

## **First Supplement Dated 1 March 2024 to the Securities Note dated 9 May 2023 of Backed Assets GmbH**

This supplement ("**First Supplement**") is supplemental to the securities note for the issuance of tokenized securities of Backed Assets GmbH dated 9 May 2023 ("**Securities Note**") and must be read in conjunction with (i) the Securities Note and any other supplements thereto, (ii) the information document on Backed Assets GmbH dated 9 May 2023 ("**Registration Document**") and any supplement thereto (Securities Note, Registration Document and any supplements thereto "**Base Prospectus**") and (iii) the respective specification of the detailed terms applicable to each Product ("**Final Terms**") for the specific securities in order to obtain all the relevant information.

This First Supplement constitutes a supplement according to Article 23 of the Regulation (EU) 2017/1129 of the European Parliament and the Council of 14 June 2017, as amended ("**Prospectus Regulation**"). Terms defined in the Securities Note have the same meaning when used in this Supplement. In case of discrepancies between this First Supplement and the Securities Note, this First Supplement shall prevail.

This First Supplement has been approved by the Financial Market Authority Liechtenstein ("**FMA**"), as competent authority under the Prospectus Regulation. The FMA only approves this First Supplement 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 the quality of the securities that is/are the subject of this First Supplement. Investors should make their own assessment as to the suitability of investing in the securities.

This First Supplement will be available on the website of Backed Assets (JE) Limited at [www.backedassets.fi](http://www.backedassets.fi) during 10 years after its publication and is also available (together with the other parts of documents of the Base Prospectus) free of charge at the offices of the Issuer at Backed Assets (JE) Limited, First Floor, La Chasse Chambers, Ten La Chasse, St. Helier, JE2 4UE, Jersey. Any website mentioned in this First Supplement does not form part of this First Supplement or the Base Prospectus itself.

### **1. RIGHT OF WITHDRAWAL:**

Investors who have already agreed to purchase or subscribe for the Products issued pursuant to Final Terms under the Base Prospectus before this First Supplement is published shall according to Article 23 paragraph 2 Prospectus Regulation have the right, exercisable within three Business Days after the publication of this First Supplement to withdraw their acceptances, provided that the significant new factor, material mistake or material inaccuracy referred to in this First Supplement arose or was noted before the closing of the offer period or the delivery of the Products, whichever occurs first.

Any withdrawal may be exercised without stating any reason and shall be sent to the Issuer (Backed Assets (JE) Limited, First Floor, La Chasse Chambers, Ten La Chasse, St. Helier, JE2 4UE, Jersey) in written form.

## 2. PURPOSE / REASON OF THIS SUPPLEMENT:

This Supplement has been prepared in order to update the Securities Note with the new circumstances due to the absorption by merger of Backed Assets GmbH with seat in Switzerland (issuer of Products according to the Securities Note) as of 23 February 2024 by Backed Assets (JE) Limited ("**Issuer**"), a newly incorporated company in Jersey.

## 3. INFORMATION BEING SUPPLEMENTED:

### a. Amendments on front pages

1. The title: "Securities Note for Retail Non-Equity Securities" on the front page shall be amended, and the new title shall read as: "Securites Note".
2. The information about the business name, registered office and address of the Issuer on the front page shall be replaced with the new business name and jurisdiction of incorporation on the front page shall reading as follows:

**"Backed Assets (JE) Limited**

a private limited company incorporated in Jersey"

### b. Amendment on Warning:

1. The above-mentioned section shall be amended in its entirety, and be replaced by the following text:

"This Securities Note is valid until the expiry on 8 May 2024, provided that any necessary supplements pursuant to Art. 23 of the Prospectus Regulation ("**Supplement**") are prepared. When the Securities Note has become invalid, the obligation to prepare a Supplement in the event of significant new factors, material mistakes or material inaccuracies does not apply.

This Base Prospectus is a succeeding Base Prospectus continuing the offer of tokenized securities made by the Issuer on the basis of a Base Prospectus approved by the Liechtenstein Financial Markets Authority on 9 May 2022 and as listed in section 9 to this Securities Note. This Base Prospectus as well as the preceding Base Prospectus are available for inspection and download at [www.backedassets.fi](http://www.backedassets.fi).

The Issuer may choose to produce new securities note to replace this Securities Note whenever significant new information regarding the Issuer and the securities is available.

### General

**The Issuer has registered (or will register within any applicable time frame) with the Jersey Financial Services Commission (the "JFSC") under the Proceeds of Crime (Supervisory Bodies) (Jersey) Law 2008 for one or more activities specified at Schedule 2 of the Proceeds of Crime (Jersey) Law 1999.**

A copy of this Securities Note has been delivered to the registrar of companies in Jersey in accordance with Article 5 of the Companies (General Provisions) (Jersey) Order 2002, and it has given, and has not withdrawn, its consent to its circulation.

The JFSC has given, and has not withdrawn (or will have given prior to the issuance of the Products and not withdrawn) its consent under Articles 2 and 4 of the Control of Borrowing (Jersey) Order 1958 to the issue of shares, admission of members and issue of securities by the Issuer. The JFSC is protected by the Control of Borrowing (Jersey) Law 1947, as amended, against liability arising from the discharge of its functions under that law.

It must be distinctly understood that, in giving these consents, neither the Registrar of Companies in Jersey nor the JFSC takes any responsibility for the financial soundness of the Issuer or for the correctness of any statements made, or opinions expressed, with regard to it.

It should be remembered that the price of the Products can go down as well as up. If you are in any doubt about the contents of this Securities Note, the Registration Document and/or the Final Terms you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser.

The directors of the Issuer have taken all reasonable care to ensure that the facts stated in this document are true and accurate in all material respects, and that there are no other facts the omission of which would make misleading any statement in the document, whether of facts or of opinion. The directors of the Issuer declare that to the best of their knowledge, the information contained in this document, the Registration Document and Final Terms is in accordance with the facts and makes no omissions likely to affect its import (or the Registration Document and Final Terms). All the directors accept responsibility accordingly.

The securities do not constitute a collective investment scheme within the meaning of the Swiss Collective Investment Schemes Act ("CISA"). Therefore, they are not subject to authorisation by the Swiss Financial Market Supervisory Authority FINMA ("FINMA") and potential investors do not benefit from the specific investor protection provided under the CISA and are exposed to the credit risk of the Issuer.

The securities are not and will not be issued, guaranteed or secured in an equivalent manner by a supervised institution within the meaning of Article 70 paragraph 1 Financial Services Act ("FinSA"). However, the Issuer will for each product provide collateral corresponding to the requirements under Article 70 paragraph 2 FinSA.

The Issuer has not authorized anyone to disclose any information or confirmations more than the information disclosed in this Securities Note, together with the Registration Document and Final Terms. If such information and confirmations are nevertheless given, investors should not rely on them as if they had been authorized by the Issuer.

**Requirements under the Guidance issued by the JFSC in respect of Token Issuances (the "JFSC Guidance")**

The Issuer is a private limited company incorporated in Jersey. Anyone issuing a token through a Jersey company will require a specific consent from the Jersey Company Registry, part of the JFSC. Whilst this consent does not give the issuer a 'regulated' status, it mandates a set of conditions designed to ensure that the issuer meets specific standards in terms of governance, investor disclosure and AML/CFT/CPF compliance.

Investors should have regard to Annex 1 in respect of the JFSC Guidance appended to this Securities Note.

Token sales or coin offerings are typically a highly speculative form of investment. Investors should be prepared for the possibility of losing their investment completely. Investment in token sales or coin offerings is not necessarily subject to existing capital market regulations and protections.

In particular, Investors should be aware that they will be asked to acknowledge the above warning and also confirm the following prior to purchasing the Products:

- (i) (for an individual) that they have read the above warning, as well as the Registration Document, the Securities Note and Final Terms and understand the risks set out above; that the Products are suitable for them and that they wish to proceed to acquire the Products from the Issuer.
- (ii) (for an entity) that they are duly authorised to act on behalf of the entity stated below, they have read the above warning, as well as the Registration Document, Securities Note and Final Terms and understand the risks set out above; that the entity they represent has considered the Products carefully and considers them suitable and wishes to proceed to acquire the Products from the Issuer.

**Requirements under the Collective Investment Funds (Restriction of Scope) (Jersey) Order 2000 (the "RoS Order")**

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

Any individual intending to invest in the Products should consult their professional adviser and ensure that they fully understand all the risks associated with making such an investment and have sufficient financial resources to sustain any loss that arises from it.

**Requirements under the Financial Services (Investment Business (Special Purpose Investment Business – Exemption)) (Jersey) Order 2001 (the "SPB Order")**

Pursuant to the SPB Order, the Products may only be issued or allotted exclusively to:

1. A person whose ordinary activities involve them acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their business or who it is reasonable to expect will acquire, hold, arrange or dispose of investments (as principal or agent) for the purposes of their business (a "Professional Investor"); or
2. A person who has received and acknowledged a warning to the effect that (A) the Products are only suitable for acquisition by a person who: (i) has a significantly substantial asset base such as would enable them to sustain any loss that might be incurred as a result of acquiring the Products; and (ii) is sufficiently financially sophisticated to be reasonably expected to know the risks involved with acquiring the Products; and (B) neither the issue of the Products nor the activities of any functionary with regard to the issue of the Products are subject to all the provisions of the Financial Services (Jersey) Law 1998 (the "SPB Order Investment Warning")

Investors should be aware that they will be asked to confirm that they are either a Professional Investor under 1. above, or alternatively that they acknowledge receipt of the SPB Order Investment Warning under 2 above prior to the Products being issued to them.

#### **Important Note for Authorised Participants**

Where an Authorised Participant acquires the Products and then facilitates their transfer to a third party (a "Prospective Investor"), the JFSC expects Authorised Participants to provide (and draw a Prospective Investor's attention to) the warnings set out in this section, as well as providing such Prospective Investors with access to this Securities Note, the Registration Document and the Final Terms prior to any such transfer being made.

By acquiring the Products an Authorised Participant is deemed to undertake to the Issuer that it will draw the Prospective Investor's attention to the warnings set out in this section prior to facilitating the transfer of the Products.

#### **Important Note for Investors acquiring the Products on the secondary market**

Each Investor who acquires Products on the secondary market will be deemed, by such acquisition, to have represented that:

- (a) they have read this Securities Note, the Registration Document and Final Terms;
- (b) they have received and acknowledged the warning set out above under the JFSC Guidance (as defined above); they understand the risks set out above; that the Products are suitable for them and that they wish to acquire Products from the Issuer; and
- (c) under the SPB Order (as defined above), they are a Professional Investor (as defined above), or alternatively they will be deemed, by such acquisition, to have represented that they have received and acknowledged the SPB Order Investment Warning (as defined above)."

