbrieft. Die Globalurkunde wird von der Emittentin oder in deren Namen unterschrieben und ist von der Emissionsstelle oder in deren Namen mit einer Kontrollunterschrift versehen. Urkunden in effektiver Form, die einzelne Schuldverschreibungen und Zinsscheine verbriefen, werden nicht ausgegeben und das Recht der Anleihegläubiger, die Ausstellung und Lieferung von Einzelurkunden zu verlangen, ist ausgeschlossen.

(5) *Clearing System.* Die Globalurkunde wird von oder im Namen des Clearing Systems verwahrt, bis sämtliche Verpflichtungen der Emittentin aus den Schuldverschreibungen erfüllt sind. "**Clearing System**" bezeichnet Clearstream Banking AG, Frankfurt, Mergenthalerallee 61, 65760 Eschborn, Deutschland, und jedes Nachfolgesystem in dieser Funktion.

Gemäß dem zwischen der Emittentin und dem Clearing System abgeschlossenen Book-Entry Registration Agreement hat die Emittentin Clearstream Banking AG, Frankfurt ("**CBF**") als Effektenregisterführer bezüglich der Schuldverschreibungen bestellt und CBF hat sich verpflichtet, ein Register über die jeweilige Gesamtzahl der durch die Globalurkunde verbrieften Schuldverschreibungen unter eigenem Namen zu führen. CBF hat sich verpflichtet, als Beauftragte der Emittentin in ihren Büchern Aufzeichnungen über die auf den Konten der Kontoinhaber in CBF zugunsten der Inhaber der Miteigentumsanteile an den durch diese Globalurkunde verbrieften Schuldverschreibungen zu führen. Die Emittentin und CBF haben ferner vereinbart, dass sich die tatsächliche Zahl der Schuldverschreibungen, die jeweils verbrieft sind, aus den Unterlagen von CBF ergibt.

(6) *Anleihegläubiger.* "**Anleihegläubiger**" bezeichnet jeden Inhaber eines Miteigentumsanteils oder anderen vergleichbaren Anteils oder Rechts an den Schuldverschreibungen und umfasst solche Personen, die die Begünstigten der Gesicherten Put-Options-Verpflichtungen bzw. der Gesicherten Abwicklungsverpflichtungen sind.

(7) *Vereinigte Staaten.* Für die Zwecke dieser Emissionsbedingungen bezeichnet "**Vereinigte Staaten**" die Vereinigten Staaten von Amerika (einschließlich deren Bundesstaaten und des District of Columbia) sowie deren Territorien (einschließlich

Islands, Guam, American Samoa, Wake Island and Northern Mariana Islands).

(8) *Definitions.*

"**Administrator**" means [Apex Corporate & Advisory Services Ltd, Central North Business Centre Level 1 Sqaq il-Fawwara Sliema SLM1670, Malta][●], in its function as agent who shall approve any transfer of Issuer-Owned Bonds or Deposited Cryptocurrencies, which have been pledged as security for the benefit of the Bondholders the Security Trustee and the Bondholders' Representative (if appointed);

"**Affiliate**" means any company within the meaning of Section 15 of the German Stock Corporation Act (*Aktiengesetz*);

"**Announcement Date**" shall have the meaning ascribed to it in § 14 (1);

"**Auction Price Determination Date**" shall have the meaning ascribed to it in § 14 (1);

"**Auction Start Date**" shall have the meaning ascribed to it in § 14 (1);

"**Auctioneer**" means the Issuer or any entity appointed by the Issuer to carry out the Cryptocurrency Auction Procedure;

"**Authorised Participant**" means any entity supervised by a financial supervisory authority in a member state of the European Economic Area, the United Kingdom, Canada, Australia, Singapore, New Zealand, Japan, Switzerland, Hong Kong (SAR) or the United States which has been appointed by the Issuer as an Authorised Participant;

"**Authorised Participant Agreement**" means an agreement entered into between the Issuer and an Authorised Participant, appointing the Authorised Participant and the fees, terms and conditions in respect of which it acts in such role;

"**Basket**" means a basket composed of the Cryptocurrencies [insert all relevant Cryptocurrencies].

Each "**Unit of the Basket**" contains the following number of units of the relevant Cryptocurrencies:

Puerto Rico, der der Amerikanischen Jungferninseln, Guam, Amerikanisch-Samoa, Wake Island und dem Commonwealth der Nördlichen Marianen).

(8) *Definitionen.*

"**Administrator**" bezeichnet [Apex Corporate & Advisory Services Ltd, Central North Business Centre Level 1 Sqaq il-Fawwara Sliema SLM1670, Malta][●], in ihrer Funktion als Beauftragter, der Übertragungen von Emittenteneigenen Schuldverschreibungen oder Hinterlegten Kryptowährungen genehmigt, die als die als Sicherheit zugunsten der Anleihegläubiger des Sicherheitentreuhänders und des Gemeinsamen Vertreters (sofern bestellt) verpfändet wurden;

"**Verbundenes Unternehmen**" bezeichnet ein Unternehmen im Sinne des § 15 des deutschen Aktiengesetzes (AktG);

"**Ankündigungstag**" hat die diesem Begriff in § 14 (1) zugeschriebene Bedeutung;

"**Auktionspreisfestsetzungstag**" hat die diesem Begriff in § 14 (1) zugeschriebene Bedeutung;

"**Starttermin der Auktion**" hat die diesem Begriff in § 14 (1) zugeschriebene Bedeutung;

"**Auktionator**" bezeichnet die Emittentin oder ein Unternehmen, das von der Emittentin zur Durchführung des Kryptowährungs Auktionsverfahrens bestellt wurde;

"**Autorisierter Teilnehmer**" bezeichnet jedes von einer Finanzaufsichtsbehörde überwachtes Unternehmen in einem Mitgliedstaat des Europäischen Wirtschaftsraums, des Vereinigten Königreichs, Kanada, Australien, Singapur, Neuseeland, Japan, der Schweiz, Hong Kong (SAR) oder den Vereinigten Staaten, das von der Emittentin als ein Autorisierter Teilnehmer ernannt wurde;

"**Autorisierter Teilnehmer-Vertrag**" bezeichnet einen zwischen der Emittentin und einem Autorisierten Teilnehmer geschlossenen Vertrag, durch den der Autorisierte Teilnehmer ernannt wird und die Kosten und Bedingungen in Bezug auf die Ausführung dieser Funktion festgelegt werden;

"**Korb**" bezeichnet einen Korb bestehend aus den Kryptowährungen [maßgebliche Kryptowährungen einfügen].

Jede "**Einheit des Korbs**" enthält die folgende Anzahl an Einheiten der jeweiligen Kryptowährungen:

[Bitcoin:[●]]

[Bitcoin Cash:[●]]

[Ethereum:[●]]

[Litecoin:[●]]

[XRP:[●]]

For the avoidance of doubt: Any reference to a "Unit of the Basket" or "Units of the Basket" in this Terms and Conditions also refers to the units of the Cryptocurrencies comprising the Basket.

"Bid Guarantee Amount" shall have the meaning ascribed to it in § 14 (3);

"Bondholders' Meeting" means a meeting of Bondholders held in accordance with § 17;

"Bondholders' Representative" shall have the meaning ascribed to it in § 17 (5);

"Business Day" means a day (other than a Saturday, a Sunday or a public holiday) on which (i) the Clearing System, (ii) the banks in Frankfurt am Main, London and New York and (iii) the Trans-European Automated Real-time Gross settlement Express Transfer system 2 (TARGET2), or any successor system thereto ("**TARGET**") settle payments;

"Cryptocurrency Auction Procedure" shall have the meaning ascribed to it in § 14;

"Cryptocurrency Entitlement" means, as of any Business Day, the Bondholder's claim against the Issuer in respect of each Bond, expressed as the number of the Units of the Basket per Bond, and calculated by the Issuer in its sole discretion in accordance with the following formula:

$$CE = ICE \times (1 - DER)^n$$

Where:

"CE" means Cryptocurrency Entitlement;

"ICE" means Initial Cryptocurrency Entitlement (as defined below);

"DER" means Diminishing Entitlement Rate (as defined below); and

[Bitcoin:[●]]

[Bitcoin Cash:[●]]

[Ethereum:[●]]

[Litecoin:[●]]

[XRP:[●]]

Zur Klarstellung: Jede Bezugnahme in diesen Emissionsbedingungen auf eine "Einheit des Korbs" oder mehrere "Einheiten des Korbs" bezieht sich zugleich auf die Einheiten der im Korb enthaltenen Kryptowährungen.

"Gebotsgarantiebetrug" hat die diesem Begriff in § 14 (3) zugeschriebene Bedeutung;

"Gläubigerversammlung" bezeichnet eine Versammlung der Anleihegläubiger, die gemäß § 17 abgehalten wird;

"Gemeinsamer Vertreter" hat die diesem Begriff in § 17 (5) zugeschriebene Bedeutung;

"Geschäftstag" bezeichnet einen Tag (außer einem Samstag, einem Sonntag oder einem Feiertag), an dem (i) das Clearingsystem, (ii) die Banken in Frankfurt am Main, London und New York und (iii) das Trans-European Automated Real-time Gross settlement Express Transfer system 2 (TARGET2) oder jedes Nachfolgesystem ("**TARGET**") Zahlungen abwickeln;

"Kryptowährungs-Auktionsverfahren" hat die diesem Begriff in § 14 zugeschriebene Bedeutung;

"Kryptowährungsanspruch" bezeichnet, zu einem beliebigen Geschäftstag, den Anspruch eines Anleihegläubigers gegenüber der Emittentin in Bezug auf jede Schuldverschreibung, ausgedrückt als die Anzahl der Einheiten des Korbs je Schuldverschreibungen, und von der Emittentin nach eigenen Ermessen gemäß folgender Formel berechnet:

$$CE = ICE \times (1 - DER)^n$$

Wobei:

"CE" den Kryptowährungsanspruch bezeichnet;

"ICE" den Anfänglichen Kryptowährungsanspruch (wie nachstehend definiert) bezeichnet;

"DER" die Abnehmende Anspruchsrate (wie nachstehend definiert) bezeichnet; und

"n" means Number of Days/365.

In case the Diminishing Entitlement Rate is lowered by the Issuer, the Issuer may make in its sole and absolute discretion those changes to the above formula that are required in order to ensure that the new Diminishing Entitlement Rate only applies as of the date such change has been notified to the Bondholders in accordance with § 18 (including, but not limited to, adjusting the definition of the Initial Cryptocurrency Entitlement to mean the "Cryptocurrency Entitlement per Bond at the date on which the change to the relevant Diminishing Entitlement Rate has been notified to the Bondholders in accordance with § 18" and adjusting the definition of Number of Days to mean "the number of days that have passed since the date on which the change to the relevant Diminishing Entitlement Rate has been notified to the Bondholders in accordance with § 18 up until and including the date on which the Cryptocurrency Entitlement is calculated");

"Cryptocurrency Put Option" shall have the meaning ascribed to it in § 4 (3);

"Cryptocurrency Sale Proceeds" shall have the meaning ascribed to it in § 4 (2);

"Custodian" shall have the meaning ascribed to it in § 19 (4);

"Default Rate" shall have the meaning ascribed to it in § 4 (4);

"Depo Bank" means [Baader Bank AG, Weihenstephaner Straße 4, 85716 Unterschleißheim, Germany][●], a financial intermediary maintaining the Issuance Account on behalf of the Issuer and any successor in such capacity;

"Depository" means [BitGo Trust Company, Inc, an independent qualified cryptocurrency custodian under the laws of the State of South Dakota, regulated by the South Dakota Division of Banking with the credential number of TC.128-2][●] or such other financial institution(s) that the Issuer, from time to time, has designated as the Depository for its holdings of the Cryptocurrencies pledged as security for the Bonds;

"Depository Wallet" means a cryptocurrency wallet or cryptocurrencies' wallets operated by the Depository on behalf of the Issuer, where the assets held in such wallet are (i) segregated from the assets of any other customers of the Depository and from

"n" die Anzahl der Tage/365 bezeichnet.

Falls die Abnehmende Anspruchsrate von der Emittentin herabgesetzt wird, kann die Emittentin nach eigenem und absoluten Ermessen solche Änderungen an der vorstehenden Formel vornehmen, die erforderlich sind, um sicherzustellen, dass die neue Abnehmende Anspruchsrate nur ab dem Tag gilt, an dem diese Änderung den Anleihegläubigern gemäß § 18 mitgeteilt wurde (einschließlich (ohne Einschränkung) der Anpassung der Definition des Anfänglicher Kryptowährungsanspruchs, der "Kryptowährungsanspruch je Schuldverschreibung an dem Tag, an dem die Änderung der maßgeblichen Abnehmenden Anspruchsrate den Anleihegläubigern gemäß § 18 mitgeteilt wurde" bezeichnet und der Anpassung der Definition der Anzahl der Tage, die "die Anzahl der Tage, die von dem Tag, an dem die Änderung der maßgeblichen Abnehmenden Anspruchsrate den Anleihegläubigern gemäß § 18 mitgeteilt wurde, bis zu dem Tag (einschließlich), an dem der Kryptowährungsanspruch berechnet wird" bezeichnet);

"Kryptowährungs-Put-Option" hat die diesem Begriff in § 4 (3) zugeschriebene Bedeutung;

"Kryptowährungs-Verkaufserlöse" hat die diesem Begriff in § 4 (2) zugeschriebene Bedeutung;

"Depotbank" hat die diesem Begriff in § 19 (4) zugeschriebene Bedeutung;

"Ausfallrate" hat die diesem Begriff in § 4 (4);

"Depo Bank" bezeichnet [Baader Bank AG, Weihenstephaner Straße 4, 85716 Unterschleißheim, Deutschland][●], ein Finanzintermediär, der das Emissionskonto im Namen der Emittentin verwaltet, sowie etwaige Nachfolger in dieser Funktion;

"Verwahrstelle" bezeichnet [BitGo Trust Company, Inc, eine unabhängige qualifizierte Kryptowährungsdepotbank nach dem Recht des Bundesstaats South Dakota und reguliert durch die South Dakota Division of Banking, mit der Berechtigungsnachweis-Nummer TC.128-2][●] oder (ein) solche(s) anderes (anderen) Finanzinstitut(e),] das (die) die Emittentin von Zeit zu Zeit als Verwahrstelle für ihre Anteile an den Kryptowährungen, die als Sicherheit für die Schuldverschreibungen hinterlegt sind, benennt;

"Verwahrstellen-Wallet" bezeichnet ein Kryptowährungs-Wallet oder Kryptowährungs-Wallets (Konto), welche(s) von der Verwahrstelle im Namen der Emittentin betrieben wird(werden), wobei die in diesem(diesen) Wallet(s) gehaltenen

any other assets of the Issuer; and (ii) are pledged as security in favour of the Bondholders pursuant to the Security Documents;

"Deposited Cryptocurrencies" means the number of units of the Cryptocurrencies comprising the Basket held on the Depositary Wallet with the Depositary at any given time;

"Digital Wallet" means the relevant digital cryptocurrency wallet or wallets of each Bondholder required to receive and transfer Units of the Basket;

For the avoidance of doubt: Bondholders may require a separate Wallet for each of the Cryptocurrencies comprising the Basket in order to be able to receive units of such Cryptocurrency.

"Diminishing Entitlement Rate" means the rate at which the Cryptocurrency Entitlement decays over time. As of the Issue Date, the Diminishing Entitlement Rate is [2.00][●] percent. The Diminishing Entitlement Rate may be lowered by the Issuer at any time and the Issuer shall notify the Bondholders thereof in accordance with § 18;

"Event of Default" shall have the meaning ascribed to it in § 11 (1);

"Exercise Fee" means

- (i) in the case of Bondholders who are Authorised Participants an amount which is set out in the relevant Authorised Participant Agreement, which shall not exceed an amount equal to [0.50][●] percent of the Cryptocurrency Entitlement for each Bond in relation to which the Put Option is exercised; or
- (ii) in the case of other Bondholders who are not Authorised Participants an amount equal to [1.00][●] percent of the Cryptocurrency Entitlement for each Bond in relation to which the Put Option is exercised.

The Exercise Fee may be lowered by the Issuer at any time and the Issuer shall notify the Bondholders thereof in accordance with § 18;

"Failed Auction" shall have the meaning ascribed to it in § 14 (6);

Vermögenswerte (i) von den Vermögenswerten anderer Kunden der Verwahrstelle abgegrenzt sind und (ii) als Sicherheit zugunsten der Anleihegläubiger gemäß den Sicherheitendokumenten hinterlegt sind;

"Hinterlegte Kryptowährungen" bezeichnet die Anzahl der Einheiten der im Korb enthaltenen Kryptowährungen, welche bei der Verwahrstelle auf dem Verwahrstellen-Wallet zu jeder Zeit gehalten werden;

"Digitales Wallet" bezeichnet das maßgebliche digitale Kryptowährungs-Wallet oder Wallets jedes Anleihegläubigers, das für den Empfang und die Übertragung von Einheiten des Korbs erforderlich ist;

Zur Klarstellung: Anleihegläubiger benötigen gegebenenfalls ein separates Wallet für jede einzelne im Korb enthaltene Kryptowährung, um Einheiten dieser Kryptowährung empfangen zu können.

"Abnehmende Anspruchsrate" bezeichnet die Rate, mit welcher der Kryptowährungsanspruch im Laufe der Zeit abnimmt. Am Emissionstag beträgt die Abnehmende Anspruchsrate [2,00 %][●]. Die Abnehmende Anspruchsrate kann von der Emittentin zu jeder Zeit herabgesetzt werden und die Emittentin teilt dies den Anleihegläubigern gemäß § 18 mit;

"Kündigungsgrund" hat die diesem Begriff in § 11 (1) zugeschriebene Bedeutung;

"Ausübungsgebühr" bezeichnet

- (i) im Falle von Anleihegläubigern, die Autorisierte Teilnehmer sind, einen Betrag, der in dem maßgeblichen Autorisierten Teilnehmer-Vertrag angegeben ist, der einen Betrag, der [0,50 %][●] des Kryptowährungsanspruchs für jede Schuldverschreibung, für die eine Put-Option ausgeübt wird, entspricht, nicht überschreiten darf; oder
- (ii) im Falle sonstiger Anleihegläubiger, die keine Autorisierten Teilnehmer sind, einen Betrag, der [1,00 %][●] des Kryptowährungsanspruchs für jede Schuldverschreibung, für die eine Put-Option ausgeübt wird, entspricht;

Die Ausübungsgebühr kann von der Emittentin zu jeder Zeit herabgesetzt werden und die Emittentin teilt dies den Anleihegläubigern gemäß § 18 mit;

"Fehlgeschlagene Auktion" hat die diesem Begriff in § 14 (6) zugeschriebene Bedeutung;

"FATF" means The Financial Action Task Force (on Money Laundering), an intergovernmental organization founded in 1989 to develop policies to combat money laundering;

"Fiscal Agent" means [Baader Bank AG, Weihenstephaner Straße 4, 85716 Unterschleißheim, Germany][●] or any other fiscal agent appointed by the Issuer;

"German Security and Security Trust Agreement" shall have the meaning ascribed to it in § 7 (1);

"Initial Cryptocurrency Entitlement" means [0.001][●] Units of the Basket per Bond, i.e. the Cryptocurrency Entitlement per Bond at the Issue Date;

"Issuance Account" means a securities account or accounts maintained by the Depo Bank on behalf of the Issuer where Bonds beneficially owned by the Issuer are held or registered;

"Issuer-Owned Bonds" means the Bonds held in the Issuance Account, or any Bonds of which the Issuer itself is a Bondholder;

"Mandatory Redemption" shall mean the ability of the Issuer to redeem the Bonds at its option, as further described in § 4 (2);

"Mandatory Redemption Date" shall have the meaning ascribed to it in § 4 (2);

"Mandatory Redemption Event" shall have the meaning ascribed to it in § 4 (2);

"Mandatory Redemption Notice" shall have the meaning ascribed to it in § 4 (2);

"Mandatory Redemption Price" shall have the meaning ascribed to it in § 4 (2);

"Number of Days" means the number of days that have elapsed since the Issue Date (excluding) up until and including the date on which the Cryptocurrency Entitlement is calculated;

"FATF" bezeichnet die Arbeitsgruppe "Finanzielle Maßnahmen (gegen die Geldwäsche)" (*The Financial Action Task Force (on Money Laundering)*), eine zwischenstaatliche Organisation, die 1989 gegründet wurde, um Maßnahmen zur Bekämpfung der Geldwäsche zu entwickeln;

