Base Prospectus
dated 28 September 2026

Bitwise®

Bitwise Europe GmbH

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

as Issuer

Programme for the issuance of Bonds secured by Cryptocurrency
(the "Programme")

Under the Programme, Bitwise Europe GmbH (the "**Issuer**") may from time to time issue bonds in bearer form secured by, *inter alia*, Bitcoin, Bitcoin Cash, Aave, Algorand, Aptos, Avalanche, Binance Coin, Canton, Cardano, Celestia, Chainlink, Cosmos, EOS, Ethereum, Ethereum Classic, Filecoin, Hyperliquid, Internet Computer, Lighter, Litecoin, MakerDAO, NEAR, Polkadot, Polygon, Solana, Stellar, Tezos, Uniswap, XRP or other cryptocurrencies (each a "**Cryptocurrency**") or by an index (each an "**Index**") consisting of various cryptocurrencies (the "**Bonds**"). The Bonds do not have a fixed maturity date. The Bonds will be governed by the laws of the Federal Republic of Germany ("**Germany**").

This document constitutes a base prospectus within the meaning of Article 8(1) of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (the "**Prospectus Regulation**"), as amended, of Bitwise Europe GmbH (the "**Base Prospectus**"). This Base Prospectus will be published in electronic form together with all documents incorporated by reference on the website of the Issuer (https://bitwiseinvestments.eu/).

This Base Prospectus has been approved by the *Bundesanstalt für Finanzdienstleistungsaufsicht* ("**Bafin**") in its capacity as competent authority under the Prospectus Regulation.

Bafin only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation.

Such approval should not be considered as an endorsement of the Issuer that is the subject of this Base Prospectus.

Further, such approval should not be considered as an endorsement of the quality of the Bonds that are the subject of this Base Prospectus.

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

This Base Prospectus may be filed in Switzerland with a review body (*Prüfstelle*) approved by the Swiss Financial Market Supervisory Authority FINMA ("**FINMA**") as a foreign prospectus that is deemed approved according to Article 54(2) of the Swiss Federal Financial Services Act ("**FinSA**") for entry on the list of approved prospectuses according to Article 64(5) FinSA, deposited with this review body and published according to Article 64 FinSA. Notwithstanding anything else in this Base Prospectus, the Issuer and/or the relevant financial intermediary/intermediaries may make offers of Bonds to the public in Switzerland, other than pursuant to an exemption under Article 36(1) FinSA or where such offer does not qualify as a public offer in Switzerland ("**Swiss Non-exempt Offers**"), in respect of which the Issuer shall complete and publish Final Terms (as defined below). The Issuer may also make offers of Bonds in Switzerland pursuant to an exemption under Article 36(1) FinSA or where such offers do not qualify as a public offer in Switzerland. **The Securities do not constitute a participation in a collective investment scheme in the meaning of the Swiss Federal Act on Collective Investment Schemes ("CISA") and are not subject to the supervision by the FINMA, and investors will not benefit from the specific investor protection under the CISA.**

Bafin has not reviewed any information in relation to Swiss Non-exempt Offer, any admission to a trading venue in Switzerland and/or any admission to trading on a multilateral trading facility within the European Economic Area.

In relation to the Bonds to be issued under this Base Prospectus, application may be made to the Frankfurt Stock Exchange for the Bonds to be admitted to trading on the regulated market (*regulierter Markt*) of the Frankfurt Stock Exchange. The regulated market of the Frankfurt Stock Exchange is a regulated market for the purposes of Directive 2014/65/EU of the European Parliament and the Council of 15 May 2014 on Markets in Financial Instruments ("**MiFID II**"), as amended. Application may also be made to any further stock exchange in the European Economic Area for the Bonds to be admitted to trading on the regulated market of any such stock exchange, e.g. on the regulated market of the Warsaw Stock Exchange and to any Swiss trading venue in the sense of the Swiss Federal Financial Market Infrastructure Act of 19 June 2015 ("**FMIA**"), as amended, e.g. on SIX Swiss Exchange AG ("**SIX Swiss Exchange**") for the Bonds to be admitted to trading on any such Swiss trading venue. Further, Bonds may not be admitted to trading at all.

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

This Base Prospectus may not be used for the purposes of an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised, or to any person to whom it is unlawful to make such offer or solicitation.

On 10 October 2025, the Issuer published a base prospectus for the issuance of Bonds secured by Cryptocurrencies immediately preceding the Base Prospectus. The Base Prospectus succeeds such base prospectus dated 10 October 2025 and the supplements thereto.

The validity of this Base Prospectus will expire at the end of 28 September 2027. Any obligation to supplement a base prospectus in the event of significant new factors, material mistakes or material inaccuracies does not apply when a base prospectus is no longer valid.

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1. GENERAL DESCRIPTION OF THE PROGRAMME

1.1. GENERAL

Under this Base Prospectus, Bitwise Europe GmbH (the "**Issuer**") may from time to time issue Bonds in units with no par value denominated in Euro or another fiat currency. The total amount of a specific issue of Bonds will be set out in the relevant final terms document (the "**Final Terms**", substantially in the form set out below under "15. FORM OF FINAL TERMS") prepared in relation to each issue of Bonds under the Programme. Each issue of Bonds (each a "**Series of Bonds**") is represented by a global note (the "**Global Note**").

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

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

This Base Prospectus provides for the issue of Bonds with, *inter alia*, the following Cryptocurrency as underlying(s), a combination of such Cryptocurrency in form of an Index comprised of two or more of such Cryptocurrency:

1. Bitcoin
2. Bitcoin Cash
3. Aave
4. Algorand
5. Aptos
6. Avalanche
7. Binance Coin
8. Canton
9. Cardano
10. Celestia
11. Chainlink
12. Cosmos
13. EOS
14. Ethereum
15. Ethereum Classic
16. Filecoin
17. Hyperliquid
18. Internet Computer
19. Lighter
20. Litecoin
21. MakerDAO

22. Near Protocol

23. Polkadot

24. Polygon

25. Solana

26. Stellar

27. Tezos

28. Uniswap

29. XRP.

The Issuer may also, from time to time, issue Bonds secured by underlying Cryptocurrency other than those listed above.

For the avoidance of doubt, any reference in this Base Prospectus to "Cryptocurrency" shall be considered to also include references to multiple cryptocurrencies as well as Indices comprised of cryptocurrencies, unless otherwise specified.

Each Bond issued under the Base Prospectus tracks the performance of its underlying Cryptocurrency by representing the right of the Bondholder to demand from the Issuer (a) delivery of the respective underlying Cryptocurrency or (b) payment of a cash amount in fulfillment of its delivery claim to the above-mentioned underlying Cryptocurrency.

Bonds issued under this Base Prospectus may provide for a FX Hedging component through which the Issuer aims to hedge the currency exposure between the currency of the Bonds and the currency of the reference price of the underlying Cryptocurrency.

Bonds issued under this Base Prospectus may also provide for an accumulation of proceeds from the staking of the underlying Cryptocurrency.

The Bonds are subject to an ongoing management fee which is directly deducted from the underlying Cryptocurrency.

The Bonds do not have a fixed maturity date but may be terminated by the Issuer and/or exercised by the Bondholders.

A more detailed description of these structures is set out below under "13. GENERAL DESCRIPTION OF THE BONDS – 13.2. *Description of the Bonds*".

1.3. ISSUE PROCEDURES

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

The Final Terms will (i) determine which of Part A (applicable to Bonds linked to a single Cryptocurrency), Part B (applicable to Bonds linked to an Index of Cryptocurrency), Part C (applicable to Bonds linked to a single Cryptocurrency to be staked), Part D (applicable to Bonds linked to an Index of Cryptocurrency to be staked), Part E (applicable to Bonds linked to a single Cryptocurrency with covered FX Hedging feature) or Part F (applicable to Bonds with index based calculation) of Annex A of the Terms and Conditions shall apply to the relevant Series of Bonds by inserting such determined Part of Annex A in Part I of the Final Terms, (ii) specify and complete the Parts of Annex A so determined and (iii) specify and complete Annex B of the Terms and Conditions.

Under its base prospectuses dated 14 January 2021, 23 November 2021, 21 November 2022, 21 November 2023, 30 October 2024 and 10 October 2025 (each, a "**Preceding Base Prospectus**" and, together, the "**Preceding Base Prospectuses**"), which immediately precede this Base Prospectus, the

Issuer has been offering the following Bonds linked to Cryptocurrency (the "**Continuously Offered Bonds**"):

(1) Bitwise Physical Bitcoin ETP (BTCE) - (ISIN DE000A27Z304)

(2) Bitwise Physical Ethereum ETP (ZETH) - (ISIN DE000A3GMKD7)

(3) Bitwise Physical Litecoin ETP (ELTC) - (ISIN DE000A3GN5J9)

(4) Bitwise Physical Cardano ETP (RDAN) - (ISIN DE000A3GVKY4)

(5) Bitwise Physical Solana ETP (ESOL) - (ISIN DE000A3GVKZ1)

(6) Bitwise Physical XRP ETP (GXRP) - (ISIN DE000A3GYNB0)

(7) Bitwise MSCI Digital Assets Select 20 ETP (DA20) – (ISIN DE000A3G3ZL3)

(8) Bitwise Ethereum Staking ETP (ET32) – (ISIN DE000A3G90G9)

(9) Bitwise Core Bitcoin ETP (BTC1) – (ISIN DE000A4AER62)

(10) Bitwise Diaman Bitcoin & Gold ETP (BTCG) – (ISIN DE000A4AKW34)

(11) Bitwise Solana Staking ETP (BSOL) – (ISIN DE000A4A59D2)

(12) Bitwise Aptos Staking ETP (APTB) – (ISIN DE000A4AJWU3)

(13) Bitwise NEAR Staking ETP (NEAR) – (ISIN DE000A4A5GV2)

(14) Bitwise Avalanche Staking ETP (AVNB) – (ISIN DE000A4APQX6)

(15) Bitwise Celestia Staking ETP (TIAB) - (ISIN DE000A4APRP0)

(16) Bitwise Hyperliquid Staking ETP (BHYP) – (ISIN DE000A4ARTJ5)

(17) Bitwise Canton ETP (BWCC) – (ISIN DE000A4ARTH9)

(18) Bitwise Lighter Staking ETP (BLIT) – (ISIN DE000A4AV9T5)

The Issuer may decide to continue the offer of the Continuously Offered Bonds under this Base Prospectus, whereby they will remain subject to the terms and conditions of the relevant Preceding Base Prospectus, which are incorporated by reference into this Base Prospectus, as completed by their respective final terms.

In this case, the respective Final Terms of the Continuously Offered Bonds will (i) determine that Option I (applicable to Bonds linked to a single Cryptocurrency) or Option II (applicable to Bonds linked to an index of underlying Cryptocurrencies) of the Terms and Conditions of the relevant Preceding Base Prospectus, which are incorporated by reference into this Base Prospectus, shall apply to the relevant Series of Bonds by inserting such determined Option in Part I of the Final Terms and (ii) specify and complete the Option so determined.

1.4. ISSUE PRICE AND YIELD

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

For any entity supervised by a financial supervisory authority in a member state of the European Economic Area, the United Kingdom, Canada, Australia, Singapore, New Zealand, Japan, Switzerland, Hong Kong (SAR) or the United States which has been appointed by the Issuer as an authorised participant (the "**Authorised Participants**"), the issue price for the relevant Series of Bonds to be issued will be determined at the time of pricing on the basis of the calculation methods as further described below under "17. SUBSCRIPTION, SALE AND OFFER OF THE BONDS – 17.1.4. *Method of determination of the Issue Price*".

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

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

1.5. PURCHASE OF BONDS

In the primary market, each issue of a Series of Bonds is initially only purchased by Authorised Participants and may subsequently be offered by such Authorised Participants to institutional and retail investors or to institutional investors only, as specified in the relevant Final Terms, in compliance with applicable selling restrictions during the relevant offer period (as specified in the relevant Final Terms) also with regard to specific offering jurisdictions. As a consequence, only Authorised Participants may buy Bonds directly from the Issuer in the primary market. Investors will not be able to buy Bonds directly from the Issuer in the primary market but may only buy Bonds in the secondary market (i) directly from an Authorised Participant or from any person (ii) via a stock exchange (in case of Bonds admitted to trading on a stock exchange) or (iii) over the counter.

1.6. REASON FOR THE OFFERS

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

1.7. LISTING AND ADMISSION TO TRADING

In relation to the Bonds to be issued under this Base Prospectus, application may be made to the Frankfurt Stock Exchange for the Bonds to be admitted to trading on the regulated market (*regulierter Markt*) of the Frankfurt Stock Exchange as well as to any further stock exchange in the European Economic Area for the Bonds to be admitted to trading on the regulated market of any such stock exchange, e.g. on the regulated market of the Warsaw Stock Exchange (the respective stock exchanges, on which application will be made for the respective Bonds to be admitted to trading on the regulated market, as well as the respective date of such application, will be specified in the relevant Final Terms). Application may also be made to any Swiss trading venue in the sense of the FMIA for the Bonds to be admitted to trading on any such Swiss trading venue. Further, Bonds to be issued under this Base Prospectus may not be admitted to trading on any stock exchange.

1.8. PURPOSE OF THE BASE PROSPECTUS

This Base Prospectus has been drawn up for the purposes of (i) an offer of the Bonds to the public in accordance with Article 3 (1) of the Prospectus Regulation, (ii) the admission of the Bonds to trading on a regulated market in accordance with Article 3 (3) of the Prospectus Regulation and (iii) for the continuous offer to the public of the Continuously Offered Bonds in accordance with Article 3 (1) and Article 8 (11) of the Prospectus Regulation.

1.9. CLEARING AND SETTLEMENT

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

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

1.10. RATING

Neither the Issuer nor any Series of Bonds are rated.

2. RISK FACTORS

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

The risk factors are presented in a limited number of categories depending on their nature. In each category the two most material risk factors are mentioned first according to the assessment of the Issuer.

The order of appearance of the risk factors that follow after the most significant risk factors within the same category is not indicative of the Issuer's opinion regarding the significance of such risk factors.

The Issuer assesses the materiality of the risk factors based on the probability of their occurrence and the expected magnitude of their negative impact.

2.1. RISKS RELATING TO THE ISSUER

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

2.1.1. Risks related to the Issuer's business activities

2.1.1.1. Risks related to the limited business objective of the Issuer.

The focus of the Issuer's business activities is the issuance of bonds linked to Cryptocurrency as well as the performance of contribution of Cryptocurrency to the relevant underlying network for the purpose of facilitating, validating and approving transactions on such network relating to the Cryptocurrency ("**Staking**"). The Issuer will not carry out any other business than the issue of bonds which are secured by Cryptocurrency and other digital assets. Because of this limited business objective, the Issuer is exposed to the risk that the underlying Cryptocurrency do not become successful or become less successful (such risks are further described under the headline 2.2.4. "*Risks related to the underlying Cryptocurrency*" below) going forward and the Issuer cannot adapt to such changed circumstances. Due to this limited business objective the Issuer may then be unsuccessful in carrying out its business which could have an adverse impact on the Issuer`s business and financial situation.

Further, under the intercompany agreement between the Issuer and Bitwise Europe Management Ltd ("**BEM**"), BEM has the right to charge the Issuer for its services to the Issuer with up to 100 per cent. of the Issuer's gross revenues, which are calculated as (1) the sum of all fees charged by and income accrued by the Issuer in connection with the issuance of the Bonds and in accordance with the Terms and Conditions of the respective Series of Bonds, irrespective of manner of payment, including in particular any revenues generated (i) through charging subscription fees, certain redemption fees, ongoing fees corresponding to the Diminishing Entitlement Rate (as specified in the relevant Final Terms in relation to each Series of Bonds) on the units of the Cryptocurrency received as proceeds for the subscription of the Bonds in relation to each Series of Bonds as well as (ii) by withholding of a certain proportion of profits or benefits received in connection with the staking of the Cryptocurrency (as specified in the relevant Final Terms in relation to each Series of Bonds) minus (2) all properly incurred expenses related to the marketing and promotion of the Bonds (excluding fees of the directors of the Issuer). Accordingly, such revenues will not be available to the Issuer and, ultimately, the Bondholders, in case of financial difficulties or an insolvency scenario.

2.1.1.2. Risks related to the Issuer's dependence on its reputation and the reputation of associated parties.

Due to the highly competitive market environment in the Issuer's core business, i.e. the issuance of bonds linked to Cryptocurrency, the Issuer depends on its reputation and the reputation of associated parties to maintain and grow such core business. Any material adverse event, such as (but not limited to) defaults and insolvencies of associated parties, legal proceedings involving the Issuer or any

associated party or negative media reports on the Issuer or its associated parties, could impact the Issuer's reputation, which could, in turn, depress the Issuer's profitability, creditworthiness and fundraising capacity. This, in turn, can affect the demand for and liquidity of any Series of Bonds and price of any Series of Bonds on the market related to the prices of the relevant Cryptocurrency and – in case such development triggers a Mandatory Redemption Event in relation to a Series of Bonds – may result in the Issuer giving a Mandatory Redemption Notice (such risks are further described under 2.2.1.9. "*The Bonds are subject to early redemption rights of the Issuer. Bondholders may have a lower than expected yield and are exposed to the risks connected with any reinvestment of proceeds received as a result of such early redemption*").

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

The Issuer maintains significant amounts of data about subscriptions to and redemptions of each Series of Bonds. For every subscription or redemption, the Issuer may receive and maintain in relation to each subscribing or redeeming investor the following data: (i) proof of identity and/or incorporation documents; (ii) residence or incorporation address; (iii) certain bank and securities accounts details; (iv) blockchain digital wallets information; (v) contact information and (vi) such other information requested by the Issuer from time to time. A significant data breach may have wide reaching adverse effects, including trading losses and reputational damage, which may adversely impact the Issuer's core business and could therefore have a negative impact on the Issuer`s profitability, creditworthiness and fundraising capacity.

2.1.2. Risks related to the Issuer's corporate structure

2.1.2.1. Risks related to the concentration of shareholdings in the Issuer and the Holding Company.

The Issuer is wholly owned by BEM, which, in turn, is wholly owned by Bitwise Europe Ltd, which, in turn, is wholly owned by Bitwise Asset Management, Inc. the ultimate parent company of the Issuer (the "**Holding Company**").[1]

As such, the shareholders of the Holding Company have significant influence on the management of the Issuer. There can be no assurance that the shareholders of the Holding Company or their representatives will exercise their voting rights in a manner that benefits the Issuer or Bondholders.

2.1.3. Legal and regulatory risks

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

The Issuer does not carry out any other business than the issue of bonds which are secured by Cryptocurrency and does not safekeep, administrate and/or protect cryptographic values or private cryptographic keys for others, so that the Issuer does not require a banking license pursuant to Section 32 of the German Banking Act (*Kreditwesengesetz* – "**KWG**"). Accordingly, pursuant to the regulatory framework which is currently applicable to the Issuer, it faces relatively low compliance requirements, as it is, for example, not directly responsible for "know your client" ("**KYC**") checks or anti-money laundering ("**AML**") checks of end investors. However, the Issuer takes reasonable efforts to establish the nature of counterparty and customer activities and ascertain the legitimacy of counterparty funds. In this respect the Issuer relies on its Authorised Participants to perform checks on the sources of funds. It should be stressed that performing KYC/AML checks in respect of transactions related to the underlying Cryptocurrency is new and challenging and even though Authorised Participants are regulated entities, there is risk of compliance failures with respect to KYC/AML. Any breach of the compliance processes of the Issuer, Authorised Participants or service providers could have a material adverse effect on the Issuer's core business, including reputational damage and significant legal and financial impact.

2.1.3.2. Change in regulatory status of the Issuer.

The Issuer`s business is focused on issuing Series of Bonds linked to the underlying Cryptocurrency. Although some financial supervisory authorities across Europe may restrict trading in cryptocurrencies

[1] A structure chart of the Bitwise Group is provided at 11.4.

and/or categories of market participants which may deal with cryptocurrencies, the Issuer is currently not required to be licensed, registered or authorised under any securities, commodities or banking laws of its jurisdiction of incorporation or operation and currently operates without supervision by any authority in any jurisdiction. However, the regulatory authorities in one or more other jurisdictions relevant to the Issuer's business may determine that the Issuer is required to be licensed, registered or authorised under the securities, commodities or banking laws of such jurisdiction and there can be no guarantee that legal or regulatory requirements with respect thereto will not change in the future. Any such requirement or change could require the Issuer to obtain licenses, registrations or authorisations or even make it impossible for the Issuer to perform its current business. The Issuer may not be granted such licenses, registrations or authorisations or it may face severe financial implications. This may have an adverse impact on the Issuer conducting its business and the administration of any Series of Bonds and may result in the Issuer giving a Mandatory Redemption Notice in relation to a Series of Bonds (such risks are further described under 2.2.1.9. "*The Bonds are subject to early redemption rights of the Issuer. Bondholders may have a lower than expected yield and are exposed to the risks connected with any reinvestment of proceeds received as a result of such early redemption*").

2.1.3.3. Risks related to regulation of blockchain technologies and digital assets.

The Bonds are linked to one Cryptocurrency or an Index of Cryptocurrency and the regulatory regime governing the underlying Cryptocurrency is currently undeveloped and likely to evolve rapidly. Various legislative and executive bodies in Germany and in other countries may in the future, adopt laws, regulations, guidance, or other actions, which may severely impact the future development of the Cryptocurrency and other crypto assets and the growth of the markets for this asset class and, in turn, the adoption, utility and performance of each Series of Bonds. Failure by the Issuer or certain investors to comply with any laws, rules and regulations, some of which may not exist yet or are subject to interpretation and may be subject to change, could result in a variety of adverse consequences, including civil penalties and fines and may negatively affect the rights of investors under a Series of Bonds.

2.1.3.4. Dependence on certain service providers and potential conflicts of interest.

The Issuer is dependent on a number of service providers to maintain the issue of a Series of Bonds and the security relating to such Series of Bonds. These include the Depositary, Authorised Participants, the Paying Agent and Fiscal Agent, the Administrator, the Staking Provider, the FX Counterparty, the Execution Agent, the Determination Agent, the Fiat Execution Agent, the NAV Calculation Agent, the Clearing System and the security trustee, which is authorised under the Terms and Conditions to hold and administer security interest over the Deposited Cryptocurrency and any other assets (such as additional cryptocurrencies or other digital assets) in relation to each Series of Bonds held in the depositary wallet operated by the relevant Depositary on behalf of the Issuer (the "**Depositary Wallet**") and the associated account of the Issuer maintained by the Depositary (the "**Collateral**") for the benefit of the holders of a Series of Bonds (each a "**Bondholder**" and together, the "**Bondholders**"), itself and the Bondholders' Representative (as defined below), if appointed, (the "**Security Trustee**"). Should there be a material adverse change in cooperation with any existing service provider and a suitable alternative be unavailable or impracticable, it may be impossible for the Issuer to continue to maintain any listing of a Series of Bonds and fulfil its obligations thereunder. In addition, the role of service providers may give rise to conflicts of interest, which are adverse to the interests of any Bondholders.

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

2.1.3.5. Dependence on authorisations.

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

exchange, e.g. on the regulated market of the Warsaw Stock Exchange (as specified in the relevant Final Terms). In relation to such Bonds to be admitted to trading on the regulated market of the Frankfurt Stock Exchange or of any such other stock exchange, the Issuer depends on the Frankfurt Stock Exchange's authorisation and the permissibility under the rules and regulations of Germany and/or the authorisation and permissibility of any such other further stock exchange (such as, without limitation, the Warsaw Stock Exchange), as the case may be, to continue issuing and listing, as applicable, Series of Bonds. Any change to the listing requirements, the regulation of the Bonds, or acceptance of cryptocurrency as the underlying asset could adversely impact the Issuer, the value and liquidity of a Series of Bonds and investors in such Series of Bonds. If any authorisation risk materialises, this could have a material adverse effect on the Issuer`s business and financial situation.

2.1.4. Internal control and IT risks

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

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

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

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

2.2. RISKS RELATING TO THE BONDS

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

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

2.2.1.1. Bondholders are exposed to the risk of losses if a redemption in cash fails due to missing purchase orders or unavailability of the required reference price.

In case of redemptions in cash, the Issuer has to arrange for a procedure for the divestment of the Cryptocurrency (the "**Cryptocurrency Execution Procedure**" or, in relation to the Bitwise MSCI Digital Assets Select 20 ETP (DA20) Bonds only, the "**Cryptocurrency Divestment Procedure**") in order to redeem the Series of Bonds.

Pursuant to the Terms and Conditions, the Cryptocurrency Execution Procedure shall be deemed unsuccessful, if for whatever reason including, without limitation, as a result of a disruption to the availability of the reference price of the underlying Cryptocurrency (the "**Reference Price**") the sale of the units of the Cryptocurrency fails in its entirety (the "**Totally Failed Execution**") or partially for one, or more (but not all) of the Cryptocurrency (the "**Partially Failed Execution**" and, together with the Totally Failed Execution, "**Failed Execution**").

In relation to the Bitwise MSCI Digital Assets Select 20 ETP (DA20) Bonds only, a Cryptocurrency Divestment Procedure shall be deemed unsuccessful, if the relevant Reference Price as of the relevant determination date is not available, or it is expected not to be available on the dates when it is required for the purposes of the procedure (which is further described in the Terms and Conditions) or if no purchase offers for the Cryptocurrency were submitted or all purchase offers were rejected, *inter alia* in case of purchase offers, which are submitted for less than 80 percent of the Reference Price, or for any other reason (the "**Failed Divestment**").

In case of a Failed Execution or Failed Divestment, Bondholders face the risk that the Bonds cannot be redeemed in cash and Bondholders do not have any mechanism to monetise the Bonds except for selling the Bonds for fiat currency (e.g. EUR or USD) in the secondary market, if a liquid market exists.

In such case Bondholders could only sell the underlying Cryptocurrency through the Voluntary Redemption with physical delivery of the underlying Cryptocurrency ("**Physical Redemption**") and would have to rely on cryptocurrency exchanges to exchange the underlying Cryptocurrency for fiat currency and would have to rely on their ability to exchange the underlying Cryptocurrency for fiat currency via a trading venue for Cryptocurrency or any over-the-counter market, thereby being exposed to the risk of incurring losses in case of unfavourable exchange rates.

Additionally, the Issuer reserves the right to charge certain exercise fees even in case of a Totally Failed Execution or Failed Divestment, as applicable.

Due to the fees that may be incurred in this way, as well as due to unfavourable exchange rates on trading venues and over the counter markets, the Bondholder's investments could be adversely affected. In case of an illiquid secondary market, Bondholders might even be prevented from monetising their investment at all, which could ultimately result in a total loss.

2.2.1.2. Risks related to a Hedging Loss.

A Series of Bonds may be denominated in a currency (the "**Bond Currency**") different from the currency in which the Reference Prices of the underlying Cryptocurrency are quoted (the "**Reference Price Currency**"). If so specified in the relevant Final Terms, specific Series of Bonds will include a currency hedging component through which Issuer aims to hedge the currency exposure between the Bond Currency and the Reference Price Currency ("**FX Hedging**"). Such FX Hedging typically involves the notional forward sale of the Reference Price Currency and purchase of the Bond Currency

and is designed to reduce the exposure of the Reference Price (and, therefore, the Bonds) to exchange rate fluctuations between such currencies.

In cases where the Bond Currency is generally weakening against the Reference Price Currency, the downside in the performance of the Bond Currency as compared to the Reference Price Currency will be realised by a sale of the relevant units of the underlying Cryptocurrency, leading to a decrease in the Cryptocurrency Entitlement (a "**Hedging Loss**"). Accordingly, Bondholders are subject to the risk that the value of their investment decreases due to a weakening of the Bond Currency against the Reference Price Currency and a Hedging Loss resulting therefrom, even if the value of the underlying Cryptocurrency, denominated in the Reference Price Currency, remains unchanged.

However, there may be a cost for entering into such FX Hedging and such FX Hedging may not fully eliminate exchange rate risks or fluctuations and, depending on movements in exchange rates, such FX Hedging might have a negative impact on the value of the relevant Bonds.

2.2.1.3. Risk relating to a failure of a counterparty to transfer Transfer Amounts

In relation to Bonds with FX Hedging, the determination of the Cryptocurrency Entitlement additionally takes into consideration the gains or losses from the transactions related to the FX Hedging (such gains or losses, the "**Transfer Amounts**"). In case of a positive Transfer Amount, the Issuer is obligated in accordance with the Terms and Conditions to add this Transfer Amount to the Cryptocurrency Entitlement and Single Cryptocurrency Entitlement, as applicable.

In order to add the respective positive Transfer Amount, the Issuer is dependent on a relevant counterparty of the FX Hedging (the "**FX Counterparty**"), whereby the FX Hedging transactions are not collateralised.

Any failure by the relevant FX Counterparty to deliver the required amount of the relevant Cryptocurrency corresponding to the Transfer Amount, regardless of whether this is caused by shortages in the market or a general inability of the FX Counterparty to comply with its obligations under the FX Hedging transactions, may result in a breach of the Terms and Conditions by the Issuer, ultimately resulting in the occurrence of an Event of Default (as further described below under 2.2.1.11. "*Risk in connection with a redemption following the occurrence of Events of Default*") and an early redemption of the Bonds. Due to the FX Hedging transactions being uncollateralised, Bondholders are fully exposed to the creditworthiness of any such FX Counterparty and their ability for timely transfer of the Transfer Amounts.

2.2.1.4. Concentration risk relating to the FX Hedging transactions

In relation to the FX Hedging transactions, the Issuer may agree terms with only one FX Counterparty. This presents a concentration risk, which increases the significance of a FX Counterparty's default and the associated risks (as set out above under 2.2.1.3. "*Risk relating to a failure of a counterparty to transfer Transfer Amounts*"). Additionally, the pricing of the agreements relating to the FX Hedging transactions may not reflect the fair market value in this case, which may have a negative impact on the value of such Bonds and, thus, the value and return of Bondholders.