#### **c. Amendment on Important Information:**

1. The second paragraph under "Switzerland" shall be amended in its entirety, and shall read as follows:

"The securities, qualifying as structured products pursuant to Article 70 of the Swiss Financial Services Act ("**FinSA**"), may be offered exclusively to professional investors in accordance with Article 4 (3)-(5) FinSA ("**Swiss Professional Investors**"). Circulating this document and offering, distributing, marketing or selling the securities to other Swiss persons than Swiss Professional Investors may trigger regulatory obligations in Switzerland. Accordingly, legal advice should be sought before providing this document to and offering, distributing, marketing or selling/on-selling the securities to any other persons or entities. This document does not constitute an issuance prospectus pursuant to the FinSA and may not comply with the information standards required thereunder. The securities will neither be listed on any Swiss trading venue, and consequently, the information presented in this document does not necessarily comply with the information standards set out in the relevant listing rules. The documentation of the securities has not been and will not be approved, and may not be able to be approved and/or registered, by FINMA or any Swiss prospectus office under Swiss financial market laws. Therefore, investors do not benefit from protection under the CISA or supervision by the FINMA. This document does not constitute investment advice. It may only be used by those persons to whom it has been handed out in connection with an investment and may neither be copied or directly/ indirectly distributed or made available to other persons."

2. The paragraph "ISSUER IS NEITHER LICENSED NOR REGISTERED" shall be replaced, and shall read as follows:

#### **"REGULATORY STATUS OF THE ISSUER IN JERSEY**

The Issuer of the Products, Backed Assets (JE) Limited, with its registered address at First Floor, La Chasse Chambers, Ten La Chasse, St. Helier, JE2 4UE, Jersey, is incorporated under Jersey law.

A copy of this Securities Note has been delivered to the Registrar of Companies in Jersey (the "Registrar") in accordance with Article 5 of the Companies (General Provisions) (Jersey) Order 2002, and the Registrar has given, and has not withdrawn, its consent to its circulation.

The Jersey Financial Services Commission (the "**JFSC**") has given, and has not withdrawn, its consent under Articles 2 and 4 of the Control of Borrowing (Jersey) Order 1958 to the issue of shares, admission of members and issue of securities by the Issuer.

It must be distinctly understood that, in giving these consents, neither the Registrar nor the JFSC takes any responsibility for the financial soundness of the Issuer or for the correctness of any statements made, or opinions expressed, with regard to it.

The Issuer has registered (or will register within any applicable time frame) with the JFSC under the Proceeds of Crime (Supervisory Bodies) (Jersey) Law 2008 for certain specified Schedule 2 activities of the Proceeds of Crime (Jersey) Law 1999. In addition, the Administrator and the Issuer are subject to applicable anti-money laundering legislation and regulations in Jersey ("**Jersey AML Legislation**"). In order to comply with legislation or regulations aimed at the prevention of money laundering the Issuer is required to adopt and maintain anti-money laundering proce-

dures, and may require prospective investors to provide evidence to verify their identity, the identity of their beneficial owners/controllers (where applicable), source of funds and wealth. Where permitted, and subject to certain conditions, the Issuer may also rely upon a suitable person for the maintenance of its anti-money laundering procedures (including the acquisition of due diligence information) or otherwise delegate the maintenance of such procedures to a suitable person (a "**Relevant AML Person**").

Save as set out above, the Issuer is not required to be licensed, registered or authorised under any current securities commodities or banking laws of its jurisdiction of incorporation and will operate without supervision by any authority in any jurisdiction. However, there can be no assurance that regulatory authorities in one or more jurisdiction(s) will determine that the Issuer is required to be licensed, registered or authorised under any current securities commodities or banking laws of such jurisdiction or that legal or regulatory requirements with respect thereto will not change in the future."

**d. Amendment on the Table of Contents:**

1. The Table of Contents shall be amended accordingly to the amendments made throughout the Securities Note. It shall read as follows:

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2. This first supplement will, to keep the overview, use a "new" numbering system and titles for the different sections while explaining the amendments. All amendments concerning the numbering system and titles made throughout the registration document shall read as follows:

Old	New
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4.6.6 Liability under the Collateral Agreement and Applicable Law	4.7.6 Liability under the Collateral Agreement and Applicable Law
4.7 Continuation of the Offer of Securities to the Public	5. Continuation of the Offer of Securities to the Public

**e. Amendments in section "A. Definitions":**

1. The following new paragraph shall be added just after the title as new first paragraph:

"Under this section the following terms are defined for this Securities Note (including the Terms and Conditions), which are used throughout the Base Prospectus. Words denoting the singular number only shall include the plural number also and vice versa. Such defined terms shall always be read in conjunction with the definitions provided in the whole Base Prospectus. In the event of any conflict between this Securities Note, the Registration Document (and any supplement thereto) and the Final Terms, the respective Final Terms shall prevail."

2. The definition of "**Administrator**" shall be added, and shall read as follows:

"Cavendish Fiduciary (Jersey) Limited of First Floor, La Chasse Chambers, Ten La Chasse, St Helier, Jersey JE2 4 UE"

3. The definition of "**AEOI Act**" and the corresponding definition description "Swiss Act on International Automatic Exchange of information in Tax Matters" shall be deleted.

4. The corresponding definition description of "**AML**" shall be amended, and shall read as follows:

"Anti-money laundering, control of terrorist financing and counter-proliferation"

5. The Definition "**AMLA**" shall be replaced by the Definition "**AMLSP**" and the corresponding definition description shall be amended, and shall read as follows:

"An anti-money laundering service provider under the Money Laundering Act (Jersey) Order 2008"

6. The corresponding definition description of "**Authorized Participant**" shall be amended, and shall read as follows:

"An appropriately regulated entity approved and engaged by the Issuer (in its absolute sole discretion) for the offering of one or several Products to Investors"

7. The term "**BA**" and the corresponding definition shall be deleted.

8. The corresponding definition description of "**Business Day**" shall be amended, and shall read as follows:

"A day on which relevant clearing systems are open and securities can be settled, relevant commercial banks and Custodians are open, banks in Jersey are open, foreign exchange markets execute payments in the respective Settlement Currency and Underlyings or Underlying Components of the relevant Product can be settled, and/or any other day, as specified in the Final Terms"

9. The definition of "**CEST**" shall be added, and shall read as follows:

"Central European Summer Time"

10. The definition of "**Data Protection Authority**" shall be added, and shall read as follows:

"Jersey Office of the Information Commissioner or any successor body"

11. The definition of "**Data Protection Legislation**" shall be added, and shall read as follows:

"(a) the General Data Protection Regulation (2016/679) and any national law issued under that regulation (as may be amended from time to time), and (b) the Data Protection (Jersey) Law 2018 and any other applicable legislation relating to data protection in Jersey (as may be amended from time to time)"

12. The definition of "**Financial Report**" and the corresponding definition description "Review Report together with the Interim Financial Statements" shall be deleted.

13. The definition of "**FinIA**" and the corresponding definition description "Swiss Financial Institutions Act" shall be deleted.

14. The definition of "**GBP or £**" shall be added, and shall read as follows:

"Great British Pounds Sterling, the currency of the United Kingdom"

15. The definition of "**Interim Financial Statements**" and the corresponding definition description "Interim financial statement of the Issuer for the period from 30 July 2021 (incorporation date of the Issuer) to 28 February 2022" shall be deleted.

16. The definition of "**ISA**" and the corresponding definition description "Swiss Insurance Supervision Act" shall be deleted.

17. The corresponding definition description of "**Issuer**" shall be amended, and shall read as follows:

"Backed Assets (JE) Limited, incorporated in Jersey"

18. The definition of "**Jersey AML Laws and Guidance**" shall be added, and shall read as follows:

"(a) the Proceeds of Crime (Jersey) Law 1999; (b) the Proceeds of Crime (Supervisory Bodies) (Jersey) Law 2008; (c) the Money Laundering (Jersey) Order 2008; (d) the Terrorism (Jersey) Law 2002; (e) the Handbook for the Prevention and Detection of Money Laundering and the Financing of Terrorism issued by the JFSC from time to time"

19. The definition of "**JFSC**" shall be added, and shall read as follows:

"The Jersey Financial Services Commission and my successor body"

20. The definition of "**JFSC Guidance**" shall be added, and shall read as follows:

"the application process for Issuers of initial coin offerings (ICOs) published by the JFSC on 1 July 2018 and as updated from time to time"

21. The corresponding definition description of "**KYC**" shall be amended, and shall read as follows:

"Know-your-customer procedures and documentation, in particular including transaction monitoring as well as source of wealth and source of funds checks, all in accordance with AMLA, Jersey AML Laws and Guidance and Sanctions Regulations"

22. The corresponding definition description of "**Net Realization Proceeds**" shall be amended, and shall read as follows:

"The amount resulting of the deduction of the service fees and additional costs of service providers from the realization proceeds, including (for clarity) the Security Agent, Paying Account Providers, Custodian and Broker."

23. The term "quotas" in the definition description of "**Parent**" shall be replaced with the term "shares".

24. The definition of "**PoCL**" shall be added, and shall read as follows:

"The Proceeds of Crime (Jersey) Law 1999"

25. The definition of "**Professional Investors**" and the corresponding definition description "Investors according to Art. 4 Para. 3 FinSA" shall be deleted.

26. The definition of "**Qualified Professional Investor**" shall be added, and shall read as follows:

"means persons who satisfy the definition of "qualified professional investor" under the Financial Services (Investment Business (Special Purpose Investment Business – Exemption)) (Jersey) Order 2001 and, where applicable, any more restrictive requirements under the legal and regulatory requirements in force in specific jurisdictions where the Product is marketed to investors resident in that jurisdiction."

27. The definition of "**Retail Investors**" and the corresponding definition description "Investors not qualifying as Professional Investors" shall be deleted.

28. The definition of "**Review Report**" and the corresponding definition description "Auditor's review report of the Interim Financial Statements" shall be deleted.
29. The definition of "**Swiss Bankruptcy Official**" and the corresponding definition description "Swiss bankruptcy official or administrator" shall be deleted.
30. The definition of "**Swiss Merger Act**" and the corresponding definition description "the Swiss Federal act on mergers, demergers, conversions and transfers of assets of 3 October 2022, as amended (Fusionsgesetz) with SR 221.301" shall be added.

31. The definition of "**Swiss Professional Investors**" shall be added, and shall read as follows:

"Investors according to Art. 4 Para. 3 FinSA"

32. The definition of "**TCSP**" shall be added, and shall read as follows:

"a trust and company service provider licensed by the JFSC under the Financial Services (Jersey) Law 1998 to carry on trust company business"

33. The definition of "**Website Privacy Notice**" shall be added, and shall read as follows:

"The website privacy notice annexed to this Securities Note"

**f. Amendment in section "1. Persons Responsible, Third Party Information, Experts' reports and competent Authority Approval"**

1. Sections 1.1 and 1.2 shall be replaced by the new section "1.1 Persons Responsible and Declaration of Responsibility" , and shall read as follows:

"The directors of the Issuer, Backed Assets (JE) Limited, First Floor, La Chasse Chambers, Ten La Chasse, St. Helier, JE2 4UE, Jersey have taken all reasonable care to ensure that the facts stated in this document are true and accurate in all material respects, and that there are no other facts the omission of which would make misleading any statement in the document, whether of facts or of opinion. The directors of the Issuer declare that to the best of their knowledge, the information stated in this document is in accordance with the facts and makes no omissions likely to affect its import. All the directors accept responsibility accordingly."