"Emissionsstelle" bezeichnet [Baader Bank AG, Weihenstephaner Straße 4, 85716 Unterschleißheim, Deutschland][●] oder jede von der Emittentin ernannte andere Emissionsstelle;

"Deutsche Sicherheiten- und Sicherheiten-Treuhandvertrag" hat die diesem Begriff in § 7 (1) zugeschriebene Bedeutung;

"Anfänglicher Kryptowährungsanspruch" bezeichnet [0,001][●] Einheiten der Korbs je Schuldverschreibung, d.h. den Kryptowährungsanspruch je Schuldverschreibung am Emissionstag;

"Emissionskonto" bezeichnet ein Wertpapierdepot oder Wertpapierdepots, das(die) von der Depo Bank im Namen der Emittentin geführt wird(werden), auf dem(denen) Schuldverschreibungen, die sich im wirtschaftlichen Eigentum der Emittentin befinden, gehalten werden bzw. registriert sind;

"Emittenteneigene Schuldverschreibungen" bezeichnet die Schuldverschreibungen, die in dem Emissionskonto gehalten werden, oder Schuldverschreibungen, deren Anleihegläubiger die Emittentin selbst ist;

"Zwangsrückzahlung" bezeichnet die Fähigkeit der Emittentin, die Schuldverschreibungen nach ihrer Wahl zurückzuzahlen, wie in § 4 (2) näher beschrieben;

"Zwangsrückzahlungstag" hat die diesem Begriff in § 4 (2) zugeschriebene Bedeutung;

"Zwangsrückzahlungsereignis" hat die diesem Begriff in § 4 (2) zugeschriebene Bedeutung;

"Zwangsrückzahlungsmitteilung" hat die diesem Begriff in § 4 (2) zugeschriebene Bedeutung;

"Zwangsrückzahlungspreis" hat die diesem Begriff in § 4 (2) zugeschriebene Bedeutung;

"Anzahl der Tage" bezeichnet die Anzahl der Tage, die seit dem Emissionstag (ausschließlich) bis zu dem Tag (einschließlich), an dem der Kryptowährungsanspruch berechnet wird, vergangen sind;

"Outstanding Amount" means, at any given time, the total number of Outstanding Bonds multiplied by the Cryptocurrency Entitlement;

"Outstanding Bonds" means Bonds issued and placed with investors that have not yet been repurchased or otherwise cancelled by the Issuer (excluding, for the avoidance of doubt, Issuer-Owned Bonds);

"Paying Agent" means [Baader Bank AG, Weihenstephaner Straße 4, 85716 Unterschleißheim, Germany][●] or any other paying agent appointed by the Issuer;

"Permitted Indebtedness" shall have the meaning ascribed to it in § 12 (2);

"Put Option" means the USD Put Option and the Cryptocurrency Put Option;

"Put Option Exercise Date" shall have the meaning ascribed to it in § 4 (3) and § 4 (4);

"Put Option Exercise Form" shall have the meaning ascribed to it in § 4 (3) and § 4 (4);

"Qualified Majority" shall have the meaning ascribed to it in § 17 (2);

"Reference Price" means, in relation to one Unit of the Basket, as of the relevant determination date, a cash amount calculated in accordance with the following formula:

$$[\text{Reference Price}_{\text{Bitcoin}} \times [\text{insert number of units}]] [+]$$
$$[\text{Reference Price}_{\text{BitcoinCash}} \times [\text{insert number of units}]] [+]$$
$$[\text{Reference Price}_{\text{Ethereum}} \times [\text{insert number of units}]] [+]$$
$$[\text{Reference Price}_{\text{Litecoin}} \times [\text{insert number of units}]] [+]$$
$$[\text{Reference Price}_{\text{XRP}} \times [\text{insert number of units}]]$$

corresponding to the sum of the reference prices of the underlying Cryptocurrencies comprising the Basket, in each case multiplied with the number of units of the relevant Cryptocurrency per Unit of the Basket.

Whereby:

["Reference Price_{Bitcoin}"] means, as of the relevant determination date, the Bloomberg Cryptocurrency Fixing for Bitcoin as displayed by Bloomberg under

"Ausstehender Betrag" bezeichnet zu jedem Zeitpunkt die Gesamtsumme der Ausstehenden Schuldverschreibungen multipliziert mit dem Kryptowährungsanspruch;

"Ausstehende Schuldverschreibungen" bezeichnet ausgegebene und bei Investoren platzierte Schuldverschreibungen, die noch nicht zurückgekauft oder anderweitig von der Emittentin gekündigt wurden (zur Klarstellung: ausgenommen Emittenteneigene Schuldverschreibungen);

"Zahlstelle" bezeichnet [Baader Bank AG, Weihenstephaner Straße 4, 85716 Unterschleißheim, Deutschland][●] oder jede von der Emittentin ernannte andere Zahlstelle;

"Zulässige Verbindlichkeiten" hat die diesem Begriff in § 12 (2) zugeschriebene Bedeutung;

"Put-Option" bezeichnet die USD-Put-Option und die Kryptowährungs-Put-Option;

"Put-Options-Ausübungstag" hat die diesem Begriff in § 4 (3) und § 4 (4) zugeschriebene Bedeutung;

"Put-Options-Ausübungsformular" hat die diesem Begriff in § 4 (3) und § 4 (4) zugeschriebene Bedeutung;

"Qualifizierte Mehrheit" hat die diesem Begriff in § 17 (2) zugeschriebene Bedeutung;

"Referenzpreis" bezeichnet bezüglich einer Einheit des Korbs zum maßgeblichen Festsetzungstag einen Barbetrag, der entsprechend der nachstehenden Formel berechnet wird:

$$[\text{Referenzpreis}_{\text{Bitcoin}} \times [\text{Anzahl der Einheiten einfügen}]] [+]$$
$$[\text{Referenzpreis}_{\text{BitcoinCash}} \times [\text{Anzahl der Einheiten einfügen}]] [+]$$
$$[\text{Referenzpreis}_{\text{Ethereum}} \times [\text{Anzahl der Einheiten einfügen}]] [+]$$
$$[\text{Referenzpreis}_{\text{Litecoin}} \times [\text{Anzahl der Einheiten einfügen}]] [+]$$
$$[\text{Referenzpreis}_{\text{XRP}} \times [\text{Anzahl der Einheiten einfügen}]]$$

Dies entspricht der Summe aus den Referenzpreisen der jeweiligen im Korb enthaltenen Kryptowährungen, jeweils multipliziert mit der in einer Einheit des Korbs enthaltenen Anzahl an Einheiten der jeweiligen Kryptowährung.

Hierbei gilt:

["Referenzpreis_{Bitcoin}"] bezeichnet, zum maßgeblichen Festsetzungstag, die Bloomberg Kryptowährungsfestsetzung für Bitcoin, wie von Bloomberg unter Bloomberg Ticker XBT CFIX

Bloomberg ticker XBT CFIX Curncy between 16:00 and 16:15 (EST);]

["Reference Price_{BitcoinCash}"] means, as of the relevant determination date, the Bloomberg Cryptocurrency Fixing for Bitcoin Cash as displayed by Bloomberg under Bloomberg ticker XBN CFIX Curncy between 16:00 and 16:15 (EST);]

["Reference Price_{Ethereum}"] means, as of the relevant determination date, the Bloomberg Cryptocurrency Fixing for Ether as displayed by Bloomberg under Bloomberg ticker XET CFIX Curncy between 16:00 and 16:15 (EST);]

["Reference Price_{Litecoin}"] means, as of the relevant determination date, the Bloomberg Cryptocurrency Fixing for Litecoin as displayed by Bloomberg under Bloomberg ticker XLC CFIX Curncy between 16:00 and 16:15 (EST);]

["Reference Price_{XRP}"] means, as of the relevant determination date, the Bloomberg Cryptocurrency Fixing for XRP as displayed by Bloomberg under Bloomberg ticker XRP CFIX Curncy between 16:00 and 16:15 (EST);]

"Relevant Taxing Jurisdiction" shall have the meaning ascribed to it in § 9 (1);

"SchVG" shall have the meaning ascribed to it in § 17 (1);

"Secured Put Option Obligations" means obligations of the Issuer (i) to settle the Cryptocurrency Entitlement with respect of those Bonds which are redeemed at the discretion of the Issuer due to a Mandatory Redemption Event in Units of the Basket, as further described in § 4 (2); or (ii) to transfer the Cryptocurrency Entitlement to the Bondholder exercising the Cryptocurrency Put Option, as further described in § 4 (3);

"Secured Put Option Obligations Amount" means the number of Units of the Basket of those Secured Put Option Obligations which are not yet fulfilled by the Issuer and remain outstanding;

"Secured Settlement Obligations" means obligations of the Issuer to transfer Bonds to the Authorised Participant subscribing to or purchasing

Curncy zwischen 16:00 Uhr und 16:15 Uhr (MEZ) angezeigt;]

["Referenzpreis_{BitcoinCash}"] bezeichnet, zum maßgeblichen Festsetzungstag, die Bloomberg Kryptowährungsfestsetzung für Bitcoin Cash, wie von Bloomberg unter Bloomberg Ticker XBN CFIX Curncy zwischen 16:00 Uhr und 16:15 Uhr (MEZ) angezeigt;]

["Referenzpreis_{Ethereum}"] bezeichnet, zum maßgeblichen Festsetzungstag, die Bloomberg Kryptowährungsfestsetzung für Ether, wie von Bloomberg unter Bloomberg Ticker XET CFIX Curncy zwischen 16:00 Uhr und 16:15 Uhr (MEZ) angezeigt;]

["Referenzpreis_{Litecoin}"] bezeichnet, zum maßgeblichen Festsetzungstag, die Bloomberg Kryptowährungsfestsetzung für Litecoin, wie von Bloomberg unter Bloomberg Ticker XLC CFIX Curncy zwischen 16:00 Uhr und 16:15 Uhr (MEZ) angezeigt;]

["Referenzpreis_{XRP}"] bezeichnet, zum maßgeblichen Festsetzungstag, die Bloomberg Kryptowährungsfestsetzung für XRP, wie von Bloomberg unter Bloomberg Ticker XRP CFIX Curncy zwischen 16:00 Uhr und 16:15 Uhr (MEZ) angezeigt;]

"Maßgebliche Steuerjurisdiktion" hat die diesem Begriff in § 9 (1) zugeschriebene Bedeutung;

"SchVG" hat die diesem Begriff in § 17 (1) zugeschriebene Bedeutung;

"Gesicherte Put-Options-Verpflichtungen" bezeichnet Verpflichtungen der Emittentin, (i) den Kryptowährungsanspruch in Bezug auf die Schuldverschreibungen, welche im Ermessen der Emittentin aufgrund eines Ereignisses der Zwangsrückzahlung in Einheiten des Korbs zurückgezahlt werden, abzuwickeln, wie in § 4 (2) näher beschrieben; oder (ii) den Kryptowährungsanspruch derjenigen Anleihegläubiger zu übertragen, welche die Kryptowährungs-Put-Option ausüben, wie in § 4 (3) näher beschrieben;

"Betrag der Gesicherten Put-Options-Verpflichtungen" bezeichnet die Anzahl an Einheiten des Korbs derjenigen Gesicherten Put-Options-Verpflichtungen, die noch nicht von der Emittentin erfüllt wurden und noch ausstehend sind;

"Gesicherte Abwicklungsverpflichtungen" bezeichnet Verpflichtungen der Emittentin, Schuldverschreibungen auf Autorisierte Teilnehmer

Bonds from the Issuer in the primary market, but only if such subscribing or purchasing Authorised Participant has transferred (or arranged to be transferred) at least the Cryptocurrency Entitlement (as of the date of the subscription or purchase in the primary market) per Bond being subscribed or purchased in the primary market to the Depositary Wallet;

"Secured Settlement Obligations Amount" means the number of Units of the Basket (aggregate Cryptocurrency Entitlement of Bonds to be settled) of those Secured Settlement Obligations which are not yet fulfilled by the Issuer and remain outstanding;

"Secured Obligations Amount" means the sum of Secured Settlement Obligations Amount, Outstanding Amount and Secured Put Option Obligations Amount;

"Security" shall have the meaning ascribed to it in § 2 (2);

"Security Documents" means (a) the German Security and Security Trust Agreement; (b) the Cryptocurrency Security Agreement entered into between the Issuer and the Security Trustee, (c) the Depositary Account (Wallet) Control Agreement entered into between the Issuer, the Security Trustee and the Depositary; (d) the Issuance Account Control Agreement entered into between the Issuer, the Depo Bank and the Security Trustee; (e) any other agreement or document granting, acknowledging, perfecting or giving legal effect to Bondholder's security interest in the Depositary Wallet and/or the Deposited Cryptocurrencies; or (f) any other agreement or document granting, acknowledging, perfecting or giving legal effect to Bondholder's security interest in the Issuance Account and/or Issuer-Owned Bonds;

"Security Trustee" means [Apex Corporate Trustees (UK) Limited, 6th Floor, 125 Wood Street, London EC2V 7AN, United Kingdom][●], which holds security interest in (i) the Depositary Wallet and the Deposited Cryptocurrencies and (ii) the Issuance

zu übertragen, welche Schuldverschreibungen der Emittentin zeichnen oder von der Emittentin im Primärmarkt erwerben, jedoch nur wenn der zeichnende oder erwerbende Autorisierte Teilnehmer zumindest den Kryptowährungsanspruch (zum Tag der Zeichnung oder des Erwerbs im Primärmarkt) je gezeichneter bzw. im Primärmarkt erworbener Schuldverschreibung auf das Verwahrstellen-Wallet übertragen hat (bzw. die Übertragung angewiesen hat);

"Betrag der Gesicherten Abwicklungsverpflichtungen" bezeichnet die Anzahl an Einheiten des Korbs (Gesamt-Kryptowährungsanspruch der abzuwickelnden Schuldverschreibungen) jener Gesicherten Abwicklungsverpflichtungen, die noch nicht von der Emittentin erfüllt wurden und noch ausstehend sind;

"Betrag der Gesicherten Verpflichtungen" bezeichnet die Summe des Betrags der Gesicherten Abwicklungsverpflichtungen, des Ausstehenden Betrags und des Betrags der Gesicherten Put-Options-Verpflichtungen;

"Sicherheit" hat die diesem Begriff in § 2 (2) zugeschriebene Bedeutung;

"Sicherheitendokumente" bezeichnet (a) den Deutschen Sicherheiten- und Sicherheiten-Treuhandvertrag; (b) den Kryptowährungs-Sicherheitenvertrag, der zwischen der Emittentin und dem Sicherheitentreuhänder geschlossen wurde, (c) den Depot-Konto-(Wallet)steuerungsvertrag, der zwischen der Emittentin, dem Sicherheitentreuhänder und der Verwahrstelle geschlossen wurde; (d) den Emissionskontosteuerungsvertrag, der zwischen der Emittentin, der Depo Bank und dem Sicherheitentreuhänder geschlossen wurde; (e) jeden sonstigen Vertrag bzw. jedes sonstige Dokument, das die Sicherungsrechte des Anleihegläubigers an dem Verwahrstellen-Wallet und/oder der Hinterlegten Kryptowährungen gewährleistet, anerkennt, vollendet oder diesen rechtliche Wirkung verleiht; oder (f) jeder sonstige Vertrag bzw. jedes sonstige Dokument, das die Sicherungsrechte des Anleihegläubigers an dem Emissionskonto und/oder den Emittenteneigenen Schuldverschreibungen gewährleistet, anerkennt, vollendet oder diesen rechtliche Wirkung verleiht;

"Sicherheitentreuhänder" bezeichnet [Apex Corporate Trustees (UK) Limited, 6th Floor, 125 Wood Street, London EC2V 7AN, Vereinigtes Königreich][●], die Sicherungsrechte an (i) dem Verwahrstellen-Wallet und den Hinterlegten Kryptowährungen und (ii) dem Emissionskonto

Account for the benefit of the Bondholders or any successor or replacement security trustee;

"**Settlement Requirements**" shall have the meaning ascribed to it in § 14 (5);

"**Split**" means a split, or fork, in the blockchain of any Cryptocurrency comprising the Basket, leading to a division of such Cryptocurrency into two or more separate cryptocurrencies;

"**Split Notification Event**" means either of the following: (i) Bondholders representing at least 20 percent of all Outstanding Bonds have notified the Issuer in writing about the occurrence of the Split; or (ii) the Issuer has notified the Bondholders about the occurrence of the Split in accordance with § 18;

"**Substitute Debtor**" shall have the meaning ascribed to it in § 15 (1);

"**Termination Notice**" shall have the meaning ascribed to it in § 11 (2);

"**Upfront Redemption Fee**" shall mean an amount of EUR [●] (EUR [*amount in words*]) which the Issuer may charge at its sole and absolute discretion for the exercise of a Put Option by a Bondholder who is not an Authorised Participant, and where the Put Option is exercised in relation to a number of Bonds which, if multiplied by the Cryptocurrency Entitlement and then multiplied by the Reference Price, in each case as of the date on which the Issuer receives the Put Option Exercise Form, have a value of less than USD 250,000.00 (USD two hundred fifty thousand);

The Upfront Redemption Fee may be lowered by the Issuer at any time and the Issuer shall notify the Bondholders thereof in accordance with § 18;

"**USD**" means U.S.\$, the lawful currency of the United States;

"**USD Put Option**" shall have the meaning ascribed to it in § 4 (4); and

"**Website**" means the Issuer's official website at <https://btc-etc.com>.

§ 2 Status, Security

(1) *Status.* The obligations under the Bonds constitute direct, unsubordinated and secured

zugunsten der Anleihegläubiger hält, oder etwaige Nachfolger oder Ersatz-Sicherheitentreuhänder;

"**Abwicklungsanforderungen**" hat die diesem Begriff in § 14 (5) zugeschriebene Bedeutung;

"**Teilung**" bedeutet eine Teilung oder eine Weiterentwicklung, in der Blockchain einer im Korb enthaltenen Kryptowährung, die zu einer Trennung dieser Kryptowährung in zwei oder mehrere getrennte Kryptowährungen führt;

"**Ereignis einer Teilungsmitteilung**" bezeichnet jeweils Folgendes: (i) Anleihegläubiger, die mindestens 20 % aller Ausstehenden Schuldverschreibungen vertreten, haben die Emittentin schriftlich über das Ereignis der Teilung informiert; oder (ii) die Emittentin hat die Anleihegläubiger über das Ereignis einer Teilung gemäß § 18 informiert;

"**Ersatzschuldner**" hat die diesem Begriff in § 15 (1) zugeschriebene Bedeutung;

"**Kündigungserklärung**" hat die diesem Begriff in § 11 (2) zugeschriebene Bedeutung;

"**Rückzahlungsgebühr**" bezeichnet einen Betrag in Höhe von EUR [●] (EUR [*Betrag in Worten*]), welchen die Emittentin nach eigenem und absoluten Ermessen für die Ausübung einer Put-Option durch einen Anleihegläubiger, der kein Autorisierter Teilnehmer ist und die Put-Option für eine Anzahl von Schuldverschreibungen ausgeübt wird, die, wenn sie mit dem Kryptowährungsanspruch multipliziert und sodann mit dem Referenzpreis multipliziert werden, einen Wert von weniger als USD 250.000,00 (USD zweihundert-fünzigtausend) in jedem Falle zu dem Tag, an dem die Emittentin das Put-Options-Ausübungsformular erhält, ergibt, in Rechnung stellen kann;

Die Rückzahlungsgebühr kann von der Emittentin jederzeit verringert werden. Die Emittentin teilt dies den Anleihegläubigern gemäß § 18 mit;

"**USD**" bezeichnet US-\$, die rechtliche Währung der Vereinigten Staaten;

"**USD-Put-Option**" hat die diesem Begriff in § 4 (4) zugeschriebene Bedeutung; und

"**Website**" bezeichnet die offizielle Website der Emittentin auf <https://btc-etc.com>.

§ 2 Status, Sicherheit

(1) *Status.* Die Schuldverschreibungen begründen unmittelbare, nicht nachrangige und

obligations of the Issuer ranking *pari passu* among themselves, Secured Put Option Obligations and Secured Settlement Obligations.