2.2.1.5. Risk relating to the Issuer's ability to enter into agreements relating to FX Hedging transactions

In case of a termination of an agreement relating to the FX Hedging transactions, the Issuer may be unable to enter into similar agreements with any replacement FX Counterparty. In such case, the Issuer may postpone or suspend the issuance of the Bonds or may mandatorily redeem the Bonds in accordance with Condition 6 of the Terms and Conditions. This may negatively affect the value of the Bonds and, thus, the Bondholders investment.

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

In relation to Bonds issued before 21 November 2022, if a Bondholder is prevented from receiving the relevant underlying Cryptocurrency for legal reasons, in particular due to regulatory provisions applicable to it and because of that the Series of Bonds are redeemed in USD, the Issuer has to arrange

for a Cryptocurrency Auction Procedure to receive USD in order to redeem the Series of Bonds. Pursuant to the Terms and Conditions, a Cryptocurrency Auction Procedure shall be deemed unsuccessful if the relevant reference price of the underlying Cryptocurrency (the "**Reference Price**") as of the relevant determination date is not available, or it is expected not to be available on the dates when it is required for the purposes of the procedure (which is further described in the Terms and Conditions) or the winning bidder fails to transfer to the Issuer the balances within the prescribed timeframe or there is no winning bidder in the auction, i.e. if either no bids were submitted or all bids were rejected or all submitted qualifying bidders failed to deposit a bid guarantee amount, or for any other reason. If the auction fails, Bondholders face the risk that the Bonds cannot be redeemed in USD and Bondholders do not have any mechanism to monetise the Bonds (except selling the Bonds for fiat currency (e.g. USD or Euro) in the secondary market, if a liquid market exists). In such case Bondholders could only sell the underlying Cryptocurrency through Voluntary Redemption with Physical Redemption and would have to rely on crypto-exchanges to exchange the underlying Cryptocurrency for fiat currency.

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

In relation to Bonds issued before 21 November 2022 only, if it is required, pursuant to the Terms and Conditions, to conduct a Cryptocurrency Auction Procedure, the Auctioneer shall *inter alia* reject bids, if they are submitted for less than 80 percent of the Reference Price, or for less or more than the full amount of the underlying Cryptocurrency. This means that bids can be accepted at 80 percent of the Reference Price and therefore significantly less than the Reference Price. The Auctioneer may, at its sole and absolute discretion, not accept bids, which were submitted later than 48 hours before 13:00 (CET) on the Auction Price Determination Date, and may not accept bids where there is a suspicion as to legality of source of funds of the potential bidder. There is also a risk that some groups of potential bidders will be completely excluded from participation in the auction if the Auctioneer cannot make the offer of the underlying Cryptocurrency to such groups of potential bidders for regulatory reasons. In addition, there is also a risk for a Bondholder that the Cryptocurrency Auction Procedure shall be deemed unsuccessful in total. This would be the case if e.g. no winning bidder in the auction exists or the winning bidder fails to transfer to the Issuer the balances pursuant to the Terms and Conditions. As a consequence, the price achieved on the Cryptocurrency auction can be below the current market price of the underlying Cryptocurrency, which would have a negative impact on the Bondholder's investment, or a Cryptocurrency Auction Procedure can fail in its entirety and not result in any sale of the underlying Cryptocurrency at any price. Additionally, the Issuer reserves the right to charge certain redemption fees even in case of a failed Cryptocurrency Auction Procedure.

2.2.1.8. Risks related to redemptions upon the request of Bondholders.

Bondholders may require the Issuer to redeem all or parts of their Bonds in the form of physical delivery of the underlying Cryptocurrency or by way of cash settlement (the "**Voluntary Redemption**").

The Issuer may fail (i) to make Cryptocurrency payments, at all or in a timely manner, due to failure in the relevant Cryptocurrency network to verify payments, operational deficiencies at the Depositary, the Administrator or the Issuer or (ii) to sell the underlying Cryptocurrency and to transfer the funds of such sale. In addition, there is a risk that investors may not be able to exercise their option for Voluntary Redemption if they do not provide sufficient information to the Issuer in accordance with the Terms and Conditions.

Furthermore, if a Bondholder exercises its right for Voluntary Redemption due to a specific value of the underlying Cryptocurrency and there is a delay in the redemption process, there is a risk that the value of the underlying Cryptocurrency can fluctuate/decrease in that time period.

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

Additionally, if a Bondholder exercises its right for Voluntary Redemption[2] and opts for cash settlement, obligations of the Issuer to remit cash to such Bondholder after the surrender of the relevant Bonds to the Issuer constitute unsecured obligations of the Issuer. Only settlement obligations related to the Voluntary Redemption with physical settlement (the "**Secured Redemption Obligations**") constitute secured obligations of the Issuer. Claims of a Bondholder for payments in cash, due to the Voluntary Redemption with cash settlement will only be settled after the relevant Bondholder has delivered its Bonds to the Issuer and during the period from delivery of the Bonds until actual payment of cash, the relevant Bondholder will no longer be the owner of the Bonds, nor have a secured claim against the Issuer. Accordingly, the Bondholder might receive payments later than anticipated or, given the claims are no longer secured, may not receive payments at all.

2.2.1.9. The Bonds are subject to early redemption rights of the Issuer. Bondholders may have a lower than expected yield and are exposed to the risks connected with any reinvestment of proceeds received as a result of such early redemption.

The Issuer may at any time, in its sole and absolute discretion, elect to terminate and redeem all but not some of the Bonds at their Cryptocurrency Entitlement in case of (i) any event making the continued issuance of Bonds and/or maintaining Outstanding Bonds economically or practically not viable or (ii) upon the occurrence of certain events expressly specified in the Terms and Conditions, as the case may be (the "**Mandatory Redemption**"). In exercising such discretion, the Issuer is not required to have any regard to the interests of the Bondholders, and Bondholders may receive less, or substantially less, than their initial investment. The Issuer has to make an advance notice of the Mandatory Redemption, but there is a risk that the Issuer will fail to make such notice, or it will not be received by all Bondholders, which can result in some or all Bondholders failing to sell the Bonds or exercise their right for Voluntary Redemption prior to the Mandatory Redemption. The Mandatory Redemption Price of the Bonds redeemed in cash can be less or substantially less than the equivalent price of the underlying Cryptocurrency, as the Issuer will try to sell the underlying Cryptocurrency using the Cryptocurrency Auction Procedure (in case of Bonds issued before 21 November 2022 only), the Cryptocurrency Divestment Procedure (in case of the Bitwise MSCI Digital Assets Select 20 ETP (DA20) Bonds) or the Cryptocurrency Execution Procedure, and all risks related to the relevant procedure apply.

Additionally, in case of Bonds issued before 21 November 2022 only, should the Issuer fail to realise the underlying Cryptocurrency using the Cryptocurrency Auction Procedure, it is entitled to use any other reasonable procedure to sell the holdings in the underlying Cryptocurrency, and there is a risk that such procedures would result in the sale of the underlying Cryptocurrency at a price less or substantially less than the minimum stipulated by the Cryptocurrency Auction Procedure.

Accordingly, if any Bonds are redeemed early, Bondholders may have a lower than expected yield and are exposed to the risks connected with any reinvestment of proceeds received as a result of such early redemption. Furthermore, the Mandatory Redemption might result in the effective disposal of the Bonds for tax purposes by some or all Bondholders on a date earlier than planned or anticipated, which can result in less beneficial tax treatment of an investment in the Bonds for such Bondholders than otherwise would be available should the investment be maintained for a longer period of time.

2.2.1.10. Fees related to the redemption of the Bonds upon request of Bondholders.

If, in relation to a Series of Bonds, the Issuer has appointed one or more Authorised Participants and the outstanding total number of Bonds of such Series of Bonds multiplied by the Cryptocurrency Entitlement and the relevant Reference Price is greater than or equal to a certain threshold amount specified in relation to each Series of Bonds, the Issuer may charge an upfront redemption fee corresponding to a maximum amount to be specified in the relevant Final Terms at its sole and absolute discretion for the Voluntary Redemption by a Bondholder who is not an Authorised Participant (the "**Upfront Redemption Fee**"). Payment of the Upfront Redemption Fee can lead to a lower than

[2] Unless otherwise stated, any references to the Voluntary Redemption and cash settlement shall be read and construed as (i) references to the EUR Put Option and to redemptions in EUR in relation to the Bitwise MSCI Digital Assets Select 20 ETP (DA20) Bonds; (ii) as references to the USD Put Option and redemptions in USD in relation to the Bonds issued before 21 November 2022 and (iii) redemptions in USD for all other Bonds.

expected yield for the Voluntary Redemption. In addition to the Upfront Redemption Fee, the Voluntary Redemption triggers an exercise fee specified in relation to each Series of Bonds as an amount up to a maximum percentage of the Cryptocurrency Entitlement for each Bond in relation to which the Voluntary Redemption is exercised (depending on whether the Voluntary Redemption is exercised by an Authorised Participant or a Bondholder other than an Authorised Participant) (the "**Exercise Fee**"). The Exercise Fee will be deducted from the Cryptocurrency Entitlement or, in the case of cash settlement, from the proceeds of the sale of the underlying Cryptocurrency and accordingly the redemption amount per Bond received will be less than the actual Cryptocurrency Entitlement or, in the case of cash settlement, the proceeds of the sale of the underlying Cryptocurrency. Additionally, in the case of cash settlement, the Issuer reserves the right to charge relevant fees even if the Cryptocurrency Auction Procedure (in case of Bonds issued before 21 November 2022 only), the Cryptocurrency Divestment Procedure (in case of the Bitwise MSCI Digital Assets Select 20 ETP (DA20) Bonds) or the Cryptocurrency Execution Procedure fails and, subsequently, the redemption request is cancelled.

2.2.1.11. Risk in connection with a redemption following the occurrence of Events of Default.

The Issuer is required to comply with the Terms and Conditions. Events beyond the Issuer's control, including changes in the economic and business conditions in which it operates, may affect the Issuer's ability to comply with the undertakings set out in the Terms and Conditions. Further, there is a risk that a breach of the Terms and Conditions will result in certain events of default, entitling Bondholders to declare all but not some of its Bonds due and payable, which could cause a material adverse effect on the Issuer's financial position.

In accordance with Condition 13 of the Terms and Conditions[3], upon the occurrence of certain events including (i) failure of the Issuer to pay out the Cryptocurrency Entitlement or any other amount in respect of the Bonds, (ii) failure of the Issuer to duly perform any other obligation arising from the Bonds, (iii) the Issuer's inability to pay its debts as they fall due, (iv) insolvency proceedings against the Issuer and (v) the Issuer entering into liquidation (each such event, an "**Event of Default**"), each Bondholder may be entitled to declare due and payable its entire claims arising from the Bonds and demand immediate payment of the Cryptocurrency Entitlement (but without any fees payable by the Bondholder which would otherwise be required by the Terms and Conditions). If such claims are declared due and payable, the Issuer must then distribute the Cryptocurrency Entitlement in accordance with the Terms and Conditions. The value of the underlying Cryptocurrency comprising can fluctuate during the time when such distribution of the Cryptocurrency Entitlement is being processed to be executed. In order for the distribution to be made, Bondholders need to have their own digital cryptocurrency wallet or wallets (in case of an Index) (the "**Digital Wallet(s)**") and report such Digital Wallet(s) to the Issuer and a failure of doing so will result in the respective Bondholder not receiving the Cryptocurrency Entitlement. Additionally, the Issuer may receive more redemption requests in an Event of Default than it can operationally process. This may result in delays for the Bondholders receiving their Cryptocurrency Entitlement.

2.2.1.12. Investing in the Bonds does not correspond to a direct investment in the underlying Cryptocurrency.

Investors should be aware that the market value of the Bonds does not exclusively depend on the prevailing price of the underlying Cryptocurrency and changes in the prevailing price of the underlying Cryptocurrency may not necessarily result in a comparable change in the market value of the Bonds. The performance of the Bonds may differ significantly from direct holdings of the underlying Cryptocurrency as a result of negative effects of fees and charges (see 2.2.1.23. "*The Bonds are subject to transaction costs and charges*", including, but not limited to the Exercise Fee upon redemption), in addition to the negative effect of any other risks described herein. The return on the Bonds may not reflect the return if the investor had actually owned the underlying Cryptocurrency and held such investment for a similar period.

[3] §11 of the relevant terms and conditions in case of Bonds issued under the Preceding Base Prospectuses.

2.2.1.13. Risk relating to the absence of active management of the Bonds and the underlying Cryptocurrency.

The Bonds cannot be considered as an actively managed investment and may be affected by a general decline in the value of the underlying Cryptocurrency (see also under 2.2.4. "*Risks related to the underlying Cryptocurrency*"). Neither the Issuer nor any other party will actively manage the underlying Cryptocurrency or the Bonds (except for the use of Cryptocurrency for staking purposes, if applicable). As a result, the Issuer will not take any action to attempt to reduce the risk of loss resulting from price decreases. As a result, Bondholders bear the risk of a loss of a part or all of their investment.

2.2.1.14. Changes in regulation of the underlying Cryptocurrency.

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

Moreover, changes in the regulation of the underlying Cryptocurrency, including with respect to the Bonds, may adversely impact the Issuer, the value of the Bonds and the value of the Security. As a result, Bondholders bear the risk of a loss of a part or all of their investment.

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

If any Bonds are terminated either by the Issuer or the Bondholder pursuant to the Terms and Conditions and the Bondholder is entitled to receive payments in the underlying Cryptocurrency, the underlying Cryptocurrency must be transferred to the Bondholder's Digital Wallet(s). If this transfer occurs to an inadequate or inappropriate Digital Wallet (which includes, but is not limited to, a Digital Wallet to which the Bondholder does not have the corresponding private cryptographic key or keys, or which the Bondholder cannot operate due to any other limitation, technical or otherwise), the Bondholder will not be able to access and dispose of the underlying Cryptocurrency. For the Bondholder, this means a total loss of its investment. The decision on choosing the correct compatible Digital Wallet(s) lies solely with the Bondholder. The Bondholder is also entirely responsible for the secure storage of the private key of its Digital Wallet(s) in order to receive and dispose of the underlying Cryptocurrency. The loss or theft of the private key (which includes an unauthorised copy of all or a part of the key or keys) can result in a total loss of all of the assigned underlying Cryptocurrency within the Digital Wallet(s).

Bondholders who do not provide the information regarding their Digital Wallet to the Issuer during the mandatory redemption process in a timely manner, will have their Bonds redeemed in cash, and all risks related to the Cryptocurrency Execution Procedure, the Cryptocurrency Divestment Procedure (only in case of the Bitwise MSCI Digital Assets Select 20 ETP (DA20) Bonds), the Cryptocurrency Auction Procedure only in case of Bonds issued before 21 November 2022 (see in particular 2.2.1.6. "*Auction cannot be carried out due to missing participants or insufficient bids*" and 2.2.1.7. "*Issuer has the choice to accept or reject a bid (up to a certain extent)*") and Mandatory Redemption (as it applies to redemptions in cash may materialise).

2.2.1.16. Risks relating to an increase and/or decrease in issuance and market supply of the Bonds

While the Issuer has the right to issue additional Bonds that are fungible with an already issued Series of Bonds, the Issuer is under no obligation to issue additional Bonds in relation to the Series of Bonds already issued. Even if the Issuer decides to issue additional Bonds in relation to a Series of Bonds already issued, given that, in the primary market, the Issuer only sells Bonds to Authorised Participants, there is no guarantee that Authorised Participants subscribing to the newly issued Bonds of a Series of Bonds will make them available in the secondary market. This may create reduced liquidity and

increased price volatility in the existing Series of Bonds. On the one hand, if the Issuer does not issue additional Bonds in relation to a Series of Bonds already issued, or Authorised Participants do not sell those additional Bonds in the secondary market, this could increase the price of the Bonds compared to the underlying Cryptocurrency. On the other hand, when the Issuer starts issuing additional Bonds (and/or Authorised Participants start selling such Bonds in the secondary market) at a moment when the Bonds are trading at a premium compared to the underlying Cryptocurrency, this could result in a reduction of the premium compared to the underlying Cryptocurrency and thus in a decrease in the price of the Bonds.

2.2.1.17. No recourse and no guarantee.

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

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

2.2.1.18. Risks in connection with insufficient hedging of the investment in the Bonds by Bondholders.

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

2.2.1.19. The Terms and Conditions of a particular Series of Bonds can be modified by the Issuer.

The Issuer may, in its reasonable discretion and taking into consideration the interests of the Bondholders and the relevant capital market practice, make modifications to the Terms and Conditions of a particular Series of Bonds, if such modification is formal, minor or technical nature or is made to correct a manifest error. The Issuer also has the right to make further modifications subject to such amendment not being materially prejudicial to the interests of the Bondholders. Any such modification could be contrary to the interests of any or all Bondholders and could adversely affect the value of the Bonds.

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

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

According to the Terms and Conditions and the German Act on Issues of Debt Securities of 2009 (*Gesetz über Schuldverschreibungen aus Gesamtemissionen* - SchVG; "*German Act on Issues of Debt Securities*" or the "**SchVG**"), Bondholders of a particular Series of Bonds can, by resolution, consent to amendments of the Terms and Conditions of such Series of Bonds. Accordingly, although no obligation to make any payment or render any other performance may be imposed on any Bondholder, the Bondholders may, by resolution, materially change the substance of the Terms and Conditions of a particular Series of Bonds, in particular in the case of Section 5 paragraph 3 numbers 1 through 9 of the

SchVG. Under the SchVG and the Terms and Conditions of a particular Series of Bonds, such amendments require a resolution of Bondholders holding in the aggregate at least 75 percent of the votes cast in respect of the Series of Bonds. Subject to contestation in court, any such resolution will be binding on all Bondholders of such Series of Bonds.

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

The specific risk is that Bondholders of a particular Series of Bonds are being outvoted and losing rights towards the Issuer against its will in the event that Bondholders holding a sufficient aggregate principal amount of the Bonds participate in the vote and agree to amend the Terms and Conditions of a particular Series of Bonds by majority vote in accordance with the Terms and Conditions and the SchVG which, in turn, may result in a Bondholder's loss of the investment in the Bonds.

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

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

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

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

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

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

2.2.1.23. The Bonds are subject to transaction costs and charges.

When Bonds are purchased or sold, several types of incidental costs (including transaction fees and commissions) are incurred in addition to the purchase or sale price of the Bonds. These incidental costs may significantly reduce or eliminate any profit from holding the Bonds. Credit institutions as a rule charge commissions which are either fixed minimum commissions or pro-rata commissions, depending on the order value. To the extent that additional – domestic or foreign – parties are involved in the

execution of an order, including, but not limited to, domestic dealers or brokers in foreign markets, Bondholders may also be charged for the brokerage fees, commissions and other fees and expenses of such parties (third party costs). In addition to such costs directly related to the purchase of securities (direct costs), potential investors must also take into account any follow-up costs (such as custody fees).

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

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

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

The specific risk is that Bondholders may face detrimental changes in German law which negatively impact their rights under the Bonds. This could even lead to situations where Bondholders are not allowed to enforce their rights under the Bonds which in turn may result in a Bondholder's loss of the investment in the Bonds.

2.2.1.25. Risks in relation to suspensions of redemptions.

Upon the occurrence of certain events causing a disruption with regards to (i) the trading of the Cryptocurrency, (ii) the services to be provided by a service provider, (iii) the Depositary and/or the protocol of any applicable Cryptocurrency itself, (iv) any calculations with regards to the Bonds or (v) any disruptions which have a materially adverse effect on the FX Counterparty's relevant hedging abilities (each, a "**Disruption Event**") the Issuer may at any time and from time to time while such Disruption Event(s) are continuing suspend the right to, or timings of (i) making redemption requests, (ii) performing the settlement of any redemptions or (iii) any redemption, settlement or payment dates in connection therewith. During the period of such suspensions, the Bonds and the Cryptocurrency may decrease in value and Bondholders that were prevented from requesting a redemption may lose all or some of their investment as a result. During the period that settlement of redemptions is suspended, the Bonds may fall in value so that the return of the Bonds received is lower (or considerably lower) (or has a lower or considerably lower cash value) than would have been the case if the Disruption Event had not occurred.

2.2.1.26. Risks in relation to Adjustment Events.

Upon the occurrence of certain events in relation to (i) the underlying Cryptocurrency affecting the underlying Cryptocurrency and/or the Cryptocurrency Entitlement or (ii) the trading and settlement of the underlying Cryptocurrency or (iii) disruptions concerning service providers for the relevant Series of Bonds or (iv) calculations made by the Issuer in relation to the Cryptocurrency Entitlement, causing the necessity for adjustments to the underlying Cryptocurrency and/or the Cryptocurrency Entitlement (each, an "**Adjustment Event**"), the Issuer shall, if deemed appropriate in its opinion (i) make an adjustment of the Cryptocurrency Entitlement to account for the economic effect on the Bonds of such events, (ii) suspend scheduled rebalances of the Index, (iii) replace the relevant underlying Index with a similar new Index, (iv) conduct an unscheduled rebalancing of the Deposited Cryptocurrency or (v) add the affected Cryptocurrency to the list of Unsupported Cryptocurrency and conduct a rebalancing of the Deposited Cryptocurrency. Any such adjustments could deviate from Bondholders' expectations and the future development and return on the Bonds may not reflect the expectations of Bondholders. Depending on the specific action taken by the Issuer in response to an Adjustment Event, the value of the Cryptocurrency Entitlements and the Bonds may develop differently and the return for Bondholders may be lower (or considerably lower) than would have been the case if the Adjustment Event had not occurred.

2.2.2. Risks related to the Security of the Bonds

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

The Issuer has undertaken to have an amount in the underlying Cryptocurrency equal to or higher than the Secured Obligations Amount (i.e. the sum of Outstanding Amount, Secured Redemption Obligations Amount and Secured Settlement Obligations Amount), subject to certain carve-outs such as (i) delays associated with payment of the staking rewards, (ii) temporary shortfall reasonably required due to the execution of any of the eligible rebalance procedures, (iii) adjustments following the occurrence of a collateral shortfall event (all as defined below and as further described below under 13.3.1 "*Security over Depositary Wallet*"), (iv) total or partial forfeit or reductions due to actions or inactions of the Staking Provider or other associated parties in accordance with the protocol of the Cryptocurrency and (v) with respect to Bonds with a FX Hedging feature, temporary or permanent shortfall due to any delay or failure by the relevant FX Counterparty to deliver the required amount of the relevant Cryptocurrency corresponding to the Transfer Amount (as further set out in the risk factor 2.2.1.3. "*Risk relating to a failure of a counterparty to transfer Transfer Amounts*" above) or due to the entry of hedging transactions by the Issuer in an insufficient manner always deposited with the Depositary, and has created a security interest with respect to the rights and claims arising in connection with the Depositary Wallet in favour of the Bondholders as Security for the Issuer's debt to the Bondholders. These security arrangements may not be sufficient to protect the Bondholders in the event of the Issuer's or the Depositary's bankruptcy or liquidation due to various reasons. There is a legal risk that the security interest in respect of the underlying Cryptocurrency is not enforceable given it is a cryptocurrency and there could be uncertainties on how to enforce such Security or changes in legislation. In addition, the enforcement of the Security may be delayed or even impossible, as further set out in the risk factor 2.2.2.4. "*Realisation of Security and role of the Security Trustee*" below.

Moreover, investors should note that some of the security interests are not governed by German law, but by foreign laws, i.e. depending on the entity acting as Depositary, the relevant Cryptocurrency Security Agreement to be entered into in connection with an individual issuance might be governed by the laws of the State of New York, in case BitGo Trust Company, Inc. or Coinbase Custody Trust Company, LLC function as depositary. This may make the enforcement of the security interests more costly and time consuming. Further, it should be noted that the Security Trustee will only be responsible to any of the Bondholders for any failure in perfecting or protecting the Security unless directly caused by its gross negligence or wilful misconduct.

2.2.2.2. Risks relating to the Issuer's exposure to the credit risk of the Depositary.

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

2.2.2.3. Fraud risk arising from third parties.

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

2.2.2.4. Realisation of Security and role of the Security Trustee.

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

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

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

2.2.3. Risks related to the Staking of the underlying Cryptocurrency

2.2.3.1. Risk of reduced Liquidity in certain Proof of Stake Protocols

If so specified in the relevant Final Terms of the respective Series of Bonds, the Issuer may use the underlying Cryptocurrencies for purposes Staking (as further described below under 13.2.6. "*Staking*").

Some proof of stake protocols restrict transferability of Cryptocurrency that are contributed to a staking pool for a certain period and/or require a certain period for the unbonding/destaking of such Cryptocurrency. During such period, the Cryptocurrency remains the property of the Issuer, maintained by the Depositary, but cannot be transferred (as transfers cannot be registered on the protocol).

The Issuer may stake Cryptocurrency that are subject to such liquidity restrictions. As a result, the Issuer may hold Cryptocurrency subject to such restrictions, which in turn may hinder the Issuer in satisfying redemption requests. The Issuer may agree with the Depositary (or other party) to provide a necessary liquidity bridge to ensure it can continue to satisfy redemption obligations while its holdings are restricted, but there can be no guarantee that the Depositary can provide such alternative liquidity.

In the event the Depositary fails to provide such alternative liquidity, the Issuer may not be able to satisfy redemption requests until the liquidity restrictions are removed. During such periods, the Diminishing Entitlement Rate will continue to apply, so that the Cryptocurrency Entitlement and, thus, the amount of units of the underlying Cryptocurrency to be received by the respective Bondholders, will continue to decrease accordingly. Additionally, in periods during which the redemption process is delayed or interrupted, the value of the underlying Cryptocurrency may fluctuate/decrease, which may consequently adversely affect the price at which investors are able to trade the Bonds in the secondary markets.

2.2.3.2. Risk of Loss relating to Staking

Certain proof of stake protocols impose penalties on validators who negligently or maliciously validate transactions on the protocols ("**Staking Penalties**"). Such Staking Penalties can also be imposed due to inadvertent errors, technological problems, hacking and other malicious activities. The Staking Penalties can comprise loss of rewards as well as a loss of the units of the underlying Cryptocurrency subject to Staking. These penalties are commonly referred to as "**Slashing**".

In case of Bonds issued pursuant to Annex A – Part C (applicable to Bonds linked to a single Cryptocurrency to be staked), Part D (applicable to Bonds linked to an Index of Cryptocurrency to be

staked) and Part F (applicable to Bonds with index based calculation), the Issuer may stake units of Cryptocurrency that are subject to the risk of Slashing. It is possible that the Staking Provider (as further described in section 13.2.7. "*Description of the Staking Provider*". below, the "**Staking Provider**") will indemnify the Depositary against losses related to Slashing and Staking Penalties (an "**Indemnity**"). If such an Indemnity is provided, the Depositary will agree with the Issuer to pass on any payments so received to the Issuer. Upon the occurrence of Slashing and/or Staking Penalties, however, the Issuer will be dependent on the Staking Provider's ability to satisfy its obligations under any Indemnity and the Depositary's ability to pass on any amounts so received. If either of the Staking Provider or the Depositary is unable to satisfy, or there is a delay in satisfying, such obligations, the Issuer may have insufficient units of Cryptocurrency to satisfy its obligations to redeem the Bonds backed by Cryptocurrency which are subject to the Slashing and/or Staking Penalties. In such case, where the total or a portion of the Deposited Cryptocurrency is forfeited or reduced due to Slashing and the Issuer is not able to fully mitigate or compensate the effects of these events on the Secured Obligations Amount due to the Staking Provider or the Depositary being unable to satisfy their obligations vis-à-vis the Issuer, the Issuer has the right to adjust the Cryptocurrency Entitlement. This will effectively result in a reduction of the Cryptocurrency Entitlement, even to zero, so that investors in such Bonds may suffer a total loss of their investment.

2.2.3.3. Risk in connection with the delayed deposition of Staking Rewards

In accordance with Condition 14.3 of the Terms and Conditions and subject to certain carve-outs such as (i) delays associated with payment of the rewards received for Staking ("**Staking Rewards**"), (ii) temporary shortfalls reasonably required due to the execution of any of the eligible rebalance procedures, (iii) adjustments following the occurrence of a collateral shortfall event and (iv) total or partial forfeit or reductions due to actions or inactions of the Staking Provider or other associated parties in accordance with the protocol of the Cryptocurrency (all as defined below and as further described below under **Error! Reference source not found.**. "*Security over Depositary Wallet*"), the Issuer has generally undertaken to have an amount of the underlying Cryptocurrency equal to or higher than the Secured Obligations Amount always deposited with the Depositary.

While any units of Cryptocurrency received by the Issuer in connection with the subscription of the Bonds will be directly transferred to the Depositary Wallet and will be secured by a security agreement for the benefit of the Bondholders, Staking Rewards will not be paid out and transferred to the Depositary Wallet immediately, but any payments and transfers of such Staking Rewards are subject to the rules of the respective underlying protocol (see also under **Error! Reference source not found.**. "*Security over Depositary Wallet*"). The payment and transfer of the units of the respective underlying Cryptocurrency earned as Staking Rewards and the deposition of such Staking Rewards into the Depositary Wallet may therefore require a certain period of time. During such period, neither the Issuer nor the Security Trustee has access to the Staking Rewards and the Staking Rewards do not form part of the Collateral held in the Depositary Account. This applies accordingly in case of a delay of the Staking Provider in satisfying its obligations under the Indemnity following the occurrence of Slashing and/or Staking Penalties. Therefore, with regards to such Staking Rewards or units of Cryptocurrency to be delivered under the Indemnity, Bondholders may not be sufficiently protected in case of the Staking Provider's bankruptcy or liquidation due to various reasons during such period.