**g. Amendment in section "2.3.1.3 Pricing Divergences"**

1. The reference to the terms and conditions shall be amended to "5".

**h. Amendment in section "2.4.1.5 Lack of Capital Protection"**

1. The reference to the Collateralization of the securities shall be amended to "4.7".
2. The following information shall be added in the end of the paragraph:

"Accordingly, following the realisation of the Underlying held by way of Collateral for the Products issued to an Investor, an Investor has no residual claim against the assets of the Issuer (or

any claim against any service providers to the Issuer) in the event that an Investor suffers any loss on the capital they originally invested."

**i. Amendment in section "2.4.2.2 Realisation of Collateral"**

1. The paragraph shall be extended with the following information on residual claim against the assets of the Issuer:

"An Investor has no residual claim against the assets of the Issuer (or any claim against any service providers to the Issuer) in the event that an Investor suffers any such loss."

**j. Amendment in section "2.4.3.1 Limited Liquidity and Trading Volume"**

1. The above-mentioned section shall be amended in its entirety, and shall read as follows:

"There is no guarantee for the liquidity of the Products offered via secondary markets to Investors. The volume of Products traded on secondary markets may be highly limited, which can have a negative effect on the market price of the Products. Therefore, it may be extremely difficult for Investors to buy and/or sell the Products in a short period of time (without its price being negatively affected or any comparable event)."

**k. Amendment in section newly named as "2.5.2 Regulatory Status of Issuer and Provision of Due Diligence Information"**

1. The following paragraphs shall be added at the beginning of the section:

"A copy of this Securities Note has been delivered to the Registrar of Companies in Jersey (the "**Registrar**") in accordance with Article 5 of the Companies (General Provisions) (Jersey) Order 2002, and the Registrar has given, and has not withdrawn, its consent to its circulation.

The JFSC has given, and has not withdrawn, its consent under Articles 2 and 4 of the Control of Borrowing (Jersey) Order 1958 to the issue of shares, admission of members and the issue of securities in the Issuer.

**It must be distinctly understood that, in giving these consents, neither the Registrar nor the JFSC takes any responsibility for the financial soundness of the Issuer or for the correctness of any statements made, or opinions expressed, with regard to it.**

The Issuer has registered (or will register within any applicable time frame) with the JFSC under the Proceeds of Crime (Supervisory Bodies) (Jersey) Law 2008 for certain specified Schedule 2 activities of the Proceeds of Crime (Jersey) Law 1999. In addition, the Administrator and the Issuer are subject to applicable anti-money laundering legislation and regulations in Jersey ("**Jersey AML Legislation**"). In order to comply with legislation or regulations aimed at the prevention of money laundering the Issuer is required to adopt and maintain anti-money laundering procedures, and may require prospective investors to provide evidence to verify their identity, the identity of their beneficial owners/controllers (where applicable), source of funds and wealth. Where permitted, and subject to certain conditions, the Issuer may also rely upon a suitable person for

the maintenance of its anti-money laundering procedures (including the acquisition of due diligence information) or otherwise delegate the maintenance of such procedures to a suitable person (a "**Relevant AML Person**")."

**I. Amendment in section newly named as "2.5.3 Jersey Regulatory Risk"**

1. The above-mentioned section shall be amended in its entirety, and shall read as follows:

"The securities issued in relation to Products under this Base Prospectus are debt instruments.

The Regulatory status of the Issuer in Jersey is set out at Section 2.5.2 of this Securities Note. It must be understood that, in relation to the consents which the Issuer has obtained in Jersey, neither the Registrar nor the JFSC takes any responsibility for the financial soundness of the Issuer or for the correctness of any statements made, or opinions expressed, with regard to it. Investors are exposed to the credit risk of the Issuer and should be aware that the Collateralization of the Products does not fully eliminate this risk. Investors should consider this carefully before deciding to make any investment. Potential changes in regulatory requirements for the Products and/or the Issuer may lead to limitations in and/or termination of the offering of the Products.

Risk rating: low"

**m. Amendment in section "2.5.4 Compliance"**

1. The above-mentioned section shall be amended in its entirety, and shall read as follows:

"Upon the issue or redemption of the securities, the Issuer (or the Relevant AML Person on the Issuer's behalf), will request such information as is necessary to verify the identity of an investor and the identity of their beneficial owners/controllers (where applicable). Where the circumstances permit, the Issuer, or the Relevant AML Person on the Issuer's behalf, may be satisfied that full due diligence may not be required where a relevant exemption applies under applicable law. In the event of delay or failure on the part of the investor in producing any information required for verification purposes, the Issuer (or the Relevant AML Person on the Issuer's behalf), may refuse to accept the investor, or if an application has already been made, may suspend or withdraw the application prior to the issue of the securities, in which case any funds received will, to the fullest extent permitted by applicable law, be returned without interest to the account from which they were originally debited. The Issuer is not responsible for verifying the identity of those investors purchasing the Products on secondary markets, on which the Products might be traded. The Issuer has minimal influence on the compliance system of third party platforms on which the Products may be traded. However, the Issuer (or the Relevant AML Person on the Issuer's behalf) will be responsible for verifying the identity of holders upon redemption. In the event of a redemption, the Issuer (or the Relevant AML Person on the Issuer's behalf), may refuse any redemption to a holder of any securities if the Issuer (or the Relevant AML Person on the Issuer's behalf) suspects or is advised that the redemption may be non-compliant with applicable laws or regulations, or if such refusal is considered necessary or appropriate to ensure the compliance by the Issuer or the Relevant AML Person with any applicable laws or regulations. Accordingly, there is a risk that an investor purchasing the Products on secondary markets will not meet such due diligence requirements and therefore may not be able to redeem the Products and would therefore only be able to onwards transfer the Products on the secondary markets. Further,

any delay, failure or violation could materially adversely affect the timing and amount of payments by the Issuer to the holders of the securities.

The Issuer makes reasonable efforts to establish and verify counterparty identities, understand the nature of counterparties and customer activities, and tries to ascertain the legitimacy of counterparty funds to the standard required under applicable legal and regulatory requirements.

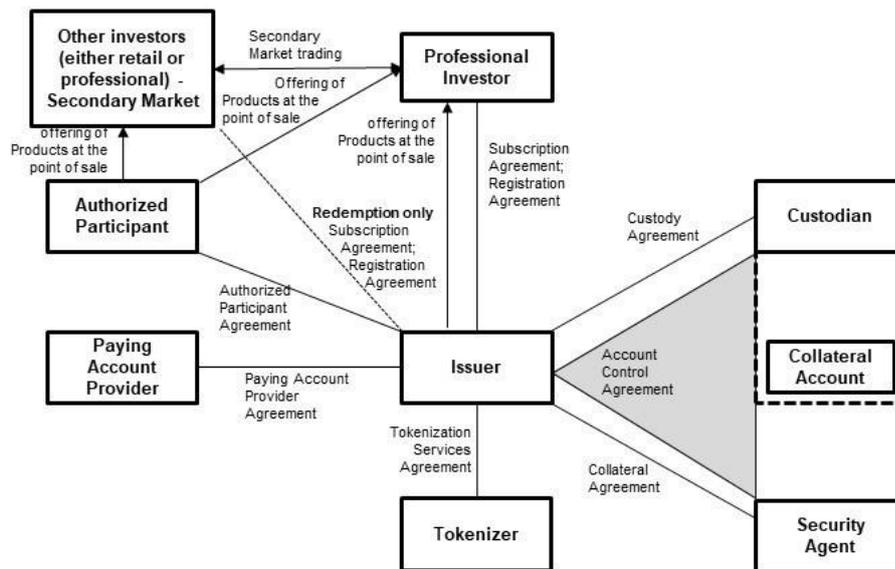
The JFSC has a discretionary power to impose substantial administrative fines upon the Issuer in connection with any breaches by the Issuer of prescribed provisions of the Proceeds of Crime (Jersey) Law 1999 and Money Laundering (Jersey) Order 2008 (each as amended and revised from time to time), and upon the Issuer and/or any director or officer of the Issuer who either consented to or connived in the breach, or to whose neglect the breach is proved to be attributable. To the extent any such administrative fine is payable by the Issuer, the Issuer will bear the costs of such fine and any associated proceedings. If any person in Jersey knows or suspects or has reasonable grounds for knowing or suspecting that another person is engaged in criminal conduct or money laundering or is involved with terrorism or terrorist financing and property and the information for that knowledge or suspicion came to their attention in the course of business in the regulated sector, or other trade, profession, business or employment, the person will be required to report such knowledge or suspicion to their Money Laundering Reporting Officer ("**MLRO**") where required or in the absence of the MLRO direct to the Jersey Financial Crime Unit of the States of Jersey Police as required in section 34A of the Proceeds of Crime (Jersey) Law 1999. Such a report shall not be treated as a breach of confidence or of any restriction upon the disclosure of information imposed by any enactment or otherwise.

Furthermore, where Authorised Participants are engaged, they will have to comply with any legal and regulatory obligations applicable to their business. Any breach of compliance processes of such exchanges or service providers could have a material adverse effect on the Issuer's core business and its reputation.

Risk rating: medium"

**n. Amendment in section "3.1 Structure of the Program"**

1. The business name of the Issuer shall be amended to "Backed Assets (JE) Limited".
2. The "*Diagram of involved parties/functions and payment/securities flows*" shall be amended, and shall read as follows:



o. **Amendment in section "3.2 interest of Natural and Legal Persons involved in the Issue / Offer"**

1. The term "quota holder" in the first paragraph shall be exchanged by the term "shareholder".
2. The amount of holding for each major shareholder in the first paragraph shall be changed from 26.67% to 19.75%.
3. The term "Under Swiss law" in the third paragraph shall be exchanged by the term "The".
4. The term "... is being done **by**..." in the third paragraph shall be exchanged by "...is performed **in accordance with Swiss law by the Issuer**...".
5. The paragraphs under "Authorized Participant(s)" shall be amended in their entirety, and shall read as follows:

**"Function**

Authorized Participants may offer the Products to all segments of Investors. They may also act as Market Makers by buying and selling Products from and to Investors on an OTC basis or through other trading exchanges. Not all Market Makers need to be Authorized Participants.

A person or legal entity qualifies only as an Authorized Participant ("**Authorized Participant**") if it is an appropriately regulated entity, approved and engaged by the Issuer (in its absolute sole discretion) for the offering of one or several Products to Investors. An Authorized Participant must have entered into an Agreement with the Issuer, regulating i.e. the rights and obligations of the Authorized Participant in the context of application and redemption of Products ("**Authorized Participant Agreement**").

The Issuer is required by the JFSC to only appoint Authorised Participants that are reputable financial services companies subject to the appropriate regulation in (i) the European Union, (ii) in Jersey, (iii) in the United Kingdom, and (iv) in any another jurisdiction that is not a country or territory identified as presenting higher risks in the AML/CFT/CPF Handbook for regulated financial services business published by the Jersey Financial Services Commission from time to time (the "**JFSC AML/CFT/CPF Handbook**"). Should an Authorised Participant appointed by the Issuer be located in a jurisdiction that, following to its appointment, becomes a country or territory identified as presenting higher risks in the JFSC AML/CFT/CPF Handbook, the Issuer shall exercise its contractual rights to terminate the Authorised Participant's appointment as soon as practicable.