(2) *Security*. As continuing security for the payment and discharge of the obligations to the Bondholders under the Bonds the Issuer pledges in favour of the Bondholders, the Security Trustee and the Bondholders' Representative (if appointed) pursuant to the Security Documents (i) all of its rights, title, interest and benefit, present and future, in, to and under the Depositary Wallet and the Deposited Cryptocurrencies and (ii) all of its rights, title, interest and benefit, present and future, in, to and from the Issuance Account and Issuer-Owned Bonds (the "**Security**"). Details of the accounts and the terms and conditions of the respective pledges shall be stipulated in the Security Documents between the Security Trustee and the Issuer. The Issuer shall make copies of the Security Documents available for inspection by the Bondholders at the Issuer's principal place of business (Gridiron, One Pancras Square, London, N1C 4AG, United Kingdom or any successor address in the United Kingdom or Germany, as communicated to the Bondholders in accordance with §18). The Issuer shall also make copies of the Security Documents available on the Website. The Issuer reserves the right to redact certain provisions related to the procedures of repossessing the Depositary Wallet by the Security Trustee from the copy of the Depositary Account (Wallet) Control Agreement for security reasons. The Security will be held, administered and enforced by the Security Trustee in accordance with the German Security and Security Trust Agreement.

(3) *Security Release and Proceeds*. The Security shall be released in accordance with the provisions of the German Security and Security Trust Agreement.

§ 3 Interest

There will be no payments of interest on the Bonds.

besicherte Verbindlichkeiten der Emittentin, die untereinander gleichrangig sind, Gesicherte Put-Options-Verpflichtungen und Gesicherte Abwicklungsverpflichtungen.

(2) *Sicherheit*. Als fortwährende Sicherheit für die Zahlung und Erfüllung der Verpflichtungen gegenüber den Anleihegläubigern aus den Schuldverschreibungen verpfändet die Emittentin (i) sämtliche ihrer gegenwärtigen und zukünftigen Rechte, Titel, Anteile und Nutzen an, zum und aus dem Verwahrstellen-Wallet und den Hinterlegten Kryptowährungen und (ii) sämtliche ihrer gegenwärtigen und zukünftigen Rechte, Titel, Anteile und Nutzen an, zum und vom Emissionskonto und den Emittenteneigenen Schuldverschreibungen (die "**Sicherheit**") zugunsten der Anleihegläubiger, des Sicherheitentreuhänders und des Gemeinsamen Vertreters gemäß den Sicherheitendokumenten zu. Einzelheiten der Konten und der Bedingungen der jeweiligen Pfandrechte sind in den Sicherheitendokumenten zwischen dem Sicherheitentreuhänder und der Emittentin festzulegen. Die Emittentin wird Kopien der Sicherheitendokumente zur Einsicht durch die Anleihegläubiger an ihrem Hauptgeschäftssitz (Gridiron, One Pancras Square, London, N1C 4AG, Vereinigtes Königreich oder jede Nachfolgeadresse im Vereinigten Königreich oder Deutschland, wie durch die Emittentin an die Anleihegläubiger gemäß § 18 mitgeteilt) zur Verfügung stellen. Die Emittentin wird außerdem Kopien der Sicherheitendokumente auf der Website zur Verfügung stellen. Die Emittentin behält sich hierbei das Recht vor, bestimmte Bestimmungen in Bezug auf das Verfahren zur Wiederinbesitznahme der Verwahrstellen-Wallet durch den Sicherheitentreuhänder aus der Kopie des Depot-Konto-(Wallet)steuerungsvertrags aus Sicherheitsgründen zu streichen. Die Sicherheit wird durch den Sicherheitentreuhänder in Übereinstimmung mit dem Deutschen Sicherheiten- und Sicherheiten-Treuhandvertrag gehalten, verwaltet und durchgesetzt.

(3) *Freigabe der Sicherheit und Verfahren*. Die Sicherheit soll gemäß den Regelungen des Deutschen Sicherheiten- und Sicherheiten-Treuhandvertrags freigegeben werden.

§ 3 Verzinsung

Es erfolgen keine Zinszahlungen auf die Schuldverschreibungen.

§ 4
Redemption

(1) *Redemption.* The Bonds do not have a fixed maturity date.

(2) *Mandatory Redemption.* Upon occurrence of a Mandatory Redemption Event (as defined below) the Issuer at its sole and absolute discretion may, (but is not obliged to) give notice to the Bondholders in accordance with § 18 (the "**Mandatory Redemption Notice**"), such notice stating the applicable Mandatory Redemption Event. Upon giving a Mandatory Redemption Notice, the Bonds shall be redeemed on the Mandatory Redemption Date at their Mandatory Redemption Price. A Mandatory Redemption Event means each of the following events:

- (a) for a continuous period of 90 (ninety) days the USD equivalent of the Outstanding Amount, calculated as the Outstanding Amount multiplied by the Reference Price, is less than USD [100,000,000.00][●] (USD [one hundred million][●]); or
- (b) any new or existing law or regulation, or interpretation of any existing law or regulation, requires the Issuer to obtain any license, permission or approval, or to become regulated or supervised in any way in Germany or elsewhere, to continue fulfilling its obligations under these Terms and Conditions, but excluding requirements to publish an approved prospectus with respect to the Bonds; or
- (c) as a result of any change in, or amendment to, the laws or regulations of the United Kingdom, the Federal Republic of Germany or any other member state of the European Economic Area or any political subdivision or taxing authority thereto or therein affecting taxation, the tax treatment of the Basket or of any or all of the Cryptocurrencies comprising the Basket in general changes materially, such change was not reasonably foreseeable at the Issue Date, and such change is in the assessment of the Issuer materially disadvantageous to the

§ 4
Rückzahlung

(1) *Rückzahlung.* Die Schuldverschreibungen haben keinen festgelegten Fälligkeitstag.

(2) *Zwangsrückzahlung.* Nach Eintritt eines Zwangsrückzahlungsereignisses kann die Emittentin, nach eigenem und absolutem Ermessen (sie ist jedoch nicht dazu verpflichtet), dies den Anleihegläubigern gemäß § 18 mitteilen (die "**Zwangsrückzahlungsmitteilung**"). Diese Mitteilung gibt das anwendbare Zwangsrückzahlungsereignis an. Bei Abgabe einer Zwangsrückzahlung-Mitteilung werden die Schuldverschreibungen am Zwangsrückzahlungstag zu deren Zwangsrückzahlungspreis zurückgezahlt. Jedes der folgenden Ereignisse bezeichnet ein Zwangsrückzahlungsereignis:

- (a) für einen fortwährenden Zeitraum von 90 (neunzig) Tagen ist der USD-Gegenwert des Ausstehenden Betrags, berechnet als der Ausstehende Betrag multipliziert mit dem Referenzpreis, geringer als USD [100.000.000,00][●] (USD [einhundert Millionen][●]); oder
- (b) durch neue oder bestehende Gesetze oder Verordnungen, oder durch die Auslegung eines bestehenden Gesetzes oder einer Verordnung, wodurch die Emittentin verpflichtet ist, Lizenzen, Zulassungen oder Genehmigungen einzuholen oder sich in irgendeiner Weise in Deutschland oder anderswo einer Regulierung oder Überwachung zu unterstellen, um ihre Verpflichtungen gemäß diesen Emissionsbedingungen zu erfüllen, jedoch mit Ausnahme vom Erfordernis zur Veröffentlichung eines gebilligten Prospekts in Bezug auf die Schuldverschreibungen; oder
- (c) als Folge jeglicher Änderungen oder Ergänzungen der Gesetze oder Verordnungen des Vereinigten Königreichs, der Bundesrepublik Deutschland oder eines anderen Mitgliedstaats des Europäischen Wirtschaftsraums oder deren Gebietskörperschaften oder Steuerbehörden, die die Besteuerung betreffen oder sich darauf auswirken, die steuerliche Behandlung des Korbs oder einer oder aller der im Korb enthaltenen Kryptowährungen sich im Allgemeinen wesentlich ändert, die Änderung am Emissionstag vernünftigerweise nicht vorhersehbar war,

business of the Issuer (regardless of whether this affects the issuance of the Bonds); or

- (d) any third-party service provider, including the Issuer's auditors, legal advisers, the Clearing System, the Paying Agent, the Fiscal Agent, the Administrator, the Trustee and the Depositary, stops providing services to the Issuer, and the Issuer fails to find a replacement within reasonable time; or
- (e) if the Issuer was ordered by the competent court or otherwise became required by law to arrange for mandatory redemption.

The "**Mandatory Redemption Price**" per Bond shall be (i) the number of Units of the Basket equal to the Cryptocurrency Entitlement; or (ii) if a Bondholder is prevented from receiving Units of the Basket or units of any or all the Cryptocurrencies comprising the Basket for legal reasons, in particular due to regulatory provisions applicable to it, the amount in USD equal to the Cryptocurrency Sale Proceeds, divided by the number of Bonds redeemed in USD, minus any reasonable third-party fees related to redemption of the Bonds.

In order for a Bondholder to receive the Cryptocurrency Entitlement, such Bondholder needs to (i) submit a duly completed Mandatory Redemption Form (obtainable from the website of the Issuer), including any documents requested in such form for verification of the Bondholder's identity; and (ii) transfer its Bonds to the Issuance Account free of payment.

If a Bondholder fails to perform (i) or (ii) within a twenty-day period after the Mandatory Redemption Notice has been published, the Issuer will treat the relevant Bondholder as prevented from receiving Units of the Basket or units of any or all of the Cryptocurrencies comprising the Basket for legal or

und diese Änderung, nach Einschätzung der Emittentin, als wesentlich nachteilig für das Geschäft der Emittentin bewertet wird (ungeachtet, ob dies die Emission der Schuldverschreibungen beeinträchtigt).

- (d) ein Drittanbieter, einschließlich der Wirtschaftsprüfer, Rechtsberater, das Clearing System, die Zahlstelle, die Emissionsstelle, den Administrator, der Sicherheitentreuhänder und die Verwahrstelle der Emittentin, stellt seine Dienstleistungen gegenüber der Emittentin ein, und der Emittentin gelingt es nicht, innerhalb eines angemessenen Zeitraums einen Ersatz zu finden; oder
- (e) wenn das zuständige Gericht anordnet, dass die Emittentin eine Zwangsrückzahlung zu veranlassen hat oder die Emittentin anderweitig gesetzlich dazu verpflichtet wurde.

Der "**Zwangsrückzahlungspreis**" pro Schuldverschreibung entspricht (i) der Anzahl an Einheiten des Korbs, die dem Kryptowährungsanspruch entspricht, oder (ii) falls ein Anleihegläubiger aus rechtlichen Gründen daran gehindert ist, Einheiten des Korbs oder Einheiten einiger oder aller der im Korb enthaltenen Kryptowährungen zu erhalten, insbesondere aufgrund von für ihn geltenden regulatorischen Vorschriften, dem Betrag in USD, der den Kryptowährungs-Verkaufserlösen entspricht, dividiert durch die Anzahl der Schuldverschreibungen, die in USD zurückgezahlt werden, abzüglich etwaiger, mit der Rückzahlung der Schuldverschreibungen verbundener angemessener Fremdgebühren.

Damit ein Anleihegläubiger den Kryptowährungsanspruch erhält, muss dieser Anleihegläubiger (i) ein ordnungsgemäß ausgefülltes Zwangsrückzahlungsf formular (das über die Website der Emittentin erhältlich ist) einreichen, einschließlich sämtlicher Dokumente, die in diesem Muster für die Verifizierung der Identität des Anleihegläubigers verlangt werden und (ii) seine Schuldverschreibungen frei von Zahlung auf das Emissionskonto übertragen.

Wenn ein Anleihegläubiger (i) oder (ii) innerhalb einer Frist von zwanzig Tagen nach der Veröffentlichung der Zwangsrückzahlungsm itteilung nicht erfüllt, wird die Emittentin den maßgeblichen Anleihegläubiger so behandeln, als sei er aus rechtlichen oder regulatorischen Gründen am Erhalt von Einheiten des Korbs oder aller der im Korb enthaltenen Kryptowährungen gehindert und

regulatory reasons and redeem the relevant Bonds in USD.

"Mandatory Redemption Date" shall mean (i) for those Bonds redeemed in Units of the Basket, the third Business Day after the expiry of a thirty-day period after the Mandatory Redemption Notice has been published; or (ii) for those Bonds redeemed in USD, the third Business Day after successful completion of the Cryptocurrency Auction Procedure or alternative sale arrangements in case of its failure. The Cryptocurrency Auction Procedure shall begin (if required) upon expiry of a forty-day period after the Mandatory Redemption Notice has been published.

"Cryptocurrency Sale Proceeds" means the amount in USD obtained from the sale of Units of the Basket corresponding to the Cryptocurrency Entitlement (as of the date of the Mandatory Redemption Notice), multiplied by the number of Bonds being redeemed in USD, from Deposited Cryptocurrencies using one or several Cryptocurrency Auction Procedure(s). If the Auctioneer fails to complete the sale using the Cryptocurrency Auction Procedure within 90 (ninety) days, the Auctioneer shall – following instructions from the Issuer (if applicable) – arrange for the sale of Units of the Basket using any other procedure aiming to achieve the best price within a reasonable amount of time.

In case the Issuer has given a Mandatory Redemption Notice, the Issuer shall no longer issue new Bonds or sell Issuer-Owned Bonds and arrange for cancellation of all Issuer-Owned Bonds.

(3) *Redemption at the Option of the Bondholders with Cryptocurrency Settlement.* Each Bondholder may terminate in whole or in part its Bonds against payment of the Cryptocurrency Entitlement for each of the Bonds held by the Bondholders in Units of the Basket (the **"Cryptocurrency Put Option"**). In order to terminate its Bonds, the Bondholder needs to (i) submit a duly completed put option exercise notice in the form obtainable from the Website (the **"Put Option Exercise Form"**), specifying that Cryptocurrency Settlement shall be applicable, including any documents requested in such form for

die maßgeblichen Schuldverschreibungen in USD zurückzahlen.

"Zwangsrückzahlungstag" bezeichnet (i) für Schuldverschreibungen, die in Einheiten des Korbs zurückgezahlt werden, den dritten Geschäftstag nach dem Ablauf eines 30-tägigen Periode, nachdem die Zwangsrückzahlungsmitteilung veröffentlicht worden ist oder (ii) für Schuldverschreibungen, die in USD zurückgezahlt werden, den dritten Geschäftstag nach erfolgreichem Abschluss des Kryptowährungs-Auktionsverfahrens oder alternative Verkaufsarrangements im Fall des Scheiterns des Verfahrens. Das Kryptowährungs-Auktionsverfahren beginnt (falls erforderlich) nach Ablauf einer 40-tägigen Periode, nachdem die Zwangsrückzahlungsmitteilung veröffentlicht worden ist.

"Kryptowährungs-Verkaufserlöse" bezeichnet den Betrag in USD, der aus dem Verkauf von Einheiten des Korbs erhalten wurde, entsprechend dem Kryptowährungsanspruch (zum Tag der Zwangsrückzahlungsmitteilung), multipliziert mit der Anzahl der Schuldverschreibungen, die in USD zurückgezahlt werden, aus Hinterlegten Kryptowährungen unter Durchführung eines oder mehrerer Kryptowährungs-Auktionsverfahren. Falls es dem Auktionator nicht gelingt, den Verkauf unter Anwendung des Kryptowährungs-Auktionsverfahrens innerhalb von 90 (neunzig) Tagen abzuschließen, veranlasst der Auktionator – gemäß den Anweisungen von der Emittentin (falls anwendbar) – den Verkauf von Einheiten des Korbs unter Anwendung eines anderen Verfahrens mit dem Ziel, den besten Preis innerhalb eines angemessenen Zeitraums zu erreichen.

Im Falle dass die Emittentin eine Zwangsrückzahlungsmitteilung abgegeben hat, wird die Emittentin keine neuen Schuldverschreibungen mehr ausgeben oder Emittenteneigene Schuldverschreibungen verkaufen und eine Annullierung aller Emittenteneigenen Schuldverschreibungen veranlassen.

(3) *Rückzahlung nach Wahl der Anleihegläubiger mit Kryptowährungs-Abwicklung.* Jeder Anleihegläubiger kann seine Schuldverschreibungen im Ganzen oder in Teilen gegen Zahlung des Kryptowährungsanspruchs für jede der Schuldverschreibungen, die von den Anleihegläubigern in Einheiten des Korbs gehalten werden, kündigen (die **"Kryptowährungs-Put-Option"**). Zur Kündigung seiner Schuldverschreibungen muss der Anleihegläubiger (i) eine ordnungsgemäß ausgefüllte Mitteilung über die Ausübung der Put-Option in der Form, die über

verification of the Bondholder's identity; (ii) pay the Upfront Redemption Fee (if any) to an account specified by the Issuer; and (iii) transfer the Bonds in relation to which the Cryptocurrency Put Option is exercised to the Issuance Account free of payment. The date on which all of (i) to (iii) have been completed, shall be the **"Put Option Exercise Date"**.

No Upfront Redemption Fee shall be payable if: (i) no Authorised Participants are appointed by the Issuer; (ii) the Outstanding Amount multiplied by the Reference Price, in each case as of the date on which the Issuer receives the Put Option Exercise Form, is less than USD [10,000,000.00][●] ([ten million][●] USD); (iii) the Cryptocurrency Put Option is exercised in relation to a number of Bonds which, if multiplied by the Cryptocurrency Entitlement and then multiplied by the Reference Price, in each case as of the date on which the Issuer receives the Put Option Exercise Form, have a value of greater than USD [250,000.00][●] ([two hundred fifty thousand][●] USD); or (iv) the Cryptocurrency Put Option is exercised by an Authorised Participant.

On the Put Option Exercise Date, the Issuer shall transfer the Cryptocurrency Entitlement in Units of the Basket for each Bond in relation to which the Cryptocurrency Put Option was exercised, calculated as of the Put Option Exercise Date, less the Exercise Fee (if any) to the relevant Bondholder's Digital Wallet as designated in the relevant Put Option Exercise Form,

- (i) in case of Bondholders who are Authorised Participants, as soon as practicable after the Put Option Exercise Date, but under all circumstances within the time-frame of a normal settlement/transfer cycle of each of the Cryptocurrencies comprising the Basket in that Cryptocurrency network (which may vary depending on the level of the network fees the Bondholder agrees to pay pursuant to the Put Option Exercise Form) plus 3 (three) Business Days; and

die Website erhältlich ist (das **"Put-Options-Ausübungsformular"**) einreichen, in der er angibt, dass Kryptowährungs-Abwicklung anwendbar ist, sowie alle Dokumente, die in diesem Formular zur Überprüfung der Identität des Anleihegläubigers erforderlich sind, (ii) die Rückzahlungsgebühr (falls zutreffend) auf das von der Emittentin genannte Konto zahlen und (iii) die Schuldverschreibungen, für die die Kryptowährungs-Put-Option ausgeübt wird, auf das Emissionskonto frei von Zahlung übertragen. Der Tag, an dem alles unter (i) und (iii) Genannte abgeschlossen ist, ist der **"Put-Options-Ausübungstag"**.

Keine Rückzahlungsgebühr wird erhoben, wenn (i) keine Autorisierten Teilnehmer von der Emittentin ernannt werden; (ii) der Ausstehende Betrag multipliziert mit dem Referenzpreis, in jedem Fall zu dem Tag, an dem die Emittentin das Put-Options-Ausübungsformular erhält, weniger als USD [10.000.000,00][●] (USD [zehn Millionen][●]) beträgt; (iii) die Kryptowährungs-Put-Option für eine Anzahl von Schuldverschreibungen ausgeübt wird, die, wenn sie mit dem Kryptowährungsanspruch und anschließend mit dem Referenzpreis multipliziert werden, in jedem Fall zu dem Tag, an dem die Emittentin das Put-Options-Ausübungsformular erhält, einen Wert haben, der größer ist als USD [250.000,00][●] (USD [zweihundertfünzigtausend][●]); oder (iv) die Kryptowährungs-Put-Option von einem Autorisierten Teilnehmer ausgeübt wird.