2.2.3.4. Risk in connection with the implementation of temporary or permanent reductions in the entitlement change rate by the Issuer

The Staking Rewards received by the Issuer will generally form part of the Collateral and will be added in the Cryptocurrency Entitlement. In accordance with the Terms and Conditions, the calculation of the amount of Staking Rewards to be added to the Cryptocurrency Entitlement will be subject to a deduction of fees applied to the staking rewards ("**Staking Fees**", also referred to as "**DSC**" and "$\boldsymbol{DSC^{i}_{(t)}}$"). The scale of such Staking Fees is subject to the Issuer's discretion. Because of the Staking Fees, the yield of an investment in the Bonds may be lower than the yield of a direct investment in the underlying Cryptocurrency.

2.2.4. Risks related to the underlying Cryptocurrency

2.2.4.1. Price volatility of the underlying Cryptocurrency.

The value of the Bonds is affected by the price of the underlying Cryptocurrency – which fluctuates widely and is influenced by a number of factors. The amount received by Bondholders (i) upon redemption of the Bonds in cash, or (ii) upon sale on the stock exchange depends on the performance of the underlying Cryptocurrency.

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

- *Global or regional political, economic or financial events* – global or regional political, economic and financial events may have a direct or indirect effect on the price of Cryptocurrency.

- *Regulatory events or statements by the regulators* – there is lack of consensus regarding the regulation of cryptocurrencies and uncertainty regarding their legal and tax status and regulations of cryptocurrencies continue to evolve across different jurisdictions worldwide. Any change in regulation in any particular jurisdiction may impact the supply and demand in that specific jurisdiction and other jurisdictions due to the global network of exchanges for cryptocurrencies, as well as composite prices used to calculate the underlying value of such cryptocurrencies (if any), as the data sources span multiple jurisdictions. See also 2.2.4.2 "*Political risk in the market for the underlying Cryptocurrency*".

- *Investment trading, hedging or other activities by a wide range of market participants which may impact the pricing, supply and demand for crypto assets* – markets for crypto assets are local, national and international and include a broadening range of products and participants. Significant trading may occur on any system and platform, or in any region, with subsequent impacts on other systems, platforms and regions.

- *Forks in underlying protocols* – The underlying Cryptocurrency are each open source projects. As a result, any individual can propose refinements or improvements to a network's source code through one or more software upgrades that could alter the protocols governing the network and the properties of each underlying Cryptocurrency. When a modification is proposed and a majority of users and miners consent to the modification, the change is implemented and the network remains uninterrupted. However, if less than a majority of the users and miners consent to the proposed modification, the consequence could become what is known as a "fork" (i.e. a "split") of the network (and the blockchain), with one part running the pre-modified software and the other running modified software. The effect of such a fork would be the existence of two versions of the network running in parallel, and the creation of a new digital assets which lacks interchangeability with its predecessor. Additionally, a fork could be introduced by an unintentional, unanticipated software flaw in multiple versions of otherwise compatible software users run. The circumstances of each fork are unique, and their relative significance varies. It is not possible to predict with accuracy the impact that any anticipated fork could have in terms of pricing, valuation and market disruption. Newly-forked assets in particular may have less liquidity than more established assets, resulting in greater risk. See also 2.2.4.6. " *Split of a blockchain could result in a split of the Bonds into separate Series of Bonds, and exchanges of the underlying Cryptocurrency*".

- *Disruptions to the infrastructures or means by which each of the underlying Cryptocurrency are produced, distributed and stored, are capable of causing substantial price movements in a short period of time* – Cryptocurrency infrastructure operators or 'miners' who use computers to solve mathematical problems to verify transactions are rewarded for these efforts by increased supply of such cryptocurrency. The computers that make up the infrastructure supporting each of the underlying Cryptocurrency are decentralised and belong to a combination of individuals and large corporations. Should a significant subset of the pool of each of the underlying Cryptocurrency choose to discontinue operations, pricing, liquidity and the ability to transact in each of such Cryptocurrency could be limited. As each of the underlying Cryptocurrency is designed to have a finite supply pool of units of each of the

underlying Cryptocurrency, this finite supply pool will eventually be fully mined (meaning the creation of new cryptocurrency units through a predetermined mathematical process within a computer network) at some point in the future. This makes mining unsustainable since block rewards would no longer be available to miners, thereby leading to a reduction in the number of miners. This may trigger the collapse of the network as no miners would want to validate blocks without any economic incentive. Also, as block rewards decrease at a rate that was built into the network at its inception (as a consequence of the finite supply pool), the economic incentives for miners of each of the underlying Cryptocurrency may not be sufficient to match their costs of validating blocks, potentially leading to miners transitioning to other networks, in turn slowing transaction validation and usage. This can adversely impact the price of each of the underlying Cryptocurrency. Other critical infrastructure which may be adversely affected includes storage solutions, exchanges and custodians for each of the underlying Cryptocurrency. For example, the potential for instability of cryptocurrency exchanges and the closure or temporary shutdown of exchanges due to business failure or malware could impact the liquidity of, demand for, and supply of the underlying Cryptocurrency (and other crypto assets). In addition, volatility in the pricing of the underlying Cryptocurrency leads to increased opportunities for speculation and arbitrage, which, in turn, contributes to price fluctuations.

- *Execution risk* – It may be impossible to execute trades in the underlying Cryptocurrency at the quoted price. Any discrepancies between the quoted price and the execution price may be a result of the availability of assets, any relevant spreads or fees at the exchange or discrepancies in the pricing across exchanges. See also in 2.2.1.23. "*The Bonds are subject to transaction costs and charges*".

2.2.4.2. Political risk in the market for the underlying Cryptocurrency.

The legal status of the underlying Cryptocurrency varies between different countries. The lack of consensus concerning the regulation of the underlying Cryptocurrency and how the underlying Cryptocurrency shall be handled tax wise causes insecurity regarding the legal status of the underlying Cryptocurrency. As the underlying Cryptocurrency are unregulated assets in many jurisdictions, there is a risk that politics and future regulations will affect the markets for the underlying Cryptocurrency and companies operating in such markets. It is impossible to know or predict exactly how politics and future regulations may affect the markets. However, future regulations and changes in the legal status of the underlying Cryptocurrency are political risks which may affect the price of the underlying Cryptocurrency. If the Issuer fails to comply with potential future regulations, this may lead to the Issuer incurring losses and it may also have an adverse impact on the Issuer's ability to carry out its business.

2.2.4.3. Risk relating to the valuation of the underlying Cryptocurrency due to their lack of relation to underlying assets.

The market value of the underlying Cryptocurrency is not related to any specific company, government or asset. The valuation of these assets depends on future expectations for the value of the network, number of transactions and the overall usage of the asset. See also 2.2.4.1. "*Price volatility of the underlying Cryptocurrency*". This means that a significant amount of the value in the underlying Cryptocurrency is speculative and could lead to increased volatility. Investors could experience significant gains, losses and/or volatility depending on the valuation of the underlying Cryptocurrency through the exposure to Bonds. Due to the speculative nature of an investment in the underlying Cryptocurrency, their prices may fluctuate for any reason and such fluctuations may not be predictable.

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

2.2.4.4. Potential for market abuse due to the characteristics and infrastructure of the underlying Cryptocurrency.

Markets for the underlying Cryptocurrency are growing rapidly. These markets are local, national and international and include a broadening range of products and participants. Significant trading may occur on systems and platforms and with minimum predictability. Any sudden, rapid change in demand and supply of the underlying Cryptocurrency, could cause significant price volatility. In addition, none of the underlying Cryptocurrency is backed by any central government and different regulatory standards apply across countries and in regions. The characteristics of the underlying Cryptocurrency and underlying infrastructure could be used by certain market participants to exploit market abuse opportunities such as front-running (a form of insider dealing, whereby inside information of a future transaction is exploited to buy or sell financial assets for own account), spoofing (a form of fraud, whereby the communication with the target is disguised to gain access to its personal information and/or network for further attacks), pump-and-dump (a form of fraud, whereby the price of a financial asset is artificially inflated through false and misleading information) and fraud across different systems, platforms or geographical locations. As a result of reduced oversight, these schemes may be more prevalent in the crypto asset market than in the general market for financial products. Potential for market abuse in the form of such schemes may impact market conditions of the underlying Cryptocurrency, thereby impacting the value of the underlying Cryptocurrency and thereafter the value of an investment in the Bonds.

2.2.4.5. Risk related to a tracking error of the Bonds in respect of the underlying Index.

The Bonds may be subject to a divergence of the performance of the Bonds from the performance of the respective underlying Index (a "**Tracking Error**"). In relation to the Bonds, a Tracking Error may occur because one or several of the cryptocurrencies which are actually included in the underlying Index itself have been qualified by the Issuer as cryptocurrencies, which are not supported by the Issuer (each, an "**Unsupported Cryptocurrency**") and which will therefore not be included in the respective basket of underlying cryptocurrencies. In such case, there will be a difference in the components of the basket comprised of cryptocurrencies which are components of the underlying Index of the Bonds and the components of the Index itself.

A Tracking Error may also occur because of pricing differences, transaction costs incurred by the Issuer, fees and expenses incurred by the Issuer which the Index itself did not incur, changes to the respective underlying Index or the costs to the Issuer of complying with various new or existing regulatory requirements, among other reasons. Bondholders are therefore exposed to the risk that the performance of their investment in the Bonds deviates negatively from the performance of the underlying Index and that they therefore receive a lower return (if any) than in the case of a direct investment in the underlying Index. This risk may be heightened during times of increased market volatility or other unusual market conditions.

2.2.4.6. Split of a blockchain could result in a split of the Bonds into separate Series of Bonds, and exchanges of the underlying Cryptocurrency.

There is a risk that source codes or protocols of the underlying Cryptocurrency will be further developed and this for various reasons would lead to a split of the virtual currency into several protocols (so-called "**Hard Fork**"). A Hard Fork is a fundamental change to the mutually agreed rules so that computers running the old code do not execute transactions that will be recognised as valid by computers running the new code. A Hard Fork can be indisputable, controversial or a spin-off. An indisputable Hard Fork can be compared to a software upgrade, which all (or almost all) users agree, so that the change results in only one network and one set of rules. A disputed Hard Fork can cause disagreement among users creating two competing incompatible networks who compete for the same brand. For example, the Bitcoin network had a spin-off on 1 August 2017, which resulted in a Bitcoin (BTC) and Bitcoin Cash (BCH).

If a Hard Fork in form of a spin-off occurs (the "**Split**") and leads to the creation of two or more cryptocurrencies, the Determination Agent will, in accordance with Condition 2 of Annex B to the

Terms and Conditions[4], make the determinations and adjustment with regards to the Bonds, which it deems necessary, including the exchange of one or more Cryptocurrency with a subsequent adjustment to the Cryptocurrency Entitlement, modifications of the Terms and Conditions in order to take into consideration the Split and the determination of whether or not any consideration in cash, in kind or by way of issuance of a new Series of Bonds are due to Bondholders affected by the Split.

The analysis of the necessary actions to be taken following the Split is at the sole discretion of the Determination Agent, whereby the Determination Agent will consider, without limitation, the availability of a custody solution, trading support from market makers, sufficient liquidity and the availability of a price on or around the date of the Split. While these attributes may change over time, the Determination Agent may require that any forked assets have an available custody and trading solution on the fork date. There is no guarantee that all cryptocurrencies will have the same performance or the same technical development and this could lead to a negative impact on the Bondholders. In addition, a newly-forked asset may increase other risks such as liquidity risk, market manipulation risk, risk of bankruptcy or insolvency and increased volatility, amongst others. See also 2.2.4.1. "*Price volatility of the underlying Cryptocurrency*".

2.2.4.7. Exchange rate risks and failure of crypto-exchange platforms.

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

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

2.2.4.8. Transactions in the underlying Cryptocurrency may be misused for criminal activities, including money laundering.

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

2.2.4.9. Risk relating to the further development and acceptance of the Protocols of the Cryptocurrency.

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

[4] §13 of the relevant terms and conditions in case of Bonds issued under the Preceding Base Prospectuses.

development of a Protocol be prevented or delayed, this may adversely affect the value of the underlying Cryptocurrency.

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

2.2.4.10. Technical risks related to the Cryptocurrency including 51 percent attacks.

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

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

2.2.4.11. Bugs in the Protocols of the underlying Cryptocurrency.

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

2.2.4.12. Risk relating to the dependance of the Cryptocurrency' networks on internet connections.

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

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

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

2.2.4.14. Hacks of Digital Wallets.

There are three types of hacks of digital wallets that can affect an investment in the Bonds. In this context, a "hack" refers to any unauthorised access to the private keys necessary to sign transactions on the blockchain transferring value out of the relevant digital wallet. This includes "brute force" attacks (i.e. attacks seeking to obtain the information regarding the private keys through a trial-and-error method, whereby software is used to generate a large number of consecutive guesses). While such attacks are currently unlikely, it should be noted that the development of quantum computing is expected to make such attacks possible, as the underlying Cryptocurrency are based on Elliptic Curve Cryptography which is not quantum-computer resistant, see also 2.2.4.10. "*Technical Risks Related to the Cryptocurrency including 51 percent attacks*".

- A hack of the Depositary Wallet could result in the loss of the main body of the underlying Cryptocurrency backing the Bonds. Such a hack could thus result in a loss of value of the Bonds for all the Bondholders. Bondholders would risk losing their entire investment. While the Depositary takes significant measures to prevent a hack of the Depositary Wallet(s), it is not possible to entirely exclude this risk.

- A hack of a Bondholder's Digital Wallet into which the redemption proceeds of the Bonds of a particular Bondholder are transferred, would only result in a loss of value for that particular Bondholder. Such a hack would not affect the position of other Bondholders. In this respect, please also refer to 2.2.4.13. "*Risk of losing units of the underlying Cryptocurrency in a Digital Wallet due to fraud, accident or similar*" above.

- A hack of any digital wallet of the Issuer which is not the Depositary Wallet would not directly affect Bondholders, but it could affect the financial and economic position of the Issuer and could result in the Issuer ceasing its commercial operations and winding-up its activities, which would adversely affect an investment in the Bonds in particular due to a mandatory redemption.

2.2.4.15. Competition between cryptocurrencies.

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

2.2.4.16. Large-scale sales of the underlying Cryptocurrency.

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

There are some substantial holdings of units of the underlying Cryptocurrency on publicly-known digital wallets which have not been involved in transactions on the network for a substantial period of time. Market consensus is that the owners of such digital wallets have lost access to them and/or to

corresponding private keys. Thus, market consensus is that such units of the underlying Cryptocurrency "locked" in such digital wallets are effectively excluded from circulation. In the event that holdings of a Cryptocurrency considered locked up forever were to enter into circulation, the price of such Cryptocurrency might be severely affected by the increasing supply.

Additionally, even if such holdings are not actually sold and there is any indication that corresponding private keys are not lost (by any means, including but not limited to registering any transaction signed by needed keys, no matter how small and not even necessarily on the relevant blockchain), market expectations with regard to total supply of the relevant Cryptocurrency can change dramatically and it can negatively affect the price of the underlying Cryptocurrency, which will adversely affect an investment in the Bonds.

2.2.4.17. Actions by early adopters of the Cryptocurrency.

There is no registry showing which individuals or entities own units of the underlying Cryptocurrency or the quantity of units of the underlying Cryptocurrency owned by any particular person or entity. It is possible, and in fact, reasonably likely, that a small group of early adopters hold a significant portion of units of the underlying Cryptocurrency that have been mined to date. There are no regulations in place that would prevent large holders of units of the underlying Cryptocurrency from selling their holdings. Such a sale may adversely affect the price of the underlying Cryptocurrency and an investment in the Bonds.

2.2.4.18. Potential decline in the adoption of the underlying Cryptocurrency.

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

In addition, there is no assurance that the underlying Cryptocurrency will maintain their value over the long term (see also 2.2.4.1. "*Price volatility of the underlying Cryptocurrency*" and 2.2.4.3. "*Risk relating to the valuation of the underlying Cryptocurrency due to their lack of relation to underlying assets*"). The value of each of the underlying Cryptocurrency is subject to risks related to its usage. Even if growth in the usage and/or acceptance of crypto assets such as the Cryptocurrency occurs in the near or medium-term, there is no assurance that crypto assets usage will continue to grow over the long-term. Contraction in the use of crypto assets may result in increased volatility or a reduction in the price of crypto assets, including the underlying Cryptocurrency, which would adversely impact the value of the Bonds.

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

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

Charges apply when transferring units of the underlying Cryptocurrency as part of the redemption of the Bonds in the underlying Cryptocurrency. In case of an Index, these charges apply to the transfer of the units of each underlying Cryptocurrency comprising the Index, as the case may be. The amount of fees required to maximise the chances of a reasonably fast confirmation of the transaction does not depend on the value of the underlying Cryptocurrency transferred. The transferring participant can determine the transaction fees it is willing to pay. The higher this value is, the faster the transaction will be confirmed. When miners form new blocks, they are economically incentivised to select those transactions from the pool of unconfirmed transactions (known as the "**Mempool**") that have the highest

transaction fee. Such selection is necessary because the number of transactions which can be included in any particular block is limited by the relevant Protocol's specification. The transaction costs required to be paid in order to maximise the chances of timely processing of any transaction, are thus not constant over time, but depend on the size of the Mempools and on the proposed fees of transactions posted by other participants. Furthermore, miners may collude in an anticompetitive manner in order to reject low transaction fees, forcing users to pay higher transaction fees. Due to the reasons outlined above, the level of transaction fees required to maximise the chances of prompt transfer instruction processing, as well as the actual timing of any transaction is therefore unpredictable and Bondholders might receive the units of the relevant underlying Cryptocurrency later than anticipated, or in extreme cases, not at all.

2.2.4.20. Risk in case of a Collateral Shortfall Event in case of an Index Rebalancing.

In case of Bonds secured by a basket comprised of Cryptocurrency which are components of an underlying Index, in case of a rebalancing of the underlying Index (*i.e.* a change in the composition of the Cryptocurrency of which the respective Index is comprised of), the Issuer will be required to reflect such rebalancing of the underlying Index in the Deposited Cryptocurrency accordingly by executing rebalancing procedures, which include, without limitation, the withdrawals and transfers of units of the underlying Cryptocurrency comprising the Deposited Cryptocurrency to the eligible counterparties (as further specified in the Terms and Conditions). In connection therewith, it is possible that shortfalls of the Deposited Cryptocurrency may occur.

In case that such shortfall of the Deposited Cryptocurrency is caused by the execution of eligible rebalance procedures (as further specified in the Terms and Conditions) and manifests as a permanent shortfall ("**Collateral Shortfall Event**"), the required amount of the Deposited Cryptocurrency will be adjusted for that shortfall by subtracting such shortfall from the previously applicable amount of Deposited Cryptocurrency. Following such adjustment of the Deposited Cryptocurrency, the Cryptocurrency Entitlement will be adjusted accordingly to correspond to the amount of Deposited Cryptocurrency divided by the number of Bonds outstanding. This will result in a diminishment of the Cryptocurrency Entitlement for the relevant Series of Bonds corresponding to a decrease in the value of the respective Bondholders' redemption claim and, thus, the value of the Bonds. Should such Collateral Shortfall Event occur repeatedly throughout the lifecycle of a Series of Bonds, the value of the Cryptocurrency Entitlement may decrease more and more, resulting in a material loss of the respective Bondholders' investments.

2.2.4.21. Amplification of risks in case of an Index of underlying Cryptocurrency

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

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

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

Each Series of Bonds represent a new issue of securities for which there is currently no established trading market. Although the Issuer intends to obtain admission of the relevant Series of Bonds to trading on the regulated market of the Frankfurt Stock Exchange and may also apply to any further stock exchange in the European Economic Area for the Bonds to be admitted to trading on the regulated markets of any such stock exchange (such as, without limitation, the Warsaw Stock Exchange), there can be no assurance that a market for the relevant Series of Bonds will develop or, if it does develop, continue or that it will be liquid, thereby enabling investors to sell their Bonds when desired, or at all, or at prices they find acceptable or at prices which are expected due to a particular price of the underlying Cryptocurrency.

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

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

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

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

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

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

2.2.6. Taxation risks relating to the Bonds

2.2.6.1. Tax treatment of investment in the Bonds may differ from tax treatment of investment in the underlying Cryptocurrency

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

2.2.6.2. Financial Transaction Tax and EU-wide tax on cryptoassets

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

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

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

to a financial transaction, including persons other than financial institutions, shall become jointly and severally liable for the payment of the FTT due.

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

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

In this respect, it should finally be noted that the European Parliament in a resolution adopted on May 10, 2023 called for new own sources of income, including *inter alia* a FTT and recently proposed a levy on capital gains with respect to crypto assets as a new own resource for the 2028-2034 Multiannual Financial Framework so that further developments in this area should be closely monitored.

2.2.6.3. Tax risk related to the underlying Cryptocurrency

The taxation of the underlying Cryptocurrency and associated companies can vary significantly by jurisdiction and is subject to significant revisions. The status of the underlying Cryptocurrency remains undefined. Accordingly, the way in which the underlying Cryptocurrency are taxed varies from country to country. For example, the German Ministry of Finance plans to abolish the one-year Cryptocurrency holding period 2027 onwards and to tax private crypto gains at a rate of 26.375% regardless of the holding period. The corresponding draft bill is in the early stages of approval within the federal government. The Ministry of Finance's draft is subject to interagency review, after which the document must undergo further consideration by the government, the German parliament (*Bundestag*), and the German Federal Council (*Bundesrat*) (see 16.2 "*Taxation in the Federal Republic of Germany*"). Before making a decision to invest in the Bonds, investors should consult their local tax advisor on matters of taxation.

The Issuer may become exposed to significant tax risk. Any major burden may hinder Issuer's ability to maintain the listing of the Bonds and, in the event that such tax burden results in insolvency, to otherwise continue to operate as expected. Additionally, materialisation of certain tax risks may result in the Issuer giving a Mandatory Redemption Notice (such risks are further described under 2.2.1.9. "*The Bonds are subject to early redemption rights of the Issuer. Bondholders may have a lower than expected yield and are exposed to the risks connected with any reinvestment of proceeds received as a result of such early redemption*").

3. IMPORTANT NOTICE

This Base Prospectus has been approved by the *Bundesanstalt für Finanzdienstleistungsaufsicht* ("**Bafin**") in its capacity as competent authority under the Prospectus Regulation.

Bafin only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation.

Such approval should not be considered as an endorsement of the Issuer that is the subject of this Base Prospectus.

Further, such approval should not be considered as an endorsement of the quality of the Bonds that are the subject of this Base Prospectus.

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

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

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

The value of the amounts payable under the Bonds may be calculated by reference to an underlying Index consisting of various Cryptocurrency provided by registered benchmark administrators. The Final Terms of the Bonds may set out specific (updated) information in relation to the index, the benchmark administrator such as whether the relevant benchmark administrator appears on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority ("**ESMA**") pursuant to Article 36 of Regulation (EU) 2016/1011, as amended ("**Benchmark Regulation**") and related information for the respective issue of the Bonds.

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

This Base Prospectus may not be used for the purposes of an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

The validity of this Base Prospectus will expire at the end of 28 September 2027. There is no obligation to supplement a base prospectus in the event of significant new factors, material mistakes or material inaccuracies if a base prospectus is no longer valid.

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

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

If the Final Terms in respect of any Series of Bonds include a legend in the context of any prohibition to make an offer of Bonds to retail investors in certain jurisdiction(s), such Bonds (the "**Retail-Restricted Bonds**") are not intended to be offered and shall not be offered to any retail investor in such jurisdiction(s). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of

Article 4(1) of MiFID II; (ii) a customer within the meaning of Directive 2016/97/EU (as amended, the "**Insurance Distribution Directive**"), respectively, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation. Consequently, no key information document required by the PRIIPs Regulation for offering Retail-Restricted Bonds in such jurisdiction(s) has been prepared and therefore offering the Retail-Restricted Bonds to any retail investor in such jurisdictions may be unlawful under the PRIIPs Regulation or other applicable provisions.

Investment and redemption restrictions

Prospective investors should satisfy themselves that an investment in a Series of Bonds would comply with any laws, regulations or guidelines applicable to them and would be in line with their individual investment objectives, especially in regard of a redemption of the Bonds by way of delivery of the underlying Cryptocurrency. If a Bondholder is unable to receive the underlying Cryptocurrency or any or all of the underlying Cryptocurrency comprising the Index due to legal or regulatory reasons (such as Undertakings for Collective Investment in Transferable Securities (UCITS) within the meaning of Article 1 of the Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009), the Bonds will not be redeemed by delivery of the underlying Cryptocurrency. Instead, Conditions 5.6 and 6.4 of the Terms and Conditions[5] provide the possibility of the Bondholders to opt for a cash settlement and for a mechanism, according to which the Bonds will be redeemed by selling units of the relevant underlying Cryptocurrency using the Cryptocurrency Execution Procedure (or the Cryptocurrency Divestment Procedure in case of Bitwise MSCI Digital Assets Select 20 ETP (DA20) Bonds or the Cryptocurrency Auction Procedure in case of Bonds issued before 21 November 2022) and by making available the cash proceeds of such divestment to the relevant Bondholder (for a detailed description, see *section 13.2.8. – Redemption of the Bonds*). If any prospective investor is in any doubt with regard to its ability to invest in the Bonds or to receive units of the relevant underlying Cryptocurrency, it should consult a professional advisor prior to making an investment.

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

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

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

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

In this Base Prospectus, all references to "**Euro**" or "**EUR**" are to the lawful currency of the member states of the European Union that have adopted and retained a common single currency through monetary union in accordance with European Union treaty law, as amended from time to time, all references to "**dollars**", "**USD**", "**US dollars**", "**U.S.$**" "**United States dollars**" or "**$**" are to the currency of the United States, all references to "**BTC**" are to Bitcoin, a cryptocurrency and worldwide payment system, released as an open-source software in 2009 and displayed on https://bitcoin.org/en/, all references to "**BCH**" are to Bitcoin Cash, a cryptocurrency and worldwide payment system which was created in 2017 by a hard fork from the Bitcoin network, and

[5] §4 (2) and §4 (4) of the relevant terms and conditions in case of Bonds issued under the Preceding Base Prospectuses.

displayed on https://www.bitcoincash.org/, all references to "**AAVE**" are to Aave, the open-source and non-custodial liquidity protocol for earning interest on deposits and borrowing assets, and displayed on https://aave.com/, all references to "**ALGO**" are to Algorand, the open-source blockchain designed to overcome challenges of security, scalability and decentralisation, and displayed on https://www.algorand.com/, all references to "**APT**" are to Aptos, a Layer 1 Proof-of-Stake blockchain designed to deliver high transaction speeds and improved security using the Move programming language and displayed on https://aptosfoundation.org, all references to "**AVAX**" are to Avalanche, a platform for launching decentralised finance (DeFi) applications, financial assets, trading and other services, and displayed on https://www.avax.network/, all references to "**BNB**" are to Binance Coin, the native cryptocurrency of the Binance cryptocurrency exchange and utilised to pay exchange fees for a discount, and displayed on https://www.binance.com/en, all references to "**Canton**" are to Canton, a public Layer 1 blockchain specifically built for regulated financial institutions and Real-World Assets (RWAs) like U.S. Treasurys and tokenized securities, and displayed on https://www.canton.network, all references to "**ADA**" are to Cardano, an open-source project designed to be a decentralised application (DApp) development platform, and displayed on https://cardano.org/en, all references to "**TIA**" are to Celestia, modular Layer 1 blockchain built specifically for data availability, serving as the scalability foundation for other blockchains, and displayed on https://celestia.org/, all references to "**LINK**" are to Chainlink, a decentralised oracle network which aims to connect smart contracts with data and services from the real world that exist outside of blockchain networks, and displayed on https://chain.link/, all references to "**ATOM**" are to Cosmos, a protocol designed to create a network of crypto networks for streamlining transactions and interoperability, and displayed on https://cosmos.network/, all references to "**EOS**" are to EOS, the decentralised blockchain designed to create, host and support secure, decentralised applications (DApps), and displayed on https://eos.io/, all references to "**ETH**" are to Ethereum which was created in 2015 and displayed on https://ethereum.org/en/eth/, all references to "**ETC**" are to Ethereum Classic, the forked version of Ethereum, and displayed on https://ethereumclassic.org/, all references to "**FIL**" are to Filecoin, an open-source decentralised storage system, and displayed on https://filecoin.io/, all references to "**HYPE**" are to Hyperliquid, a high-performance, Layer-1 blockchain and decentralized exchange custom-built for high-frequency financial applications, and displayed on https://hyperfoundation.org/, all references to "**ICP**" are to Internet Computer, a blockchain network that evolves the internet, and displayed on https://dfinity.org/, all references to "**LTC**" are to Litecoin, a BTC spin-off starting in 2011 and displayed on https://litecoin.org/, all references to "**LIT**" are to Lighter, a the native utility and value-accrual token for the Lighter Protocol, a high-performance decentralized perpetual futures exchange built on a custom Ethereum zero-knowledge (ZK) layer-2 rollup and displayed on https://lighter.xyz/, all references to "**MKR**" are to MakerDAO, a cryptocurrency built on the Ethereum blockchain that allows users to create collateralised debt positions and use specific cryptocurrencies as collateral, and displayed on https://makerdao.com/en/, all references to "**NEAR**" are to NEAR Protocol, the blockchain designed for AI-driven automation, secure transactions and scalable decentalized apps, and displayed on https://www.near.org/, all references to "**DOT**" are to Polkadot, an open-source multichain protocol, and displayed on https://polkadot.network/, all references to "**MATIC**" are to Polygon, an interoperability and Layer 2 scaling framework for building Ethereum-compatible blockchains, and displayed on https://polygon.technology/, all references to "**SOL**" are to Solana, a web-scale blockchain that provides fast, secure, scalable, decentralised applications, and displayed on https://solana.com/, all references to "**XTZ**" are to Tezos, an open-source self-upgradable blockchain platform for creating and hosting decentralised applications (DApps) and assets, and displayed on https://tezos.com/, all references to "**XLM**" are to Stellar, an open network for storing and moving money, and displayed at https://www.stellar.org/?locale=en, all references to "**UNI**" are to Uniswap, a decentralised finance protocol that is used to exchange cryptocurrencies, and displayed on https://uniswap.org/, and all references to "**XRP**" are to Ripple, displayed on https://ripple.com/xrp/.