Investors may (re-)sell the Products in the secondary market to third parties or to Authorized Participants in accordance with the Terms and Conditions.

#### **Information on the Authorized Participant(s)**

For each Product, where an Authorized Participant has been approved and engaged by the Issuer, the Issuer will describe and communicate the identity of respective Authorized Participant(s) on its website: [www.backedassets.fi](http://www.backedassets.fi)."

6. A second paragraph under "**Broker**" shall be added, and shall read as follows:

"The Issuer is required by the JFSC to only appoint brokers that are reputable financial services companies subject to the appropriate regulation in (i) the European Union, (ii) in Jersey, (iii) in the United Kingdom, and (iv) in any another jurisdiction that is not a country or territory identified as presenting higher risks in the AML/CFT/CPF Handbook for regulated financial services business published by the Jersey Financial Services Commission from time to time (the "**JFSC AML/CFT/CPF Handbook**"). Should a broker appointed by the Issuer be located in a jurisdiction that, following to its appointment, becomes a country or territory identified as presenting higher risks in the JFSC AML/CFT/CPF Handbook, the Issuer shall exercise its contractual rights to terminate the broker's appointment as soon as practicable."

7. The following paragraphs on Legal Advisors, Administrator and Other service providers shall be added to the above-mentioned section, and shall read as follows:

#### **"Legal Advisors**

The Issuer has engaged the following legal advisers in relation to the offering of the Products:

- i. Swiss law: MLL Meyerlustenberger Lachenal Froriep AG, Grabenstrasse 2, 6340 Baar, Switzerland.

- i. Jersey law: Walkers (Jersey) LLP, PO Box 72, Walker House, 28-34 Hill Street, St. Helier, JE4 8PN, Jersey

### **Administrator**

Pursuant to an engagement letter dated 5 June 2023 (the "**Administration Agreement**"), the Issuer has appointed Cavendish Fiduciary (Jersey) Limited of First Floor, La Chasse Chambers, Ten La Chasse, St. Helier, JE2 4UE, Jersey as the Issuer's TCSP in accordance with the JFSC Guidance and AMLSP in accordance with PoCL.

Under the Administration Agreement, the Issuer has appointed and retained the Administrator to provide, *inter alia*, the following services upon the Administrator's standard terms of business, (the "**Services**"):

- i. Provision of registered office
- ii. Provision of company secretary
- iii. Provision of two individual directors
- iv. Provision of a Compliance Officer, Money Laundering Reporting Officer and Money Laundering Compliance Officer
- v. Provision of nominated person to the Company
- vi. Supervision of the Company's compliance functions
- vii. General administration and corporate secretarial services, including provision of directors and money laundering reporting officer/money laundering compliance officer.

Documents may only be entered into with the prior knowledge and approval of the directors.

In accordance with the Administrator's Agreement, the Administrator shall only be liable to losses suffered by the Issuer or third parties resulting from fraud, willful default or gross negligence on the part of the Administrator in the performance and/or the exercise of its duties and responsibilities under the Administrator's Agreement. The maximum aggregate liability of the Administrator is limited to the lesser of £500,000 or an amount equal to ten times the amount of fees actually paid to the Administrator during the 12-month period before the event giving rise to any claim. The Administrator's Agreement also includes disclaimer of liabilities for any losses not attributed to the Administrator or suffered due to actions or omissions taken in response to specific requests or instruction of the Issuer where such execution would in the Administrator's reasonable opinion result in a breach of any Applicable Law.

The Administrator shall be entitled to terminate the Administrator's Agreement by giving 90 days prior notice in writing for any reason, or upon providing service notice of 30 days if the Issuer fails to observe, maintain or comply with certain requirements as detailed in the Administrator's Agreement.

The above description of the Administration Agreement is a summary only and is not intended to be an exhaustive listing of all of the material terms in the Administration Agreement.

The Administrator is a service provider to the Issuer and is not responsible for the preparation of this Securities Note or the Registration Document and accepts no responsibility for any information contained in the Securities Note or the Registration Document, other than the information contained in this Securities Note with respect to the Administrator.

The Administrator will not be responsible for monitoring compliance with the Collateralisation of the Products and therefore will not be liable for any breach thereof.

#### **Other service providers**

The Issuer has outsourced some of its KYC/AML functions to service providers as detailed below:

- KYC/Identification service provider: Sumsub
- KYT service providers: Scorechain, Coinfirm
- Technical and operational services to operating the systems above: Tokenizer."

#### **p. Amendment in section "3.3.1 In General"**

- 1. The above-mentioned section shall be amended in its entirety, and shall read as follows:**

"The issuance and redemption mechanism is a continuous process and is intended to ensure that Products have sufficient liquidity and that the price tracks the relevant Underlyings. Qualified Professional Investors may subscribe either directly with the Issuer or an offer may be made by an Authorised Participant approved and engaged by the Issuer. All segments of Investors may subscribe through an Authorised Participant. Redemptions may be made through the Issuer or, where an Authorised Participant is appointed, through selling the Product to an Authorised Participant who will redeem it later.

Any Issuance Process, Redemption Process and payment flow to any Investor is subject to the Issuer going through KYC procedures, if necessary at the Issuer's sole discretion and acknowledgement of required regulatory warnings. The Issuer has the right to reject any issuance, redemption or payment request if there are negative findings or other material issues with the issuance, redemption or payment.

The Investor's personal data is processed in accordance with the Website Privacy Notice at Annex 2 to this Securities Note."

#### **q. Amendment in section "3.3.2 Issuance Process"**

1. The paragraphs b., c., d., and e. shall be amended in their entirety, and shall read as follows:
  - b. Investor submits purchase order to Issuer or, where applicable, the Authorized Participant sends a purchase order to the Issuer.

- c. The Investor has to go through KYC procedures in accordance with applicable legal and regulatory requirements and acknowledge required regulatory warnings. The Issuer, acting in its sole discretion, has the right to reject any issuance request if there are negative findings or other material issues with the issuance. Where an Authorized Participant is involved, the Authorized Participant will apply its own KYC procedures in relation to any person wishing to purchase the Products from it in accordance with its own legal and regulatory requirements.
- d. The Issuer submits a creation order to the Tokenizer upon receipt of either the Authorized Participant's payment or the Investor's payment (including Investor Fees) or respective guarantee or equivalent security on the Paying Account.
- e. Upon the Business Day following the receipt of the Authorized Participant's payment or the Investor's payment (including Investor Fees) or respective guarantee or equivalent security (i.e. T+2), the Issuer:
  - i. buys the number of Underlyings equivalent to the "Investor's or Authorized Participant's payment amount *minus* Investor Fees" (fractional Underlyings are possible) and transfers the Underlying to the Collateral Account with the Custodian (or as directed by the Authorized Participant, as applicable);
  - ii. in case of successful purchase of the Underlying, instructs the Tokenizer to activate the pre-created Ledger-Based Securities in the amount equivalent to the purchased Underlyings and to transfer them until the latest 6:00pm CEST to the wallet specified by the Investor (or the Authorized Participant's wallet, as applicable); and
  - iii. in case of being unable to purchase the Underlying within the specified timeframe, cancels the purchase order and transfers back the purchase price minus a fixed fee covering the expenses of the Issuer (such as KYC) to the Investor or the Authorized Participant, as applicable.

r. **Amendment in section "3.3.3 Redemption Process"**

- 1. The paragraph b. on the KYC procedures shall be amended in its entirety, and shall read as follows:

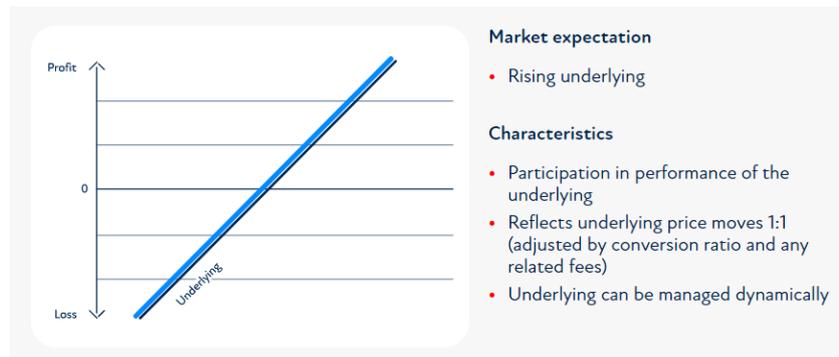
"Before and subject to accepting the Investor's Products for redemption, the Investor has to go through successfully KYC procedures in accordance with applicable legal and regulatory requirements. The Issuer, acting in its sole discretion, has the right to reject any redemption request if there are negative findings or other material issues with the redemption."

s. **Amendment in section "4.1.1 Type and Class of the Offered Securities"**

- 1. The information on SSPA "according to type 1300 of the Swiss Derivatives Map published by the Swiss Structured Products Association ("**SSPA**")" in the first paragraph shall be deleted, and the paragraph shall be replaced by the following:

"The securities offered by the Issuer to Investors ("**Products**") are designed as Tracker Certificates."

2. The following Diagram on the Market expectation shall be deleted:



3. The following wording shall be added at the end of the ninth paragraph after "[...] This is at the Issuer's sole discretion for each and every Product.":

"In the event that, in the future, the Products are admitted to trading on such trading facilities or exchange and the Products trade at a significant premium or discount (i.e. +/- 2 percent or more) to the value of the Underlying for seven consecutive trading days or more, the Issuer will use reasonable endeavours to make disclosure, as soon as reasonably practicable thereafter, of the key factors that it believes may have materially contributed to the premium or discount (as applicable) on its website."

t. **Amendment in section "4.1.2 Legislation under which the Securities have been created"**

1. The above-mentioned section shall be amended in its entirety, and shall read as follows:

"The Issuer has chosen Swiss law as the applicable law for the form of the Products as Ledger-Based Securities according to Art. 973d et seqq. CO. Therefore, the form, the establishment, the transfer, the cancellation of the Ledger-Based Securities as well as creating security interest on them and the legal effects of Ledger-Based Securities are governed by and shall be construed in accordance with Swiss law (without reference to principles of conflicts of law rules)."

u. **Amendment in section "4.1.5 Relative Seniority of the Securities in the Issuer's Capital Structure"**

1. The above-mentioned section shall be amended in its entirety, and shall read as follows:

"The Investors have a sole claim to the Collateral allocated to the specific Product they are holding and no further claim to any Collateral allocated to other Products or to the Issuer's assets. The Products are neither insured nor guaranteed by any government, regulator or agency. Accordingly, once an Investor's pro-rata share of the Net Realisation Proceeds has been paid, that Investor has no residual claim against the assets of the Issuer (or any service providers to the Issuer) in the event that the Investor suffers any losses in relation to their investment in the Products."

v. **Amendment in section "4.1.6 Rights attached to the Securities"**

1. The term "respectively" in the fourth paragraph of the above-mentioned section shall be exchanged by "respective".
2. The term "body of managers" in the fourth paragraph of the above-mentioned section shall be exchanged by "directors of the Issuer".
3. The last sentence "Also as regards Investors, no additional payment obligations in the meaning of the CO apply." in the fourth paragraph of the above-mentioned section shall be deleted.

w. **Amendment in section "4.1.8 Procedure for the Exercise of those Rights"**

1. The term "the Swiss Anti-Money Laundering Act ("**AMLA**")" shall be replaced by the term "Jersey AML Laws and Guidance" in the first paragraph of the above-mentioned section.

x. **Amendment in section "4.3 Tax Restrictions"**

1. The term "Swiss" in the second paragraph of the above-mentioned section shall be exchanged by the term "Jersey".
2. The paragraph "In the context of Swiss taxation, e.g. Swiss withholding tax (*Verrechnungsteuer*), income tax, stamp duties and wealth and capital taxes may arise for the Investor on a case-by-case basis.", the paragraphs under "**Automatic Exchange of Information in Tax Matters**" and "**Swiss Facilitation of the Implementation of the U.S. Foreign Account Tax Compliance Act ("**FATCA**")"**" shall be deleted.
3. The fourth to eighth paragraph of the above-mentioned section (both inclusive) shall be deleted.
4. The section shall be extended by the following paragraphs:

**"Jersey Taxation"**

The statements on taxation below are intended to be a general summary of certain tax consequences that may result to the Issuer and Investors.