Am Put-Options-Ausübungstag überträgt die Emittentin den Kryptowährungsanspruch in Einheiten des Korbs für jede Schuldverschreibung, für die die Kryptowährungs-Put-Option ausgeübt wurde, berechnet zum Put-Options-Ausübungstag, abzüglich der Ausübungsgebühr (falls vorhanden) an das maßgebliche Digitale Wallet des Anleihegläubigers, welches in dem maßgeblichen Put-Options-Ausübungsformular benannt wurde,

- (i) im Fall von Anleihegläubigern, die Autorisierte Teilnehmer sind, so bald wie möglich nach dem Put-Options-Ausübungstag, aber unter allen Umständen innerhalb des Zeitraums eines normalen Abwicklungs-/Übertragungszyklus jeder der im Korb enthaltenen Kryptowährungen in diesem Kryptowährungs-Netzwerk (welche je nach Höhe der Gebühren für das Netzwerk variieren können, die der Anleihegläubiger gemäß dem Put-Options-Ausübungsformular zu zahlen bereit ist) zuzüglich 3 (drei) Geschäftstage; und

- (ii) in case of Bondholders who are not Authorised Participants, as soon as practicable after the Put Option Exercise Date, but under all circumstances within the time-frame of a normal settlement/transfer cycle of each of the Cryptocurrencies comprising the Basket in that Cryptocurrency network (which may vary depending on the level of the network fees the Bondholder agrees to pay pursuant to the Put Option Exercise Form) plus 30 (thirty) days.

If the Issuer fails to transfer the Units of the Basket when due, the Issuer shall pay to the Bondholder the Default Rate (as defined below). Such Default Rate does not apply if the Issuer fails to deliver the Units of the Basket for reasons beyond its control, which should include (but is not limited to) circumstances where the Issuer is required to comply with any provision of applicable law relating to the funding of terrorist activities or money laundering.

For the avoidance of doubt: A transfer of the Units of the Basket is deemed to be failed, when the Issuer fails to transfer the units of any or all of the Cryptocurrencies comprising the Basket, however the Default Rate shall only apply to the actually unpaid amounts.

- (4) *Redemption at the Option of the Bondholders with USD Settlement.* If a Bondholder is prevented from receiving the units of any or all the Cryptocurrencies comprising the Basket for legal reasons, in particular due to regulatory provisions applicable to it, such Bondholder may terminate in whole or in part its Bonds against payment of USD for each of the Bonds held by such Bondholder in an amount equal to the proceeds of sale of the Cryptocurrency Entitlement using the Cryptocurrency Auction Procedure (the "**USD Put Option**"). In order to terminate its Bonds, the Bondholder needs to (i) submit a duly completed put option exercise notice in the form obtainable from the Website (the "**Put Option Exercise Form**"), specifying that USD settlement shall be applicable, including any documents requested in such form for verification of the Bondholder's identity and inability to receive units of any or all of the Cryptocurrencies comprising the Basket; (ii) pay the Upfront Redemption Fee (if any) to an account specified by the Issuer; and (iii) transfer the Bonds in relation to which the USD Put Option is exercised to the

- (ii) im Fall von Anleihegläubigern, die keine Autorisierten Teilnehmer sind, so bald wie möglich nach dem Put-Options-Ausübungstag, aber unter allen Umständen innerhalb des Zeitraums eines normalen Abwicklungs-/Übertragungszyklus jeder der im Korb enthaltenen Kryptowährungen in diesem Kryptowährungs-Netzwerk (welche je nach Höhe der Gebühren für das Netzwerk variieren können, die der Anleihegläubiger gemäß dem Put-Options-Ausübungsformular zu zahlen bereit ist) zuzüglich 30 (dreißig) Tage.

Falls die Emittentin nicht in der Lage ist, die Einheiten des Korbs bei Fälligkeit zu überweisen, zahlt die Emittentin die Ausfallrate (wie nachstehend definiert) an die Anleihegläubiger. Diese Ausfallrate gilt nicht, wenn die Emittentin nicht zur Lieferung der Einheiten des Korbs aus Gründen, die außerhalb ihrer Kontrolle liegen, in der Lage ist. Hierzu zählen Umstände (ohne Beschränkung auf diese Umstände), unter denen die Emittentin verpflichtet ist, Vorschriften geltenden Rechts zur Finanzierung von terroristischen Aktivitäten oder Geldwäsche einzuhalten.

Zur Klarstellung: Die Emittentin ist dann als nicht in der Lage zur Überweisung der Einheiten des Korbs zu betrachten, wenn sie einige oder alle der Einheiten der im Korb enthaltenen Kryptowährungen nicht bei Fälligkeit überweist. Die Ausfallrate bezieht sich jedoch nur auf die tatsächlich nicht gezahlten Beträge.

- (4) *Rückzahlung nach Wahl der Anleihegläubiger mit USD-Abwicklung.* Falls ein Anleihegläubiger aus rechtlichen Gründen daran gehindert wird, Einheiten einiger oder aller der im Korb enthaltenen Kryptowährungen zu erhalten, insbesondere aufgrund von für ihn geltenden regulatorischen Vorschriften, kann dieser Anleihegläubiger seine Schuldverschreibungen im Ganzen oder in Teilen gegen Zahlung von USD für jede der von diesem Anleihegläubiger gehaltenen Schuldverschreibungen, zu einem Betrag kündigen, der den Verkaufserlösen des Kryptowährungsanspruchs nach dem Kryptowährungs-Auktionsverfahren entspricht (die "**USD-Put-Option**"). Zur Kündigung seiner Schuldverschreibungen muss der Anleihegläubiger (i) eine ordnungsgemäß ausgefüllte Mitteilung über die Ausübung der Put-Option in der Form, die über die Website erhältlich ist (das "**Put-Options-Ausübungsformular**") einreichen, in der er angibt, dass USD-Abwicklung anwendbar sein soll, sowie alle Dokumente, die in diesem Formular zur Überprüfung der Identität des Anleihegläubigers und die Unfähigkeit, Einheiten einiger oder aller der

Issuance Account free of payment. The date on which all of (i) to (iii) have been completed, shall be the **"Put Option Exercise Date"**.

No Upfront Redemption Fee shall be payable if: (i) no Authorised Participants are appointed by the Issuer; (ii) the Outstanding Amount multiplied by the Reference Price, in each case as of the date on which the Issuer receives the Put Option Exercise Form, is less than USD [10,000,000.00][●] ([ten million][●] USD); (iii) the USD Put Option is exercised in relation to a number of Bonds which, if multiplied by the Reference Price, in each case as of the date on which the Issuer receives the Put Option Exercise Form, have a value of greater than USD [250,000.00][●] ([two hundred fifty thousand][●] USD); or (iv) the USD Put Option is exercised by an Authorised Participant.

On the Put Option Exercise Date, the Auctioneer shall auction such number of Units of the Basket as corresponds to the Cryptocurrency Entitlement for the Bonds in relation to which the USD Put Option is exercised, calculated as of the Put Option Exercise Date, in accordance with the Cryptocurrency Auction Procedure, described in § 14.

After successful completion of the Cryptocurrency Auction Procedure, the Issuer shall transfer the proceeds of the Cryptocurrency sale less the Exercise Fee (if any) to the respective Bondholder's account, as specified in the Put Option Exercise Form, within 7 (seven) Business Days from the receipt of the relevant Cryptocurrency Auction Procedure proceeds. If the Issuer fails to transfer the proceeds of the Cryptocurrency sale when due, the Issuer shall pay to the Bondholder 0.01 percent of the Cryptocurrency Entitlement multiplied by the number of Bonds in relation to which the Put Option was exercised for each day of delay (the **"Default Rate"**). Such Default Rate does not apply if the Issuer fails to deliver USD for reasons beyond its control, which includes (but is not limited to) circumstances where the Issuer is required to comply with any provision of applicable law relating to funding of terrorist activities or money laundering.

im Korb enthaltenen Kryptowährungen zu erhalten, erforderlich sind, (ii) die Rückzahlungsgebühr (falls zutreffend) auf das von der Emittentin genannte Konto zahlen und (iii) die Schuldverschreibungen, für die die USD-Put-Option ausgeübt wird, auf das Emissionskonto frei von Zahlung übertragen. Der Tag, an dem alles unter (i) bis (iii) Genannte abgeschlossen ist, ist der **"Put-Options-Ausübungstag"**.

Keine Rückzahlungsgebühr wird erhoben, wenn (i) keine Autorisierten Teilnehmer von der Emittentin ernannt werden; (ii) der Ausstehende Betrag multipliziert mit dem Referenzpreis, in jedem Fall zu dem Tag, an dem die Emittentin das Put-Options-Ausübungsformular erhält, weniger als USD [10.000.000,00][●] (USD [zehn Millionen][●]) beträgt; (iii) die USD-Put-Option für eine Anzahl von Schuldverschreibungen ausgeübt wird, die, wenn sie mit dem Kryptowährungsanspruch und anschließend mit dem Referenzpreis multipliziert werden, in jedem Fall zu dem Tag, an dem die Emittentin das Put-Options-Ausübungsformular erhält, einen Wert haben, der größer ist als USD [250.000,00][●] (USD [zweihundertfünfzigtausend][●]); oder (iv) die USD-Put-Option von einem Autorisierten Teilnehmer ausgeübt wird.

Am Put-Options-Ausübungstag versteigert der Auktionator diejenige Anzahl an Einheiten des Korbs, die dem Kryptowährungsanspruch für die Schuldverschreibungen entspricht, für die die USD-Put-Option ausgeübt wird, berechnet zum Put-Options-Ausübungstag, gemäß dem Kryptowährungs-Auktionsverfahren, wie in § 14 beschrieben.

Nach erfolgreichem Abschluss des Kryptowährungs-Auktionsverfahrens überweist die Emittentin den Erlös des Kryptowährungs-Verkaufs abzüglich der Ausübungsgebühr (falls vorhanden) auf das jeweilige Konto des Anleihegläubigers, wie in dem Put-Options-Ausübungsformular angegeben, innerhalb von 7 (sieben) Geschäftstagen ab Erhalt der maßgeblichen Erlöse des Kryptowährungs-Auktionsverfahrens. Falls die Emittentin nicht dazu in der Lage ist, die Erlöse des Kryptowährungs-Verkaufs bei Fälligkeit zu überweisen, zahlt die Emittentin an den Anleihegläubiger 0,01 % des Kryptowährungsanspruchs multipliziert mit der Anzahl der Schuldverschreibungen, für die die Put-Option ausgeübt wurde, für jeden Tag des Verzugs (die **"Ausfallrate"**). Diese Ausfallrate gilt nicht, wenn die Emittentin nicht zur Lieferung von USD in der Lage ist aus Gründen, die außerhalb ihrer Kontrolle liegen. Dies umfasst (unter anderem) Umstände, unter denen die Emittentin verpflichtet ist, Vorschriften geltenden Rechts zu Finanzierung

Without prejudice to other provisions of this same paragraph, in case of a Failed Auction, the Issuer shall return all Bonds in relation to which the USD Put Option was exercised, to the Bondholder within 7 (seven) Business Days. The Issuer may choose to charge any Exercise Fee to the respective Bondholder in case of a Failed Auction. In this case, the Issuer shall forfeit such number of Bonds for its own benefit to become Issuer-Owned Bonds from the Bonds to be returned to the Bondholder, so that Cryptocurrency Entitlement, as of the Put Option Exercise Date, multiplied by the number of Bonds forfeited does not exceed the Exercise Fee.

For the avoidance of doubt: The Bondholder shall be entitled to exercise any Put Option with respect to the returned Bonds at any time.

§ 5 Payments

(1) *Payment of Mandatory Redemption Price.* In the case of a Mandatory Redemption pursuant to § 4 (2) and in the case the Bonds are to be redeemed in USD, payment of the Mandatory Redemption Price in respect of those Bonds shall be made to the Paying Agent for further forwarding to the Clearing System or to its order for credit to the accounts of the relevant account holders of the Clearing System.

(2) *Discharge.* The Issuer shall be discharged by payment to, or to the order of, the Clearing System.

§ 6 Paying Agent, Fiscal Agent and Depositary

(1) *Appointment; Specified Offices.* The initial Paying Agent, the Fiscal Agent, the Depositary and their initial specified offices shall be:

Paying Agent and Fiscal Agent:

[Baader Bank AG
Weihenstephaner Straße 48
85716 Unterschleißheim
Germany]

von terroristischen Aktivitäten oder Geldwäsche einzuhalten.

Unbeschadet sonstiger Bestimmungen dieses Absatzes gilt: Im Falle einer Fehlgeschlagenen Auktion gibt die Emittentin alle Schuldverschreibungen, für die die USD-Put-Option ausgeübt wurde, an die Anleihegläubiger innerhalb von 7 (sieben) Geschäftstagen zurück. Die Emittentin kann im Falle einer Fehlgeschlagenen Auktion vom jeweiligen Anleihegläubiger eine Ausübungsgebühr verlangen. In diesem Fall verliert die Emittentin diese Anzahl von Schuldverschreibungen zu ihrem eigenen Vorteil, damit sie zu Emittenteneigenen Schuldverschreibungen aus den Schuldverschreibungen werden, da sie an die Anleihegläubiger zurückzugeben sind, so dass der Kryptowährungsanspruch, zum Put-Options-Ausübungstag, multipliziert mit der Anzahl der verfallenen Schuldverschreibungen die Ausübungsgebühr nicht übersteigt.

Zur Klarstellung: Die Anleihegläubiger sind berechtigt, eine Put-Option im Hinblick auf die zurückgegebenen Schuldverschreibungen jederzeit auszuüben.

§ 5 Zahlungen

(1) *Zahlung des Zwangsrückzahlungspreises.* Im Falle einer Zwangsrückzahlung gemäß § 4 (2) und im Falle, dass die Schuldverschreibungen in USD zurückzuzahlen sind, erfolgt die Zahlung des Zwangsrückzahlungspreises in Bezug auf diejenigen Schuldverschreibungen an die Zahlstelle zur weiteren Weiterleitung an das Clearing System oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearing Systems.

(2) *Erfüllung.* Die Emittentin wird durch Zahlung an das Clearing System oder dessen Order von ihrer Zahlungspflicht befreit.

§ 6 Zahlstelle, Emissionsstelle und Verwahrstelle

(1) *Bestellung; bezeichnete Geschäftsstellen.* Die anfänglich bestellte Zahlstelle, die Emissionsstelle, die Verwahrstelle und deren anfänglich bezeichneten Geschäftsstellen sind:

Zahlstelle und Emissionsstelle:

[Baader Bank AG
Weihenstephaner Straße 48
85716 Unterschleißheim
Deutschland]

[•]

Depository:

[BitGo Trust Company, Inc
6216 Pinnacle Place
Suite 101
Sioux Falls, SD 57108
United States of America]

[•]

The Paying Agent, the Fiscal Agent and the Depository reserve the right at any time to change their specified offices to some other office in the same country.

(2) *Variation or Termination of Appointment.* The Issuer reserves the right at any time to vary or terminate the appointment of the Paying Agent and/or the Depository and to appoint: (i) a replacement Paying Agent or additional paying agents; and/or (ii) a replacement or additional Depository. The Issuer shall at all times maintain a Paying Agent and a Depository. Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after prior notice to the Bondholders given not less than 30 (thirty) but not more than 45 (forty-five) days from these events in accordance with § 18.

(3) *Agent of the Issuer.* The Paying Agent, the Depository and any additional or replacement Paying Agent or Depository appointed pursuant to paragraph (2) above act solely as agents of the Issuer and do not assume any obligations towards or relationship of agency or trust with any Bondholder.

**§ 7
Security Trustee**

(1) *Appointment.* Apex Corporate Trustees (UK) Limited is appointed as Security Trustee for the Security. Any Security hereunder shall be held and managed by the Security Trustee on behalf of all present and future Bondholders. The Security Trustee shall, in relation to third parties, act as the holder of the Security and manage it on behalf of the Bondholders. The detailed duties of the Security Trustee shall solely be governed by the security trust agreement entered into between the Issuer and the Security Trustee (the "**German Security and**

[•]

Verwahrstelle:

[BitGo Trust Company, Inc
6216 Pinnacle Place
Suite 101
Sioux Falls, SD 57108
Vereinigte Staaten von Amerika]

[•]

Die Zahlstelle, die Emissionsstelle und die Verwahrstelle behalten sich das Recht vor, jederzeit ihre bezeichneten Geschäftsstellen durch eine andere Geschäftsstelle im selben Land zu ersetzen.

(2) *Änderung oder Beendigung der Bestellung.* Die Emittentin behält sich das Recht vor, jederzeit die Bestellung der Zahlstelle und/oder der Verwahrstelle zu ändern oder zu beenden und (i) eine Ersatz-Zahlstelle oder zusätzliche Zahlstellen; und/oder (ii) eine Ersatz-Verwahrstelle oder zusätzliche Verwahrstelle zu bestellen. Die Emittentin wird zu jedem Zeitpunkt eine Zahlstelle und eine Verwahrstelle unterhalten. Eine Änderung, Beendigung, Bestellung oder ein Wechsel wird nur wirksam (außer im Insolvenzfall, in dem eine solche Änderung sofort wirksam wird), sofern die Anleihegläubiger hierüber gemäß § 18 vorab unter Einhaltung einer Frist von mindestens 30 (dreißig) und höchstens 45 (fünfundvierzig) Tagen nach dem Eintritt dieser Ereignisse informiert wurden.

(3) *Erfüllungsgehilfe der Emittentin.* Die Zahlstelle, die Verwahrstelle und etwaige zusätzliche oder Ersatz-Zahlstellen oder zusätzliche oder Ersatz-Verwahrstellen, die nach dem vorstehenden Absatz (2) bestellt wird, handeln ausschließlich als Erfüllungsgehilfen der Emittentin und übernehmen keinerlei Verpflichtungen gegenüber den Anleihegläubigern, und es wird kein Auftrags- oder Treuhandverhältnis zwischen ihnen und den Anleihegläubigern begründet.

**§ 7
Sicherheitentreuhänder**

(1) *Ernennung.* Apex Corporate Trustees (UK) Limited wird als Sicherheitentreuhänder für die Sicherheit ernannt. Alle Sicherheiten hierunter werden von dem Sicherheitentreuhänder im Namen aller gegenwärtigen und zukünftigen Anleihegläubiger gehalten und verwaltet. Der Sicherheitentreuhänder handelt gegenüber Dritten als Inhaber der Sicherheit und verwaltet diese im Namen der Anleihegläubiger. Die einzelnen Pflichten des Sicherheitentreuhänders unterliegen allein dem Sicherheiten-Treuhandvertrag, der zwischen der

Security Trust Agreement") as set out in Annex 1 to the respective Global Note.

(2) *Authorisation.* Each Bondholder instructs and authorises the Security Trustee (with the right of sub-delegation) to act as its security trustee (*Treuhänder*) and in particular (without limitation) to enter into and amend any documents evidencing Security, and to make and accept all declarations and take all actions it considers necessary or useful in connection with any Security on behalf of that Bondholder. The Security Trustee shall further be entitled to enforce or release any Security, to perform any rights and obligations under any documents evidencing Security and to execute new and different documents evidencing or relating to the Security.

(3) *Variation or Termination of Appointment.* The Issuer reserves the right at any time to vary or terminate the appointment of the Security Trustee and to appoint another Security Trustee. The Issuer shall at all times maintain a Security Trustee. Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after prior notice to the Bondholders given not less than 30 (thirty) but not more than 45 (forty-five) days from these events in accordance with § 18.

§ 8 Information Duties

Bondholders will receive copies of the relevant transaction documents in connection with the Bonds pursuant to the German Security and Security Trust Agreement as soon as reasonably practicable after the Issue Date.

§ 9 Taxation

(1) *Payments Free of Taxes.* All amounts payable in respect of the Bonds shall be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied at source by way of withholding or deduction by or on behalf of the Federal Republic of Germany (the "**Relevant Taxing Jurisdiction**") or any respective political subdivision or any authority

Emittentin und dem Sicherheitentreuhänder geschlossen wurde (der "**Deutsche Sicherheiten- und Sicherheiten-Treuhandvertrag**"), wie in Anhang 1 zur jeweiligen Globalurkunde angegeben.

(2) *Autorisierung.* Jeder Anleihegläubiger weist den Sicherheitentreuhänder an und bevollmächtigt diesen (mit dem Recht auf Weiterübertragung), als sein Sicherheitentreuhänder zu handeln und insbesondere (uneingeschränkt) Unterlagen auszufertigen und abzuändern, die die Sicherheit belegen, und alle Erklärungen abzugeben und anzunehmen und alle Maßnahmen zu ergreifen, die er im Namen dieses Anleihegläubigers für notwendig oder nützlich im Zusammenhang mit einer Sicherheit hält. Der Sicherheitentreuhänder ist zudem berechtigt, Sicherheiten durchzusetzen oder freizugeben, alle Rechte und Verpflichtungen unter Dokumenten auszuführen, die die Sicherheit belegen, und neue und andere Dokumente geltend zu machen, die die Sicherheit belegen oder in Bezug zur Sicherheit stehen.