4. RESPONSIBILITY STATEMENT

Bitwise Europe GmbH with its registered office at Thurn- und Taxis-Platz 6, 60313 Frankfurt am Main, Germany accepts responsibility for the information contained in this Base Prospectus and declares to the best of its knowledge that the information contained in this Base Prospectus is in accordance with the facts and that the Base Prospectus makes no omission likely to affect its import.

In connection with an issue of any Series of Bonds and with regard to such issue only, if so specified under the item (iv) "*Listing Agent's Responsibility*" in the relevant Final Terms, Quirin Privatbank AG, with its registered office at Kurfürstendamm 119, 10711 Berlin, Germany, Legal Entity Identifier (LEI) 5299004IU009FT2HTS78, Bankhaus Scheich Wertpapierspezialist AG, with its registered office at Rossmarkt 21, 60311 Frankfurt am Main, Germany, Legal Entity Identifier (LEI) 54930079HJ1JTMKTW637 and Steubing AG Wertpapierhandelsbank, with its registered office at Goethestrasse 29, 60313 Frankfurt am Main, Germany, Legal Entity Identifier (LEI) 39120043LUI1WJS8IX30, accept responsibility for the Base Prospectus, including the Final Terms, and confirm that to the best of their knowledge, the information for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the importance of such information.

5. DISCLOSURE REGARDING FORWARD-LOOKING STATEMENTS

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

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

6. CONSENT TO THE USE OF THE BASE PROSPECTUS

Each financial intermediary (including Authorised Participants) subsequently reselling or finally placing a Series of Bonds - if and to the extent this is so expressed in the Final Terms relating to a particular Series of Bonds - is entitled to use this Base Prospectus in Austria, Croatia, Czechia, Cyprus, Denmark, Estonia, Finland, France, Greece, Ireland, Italy, Luxembourg, Malta, The Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden and Switzerland (in accordance with Article 36(4)(b) FinSA for a Swiss non-exempt Offer of the Bonds) for the subsequent resale or final placement of the Bonds comprised in such Series of Bonds during the relevant offer period (as set out in the relevant Final Terms) during which a subsequent resale or final placement of the Bonds can be made, provided however, that this Base Prospectus is still valid in accordance with the Prospectus Regulation. The Issuer accepts responsibility for the information given in this Base Prospectus also with respect to such subsequent resale or final placement of the Bonds.

The Issuer's consent to use this Base Prospectus for the subsequent resale or final placement of Bonds by the financial intermediaries may be restricted to certain jurisdictions and subject to conditions as stated in the relevant Final Terms. For Swiss Non-exempt Offers, the Issuer's consent to use this Base Prospectus for the subsequent resale or final placement of Bonds by the financial intermediaries may also be given in writing or in another form demonstrable via text (in accordance with Article 45 of the Swiss Federal Financial Services Ordinance (FinSO)).

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

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

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

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

7. LISTING AND TRADING

Application may be made for each Series of Bonds to be admitted to trading on the regulated market (*regulierter Markt*) of the Frankfurt Stock Exchange, a regulated market for the purposes of MiFID II.

Application may also be made to any other/further stock exchange in the European Economic Area for the Bonds to be admitted to trading on the regulated market of any such stock exchange, e.g. on the regulated market of the Warsaw Stock Exchange.

Application may also be made to any Swiss trading venue in the sense of the FMIA for the Bonds to be admitted to trading on any such Swiss trading venue.

Further, Bonds to be issued under this Programme may not be admitted to trading on the regulated market of any stock exchange at all.

Whether or not application may be made for a specific Series of Bonds to be admitted to trading on one or more stock exchanges as well as the respective stock exchanges, on which application will be made for the respective Bonds to be admitted to trading on the regulated market (if any), as well as the respective date for such application, will be specified in the relevant Final Terms.

8. REASONS FOR THE OFFER AND USE OF PROCEEDS

In the primary market, the Bonds will be initially purchased by Authorised Participants from the Issuer either with the underlying Cryptocurrency or, if applicable in relation to the relevant Series of Bonds, against payment in cash or cryptocurrencies other than the underlying Cryptocurrency (in each case as set out in Condition 2 of the Terms and Conditions). Units of the underlying Cryptocurrency directly received by the Issuer through the subscription of the Bonds will be transferred, less any subscription fees charged by the Issuer, to the Depositary Wallet. Cash amounts or cryptocurrencies other than the underlying Cryptocurrency received for the subscription will be exchanged into an amount of underlying Cryptocurrency corresponding to the market value of the cryptocurrencies other than the underlying Cryptocurrency or the relevant fiat currency by an execution agent and will then be transferred, less any subscription fees charged by the Issuer or other fees incurred in the exchange process, to the Depositary Wallet as well. The Issuer's rights and claims in connection with the Depositary Wallet will be assigned by a security agreement for the benefit of the Bondholders, the Security Trustee and the Bondholders' Representative (if appointed).

The Issuer intends to make profits with the issue of the Bonds. The Issuer makes profit through charging subscription fees, certain redemption fees, withholding of a certain percentage of the rewards earned by Staking the underlying Cryptocurrency corresponding to the Staking Fees (as specified in the relevant Final Terms in relation to Series of Bonds issued pursuant to Annex A Part C (applicable to Bonds linked to a single Cryptocurrency to be staked), Part D (applicable to Bonds linked to an Index of Cryptocurrency to be staked) and Part F (applicable to Bonds with index based calculation) and ongoing fees corresponding to the Diminishing Entitlement Rate (as specified in the relevant Final Terms in relation to each Series of Bonds) on the Units of the underlying Cryptocurrency received as proceeds for the subscription of the Bonds (either directly or through exchange of cash amounts or cryptocurrencies other than the underlying Cryptocurrency received) and deposited in the Depositary Wallet in relation to each Series of Bonds (together, the "**Revenue Generating Activities**").

Under the intercompany agreement between the Issuer and BEM, BEM has the right to charge the Issuer for its services to the Issuer, which include certain accounting, management and administration tasks, with up to 100 per cent. of the Issuer's gross revenues, which are calculated as (i) the sum of all fees charged by and income accrued by the Issuer in connection with the issuance of the Bonds and in accordance with the Terms and Conditions of the respective Series of Bonds, irrespective of manner of payment, including in particular the Revenue Generating Activities minus (ii) all properly incurred expenses related to the marketing and promotion of the Bonds (excluding fees of the directors of the Issuer).

Accordingly, unless otherwise specified in the relevant Final Terms relating to a Series of Bonds, the net proceeds from each issue of Bonds by the Issuer will primarily be used to finance general corporate purposes in the form of payments to BEM and, to the extent that amounts of the net proceeds remain with the Issuer after the respective payments to BEM, business development of the Issuer. If, in respect of any particular issue of Bonds, there exists a particular identified use of proceeds other than using the net proceeds for such purposes, then this will be stated in the relevant Final Terms.

9. NOTIFICATION

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

10. AUTHORISATION

The establishment of the Programme and the issuance of any Series of Bonds under this Base Prospectus have been authorised by a resolution of Bitwise Europe GmbH (under its former company name *ETC Issuance GmbH*) dated 15 December 2020.

11. GENERAL INFORMATION ABOUT THE ISSUER

11.1. GENERAL INFORMATION

The Issuer's legal name is Bitwise Europe GmbH.

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

The Issuer was founded on 27 August 2019 with the initial company name ETC Issuance GmbH. In October 2024, ETC Issuance GmbH changed its company name to Bitwise Europe GmbH. As a special purpose vehicle which has been established primarily for the issuance of the Bonds, the Issuer does not conduct any operational business except for the activity as described below (see 11.3. "*Principal Activities and Expected Financing of the Issuer*").

The Issuer has no employees except for the three managing directors.

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

The website of the Issuer is https://bitwiseinvestments.eu/ and the phone number is +49 69 8088 3728.

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

11.2. CORPORATE PURPOSE

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

11.3. PRINCIPAL ACTIVITIES AND EXPECTED FINANCING OF THE ISSUER

The main activity of the Issuer is the issue of bonds under the Base Prospectus which are secured by cryptocurrencies and other digital assets.

The Issuer also issues further bonds which are secured by cryptocurrencies and which will also provide for a staking feature (see 13.2.6. "*Staking*"). In connection therewith, the Issuer uses the services of a Staking Provider to engage in staking activities in relation to the cryptocurrencies received for the subscription of the issued bonds.

Further, under a separate base prospectus dated 20 May 2026, which has been approved by Bafin, the Issuer intends to issue bonds which shall be secured by various underlying assets, such as, *inter alia*, shares, indices, exchange traded products (such as funds and debt securities) and cryptocurrencies. In this context, subject to the respective terms and conditions, the Issuer may be permitted to utilise the underlying assets for certain business activities, such as staking and decentralized finance activities as well as covered call and leverage strategies. In connection therewith, the Issuer uses the services of services providers such as a Staking Provider and an Investment Manager.

Through the issue of any such bonds, the Issuer intends to satisfy investor demand for tradeable securities through which an investment in cryptocurrencies and other assets can be made.

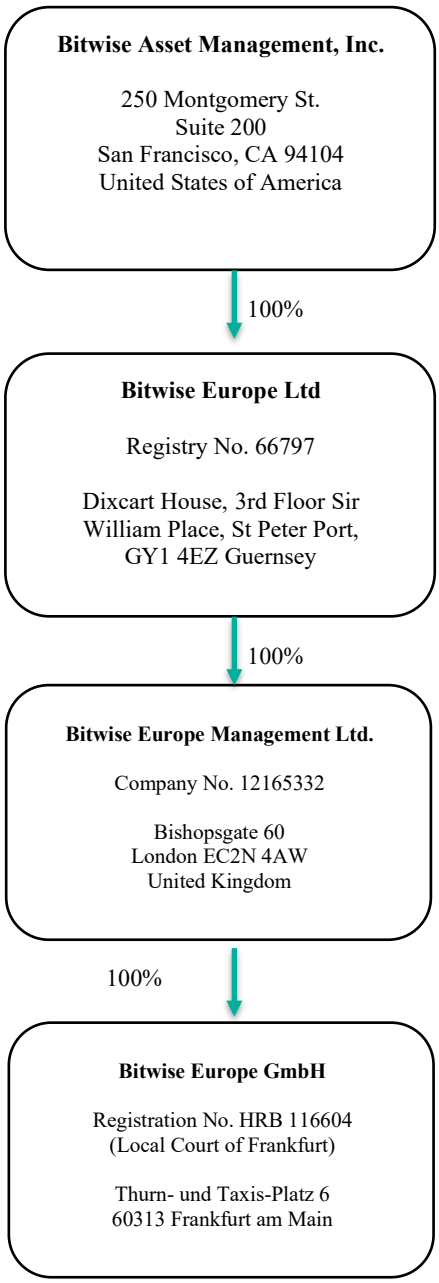
The principal markets in which the Issuer competes with such bonds will be Germany, Austria, Croatia, Czechia, Cyprus, Denmark, Estonia, Finland, France, Greece, Ireland, Italy, Luxembourg, Malta, The Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden and Switzerland.

The Issuer expects to finance its activities by the issue of such bonds through charging subscription fees, certain redemption fees, withholding of a certain percentage of the rewards earned by Staking the underlying Cryptocurrency and ongoing fees (as specified in the relevant Final Terms in relation to each Series of Bonds) on the units of the underlying Cryptocurrency received (either directly or through exchange of cash amounts or cryptocurrencies other than the underlying Cryptocurrency received) as proceeds for the subscription of such bonds.

11.4. ORGANISATIONAL STRUCTURE

The Issuer is a wholly-owned subsidiary of Bitwise Europe Management Ltd ("**BEM**"). The Issuer does not have any subsidiaries of its own. It is a special purpose vehicle that has been established primarily for the issuance of securities and is expected to be treated as a tax resident of the United Kingdom. Due to the Intercompany Agreement between the Issuer and BEM, the Issuer is dependent on BEM in relation to certain accounting, management and administration tasks provided by BEM for the Issuer. Other than that, the Issuer is not contractually or otherwise dependent upon other companies within the group of which the Issuer forms part (the "**Bitwise Group**").

The following chart provides an overview of the structure of the Bitwise Group as of the date of this Base Prospectus:



As mentioned above, the Issuer's sole shareholder is BEM (see also 11.10. "*Major Shareholders*"). BEM, with its registered office at 60 Bishopsgate, London EC2N 4AW, United Kingdom, has a management agreement in place with the Issuer to handle the general management of operations, relationships with partners and coordinating marketing activity.

Bitwise Europe Ltd, Dixcart House, Sir William Place, St Peter Port, GY1 4EZ, Guernsey is BEM's sole shareholder.

Bitwise Europe Ltd, is wholly-owned by Bitwise Asset Management, Inc., 250 Montgomery St., Suite 200, San Francisco, CA 94104, USA (the "**Holding Company**").

There are no shareholders of the Holding Company with voting shares of more than 10 percent as of the date of this Base Prospectus.

11.5. MANAGEMENT BOARD

Currently, the Issuer's management board consists of three managing directors. The current managing directors of the Issuer are:

Name	**Occupation**
Leyla Sharifullina	Managing Director
Paul "Teddy" Fusaro	Managing Director
Bradley Wayne Duke	Managing Director

Leyla Sharifullina joined Bitwise Group at the early stages of the group of which the Issuer forms part (as displayed in the chart above under 11.4. "*Organisational Structure*") and played an essential role during the launch of the Issuer's first bond, the Bitwise Physical Bitcoin ETP (BTCE) (initially BTC_{ETC} Physical Bitcoin ETC), as well as in designing the operational structure of the Issuer. Leyla has spent her career in financial services as well as real estate industries. She worked in various investment banks in Moscow and Cyprus from 2003 until 2013 and in international real estate development company Raven Property Group from 2014 until 2019 where she held a dual role of senior analyst and structured finance management.

Leyla Sharifullina holds two masters degrees with honors in management and law from Kazan Federal University and is a CFA® charterholder since 2013.

Paul "Teddy" Fusaro, is the President of the Holding Company. Prior to his employment at the Holding Company, Mr. Fusaro was Senior Vice President and Head of Portfolio Management and Capital Markets at IndexIQ, the ETF issuer unit of New York Life Investment Management, a firm with over $550 billion in AUM, from 2013 to 2018. In this capacity he oversaw portfolio management, trading, and operations for a suite of alternative strategy Exchange Traded Funds, Mutual Funds, and Separately Managed Accounts. Prior to that, Mr. Fusaro was Vice President of Portfolio Management and co-head of Trading and Operations at Direxion Investments, a $13 billion AUM alternative ETF Sponsor, from 2009 to 2013. Earlier in his career, Mr. Fusaro spent time in both equity derivatives and credit derivatives at Goldman Sachs & Co. Since 2022, Mr. Fusaro has served as the Chairman of the Board of Trustees of Bitwise Funds Trust.

Bradley Duke has spent most of his career in the regulated financial services industry. He worked at investment bank Jefferies at their offices in New York, Paris and London from 2000 until 2008 and at the equities broker KCG in London from 2008 until 2012 where he headed the team at Knight Direct Europe. Bradley co-founded the fin-tech and payments company Zapper and until recently was co-CEO of the UK branch of investment bank, BCS Global Markets. Bradley Duke holds a bachelor degree in economics from the University of Cape Town, an MBA from Vrije Universiteit Brussels and completed the Blockchain Strategy Program at the University of Oxford – Saïd Business School in 2018. He is also a founding member of the London Blockchain Foundation.

The managing directors can be contacted at Bitwise Europe Management Ltd, 60 Bishopsgate, London EC2N 4AW, United Kingdom.

11.6. SHARE CAPITAL

The registered share capital of the Issuer amounts to EUR 25,000. The share capital has been fully paid up. The shares were created under German law. The shares carry the right to receive notice of, attend to and cast votes at all general meetings of the Issuer, whereby each share carries one voting right. Holders of the shares are entitled to receive a profit participation *pro rata* to their shareholdings, subject to a resolution of the general meeting relating to the distribution of profits. In connection therewith, all outstanding shares of the Issuer carry the same rights and obligations.

11.7. FISCAL YEAR

The fiscal year of the Issuer is the calendar year.

11.8. AUDITORS

For the financial year ended 31 December 2024 and the financial year ended 31 December 2025, Baker Tilly GmbH & Co. KG Wirtschaftsprüfungsgesellschaft, with their registered office at Cecilienallee 6-7, 40474 Düsseldorf, Germany are the statutory auditors of the Issuer. Baker Tilly GmbH & Co. KG Wirtschaftsprüfungsgesellschaft is a member of the German chamber of public accountants (*Wirtschaftsprüferkammer*).

11.9. RATING

The Issuer has not been rated.

11.10. MAJOR SHAREHOLDERS

The Issuer's sole shareholder is BEM. The sole shareholder of BEM is Bitwise Europe Limited. The sole shareholder of Bitwise Europe Limited is the Holding Company.

No natural persons directly or indirectly, via the Holding Company, own a shareholding above 25% in the Issuer and there are no known natural persons that otherwise control the Holding Company.

11.11. CONFLICTS OF INTEREST

Paul "Teddy" Fusaro and Bradley Duke, directors of the Issuer, are also directors of BEM.

These directors of the Issuer, as well as all employees of the Holding Company and other affiliates of the Bitwise Group, are subject to Bitwise Group's code of conduct and corresponding policy on conflicts of interest.

Accordingly, these directors of the Issuer and BEM owe independent fiduciary duties to act in the best interests of each of the Issuer and BEM, however not in the general interest of the Bitwise Group as such.

Despite this, potential conflicts of interest between duties to the Issuer and the private interests or duties to BEM of these directors of the Issuer cannot be excluded and could exist due to their respective position in view of the substantial influence represented by the shareholder shares at BEM (i.e. the sole shareholder of the Issuer) and all such possible director conflicts have been notified to the respective companies.

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

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

11.13. MATERIAL CONTRACTS AND TRANSACTIONS

There are no agreements or contracts, which are entered into outside of the ordinary course of the business of the Issuer, which are material to the Issuer's ability to meet its obligations to Bondholders.

11.14. TREND INFORMATION

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

11.15. MATERIAL ADVERSE CHANGE IN THE PROSPECTS

There has been no material adverse change in the prospects of the Issuer since 31 December 2025, the date of its last published audited financial information.

11.16. SIGNIFICANT CHANGE IN THE FINANCIAL PERFORMANCE

There has been no significant change in the financial performance of the group of which the Issuer forms part since 31 December 2025, i.e. the end of the last financial period for which (audited) financial information has been published to the date of this Base Prospectus.

11.17. SIGNIFICANT CHANGE IN THE FINANCIAL POSITION

There has been no significant change in the financial position of the group of which the Issuer forms part since 31 December 2025, i.e. the end of the last financial period for which (audited) financial information has been published to the date of this Base Prospectus.

11.18. BORROWING AND FUNDING

There have been no material changes in the borrowing and funding structure of the Issuer since 31 December 2025.

11.19. LEGAL AND ARBITRATION PROCEEDINGS

During the previous 12 months, there have been no governmental, legal or arbitration proceedings, (including any such proceedings which are pending or threatened, of which the Issuer is aware), which may have, or have had in the recent past, a significant effect on the financial position or profitability of the Issuer and/or the group.

11.20. RECENT EVENTS

There have been no relevant recent events particular to the Issuer which are to a material extent relevant to the evaluation of the Issuer's solvency.

12. HISTORICAL FINANCIAL INFORMATION

The Issuer was incorporated on 27 August 2019.

The Issuer's annual financial statements as of 31 December 2024 and 31 December 2025 (together, the "**Financial Statements**") are incorporated into this Base Prospectus by reference (see also 18.1. "*Incorporation by Reference*").

The Financial Statements have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") as adopted in the European Union (the "**EU**").

The Financial Statements have been audited and an unqualified auditor's report has been issued.

The fiscal year of the Issuer commences on 1 January and ends on 31 December.

The next financial statements of the Issuer will be prepared as of and for the year ended 31 December 2026.

13. GENERAL DESCRIPTION OF THE BONDS

13.1. DIAGRAM ON SUBSCRIPTION, PURCHASE, SALE AND SECURITY

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

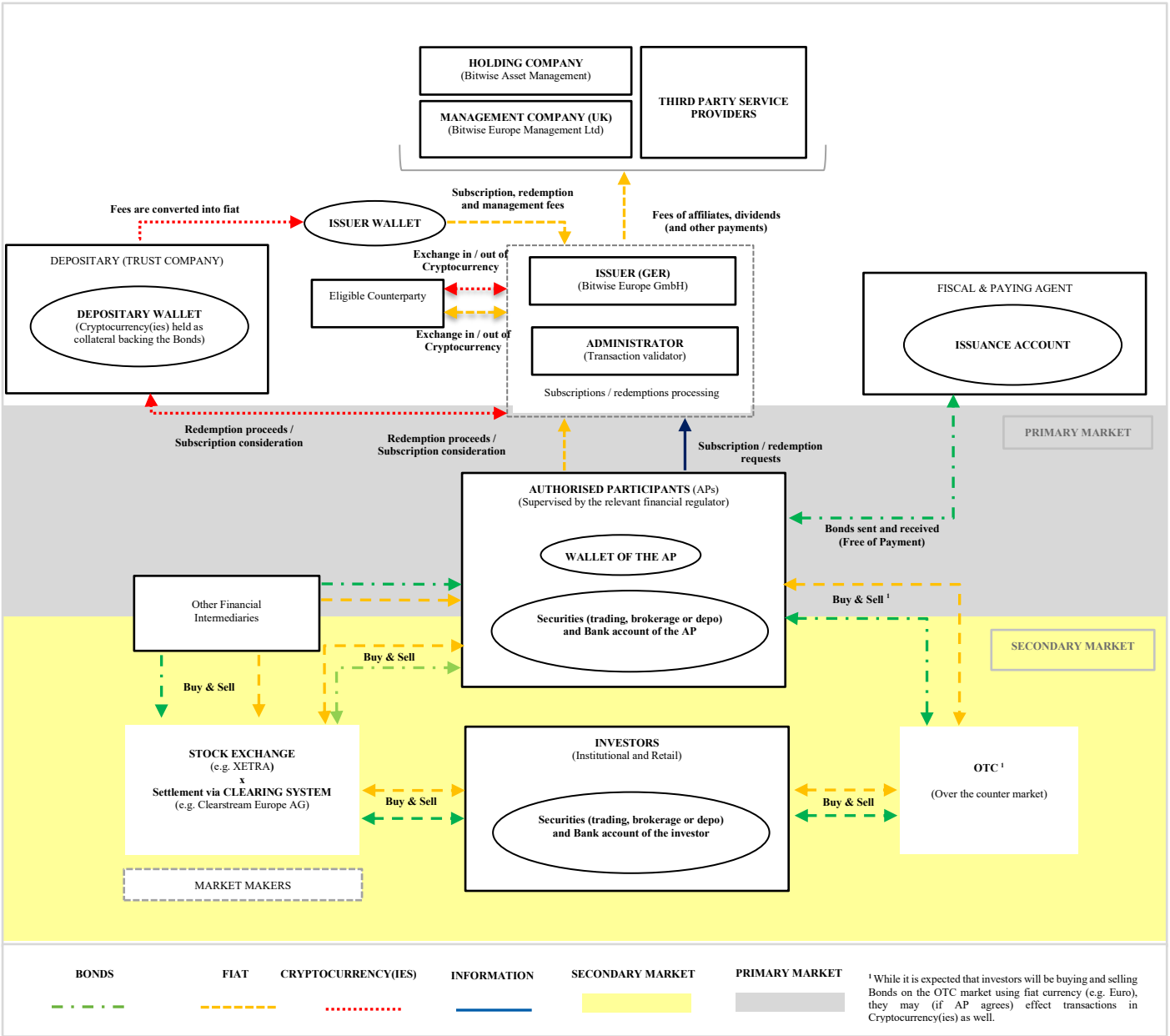
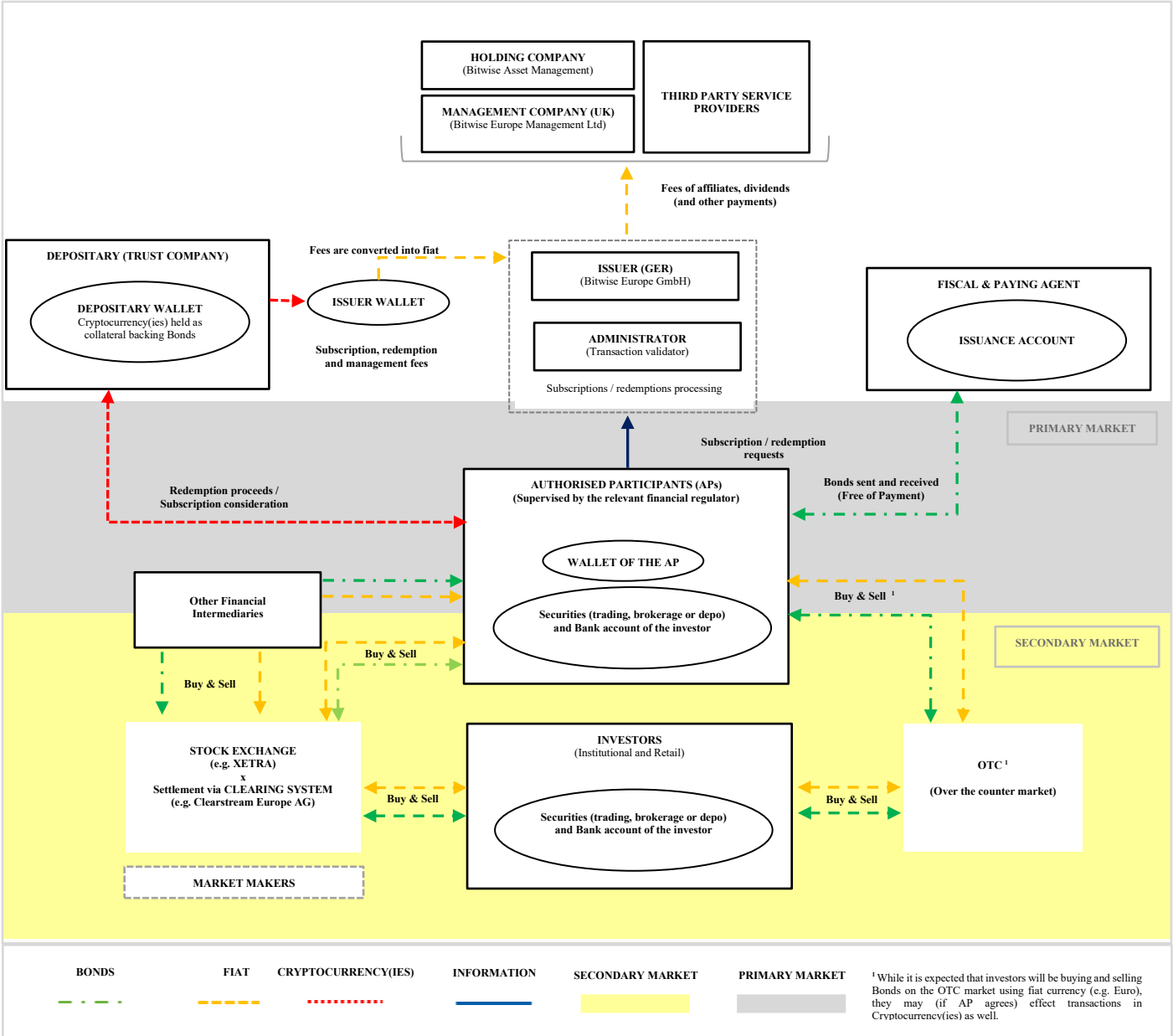


Diagram 1b: Bonds' Subscription, Redemption, Purchase & Sale – PRIMARY and SECONDARY Market for Continuously Offered Bonds



As shown in the diagram above, each prospective investor, who is not an Authorised Participant, cannot purchase the Bonds directly from the Issuer in the primary market. Such investors may buy the Bonds (i) directly from an Authorised Participant or (ii) via the relevant Stock Exchange or (iii) over the counter. The respective means to subscribe for or purchase the Bonds (as further explained in section 13.2.1. "*Form of Bonds, Status*") are as follows:

(a) <u>No purchase directly from the Issuer</u>

An investor cannot purchase the Bonds directly from the Issuer in the primary market. Initially, in the primary market, the Bonds may only be subscribed for or purchased by Authorised Participants.

Once the Bonds have been subscribed for or purchased in the primary market by Authorised Participants, Authorised Participants may proceed to sell the Bonds so purchased in the secondary market on an anonymous basis (i) via the relevant Stock Exchange (in case of Bonds admitted to trading on a stock exchange) or (ii) over the counter. Alternatively, Authorised Participants may also directly contact their own clients for a sale/purchase of the Bonds.

Accordingly, following the issuance of the Bonds and the purchase by an Authorised Participant in accordance with the procedures set out above, investors, who are not Authorised Participants, have two means to invest in the Bonds:

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

Investors may purchase the Bonds in the secondary market from any person on an anonymous basis (i) via the relevant Stock Exchange (in case of Bonds admitted to trading on a stock exchange) or (ii) over the counter. Bonds can be purchased by prospective investors with any accepted currency, depending on the respective trading venue.

(ii) Purchase directly from Authorised Participants

Authorised Participant may also contact their clients directly. In such case, the Bonds may be purchased directly from Authorised Participants in both cryptocurrency/cryptocurrencies and fiat-currency, depending on which kind of currency is accepted by the relevant Authorised Participant. Each Authorised Participant may charge a subscription fee from the purchasing investor at its own discretion.