The Issuer may be subject to local withholding taxes in respect of income or gains derived in certain countries, and in particular from underlying investments. Taxation law and practice and the levels and bases of and reliefs from taxation in these countries, and in Jersey, in relation to the Issuer may change from time to time.

The statements below relate to an Investor purchasing the Products as an investment and are based on the Issuer's understanding of the law and practice in force in Jersey at the date of this document. While all the references to taxation in this section are believed to be correct at the present time, they are only of a general and non-exhaustive nature and their applicability will depend on the personal circumstances of individual Investors. Investors may also be liable to income tax, capital gains tax or corporation tax or their equivalents in their country of citizenship, residence, domicile or incorporation. Investors shall be warned that tax legislation, rules and fiscal practice of the authorities of the Investor's domicile, any member state of the EU/EEA and of the Issuer's country of incorporation may have an adverse impact on the income received from the Products. According to clause XII. "Taxation" of the Terms and Conditions, each Investor shall assume and be responsible for any and all taxes, duties, fees and charges imposed on or levied against (or which could be imposed on or levied against) such Investor in any jurisdiction or by any governmental or regulatory authority.

This section does not constitute legal or tax advice and is based on taxation law and practice at the date of this Securities Note, which is subject to change, potentially with retrospective effect. Prospective Investors should consult their own professional advisers on the implications of making an investment in, holding or disposing of the Products under the laws of the countries in which they are liable to taxation, as well as any relevant exchange control or other laws and regulations.

### ***The Issuer***

Under Article 123C of the Income Tax (Jersey) Law 1961 and on the basis that the Issuer is tax resident in Jersey, the Issuer (not being a financial services company, or a utility company as defined under the Income Tax (Jersey) Law 1961 at the date of this Securities Note) will be regarded as subject to Jersey income tax at a rate of zero per cent. If the Issuer derives any income from the ownership or development and disposal of land in Jersey, such income will be subject to tax at the rate of 20 per cent. It is not expected that the Issuer will derive any such income.

Jersey imposes a Goods and Services Tax ("**GST**") on the taxable supply of goods and services in or imported into Jersey. The current GST rate is 5 per cent. On the basis that the Issuer has obtained 'International Services Entity' status under applicable legislation, the Issuer is not:

- (a) required to register as a taxable person pursuant to the Goods and Services Tax (Jersey) Law 2007;
- (b) required to charge GST in Jersey in respect of any supply made by it; or
- (c) (subject to limited exceptions that are not expected to apply to the Issuer) required to pay GST in Jersey in respect of any supply made to it.

The Directors intend to continue to conduct the business of the Issuer such that no GST will be incurred or be payable by the Issuer.

### ***Holders of the Products***

It is anticipated that non-Jersey holders of the Products will not be subject to any tax in Jersey in respect of the acquisition, ownership, sale, exchange of the Products. Accordingly, save as set

out below, there will be no withholding or similar tax required to be deducted by the Issuer in respect of non-Jersey resident holders of the Products.

Any Jersey resident holders of the Products may be liable to pay tax on their income more generally, but there is no capital gains tax, estate duty, inheritance tax (other than stamp duty, see below). The attention of Jersey residents is drawn to Article 134A of the Income Tax Law and other provisions of the Income Tax Law, the effect of which may be to render any gains in respect of their Products and/or distributions made in respect of them chargeable to Jersey income tax.

In Jersey no stamp duty is levied on the issue, acquisition, ownership, exchange, sale, transfer or other disposition of the Products between living persons. However, Jersey stamp duty is payable on Jersey grants of probate and letters of administration and this is calculated based on the value of the deceased's net moveable estate at rates of up to 0.75%.

Holders of the Products may be required to pay income tax, capital gains tax, inheritance tax, stamp duty and other taxes or charges in accordance with the laws and practices of other jurisdictions in which they are liable to taxation.

## **FATCA**

Under Sections 1471 through 1474 of the US Internal Revenue Code (commonly referred to as "**FATCA**") "Financial Institutions" are required to use enhanced due diligence procedures to identify US persons who have invested in either non-US financial accounts or non-US entities. Pursuant to FATCA, certain payments of (or attributable to) US-source income, (including dividends and interest), are subject to a 30 per cent. withholding tax ("**FATCA Withholding**") unless the Issuer complies with certain due diligence and reporting requirements.

The United States and Jersey have entered into an intergovernmental agreement ("**US-Jersey IGA**") to implement FATCA. Under the terms of the US-Jersey IGA, the Issuer is obliged to comply with the provisions of FATCA as enacted by the Jersey legislation implementing the US-Jersey IGA (the "**Jersey IGA Legislation**"), rather than directly complying with the US Treasury regulations implementing FATCA. Under the terms of the US-Jersey IGA, Jersey resident entities that comply with the requirements of the Jersey IGA Legislation will be treated as compliant with FATCA and, as a result, will not be subject to FATCA Withholding on payments they receive and will not be required to withhold under FATCA on payments they make.

The Issuer is considered a Jersey resident financial institution and therefore is required to comply with the requirements of the Jersey IGA Legislation. Under the Jersey IGA Legislation, the Issuer is required to report to the States of Jersey Comptroller of Revenue certain holdings by and payments made to certain investors in the Issuer who are, or are entities that are controlled by one or more natural persons who are, residents or citizens of the United States, unless a relevant exemption applies. Under the terms of the US-Jersey IGA, such information will be onward reported by the States of Jersey Comptroller of Revenue to the United States.

Prospective Investors should consult their tax advisors with regard to US federal, state, local and non-US tax reporting and certification requirements associated with an investment in the Products.

In order to avoid the Issuer being subject to withholding taxes, all prospective Investors (whether they are US citizens or not) must agree to provide the Issuer at the time or times prescribed by the Jersey IGA Legislation and at such times reasonably requested by the Issuer with such information and documentation (whether relating to themselves, their investors and/or beneficial owners) prescribed by the Jersey IGA Legislation and such additional documentation reasonably requested by the Issuer as may be necessary for the Issuer to comply with its obligations under the Jersey IGA Legislation. The scope and application of FATCA Withholding and information reporting pursuant to the terms of FATCA and the US Jersey IGA is subject to review by the United States and Jersey and the rules may change. Holders of the Products should consult with their own tax advisers regarding the application of FATCA to their particular circumstances

### **Implementation of the Common Reporting Standard in Jersey**

The Common Reporting Standard ("**CRS**") was developed by the Organization for Economic Cooperation and Development (the "**OECD**") in order to create a global standard for the automatic exchange of financial account information. The CRS calls on jurisdictions to obtain information from their financial institutions and automatically exchange that information with other jurisdictions on an annual basis. It sets out the financial account information to be exchanged, the financial institutions required to report, the different types of accounts and taxpayers covered, as well as common due diligence procedures to be followed by financial institutions.

Directive 2014/107/EU on Administrative Cooperation in the Field of Taxation implemented the CRS in the European Union and created a mandatory obligation for all EU Member States to exchange financial account information in respect of residents in other EU Member States on an annual basis.

Jersey has implemented the CRS pursuant to the Taxation (Implementation) (International Tax Compliance) (Common Reporting Standard) (Jersey) Regulations 2015 (as amended) (the "**Jersey CRS Regulations**"). The Jersey CRS Regulations require "reporting financial institutions" in Jersey to identify, review and report "reportable accounts" and maintain arrangements which meet the applicable due diligence requirements set out in the CRS and record and maintain such information for a specified period of time.

A reporting financial institution in Jersey must prepare a return in such form and manner as the Comptroller of Revenue in Jersey shall determine, setting out the information specified in the CRS in relation to each reportable account that is maintained by the reporting financial institution at any time during the calendar year in question. Reports will be made to the Jersey Comptroller of Revenue and then may be passed to the competent authority of the jurisdiction in which the account holder is resident.

Although the Issuer will attempt to satisfy any obligations imposed on it by the CRS, no assurance can be given that it will be able to satisfy such obligations. Implementation of the CRS may require the Issuer to conduct additional due diligence. The Issuer may require certain additional financial information from holders of the Products to comply with its diligence and reporting obligations under the CRS (including information relating to the holders, their investors and/or beneficial owners).

Failure by the Issuer to comply with the obligations under the CRS may result in fines being imposed on the Issuer and in such event the Issuer may be materially affected. The scope and

application of the obligations under the CRS may be reviewed by the OECD and the information and reporting requirements may change.

The Issuer's compliance with the CRS and/or the Jersey CRS Regulations may result in the disclosure of Investor information, and Investor information may be exchanged with overseas fiscal authorities. Where an Investor fails to provide any requested information (regardless of the consequences), the Issuer may be obliged, and/or reserves the right, to take any action and/or pursue all remedies at its disposal.

Each Investor should consult its tax advisers with regard to the potential CRS tax reporting and certification requirements associated with the purchase or redemption of the Products. It is further recommended that Investors who are entities consider themselves whether they have any obligations to notify their respective investors, shareholders or accountholders about the information that the Issuer requests, and the potential disclosures that the Issuer will be obliged to make in connection with those persons in complying with its obligations under CRS."

y. **Amendment in the new section "4.4 Jersey AML Requirements"**

The above-mentioned section shall read as follows:

"In order to comply with the Jersey AML Laws and Guidance or equivalent legislation or regulations aimed at the prevention of money laundering, the Issuer is required to adopt and maintain anti-money laundering procedures and may require applicants for the purchase or redemption of the Products to provide evidence to verify their identity, the identity of their beneficial owners/controllers (where applicable) and source of funds and wealth. Where permitted, and subject to certain conditions, the Issuer may also delegate the maintenance of its anti-money laundering procedures (including the acquisition of due diligence information) to a suitable person.

Measures aimed at the prevention of money laundering may require a prospective investor to verify his identity and/or source of wealth or funds by providing all information reasonably requested.

By way of example an individual may be required to produce a copy of a passport, a document evidencing his address such as a utility bill or bank statement, as well as well as documentation verifying the source of funds or source of wealth disclosed as part of the application process each duly certified by a suitable certifier (as notified to you by the Administrator). In the case of corporate applicants this may require production of certified copies of the certificate of incorporation (and any change of name), statutory registers, financial statements, memorandum and articles of association (or equivalent), and identity verification documents for all directors, shareholders and beneficial owners, together with documentation verifying the source of funds or source of wealth disclosed as part of the application process for the corporate applicant and its beneficial owners as applicable.