(3) *Änderung oder Beendigung der Ernennung.* Die Emittentin behält sich das Recht vor, jederzeit die Ernennung des Sicherheitentreuhänders zu ändern oder zu beenden und einen anderen Sicherheitentreuhänder zu benennen. Die Emittentin hat zu jeder Zeit einen Sicherheitentreuhänder. Eine Änderung, Beendigung, Bestellung oder ein Wechsel wird nur wirksam (außer im Insolvenzfall, in dem eine solche Änderung sofort wirksam wird), sofern die Anleihegläubiger hierüber gemäß § 18 vorab unter Einhaltung einer Frist von mindestens 30 (dreißig) und höchstens 45 (fünfundvierzig) Tagen nach dem Eintritt dieser Ereignisse informiert wurden.

§ 8 Informationspflichten

Anleihegläubiger erhalten so bald wie möglich nach dem Emissionstag Kopien der maßgeblichen Transaktionsdokumente im Zusammenhang mit den Schuldverschreibungen gemäß dem Deutschen Sicherheiten- und Sicherheiten-Treuhandvertrag.

§ 9 Steuern

(1) *Zahlungen ohne Einbehalt oder Abzug von Steuern.* Alle in Bezug auf die Schuldverschreibungen zu zahlenden Beträge werden ohne Einbehalt oder Abzug von oder aufgrund von gegenwärtigen oder zukünftigen Steuern oder Abgaben gleich welcher Art gezahlt, die von oder im Namen der Bundesrepublik Deutschland (die "**Maßgebliche Steuerjurisdiktion**") oder einer

thereof or therein having power to tax, unless such withholding or deduction is required by law.

(2) *Other Tax Jurisdiction.* If at any time the Issuer becomes subject to any taxing jurisdiction other than, or in addition to, the Relevant Taxing Jurisdiction references in this § 9 to the Federal Republic of Germany shall be read and construed as references to the jurisdiction of the Issuer, and/or to such other jurisdiction(s).

§ 10

Presentation Period, Prescription

The presentation period provided for in section 801 paragraph 1, sentence 1 German Civil Code is reduced to ten years for the Bonds. The period of limitation for claims under the Bonds presented during the period for presentation will be two years calculated from the expiration of the relevant presentation period.

§ 11

Events of Default

(1) *Events of Default.* If an Event of Default occurs and is continuing, each Bondholder shall be entitled to declare all but not some of its Bonds due and payable by submitting a Termination Notice (pursuant to sub-paragraph (2)) below to the Issuer for its entire claim arising from the Bonds and demand (subject to sub-paragraph (3) below) an immediate payment of the Cryptocurrency Entitlement per Bond. Each of the following is an "Event of Default":

- (a) the Issuer fails to pay out the Cryptocurrency Entitlement or any other amount in respect of the Bonds within 15 (fifteen) days from the relevant due date, except if the Issuer fails to pay out the Cryptocurrency Entitlement or any other amount in respect of the Bonds for reasons beyond its control, which should include (but is not limited to) circumstances where the Issuer is required to comply with any provision of applicable law relating to the funding of terrorist activities or money laundering.

jeweiligen steuererhebungsberechtigten Gebietskörperschaft oder Steuerbehörde dieses Länder im Wege des Einbehalts oder Abzugs an der Quelle auferlegt oder erhoben werden, es sei denn, ein solcher Einbehalt oder Abzug ist gesetzlich vorgeschrieben.

(2) *Andere Steuerjurisdiktion.* Falls die Emittentin zu irgendeinem Zeitpunkt einer anderen oder zusätzlichen Steuerrechtsordnung als der Maßgeblichen Steuerjurisdiktion unterworfen wird, sollen die Bezugnahmen in diesem § 9 auf die Bundesrepublik Deutschland als Bezugnahmen auf die Rechtsordnung der Emittentin und/oder diese anderen Rechtsordnungen gelesen und ausgelegt werden.

§ 10

Vorlegungsfrist, Verjährung

Die Vorlegungsfrist gemäß § 801 Absatz 1 Satz 1 BGB für die Schuldverschreibungen wird auf zehn Jahre verkürzt. Die Verjährungsfrist für Ansprüche aus den Schuldverschreibungen, die innerhalb der Vorlegungsfrist zur Zahlung vorgelegt wurden, beträgt zwei Jahre vom Ende der betreffenden Vorlegungsfrist an.

§ 11

Kündigungsgründe

(1) *Kündigungsgründe.* Tritt ein Kündigungsgrund ein und dauert dieser an, so ist jeder Anleihegläubiger berechtigt, alle, jedoch nicht nur einzelne, seiner Forderungen aus den Schuldverschreibungen durch Abgabe einer Kündigungserklärung (gemäß nachfolgendem Unterabsatz (2)) gegenüber der Emittentin fällig zu stellen und (vorbehaltlich des nachfolgenden Unterabsatz (3)) die unverzügliche Zahlung des Kryptowährungsanspruchs je Schuldverschreibung zu verlangen. Jedes der folgenden Ereignisse stellt einen "Kündigungsgrund" dar:

- (a) die Emittentin ist nicht in der Lage, den Kryptowährungsanspruch oder sonstige Beträge in Bezug auf die Schuldverschreibungen innerhalb von 15 (fünfzehn) Tagen ab dem maßgeblichen Fälligkeitstag auszuzahlen, es sei denn, die Emittentin zahlt einen Kryptowährungsanspruch oder sonstige Beträge nicht aus aufgrund von Ereignissen, die außerhalb ihrer Kontrolle liegen. Hierzu zählen Umstände (ohne Beschränkung auf diese Umstände), unter denen die Emittentin verpflichtet ist, Vorschriften geltenden

Rechts zur Finanzierung von terroristischen Aktivitäten oder Geldwäsche einzuhalten.

For the avoidance of doubt: Failure to exercise the Put Option in USD due to an unsuccessful Cryptocurrency Auction Procedure shall not amount to such failure; or

Zur Klarstellung: Eine Nichtausübung der Put-Option in USD aufgrund eines erfolglosen Kryptowährungs-Auktionsverfahrens zählt nicht zu dieser Nichterfüllung; oder

(b) the Issuer fails to duly perform any other obligation arising from the Bonds and such failure, if capable of remedy, continues unremedied for more than 45 (forty five) days after the Issuer has received notice thereof from a Bondholder; or

(b) die Emittentin erfüllt eine andere Verpflichtung aus den Schuldverschreibungen nicht und die Nichterfüllung dauert – sofern sie geheilt werden kann – jeweils länger als 45 (fünfundvierzig) Tage fort, nachdem die Emittentin eine Mitteilung darüber von dem Anleihegläubiger erhalten hat; oder

(c) the Issuer is unable or admits its inability to pay its debts as they fall due; or

(c) die Emittentin ist nicht in der Lage oder räumt ihre Unfähigkeit ein, ihre Schulden bei Fälligkeit zu zahlen; oder

(d) insolvency proceedings against the Issuer are instituted and have not been discharged or stayed within 90 (ninety) days, or the Issuer applies for or institutes such proceedings; or

(d) gegen die Emittentin wird ein Insolvenzverfahren eingeleitet und nicht innerhalb von 90 (neunzig) Tagen aufgehoben oder ausgesetzt, oder die Emittentin beantragt oder leitet ein solches Verfahren ein, oder

(e) the Issuer enters into liquidation unless this is done in connection with a merger or other form of combination with another company and such company assumes all obligations of the Issuer in connection with the Bonds.

(e) die Emittentin wird liquidiert, es sei denn, dies geschieht im Zusammenhang mit einer Verschmelzung oder einer anderen Form des Zusammenschlusses mit einer anderen Gesellschaft und die andere Gesellschaft übernimmt alle Verpflichtungen, die die Emittentin im Zusammenhang mit den Schuldverschreibungen eingegangen ist.

(2) *Termination Notices.* Any notice by a Bondholder to terminate its Bonds in accordance with this § 11 (a "**Termination Notice**") shall be made by means of a declaration in text form to the Paying Agent in the German or English language together with evidence by means of a certificate of the Custodian (as defined in § 19 (4)) that such Bondholder, at the time of such Termination Notice, is a Bondholder with respect of the relevant Bonds.

(2) *Kündigungserklärungen.* Eine Erklärung eines Anleihegläubigers zur Kündigung seiner Schuldverschreibungen gemäß diesem § 11 (eine "**Kündigungserklärung**") hat mittels einer Erklärung an die Zahlstelle in Textform in deutscher oder englischer Sprache zusammen mit einer Bescheinigung der Depotbank (wie in § 19 (4) definiert), die belegt, dass dieser Anleihegläubiger der Anleihegläubiger in Bezug auf die maßgeblichen Schuldverschreibungen zum Zeitpunkt der Kündigungserklärung ist, zu erfolgen.

(3) *Cure.* For the avoidance of doubt, the right to declare Bonds due in accordance with this § 11 shall terminate if the situation giving rise to it has been cured before the right is exercised.

(3) *Heilung.* Zur Klarstellung wird festgehalten, dass das Recht zur Kündigung der Schuldverschreibungen gemäß diesem § 11 erlischt, falls der Kündigungsgrund vor Ausübung des Rechts geheilt worden ist.

§ 12 Covenants

(1) *Undertaking regarding Security.* So long as any Bond remains outstanding, the Issuer will not (except where explicitly permitted under the Terms and Conditions):

- (a) create or permit to subsist any mortgage, pledge, lien, security interest, charge or encumbrance securing any obligation of any person (or any arrangement having a like or similar effect) upon all or any of the Security; or
- (b) transfer, sell, lend, part with or otherwise dispose of, or grant any option or present or future right to acquire, any of the Security.

(2) *Limitation on Incurrence of Indebtedness.* The Issuer shall not after the Issue Date, incur any indebtedness for financing purposes with the exception of Permitted Indebtedness.

"Permitted Indebtedness" means

- (i) any costs incurred by the Issuer in its ordinary course of business; or
- (ii) any bonds issued which are backed by tUnits of the Basket, other cryptocurrencies, cryptographic or digital assets;

provided, however, that such costs or debt incurred by the Issuer shall have no impact on the Bondholders' Security.

(3) *Deposited Cryptocurrencies.* The Issuer shall at any given time procure that it holds such number of Units of the Basket equal to or exceeding the Secured Obligations Amount on the Depositary Wallet held with the Depositary (the "**Deposited Cryptocurrencies**").

§ 13 Split

(1) *Split of Cryptocurrency.* If a Split occurs in relation to one or more of the Cryptocurrencies

§ 12 Zusicherungen

(1) *Verpflichtung bezüglich der Sicherheit.* So lange Schuldverschreibungen ausstehend sind, unterlässt es die Emittentin (außer wenn dies unter den Emissionsbedingungen ausdrücklich zulässig ist):

- (a) Hypotheken, Pfandrechte, Sicherungsrechte, Gebühren oder Belastungen, die Verpflichtungen einer Person sicherstellen (oder eine Vereinbarung, die die gleiche oder eine ähnliche Wirkung hat), auf alle oder eine der Sicherheiten zu gründen oder deren Bestehen zuzulassen; oder
- (b) eine der Sicherheiten zu übertragen, zu verkaufen, zu verleihen, zu teilen oder anderweitig zu veräußern, oder eine Option oder ein gegenwärtiges oder zukünftiges Recht auf Erwerb einer der Sicherheiten zu gewähren.

(2) *Beschränkung des Eingehens von Verbindlichkeiten.* Nach dem Emissionstag verpflichtet sich die Emittentin, keine Verbindlichkeiten zu Finanzierungszwecken einzugehen, mit Ausnahme der Zulässigen Verbindlichkeiten.

"Zulässige Verbindlichkeiten" bezeichnet

- (i) alle der Emittentin im Lauf ihres gewöhnlichen Geschäftsbetriebs entstandene Kosten; oder
- (ii) ausgegebene Schuldverschreibungen, die durch Einheiten des Korbs, andere Kryptowährungen, kryptographische oder digitale Vermögenswerte gesichert sind;

vorausgesetzt jedoch, dass die der Emittentin entstandenen Kosten oder Verbindlichkeiten die Sicherheit der Anleihegläubiger nicht beeinträchtigen.

(3) *Hinterlegte Kryptowährungen.* Die Emittentin wird zu jedem Zeitpunkt dafür sorgen, dass sie diejenige Anzahl an Einheiten des Korbs hält, die dem Betrag der Gesicherten Verpflichtungen auf dem bei der Verwahrstelle gehaltenen Verwahrstellen-Wallet entspricht oder diesen übersteigt (die "**Hinterlegten Kryptowährungen**").

§ 13 Teilung

(1) *Teilung einer Kryptowährung.* Im Fall einer Teilung einer oder mehrerer im Korb enthaltener

comprising the Basket and leads to the creation of two or more cryptocurrencies, each Bond shall thereafter represent a claim on the new basket of post-Split cryptocurrencies that corresponds to such Cryptocurrency Entitlement as each Bond represented before the Split (the "**New Basket**"). The weight of each post-Split cryptocurrency in the New Basket representing one of the Cryptocurrencies comprising the Basket shall be (i) the balance of each such cryptocurrency held on the Depositary Wallet at the point of a Split Notification Event; divided by (ii) the Outstanding Amount in relation to one of the Cryptocurrencies comprising the Basket that went through the Split at the point of the Split Notification Event. All such weights are subject to a maximum of 1.0. The definition of "Unit of the Basket" shall be corrected accordingly to include each post-Split cryptocurrency with above-defined weights.

(2) *Split of Bonds at the Discretion of the Issuer.* Following a Split, the Issuer may, in its sole discretion and after having notified the Bondholders in accordance with § 18, resolve to split the Bonds into separate Series of Bonds, where either: (i) each such new Series of Bonds represents a claim on the Issuer for a separate post-Split Cryptocurrency in the New Basket that each Bond represented immediately following the Split; or (ii) original Bonds are split in exactly two new Series of Bonds, where one Series of Bonds represents a claim on the Issuer for a separate cryptocurrency in the New Basket that each original Bond represented immediately following the Split, and the remaining Series of Bonds represent the claim on the Basket, in the form prior to the Split.

(3) *Suspension of Put Option Exercises.* The Issuer may in its sole and absolute discretion and after having notified the Bondholders in accordance with § 18, suspend Put Option exercises, sales and/or issuances of Bonds for a reasonable period of time, not exceeding 90 (ninety) days, in order to allow for an arrangement described in paragraph (2).

Kryptowährungen, die zur Entstehung von zwei oder mehreren Kryptowährungen führt, stellt jede Schuldverschreibung nach der Teilung einen Anspruch auf eine neuen Korb von post-Teilungs Kryptowährungen dar, der dem Kryptowährungsanspruch entspricht, den jede Schuldverschreibung vor der Teilung dargestellt hat (der "**Neue Korb**"). Die Gewichtung jeder post-Teilungs Kryptowährung im Neuen Korb ist (i) das Saldo einer jeden solchen Kryptowährung, das zum Zeitpunkt eines Ereignisses einer Teilungsmitteilung auf dem Verwahrstellen-Wallet gehalten wird; dividiert durch (ii) den Ausstehenden Betrag in Bezug auf eine der im Korb enthaltenen Kryptowährungen, die Gegenstand der Teilung war, zum Zeitpunkt des Ereignisses einer Teilungsmitteilung. Sämtliche solcher Gewichtungen haben einen Höchstwert von 1,0. Die Definition von "Einheit des Korbs" ist entsprechend der Aufnahme der post-Teilungs Kryptowährung in der vorstehenden Gewichtung anzupassen.

(2) *Teilung von Schuldverschreibungen nach Ermessen der Emittentin.* Nach einer Teilung kann die Emittentin nach eigenem Ermessen und nach Mitteilung an die Anleihegläubiger gemäß § 18 beschließen, die Schuldverschreibungen in separate Serien von Schuldverschreibungen zu teilen, wobei entweder: (i) jede dieser neuen Serien von Schuldverschreibungen einen Anspruch gegen die Emittentin auf eine eigene post-Teilungs Kryptowährung aus dem Neuen Korb darstellt, die jede Schuldverschreibung unmittelbar nach der Teilung dargestellt hat; oder (ii) die ursprünglichen Schuldverschreibungen in exakt zwei neue Serien von Schuldverschreibungen geteilt werden, wobei eine Serie von Schuldverschreibungen einen Anspruch gegen die Emittentin auf eine eigene Kryptowährung aus dem Neuen Korb darstellt, die jede ursprüngliche Schuldverschreibung unmittelbar nach der Teilung dargestellt hat und die weitere Serie von Schuldverschreibungen einen Anspruch gegen die Emittentin auf den Korb in der vor der Teilung bestehenden Form darstellt.

(3) *Aussetzen der Put-Options-Ausübung.* Die Emittentin kann nach eigenem und absoluten Ermessen und nach Mitteilung an die Anleihegläubiger gemäß § 18 Put-Options-Ausübungen, Verkäufe und/oder Emissionen von Schuldverschreibungen für einen angemessenen Zeitraum, der 90 Tage nicht überschreitet, aussetzen, um eine in Absatz (2) beschriebene Regelung vorsehen zu können.

§ 14

Cryptocurrency Auction Procedure

(1) *Cryptocurrency Auction Announcement.* If the Issuer is required, pursuant to these Terms and Conditions, to arrange for a Cryptocurrency Auction Procedure, the Auctioneer shall – upon instruction from the Issuer (if applicable) – within (i) 30 (thirty) days from the Put Option Exercise Date; or (ii) 40 (forty) days from the date of the Mandatory Redemption Notice, as the case may be, announce that it is auctioning the required number of Units of the Basket on the Website, starting on a date, which is a Business Day and which is no later than 14 (fourteen) Business Days, and not earlier than 7 (seven) Business Days from the date of such announcement (the "**Announcement Date**") and such date when the Cryptocurrency Auction Procedure starts, the "**Auction Start Date**") and ending on a date specified in such announcement being no earlier than 7 (seven) Business Days and no later than 14 (fourteen) Business Days from the Auction Start Date (the "**Auction Price Determination Date**").

(2) *Bidding Process.*

(a) Any legal entity incorporated in a FATF member state or any natural person resident in such state (except where the participation of such bidder would result, in the opinion of the Auctioneer, in violation of the laws of any jurisdiction and/or would require the Auctioneer to obtain any license, permission, authorization, and/or would require the Auctioneer to become regulated or supervised in any way, or publish a prospectus within the meaning of Regulation (EU) 2017/1129) may submit written (including by email) bids to the Auctioneer for the full number of Units of the Basket being auctioned, expressed in the percentage of the Reference Price on the Auction Price Determination Date per Unit of the Basket in the future;

(b) bids submitted at less than 80 percent of the relevant Reference Price or bids for less or more than the full number of Units of the Basket being auctioned shall be rejected;

(c) bids submitted later than 48 hours before 13:00 (CET) on the Auction Price Determination Date, may, or may not be

§ 14

Kryptowährungs-Auktionsverfahren

(1) *Ankündigung einer Kryptowährungs-Auktion.* Falls die Emittentin gemäß diesen Emissionsbedingungen verpflichtet ist, ein Kryptowährungs-Auktionsverfahren zu veranlassen, kündigt der Auktionator – auf Anweisung der Emittentin (falls zutreffend) – innerhalb von (i) 30 (dreißig) Tagen ab dem Put-Options-Ausübungstag; oder (ii) 40 (vierzig) Tag ab dem Tag der Zwangsrückzahlungsmittelteilung an, dass er den erforderlichen Betrag an Einheiten des Korbs auf der Website versteigert, beginnend an einem Tag, der ein Geschäftstag ist und spätestens 14 (vierzehn) Geschäftstage, und frühestens 7 (sieben) Geschäftstage ab dem Tag dieser Ankündigung (der "**Ankündigungstag**") und der Tag, an dem das Kryptowährungs-Auktionsverfahren beginnt, der "**Starttermin der Auktion**"), und endend an einem Tag, der in dieser Ankündigung genannt wird und frühestens 7 (sieben) Geschäftstage und spätestens 14 (vierzehn) Geschäftstage ab dem Starttermin der Auktion (der "**Auktionspreisfestsetzungstag**").