13.2. DESCRIPTION OF THE BONDS

13.2.1. Form of Bonds, Status

Bonds issued under this Base Prospectus are issued under German law, are debt securities (*Schuldverschreibungen*) within the meaning of Section 793 of the German Civil Code (*Bürgerliches Gesetzbuch*) and are being issued in bearer form. The Bonds do not provide for interest payments and do not have a fixed maturity date. The obligations under the Bonds constitute direct, unsubordinated and secured obligations of the Issuer ranking pari passu among themselves. The Bonds are freely transferable, subject to the applicable selling restrictions (as further set out in section 17.2. "*Selling Restrictions*").

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

Only Authorised Participants may purchase Bonds directly from the Issuer in the primary market. The Bonds can be subscribed for with units of the relevant underlying Cryptocurrency or with units of the underlying Cryptocurrency comprising the Index in the case of a Series of Bonds linked to an Index. Additionally, if so specified in the relevant Final Terms, Bonds can be subscribed for against payment in (A) cash and/or (B) transfer of (i) any digital asset whose origin is derived from a blockchain, including digital currencies; (ii) digital commodities provisioning raw digital resources; or (iii) digital tokens, provisioning finished digital goods and services, which do not fall within the scope of MiCAR (each of (i) – (iii), a "**Non-MiCAR Crypto Asset**") or (iv) any crypto-asset within the meaning of MiCAR (a "**MiCAR Crypto Asset**" and, together with the Non-MiCAR Crypto Assets, the "**Eligible Assets**").

Cash amounts or cryptocurrencies other than the underlying Cryptocurrency so received for the subscription will be exchanged into an amount of underlying Cryptocurrency corresponding to the market value of the cryptocurrencies other than the underlying Cryptocurrency or the relevant fiat currency by an execution agent. For the avoidance of doubt, if Bonds are subscribed for with units of the underlying Cryptocurrency comprising an Index, Authorised Participants are required to transfer units of each of the underlying Cryptocurrency comprising the Index in an amount per unit of the Index as further specified in the relevant Final Terms of each Series of Bonds, unless otherwise notified by the Issuer.

Units of Cryptocurrency received by the Issuer through such transactions (either directly or through exchange of cash amounts or cryptocurrencies other than the underlying Cryptocurrency received) will be transferred to a depositary wallet operated by the relevant Depositary (the "**Depositary Wallet**"), whereby the Issuer's rights and claims in connection with the Depositary Wallet will be assigned as security in favour of the Bondholders of a particular Series of Bonds, the Security Trustee itself and the Bondholders' Representative (if appointed) (for a detailed description of such security and the relevant agreements, see 13.3. "*Description of the Security*"). In case of an Index of underlying Cryptocurrency,

the units of each of the underlying Cryptocurrency comprising the Index will be transferred to a separate depositary wallet specifically operated for each individual Cryptocurrency comprising the Index. The Issuer will procure that at any given time it holds such amount of the underlying Cryptocurrency on the Depositary Wallet which is equal to or exceeds the Secured Obligations Amount, however, (i) allowing for any delay associated with payment of the Staking Rewards as prescribed by the protocol of the respective underlying Cryptocurrency, (ii) allowing for any delay associated with the delivery of Transfer Amounts, (iii) taking into account any possible temporary shortfall reasonably required due to the execution of any of the Eligible Rebalance Procedures, (iv) subject to an adjustment following the occurrence of a Collateral Shortfall Event and (v) subject to total or partial forfeit or reductions due to actions or inactions of the Staking Provider or other associated parties in accordance with the protocol of the Cryptocurrency (as described below under 13.3.1. "*Security over Depositary Wallet*"). In case of an Index of underlying Cryptocurrency, the units of each of the underlying Cryptocurrency comprising the Index will be transferred to a separate Depositary Wallet specifically operated for such Cryptocurrency.

13.2.2. FX Hedging

The Terms and Conditions of the Bonds (for Series of Bonds issued pursuant to Annex A - Part E) allow for the Issuer to engage in FX Hedging activities ("**FX Hedging**") to hedge currency exposure between the currency in which the Bonds are denominated (the "**Bond Currency**") and the currency in which the Reference Price of the underlying Cryptocurrency or the underlying Index is denominated (the "**Reference Price Currency**").

Such FX Hedging typically involves the notional forward sale of the Reference Price Currency and purchase of the Bond Currency and is designed to reduce the exposure of the Reference Price (and, therefore, the Bonds) to exchange rate fluctuations between such currencies.

In circumstances where the Bond Currency is generally strengthening against the Reference Price Currency, FX Hedging will allow Bondholders to benefit from such currency movements, since the upside in the performance of the Bond Currency as compared to the Reference Price Currency will be reinvested in an equivalent amount of units of the underlying Cryptocurrency, which, in turn, will lead to an increase in the Cryptocurrency Entitlement.

Conversely, where the Bond Currency is generally weakening against the Reference Price Currency, the downside in the performance of the Bond Currency as compared to the Reference Price Currency will be realised by a sale of the relevant units of the underlying Cryptocurrency, leading to a decrease in the Cryptocurrency Entitlement.

This gain or loss, as the case may be, aims to help offset any loss or gain in the value of the Bonds (expressed in the Bond Currency) that is attributable to exchange rate fluctuations. However, FX Hedging will not offset such exchange rate fluctuations perfectly, primarily because of data lag, interest rate differentials and transaction costs.

13.2.3. Payout structure and effects of the value of the underlying Cryptocurrency

(a) Payout structure

Each Bond represents the right of the Bondholder to demand from the Issuer (a) delivery of the respective underlying Cryptocurrency corresponding to the Cryptocurrency Entitlement (as described in detail below under 13.2.8. "*Redemption of the Bonds*") or (b) payment of a cash amount and/or an amount of other Eligible Assets (as specified in the relevant Final Terms) in fulfillment of its delivery claim to the above-mentioned underlying Cryptocurrency.

(b) Collateralisation of the Issuer's obligations

These obligations of the Issuer are collateralized by the respective amount of units of the underlying Cryptocurrency: Pursuant to Condition 14.3 of the Terms and Conditions[6] the Issuer shall at any given time procure in relation to each Series of Bonds that it holds such amount of

[6] §12 (3) of the relevant terms and conditions in case of Bonds issued under the Preceding Base Prospectuses.

the underlying Cryptocurrency equal to or exceeding the Secured Obligations Amount (subject to the restrictions set out in the Terms and Conditions and as described below under 13.3.1. "*Security over Depositary Wallet"*) on the Depositary Wallet held with the Depositary.

Compliance with this covenant is ensured at contractual level within the framework of the issuance and security structure: In the primary market, each Series of Bonds may be purchased with units of the relevant underlying Cryptocurrency (as set out in the relevant Final Terms) as well as against payment in cash or transfer of cryptocurrencies other than the underlying Cryptocurrency, whereby cash amounts and cryptocurrencies other than the underlying Cryptocurrency received for the subscription will be exchanged into a corresponding amount of underlying Cryptocurrency by an execution agent. Units of Cryptocurrency received by the Issuer through such transactions (either directly or through exchange of cash amounts or cryptocurrencies other than the underlying Cryptocurrency received) will be transferred to the Depositary Wallet, whereby the Issuer's rights and claims in connection with the Depositary Wallet will be assigned as security in favour of the Bondholders of a particular Series of Bonds, the Security Trustee itself and the Bondholders' Representative (if appointed). Any subsequent transfers of the units of the Cryptocurrency so deposited are subject to a prior approval of the Administrator (for a detailed description of such security and the relevant agreements, see 13.3 "*Description of the Security*").

(c) Structural link between the value of the underlying Cryptocurrency and the value of the Bonds

Due to this structural link to (a) the value of the underlying Cryptocurrency and (b) the Issuer's compliance with the aforementioned covenant, any breach of this covenant as well as any decline in the value of the respective underlying Cryptocurrency will result in a corresponding decline (i) in the market value of the Bonds on the secondary market, (ii) in the redemption amount in case of a redemption in cash[7] and (iii) in the value of the units of the underlying Cryptocurrency received in case of a redemption in kind.

(d) Effects of the value of the underlying Cryptocurrency

The value and performance of the Bonds materially depends on the value and performance of the respective underlying Cryptocurrency.

In accordance with their derivative structure based on the Issuer's payment and delivery obligations to Bondholders under the Bonds, the Bonds are expected (subject to the deduction of any fees and costs) to track the performance of the underlying Cryptocurrency nearly 1:1.

(e) Effects of Staking

In case of Bonds issued pursuant to Annex A – Part C (applicable to Bonds linked to a single Cryptocurrency to be staked), Part D (applicable to Bonds linked to an Index of Cryptocurrency to be staked) and Part F (applicable to Bonds with index based calculation), the Terms and Conditions of the Bonds allow for the Issuer to use staking services provided by the Staking Provider (see in detail below, 13.2.6. "*Staking*").

Accordingly, the Issuer may apply some or all of the units of the underlying Cryptocurrency forming part of the Deposited Cryptocurrencies in respect of such Series of Bonds for Staking (as defined below). Staking Rewards (as defined below) received as part of the Staking process, subject to the deduction of the Staking Fees (as defined below) will form part of the Cryptocurrency Entitlement. Subject to the application of the management fee (see below), the Cryptocurrency Entitlement will either increase (if the Staking Rewards exceed the management fee), remain constant (if the Staking Rewards are equal to the management fee) or decay slower when compared to a product with the same management fees but no staking feature (if the management fee exceeds the Staking Rewards).

[7] Unless otherwise stated, any references to the Voluntary Redemption and cash settlement shall be read and construed as (i) references to the EUR Put Option and to redemptions in EUR in relation to the Bitwise MSCI Digital Assets Select 20 ETP (DA20) Bonds; (ii) as references to the USD Put Option and redemptions in USD in relation to the Bonds issued before 21 November 2022 and (iii) redemptions in USD for all other Bonds.

(f) Effects of the management fee

In relation to each Series of Bonds, the Issuer charges a management fee to the Bondholders (as set out in the relevant Final Terms). Such management fee is expressed as the rate at which the Cryptocurrency Entitlement and, thus, the monetary value of the Bondholders' claim for payment of a cash amount or delivery of the respective underlying Cryptocurrency decays over time.

Unless such decay is compensated by the accumulation of Staking Rewards (as set out above and, in detail, below under 13.2.6. "*Staking*"), the Cryptocurrency Entitlement will gradually decay over time.

Accordingly, if such decay of the Cryptocurrency Entitlement is not exceeded by the performance of the underlying Cryptocurrency, the monetary value of the Bondholders' claim for payment of a cash amount or delivery of the respective underlying Cryptocurrency will decay over time, even if the value of the underlying Cryptocurrency remains unchanged. Correspondingly, in case of a declining value of the underlying Cryptocurrency, such decline will be amplified even further.

13.2.4. Description of the underlying Cryptocurrency and Indices

(a) Underlying Cryptocurrency

The term Cryptocurrency comprises all digital assets whose origin is derived from a blockchain, including digital currencies, digital commodities provisioning raw digital resources or digital tokens provisioning finished digital goods and services.

In this context, a blockchain can be described as a special type of database, where transactions are not governed by a single entity. Instead, the entire transaction history is recorded in a decentralised, distributed ledger. The key aspect behind blockchain is that processes are not completed by one, but by many computers, simultaneously. Trust in Bitcoin, for instance, is secured through a decentralised, immutable ledger that is not run by a single company or government but by an independent community of computers all around the world. All computers are in the same network, called a peer-to-peer network. Inside the industry, this model is often called a "distributed trust model".

The present definition of Cryptocurrency refers to their potential of being a digital storage or representation of value. Cryptocurrencies are usually not issued by a central bank or another public authority and may *inter alia* be accepted by natural or legal persons as means of payment. Cryptocurrencies can be stored, transferred, or traded electronically. Cryptocurrencies provide for a vast range of use case beyond conventional financial transactions. These use cases include, for instance, smart contracts, which have been popularised together with the ERC20 standard for tokens, on the Ethereum blockchain. They build the technological foundation of blockchain-based assets, such as utility tokens, which convey holders the right to use decentralised applications (DApps) or preferential access to the services of crypto-assets ecosystems, online games and security tokens.

Under the Base Prospectus, *inter alia*, the following Cryptocurrencies may be used as underlyings:

Bitcoin

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

Bitcoin Cash

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

Aave

Aave is an open source and non-custodial liquidity protocol for earning interest on deposits and borrowing assets. In essence, it performs a role similar to money markets in traditional finance. The native token, AAVE, providers holders with discounted fees on the platform, and it also serves as a governance token - giving owners a say in the future development of the protocol.

Algorand

Algorand is an open source blockchain designed by Turing Award winner and MIT professor, Silvio Micali. It launched in June 2019 and aims to achieve all three challenges of blockchains today: security, scalability and decentralization. As of December 2020, it was able to handle almost 1 million transactions per day.

Aptos

Aptos is a Layer 1 blockchain that was launched in November 2022. It was developed by Aptos Labs, an independent company founded by engineers from Meta. Aptos is designed to be a scalable, secure and reliable blockchain that can be used for a wide range of applications.

Avalanche

Avalanche is a hub for decentralized application (DApps) on the blockchain. Its developers claim that smart contracts on the Avalanche network can settle in as little as one second. Notable projects on Avalanche include the decentralized money market, Aave, which facilitates the borrowing and lending of $20 billion worth of cryptocurrencies.

Binance Coin

BNB also known as the Binance Coin, is the native cryptocurrency of the Binance cryptocurrency exchange, currently the world's largest by trading turnover. BNB is a utility cryptocurrency and is used to pay exchange fees applied to cryptocurrency transactions on the Binance exchange. Users of BNB receive a discount in transaction fees on the Binance Exchange. BNB was created in July 2017 and initially operated on the Ethereum blockchain with the token ERC-20 before it became the native currency of Binance's own blockchain, the Binance Chain.

Canton

Canton is a public Layer 1 blockchain specifically built for regulated financial institutions and Real-World Assets (RWAs) like U.S. Treasurys and tokenized securities. It connects traditional finance (TradFi) with crypto by enabling privacy-focused, atomic settlements.

Cardano

Cardano was founded in 2015 by Charles Hoskinson, a co-founder of the Ethereum network. It is an open-source project designed to be a decentralised application (DApp) development platform with a multi-asset ledger and verifiable smart contracts. Cardano operates on a PoS consensus mechanism that allows its native currency, ADA, to be sent and received easily and securely while also ensuring the safety of smart contracts on the Cardano Blockchain.

Celestia

Celestia is a modular Layer 1 blockchain built specifically for data availability, serving as the scalability foundation for other blockchains.

Chainlink

Chainlink is a decentralised oracle network which aims to connect smart contracts with data and services from the real world that exist outside of blockchain networks. LINK, the native currency of the Chainlink network, is used to reward node operators. The Chainlink Network is driven by a large open-source community of data providers, node operators, smart contract developers, researchers, security auditors and more. The company focuses on ensuring that decentralized participation is guaranteed for all node operators and users looking to contribute to the network.

Cosmos

Titled the "internet of blockchains" by its founding team, Cosmos aims to create a network of crypto networks united by open-source tools for streamlining transactions between them and establishing interoperability.

EOS

EOS is a blockchain-based decentralised operating system that is designed to create, host and support secure, decentralised applications (DApps) and smart contracts. To enable its applications to be free for users, EOS employs vertical and horizontal scaling (done by block producers).

Ethereum

Launched in July 2015, Ethereum is a cryptocurrency based on an open-source, blockchain-based, decentralised software platform (which is also called Ethereum). The cryptocurrency Ethereum is the second largest cryptocurrency after Bitcoin. Unlike Bitcoin or Bitcoin Cash, Ethereum was not

established to create an alternative monetary system, but rather to facilitate and monetize the operation of the Ethereum smart contract and decentralised application (dapp) platform.

Ethereum Classic

Ethereum Classic is the forked version of Ethereum that followed the 'DAO attack' in 2016. It was created when a group of users of the Ethereum blockchain elected not to upgrade to new code recommended by project developers and continued to utilise the original code. It will continue to use the Proof-of-Work consensus.

Filecoin

Filecoin is an open-source protocol that is backed by a blockchain that records commitments made by the network's participants, with transactions made using FIL, the blockchain's native currency. Filecoin is a decentralised storage system designed to overcome the problems of centralisation such as protection of the integrity of a data location, censorship and immutability.

Hyperliquid

Hyperliquid is a high-performance, Layer-1 blockchain and decentralized exchange custom-built for high-frequency financial applications including perpetual futures, spot markets, and pre-IPO assets. Powered by its native token, HYPE, it supports over 200,000 orders per second with sub-second finality.

Internet Computer

The Internet Computer is a layer-1 protocol that is developed by the DFINITY Foundation and aims to become 'a blockchain network that evolves the internet'. It intends to extend the functionality of the public internet so that it can host backend software on a smart-contract compatible, distributed network.

Lighter

Lighter is the native utility and value-accrual token for the Lighter Protocol, a high-performance decentralized perpetual futures exchange built on a custom Ethereum zero-knowledge (ZK) layer-2 rollup.

Litecoin

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

MakerDAO

Maker is a cryptocurrency built on the Ethereum blockchain designed to minimise the price volatility of its own USD-pegged cryptocurrency, DAI. DAI has a monetary value of one USD. Through the MakerDAO system, users can create Collateralised Debt Positions (CDPs) and use specific cryptocurrencies as collateral to generate DAI. MakerDAO is governed in a decentralised manner by the holders of its MKR tokens through a decentralised autonomous organisation (DAO).

NEAR

NEAR is a cryptocurrency and a Layer 1 blockchain platform designed for user-friendly decentralized application development and interaction. It is recognized for its scalability, security, and features like human-readable account names and fast, cheap transactions, making it easier for both developers and users to engage with Web3. NEAR utilises a sharding mechanism called Nightshade to achieve high transaction throughput and low fees.

Polkadot

Polkadot is an open-source multichain protocol that unites multiple specialised blockchains into a unified, scalable network, facilitates the cross-chain transfer of any data or asset types, not just tokens, thereby making a wide range of blockchains interoperable with each other. The Polkadot protocol

connects public and private chains, permissionless networks, oracles and future technologies, allowing these independent blockchains to trustlessly share information and transactions through the Polkadot relay chain. The network uses the NPoS (nominated proof-of-stake) mechanism to select validators and nominators and maximise chain security.

Polygon

Formerly known as the Matic Network, Polygon was launched in 2017 and is an interoperability and Layer 2 scaling framework for building Ethereum-compatible blockchains. Scaling is achieved by utilising side-chains for off-chain computation while ensuring security by using the Plasma framework and a decentralised network of PoS validators.

Solana

Founded in 2017, Solana is a web-scale blockchain that provides fast, secure, scalable, decentralised applications (DApps) and marketplaces. The overarching goal of the Solana software is to demonstrate that there is a possible set of software algorithms using the combination to create a blockchain. So this would allow transaction throughput to scale proportionally with network bandwidth satisfying all properties of a blockchain: scalability, security and decentralisation.

Stellar

Founded in 2014, Stellar is an open network designed with the aim of utilising blockchain to provide more accessible financial services to people worldwide. Originally based on the Ripple Labs protocol, the blockchain was created as a result of a hard fork, and the code was subsequently rewritten. It boasts very fast transactions with low fees and while its focus is on providing a platform for cross-border payments, it also permits the creation of smart contracts.

Tezos

Tezos is a decentralised, open-source energy efficient POS blockchain network that can execute peer-to-peer transactions and serve as a platform for deploying smart contracts. Tezos features an on-chain governance model that allows the protocol to amend itself when upgrade proposals receive a favourable vote from the community. This feature allows Tezos to avoid hard forks that other blockchains have to contend with.

Uniswap

Uniswap is a decentralised finance protocol that is used to exchange cryptocurrencies. The protocol facilitates automated transactions between cryptocurrency tokens on the Ethereum blockchain through the use of smart contracts. Uniswap is an example of one of the core products in the decentralised finance (DeFi) ecosystem, decentralised cryptocurrency exchanges (DEXs). DEXs aim to solve many of the problems of their centralised counterparts, including the risk of hacking, mismanagement and arbitrary fees.

XRP

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

(b) Underlying Indices

The Final Terms for each Series of Bonds will specify the respective underlying Index which is applicable to that Series of Bonds.

The details of the methodology of the respective Index as well as the specific set of rules for each individual Index will depend on the selected Index administrator and Index, and the relevant information

will be made available by reference to the respective information published by the Index administrator. The Issuer and/or any company forming part of the Bitwise Group will not function as an Index administrator in relation to a Series of Bonds.

13.2.5. Description of the Depositary

The Issuer has appointed each of Anchorage Digital Bank N.A. ("**Anchorage**"), BitGo Trust Company, Inc. ("**BitGo**"), BitGo Europe GmbH ("**BitGo Europe**"), Coinbase Custody Trust Company, LLC ("**Coinbase Custody**"), Komainu (Jersey) Limited ("**Komainu**") and Zodia Custody (Ireland) Limited ("**Zodia**") as Depositary under the Programme.

Anchorage is a National Trust Bank regulated by the Office of the Comptroller of the Currency (the OCC). Anchorage is subject to OCC oversight and has a proven track record in the industry of providing custodial services for digital asset private keys. All customer assets are held in segregated accounts, segregated from both the proprietary property of Anchorage and the assets of any other customer. Anchorage has insurance coverage which procures fidelity insurance to protects its customers from risks such as theft of funds. Anchorage maintains an internal audit team that performs periodic internal audits over custody operations.

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

BitGo Europe has been operating a crypto custody business for institutional clients since 2023 and is a regulated custodian; specifically since May 2025, BitGo Europe has a Markets in Crypto-Assets Regulation (MiCAR) license for crypto custody and transfer services from Bafin and is authorized to provide crypto-custody services throughout the EU. BitGo Europe is part of the BitGo group, one of the leading providers of financial services for crypto assets, offering institutional clients secure custody, trading and liquidity solutions for crypto assets. Founded in 2013, BitGo group operates globally and is known for its multi-signature wallet technology. It offers regulated and insured cold storage solutions for a wide range of digital assets.

Coinbase Custody is a fiduciary under New York State Banking Law and a qualified custodian regulated under the Investment Company Act of 1940 and the Investment Advisers Act of 1940. Pursuant to information on its website (https://custody.coinbase.com/), Coinbase Custody holds all digital assets in a secure and segregated custody solution and they are held in trust for the benefit of the Bondholders. Coinbase Custody maintains what is believes to be one of the industry-leading insurance policies to protect both online and offline assets across all of its products. Coinbase Custody's cold storage solution uses the same cold storage architecture that has underpinned Coinbase, Inc's custody of over USD 20 billion in cryptocurrency assets for its retail customers over 7 years, without any incident.

Komainu is a Jersey-domiciled company with its registered office at Third Floor, 2 Hill Street, St. Helier, Jersey, JE2 4UA. It provides custody services from time to time pursuant to the respective custodial services agreements. Komainu is a joint venture involving Japanese custodian, Nomura Holdings, Inc. and blockchain experts, Ledger SAS. It is regulated by the Jersey Financial Services Commission for the provision of custody and depositary services.

Komainu utilises multi-party computation (MPC) wallets to eliminate a single point of failure whilst allowing high availability access to digital assets for transfer and connectivity. It provides bespoke solution to allow the Issuer to create permissioned controls configurable down to wallet level to meet its needs and those prescribed by the respective security documents. Komainu provides extensive, institutional-grade insurance coverage.

Zodia, a private company limited by shares and registered in Ireland (entity number 701983) having its principal place of business in Dublin, Ireland. Zodia is a wholly-owned subsidiary of Zodia Custody Limited and an indirect subsidiary of Standard Chartered PLC. Northern Trust Corporation and SBI Holdings, Inc. are minority shareholders in Zodia Custody Limited. The core business of Zodia is to act as a custodian wallet provider, and in particular to (i) generate and safeguard private keys, and (ii) safeguard cryptoassets on behalf of its clients which are secured by the private keys. Zodia is a custodian wallet provider and is accordingly registered with the Central Bank of Ireland (the "**CBI**") with Firm Reference Number C453603 under the Criminal Justice Act 2010 to 2021 (as amended) (the "**CJA**") in respect of its activities in cryptoassets.

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

13.2.6. Staking

The Terms and Conditions of the Bonds issued pursuant to Annex A – Part C (applicable to Bonds linked to a single Cryptocurrency to be staked), Part D (applicable to Bonds linked to an Index of Cryptocurrency to be staked) and Part F (applicable to Bonds with index based calculation) allow for the Issuer to use staking services provided by the Staking Provider.

"**Staking**" is the contribution of Cryptocurrency associated with a given decentralised network to such network for the purpose of facilitating, validating and approving transactions on such network.

The Depositary offers Staking for specific Cryptocurrency directly from the respective Depositary Wallet. Accordingly, subject to the Terms and Conditions of the respective Series of Bonds, the Bondholders can participate in rewards of the Staking ("**Staking Rewards**"). The Staking Rewards are the receipt of units of the respective Cryptocurrency associated with a given decentralized network from such network as a reward for Staking on such network. The Issuer may, notwithstanding the obligation to have an amount of the underlying Cryptocurrency equal to or exceeding the Secured Obligations Amount on the Depositary Wallet held with the Depositary (subject to the restrictions set out in the Terms and Conditions and as described below under **Error! Reference source not found.**. "*Security over Depositary Wallet*") at any given time, in respect of the Cryptocurrency of any Series of Bonds apply some or all of the units of the underlying Cryptocurrency forming part of the Deposited Cryptocurrencies in respect of such Series of Bonds for Staking (a "**Staking Transaction**").

The process for Staking will be initiated by the Issuer, following the mandatory authorisation process with the Depositary, as approved by the Administrator. The Issuer will provide instructions to the Depositary to instruct the Staking Provider to stake the relevant Cryptocurrency.

Following the occurrence of a Redemption Date or the Issuer giving a Mandatory Redemption Notice to the Bondholders, the unrestricted transferability of the relevant units of the Cryptocurrency subject to Staking will need to be re-established (the "**De-staking**"). Accordingly, following the occurrence of a Redemption Date or the Issuer giving a Mandatory Redemption Notice to the Bondholders, the Issuer will initiate the De-Staking in relation to the affected units of the Cryptocurrency and a certain time period, which is required to re-establish unrestricted transferability of relevant units of the Cryptocurrency which have previously been committed to a Staking Transaction, as specified for each relevant day by the relevant Yield Index Provider, Staking Provider or other third-party data provider, will commence (the "**Expected Unbonding Period**").

Following the expiration of the Expected Unbonding Period, the respective units of the Cryptocurrency can be withdrawn through the standard withdrawal process.

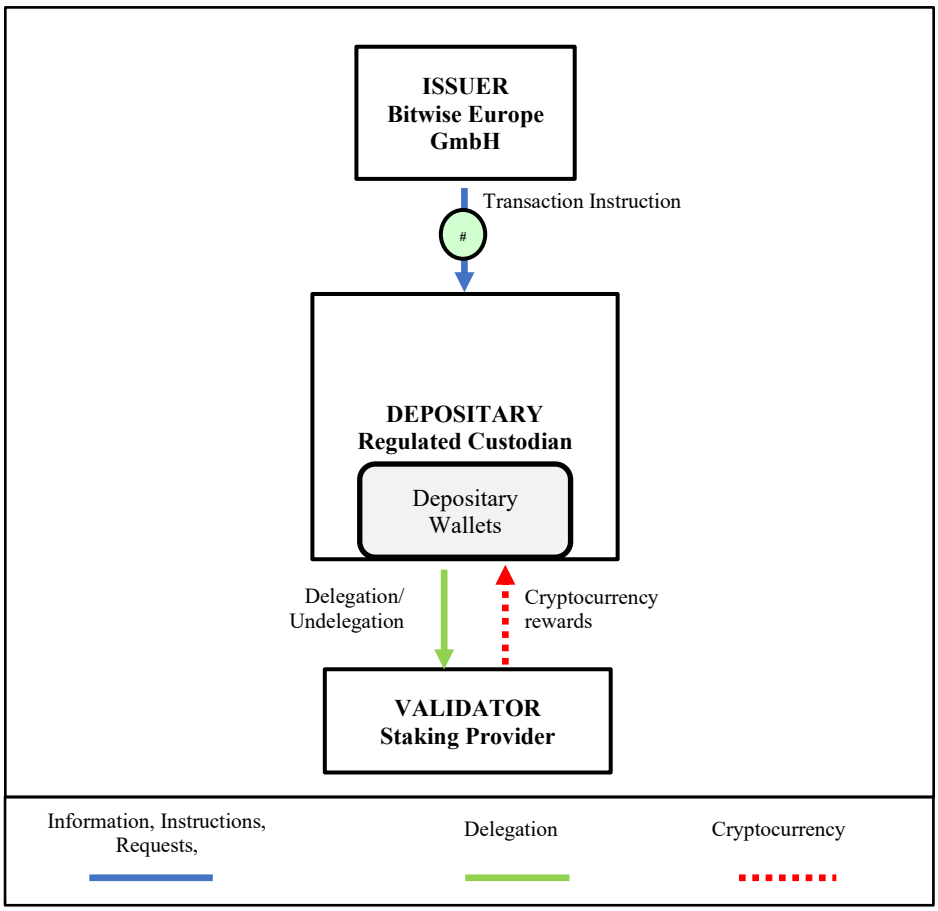
Staking Rewards received as part of the Staking process will be restaked, either automatically by the Staking Provider or manually by the Depositary on behalf of the Issuer. Staking Rewards will form part of the Cryptocurrency Entitlement, whereby the amount of Staking Rewards to be added to the Cryptocurrency Entitlement will be subject to a deduction of fees applied to the Staking Rewards ("**Staking Fees**", also referred to as "**DSC**" and "$\boldsymbol{DSC^{i}_{(t)}}$") of the underlying Cryptocurrency. The Staking Fees are subject to the Issuer's discretion. In the event of a Slashing Event, the Issuer shall use

commercially reasonable efforts to utilise any insurance coverage offered by the Staking Provider to the Depositary, if applicable, to mitigate the impact on the Secured Obligations Amount.