The details given above are by way of example only and the Issuer (or the Administrator or another service provider acting on its behalf) will request such information and documentation as it considers is necessary to verify the identity or source of funds or wealth of an applicant. In the event of delay or failure by the applicant to produce any information required for verification purposes, the Issuer (or the Administrator acting on its behalf) may refuse to accept the application or refuse to process the application until proper information and/or documentation has been provided. Investors should note that proceeds will not be remitted to an account which is not in the name of the Investor.

The Administrator (acting on behalf of the Issuer) may also be required to request updates to verification documentation held on a periodic basis.

Each prospective investor will be required to make such representations as may be required by the Issuer in connection with anti-money laundering programmes, including, without limitation, representations that such applicant is not/associated with a prohibited country, territory, individual or entity listed under Jersey AML Laws and Guidance and that it is not directly or indirectly affiliated with any country, territory, individual or entity named on any such list or prohibited by any applicable sanctions programmes.

Each prospective investor acknowledges that the Issuer, the Administrator, and any AML/KYC service provider operating on their behalf shall be held harmless against any loss arising as a result of any delay or failure to process their application for purchase or redemption of the Products after such information and documentation as has been requested."

**z. Amendment in section "4.6.1 Equity instruments as Underlying"**

1. The first paragraph in the above-mentioned section shall be replaced by the following text:

"Equity instruments as Underlying include transferable securities such as shares, preference shares and all other types of equity instruments such as participation certificates, depositary shares (ADR, ADS and GDS) that are admitted to trading on a stock market that is located in a jurisdiction which is an ordinary member of the International Organisation of Securities Commissions"

**aa. Amendment in section "4.6.2 Indices as Underlying"**

1. The second paragraph in the above-mentioned section shall be amended in its entirety, and shall read as follows:

"The portfolio consists of certain financial instruments that are admitted to trading on a stock market that is located in a jurisdiction which is an ordinary member of the International Organisation of Securities Commissions. This also includes the so-called commodity Indices. Commodity Indices are Indices that track the performance of a basket of commodity contracts on certain commodities. The reference value for the Index or Indices is based on the respective market price of each financial instrument and its respective weighting."

**bb. Amendment in section "4.6.3.1 Bonds"**

1. The above-mentioned section shall be extended by the following information on Banks and other companies as issuers:

"Banks and other companies as issuers of bonds must be domiciled in a jurisdiction which is an ordinary member of the International Organisation of Securities Commissions."

**cc. Amendment in section "4.6.4.1 Fund(s)"**

1. The following paragraph shall be inserted in the end of the section:

"The specific funds will be either (i) admitted to trading on a stock market that is located in a jurisdiction which is an ordinary member of the International Organisation of Securities Commissions; or (ii) domiciled in a jurisdiction which is an ordinary member of and are International Organisation of Securities Commissions further described in the Final Terms."

**dd. Amendment in section "4.6.4.12 ETF"**

1. The last paragraph on the requirements of ETFs shall be amended in its entirety, and shall read as follows:

"Only ETFs meeting the following requirements shall be used as Underlying (cumulatively):

- c. The ETF must be passively managed, i.e. not actively managed;
- d. The ETF can follow physical or synthetic investment strategies; and
- e. The EFF must be admitted to trading on a stock market that is located in a jurisdiction which is an ordinary member of the International Organisation of Securities Commissions"

**ee. Amendment in section "4.6.6 Reference Sources"**

1. The term "valuated" shall be replaced by the term "valued".
2. The reference on Reference Sources shall be amended to "5".

**ff. Amendment in section "4.6.7 Description of any Market Disruption Event that Affect the Underlying"**

1. The second paragraph shall refer to section "2.3.1.5".
2. The last paragraph shall be replaced by the following text:

A business day means a day on which relevant clearing systems are open and securities can be settled, relevant commercial banks and custodians are open, banks in Jersey are open, foreign exchange markets execute payments in the respective Settlement Currency and Underlyings or Underlying Components of the relevant Product can be settled, and/or any other day, as specified in the Final Terms ("**Business Day**"). In such a case, it will be determined by the Issuer in its duly exercised discretion (for further information see clause VII. ii "Market Disruption Event" of the Terms and Conditions).

**gg. Amendment in section "5. Continuation of the Offer of Securities to the Public"**

1. At the beginning of the first paragraph "As defined in section **Error! Reference source not found.**, the Issuer, Backed Assets GmbH" shall be replaced by "The Issuer, Backed Assets (JE) Limited".
2. The term "otherwhere" in the second paragraph in the above-mentioned section shall be replaced by "elsewhere".

3. The first and second paragraph under the section "**III. Rights attached to Products**" shall be amended in their entirety, and shall read as follows:

"The Investors have a sole claim to the Collateral allocated to the specific Product they are holding and no further claim to other Collateral allocated to other Products or to the Issuer's assets. The Products are neither insured nor guaranteed by any government, regulator or agency. Accordingly, once an Investor's pro-rata share of the Net Realisation Proceeds has been paid, that Investor has no residual claim against the assets of the Issuer (or any service providers to the Issuer) in the event that the Investor suffers any losses in relation to their investment in the Products.

Each Investor's rights as creditor do not consist of any shareholders' rights; thus, excluding all rights of attendance, dividend payments, other participation rights or voting rights at a general assembly of the Issuer or any issuers of Underlyings or other entities. The management of the Issuer is in the sole responsibility of the directors of the Issuer. Also as regards Investors, no additional payment obligations in the meaning of the CO apply. The Products do in particular not bear any interest."

4. The second paragraph under the section "**VI. Issuance and Redemption, i. General**" shall be amended in its entirety, and shall read as follows:

"On any Business Day, Qualified Professional Investors may subscribe via issuance and sell back via redemption through the Issuer. On any Business Day, Investors may purchase the Products through an Authorized Participant and sell back their Products via redemption through the Issuer (subject to AML/KYC requirements and acknowledgement of required regulatory warnings being received). Purchasing and selling of fractional Underlyings and Products is possible, the total Collateral will be rounded up to the next unit of the Underlying. Any excess amount paid by the Investors is kept by the Issuer and not re-funded to the Investor."

5. The third paragraph under the section "**VI. Issuance and Redemption, i. General**" shall be replaced with the following text:

The Investors have to go through a proper KYC-procedure, in particular including transaction monitoring as well as source of wealth and source of funds checks, in order to be eligible to subscribe for or redeem Products or to receive any cash settlements (including possible interest and dividend payments), according to Jersey AML Laws and Guidance, AMLA, Sanctions Regulations and the FATF's high-risk jurisdictions and jurisdictions under the increased monitoring list.

6. The following paragraph shall be added as a fourth paragraph under the section "**VI. Issuance and Redemption, i. General**":

"The Investor's personal data is processed in accordance with the Website Privacy Notice at Annex 2 to this Securities Note."

7. The paragraphs b., c., d. and e. under the section "**ii. Issuance**" shall be amended in their entirety, and shall read as follows:

- b. Investor submits purchase order to Issuer or, where applicable, the Authorized Participant sends a purchase order to the Issuer.
  - c. The Investor has to go through KYC procedures in accordance with applicable legal and regulatory requirements and acknowledge required regulatory warnings. The Issuer, acting in its sole discretion, has the right to reject any issuance request if there are negative findings or other material issues with the issuance. Where an Authorized Participant is involved, the Authorized Participant will apply its own KYC procedures in relation to any person wishing to purchase the Products from it in accordance with its own legal and regulatory requirements.
  - d. The Issuer submits a creation order to the Tokenizer upon receipt of either the Authorized Participant's payment or the Investor's payment (including Investor Fees) or respective guarantee or equivalent security on the Paying Account.
  - e. Until the Business Day following the receipt of the Authorized Participant's payment or the Investor's payment (including Investor Fees) or respective guarantee or equivalent security (i.e. T+2), the Issuer:
    - i. buys the number of Underlyings equivalent to the Investor's or Authorized Participant's payment amount *minus* Investor Fees (fractional Underlyings are possible) and transfers the Underlying to the Collateral Account with the Custodian (or as directed by the Authorized Participant, as applicable);
    - ii. in case of successful purchase of the Underlying, instructs the Tokenizer to activate the pre-created Ledger-Based Securities in the amount equivalent to the purchased Underlyings and to transfer them until the latest 6:00pm CEST to the wallet specified by the Investor (or the Authorized Participant's wallet, as applicable);
    - iii. in case of being unable to purchase the Underlying within the specified timeframe, cancels the purchase order and transfers back the purchase price minus a fixed fee covering the expenses of the Issuer (such as KYC) to the Investor (or Authorized Participant, as applicable).
8. The information on KYC procedures in the subparagraph a. in the third paragraph under section "**v. Settlement**" shall be replaced with the following text:
- "Before and subject to accepting the Investor's Products for redemption, the Investor has to go through KYC procedures successfully in accordance with applicable legal and regulatory requirements and, to the extent not already provided, acknowledge required regulatory warnings. The Issuer has the right to reject any redemption request if there are negative findings or other material issues with the redemption."
9. The reference on Reference Sources in the paragraph "**VII: Markets and Market Disruption, i. Reference Sources**" shall be amended to "5".
10. The parties in the three paragraphs in the section "**XVII. Liability**" shall be extended by "the Administrator".

11. The term "the" shall be added before the "Authorized Participant" in the first paragraph in the section "**XVII. Liability**".
12. The term "Swiss" shall be replaced by the term "Jersey" in the first paragraph in the section "**XXII. Realization Event and Realization of Collateral, i. Realization Event**".
13. The third paragraph in the section "**XXII. Realization Event and Realization of Collateral, ii. Realization of Collateral and Priority of Payments**" shall be amended in its entirety, and shall read as follows:

"The Security Agent shall distribute the Net Realization Proceeds with discharging effect by instructing the Paying Account Provider to execute the payment of the pro-rata share of the Net Realization Proceeds to the (financial intermediaries holding the accounts for the) respective Investors. If the Product is represented in the form of ledger-based securities, the Security Agent may determine that such payment is made by the custodian(s) or any other parties or the accounts designated by the respective investors. The transfer of the pro-rata shares of the Net Realization Proceeds shall be determined by the holdings in the Product, with the amount of the payment to each Investor being determined with reference to the number of securities held by that Investor (or its financial intermediary). Each Investor of a specific Product (represented at all times by the Security Agent) has a maximum claim against the Collateral Provider amounting to that pro-rata share of the Net Realization Proceeds of the Collateral for such Product."

14. The last paragraph in the section "**XXII. Realization Event and Realization of Collateral, ii. Realization of Collateral and Priority of Payments**" shall be extended by:

"Accordingly, once an Investor's pro-rata share of the Net Realisation Proceeds has been paid, that Investor has no residual claim against the assets of the Issuer (or any service providers to the Issuer) in the event that the Investor suffers any losses in relation to their investment in the Products."