(2) *Bieterverfahren.*

(a) Eine juristische Person mit Sitz in einem FATF-Mitgliedstaat oder eine in diesem Staat ansässige natürliche Person (außer wenn die Teilnahme dieses Bieters nach Meinung des Auktionators zu einem Verstoß gegen die Gesetze einer Jurisdiktion führen würde und/oder den Auktionator dazu verpflichten würde, eine Lizenz, Erlaubnis oder Autorisierung einzuholen und/oder den Auktionator dazu verpflichten würde, sich in irgendeiner Weise einer Regulierung oder Aufsicht zu unterstellen oder einen Prospekt im Sinne der Verordnung (EU) 2017/1129 zu veröffentlichen) kann schriftliche Gebote (auch per E-Mail) an den Auktionator abgeben für den vollen Betrag der versteigerten Einheiten des Korbs, ausgedrückt in Prozent des Referenzpreises am Auktionspreisfestsetzungstag pro Einheit des Korbs in der Zukunft;

(b) Gebote, die weniger als 80 % des maßgeblichen Referenzpreises betragen, oder Gebote für weniger oder mehr als den vollen Betrag der Einheiten des Korbs, die versteigert werden, sind abzuweisen;

(c) Gebote, die später als 48 Stunden vor 13:00 Uhr (MEZ) am Auktionspreisfestsetzungstag abgegeben werden, können vom Auktionator nach eigenem und absoluten Ermessen

	accepted by the Auctioneer, at its sole and absolute discretion;		angenommen oder nicht angenommen werden;
(d)	bids submitted for the same amount as another bid received by the Auctioneer earlier (which has not been rejected by the Auctioneer or declared cancelled, null and void due to failure by the bidder to transmit a bid guarantee amount as provided by subparagraph (3) below) shall be rejected;	(d)	Gebote, die zu dem gleichen Betrag abgegeben werden wie ein früheres Gebot, welches der Auktionator zuvor empfangen hat (welches aufgrund des Versäumnisses des Bieters, einen Gebotsgarantiebtrag zu übermitteln, wie in nachstehendem Unterabsatz (3) vorgesehen, vom Auktionator nicht abgewiesen oder für ungültig erklärt wurde) sind abzuweisen;
(e)	the Auctioneer reserves the right to reject otherwise qualifying bids if it has reasonable grounds to suspect that a bidder's funds are proceeds of activity which is criminal in Germany or the United Kingdom or would be criminal if occurred in Germany or the United Kingdom;	(e)	Der Auktionator behält sich das Recht vor, anderweitig qualifizierende Gebote abzuweisen, wenn er berechnigte Gründe hat anzunehmen, dass die Gelder des Bieters Erlöse einer in Deutschland oder dem Vereinigten Königreich kriminellen Handlung sind oder strafbar wären, wenn sie in Deutschland oder im Vereinigten Königreich geschehen wären;
(f)	the Auctioneer shall either accept or reject a bid within 24 hours of receiving it, and notify the bidder of its decision.	(f)	Der Auktionator akzeptiert ein Gebot oder lehnt es innerhalb von 24 Stunden nach Empfang ab und teilt den Bieterern seine Entscheidung mit.
(3)	<i>Acceptance of Bids.</i> In case the bid is accepted by the Auctioneer, the bidder shall arrange for the transfer of 10 percent of the Reference Price, calculated based on the Reference Price at the Business Day preceding the Announcement Date, multiplied by the number of Units of the Basket being auctioned, to the Issuer as a guarantee for its bid (the " Bid Guarantee Amount "). Bids, for which no bid guarantees have yet been received by the Auctioneer, are not considered valid and legally binding on either the Auctioneer or the bidder. Bids for which the bidders have posted a Bid Guarantee Amount are irrevocable and may not be cancelled by the bidders, but may be improved on request by the bidder submitted no later than 24 hours before 13:00 (CET) on the Auction Price Determination Date. Upon receiving a Bid Guarantee Amount from the bidder, or upon receiving an amendment (increase) of the bid by the bidder, the Auctioneer shall announce such received or updated bid on the Website within 24 hours of receipt.	(3)	<i>Annahme von Geboten.</i> Im Fall, dass ein Gebot vom Auktionator angenommen wird, veranlasst der Bieter die Überweisung von 10 % des Referenzpreises, berechnet auf Basis des Referenzpreises an dem Geschäftstag, der dem Ankündigungstag vorausgeht, multipliziert mit dem Betrag der Einheiten des Korbs, die versteigert wurden, auf die Emittentin als Garantie für sein Gebot (der " Gebotsgarantiebtrag "). Gebote, für die noch keine Gebotsgarantie vom Auktionator empfangen worden sind, sind weder für den Auktionator noch den Bieter gültig und rechtlich bindend. Gebote, für die die Bieter einen Gebotsgarantiebtrag überwiesen haben, sind unwiderruflich und dürfen von den Bieterern nicht storniert werden; sie können jedoch auf Wunsch durch den Bieter nachgebessert und spätestens 24 Stunden vor 13:00 Uhr (MEZ) am Auktionspreisfestsetzungstag abgegeben werden. Nach Empfang eines Gebotsgarantiebtrags vom Bieter, oder nach Empfang einer Änderung (Erhöhung) des Gebots durch den Bieter kündigt der Auktionator dieses empfangene und aktualisierte Gebot auf der Website innerhalb von 24 Stunden nach Empfang an.
(4)	<i>Notification of Cryptocurrency Auction Results.</i> No later than 12 hours before 13:00 (CET) on the Auction Price Determination Date, the Auctioneer shall notify the highest bidder (among	(4)	<i>Mitteilung der Kryptowährungs-Auktions-ergebnisse.</i> Spätestens 12 Stunden vor 13:00 Uhr (MEZ) am Auktionspreisfestsetzungstag teilt der Auktionator dem Höchstbietenden (unter denen, die

those who fulfilled the obligations to transfer the bid guarantee), if any, that such bidder has won the auction. The bidder shall arrange for the payment of the balance between the value of its bid, expressed as a percentage of the Reference Price at the Auction Price Determination Date, multiplied by such Reference Price and the number of Units of the Basket being auctioned, and the Bid Guarantee Amount credited to the Issuer pursuant to sub-paragraph (3) above, within 7 (seven) Business Days from the Auction Price Determination Date. If such balance is negative, the Issuer shall transfer the balance to the bidder within 7 (seven) Business Days from the Auction Price Determination Date.

(5) *Settlement of Cryptocurrency Auction.* The winning bidder shall (i) provide the Issuer with details of its digital cryptocurrency wallets to which the auctioned Units of the Basket shall be credited, in the form agreed between the Issuer and the winning bidder and (ii) notify the Issuer of the level of Cryptocurrency network fees it agrees to bear for the processing of the transfer (the "**Settlement Requirements**"). After (i) completion of the Settlement Requirements; and (ii) receipt of funds from the winning bidder pursuant to sub-paragraph (4) above (if any have to be transferred), the Issuer shall transfer the Units of the Basket (less the fees that the winning bidder has agreed to bear) to the designated digital cryptocurrency wallets of the winning bidder within the time-frame of a normal settlement/transfer cycle of the relevant Cryptocurrencies comprising the Basket in the relevant Cryptocurrency network (which may vary depending on the level of the network fees the winning bidder agreed to bear) plus 7 (seven) Business Days. Unless the Cryptocurrency Auction Procedure is performed as part of the Mandatory Redemption process, the winning bidder and the Issuer have the right to agree that instead of transferring Units of the Basket to the winning bidder's digital cryptocurrency wallets, the Issuer will transfer such number of Issuer-Owned Bonds as agreed between the winning bidder and the Issuer, provided however, that the Cryptocurrency Entitlement, as of the Auction Price Determination Date, per Bond multiplied by the number of Issuer-Owned Bonds to be so transferred shall not exceed the number of Units of the Basket being auctioned.

die Verpflichtungen zur Übertragung der Gebotsgarantie erfüllt haben), falls zutreffend, mit, dass dieser Bieter die Auktion gewonnen hat. Der Bieter veranlasst die Zahlung der Differenz zwischen dem Wert seines Gebots, ausgedrückt als Prozentsatz des Referenzpreises am Auktionspreisfestsetzungstag, multipliziert mit diesem Referenzpreis und der Anzahl der Einheiten des Korbs, die versteigert werden, und dem Gebotsgarantiebetrag, der der Emittentin gemäß vorstehendem Unterabsatz (3) gutgeschrieben wird, innerhalb von 7 (sieben) Geschäftstagen ab dem Auktionspreisfestsetzungstag. Falls diese Differenz negativ ist, überweist die Emittentin die Differenz an den Bieter innerhalb von 7 (sieben) Geschäftstagen ab dem Auktionspreisfestsetzungstag.

(5) *Abwicklung der Kryptowährungs-Auktion.* Der erfolgreiche Bieter (i) gibt der Emittentin Auskunft über die Einzelheiten seiner digitalen Kryptowährungs-Wallets, dem die versteigerten Einheiten des Korbs gutgeschrieben werden sollen, in der Form, wie sie zwischen der Emittentin und dem erfolgreichen Bieter vereinbart wird und (ii) teilt der Emittentin die Höhe der Kryptowährungs-Netzwerk-Gebühren mit, die der Bieter bereit ist, für die Bearbeitung der Überweisung zu tragen (die "**Abwicklungsanforderungen**"). Nach (i) Erfüllung der Abwicklungsanforderungen und (ii) Erhalt von Geldern vom erfolgreichen Bieter gemäß vorstehendem Absatz (4) (falls diese überwiesen werden müssen) überträgt die Emittentin Einheiten des Korbs (abzüglich der Gebühren, die der erfolgreiche Bieter bereit ist zu tragen) auf die angegebenen digitalen Kryptowährungs-Wallets des erfolgreichen Bieters innerhalb des Zeitraums eines normalen Abwicklungs-/Übertragungszyklus der jeweiligen im Korb enthaltenen Kryptowährungen im jeweiligen Kryptowährungs-Netzwerk (welche je nach Höhe der Gebühren für das Netzwerk variieren können) zuzüglich 7 (sieben) Geschäftstage. Sofern das Kryptowährungs-Auktionsverfahren nicht als Teil eines Zwangsrückzahlungsverfahrens durchgeführt wird, haben der erfolgreiche Bieter und die Emittentin das Recht zu vereinbaren, dass anstelle der Übertragung von Einheiten des Korbs auf die digitalen Kryptowährungs-Wallets des erfolgreichen Bieters, die Emittentin diejenige Anzahl an Emittenteneigenen Schuldverschreibungen überträgt, wie zwischen dem erfolgreichen Bieter und der Emittentin vereinbart, vorausgesetzt, dass der Kryptowährungsanspruch zum Auktionspreisfestsetzungstag pro Schuldverschreibung, multipliziert mit der Anzahl der Emittenteneigenen Schuldverschreibungen, die auf diese Weise übertragen werden, den Betrag der

Einheiten des Korbs, die versteigert werden, nicht überschreitet.

(6) *Failed Auction.* The Cryptocurrency Auction Procedure shall be deemed unsuccessful if

- (a) the Reference Price is not available, or expected not to be available on the dates when it is required for the purposes of the procedure described in this § 14;
- (b) the winning bidder fails to transfer to the Issuer the balances pursuant to subparagraph (4) above within the prescribed timeframe or the Issuer is unable to accept the balances due to applicable legislation;
- (c) there is no winning bidder in the auction, i.e. if either no bids were submitted or all bids were rejected or all bidders who submitted a qualifying bid failed to deposit a bid guarantee amount in accordance with subparagraph (2) above, or for any other reason (each, a **"Failed Auction"**).

§ 15 Substitution

(1) *Substitution.* The Issuer may, without the consent of the Bondholders, if no Event of Default is occurring, at any time substitute the Issuer with any Affiliate of the Issuer as principal debtor in respect of all obligations arising from or in connection with this issue (the **"Substitute Debtor"**) provided that:

- (a) the Substitute Debtor, in a manner legally effective, assumes all obligations of the Issuer in respect of the Bonds;
- (b) the Security will be legally effective at all times;
- (c) the Substitute Debtor and the Issuer have obtained all necessary governmental and regulatory approvals and consents for such substitution and that all such approvals and consents are in full force and effect and that the obligations assumed by the Substitute

(6) *Fehlgeschlagene Auktion.* Das Kryptowährungs-Auktionsverfahren gilt als fehlgeschlagen, wenn

- (a) der Referenzpreis nicht verfügbar ist, oder erwartungsgemäß an den Tagen, an denen er zu Zwecken des in diesem § 14 beschriebenen Verfahrens erforderlich ist, nicht verfügbar ist;
- (b) der erfolgreiche Bieter es versäumt, der Emittentin die Differenz gemäß vorstehendem Unterabsatz (4) innerhalb des vorgeschriebenen Zeitrahmens zu überweisen oder die Emittentin nicht dazu in der Lage ist, die Salden aufgrund geltender Gesetzgebung anzunehmen;
- (c) es keinen erfolgreichen Bieter in der Auktion gibt, d.h. wenn entweder keine Gebote abgegeben wurden oder alle Gebote abgewiesen wurden oder alle Bieter, die ein qualifizierendes Gebot abgegeben haben, nicht in der Lage waren, einen Gebotsgarantiebtrag gemäß vorstehendem Unterabsatz (2) zu hinterlegen, oder aus sonstigen Gründen (jeweils eine **"Fehlgeschlagene Auktion"**).

§ 15 Ersetzung

(1) *Ersetzung.* Sofern kein Kündigungsgrund eintritt, ist die Emittentin ohne Zustimmung der Anleihegläubiger berechtigt, jederzeit die Emittentin durch ein Verbundenes Unternehmen der Emittentin als Hauptschuldner in Bezug auf alle Verpflichtungen, die sich aus oder im Zusammenhang mit dieser Emission ergeben, zu ersetzen (der **"Ersatzschuldner"**), vorausgesetzt, dass:

- (a) der Ersatzschuldner in rechtswirksamer Weise alle Verpflichtungen der Emittentin in Bezug auf die Schuldverschreibungen übernimmt;
- (b) die Sicherheit zu jederzeit rechtswirksam ist;
- (c) der Ersatzschuldner und die Emittentin alle erforderlichen behördlichen und regulatorischen Genehmigungen und Zustimmungen für diese Ersetzung eingeholt haben und diese Genehmigungen und Zustimmungen allesamt rechtskräftig sind

Debtor in respect of the Bonds are valid and binding in accordance with their respective terms enforceable by each Bondholder;

und die von dem Ersatzschuldner in Bezug auf die Schuldverschreibungen übernommenen Verpflichtungen gültig und bindend gemäß deren jeweiligen von jedem Anleihegläubiger durchsetzbaren Bedingungen sind;

(d) the Substitute Debtor is licensed (or exempt from the requirement to be licensed) to execute transactions in Units of the Basket;

(d) der Ersatzschuldner ermächtigt (oder von dem Erfordernis der Ermächtigung befreit) ist, Transaktionen in Einheiten des Korbs auszuführen;

(e) the Substitute Debtor can transfer to the Paying Agent in the currency required and without being obligated to deduct or withhold any taxes or other duties of whatever nature levied by the country in which the Substitute Debtor or the Issuer has its domicile or tax residence, all amounts required for the fulfilment of the payment obligations arising under the Bonds;

(e) der Ersatzschuldner alle erforderlichen Beträge zur Erfüllung der Zahlungsverpflichtungen aus den Schuldverschreibungen an die Zahlstelle in der erforderlichen Währung überweisen kann, ohne zum Abzug oder Einbehalt von Steuern oder sonstigen Abgaben, gleich welcher Art, die von dem Land, in dem der Ersatzschuldner oder die Emittentin seinen (ihren) Sitz oder Steuersitz hat, erhoben werden, verpflichtet zu sein,

(f) the Substitute Debtor has agreed to indemnify and hold harmless each Bondholder against any tax, duty, assessment or governmental charge imposed on such Bondholder in respect of such substitution; and

(f) der Ersatzschuldner sich verpflichtet hat, jeden Anleihegläubiger zu entschädigen und schadlos zu halten von jeglichen Steuern, Abgaben, Veranlagungen oder behördlichen Gebühren, die dem Anleihegläubiger in Bezug auf diese Ersetzung auferlegt werden; und

(g) there shall have been delivered to the Paying Agent, at the cost of the Issuer, an opinion or opinions by lawyers of recognised standing to the effect that subparagraphs (a) to (f) above have been satisfied.

(g) Rechtsgutachten von angesehenen Rechtsanwälten der Zahlstelle auf Kosten der Emittentin zugestellt wurden, in der Weise, dass die vorstehenden Unterabsätze (a) bis (f) erfüllt sind.

(2) *Notice.* Any substitution of the Issuer pursuant to this paragraph and the date of effectiveness of such substitution shall be published in accordance with § 18.

(2) *Mitteilung.* Jede Ersetzung der Emittentin gemäß diesem Absatz und der Tag der Wirksamkeit einer solchen Ersetzung ist gemäß § 18 zu veröffentlichen.

(3) *Change of References.* Upon effectiveness of the substitution any reference in these Terms and Conditions to the Issuer shall from then on be deemed to refer to the Substitute Debtor and any reference to the Relevant Taxing Jurisdiction with respect to the Issuer shall from then on be deemed to refer to the Relevant Taxing Jurisdiction with respect to the Substitute Debtor. Furthermore, in the event of such substitution and if the Relevant Taxing Jurisdiction of the Substitute Debtor does not include the Federal Republic of Germany, an alternative reference to the Federal Republic of Germany shall be deemed to have been included in addition to the reference according to the preceding sentence to the Relevant Taxing Jurisdiction of the Substitute Debtor.

(3) *Änderung von Verweisen.* Nach Inkrafttreten der Ersetzung gilt jeder Verweis in diesen Emissionsbedingungen auf die Emittentin von diesem Zeitpunkt an als Verweis auf den Ersatzschuldner und jeder Verweis auf die Maßgebliche Steuerjurisdiktion in Bezug auf die Emittentin gilt von diesem Zeitpunkt an als Verweis auf die Maßgebliche Steuerjurisdiktion in Bezug auf den Ersatzschuldner. Im Falle einer solchen Ersetzung und wenn die Maßgebliche Steuerjurisdiktion des Ersatzschuldners nicht die Bundesrepublik Deutschland umfasst, gilt zudem ein alternativer Verweis auf die Bundesrepublik Deutschland als zusätzlich zu dem Verweis gemäß vorstehendem Satz zur Maßgeblichen

(4) *Release from Obligations.* Upon effective substitution of the Issuer as set forth in this paragraph, the Issuer shall be released from any obligation arising from or in connection with the Bonds.

§ 16 Further Issues, Purchases and Cancellation

(1) *Further Issues.* Without prejudice to § 12 (3), the Issuer may from time to time, without the consent of the Bondholders, sell Issuer-Owned Bonds or issue further Bonds having the same terms and conditions as the Bonds in all respects (or in all respects except for the relevant issue date and/or issue price) so as to form a single series with the Bonds.

(2) *Purchases.* Without prejudice to § 12 (3), the Issuer may at any time purchase Bonds in the open market or otherwise and at any price. Bonds purchased by the Issuer may, at the option of the Issuer, be held, resold or surrendered to the Paying Agent for cancellation.

§ 17 Amendments of the Terms and Conditions by Resolutions of Bondholders, Bondholders' Representative

(1) *Amendment of the Terms and Conditions.* The Terms and Conditions may be amended with consent of the Issuer by virtue of a majority resolution of the Bondholders pursuant to sections 5 et seqq. of the German Act on Issues of Debt Securities (*Gesetz über Schuldverschreibungen aus Gesamtemissionen* – "**SchVG**"), as amended from time to time. In particular, the Bondholders may consent to amendments which materially change the substance of the Terms and Conditions, including such measures as provided for under section 5 paragraph 3 of the SchVG by resolutions passed by such majority of the votes of the Bondholders as stated under paragraph (2) below. A duly passed majority resolution shall be binding equally upon all Bondholders.

Steuerjurisdiktion des Ersatzschuldners aufgenommen.

(4) *Befreiung von Verpflichtungen.* Nach wirksamer Ersetzung der Emittentin, wie in diesem Absatz dargelegt, ist die Emittentin von allen Verpflichtungen aus oder in Verbindung mit den Schuldverschreibungen befreit.