The Depositary, acting on behalf of the Issuer, shall not enter into any Staking Transaction in respect of units of the underlying Cryptocurrency of any Series of Bonds unless an agreement with the Staking Provider is in effect in relation to such Cryptocurrency and the relevant Series of Bonds. Such an agreement may include a requirement pursuant to which the Staking Provider is required to indemnify the Depositary against all Slashing penalties that arise in consequence of or in relation to any fault of the Staking Provider pursuant to any Staking Transaction. If such an indemnity is in place, and where the total or a portion of the Deposited Cryptocurrency is forfeited or reduced due to a Slashing Event and the Issuer, despite making use of commercially reasonable efforts to utilise any insurance coverage offered by the Staking Provider to the Depositary, is not able to fully mitigate or compensate the effects of these events on the Secured Obligations Amount due to the Staking Provider or the Depositary being unable to satisfy their obligations vis-à-vis the Issuer, the Issuer has the right to adjust and reduce the Cryptocurrency Entitlement (even to zero), whereby, *for the avoidance of doubt*, the Issuer may not permanently reduce the Cryptocurrency Entitlement if and to the extent that (i) the reductions of the Deposited Cryptocurrency are covered and compensated by any insurance offered by the Staking Provider to the Depositary and (ii) such compensated amounts of Cryptocurrency are actually transferred to and deposited in the Depositary Wallet of the Issuer.

For the avoidance of doubt: The underlying Cryptocurrency used for Staking will at all times remain subject to the security interest in relation to the Issuer's rights and claims on the Depositary Wallet which has been established as security for the benefit of the Bondholders, the Security Trustee itself and the Bondholders' Representative (if appointed).

Diagram 2: Staking process



13.2.7. Description of the Staking Provider

Attestant Limited is a London based provider of staking software and infrastructure founded in 2020 by a group of experienced finance and technology individuals who believed that Ethereum was integral to the future of decentralised finance and wanted to provide a best in class non-custodial staking solution. Attestant have created an institutional grade infrastructure of geographically distributed bare metal servers combined with its own, open source, software stack. Clients retain control of their funds at all times via their own private key. Attestant has both private and institutional clients covering exchanges, investment managers, family offices and financial institutions. Attestant's software is well respected and is used by a large proportion of the Ethereum staking community. Since inception, Attestant has expanded its offering to include several additional chains when it believes in the utility, security and management of the new protocol. Attestant was acquired by Bitwise in 2024 and continues to be a London based firm.

Blockdaemon Inc., a Delaware corporation with an address at 1055 West 7th Street, 33rd Floor, Los Angeles, CA 90017, is an independent blockchain node infrastructure to stake, scale, and deploy nodes with institutional-grade security and monitoring. It supports more than 40 blockchain networks. Blockdaemon is used by exchanges, custodians, crypto platforms, financial institutions and developers to connect commercial stakeholders to blockchains. It simplifies the process of deploying nodes and creating scalable enterprise blockchain solutions via APIs, high availability clusters, auto-decentralisation and auto-healing of nodes. Nodes are fault-tolerant, high-traffic nodes which include redundancies to handle high traffic and ensure a node failure does not take the network down.

Sous Vide Ltd. (Marinade), registered at 2nd Floor, Ellen L. Skelton Building, Fishers Lane, Road Town, Tortola, VG1110 British Virgin Islands, is a staking marketplace for the Solana protocol. Marinade is one of the leading staking solution on Solana with over $1 Bn in TVL.

Marinade is integrated with regulated custodians to offer its solution to institutional investors. Marinade provides distributed staking and staking rewards protection through its programmatic staking mechanism. Marinade also offers its institutional staking solution without any smart contract risk. Through this holistic approach, Marinade offers a risk managed rewards mechanism for institutional staking.

13.2.8. Redemption of the Bonds

Bonds will be redeemed in units of the underlying Cryptocurrency.

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

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

Where a Bondholder is prevented from having one or several Digital Wallets or receiving units of the underlying Cryptocurrency, it may choose to sell Bonds in the secondary market via a stock exchange (in case of Bonds admitted to trading on a stock exchange) or via an OTC market (see 13.2.10. "*Sale of Bonds in the secondary market*").

Alternatively, a Bondholder may also redeem the Bonds in cash as described below, and the cash proceeds of the Cryptocurrency Execution Procedure (or the Cryptocurrency Divestment Procedure in case of the Bitwise MSCI Digital Assets Select 20 ETP (DA20) Bonds or the Cryptocurrency Auction Procedure in case of Bonds issued before 21 November 2022) will be made available to the Bondholder.

For the avoidance of doubt, in case of an Index of Cryptocurrency, a Bondholder will be unable to receive Units of the Index, if it is unable to receive any or all of the underlying Cryptocurrency comprising the Index.

In such case, the sale of units of the underlying Cryptocurrency comprising the Index via the Cryptocurrency Execution Procedure (or the Cryptocurrency Divestment Procedure in case of the Bitwise MSCI Digital Assets Select 20 ETP (DA20) Bonds or the Cryptocurrency Auction Procedure in case of Bonds issued before 21 November 2022) will not be limited to the underlying Cryptocurrency, which the Bondholder is unable to receive. Instead, the units of all underlying Cryptocurrency comprising the Index will be subject to such procedure.

Bonds will either be redeemed (a) at the Issuer's discretion upon the occurrence of a Mandatory Redemption Event at their Mandatory Redemption Price as further described below, or (b) in case of a Voluntary Redemption by a Bondholder at their Cryptocurrency Entitlement or in cash via the Cryptocurrency Execution Procedure (or the Cryptocurrency Divestment Procedure in case of the Bitwise MSCI Digital Assets Select 20 ETP (DA20) Bonds or the Cryptocurrency Auction Procedure in case of Bonds issued before 21 November 2022) as described in the diagrams below:

Diagram 3a: Bonds' redemption at investor's request (Voluntary Redemption)

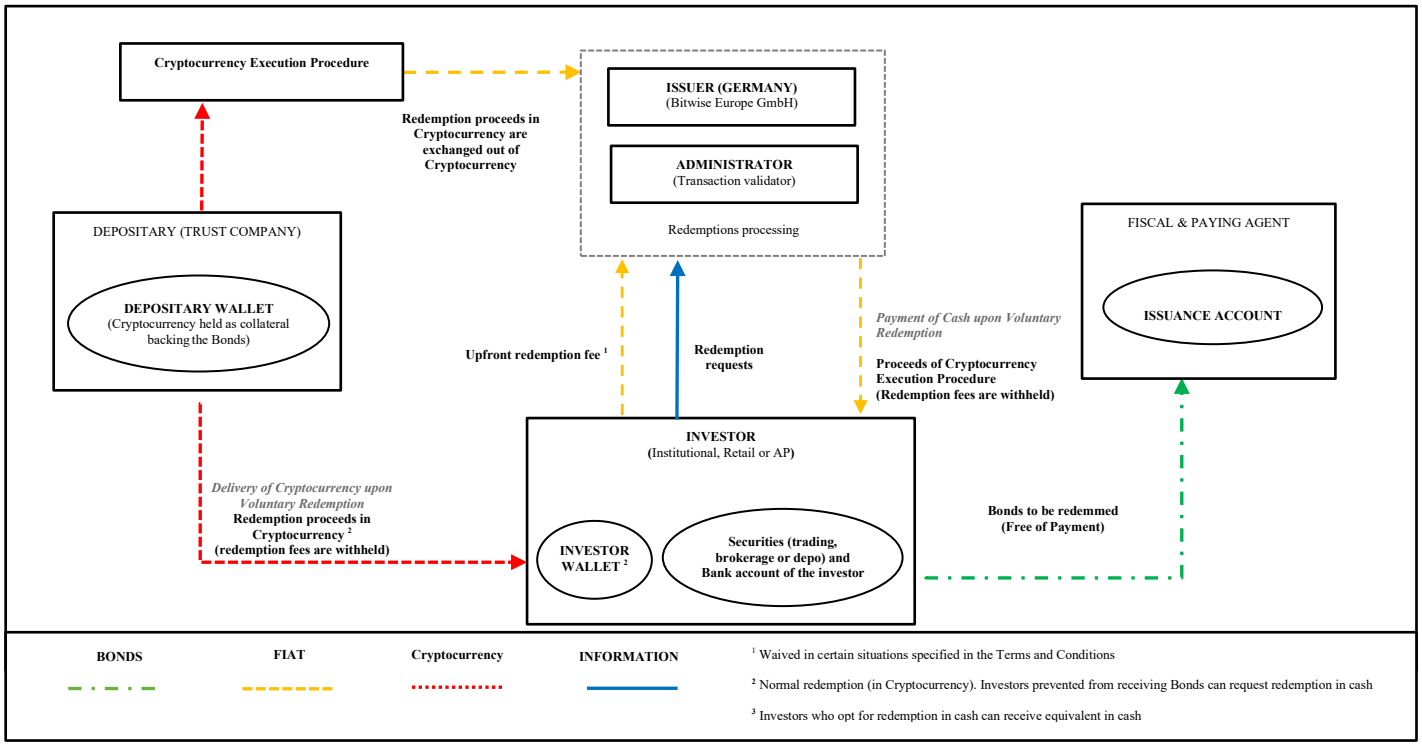


Diagram 3b: Bonds' redemption at investor's request for Bitwise MSCI Digital Assets Select 20 ETP (DA20) Bonds

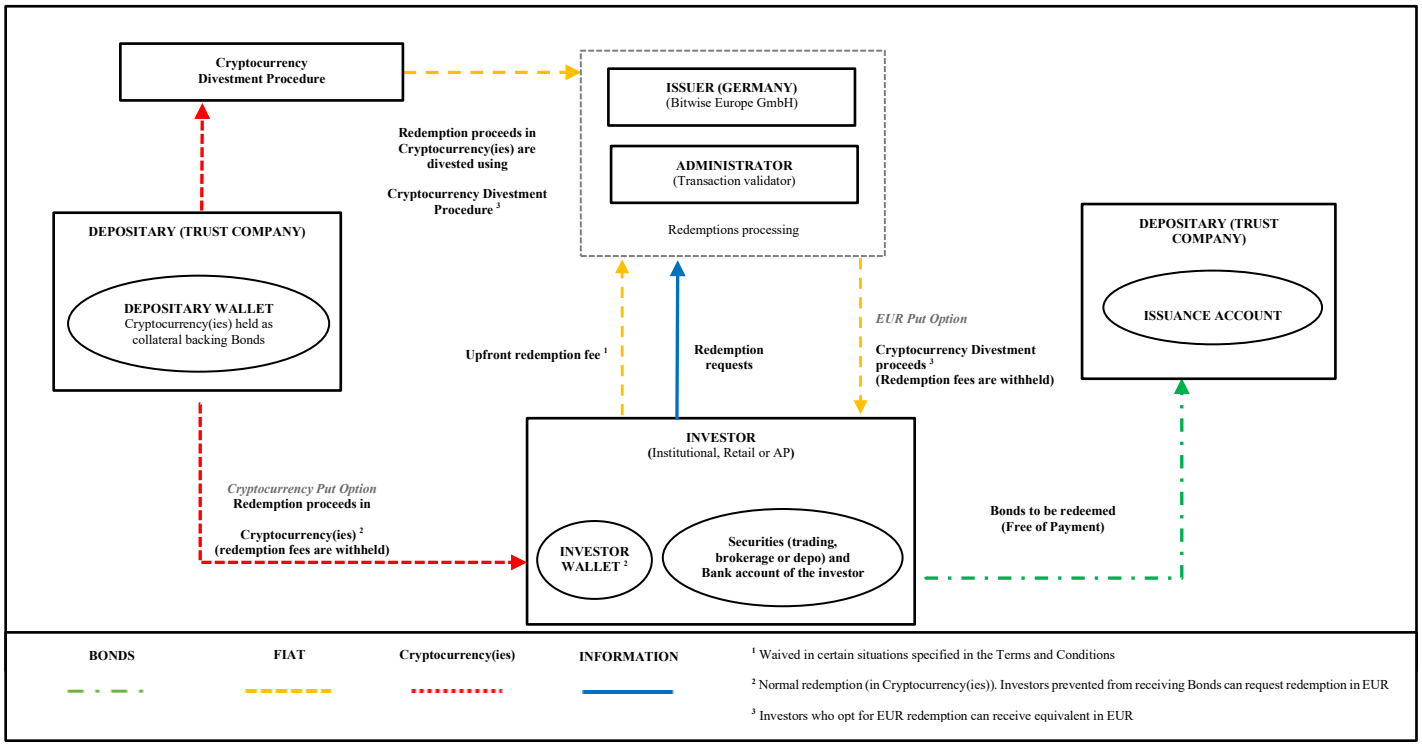
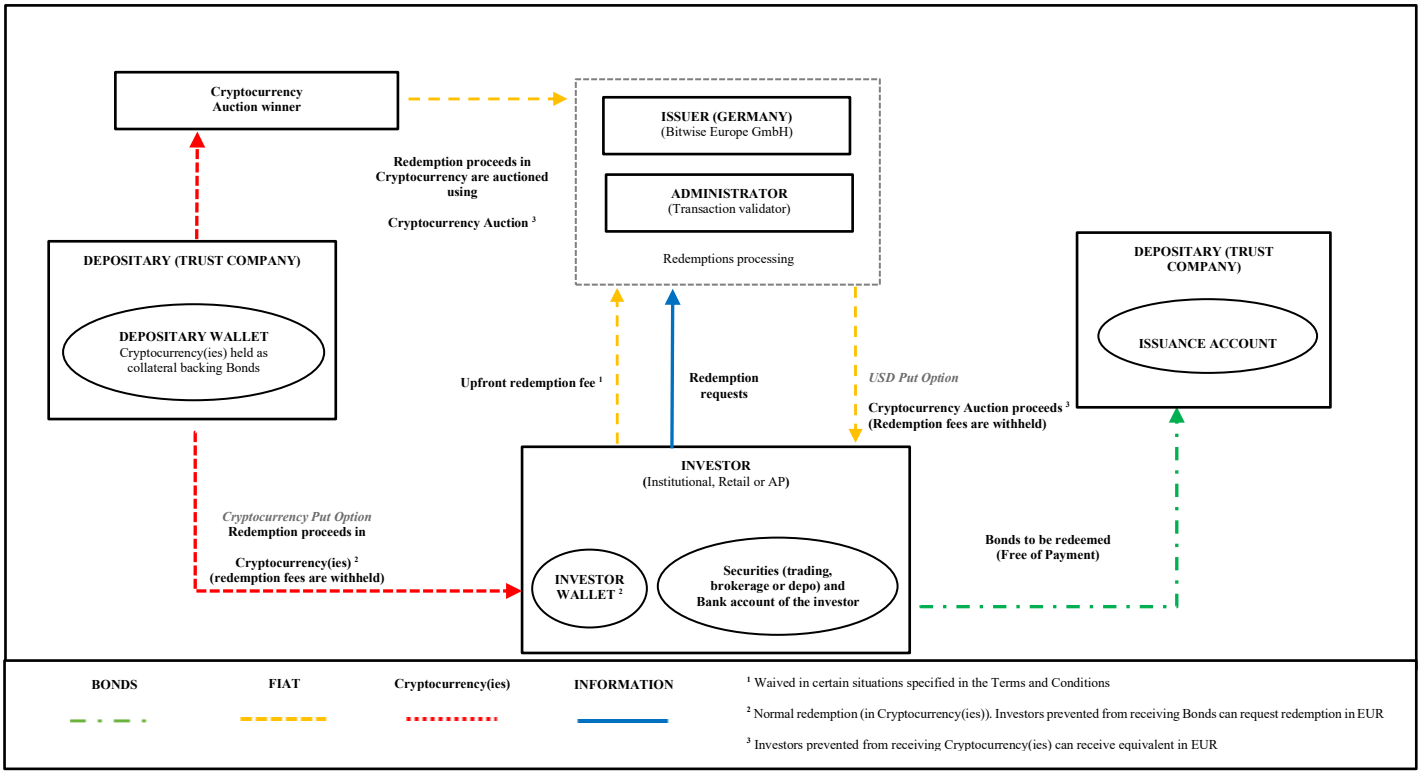


Diagram 3c: Bonds' redemption at investor's request for Bonds issued before 21 November 2022



(a) Mandatory Redemption

Upon the occurrence of a Mandatory Redemption Event (as further described in the Terms and Conditions), the Bonds may be redeemed by the Issuer by giving notice to the Bondholders.

If, following a Mandatory Redemption Event, the Issuer exercises its right to redeem the Bonds, the Bonds will be redeemed at their Mandatory Redemption Price.

The Mandatory Redemption Price per Bond will be (i) the Cryptocurrency Entitlement; or (ii) if a Bondholder opts for redemption in cash, the amount in the relevant Bond Currency of the Bonds obtained from the sale of the units of the Cryptocurrency pursuant to the Cryptocurrency Execution Procedure corresponding to the Cryptocurrency Entitlement, less any applicable fees ("**Cash Redemption Amount**") divided by the number of Outstanding Bonds redeemed in cash, minus any reasonable third-party fees related to the redemption of the Bonds.

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

1. For Series of **Bonds linked to a single Cryptocurrency issued pursuant to Annex A - Part A** of the Terms and Conditions, the Cryptocurrency Entitlement will be determined pursuant to the following formula:

$$CE_{(t)} = CE_{(t-1)} * \left(1.0 - \frac{DER}{365}\right)$$

Where:

"$\boldsymbol{CE_{(t)}}$" means the Cryptocurrency Entitlement on day "t" days after the Issue Date;

"**t**" means the number of calendar days elapsed since the Issue Date;

"$\boldsymbol{CE_{(t-1)}}$" means the Cryptocurrency Entitlement on the previous day before day "t" days after the Issue Date;

"$\boldsymbol{CE_{(0)}}$" or "**Initial Cryptocurrency Entitlement**" means the Cryptocurrency Entitlement on the Issue Date; and

"$\boldsymbol{DER}$" means the Diminishing Entitlement Rate. The Diminishing Entitlement Rate represents the management fee expressed as the rate at which the Cryptocurrency Entitlement decays over time.

2. For Series of Bonds linked to an **Index of Cryptocurrency issued pursuant to Annex A - Part B** of the Terms and Conditions, the Cryptocurrency Entitlement will be determined pursuant to the following formula:

"**Cryptocurrency Entitlement**" means the sum of individual "**Single Cryptocurrency Entitlements**" in respect of each particular Cryptocurrency comprising the Basket per Bond.

Whereby:

"**Single Cryptocurrency Entitlement**" or "**SCE**" means, as of any Business Day, part of the total Bondholder's claim against the Issuer in respect of each Bond, expressed as the number of the units of the particular Cryptocurrency comprising the Basket per Bond;

On the Issue Date, the Single Cryptocurrency Entitlement corresponds to the Initial Single Cryptocurrency Entitlement;

On any day after the Issue Date, the Single Cryptocurrency Entitlement will be calculated by the Issuer in its sole discretion in accordance with the following formula:

If the relevant day ("t" days after the Issue Date) is <u>not</u> a Rebalance Day:

$$SCE^{i}_{(t)} = SCE^{i}_{(t-1)} * \left(1.0 - \frac{DER}{365}\right)$$

If the relevant day ("t" days after the Issue Date) is a Rebalance Day:

$$SCE^{i}_{(t)} = \widetilde{SCE}^{i}_{(t)} * \left(1.0 - \frac{DER}{365}\right) - (RCR * RTV^{i}_{(t)})$$

$$\widetilde{SCE}^{i}_{(t)} = \frac{W^{i}_{(t)} * MTM_{(t)}}{P^{i}_{(t)}}$$

$$MTM_{(t)} = \sum_{i \in B_{(t-1)}} SCE^{i}_{(t-1)} * P^{i}_{(t)}$$

$$RTV^{i}_{(t)} = Max\left(0, \widetilde{SCE}^{i}_{(t)} - SCE^{i}_{(t-1)}\right)$$

Where:

"$\boldsymbol{SCE^{i}_{(t)}}$" means the Single Cryptocurrency Entitlement in respect of the particular Cryptocurrency comprised in the Basket (denoted "i") on day "t" days after the Issue Date;

"**t**" means the number of calendar days elapsed since the Issue Date;

"$\boldsymbol{SCE^{i}_{(t-1)}}$" means the Single Cryptocurrency Entitlement in respect of the particular Cryptocurrency comprised in the Basket (denoted "i") on the previous day before day "t" days after the Issue Date;

"$\boldsymbol{\widetilde{SCE}^{i}_{(t)}}$" means the Single Cryptocurrency Entitlement gross of rebalance cost and management fee i in respect of the particular Cryptocurrency comprised in the Basket (denoted "i") on day "t" days after the Issue Date;

"$\boldsymbol{SCE^{i}_{(0)}}$" means the initial Single Cryptocurrency Entitlement on the Issue Date;

"$\boldsymbol{DER}$" means the Diminishing Entitlement Rate. The Diminishing Entitlement Rate represents the management fee expressed as the rate at which the Single Cryptocurrency Entitlement decays over time;

"**RCR**" means the effective rebalance cost rate; The RCR represents a fee charged by the Issuer to affect the rebalancing of the Basket;

"$\boldsymbol{RTV^{i}_{(t)}}$" means the positive variation between the Single Cryptocurrency Entitlement (for the relevant Cryptocurrency denoted "i") on day "t" and the Single Cryptocurrency Entitlement on the previous calendar day; If the Basket has not comprised the relevant cryptocurrency on the previous calendar day, the respective Single Cryptocurrency Entitlement on the previous calendar day is zero; If the variation between the Single Cryptocurrency Entitlement on day "t" and Single Cryptocurrency Entitlement on the previous calendar day is negative, $\mathbf{RTV}\boldsymbol{t\ i}$ is zero;

"$\boldsymbol{MTM}$" means the mark-to-market value of the total Cryptocurrency Entitlement (as of the previous day) calculated on the day "t" calendar days after the Issue Date;

"$\boldsymbol{P_{(t)}}$" means the reference price calculated in respect of the particular Cryptocurrency comprising the Basket (denoted "i") on the day "t" calendar days after the Issue Date; The same methodology and source for $\boldsymbol{P^{i}_{(t)}}$ calculation shall be used as prescribed by the Index Methodology for the calculation of prices of its components; and

"$\boldsymbol{W^{i}_{(t)}}$" means the weighting in respect of the particular Cryptocurrency comprised in the Basket (denoted "i") on the day "t" calendar days after the Issue Date.

3. For Series of **Bonds linked to a single Cryptocurrency to be staked issued pursuant to Annex A - Part C** of the Terms and Conditions, the Cryptocurrency Entitlement will be determined pursuant to the following formula:

$$CE_{(t)} = CE_{(t-1)} * \left(1 - \frac{DER}{365}\right) + \frac{SR_{(t-x)}}{N_{(t-x)}}(1 - DSC)$$

Where:

"$\boldsymbol{CE_{(t)}}$" means the Cryptocurrency Entitlement on day "t" days after the Issue Date;

"$\boldsymbol{CE_{(t-1)}}$" means the Cryptocurrency Entitlement on the previous day before day "t" days after the Issue Date;

"$\boldsymbol{CE_{(0)}}$" or "**Initial Cryptocurrency Entitlement**" means the Cryptocurrency Entitlement on the Issue Date;

"$\boldsymbol{DER}$" means the Diminishing Entitlement Rate. The Diminishing Entitlement Rate represents the management fee expressed as the rate at which the Cryptocurrency Entitlement decays over time;

"$\boldsymbol{SR_{(t-x)}}$" means the staking rewards expressed in respective cryptocurrency received (both earned and accrued) from staking on the day "x" days before the day "t" days after the Issue Date. If, for any reason on any given day(s), the staking rewards, or reports pertaining to the staking rewards, are not received or unattainable (such event, a "**Staking Rewards Delay**"), the Issuer shall use its reasonable discretion in line with the acceptable market practice in estimating the staking rewards for the period of Staking Rewards Delay. Once the Staking Rewards Delay is concluded and staking rewards, or reports pertaining to the staking rewards, are actually received by the Issuer, the Issuer shall rectify the difference in the staking rewards per Bond but only for the Bondholders that subscribed or redeemed the Bonds after the Staking Rewards Delay has finished. When rectifying the difference in the staking rewards per Bond, the Issuer is entitled to exercise its full discretion, acting in good faith and in a commercially reasonable manner, whether in its opinion it is appropriate to make one or more adjustments to the Cryptocurrency Entitlement to account for the economic effect of any Staking Rewards Delay, after the conclusion of the Staking Rewards Delay. In case of ongoing subscription and/or redemption procedures in accordance with Conditions 2, 5 and 6 of the Terms and Conditions, Bondholders will be entitled to a reconfigured Cryptocurrency Entitlement per Bond, calculated using the estimate of the staking rewards by the Issuer;

"$\boldsymbol{N_{(t-x)}}$" means number of bonds outstanding as of end of the day "x" days before the before day "t" days after the Issue Date; and

"**DSC**" means the fees applied to the staking rewards.

4. For Series of **Bonds linked to an Index of Cryptocurrency to be staked issued pursuant to Annex A - Part D** of the Terms and Conditions, the Cryptocurrency Entitlement will be determined pursuant to the following formula:

"**Cryptocurrency Entitlement**" means the sum of individual "**Single Cryptocurrency Entitlements**" in respect of each particular Cryptocurrency comprising the Basket per Bond.

Whereby:

"**Single Cryptocurrency Entitlement**" means, as of any Business Day, part of the total Bondholder's claim against the Issuer in respect of each Bond, expressed as the number of the units of the particular Cryptocurrency comprising the Basket per Bond;

On the Issue Date, the Single Cryptocurrency Entitlement corresponds to the Initial Single Cryptocurrency Entitlement;

On any day after the Issue Date, the Single Cryptocurrency Entitlement will be calculated by the Issuer in its sole discretion in accordance with the following formula:

If the relevant day ("t" days after the Issue Date) is <u>not</u> a Rebalance Day or <u>not</u> a day immediately following the Rebalance Day:

$$SCE_{(t)} = SCE^{i}_{(t-1)} * \left(1 - \frac{DER}{365}\right) + \frac{SSR_{(t-x)}}{N_{(t-x)}}\left(1 - \boldsymbol{DSC^{i}_{(t)}}\right)$$

If the relevant day ("t" days after the Issue Date) is a day immediately following the Rebalance Day:

$$SCE_{(t)} = SCE^{i}_{(-1)} * \left(1 - \frac{DER}{365}\right) + \frac{SSR_{(t-x)} + SSR_{(t-x-1)}}{N_{(t-x)}}\left(1 - \boldsymbol{DSC^{i}_{(t)}}\right)$$

If the relevant day ("t" days after the Issue Date) is a Rebalance Day:

$$SCE^{i}_{(t)} = \widetilde{SCE}^{i}_{(t)} * \left(1.0 - \frac{DER}{365}\right) - (RCR * RTV^{i}_{(t)})$$

$$\widetilde{SCE}^{i}_{(t)} = \frac{W^{i}_{(t)} * MTM_{(t)}}{P^{i}_{(t)}}$$

$$MTM_{(t)} = \sum_{\mathrm{I} \in \mathrm{B}_{(t-1)}} SCE^{i}_{(t-1)} * P^{i}_{(t)}$$

$$RTV^{i}_{(t)} = Max\left(0, \widetilde{SCE}^{i}_{(t)} - SCE^{i}_{(t-1)}\right)$$

Where:

"$\boldsymbol{SCE^{i}_{(t)}}$" means the Single Cryptocurrency Entitlement in respect of the particular Cryptocurrency comprised in the Basket (denoted "i") on day "t" days after the Issue Date;

"**t**" means the number of calendar days elapsed since the Issue Date;

"$\boldsymbol{SCE^{i}_{(t-1)}}$" means the Single Cryptocurrency Entitlement in respect of the particular Cryptocurrency comprised in the Basket (denoted "i") on the previous day before day "t" days after the Issue Date;

"$\boldsymbol{SSR_{(t-x)}}$" means the Single staking rewards expressed in respective cryptocurrency received (both earned and accrued) from staking on the day "x" days before the day "t" days after the Issue Date. If, for any reason on any given day(s), the Single staking rewards, or reports pertaining to the Single staking rewards, are not received or unattainable (such event, a "**Staking Rewards Delay**"), the Issuer shall use its reasonable discretion in line with the acceptable market practice in estimating the Single staking rewards for the period of Staking Rewards Delay. Once the Staking Rewards Delay is concluded and the Single staking rewards, or reports pertaining to the Single staking rewards, are actually received by the Issuer, the Issuer shall rectify the difference in the Single staking rewards per Bond but only for the Bondholders that subscribed or redeemed the Bonds after the Staking Rewards Delay has finished. When rectifying the difference in the Single staking rewards per Bond, the Issuer is entitled to exercise its full discretion, acting in good faith and in a commercially reasonable manner, whether in its opinion it is appropriate to make one or more adjustments to the Single Cryptocurrency Entitlement to account for the economic effect of any Staking Rewards Delay, after the conclusion of the Staking Rewards Delay. In case of ongoing subscription and/or redemption procedures in accordance with Conditions 2, 5 and 6 of the Terms and Conditions, Bondholders will be entitled to a reconfigured Single Cryptocurrency Entitlement per Bond, calculated using the estimate of the Single staking rewards by the Issuer;

"$\boldsymbol{SSR_{(t-x-1)}}$" means the Single staking rewards expressed in respective cryptocurrency received (both earned and accrued) from staking on the previous day before the day "x" days before the day "t" days after the Issue Date. In case of a Staking Rewards Delay, the Issuer shall use its reasonable discretion in line with the acceptable market practice in estimating the Single staking rewards for the period of Staking Rewards Delay. Once the Staking Rewards Delay is concluded and the Single staking rewards, or reports pertaining to the Single staking rewards, are actually received by the Issuer, the Issuer shall rectify the difference in the Single staking rewards per Bond but only for the Bondholders that subscribed or redeemed the Bonds after the Staking Rewards Delay has finished. When rectifying the difference in the Single staking rewards per Bond, the Issuer is entitled to exercise its full discretion, acting in good

faith and in a commercially reasonable manner, whether in its opinion it is appropriate to make one or more adjustments to the Single Cryptocurrency Entitlement to account for the economic effect of any Staking Rewards Delay, after the conclusion of the Staking Rewards Delay. In case of ongoing subscription and/or redemption procedures in accordance with Conditions 2, 5 and 6 of the Terms and Conditions, Bondholders will be entitled to a reconfigured Single Cryptocurrency Entitlement per Bond, calculated using the estimate of the Single staking rewards by the Issuer;

"$\boldsymbol{N_{(t-x)}}$" means number of bonds outstanding as of end of the day "x" days before the before day "t" days after the Issue Date;

"$\widetilde{\boldsymbol{SCE}}^{\boldsymbol{i}}_{(\boldsymbol{t})}$" means the Rebalanced Single Cryptocurrency Entitlement, gross of rebalance cost and management fee, in respect of the particular Cryptocurrency comprised in the Basket (denoted "i") on day "t" days after the Issue Date;

"$\boldsymbol{SCE}^{\boldsymbol{i}}_{(\boldsymbol{0})}$" means the initial Single Cryptocurrency Entitlement, in respect of the particular Cryptocurrency comprised in the Basket (denoted "i"), on the Issue Date;

"$\boldsymbol{DER}$" means the Diminishing Entitlement Rate. The Diminishing Entitlement Rate represents the management fee expressed as the rate at which the Single Cryptocurrency Entitlement decays over time;

"$\boldsymbol{DSC}^{\boldsymbol{i}}_{(\boldsymbol{t})}$" means the fees applied to the staking rewards in respect of the particular Cryptocurrency comprised in the Basket (denoted "i");

"**RCR**" means the effective rebalance cost rate; The effective rebalance cost RCR represents a fee charged by the Issuer to affect the rebalancing of the Basket;

"$\boldsymbol{RTV}^{\boldsymbol{i}}_{(\boldsymbol{t})}$" means the positive variation between the Single Cryptocurrency Entitlement (for the relevant cryptocurrency denoted "i") on day "t" and the Single Cryptocurrency Entitlement on the previous calendar day; If the Basket was not comprised of the relevant cryptocurrency on the previous calendar day, the respective Single Cryptocurrency Entitlement on the previous calendar day is zero; If the variation between the Single Cryptocurrency Entitlement on day "t" and Single Cryptocurrency Entitlement on the previous calendar day is negative, $\boldsymbol{RTV}^{\boldsymbol{i}}_{(\boldsymbol{t})}$ is zero;

"$\boldsymbol{MTM}$" means the mark-to-market value of the total Cryptocurrency Entitlement (as of the previous day) calculated on the day "t" calendar days after the Issue Date;

"$\boldsymbol{P}_{(\boldsymbol{t})}$" means the reference price calculated in respect of the particular Cryptocurrency comprised in the Basket (denoted "i") on the day "t" calendar days after the Issue Date; The same methodology and source for $\boldsymbol{P}^{\boldsymbol{i}}_{(\boldsymbol{t})}$ calculation shall be used as prescribed by the Index Methodology for the calculation of prices of its components; and

"$\boldsymbol{W}^{\boldsymbol{i}}_{(\boldsymbol{t})}$" means the weighting in respect of the particular Cryptocurrency comprised in the Basket (denoted "i") on the day "t" calendar days after the Issue Date, provided by the Index Sponsor.