15. The term "Swiss" shall be replaced by the term "Jersey" in the section "**XXIII. Statue of Limitation (Prescription)**".
16. The first paragraph in the section "**XXIV. Substitution**" shall be amended in its entirety, and shall read as follows:

"By purchasing or subscribing for any Product(s) the Investor is deemed to consent that the Issuer is entitled at any time and without the additional consent of the Investors to have itself substituted as the debtor for the Products by a new issuer (which may, or may not, be a subsidiary, branch or holding company of Backed Assets (JE) Limited, (the "New Issuer")), provided that:"
17. The term "debtor" in the last paragraph in the section "**XXIV. Substitution**" shall be replaced by "Issuer".
18. The term "substitute the debtor." in the last paragraph in the section "**XXIV. Substitution**" shall be replaced by "substitution".

**hh. Amendments of the front pages in section "6. Form of Final Terms"**

1. The title "**Final Terms for Retail Non-Equity Securities Nr. [●] [Abbreviation][(ISIN:[●])]**" shall be replaced by "**Final Terms for Product Nr. [●] [Abbreviation][(ISIN:[●])]**".
2. The business name and jurisdiction of incorporation of the issuer shall be amended to "Backed Assets (JE) Limited, St. Helier, Jersey".

ii. **Amendment in section "6. Form of Final Terms, A. Part A – Contractual Terms"**

1. The fifth paragraph shall be replaced by the following text:

"In relation to Swiss investors, the securities issued are derivative financial instruments (debt instruments) according to Swiss Law. The securities do not constitute a collective investment scheme within the meaning of the Swiss Collective Investment Schemes Act ("**CISA**"). Therefore, they are not subject to authorisation by the Swiss Financial Market Supervisory Authority FINMA ("**FINMA**") and potential investors do not benefit from the specific investor protection provided under the CISA and are exposed to the credit risk of the Issuer. Any investment in the securities does not have the status of a bank deposit and is not within the scope of any deposit protection scheme. The Issuer is not and will not be regulated by any regulator as a result of issuing the securities."

2. The sixth paragraph shall be replaced by the following text:

"The securities, qualifying as structured products pursuant to Article 70 of the Swiss Financial Services Act ("**FinSA**"), may be offered exclusively to professional investors in accordance with Article 4 (3)-(5) FinSA ("**Swiss Professional Investors**"). Circulating this document and offering, distributing, marketing or selling the securities to other Swiss persons than Swiss Professional Investors may trigger regulatory obligations in Switzerland. Accordingly, legal advice should be sought before providing this document to and offering, distributing, marketing or selling/on-selling the securities to any other persons or entities. This document does not constitute an issuance prospectus pursuant to the FinSA and may not comply with the information standards required thereunder. The securities will neither be listed on any Swiss trading venue, and consequently, the information presented in this document does not necessarily comply with the information standards set out in the relevant listing rules. The documentation of the securities has not been and will not be approved, and may not be able to be approved and/or registered, by FINMA or any Swiss prospectus office under Swiss financial market laws. Therefore, investors do not benefit from protection under the CISA or supervision by the FINMA. This document does not constitute investment advice. It may only be used by those persons to whom it has been handed out in connection with an investment and may neither be copied or directly/indirectly distributed or made available to other persons."

3. The business name of the Issuer in the ninth paragraph shall be amended to "Backed Assets (JE) Limited".

jj. **Amendment in section "6. Form of Final Terms, 1.1 Information Concerning the Products"**

1. The term "[management/quotaholders]" in the description of "**Resolutions, authorisations and approvals of new issues**" shall be replaced by "directors".

2. The description of **"Offeror of the Products"** shall be amended in its entirety, and shall read as follows:

"The Issuer will offer the Products by itself exclusively to Qualified Professional Investors. The following Authorized Participants will also offer the Products:

- [name and address of Authorized Participant], [LEI of the Authorized Participant], offers the Products to Investors in [jurisdictions]. Email address: [E-Mail-address of the Authorized Participant]

- [name and address of Authorized Participant], [LEI of the Authorized Participant], offers the Products to Investors in [jurisdictions]. Email address: [E-Mail-address of the Authorized Participant]

- [●]

[The Issuer will publish all Authorized Participants on its Website: [www.backedassets.fi](http://www.backedassets.fi) and reserves the right to amend such list at any time.]"

**kk. Amendment in section "6. Form of Final Terms, 1.2 Information Concerning the Underlying"**

1. The description of **"[Index name]"** shall be extended by "[Substitute index: [●] ]"
2. The description under the description of **"[ETF name]"** shall be replaced by "[[name of ETF] constitutes [●]]".
3. The description under the description of **"[Fund name]"** shall be replaced by "[name of fund] constitutes [●]]".

**ll. Amendment in section "6. Form of Final Terms, 6. Additional Information"**

1. The term "(only to Swiss Professional Investors)" shall be added after "Switzerland" in the description of **"Country(ies) of offer(s)"**.

**mm. Amendment in section "7. Admission to Trading and Dealing Arrangements"**

1. The term "the" shall be added before "object" in the first paragraph.

**nn. Addition of "Annex 1: Jersey Financial Services Commission's Guidance"**

1. The above-mentioned Annex shall be added, which text shall read as follows:

## "Annex 1: Jersey Financial Services Commission's Guidance

### 1. Jersey Treatment of Issuer

- 1.1 There are currently no existing capital markets regulations in Jersey specifically governing token sales. However, the Jersey Financial Services Commission (the **JFSC**) is aware of the desire of token issuers to use a Jersey incorporated issuer because of Jersey's reputation as a well-regulated and reputable jurisdiction.
- 1.2 Accordingly, the JFSC has established certain conditions that any issuer of tokens registered in Jersey is required to satisfy. These are implemented through a consent (a **COBO Consent**) granted under the Control of Borrowing (Jersey) Order 1958, which any Jersey entity wishing to issue tokens must obtain.
- 1.3 The conditions require the issuer of the tokens to take certain measures to manage, amongst other things, financial crime and investor risks. The conditions reflect the guiding principles pursuant to which the JFSC discharges its functions as the Island's financial services regulator (the **Guiding Principles**) which are to have regard to:
  - 1.3.1 the reduction of the risk to the public of financial loss due to dishonesty, incompetence, malpractice or the financial unsoundness of financial service providers;
  - 1.3.2 the protection and enhancement of Jersey's reputation and integrity in commercial and financial matters;
  - 1.3.3 the best economic interests of Jersey; and
  - 1.3.4 the need to counter financial crime both in Jersey and elsewhere.
- 1.4 However, whilst the JFSC has established certain conditions that issuers of tokens are required to satisfy, it does not regulate or supervise the tokens or the issuers.
- 1.5 The COBO Consent imposes on the issuer certain requirements which reflect the Guiding Principles, including to:
  - 1.5.1 acknowledge that issuing tokens is a "sensitive activity" falling within the JFSC's Sound Business Practice Policy. Accordingly, the issuer must maintain and adopt systems, controls, policies and procedures for the customer take-on, profiling and transaction monitoring at enhanced levels ensuring reporting of suspicions of money-laundering and financing of terrorism activity;
  - 1.5.2 apply relevant AML/CFT/CPF requirements to persons that either purchase tokens from, or sell tokens back to, the issuer of those tokens;
  - 1.5.3 appoint and maintain a TCSP (a trust and company service provider licensed by the JFSC under the Financial Services (Jersey) Law 1998 to carry on trust company business);

- 1.5.4 appoint and maintain a Jersey resident director on the board of the issuer; where the Jersey resident director is a natural person and also a principal person of TCSP appointed by the issuer;
- 1.5.5 obtain the JFSC's prior approval to any change to the TCSP appointed by the issuer, the Jersey resident director of the issuer or additional specified counterparties of the issuer as set out in the COBO consent;
- 1.5.6 prepare and file annual audited accounts with the Jersey Companies Registry;
- 1.5.7 have procedures and processes in place to (i) mitigate and manage the risk of retail investors investing inappropriately in the tokens, and (ii) to ensure retail investors understand the risks involved;
- 1.5.8 prepare and submit to the JFSC an Information Memorandum (which may be in the form of a White Paper) which complies with certain content requirements required of a prospectus issued by a company under the Companies (Jersey) Law 1991; and
- 1.5.9 ensure that any marketing material (including the Information Memorandum) is clear, fair and not misleading."

**oo. Addition of "Annex 2: Website Privacy Notice"**

1. The above-mentioned Annex shall be added, which text shall read as follows:

**"Annex 2: Website Privacy Notice**

**1 Introduction**

- 1.1 At Backed Assets (JE) Limited ("**we**", "**our**" and "**us**") we respect your privacy and we are committed to protecting your information. This privacy notice will inform you about the personal data that we collect about you, the reasons why we use that data, how we use it, and tell you about your privacy rights.

**2 About us and contact information**

- 2.1 Backed Assets (JE) Limited is a data controller and your personal data will be transferred to and/or collected by us as a result of the services we provide. We are responsible for the personal data we hold and if you have any queries about any aspect of this privacy notice, please contact us using the contact details below:

Backed Assets (JE) Limited, c/o Cavendish Fiduciary (Jersey) Limited, First Floor, La Chasse Chambers, Ten La Chasse, St. Helier, JE2 4UE, Jersey

Email address: [contact@backedassets.fi](mailto:contact@backedassets.fi)

Tel: +44 1534 888860

[www.backedassets.fi](http://www.backedassets.fi) – please go to 'contact us'.

### **3 Personal data we collect**

- 3.1 We may collect personal data relating to your identity and contact details such as names, addresses, email addresses, telephone numbers and date of birth and other personal data from you as a result of you using the services we provide and/or through you using our website.
- 3.2 Certain other types of personal data may also be held by us. For example, if you use a device to access our services, we may also collect or have access to technical data or usage data, including your IP address, login data, browser type and version, time zone setting and location, browser plug-in types and versions, the operating system and platform. In addition, aggregated data or anonymised data may be held by us.
- 3.3 If you communicate with us then, depending on the nature of your communication, we will collect personal data about you.
- 3.4 We source your personal data from the information you provide to us either via our website or otherwise in connection with the services which we provide to you. For example, we may require you to provide personal data directly to third parties acting in connection with the services we provide to you and such personal data may be transferred to us. Such personal data may be collected from you via direct interactions, or as a result of automated technologies or interactions.
- 3.5 If you do not want us to collect any personal data from you, please do not ask us to provide any services to you or visit our website.

### **4 How we use and look after your personal data**

- 4.1 We will only collect and use personal data where we have a legal basis for doing so. This includes:
  - (a) where the use of your personal data is necessary to fulfil a contract with you; or
  - (b) to comply with our legal duties; or
  - (c) any regulatory requirements which we are obliged to comply with; or
  - (d) for the purposes of our legitimate interests (to operate successfully and to be responsive to your requests); or
  - (e) where you have consented to the collection and use of your personal data.
- 4.2 We will ensure that our processing of your personal data complies with applicable data protection laws.

### **5 Why we use personal data**

- 5.1 We may use the personal data that we collect about you for the following purposes:
  - (a) to manage our relationship with you;
  - (b) to administer and protect our business;
  - (c) to use data analytics to improve our products/services, marketing, customer experience/relationship and our website;
  - (d) to make suggestions and recommendations to you about products or services that may be of interest to you; or

- (e) to market our products and services to you. This may include sending direct marketing emails and other communications relating to our services or those of our partners, conducting statistical and marketing analysis, undertaking marketing research and sending to you advisories and invitations to seminars and other events.