§ 16 Begebung Weiterer Schuldverschreibungen, Ankauf und Entwertung

(1) *Begebung weiterer Schuldverschreibungen.* Unbeschadet der Bestimmungen des § 12 (3), ist die Emittentin berechtigt, jederzeit ohne Zustimmung der Anleihegläubiger Emittenteneigene Schuldverschreibungen zu verkaufen oder weitere Schuldverschreibungen mit in jeder Hinsicht gleicher Ausstattung (gegebenenfalls mit Ausnahme des jeweiligen Begebungstags und/oder des Ausgabepreises) in der Weise zu begeben, dass sie mit diesen Schuldverschreibungen eine einheitliche Serie bilden.

(2) *Ankauf.* Unbeschadet der Bestimmungen des § 12 (3), ist die Emittentin berechtigt, jederzeit Schuldverschreibungen im freien Markt oder anderweitig zu jedem beliebigen Preis zu kaufen. Die von der Emittentin erworbenen Schuldverschreibungen können nach Wahl der Emittentin von ihr gehalten, weiterverkauft oder bei der Zahlstelle zwecks Entwertung eingereicht werden.

§ 17 Änderung der Emissionsbedingungen durch Beschlüsse der Anleihegläubiger, Vertreter der Anleihegläubiger

(1) *Änderung der Emissionsbedingungen.* Die Emissionsbedingungen können mit Zustimmung der Emittentin durch Mehrheitsbeschluss der Anleihegläubiger nach Maßgabe der §§ 5 ff. des Gesetzes über Schuldverschreibungen aus Gesamtemissionen ("**SchVG**") in seiner jeweils geltenden Fassung geändert werden. Die Anleihegläubiger können insbesondere einer Änderung wesentlicher Inhalte der Emissionsbedingungen, einschließlich der in § 5 Abs. 3 SchVG vorgesehenen Maßnahmen, durch Beschlüsse mit den in dem nachstehenden Absatz (2) genannten Mehrheiten zustimmen. Ein ordnungsgemäß gefasster Mehrheitsbeschluss ist für alle Anleihegläubiger gleichermaßen verbindlich.

(2) *Majority.* Except as provided by the following sentence and *provided that* the quorum requirements are being met, the Bondholders may pass resolutions by simple majority of the voting rights participating in the vote. Resolutions which materially change the substance of the Terms and Conditions, in particular in the cases of section 5 paragraph 3 numbers 1 through 9 of the SchVG, may only be passed by a majority of at least 75 percent of the voting rights participating in the vote (a "**Qualified Majority**").

(3) *Vote without a meeting.* Subject to paragraph (4) below, resolutions of the Bondholders shall exclusively be made by means of a vote without a meeting in accordance with section 18 of the SchVG. The request for voting will provide for further details relating to the resolutions and the voting procedure. The subject matter of the vote as well as the proposed resolutions shall be notified to the Bondholders together with the request for voting. The exercise of voting rights is subject to the Bondholders' registration. The registration must be received at the address stated in the request for voting no later than the third day preceding the beginning of the voting period. As part of the registration, Bondholders must demonstrate their eligibility to participate in the vote by means of a special confirmation of the Custodian in accordance with § 19 (4) (i) (a) and (b) hereof in text form and by submission of a blocking instruction by the Custodian stating that the relevant Bonds are not transferable from (and including) the day such registration has been sent to (and including) the day the voting period ends.

(4) *Second Bondholders' Meeting.* If it is ascertained that no quorum exists for the vote without meeting pursuant to paragraph (3) above, the scrutineer may convene a noteholders' meeting, which shall be deemed to be a second noteholders' meeting within the meaning of section 15 paragraph 3 sentence 3 of the SchVG. Attendance at the second noteholders' meeting and exercise of voting rights is subject to the Bondholders' registration. The registration must be received at the address stated in the convening notice no later than the third day preceding the second noteholders' meeting. As part of the registration, Bondholders must demonstrate their eligibility to participate in the vote by means of a special confirmation of the Custodian in accordance with § 19 (4) (i) (a) and (b) hereof in text form and by submission of a blocking instruction by the Custodian stating that the relevant

(2) *Mehrheit.* Vorbehaltlich des nachstehenden Satzes und der Erreichung der erforderlichen Beschlussfähigkeit, beschließen die Anleihegläubiger mit der einfachen Mehrheit der an der Abstimmung teilnehmenden Stimmrechte. Beschlüsse, durch welche der wesentliche Inhalt der Emissionsbedingungen geändert wird, insbesondere in den Fällen des § 5 Abs. 3 Nr. 1 bis 9 SchVG, bedürfen zu ihrer Wirksamkeit einer Mehrheit von mindestens 75 % der an der Abstimmung teilnehmenden Stimmrechte (eine "**Qualifizierte Mehrheit**").

(3) *Abstimmung ohne Versammlung.* Vorbehaltlich des nachstehenden Absatz (4) sollen Beschlüsse der Anleihegläubiger ausschließlich durch eine Abstimmung ohne Versammlung nach § 18 SchVG gefasst werden. Die Aufforderung zur Stimmabgabe enthält nähere Angaben zu den Beschlüssen und den Abstimmungsmodalitäten. Die Gegenstände und Vorschläge zur Beschlussfassung werden den Anleihegläubigern mit der Aufforderung zur Stimmabgabe bekannt gemacht. Die Ausübung der Stimmrechte ist von einer Anmeldung der Anleihegläubiger abhängig. Die Anmeldung muss unter der in der Aufforderung zur Stimmabgabe mitgeteilten Adresse spätestens am dritten Tag vor Beginn des Abstimmungszeitraums zugehen. Mit der Anmeldung müssen die Anleihegläubiger ihre Berechtigung zur Teilnahme an der Abstimmung durch einen in Textform erstellten besonderen Nachweis der Depotbank gemäß § 19(4)(i)(a) und (b) und durch Vorlage eines Sperrvermerks der Depotbank, aus dem hervorgeht, dass die betreffenden Schuldverschreibungen ab dem Tag der Absendung der Anmeldung (einschließlich) bis zum Tag, an dem der Abstimmungszeitraum endet (einschließlich), nicht übertragbar sind, nachweisen.

(4) *Zweite Gläubigerversammlung.* Wird für die Abstimmung ohne Versammlung gemäß dem vorstehenden Absatz (3) die mangelnde Beschlussfähigkeit festgestellt, kann der Abstimmungsleiter eine Gläubigerversammlung einberufen, die als zweite Versammlung im Sinne des § 15 Abs. 3 Satz 3 SchVG anzusehen ist. Die Teilnahme an der zweiten Gläubigerversammlung und die Ausübung der Stimmrechte sind von einer Anmeldung der Anleihegläubiger abhängig. Die Anmeldung muss unter der in der Bekanntmachung der Einberufung mitgeteilten Adresse spätestens am dritten Tag vor der zweiten Gläubigerversammlung zugehen. Mit der Anmeldung müssen die Anleihegläubiger ihre Berechtigung zur Teilnahme an der Abstimmung durch einen in Textform erstellten besonderen Nachweis der Depotbank gemäß § 19(4)(i)(a) und (b) und durch Vorlage eines

Bonds are not transferable from (and including) the day such registration has been sent to (and including) the stated end of the noteholders' meeting.

(5) *Bondholders' Representative.* The Bondholders may by majority resolution provide for the appointment or dismissal of a joint representative (the "**Bondholders' Representative**"), the duties and responsibilities and the powers of such Bondholders' Representative, the transfer of the rights of the Bondholders to the Bondholders' Representative and a limitation of liability of the Bondholders' Representative. Appointment of a Bondholders' Representative may only be passed by a Qualified Majority if such Bondholders' Representative is to be authorised to consent, in accordance with paragraph (2) above, to a material change in the substance of the Terms and Conditions.

(6) *Publication.* Any notices concerning this § 17 shall be made exclusively pursuant to the provisions of the SchVG.

§ 18 Notices

(1) *Notices.*

(a) All notices regarding the Bonds, other than any notices stipulated in § 17 (6) which shall be made exclusively pursuant to the provisions of the SchVG, will be published in the German Federal Gazette (*Bundesanzeiger*) and on the Website.

(b) The Issuer will be entitled to deliver all notices concerning the Bonds to the Clearing System for communication by the Clearing System to the Bondholders to the extent that the rules of the stock exchange on which the Bonds are listed or admitted to trading permit so.

(2) *Effectiveness of notices.* Any notice will be deemed to have been validly given on the date of the first publication (or, if required to be published in a newspaper, on the first date on which publication shall have been made in the required newspaper) or, as the case may be, on the fourth Business Day after the date of such delivery to the Clearing System.

Sperrvermerks der Depotbank, aus dem hervorgeht, dass die betreffenden Schuldverschreibungen ab dem Tag der Absendung der Anmeldung (einschließlich) bis zum angegebenen Ende der Gläubigerversammlung (einschließlich) nicht übertragbar sind, nachweisen.

(5) *Gemeinsamer Vertreter.* Die Anleihegläubiger können durch Mehrheitsbeschluss die Bestellung oder Abberufung eines gemeinsamen Vertreters (der "**Gemeinsame Vertreter**"), die Aufgaben und Befugnisse des Gemeinsamen Vertreters, die Übertragung von Rechten der Anleihegläubiger auf den Gemeinsamen Vertreter und eine Beschränkung der Haftung des Gemeinsamen Vertreters bestimmen. Die Bestellung eines Gemeinsamen Vertreters bedarf einer Qualifizierten Mehrheit, wenn er ermächtigt werden soll, Änderungen des wesentlichen Inhalts der Emissionsbedingungen gemäß dem vorstehenden Absatz (2) zuzustimmen.

(6) *Veröffentlichung.* Bekanntmachungen betreffend diesem § 17 erfolgen ausschließlich gemäß den Bestimmungen des SchVG.

§ 18 Mitteilungen

(1) *Mitteilungen.*

(a) Alle Bekanntmachungen, die die Schuldverschreibungen betreffen, außer den in § 17(6) vorgesehenen Bekanntmachungen, die ausschließlich gemäß den Bestimmungen des SchVG erfolgen, werden im Bundesanzeiger und auf der Website veröffentlicht.

(b) Die Emittentin ist berechtigt, alle die Schuldverschreibungen betreffenden Mitteilungen an das Clearing System zur Weiterleitung an die Anleihegläubiger zu übermitteln, sofern die Regularien der Börse, an der die Schuldverschreibungen notiert oder zum Handel zugelassen sind, dies zulassen.

(2) *Wirksamkeit von Mitteilung.* Mitteilungen gelten am Tag der ersten Veröffentlichung als wirksam erfolgt (oder, wenn eine Veröffentlichung in einer Tageszeitung erforderlich ist, an dem ersten Tag, an dem die Veröffentlichung in der vorgeschriebenen Tageszeitung erfolgt sein soll) bzw. am vierten Geschäftstag nach dem Tag der Lieferung an das Clearing System.

§ 19

Governing Law, Place of Performance and Place of Jurisdiction, Enforcement

(1) *Governing Law.* The Bonds, as to form and content, and all rights and obligations of the Bondholders and the Issuer, shall be governed by German law. The Security Documents, as to form and content, and all rights and obligations of the Bondholders and the Issuer, shall be governed by German law and the laws of the State of New York.

(2) *Place of Jurisdiction.* To the extent legally permissible, the courts of Frankfurt am Main, Federal Republic of Germany, shall have jurisdiction for any actions or other legal proceedings arising out of or in connection with the Bonds. The local court (*Amtsgericht*) of Frankfurt am Main shall have jurisdiction for all judgments in accordance with section 9 paragraph 2, section 13 paragraph 3 and section 18 paragraph 2 SchVG in accordance with section 9 paragraph 3 SchVG. The regional court (*Landgericht*) in the district of Frankfurt am Main shall have exclusive jurisdiction for all judgments over contested resolutions by Bondholders in accordance with section 20 paragraph 3 SchVG. Should the Issuer change its registered seat, the statutory jurisdiction pursuant to the SchVG shall apply.

(3) *Calculations and Determinations Binding.* All calculations and determinations required to be made by these Terms and Conditions shall be made by the Issuer, or any party appointed by the Issuer, in its sole and absolute discretion.

(4) *Enforcement.* Any Bondholder may in any proceedings against the Issuer, or to which such Bondholder and the Issuer are parties, protect and enforce in its own name its rights arising under the relevant Bonds on the basis of (i) a statement issued by the Custodian with which such Bondholder maintains a securities account in respect of the Bonds (a) stating the full name and address of the Bondholder, (b) specifying the aggregate principal amount of Bonds credited to such securities account on the date of such statement and/or specifying the aggregate principal amount of Bonds transferred from such Bondholder's securities account to the Issuance Account (including effective dates of such transfer(s)) and (c) confirming that the Custodian has given written notice to the Clearing System containing the information pursuant to (a) and (b) and (ii) a copy of the Global Note representing the relevant Bonds certified as being a true copy of the original Global Note by a duly authorised officer of

§ 19

Anwendbares Recht, Erfüllungsort und Gerichtsstand, Gerichtliche Geltendmachung

(1) *Anwendbares Recht.* Form und Inhalt der Schuldverschreibungen sowie die Rechte und Pflichten der Anleihegläubiger und der Emittentin bestimmen sich nach deutschem Recht. Form und Inhalt der Sicherheitendokumente und die Rechte und Pflichten der Anleihegläubiger und der Emittentin bestimmen sich nach deutschem Recht und dem Recht des Bundesstaats New York.

(2) *Gerichtsstand.* Gerichtsstand für sämtliche im Zusammenhang mit den Schuldverschreibungen entstehenden Klagen oder sonstigen Verfahren ist, soweit rechtlich zulässig, Frankfurt am Main, Bundesrepublik Deutschland. Für Entscheidungen gemäß § 9 Abs. 2, § 13 Abs. 3 und § 18 Abs. 2 SchVG ist gemäß § 9 Abs. 3 SchVG das Amtsgericht Frankfurt am Main zuständig. Für Entscheidungen über die Anfechtung von Beschlüssen der Anleihegläubiger ist gemäß § 20 Abs. 3 SchVG das Landgericht Frankfurt am Main zuständig. Sollte die Emittentin ihren eingetragenen Sitz ändern, gilt die gesetzliche Zuständigkeit nach dem SchVG.

(3) *Verbindliche Berechnungen und Festsetzungen.* Alle Berechnungen und Festsetzungen, die durch diese Emissionsbedingungen vorzunehmen sind, werden von der Emittentin oder einer von der Emittentin nach eigenem und absolutem Ermessen ernannten Partei vorgenommen.

(4) *Gerichtliche Geltendmachung.* Jeder Anleihegläubiger ist berechtigt, in jedem Rechtsstreit gegen die Emittentin oder in jedem Rechtsstreit, in dem der Anleihegläubiger und die Emittentin Partei sind, seine Rechte aus den maßgeblichen Schuldverschreibungen im eigenen Namen auf der folgenden Grundlage zu sichern und geltend zu machen: (i) einer Bescheinigung der Depotbank, bei der er für die Schuldverschreibungen ein Wertpapierdepot unterhält, welche (a) den vollständigen Namen und die vollständige Adresse des Anleihegläubigers enthält, (b) den Gesamtnennbetrag der Schuldverschreibungen bezeichnet, die unter dem Datum der Bestätigung auf dem Wertpapierdepot verbucht sind und/oder den Gesamtnennbetrag der Schuldverschreibungen bezeichnet, die von diesem Wertpapierdepot des Anleihegläubigers auf das Emissionskonto überwiesen wurde (einschließlich der Stichtage dieser Übertragung(en)) und (c) bestätigt, dass die

the Clearing System or a depository of the Clearing System, without the need for production in such proceedings of the actual records or the Global Note representing the Bonds. For purposes of the foregoing, "**Custodian**" means any bank or other financial institution of recognised standing authorised to engage in securities custody business with which the Bondholder maintains a securities account in respect of the Bonds, including the Clearing System. Each Bondholder may, without prejudice to the foregoing, protect and enforce its rights under these Bonds also in any other way which is admitted in the country of the proceedings.

§ 20 Language

These Terms and Conditions are written in the [English][German] language and provided with a [German][English] language translation. The [English][German] version shall be the only legally binding version. The [German][English] translation is for convenience only.

Depotbank gegenüber dem Clearing System eine schriftliche Erklärung abgegeben hat, die die vorstehend unter (a) und (b) bezeichneten Informationen enthält, und (ii) einer Kopie der die betreffenden Schuldverschreibungen verbriefenden Globalurkunde, deren Übereinstimmung mit dem Original eine vertretungsberechtigte Person von dem Clearing System oder einer Verwahrstelle des Clearing Systems bestätigt hat, ohne dass eine Vorlage der Originalbelege oder der die Schuldverschreibungen verbriefenden Globalurkunde in einem solchen Verfahren erforderlich wäre. Für die Zwecke des Vorstehenden bezeichnet "**Depotbank**" jede Bank oder ein sonstiges anerkanntes Finanzinstitut, das berechtigt ist, das Depotgeschäft zu betreiben und bei der/dem der Anleihegläubiger ein Wertpapierdepot für die Schuldverschreibungen unterhält, einschließlich dem Clearing System. Unbeschadet der vorstehenden Bestimmungen ist jeder Anleihegläubiger berechtigt, seine Rechte aus diesen Schuldverschreibungen auch auf jede andere im Land des Verfahrens zulässige Weise geltend zu machen.

§ 20 Sprache

Diese Emissionsbedingungen sind in [englischer][deutscher] Sprache abgefasst; eine Übersetzung in die [deutsche][englische] Sprache ist beigelegt. Nur die [englische][deutsche] Fassung ist rechtlich bindend. Die [deutsche][englische] Übersetzung ist unverbindlich.

12. FORM OF FINAL TERMS

[MIFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Bonds has led to the conclusion that for the Offer Jurisdictions: (i) the target market for the Bonds is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "MiFID II"); and (ii) all channels for distribution of the Bonds to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Bonds (a "distributor") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]³ [For jurisdictions other than the Offer Jurisdictions, the target market assessment in respect of the Bonds has led to the conclusion that [●][●]

[MIFID II PRODUCT GOVERNANCE / RETAIL INVESTORS, PROFESSIONAL INVESTORS AND ECPS TARGET MARKET – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Bonds has led to the conclusion that for the Offer Jurisdictions: (i) the target market for the Bonds is eligible counterparties, professional clients and retail clients, each as defined in Directive 2014/65/EU (as amended, "MiFID II"); EITHER⁴ [and (ii) all channels for distribution of the Bonds are appropriate, including investment advice, portfolio management, non-advised sales and pure execution services] OR⁵ [(ii) all channels for distribution to eligible counterparties and professional clients are appropriate; and (iii) the following channels for distribution of the Bonds to retail clients are appropriate - investment advice[,/ and] portfolio management[,/ and][non-advised sales][and pure execution services]], subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable]]. [Consider any negative target market]. Any person subsequently offering, selling or recommending the Bonds (a "distributor") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels[, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable]⁶.]⁷ [For jurisdictions other than the Offer Jurisdictions, the target market assessment in respect of the Bonds has led to the conclusion that [●][●]

[Include relevant MiFID provisions, as applicable]

³ Include legend in case MiFID II target market assessment in respect of the Bonds is "Professional Investors and Eligible Counterparties only."

⁴ Include for Bonds that are not ESMA complex pursuant to the Guidelines on complex debt instruments and structured deposits (ESMA/2015/1787) (the "ESMA Guidelines").

⁵ Include for Bonds that are ESMA complex pursuant to the ESMA Guidelines. This list may need to be amended, for example, if advised sales are deemed necessary. If there are advised sales, a determination of suitability and appropriateness will be necessary. In addition, if the Bonds constitute "complex" products, pure execution services to retail clients are not permitted without the need to make the determination of appropriateness required under Article 25(3) of MiFID II.

⁶ If there are advised sales, a determination of suitability will be necessary.

⁷ Include legend in case MiFID II target market assessment in respect of the Bonds is "Retail Investor Target Market."