5. For Series of **Bonds linked to a single Cryptocurrency with FX Hedging feature issued pursuant to Annex A - Part E** of the Terms and Conditions, the Cryptocurrency Entitlement will be determined pursuant to the following formula:

$$CE_{(t)} = (CE_{(t-1)} + FXP_{(t)}) * \left(1 - \frac{DER + HDC}{365}\right)$$

$$FXP_{(t)} = \frac{\left(CE_{(t-1)} * P_{(t-1)}\right) * \left(\frac{FFX_{(t-1)}}{FXS_{(t)}} - 1\right)}{P_{(t)}}$$

Where:

"$\boldsymbol{CE_{(t)}}$" means the Cryptocurrency Entitlement on day "t" days after the Issue Date.

"**t**" means the number of calendar days elapsed since the Issue Date.

"$\boldsymbol{CE_{(t-1)}}$" means the Cryptocurrency Entitlement on the previous day before day "t" days after the Issue Date.

"$\boldsymbol{CE_{(0)}}$" means the Initial Cryptocurrency Entitlement on the Issue Date.

"$\boldsymbol{DER}$" means the Diminishing Entitlement Rate. The Diminishing Entitlement Rate represents the management fee expressed as the rate at which the Cryptocurrency Entitlement decays over time.

"$\boldsymbol{P_{(t)}}$" means the Reference Price of the underlying Cryptocurrency on the day 't' calendar days after the Issue Date;

"$\boldsymbol{P_{(t-1)}}$" means the Reference Price of the underlying Cryptocurrency on the previous day before day 't' days after the Issue Date.

"$\boldsymbol{FXP_{(t)}}$", means the FX Hedge Performance. The FX Hedge Performance represents the change in Cryptocurrency entitlement rate, in respect of the FX Hedging mechanism for the mitigation of fluctuations in the exchange rate between the currency in which the Reference Price is denominated (the "**Reference Price Currency**") and the Bond Currency, on day 't' days after the Issue Date.

"$\boldsymbol{FFX_{(t-1)}}$" means the FX Forward Reference Level on the previous day before day 't' days after the Issue Date;

"$\boldsymbol{FXS_{(t)}}$" means the FX Spot Reference Level in respect to the day 't' days after the Issue Date;

"**FX Forward Reference Level**" means, in respect of any calendar day, the forward rate, expressed in the Reference Price Currency provided by the FX Counterparty, on that day as being the rate for a forward exchange of an amount of the Reference Price Currency per one unit of the Bond Currency; and

"**FX Spot Reference Level**" means, in respect of any calendar day, the currency exchange rate expressed in the Reference Price Currency provided by the FX Counterparty, on that day as being the rate for the exchange of an amount of the Reference Price Currency per one unit of the Bond Currency.

"**HDC**" means the hedging Costs. The hedging costs represents the annual cost of the Issuer to maintain the currency hedging mechanism expressed in per cent. *per annum*.

6. For Series of **Bonds with index based calculation issued pursuant to Annex A – Part F** of the Terms and Conditions, the Cryptocurrency Entitlement will be determined pursuant to the following formula:

$$\boldsymbol{CE_{(t)}} = (\Sigma_i^n\ Cryptocurrency\ Amount_i * Entitlement) * (1.0 - DER/365)^t$$

Where:

"$\boldsymbol{CE_{(t)}}$" means the Cryptocurrency Entitlement on day "t" days after the Issue Date;

"$\boldsymbol{Cryptocurrency\ Amount_i}$" means the amount of units of the respective Cryptocurrency comprised in the Index as calculated and published by the Index Sponsor on any day at the time specified in the relevant Final Terms;

"$\boldsymbol{DER}$" means the Diminishing Entitlement Rate. The Diminishing Entitlement Rate represents the management fee expressed as the rate at which the Cryptocurrency Entitlement decays over time;

"**Entitlement**" means the entitlement for each Bond as specified in the respective Final Terms;

"**Index**" means the index specified in the respective Final Terms;

"**Index Sponsor**" means the index sponsor of the respective Index;

"**n**" means the number of different Cryptocurrencies comprised in the Index;

"**t**" means the number of calendar days elapsed since the Issue Date.

7. For **all Series of Bonds** the Issuer also aims to publish the Net Asset Value for the units of the Bonds on each business day.

The Net Asset Value is (i) the market value of the respective single underlying Cryptocurrency (in case of Bonds linked to a single Cryptocurrency issued pursuant to Annex A – Part A, Part C and Part E) or (ii) the sum of the market values of each of $\text{Cryptocurrency}_{(i)}$ comprised in the Index (in case of Bonds linked to an Index of Cryptocurrency issued pursuant to Annex A – Part B and Part D as well as Bonds with index based calculation issued pursuant to Annex A – Part F). The respective Net Asset Value for each Series of Bonds is calculated in accordance with the following formula:

Net Asset Value = $\boldsymbol{\Sigma_i^n\ p_i * q_i}$

Where (for all $\text{Cryptocurrencies}_{(i)}$ comprised in the Index):

"**n**" means the number of underlying components

"$\mathbf{p_i}$" means the respective data source or index reference price of the respective $\text{Cryptocurrency}_{(i)}$ comprised in the Index as stated in the Final Terms

"$\mathbf{q_i}$" means the Cryptocurrency Entitlement or Entitlement (as applicable) of the respective Series of Bonds as specified in the Final Terms

Example: Bonds linked to a single Cryptocurrency

If, in case of a Series of Bonds linked to a single Cryptocurrency, for example Bitcoin (BTC), the respective reference price at the specified time was 20,000 USD ($\mathbf{p_i}$) and the Cryptocurrency Entitlement per Bond amount was 0.01 ($\mathbf{q_i}$), then the Net Asset Value of 1 unit of the Bonds would be calculated as follows:

20,000 USD ($\mathbf{p_i}$) * 0.01 ($\mathbf{q_i}$) = 200 USD per Bond.

Example: Bonds linked to an Index of Cryptocurrency

Similarly, if, in case of a Series of Bonds linked to an Index of Cryptocurrencies, the Index is comprised of units of both, Bitcoin (BTC) and Ethereum (ETH), and the reference price of the Index at the specified time was 20,000 USD for Bitcoin and 2,000 USD for Ethereum and the Cryptocurrency Entitlement per Bond was 0.01 then the Net Asset Value of a unit in USD would be calculated as follows:

20,000 USD ($\mathbf{p_1}$) * 0.01 ($\mathbf{q_i}$) + 2,000 ($\mathbf{p_2}$) * 0.01 ($\mathbf{q_i}$) = 220 USD per Bond.

Whereby:

"$\mathbf{p_1}$" means the price of BTC

"$\mathbf{p_2}$" means the price of ETH

"$\mathbf{q_i}$" means the Cryptocurrency Entitlement of the Series of Bonds.

8. Additionally, in case of Series of **Bonds with an underlying Index of Cryptocurrency issued pursuant to Annex A - Part B and D** of the Terms and Conditions, the Cryptocurrency Entitlement is subject to adjustments upon the occurrence of a Collateral Shortfall Event (as described below under 13.3.1. "*Security over Depositary Wallet*").

For the avoidance of doubt, in case of Bonds linked to underlying Cryptocurrency comprising the Index, the Cryptocurrency Entitlement refers to the specified number of units of each underlying Cryptocurrency contained in one Unit of the Index. This means that a Bondholder will not receive units of a single Cryptocurrency, but units of all Cryptocurrency comprising the Index in an amount per Bond as specified in the definition of "Index" in the relevant Final Terms.

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

If a Bondholder fails to perform (i) or (ii) on or before the date specified in the relevant Mandatory Redemption Notice, the Issuer will redeem the relevant Bonds in cash.

(b) Voluntary Redemption

Each Bondholder may at any time in whole or in part redeem its Bonds against (i) payment of the Cryptocurrency Entitlement; or (ii) the Cash Redemption Amount.

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

(c) Cryptocurrency Execution Procedure

If a Bondholders has requested a Voluntary Redemption to be settled in cash, the Bonds will be redeemed in the relevant Bond Currency of the Bonds against payment the Cash Redemption Amount.

In such case, the Issuer will instruct a service provider (the "**Execution Agent**") to sell the Cryptocurrency attributable to or forming part of the Security in respect of the Bonds subject to the relevant Voluntary Redemption request in an amount equal to the Cryptocurrency Entitlement (the "**Cryptocurrency Execution Procedure**"). In case of a successful sale of the Cryptocurrency, the Issuer will transfer the Cash Redemption Amount to the relevant Bondholder's account as specified in the Redemption Form. In case of a partially successful execution, e.g. in cases where the Execution Agent is not able to fully execute the Cryptocurrency Execution Procedure for one or more (but not all) of the Cryptocurrency (a "**Partially Failed Execution**"), the Cash Redemption Amount will only consist of the cash proceeds generated from the successful element of the Cryptocurrency Execution Procedure.

(d) Divestment Procedure

In relation to the Bitwise MSCI Digital Assets Select 20 ETP (DA20) Bonds, if a Bondholder has opted for the redemption in a fiat currency, the Bonds will be redeemed in the respective fiat currency against payment of an amount equal to the Cryptocurrency Sale Proceeds.

"**Cryptocurrency Sale Proceeds**" means an amount in the respective fiat currency obtained from the sale of units of the underlying Cryptocurrency equating to the Cryptocurrency Entitlement multiplied by the number of Bonds being redeemed in the respective fiat currency from the Deposited Cryptocurrency with the relevant Depositary by using one or several (as the case may be) Cryptocurrency Divestment Procedures.

If the Issuer is required to arrange for a Cryptocurrency Divestment Procedure, the Divestment Agent shall – upon instruction from the Issuer (if applicable) – in accordance with deadlines set forth in the Terms and Conditions on the so-called Divestment Start Date initiate the sale of the required number of units of the relevant underlying Cryptocurrency (the "**Cryptocurrency Divestment Procedure**") on one or more trading venues.

The Cryptocurrency Divestment Procedure shall end upon the expiration of a maximum number of days (to be specified in the relevant Final Terms) from the Divestment Start Date. The technical process of the Cryptocurrency Divestment Procedure, including the submission and acceptance of offers to buy and sell, shall be carried out in accordance with the business terms and trading rules of the respective trading venue(s). Any legal entity or any natural person registered and authorised to participate in trading on the trading venue(s), may participate in the Cryptocurrency Divestment Procedure by submitting purchase orders via the trading venue(s). The Divestment Agent will offer the units of the Cryptocurrency to be divested for sale (at their full number as well as in tranches of any size) at their current fair market value, however in no case at less than 80% of the relevant Reference Price determined in accordance with the Terms and Conditions. In case of a successful sale, the settlement shall be carried out in accordance with the business terms and trading rules of the respective trading venues.

(e) Auction

In relation to Bonds issued before 21 November 2022 only, if a Bondholder is prevented from receiving units of any or all of the underlying Cryptocurrency for legal reasons, in particular due to regulatory provisions applicable to it, the Bonds may be redeemed in fiat currency against payment of an amount equal to the Cryptocurrency Sale Proceeds. "**Cryptocurrency Sale Proceeds**" means an amount in fiat currency obtained from the sale of units of the underlying Cryptocurrency equating to the Cryptocurrency Entitlement multiplied by the number of Bonds being redeemed in fiat currency from the Deposited Cryptocurrency with the relevant Depositary by using one or several (as the case may be) Cryptocurrency Auction Procedures.

If the Issuer is required to arrange for a Cryptocurrency Auction Procedure, the Auctioneer shall – upon instruction from the Issuer (if applicable) – announce that it is auctioning the required number of units of the relevant underlying Cryptocurrency on the Issuer´s official website (https://bitwiseinvestments.eu/).

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

In case the bid is accepted by the Auctioneer, the bidder shall arrange for the transfer of a Bid Guarantee Amount to the Issuer as a guarantee for its bid (being 10 percent of the Reference Price, calculated based on the Reference Price at the Business Day preceding the Announcement Date, multiplied by the number of units of the relevant Cryptocurrency or Units of the Index being auctioned). Bids, for which no bid guarantees have been received by the Issuer, will not be considered valid and legally binding. Bids for which the bidders have posted a Bid Guarantee Amount are irrevocable and may not be cancelled by the bidders, but may be improved on request by the bidder. Upon the Issuer receiving a Bid Guarantee Amount from

the bidder, or upon receiving an amendment (increase) of the bid by the bidder, the Auctioneer will announce such received or updated bid on the Issuer´s official website (https://bitwiseinvestments.eu/) within 24 hours of receipt.

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

(f) Example Calculations for the option of a single underlying Cryptocurrency without Staking:

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

Such calculations are based on the following assumptions:

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

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

Initial Cryptocurrency Entitlement ($CE_{(0)}$) at the Issue Date: 0.001 per Bond

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

Cryptocurrency Entitlement ($CE_{(t)}$) at redemption on the day "t" days after the Issue Date calculated in accordance with the formula:

$$\boldsymbol{CE_{(t)} = CE_{(t-1)} * \left(1.0 - \frac{DER}{365}\right)}$$

as further described in section *a) Mandatory Redemption*.

Initial investment ignoring fees[8] at the Issue Date: 2,000 Bonds.

The result of the calculation described above is displayed below in the column "*Redemption Proceeds*" in Table 1 and Table 2 for each scenario. Further, to illustrate the impact of the costs incurred, Table 2 displays the calculations based on an annual performance of the Underlying Cryptocurrency of zero percent *per annum*.

[8] The amount of the fees depends on the respective Authorised Participant or if an investor purchases the Bonds via the stock exchange.

Table 1:

Years since Issue Date	CE (per 1000 Bonds) in relevant underlying Cryptocurrency	Underlying Cryptocurrency EUR (for example only, not a forecast)	Scenario 1: Mandatory Redemption			Scenario 2: Redemption by any Bondholder with the Issuer			Scenario 3: Redemption of an Authorised Participant with the Issuer		
			Upfront Redemption Fee (EUR)	Exercise Fee	Redemption proceeds (in EUR), valued at current relevant underlying Cryptocurrency price	Upfront Redemption Fee (EUR)(1)	Exercise Fee	Redemption proceeds (in EUR), valued at current relevant underlying Cryptocurrency price	Upfront Redemption Fee (EUR)(2)	Exercise Fee(2)(3)	Redemption proceeds (in EUR), valued at current relevant underlying Cryptocurrency price(4)
0	1.0000	5,000.00	-	-	10,000.00	50.00	1%	9,900.00	-	0.50%	9,950.00
1	0.9800	7,500.00	-	-	14,700.00	50.00	1%	14,553.00	-	0.50%	14,626.50
5	0.9039	4,000.00	-	-	7,231.37	50.00	1%	7,159.06	-	0.50%	7,195.21
10	0.8187	48,000.00	-	-	78,597.72	50.00	1%	77,811.74	-	0.50%	78,204.73

Table 2:

Years since Issue Date	CE (per 1000 Bonds) in relevant underlying Cryptocurrency	Underlying Cryptocurrency EUR (for example only, not a forecast)	Scenario 1: Mandatory Redemption			Scenario 2: Redemption by any Bondholder with the Issuer			Scenario 3: Redemption of an Authorised Participant with the Issuer		
			Upfront Redemption Fee (EUR)	Exercise Fee	Redemption proceeds (in EUR), valued at current relevant underlying Cryptocurrency price	Upfront Redemption Fee (EUR)(1)	Exercise Fee	Redemption proceeds (in EUR), valued at current relevant underlying Cryptocurrency price	Upfront Redemption Fee (EUR)(2)	Exercise Fee(2)(3)	Redemption proceeds (in EUR), valued at current relevant underlying Cryptocurrency price(4)
0	1.0000000	5,000.00	-	-	10,000.00	50.00	1%	9,900.00	-	0.50%	9,950.00
1	0.9801981	5,000.00	-	-	9,801.98	50.00	1%	9,703.96	-	0.50%	9,752.97
2	0.9607884	5,000.00	-	-	9,607.88	50.00	1%	9,511.81	-	0.50%	9,588.66
3	0.9417630	5,000.00	-	-	9,417.63	50.00	1%	9,323.45	-	0.50%	9,370.54
4	0.9231143	5,000.00	-	-	9,231.14	50.00	1%	9,138.83	-	0.50%	9,184.98
5	0.9048349	5,000.00	-	-	9,048.35	50.00	1%	8,957.87	-	0.50%	9,003.11

(1) Pursuant to Condition 1 of the Terms and Conditions the Issuer may charge (or waive) the Upfront Redemption Fee at its reasonable discretion.
(2) Assuming the Authorised Participant does not charge any fees (or charges negligible fees)
(4) Exercise Fee might be lower in accordance with a particular Authorised Participant Agreement
(5) A particular Authorised Participant may choose not to accept redemption requests from certain Bondholders at their sole and absolute discretion and in line with their internal policies

(g) Example Calculations for the option of a single underlying Cryptocurrency with Staking:

The table below contains example calculations of the redemption proceeds of the Bonds depending on (i) the time elapsed since the issuances of the Bonds (*Years since Issue Date*), (ii) the future performance of the underlying Cryptocurrency based on an exemplary level of the underlying Cryptocurrency as of the date of the redemption of the Bonds (*Underlying Cryptocurrency EUR*), (iii) the Staking Rewards earned (expressed as the average staking yield in per cent. for the relevant period) and (iv) the fees applied to the Bonds (*Exercise Fee*).

Such calculations are based on the following assumptions:

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

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

Initial Cryptocurrency Entitlement ($CE_{(0)}$) at the Issue Date: 0.001 per Bond

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

Cryptocurrency Entitlement ($CE_{(t)}$) at redemption on the day "t" days after the Issue Date calculated in accordance with the formulas:

$$\boldsymbol{CE_{(t)} = CE_{(t-1)} * \left(1 - \frac{DER}{365}\right) + \frac{SR_{(t-x)}}{N_{(t-x)}}(1 - DSC)}$$

as further described in section *a) Mandatory Redemption*.

Initial investment ignoring fees[9] at the Issue Date: 2,000 Bonds.

The result of the calculation described above is displayed below in the column "*Redemption Proceeds*" for each scenario, whereby Table 3 displays the calculations based on an average staking yield of zero (corresponding to no Staking Rewards), while Table 4 displays the calculations for a floating average staking yield (corresponding to changing Staking Rewards in each year).

[9] The amount of the fees depends on the respective Authorised Participant or if an investor purchases the Bonds via the stock exchange.

Table 3:

Years since Issue Date	Average staking yield during the period	CE (per 1000 Bonds) in relevant underlying Cryptocurrency	Underlying Cryptocurrency EUR (for example only, not a forecast)	Scenario 1: Mandatory Redemption			Scenario 2: Redemption by any Bondholder with the Issuer			Scenario 3: Redemption of an Authorised Participant with the Issuer		
				Upfront Redemption Fee (EUR)	Exercise Fee	Redemption proceeds (in EUR), valued at current relevant underlying Cryptocurrency price	Upfront Redemption Fee (EUR)(1)	Exercise Fee	Redemption proceeds (in EUR), valued at current relevant underlying Cryptocurrency price	Upfront Redemption Fee (EUR)(2)	Exercise Fee(2)(3)	Redemption proceeds (in EUR), valued at current relevant underlying Cryptocurrency price(4)
0	0%	1.0000000	5,000.00	-	-	10,000.00	50.00	1%	9,900.00	-	0.50%	9,950.00
1	0%	0.9801981	14,125.00	-	-	27,690.60	50.00	1%	27,413.69	-	0.50%	27,552.14
2	0%	0.9607884	23,250.00	-	-	44,676.66	50.00	1%	44,229.89	-	0.50%	44,453.28
3	0%	0.9417630	32,375.00	-	-	60,979.15	50.00	1%	60,369.36	-	0.50%	60,674.26
4	0%	0.9231143	41,500.00	-	-	76,618.49	50.00	1%	75,852.30	-	0.50%	76,235.40
5	0%	0.9048349	50,625.00	-	-	91,614.54	50.00	1%	90,698.39	-	0.50%	91,156.46

Table 4:

Years since Issue Date	Average staking yield during the period	CE (per 1000 Bonds) in relevant underlying Cryptocurrency	Underlying Cryptocurrency EUR (for example only, not a forecast)	Scenario 1: Mandatory Redemption			Scenario 2: Redemption by any Bondholder with the Issuer			Scenario 3: Redemption of an Authorised Participant with the Issuer		
				Upfront Redemption Fee (EUR)	Exercise Fee	Redemption proceeds (in EUR), valued at current relevant underlying Cryptocurrency price	Upfront Redemption Fee (EUR)(1)	Exercise Fee	Redemption proceeds (in EUR), valued at current relevant underlying Cryptocurrency price	Upfront Redemption Fee (EUR)(2)	Exercise Fee(2)(3)	Redemption proceeds (in EUR), valued at current relevant underlying Cryptocurrency price(4)
0	4.00%	1.0000000	5,000.00	-	-	10,000.00	50.00	1%	9,900.00	-	0.50%	9,950.00
1	4.00%	1.0100500	14,125.00	-	-	28,533.91	50.00	1%	28,248.57	-	0.50%	28,391.24
2	5.00%	1.0278599	23,250.00	-	-	47,795.49	50.00	1%	47,317.53	-	0.50%	47,556.51
3	6.00%	1.0538578	32,375.00	-	-	68,237.29	50.00	1%	67,554.92	-	0.50%	67,896.10
4	7.00%	1.0886468	41,500.00	-	-	90,357.69	50.00	1%	89,454.11	-	0.50%	89,905.90
5	8.00%	1.1330496	50,625.00	-	-	114,721.27	50.00	1%	113,574.06	-	0.50%	114,147.67

(1) Pursuant to Condition 1 of the Terms and Conditions the Issuer may charge (or waive) the Upfront Redemption Fee at its reasonable discretion.
(2) Assuming the Authorised Participant does not charge any fees (or charges negligible fees)
(4) Exercise Fee might be lower in accordance with a particular Authorised Participant Agreement
(5) A particular Authorised Participant may choose not to accept redemption requests from certain Bondholders at their sole and absolute discretion and in line with their internal policies

13.2.9. Fees related to the redemption of the Bonds

(a) Redemption directly with the Issuer

A Bondholder may request Voluntary Redemption directly from the Issuer. Bonds will be redeemed in the underlying Cryptocurrency (or the underlying Cryptocurrency comprising the Index) to the Digital Wallet of the Bondholder unless a Bondholder has opted for redemption in cash in fulfillment of its delivery claim to underlying Cryptocurrency.

If a Bondholder decides to demand redemption directly from the Issuer and, irrespective of whether the repayment is made in the relevant Cryptocurrency or in cash, the Issuer may charge a fee of up to a certain percentage of the Cryptocurrency Entitlement for each Bond (as specified in the relevant Final Terms) in relation to which the Voluntary Redemption is requested (lower fees apply for redemptions by Bondholders who are Authorised Participants).

In addition, in case of a Voluntary Redemption by Bondholder who is not an Authorised Participant, the Issuer may charge at its sole and absolute discretion an upfront redemption fee corresponding to a maximum amount to be specified in the relevant Final Terms (the "**Upfront Redemption Fee**").

(b) Redemption via an Authorised Participant

A Bondholder may request Voluntary Redemption through an Authorised Participant, if the Bondholder qualifies in accordance with client acceptance policies of the Authorised Participant (which the Issuer has no influence over). In such case, the Bonds will be redeemed in the relevant Cryptocurrency to the Digital Wallet of the Bondholder unless a Bondholder, acting through an Authorised Participant, has opted for redemption in cash.

For every redemption through an Authorised Participant and irrespective of whether the repayment is made in the relevant underlying Cryptocurrency or in cash, the Issuer will charge a fee which shall not exceed an amount equal to a certain percentage of the Cryptocurrency Entitlement (which will be specified in the relevant Final Terms) for each Bond subject to the Voluntary Redemption.

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

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

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

Where no Authorised Participant has been appointed by the Issuer or where a Bondholder does not qualify in accordance with client acceptance policies of any Authorised Participant, a Bondholder may either request Voluntary Redemption directly vis-à-vis the Issuer and request redemption directly from the Issuer or sell its Bonds in the secondary market. Where a Bondholder requests Voluntary Redemption directly vis-à-vis the Issuer the Bonds will be redeemed in the relevant underlying Cryptocurrency to the Digital Wallet of the Bondholder unless a Bondholder has opted for redemption in cash.

If a Bondholder decides to demand redemption directly from the Issuer and, irrespective of whether the repayment is made in the relevant underlying Cryptocurrency or in cash, the Issuer may charge a fee of up to a certain percentage of the Cryptocurrency Entitlement (as specified

in the relevant Final Terms) for each Bond in relation to which the Voluntary Redemption is requested (lower fees apply for redemptions by the Bondholders who are Authorised Participants).

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

13.2.10. Sale of Bonds in the Secondary Market

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

13.2.11. ECB Eligibility

The Bonds are not intended to be held in a manner which would allow for them to be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life.

13.2.12. Ratings

The Bonds have not been rated.

13.2.13. Clearing and Settlement

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

13.2.14. Determination of issue specific variables

Certain variables, such as values, dates and other information, are determined individually, on an issue specific case by case basis, in relation to each Series of Bonds. Such variables will be determined in the respective Final Terms relating to each Series of Bonds.

The information so determined are:

- International security identification number (ISIN) and German Securities Code;
- Underlying Cryptocurrency or Cryptocurrency comprising the Index, as the case may be;
- Initial composition of the Basket;
- Issue Date;
- Offer Period;
- Issue Price;
- Aggregate amount of Bonds to be issued;
- Series No. and Tranche No.;
- Indication where information about the past and the future performance of the underlying Cryptocurrency, cryptocurrencies or Cryptocurrency comprising the Index, as the case may be, and its/their volatility can be obtained;
- Details of the benchmark administrator;
- Details of the Index Sponsor;

- Indication whether or not the issuer intends to provide post issuance information;
- Countries where the offer to the public conducted by the Issuer takes place;
- Information with regard to the manner, place and date of the publication of the results of the offer;
- Estimate of the total expenses of the issue/offer;
- Estimate of the total expenses related to the admission to trading; and
- Names and addresses of the entities which have a firm commitment to act as intermediaries in secondary trading, providing liquidity through bid and offer rates and description of the main terms of their commitment (*Market Makers*).