5.2 We shall only send marketing communications to you to the extent that doing so is necessary for our legitimate interests (to operate successfully and to be responsive to your requests) or where you have consented to us doing so. As set out in paragraph 11 below, you may withdraw that consent at any time by contacting us using the contact details set out at paragraph 2 above. Each electronic marketing communication that you receive from us will also have an "unsubscribe" option, which will allow you to stop receiving similar communications in the future.

5.3 Please note that we may collect and use your personal data without your knowledge or consent, where this is required or permitted by law.

## **6 Opting out**

6.1 You can ask us to stop sending marketing messages to you at any time by contacting us using the contact details set out at paragraph 2 above. Where you opt out of receiving these marketing messages, we may continue to collect and use other personal data about you.

## **7 If you fail to provide personal data**

7.1 Where we need to collect personal data by law, or under the terms of a contract we have with you and you fail to provide that data when requested, we may not be able to perform the contract. In this case, we may have to cancel a product or service you have with us, but we will notify you at the time if this is the case.

## **8 Cookies and Similar Technologies**

8.1 We use cookies and similar technologies for a number of reasons, including to help personalize your experience. When visiting [www.backedassets.fi](http://www.backedassets.fi) (the "**Site**"), you shall be notified of the use of and placement of cookies and other similar technologies on your device as specified herein.

8.2 What are Cookies? A cookie is a small piece of text that is sent to a user's browser or device. The browser provides this piece of text to the device of the originating user when this user returns.

- (a) A "session cookie" is temporary and will remain on your device until you leave the Site.
- (b) A "persistent" cookie may be used to help save your settings and customizations across visits. It will remain on your device until you delete it.
- (c) First-party cookies are placed by us, while third-party cookies may be placed by a third party. We use both first- and third-party cookies.
- (d) We may use the terms "cookies" to refer to all technologies that we may use to store data in your browser or device or that collect information or help us identify you in the manner described above, such as web beacons or "pixel tags".

8.3 How We Use Cookies. We use cookies and similar technologies for a number of reasons, as specified below. We will not place any cookies on your browser that are not strictly necessary unless you have first consented to the cookie pop up.

8.4 The specific names and types of the cookies, web beacons, and other similar technologies we use may change from time to time. However, the cookies we use generally fall into one of the following categories:

Type of Cookie	Why We Use These Cookies
Necessary	These cookies are necessary in order to allow the Site to work correctly. They enable you to access the Site, move around, and access different services, features, and tools. Examples include remembering previous actions (e.g. entered text) when navigating back to a page in the same session. These cookies cannot be disabled.
Functionality	These cookies remember your settings and preferences and the choices you make (such as language or regional preferences) in order to help us personalize your experience and offer you enhanced functionality and content.
Security	These cookies can help us identify and prevent security risks. They may be used to store your session information to prevent others from changing your password without your login information.
Performance	These cookies can help us collect information to help us understand how you use our Site, for example whether you have viewed messages or specific pages and how long you spent on each page. This helps us improve the performance of our Site.
Analytics	These cookies collect information regarding your activity on our Site to help us learn more about which features are popular with our users and how our Site can be improved.

8.5 Third Party Cookies. We use cookies from Google Analytics and Webflow. Additionally, cookies may be placed in messages we send in order to track your interaction with such emails.

8.6 How to Adjust Your Preferences. Most Web browsers are initially configured to accept cookies, but you can change this setting so your browser either refuses all cookies or informs you when a cookie is being sent. In addition, you are free to delete any existing cookies at any time. Please note that some features of the Services may not function properly when cookies are disabled or removed. For example, if you delete cookies that store your account information or preferences, you will be required to input these each time you visit, and if you block cookies, certain legal notices may reappear on each page of the Site that you visit.

## 9 Disclosures and transfers of your personal data

9.1 We have business relationships with third parties. In some instances we may disclose your personal information to third parties where this is necessary to perform the services for which you have engaged us or otherwise in furtherance of an outsourcing or other data processing arrangement. We may also share your personal data:

- (a) with professional advisors such as auditors, law firms, or accounting firms;

- (b) for legal and security reasons and to protect our services and business;
- (c) with our affiliates; or
- (d) in connection with an asset sale or purchase, a share sale, purchase or merger, bankruptcy, or other business transaction or re-organisation,

in each case in our legitimate interests (to operate successfully and to be responsive to your requests) or as required by law, as applicable. In such circumstances, any transfer of data to a third party will only be made in accordance with applicable data protection laws and on terms agreed with us. In relation to any other third parties, we will only disclose or transfer your information where you have given your consent, where it is in our legitimate interests to do so (to operate successfully and to be responsive to your requests), where it is necessary to perform our contract with you, or where we are required to do so by law or other regulatory code or practice, or where it is necessary for the purpose of, or in connection with legal proceedings or in order to exercise or defend legal rights.

9.2 Your personal data may be transferred to, or accessed from, countries whose laws provide a level of protection for personal data not always equivalent to the level of protection that may be provided in your own country. In particular, if you are located inside Jersey, the UK or the European Economic Area ("**EEA**") your personal data may be transferred to a country outside of Jersey, the UK or the EEA. We will ensure that cross border transfers comply with all relevant laws and regulations.

9.3 Unless:

- (a) you have expressly consented to the transfer of your personal data;
- (b) the transfer is necessary for the performance of the services for which we have been engaged or the conclusion or performance of a contract concluded in your interests; or
- (c) the transfer is otherwise permitted by applicable data protection laws,

we will only transfer your personal data to a country that is deemed to have an adequate level of protection under the applicable data protection law or otherwise where we have put in place adequate safeguards to protect the personal data. In particular, where we send your personal data outside of Jersey, the UK or the EEA, we shall only do so where the recipient of the data is subject to:

- (a) binding corporate rules;
- (b) standard data protection clauses approved under applicable law;
- (c) an approved code of conduct; or
- (d) an approved certification mechanism.

9.4 Further details on the safeguards adopted by us may be obtained by contacting us using the contact details set out at paragraph 2 above.

## **10 How long we keep personal data**

10.1 We will only retain your personal data for as long as reasonably necessary to fulfil the purposes we collected it for, including for the purposes of satisfying any legal, regulatory, tax, accounting or reporting requirements. We may retain your personal data for a longer period in the event of a complaint or if we reasonably believe there is a prospect of litigation in relation to our relationship with you.

- 10.2 To determine the appropriate retention period for personal data, we consider the amount, nature and sensitivity of the personal data, the potential risk of harm from unauthorised use or disclosure of your personal data, the purposes for which we process your personal data and whether we can achieve those purposes through other means, and the applicable legal, regulatory, tax, accounting or other requirements.
- 10.3 In some circumstances we will anonymise your personal data (so that it can no longer be associated with you) for research or statistical purposes, in which case we may use this information indefinitely without further notice to you.

## 11 Your legal rights

- 11.1 Under certain circumstances, you have the following rights under data protection laws in relation to your personal data. In each case, the exercise of these rights is subject to the provisions of the data protection legislation:
- (a) **Request access to your personal data (commonly known as a "data subject access request"):** This enables you to receive a copy of the personal data we hold about you and to check that we are lawfully processing it.
  - (b) **Request correction of the personal data that we hold about you:** This enables you to have any incomplete or inaccurate data we hold about you corrected, though we may need to verify the accuracy of the new data you provide to us.
  - (c) **Request erasure of your personal data:** This enables you to ask us to delete or remove personal data where there is no good reason for us continuing to process it. You also have the right to ask us to delete or remove your personal data where you have successfully exercised your right to object to processing (see below), where we may have processed your information unlawfully or where we are required to erase your personal data to comply with local law. Note, however, that we may not always be able to comply with your request of erasure for specific legal reasons which will be notified to you, if applicable, at the time of your request.
  - (d) **Object to processing of your personal data:** This enables you to object to processing your personal data where we are relying on a legitimate interest (or those of a third party). You also have the right to object where we are processing your personal data for direct marketing purposes. In some cases, we may demonstrate that we have compelling legitimate grounds to process your information which override your rights and freedoms.
  - (e) **Request restriction of processing of your personal data:** This enables you to ask us to suspend the processing of your personal data in the following scenarios:
    - (i) if you want us to establish the data's accuracy;
    - (ii) where our use of the data is unlawful but you do not want us to erase it;
    - (iii) where you need us to hold the data even if we no longer require it as you need it to establish, exercise or defend legal claims; or
    - (iv) you have objected to our use of your data but we need to verify whether we have overriding legitimate grounds to use it.
  - (f) **Request the transfer of your personal data to you or to a third party:** We will provide to you, or a third party you have chosen, your personal data in a structured, commonly used, machine-readable format. Note that this right only applies to automated information which you

initially provided consent for us to use or where we used the information to perform a contract with you.

- (g) **Withdraw consent at any time where we are relying on consent to process your personal data:** However, this will not affect the lawfulness of any processing carried out before you withdraw your consent. If you withdraw your consent, we may not be able to provide certain products or services to you. We will advise you if this is the case at the time you withdraw your consent.

- 11.2 If you wish to exercise any of the rights set out above, please contact us using the contact details set out at paragraph 2 above.

## 12 Third-party links

- 12.1 This website may include links to third-party websites, plug-ins and applications. Clicking on those links or enabling those connections may allow third parties to collect or share data about you. We do not control these third-party websites and are not responsible for their privacy policies. When you leave our website, we encourage you to read the privacy notice of every website that you visit.

## 13 Changes to the privacy notice

- 13.1 We keep our privacy notice under regular review. This privacy notice may be updated from time to time and was last updated on or around the date of this Securities Note. The current version of this privacy notice shall be displayed on our website or may be requested using the contact details set out at paragraph 2 above.
- 13.2 If you would like to access previous versions of this notice please contact us using the contact details set out at paragraph 2 above.

## 14 Complaints

- 14.1 You have the right to make a complaint at any time to the Jersey Data Protection Authority, the Jersey supervisory authority for data protection issues, which is contactable at the Jersey Office of Information Commissioner (JOIC – <https://jerseyoic.org>). We would, however, appreciate the chance to deal with your concerns before you approach the JOIC, so please contact us in the first instance."

## 15 Addition of a Signature Page

1. A Signature page shall be added, which shall read as follows:

**Signature Page**  
**Backed Assets (JE) Limited**  
**Securities Note**

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Roberto Isaac Klein  
**Director**

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Erwan Mismaque  
**Director**

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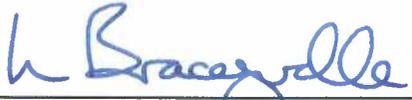
James Nicholas Cunningham -Davis  
**Director**

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Lindsay Anne Bracegirdle  
**Director**

Signed on behalf of Backed Assets (JE) Limited, as duly authorized representatives:

1 March 2024



Lindsay Anne Bracegirdle  
Director

*End of this First Supplement*

\* \* \* \* \*

*Start of the consolidated version of the Securities Note*

***[Warning: the following consolidated version of the Securities Note is only for simple illustration reasons and is neither part of this Supplement nor of the Base Prospectus and therefore was not approved by the FMA]***