Final Terms

[Title of relevant Series of Bonds]
issued pursuant to the

Programme for the issuance of Bonds secured by Cryptocurrencies

dated 14 January 2021

of



ETC Issuance GmbH

Issue Price:

[Cryptocurrency Entitlement per Bond plus a subscription fee of [●] per cent. [●] of units of the
[Cryptocurrency][Cryptocurrencies comprising the Basket] per Bond]

Issue Date: []

Series No.: []

Tranche: []

These final terms dated [●] (the "**Final Terms**") have been prepared for the purpose of Article 8(4) of Regulation (EU) 2017/1129. Full information on the Issuer and the offer of the Bonds is only available on the basis of the combination of the Final Terms when read together with the Base Prospectus of ETC Issuance GmbH dated 14 January 2021, including any supplements thereto (the "**Base Prospectus**"). The Base Prospectus [and the supplement dated [insert date] [, the supplement dated [insert date]] [and the supplement dated [insert date]]] [has][have] been or will be, as the case may be, published on the website of the Issuer (<https://www.btc-etc.com>). In case of an issue of Bonds which are listed on the regulated market of a stock exchange, the Final Terms relating to such Bonds will also be published on the website of the Issuer (<https://www.btc-etc.com>). [A summary of the individual issue of the Bonds is annexed to these Final Terms.]⁸

Terms not otherwise defined herein shall have the meanings specified in the Terms and Conditions of the Bonds as set out in the Base Prospectus (the "**Terms and Conditions**").

⁸ Not to be included for Bonds which are issued with a denomination of at least EUR 100,000 or the equivalent amount in another currency unless a summary section shall be included on a voluntary basis.

Nicht einzufügen bei Schuldverschreibungen, die eine Stückelung von mindestens EUR 100.000 oder dem entsprechenden Gegenwert in einer anderen Währung haben, soweit nicht eine Zusammenfassung auf freiwilliger Basis angefügt werden soll.

PART I.: TERMS AND CONDITIONS
TEIL I.: EMISSIONSBEDINGUNGEN

[Select Option I or II of the Terms and Conditions by inserting the relevant Option]

[Option I oder II der Emissionsbedingungen auswählen, indem die maßgebliche Option hier eingefügt wird.]

**PART II.
TEIL II.**

1. Net proceeds:

[The Bonds are initially purchased from the Issuer in the primary market with **[insert relevant Cryptocurrency]** **[insert relevant Cryptocurrencies comprising the Basket]**. **[insert relevant Cryptocurrency]** **[insert relevant Cryptocurrencies comprising the Basket]** received by the Issuer through the subscription of the Bonds will be transferred to the Depositary Wallet and secured by a security agreement for the benefit of the Bondholders, the Security Trustee and a bondholders' representative (if appointed). Based on the assumption that a total of [●] units of Bonds are sold and based on the **[insert relevant Cryptocurrency]** value of [●] **[insert values for each Cryptocurrency comprising the Basket]** ([in each case] as of **[insert Issue Date]** [●]), the net proceeds for each [●] units of Bonds are [●]. [●]
2. [Subscription Restrictions:

[A subscription or purchase of Bonds from the Issuer by Authorised Participants in the primary market, is only permitted, if the relevant Authorised Participant subscribing to or purchasing Bonds assures to the Issuer, upon presentation of the Verification Documents, that at least [●] per cent. of the transferred [units of the Cryptocurrency][units of each of the Cryptocurrencies comprising the Basket] qualify as Freshly Mined Cryptocurrency (as defined below).][●]]
3. (i) Listing and Trading:

[None] [Application [may be made][will be made][is intended to be made][has been made] for admission to trading of the Bonds as of [the Issue Date] [●] on [the regulated market of the Frankfurt Stock Exchange][●]

(ii) Estimate of the total expenses related to the admission of trading: [Not applicable] [●]

[(iii) Listing Agent's Responsibility: [Applicable. In connection with this issue of Bonds and with regard to this issue only, XTX Markets SAS, with its registered office at 3-5 Rue St Georges, Paris 75009, France, accepts responsibility for the Base Prospectus, including these Final Terms, and confirms that to the best of its knowledge and belief, the information for which it accepts responsibility as aforesaid is in accordance with the facts and does not omit anything likely to affect the importance of such information.][Not applicable.]]

4. Interest of natural and legal persons involved in the issue/offer: [None] **[give details of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest]**
5. Post-Issuance Information: [The Issuer does not intend to provide post-issuance information unless required by any applicable laws and/or regulations.][**specify**]
6. Non-exempt Offer: [Not applicable] [●]
7. Offer Jurisdictions: [Not applicable] [●]
8. [Consent to the use of the Base Prospectus:
The Issuer consents to the use of the Base Prospectus by the following financial intermediar[y][ies] (individual consent): [Not applicable] [●]
Individual consent for the subsequent resale or final placement of the Bonds by the financial intermediar[y][ies] is given in relation to: [Not applicable] [Austria] [and][,] [Croatia] [and][,] [Cyprus] [and][,] [Czechia] [and][,] [Denmark] [and][,] [Estonia] [and][,] [Finland] [and][,] [France] [and][,] [Germany] [and][,] [Greece] [and][,] [Ireland] [and][,] [Italy] [and][,] [Luxembourg] [and][,] [Malta] [and][,] [Norway] [and][,] [Poland] [and][,] [Portugal] [and][,] [Slovakia] [and][,] [Slovenia] [and][,] [Spain] [and][,] [Sweden] [and][,] [The Netherlands]
Any other clear and objective conditions attached to the consent which are relevant for the use of the Base Prospectus: [Not applicable] [●]
The subsequent resale or final placement of Bonds by financial intermediaries can be made: [Not applicable] [As long as the Base Prospectus is valid for the offer of the Bonds: [●] [●] [During the Offer Period (see 6. above)]]
- [9. (i) Commissions and Fees: [None][**specify**]
(ii) Expenses and taxes specifically charged to the subscriber of the Bonds: [None][**specify**]
- [10. Categories of potential investors: [Retail investors] [and] [Professional investors]]
- [11. [Information with regard to the manner, place and date of the publication of the results of the offer: [Not Applicable] **[if applicable, give details with regard to the manner and date in which results of the offer are to be made public]**
12. Authorised Participants acting as Offerors: The Bonds will be offered by the following Authorised Participants:
[insert names of Authorised Participants and give details with regard to contact information and channels of communication for potential investors]
13. ISIN: [●]

14. German Securities Code: [•]
15. An indication where information about the past and the future performance of the underlying [Cryptocurrency][Cryptocurrencies][Cryptocurrencies comprising the Basket] and [its][their] volatility can be obtained: [•]

13. TAXATION WARNING

PROSPECTIVE PURCHASERS OF THE BONDS ARE ADVISED TO CONSULT THEIR OWN TAX ADVISORS AS TO THE TAX CONSEQUENCES OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF BONDS, INCLUDING THE EFFECT OF ANY STATE OR LOCAL TAXES, UNDER THE TAX LAWS OF GERMANY AND EACH COUNTRY OF WHICH THEY ARE RESIDENTS. THE RESPECTIVE RELEVANT TAX LEGISLATION MAY HAVE AN IMPACT ON THE INCOME RECEIVED FROM THE BONDS.

14. SUBSCRIPTION, SALE AND OFFER OF THE BONDS

14.1. OFFER OF THE BONDS

14.1.1. Offer to the public

In the primary market each issue of a Series of Bonds is initially only 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). An offer to the public may be made in the countries specified under "*Consent to the Use of the Base Prospectus*".

As of the date of this Base Prospectus, the Issuer has entered into agreements with four Authorised Participants.

The following Authorised Participants have been appointed as of the date of this Base Prospectus*:

Name (regulatory status)	Address	Description
XTX Markets SAS	3-5 Rue St Georges Paris 75009 France	XTX Markets SAS will register with Deutsche Börse to perform the role of designated sponsor (https://deutsche-boerse.com/dbg-en/our-company/know-how/glossary/glossary-article/Designated-Sponsor-242854). XTX Markets SAS will not face investors but will only subscribe for and redeem the Bonds for their own purposes.
ITI Capital Ltd (FCA regulated)	Level 33 Tower 42 25 Old Broad Street, London, EC2N 1HQ United Kingdom	Will face investors to subscribe for and redeem the Bonds.
Flow Traders B.V. (Headquarters) (AFM regulated)	Jacob Bontiusplaats 9 Amsterdam 1018 LL The Netherlands	Flow Traders B.V. will register with Deutsche Börse to perform the role of designated sponsor. Flow Traders B.V. will face professional investors to subscribe for and redeem the Bonds.
Jane Street Financial Limited (FCA regulated)	2 & A Half Devonshire Square London EC2M 4UJ United Kingdom	Will face professional investors to subscribe for and redeem the Bonds.

*Any changes to the list of Authorised Participants will be detailed at <https://www.btc-etc.com>

14.1.2. Conditions and technical details of the offer

Any offer of Bonds 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 "*Offer to the Public*". There is no possibility to reduce subscriptions. No minimum or maximum subscription amounts will be specified.

In the primary market, the Issuer will sell Bonds only to Authorised Participants and such Bonds may only be purchased with units of the relevant Cryptocurrency or units of the underlying Cryptocurrencies comprising the Basket (as set out in the relevant Final Terms).

If so specified in the relevant Final Terms, the Bonds may only be subscribed or purchased with units of the underlying Cryptocurrency or underlying Cryptocurrencies comprising the Basket which qualify as “freshly mined”.

This requires that the relevant Authorised Participant subscribing the Bonds with such units of the underlying Cryptocurrency or underlying Cryptocurrencies comprising the Basket is able to assure to the Issuer in the specified form and providing specific proof, that at least a minimum portion (as specified in the relevant Final Terms) of the so transferred units of the Cryptocurrency or units of the Cryptocurrencies comprising the Basket, have been transferred only through a limited number of digital wallets (as specified in the relevant Final Terms).

Any investors who are not Authorised Participants can purchase the Bonds in the secondary market either (i) from an Authorised Participant or (ii) via a stock exchange (in case of Bonds admitted to trading on a stock exchange) through their broker or (iii) from any person over the counter for fiat (e.g. Euro). Where Bonds are purchased from an Authorised Participant, such Bonds can be purchased either with the relevant Cryptocurrency or units of the underlying Cryptocurrencies comprising the Basket (as set out in the relevant Final Terms) or with USD or any other fiat currency or cryptocurrency as will be determined by each Authorised Participant offering the Bonds.

Bonds issued under this Base Prospectus will be delivered via book-entry through the Clearing System and its account holding banks.

14.1.3. Charges and costs relating to the offer

The estimated total expenses of the issue and/or offer of each Series of Bonds will be specified in the relevant Final Terms of each issue of Bonds.

The Issuer may charge a subscription fee up to 0.50 percent of the Cryptocurrency Entitlement from the Authorised Participants. Authorised Participants may charge additional fees to investors who are purchasing Bonds from them. These fees may vary and the Issuer has no influence on whether and to what extent the Authorised Participant is charging fees.

14.1.4. Method of determination of the Issue Price

Each issue of a Series of Bonds will be issued at an issue price as stated in the relevant Final Terms. The issue price for Authorised Participants will be equal to the Cryptocurrency Entitlement plus a subscription fee (as specified in the relevant Final Terms). The Cryptocurrency Entitlement will be determined pursuant to the following formula:

$$CE = ICE \times (1 - DER)^n$$

Where:

"CE" means Cryptocurrency Entitlement;

"ICE" means a number units of the relevant Cryptocurrency per Bond as specified in the relevant Final Terms of each Series of Bonds;

"DER" means fixed percentage as specified the relevant Final Terms of each Series of Bonds (subject to reduction by the Issuer); and

"n" means number of days/365.

For investors other than Authorised Participants, the purchase price for a Series of Bonds will be determined by each Authorised Participant on an ongoing basis and may be subject to additional subscription fees.

As of the Issue Date (as specified in the relevant Final Terms) of each Series of Bonds, the Cryptocurrency Entitlement would correspond to the initially determined number units of the relevant Cryptocurrency or Units of the Basket (as specified in the relevant Final Terms, the "**Initial Cryptocurrency Entitlement**") per Bond, i.e. Authorised Participants purchasing Bonds from the Issuer would receive one Bond for a number of units of the relevant Cryptocurrency or Units of the Basket corresponding to the Initial Cryptocurrency Entitlement. In addition, the Issuer may charge a subscription fee of up to 0.50 percent per unit of the relevant Cryptocurrency or Unit of the Basket from the Authorised Participant.

Where an investor purchases a Bond from an Authorised Participant with Euro, in case of an exemplary Cryptocurrency Entitlement of 0.001 per Bond, the Euro equivalent of the Cryptocurrency Entitlement as of 5 January 2021, based on a value of the underlying Cryptocurrency of Euro 27,404.298⁹ would be Euro 27.40. However, given that each Authorised Participant may charge a subscription fee from the investor who it is selling the Bonds at its own discretion, the purchase price for a Bond may be higher than Euro 27.40.

For a determination of the issue price see also *Section 10.2 – Description of the Bonds*.

14.2. SELLING RESTRICTIONS

14.2.1. General

Any person subsequently offering, selling or recommending the Bonds shall comply with all applicable laws and regulations in each country or jurisdiction in which it purchases, offers, sells or delivers Bonds or possesses, distributes or publishes this Base Prospectus or any other offering material relating to the Bonds.

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 Bonds or possess, distribute or publish this Base Prospectus or any other offering material relating to the Bonds, in all cases at their own expense.

14.2.2. European Economic Area

If the Final Terms in respect of any Series of Bonds include a legend in the context of any prohibition to make an offer of Bonds to retail investors in certain jurisdictions in the European Economic Area, the Bonds are not intended to be offered and shall not be offered to any retail investor in such jurisdiction(s). For the purposes of this provision:

- (a) the expression "retail investor" means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or
 - (ii) a customer within the meaning of Directive (EU) 2016/97 (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
 - (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"); and
- (b) the expression an "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Bonds to be offered so as to enable an investor to decide to purchase or subscribe for the Bonds.

If the Final Terms in respect of any Bonds do not include a legend in the context of any prohibition to make an offer of Bonds to retail investors in certain jurisdictions in the European Economic Area (each a "**Member State**"), any relevant person has represented that it has not made and will not make an offer

⁹ Value of Bitcoin as of 5 January 2021.

of Bonds which are the subject of the offering contemplated by this Prospectus as completed by the final terms in relation thereto to the public in that Member State except that it may make an offer of such Bonds to the public in that Member State:

- (i) if the final terms in relation to the Bonds specify that an offer of those Bonds may be made other than pursuant to Article 1(4) of the Prospectus Regulation in that Member State (a "**Non-exempt Offer**"), following the date of publication of a prospectus in relation to such Bonds which 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, provided that any such 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 such prospectus or final terms, as applicable, and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;
- (ii) at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;
- (iii) 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 relevant dealer or dealers nominated by the Issuer for any such offer; or
- (iv) at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Bonds referred to in (ii) to (iv) above shall require the Issuer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision the expression an "**offer of Bonds to the public**" in relation to any Bonds 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 Bonds to be offered so as to enable an investor to decide to purchase or subscribe for the Bonds and the expression "**Prospectus Regulation**" means Regulation (EU) 2017/1129.

14.2.3. United Kingdom - Retail selling restrictions

If the Final Terms in respect of any Series of Bonds include a legend in the context of any prohibition to make an offer of Bonds to retail investors in the United Kingdom, the Bonds are not intended to be offered and shall not be offered to any retail investor in the United Kingdom. For the purposes of this provision:

- (a) the expression "retail investor" means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (8) of Article 2(1) of Commission Delegated Regulation (EU) 2017/565 as it forms part of English law by virtue of the European Union (Withdrawal) Act 2018, as amended by the Markets in Financial Instruments (Amendment) (EU Exit) Regulations 2018; or
 - (ii) a customer within the meaning of Article 68(1) of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001, where that customer would not qualify as a professional client as defined in point (8) of Article 2(28) of Regulation (EU) No 600/2014 as it forms part of English law by virtue of the European Union (Withdrawal) Act 2018, as amended by the Markets in Financial Instruments (Amendment) (EU Exit) Regulations 2018; or
 - (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 as it forms part of English law by virtue of the European Union (Withdrawal) Act 2018 (the "**UK Prospectus Regulation**"); and

- (b) the expression an **offer** includes the communication in any form and by any means of sufficient information on the terms of the offer and the Bonds to be offered so as to enable an investor to decide to purchase or subscribe for the Bonds.

If the Final Terms in respect of any Bonds do not include a legend in the context of any prohibition to make an offer of Bonds to retail investors in the United Kingdom, any relevant person has represented that it has not made and will not make an offer of Bonds which are the subject of the offering contemplated by this Base Prospectus as completed by the final terms in relation thereto to the public in the United Kingdom except that it may make an offer of such Bonds to the public in the United Kingdom:

- (i) if the final terms in relation to the Bonds specify that an offer of those Bonds may be made 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 a prospectus in relation to such Bonds which has been approved by the Financial Conduct Authority provided that any such prospectus has subsequently been completed by final terms contemplating such Non-exempt Offer, in accordance with the UK Prospectus Regulation, in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable, and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;
- (ii) at any time to any legal entity which is a qualified investor as defined in the UK Prospectus Regulation;
- (iii) at any time 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 Dealer or Dealers nominated by the Issuer for any such offer; or
- (iv) at any time in any other circumstances falling within Article 1(4) of the UK Prospectus Regulation,

provided that no such offer of Bonds referred to in (ii) to (iv) above shall require the Issuer 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 "**offer of Bonds to the public**" in relation to any Bonds 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 Bonds to be offered so as to enable an investor to decide to purchase or subscribe for the Bonds.

14.2.4. United Kingdom - Other regulatory restrictions

Any person subsequently offering, selling or recommending the Bonds has to ensure that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of the Bonds in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Bonds in, from or otherwise involving the United Kingdom.

14.2.5. United States

The Bonds have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), and may not be offered, sold or delivered within the United States of America (the "**United States**") to or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Bonds are being offered and sold only (1) to "accredited investors" (as defined in Rule 501 of

Regulation D under the Securities Act) in compliance with Rule 506(c) or Rule 506(b) of Regulation D under the Securities Act; (2) to 'qualified institutional buyers' as defined in Rule 144A under the Securities Act; and (3) in "offshore transactions" (as defined in Regulation S under the Securities Act) in reliance upon Regulation S under the Securities Act. Any person acting as a distributor of the Bonds exclusively outside the United States has represented and agreed that neither it nor any persons acting on its behalf has offered, sold or delivered or will offer, sell or deliver any Bonds within the United States except in accordance with Rule 903 of Regulation S under the Securities Act. Accordingly, each such distributor has represented and agreed that neither it, its affiliates nor any persons acting on its or their behalf has engaged or will engage in any directed selling efforts with respect to the Bonds offered in reliance on Regulation S. Terms used in this subparagraph have the meaning given to them by Regulation S.

15. GENERAL INFORMATION

15.1. INCORPORATION BY REFERENCE

The following documents are incorporated by reference into this Base Prospectus:

- The audited annual financial statements of the Issuer (*Jahresabschluss*) dated 31 December 2019 together with an unqualified auditor's report; and
- the interim financial statements of the Issuer (*Halbjahresfinanzbericht*) dated 30 June 2020.

The documents incorporated by reference can be found on the following websites:

- The audited annual financial statements of the Issuer (*Jahresabschluss*) dated 31 December 2019 together with an unqualified auditor's report:

https://etcm.ltd/resources/annual_financial_statements_2019.pdf

- The interim financial statements of the Issuer (*Halbjahresfinanzbericht*) dated 30 June 2020:

https://etcm.ltd/resources/etc_issuance_gmbh_interim_accounts_30-06-2020_eng.pdf

All pages of the documents incorporated by reference set out above shall be deemed to be incorporated in by reference, and to form part of, this Base Prospectus.

The documents containing the information incorporated by reference have been filed with BaFin. They are available free of charge by the Issuer and are published in electronic form on the Issuer's website <https://etcm.ltd/resources/>.

15.2. DOCUMENTS ON DISPLAY

For the term of this Base Prospectus, copies of the following documents may, when published, be inspected during normal business hours at the specified office of the Paying Agent and will be available on the website of the Issuer (<https://www.btc-etc.com>):

- (a) the Base Prospectus and any supplement thereto;
- (b) the constitutional documents of the Issuer;
- (c) the Terms and Conditions;
- (d) the German Security and Security Trust Agreement in relation to each Series of Bonds;
- (e) the Cryptocurrency Security Agreement in relation to each Series of Bonds;
- (f) the Depositary Account (Wallet) Control Agreement in relation to each Series of Bonds;
- (g) the Issuance Account Control Agreement in relation to each Series of Bonds;
- (h) the relevant Final Terms for each Series of Bonds; and
- (i) the documents incorporated by reference.

16. NAMES AND ADDRESSES

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