13.3. DESCRIPTION OF THE SECURITY

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

13.3.1. Security over Depositary Wallet

Pursuant to Condition 14.3 of the Terms and Conditions[10] the Issuer shall procure in relation to each Series of Bonds that it holds such amount of the underlying Cryptocurrency equal to or exceeding the Secured Obligations Amount on the Depositary Wallet held with the Depositary (the "**Deposited Cryptocurrency**") at any given time (the "**Covenant**").

The Issuer and The Law Debenture Trust Corporation p.l.c. as Security Trustee and the relevant Depositary, (i.e. Anchorage, BitGo, BitGo Europe, Coinbase Custody, Komainu and Zodia (or any other entity designated as the Depositary by the Issuer)), have entered or will enter into an account control agreement (each, a "**Depositary Account (Wallet) Control Agreement**") in relation to each Series of Bonds, governed by the laws of the State of New York (in relation to the Depositary Account (Wallet) Control Agreements entered into with BitGo and Coinbase Custody), governed by the laws of the Federal Republic of Germany (in relation to the Depositary Account (Wallet) Control Agreements entered into with Anchorage, BitGo Europe, Komainu and Zodia. Further, the Issuer and the Security Trustee have entered or will enter into a Cryptocurrency security agreement (the "**Cryptocurrency Security Agreement**") in relation to each Series of Bonds, governed by the laws of the State of New York (in relation to the Cryptocurrency Security Agreements entered into with BitGo and Coinbase Custody), governed by the laws of the Federal Republic of Germany (in relation to the Cryptocurrency Security Agreements entered into with BitGo Europe, Komainu and Zodia.

While any units of Cryptocurrency received by the Issuer in connection with the subscription of the Bonds will be directly transferred to the Depositary Wallet and will be secured by a security agreement for the benefit of the Bondholders, rewards received for Staking ("**Staking Rewards**") will not in any case be paid out and transferred to the Depositary Wallet immediately, but any payments and transfers of such Staking Rewards are subject to the rules of the respective underlying protocol. The payment and transfer of the units of the respective underlying Cryptocurrency earned as Staking Rewards and the deposition of such Staking Rewards into the Depositary Wallet may therefore require a certain period of time. Accordingly, the Terms and Conditions allow to take into account possible temporary shortfalls of the Deposited Cryptocurrency due to any delay associated with the payment of the Staking Rewards as prescribed by the protocol of the relevant Cryptocurrency and the transfer of such Staking Rewards to the Depositary Wallet by not considering such temporary shortfall as breach of the Covenant.

In case of Bonds secured by a basket comprised of Cryptocurrency which are components of an underlying Index, in case of a rebalancing of the underlying Index (*i.e.* a change in the composition of

[10] §12 (3) of the relevant terms and conditions in case of Bonds issued under the Preceding Base Prospectuses.

the Cryptocurrency of which the respective Index is comprised of), the Issuer will be required to reflect such rebalancing of the underlying Index in the Deposited Cryptocurrency accordingly.

In order to facilitate such rebalancing progress, the Issuer may be required to execute an Eligible Rebalance Procedure (as specified in Condition 1 of the Terms and Conditions[11]) which includes, without limitation, the withdrawal and transfers of units of the underlying Cryptocurrency comprising the Deposited Cryptocurrency to the Depositary or any other eligible counterparty (as further specified in the Terms and Conditions).

In connection therewith, it is possible that temporary shortfalls of the Deposited Cryptocurrency may occur. Accordingly, Condition 14.3 of the Terms and Conditions[12] allows to take into account possible temporary shortfalls of the Deposited Cryptocurrency in limited circumstances, as further specified in Condition 2.11 of Annex B, by not considering such temporary shortfall as breach of the Covenant.

In case that such shortfall of the Deposited Cryptocurrency due to an execution of Eligible Rebalance Procedures (as specified in Condition 1 of the Terms and Conditions[13]) or failure of the FX Counterparty to transfer the relevant Cryptocurrency manifests not only as temporary, but as a permanent shortfall ("**Collateral Shortfall Event**"), the Issuer will inform the relevant Bondholders accordingly and, in accordance with Condition 14.3 and Condition 1 of the Terms and Conditions[14], the amount of the units of the underlying Cryptocurrency to be held on the Depositary Wallet with the Depositary as Deposited Cryptocurrency will be adjusted accordingly to reflect such Collateral Shortfall Event by subtracting such shortfall from the previously applicable amount of Deposited Cryptocurrency.

Following such adjustment of the Deposited Cryptocurrency, the Cryptocurrency Entitlement will be adjusted accordingly to correspond to the amount of Deposited Cryptocurrency divided by the number of Bonds outstanding. Such adjustment of the Cryptocurrency Entitlement will affect all unfinalized transactions in connection with a Mandatory Redemption by the Issuer or the request for Voluntary Redemption by a Bondholder even if they were initiated prior to such adjustment. Thereafter, both the Cryptocurrency Entitlement and the Deposited Cryptocurrency shall continue to evolve as specified in the Terms and Conditions, disregarding any effect of the formulas on the Cryptocurrency Entitlement value prior to the relevant Collateral Shortfall Event.

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

The Cryptocurrency Security Agreement grants to the Security Trustee the right to repossess and foreclose upon the Collateral in relation to each Series of Bonds upon an Event of Default for the purpose of paying the Secured Obligations Amounts. Event of Default is defined in the Cryptocurrency Security Agreement to mean that the Issuer delivers written notice to the Security Trustee of the occurrence of an Event of Default listed in Condition 13.1 of the Terms and Conditions[15].

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[11] §1 (8) of the relevant terms and conditions in case of the Bitwise MSCI Select 20 Crypto Index ETP (DA20) Bonds, the Bitwise Ethereum Staking ETP (ET32) Bonds, the Bitwise Core Bitcoin ETP (BTC1) Bonds and the Bitwise MSCI Digital Assets Select 20 ETP (DA20) Bonds.

[12] §12 (3) of the relevant terms and conditions in case of the Bitwise MSCI Select 20 Crypto Index ETP (DA20) Bonds, the Bitwise Ethereum Staking ETP (ET32) Bonds, the Bitwise Core Bitcoin ETP (BTC1) Bonds and the Bitwise MSCI Digital Assets Select 20 ETP (DA20) Bonds.

[13] §1 (8) of the relevant terms and conditions in case of the Bitwise MSCI Select 20 Crypto Index ETP (DA20) Bonds, the Bitwise Ethereum Staking ETP (ET32) Bonds, the Bitwise Core Bitcoin ETP (BTC1) Bonds and the Bitwise MSCI Digital Assets Select 20 ETP (DA20) Bonds.

[14] §1 (8) and §12 (3) of the relevant terms and conditions in case of the Bitwise MSCI Select 20 Crypto Index ETP (DA20) Bonds, the Bitwise Ethereum Staking ETP (ET32) Bonds, the Bitwise Core Bitcoin ETP (BTC1) Bonds and the Bitwise MSCI Digital Assets Select 20 ETP (DA20) Bonds.

[15] §11 (1) of the relevant terms and conditions in case of Bonds issued under the Preceding Base Prospectuses.

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

To assist the Security Trustee, the Administrator, which is appointed (and replaced, if applicable) by the Issuer in relation to all Series of Bonds only with the consent of the Security Trustee, is legally required to verify compliance of the Issuer with (i) the covenant set out in Condition 14.3. of the Terms and Conditions[16] and (ii) the obligation of the Issuer to transfer Bonds to a subscribing party once the appropriate subscription price was paid into the Depositary Wallet. The terms of the Depositary Account (Wallet) Control Agreement prevent the Issuer from transferring or disposing of any assets from the Depositary Account and / or the Depositary Wallet without consent of the Administrator, even absent an Event of Default.

13.3.2. Security over Issuer-Owned Bonds

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

In addition, the Issuer, the Security Trustee and the respective financial intermediary maintaining the Issuance Account for the Issuer (the "**Depo Bank**"), currently Quirin Privatbank AG has entered or will enter into the Issuance Account Control Agreement in relation to each Series of Bonds, pursuant to which the Administrator has to approve for the Depo Bank any transfer of the Bonds out of the Issuance Account to ensure that an appropriate number of units of the relevant underlying Cryptocurrency was deposited to the Depositary Wallet by the party subscribing to the Bonds and the Issuer is in continuous compliance with the covenant set out in Condition 14.3 of the Terms and Conditions[17].

13.3.3. German Security and Security Trust Agreement

In relation to each Series of Bonds, the Issuer and the Security Trustee have entered or will enter into a German Security and Security Trust Agreement, pursuant to which the Security Trustee will be appointed to act as security trustee of and for the benefit of the Bondholders, the Security Trustee itself and the Bondholders' Representative (if appointed, whereby, initially, no Bondholders' Representative will be appointed) in connection with the administration and the handling of the rights of the Bondholders against the Issuer as well as among themselves in relation to the Security. In particular, the Security Trustee shall (i) hold, administer and enforce such Security which is assigned or transferred to it by way of security (*Sicherungsabtretung/Sicherungsübereignung*) or otherwise granted under a non-accessory security right (*nicht akzessorische Sicherheit*) and exercise its rights and discharge its duties under this Agreement as trustee (*Treuhänder*) for the benefit of the Bondholders; (ii) administer and enforce such Security which has been created by way of pledge (*Verpfändung*) or otherwise transferred to it under an accessory security right (*akzessorische Sicherheit*); and (iii) act in relation to the Security in accordance with the terms and subject to the conditions of the German Security and Security Trust Agreement.

[16] §12 (3) of the relevant terms and conditions in case of Bonds issued under the Preceding Base Prospectuses.
[17] §12 (3) of the relevant terms and conditions in case of Bonds issued under the Preceding Base Prospectuses.

14. TERMS AND CONDITIONS

*The following is the text of the general terms and conditions (together, the "**Terms and Conditions**" and each, a "**Condition**") which, together with Annex A, Annex B and Part II of these Final Terms relating to a particular Series of Bonds, will be applicable to the Bonds of such Series and which will be attached to or endorsed on the Global Note representing such Series of Bonds in definitive form. In case of inconsistencies between the Terms and Conditions and the Final Terms, the Final Terms shall prevail.*

The Bonds are issued under the **Programme**.

Bondholders are deemed to have notice of all the provisions of these Terms and Conditions and the Final Terms.

1. DEFINITIONS

The following definitions are applicable to all Bonds issued under the Programme by the Issuer and shall be read in conjunction with the Final Terms related to each Series of Bonds.

"**Administrator**" means the institution(s) specified in Condition 8.1 below that the Issuer from time to time, has designated as an Administrator to approve any transfer of Issuer-Owned Bonds or Deposited Cryptocurrency, where security interests have been created in relation to such Issuer-Owned Bonds or Deposited Cryptocurrency, respectively, for the benefit of the Bondholders, the Security Trustee and the Bondholders' Representative (if appointed). The Administrator may be appointed, or such appointment terminated by the Issuer pursuant to Condition 8 – *Transaction Partners*;

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

"**Annex A**" means the annex headed "Annex A – Cryptocurrency Entitlement", which forms an integral part of these Terms and Conditions;

"**Annex B**" means the annex headed "Annex B - Adjustments and Special Situations", which forms an integral part of these Terms and Conditions;

"**Authorised Participant**" means any entity supervised by a financial supervisory authority in a member state of the European Economic Area, the United Kingdom, Canada, Australia, Singapore, New Zealand, Japan, Switzerland, Hong Kong (SAR) or the United States which has been appointed by the Issuer as an authorised participant as specified in Condition 8.1 below, that has entered into an authorised participant agreement with the Issuer. Authorised Participants may be appointed, or their appointment terminated by the Issuer pursuant to Condition 8 – *Transaction Partners*;

"**Bond Currency**" means **[**EUR**] [**USD**] [**CHF**] [●]**;

"**Bonds**" means the bonds to which these Terms and Conditions relate;

"**Bondholder**" means any holder of a proportionate co-ownership or other beneficial interest or right in the Bonds and shall include those persons who are the beneficiaries of Secured Redemptions Obligations or Secured Settlement Obligations;

"**Bondholder Wallet**" means the relevant digital wallet(s) of each Bondholder required to receive and transfer units of the relevant Cryptocurrency;

"**Bondholders' Representative**" has the meaning given in Condition 18.7;

"**Business Day**" means a day (other than a Saturday, a Sunday or a public holiday) on which (i) the Clearing System, (ii) the banks in Frankfurt am Main, London and New York, (iii) T2 (the real time gross settlement system operated by the Eurosystem), or any successor system thereto ("**TARGET**") settle payments, and (iv) the Depositary is open for dealings in the Cryptocurrency;

"**Cash Redemption**" means settlement of the Redemption of the Bonds by payment of the Redemption Amount in cash and in accordance with Conditions 5 and/or 6;

"**Cryptocurrency**" means: (i) MiCAR Crypto Assets and (ii) Non-MiCAR Crypto Assets, in each case which form part of the underlying Security. Wherever a singular expression is used in these Terms and Conditions, that expression is considered as including the plural if the context requires unless otherwise specifically stated;

"**Cryptocurrency Execution Procedure**" has the meaning given in Condition 15;

"**Cryptocurrency Entitlement**" means, **[**as of any Business Day, the Bondholder's claim against the Issuer in respect of each Bond, expressed as the number of the units of the Cryptocurrency per Bond, as calculated by the Issuer in its reasonable discretion and in accordance with general market practice, in accordance with the formulas contained in Annex A**][** the sum of all **Single Cryptocurrency Entitlements** as defined in the formulas contained in Annex A**]**;

"**Cryptocurrency Security Agreement**" means the cryptocurrency security agreement entered into between the Issuer and the Security Trustee, which grants the security interest in the Deposited Cryptocurrency and Depositary Wallet for the benefit of the Bondholders, Security Trustee and Bondholder's Representative (if appointed);

"**Custodian**" has the meaning given in Condition 20.4;

["Default Rate" means **[**0.01 percent**] [**a percentage corresponding to the Euro short-term rate (€STR) calculated by the European Central Bank for the relevant day, divided by 365 **[**and multiplied by **[●]]][●]** of the Cryptocurrency Entitlement multiplied by the number of Bonds in relation to which the option for Voluntary Redemption with cash settlement in accordance with Condition 5.6 was exercised for each day of delay in the transfer of the Redemption Amount following the successful completion of the Cryptocurrency Execution Procedure in accordance with Condition 15 (including successful elements in case of Partially Failed Executions in accordance with Condition 15.4). Such Default Rate does not apply if the Issuer fails to deliver the Redemption Amount for reasons beyond its control, which includes (but is not limited to) circumstances where the Issuer is required to comply with any provision of applicable law relating to funding of terrorist activities or money laundering.**]**

"**Depo Bank**" means the entity specified in Condition 8.1 below, a financial institution(s) that the Issuer has designated as the Depo Bank to maintain the Issuance Account on behalf of the Issuer or any successor or replacement Depo Bank. The Depo Bank may be appointed or such appointment terminated by the Issuer pursuant to Condition 8 – *Transaction Partners;*

"**Depositary**" means the entity specified in Condition 8.1 below, a financial institution(s) that the Issuer, from time to time, has designated as the Depositary for its holdings of the Cryptocurrency or any additional, successor or replacement Depositary. The Depositary may be appointed or such appointment terminated by the Issuer pursuant to Condition 8 – *Transaction Partners;*

"**Depositary Account (Wallet) Control Agreement**" means the depositary account (wallet) control agreement entered into between the Issuer, the Depositary and the Security Trustee, which stipulates how the Depositary holds the Cryptocurrency on behalf of the Issuer, together with the rights and obligations of the Issuer, the Depositary and the Security Trustee;

"**Depositary Wallet**" means a cryptocurrency wallet or wallets operated by the Depositary on behalf of the Issuer, (i) where the assets held in such wallet are segregated from the assets of any other customers of the Depositary, the assets of the Depositary itself and from any other assets of the Issuer; and (ii) where the rights and claims in connection with such assets are assigned as security in favour of the Bondholders, Security Trustee and Bondholder's representative (if appointed) pursuant to the Security Documents to secure the Issuer's obligations arising from the Bonds;

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

["Determination Agent" means the entity specified in Condition 8.1 below, an entity that the Issuer, from time to time, has designated as a Determination Agent to make certain determinations which may be required under these Terms and Conditions. The Determination Agent may be appointed or such appointment terminated by the Issuer pursuant to Condition 8 – *Transaction Partners;***]**

"**Disruption Event**" shall have the meaning as provided in Annex B;

["De-Stake" or "**De-Staking**" means the re-establishment of unrestricted transferability of relevant units of the Cryptocurrency which was previously committed to Staking;**]**

"**Eligible Assets**" means any **[**(i)**]** MiCAR Crypto Asset **[**,**][**and (ii) Non-MiCAR Crypto Asset**][**and (iii) cash received from the transfer of Transfer Amounts following the (partial) termination of the relevant FX Hedging Transaction**]**;

"**Event of Default**" has the meaning given in Condition 13;

"**Execution Agent**" means the entity specified in Condition 8.1 below, a financial institution(s) that the Issuer, from time to time, has designated as an Execution Agent to perform Cryptocurrency Execution Procedure(s) which may be required under these Terms and Conditions. The Execution Agent may be appointed or such appointment terminated by the Issuer pursuant to Condition 8 – *Transaction Partners;*

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

"**Exercise Fee**" means a fee that may be charged by the Issuer upon a Redemption, to be no higher than **[●]**;

The Exercise Fee may be lowered at any time by Issuer and the Issuer shall notify the Bondholders in accordance with Condition 19;

["Expected Bonding Period" means the expected period (in full days rounded up) between the initiation of Staking for a particular Cryptocurrency and first rewards accruing in respect of the relevant unit of the Cryptocurrency. The Expected Bonding Period is specified for each relevant day by the **[**Yield Index Provider,**]** Staking Provider or other third-party data provider;**]**

["Expected Unbonding Period" means the expected period (in full days rounded up) which is required for De-Staking the units of the Cryptocurrency, as specified in the relevant blockchain protocol governing the Cryptocurrency. The Expected Unbonding Period is specified for each relevant day by the **[**Yield Index Provider,**]** Staking Provider or other third-party data provider;**]**

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

["Fiat Execution Agent" means the entity specified in Condition 8.1. below, a financial institution(s) that the Issuer, from time to time, has designated as a Fiat Execution Agent. The Fiat Execution Agent may be appointed, or such appointment terminated by the Issuer pursuant to Condition 8 – *Transaction Partners;***]**

"**Fiscal Agent**" means the entity specified in Condition 8.1. below, a financial institution(s) that the Issuer, from time to time, has designated as a Fiscal Agent. The Fiscal Agent may be appointed, or such appointment terminated by the Issuer pursuant to Condition 8 – *Transaction Partners;*

["FX Counterparty" means the entity specified in Condition 8.1 below, a financial institution(s) that the Issuer, from time to time, has designated as a counterparty to carry out the foreign exchange hedge on behalf of the Issuer. The FX Counterparty may be appointed, or such appointment terminated by the Issuer pursuant to Condition 8 – *Transaction Partners;***]**

"**German Security and Security Trust Agreement**" has the meaning given in Condition 9.1;

["Index" means **[●]**;**]**

["Index Sponsor" means the entity specified in Condition 8.1 below, a financial institution(s) that the Issuer, from time to time, has designated as an index sponsor to create and administrate an index. The Index Sponsor may be appointed, or such appointment terminated by the Issuer pursuant to Condition 8 – *Transaction Partners;***]**

"**Issuance Account**" means a securities account or accounts maintained by the Depo Bank on behalf of the Issuer where Bonds which are (i) beneficially owned by the Issuer; and (ii) pledged in favour of Bondholders, Security Trustee and Bondholder's Representative (if appointed) are held or registered. The Issuer can change

the Issuance Account and/or add additional Issuance Accounts pursuant to the Security Documents; Initial Issuance Account details are as follows: **[●]**. *For the avoidance of doubt*, the Issuer may have other securities account(s) with the Depo Bank or other financial institution where it may hold Bonds in its capacity as a Bondholder which are not subject to the Security, and (i) such account(s) are not considered Issuance Account(s); and (ii) such Bonds are not considered Issuer-Owned Bonds;

"**Issuance Account Control Agreement**" means the issuance account control agreement entered into between the Issuer, the Depo Bank and the Security Trustee, which stipulates how the Depo Bank maintains the security account(s) on behalf of the Issuer, together with the rights and obligations of the Issuer, the Depo Bank and the Security Trustee;

"**Issue Date**" means **[●]**;

"**Issuer**" means Bitwise Europe GmbH;

"**Issuer-Owned Bonds**" means the Bonds held in the Issuance Account, pledged as Security for the benefit of the Bondholders, Security Trustee and Bondholder's Representative (if appointed) under the Security Documents and are not considered Outstanding Bonds. Any disposal of Issuer-Owned Bonds from the Issuance Account is subject to approval by the independent Administrator;

"**KYC Documents**" means the adequate documents, as reasonably specified in the Redemption Form and solely determined by the Issuer, that are used to verify the identity of an individual or organisation for the purpose of Know Your Customer (KYC) compliance;

"**Mandatory Redemption**" means the ability of the Issuer to Redeem the Bonds, as further described in Condition 6;

"**Mandatory Redemption Date**" means, for both Physical Redemption and Cash Redemption, the date published in the Mandatory Redemption Notice;

"**Mandatory Redemption Event**" has the meaning given in Condition 6.1;

"**Mandatory Redemption Notice**" has the meaning given in Condition 6.1;

"**Mandatory Redemption Price**" means, per Bond:

(a) for Physical Redemption, the amount in Cryptocurrency **[**or Eligible Assets, as applicable**]** equal to the Cryptocurrency Entitlement as of the Mandatory Redemption Date; or

(b) for Cash Redemption, the amount, in Bond Currency or a fiat currency published in the Mandatory Redemption Notice, equal to the proceeds of the sale of the relevant Cryptocurrency amounting to the Cryptocurrency Entitlement as of the Mandatory Redemption Date less any reasonable third-party fees related to Redemption of the Bonds.

"**Mandatory Redemption Settlement Date**" means in respect of a Mandatory Redemption:

(a) if Physical Redemption applies, no later than the **[●]** Business Day following the applicable Mandatory Redemption Date; and

(b) if Cash Redemption applies, the **[●]** Business Day following the date on which the Issuer has received in full cleared funds in the Issuer's cash account the proceeds of the sale of the relevant Cryptocurrency in respect of the Bonds being Redeemed.

"**MiCAR**" means Regulation (EU) 2023/1114 of the European Parliament and of the Council of 31 May 2023 on markets in crypto-assets;

"**MiCAR Crypto Asset**" means any crypto-asset within the meaning of MiCAR;

["NAV Calculation Agent" means the entity specified in Condition 8.1. below, a financial institution(s) that the Issuer, from time to time, has designated as a NAV Calculation Agent. The NAV Calculation Agent may be appointed, or such appointment terminated by the Issuer pursuant to Condition 8 – *Transaction Partners;***]**

"**Non-MiCAR Crypto Asset**" means (i) any digital asset whose origin is derived from a blockchain, including digital currencies; (ii) digital commodities provisioning raw digital resources; or (iii) digital tokens, provisioning finished digital goods and services, which do not fall within the scope of MiCAR;

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

"**Outstanding Bonds**" means Bonds issued and placed with investors that have not yet been repurchased or otherwise cancelled by the Issuer (excluding, for the avoidance of doubt, Issuer-Owned Bonds as well as Bonds held by the Issuer in other securities account(s) with the Depo Bank or other financial institution in its capacity as a Bondholder which are not subject to the Security);

Any Bonds which are held by the Issuer in its capacity as a Bondholder on any securities account other than the Issuance Account are considered Outstanding Bonds and not Issuer-Owned Bonds, with the Issuer maintaining all rights in respect of such Bonds including, but not limited to, the right to pledge such Bonds for the benefits of third parties or to dispose of them on the secondary market;

"**Partially Failed Execution**" has the meaning given in Condition 15.4;

"**Paying Agent**" means the entity specified in Condition 8.1 below, a financial institution(s) that the Issuer, from time to time, has designated as a Paying Agent to distribute cash payments (if any) to the Bondholders on behalf of the Issuer. The Paying Agent may be appointed, or such appointment terminated by the Issuer pursuant to Condition 8 – *Transaction Partners;*

"**Physical Redemption**" means in relation to the Redemption of any Bonds, settlement of the Secured Redemption Obligations in respect thereof by delivery of the relevant Cryptocurrency **[**or Eligible Assets, as applicable**]** in accordance with Conditions 5 and/or 6;

"**Programme Document**" means each of the Security Documents and each agreement concluded with the Transaction Partner(s) governing their rights and obligations in the relevant capacity as particular Transaction Partner;

"**Prospectus**" means the base prospectus of the Issuer in relation to the Bonds, as the same may be modified, supplemented or amended from time to time;

"**Qualified Majority**" has the meaning given in Condition 18.4;

"**Reference Price**" **[**means, in relation to a Cryptocurrency, as of the relevant determination date, the **[**Bloomberg Cryptocurrency**][**Cryptocompare**][●]** fixing for **[**such Cryptocurrency**][**the Index**]** (the "**Price Source**"**)** as **[**displayed**][**calculated**]** between **[**16:00**][●]** and **[**16:15**][●]** **[**(EST)**][**(CET)**][(**GMT**)][**(UTC**)][●]]** **[**has the meaning given under the definition of "$\boldsymbol{P_{(t)}}$" in Annex A;**]**

[The Issuer reserves the right, within its reasonable discretion, to replace the Price Source for the fixing of the Reference Price by an equivalent replacement price source (the "**Successor Price Source**").

Such replacement of the Price Source by the Successor Price Source shall become effective only after prior notice to the Bondholders in accordance with Condition 19 given a reasonable number of days (taking into consideration the interests of the Bondholders and the relevant capital market practice) prior to such replacement. **[**In connection with the replacement of the Price Source, **[**the Index**][**the index previously specified as Price Source above**]** with another index, which the Issuer deems to be comparable to the initial Index (the "**Replacement Index**"), provided it notifies the Bondholders thereof in accordance with Condition 19 (taking into consideration the interests of the Bondholders and the relevant capital market practice) prior to such replacement. In such case, the Issuer will also replace the Index Sponsor with the index sponsor of the Replacement Index (the "**Replacement Index Sponsor**").**]**

The Successor Price Source shall replace the Price Source with immediate effect following notification to the Bondholders in case of (i) the permanent cessation of the Price Source; (ii) the announcement of the permanent cessation of the Price Source; and (iii) a temporary disruption of the Price Source for more than **[●]** consecutive days.

[Following the replacement of the Price Source by the Successor Price Source becoming effective, this provision shall apply mutatis mutandis to the relevant replacement of such Successor Price Source by any new Successor Price Source. In this case, any reference in this provision to the term "Price Source" shall be deemed to be a reference to the Successor Price Source that last applied;**]**

[Following the replacement of the Price Source by the Successor Price Source becoming effective, all references within these Terms and Conditions to the term "Price Source" shall be deemed to be a reference to the respective Successor Price Source **[**, all references to the index previously specified as Price Source above and to the term "Index" shall be deemed to be a reference to the respective index specified as Successor Price Source (the "**Replacement Index**") and all references to the term "Index Sponsor" shall be deemed to be a reference to the respective index sponsor of the Replacement Index (the "**Replacement Index Sponsor**")**]**.

All provisions in these Terms and Conditions (for the avoidance of doubt, including this provision) shall apply mutatis mutandis to the relevant replacement of such Successor Price Source, Replacement Index and Replacement Index Sponsor by any new Successor Price Source, Replacement Index and Replacement Index Sponsor. In this case, any reference in this provision to the term "Price Source", "Index " and "Index Sponsor" shall be deemed to be a reference to the Successor Price Source, Replacement Index and Replacement Index Sponsor that last applied;**]**

"**Relevant Taxing Jurisdiction**" has the meaning given in Condition 11.1;

"**Redemption**" means the redemption of Bonds by the Issuer in accordance with these Terms and Conditions (and "**Redeem**" and "**Redeemed**" shall be construed accordingly);

"**Redemption Amount**" means, per Bond:

(a) in the case of Physical Redemption, the amount in Cryptocurrency **[**or Eligible Assets, as applicable**]** equal to the Cryptocurrency Entitlement as of the Voluntary Redemption Date or Mandatory Redemption Date (as applicable), less the Exercise Fee in case of the Voluntary Redemption; or

(b) in the case of Cash Redemption, the amount in Bond Currency obtained from the sale of the units of Cryptocurrency corresponding to the Cryptocurrency Entitlement as of the Voluntary Redemption Date or Mandatory Redemption Date (as applicable), less the Exercise Fee in case of Voluntary Redemption and less any other applicable fees in connection with the sale of the units of Cryptocurrency and the transfer of Bond Currency.

"**Redemption Form**" means the form, together with all the requirements contained therein, prescribed from time to time by the Issuer, obtainable from the Website, for requesting redemption of Bonds;

"**SchVG**" has the meaning given in Condition 18.3;

"**Secured Obligations Amount**" means the sum of the Secured Settlement Obligations Amount, the Outstanding Amount and the Secured Redemption Obligations Amount;

"**Secured Redemption Obligations**" means obligations of the Issuer to (i) settle the Cryptocurrency Entitlement with respect of those Bonds which are Redeemed at the discretion of the Issuer due to a Mandatory Redemption Event in the Cryptocurrency, as further described in Condition 6; or (ii) to transfer the Cryptocurrency Entitlement to the Bondholders exercising the Voluntary Redemption with Cryptocurrency settlement, as further described in Condition 5;

"**Secured Redemption Obligations Amount**" means amount in the Cryptocurrency **[**and cash received from the transfer of Transfer Amounts following the (partial) termination of the relevant FX Hedging Transaction (if any)**]** of those Secured Redemption Obligations which are not yet fulfilled by the Issuer and remain outstanding;

"**Secured Settlement Obligations**" means obligations of the Issuer to transfer Bonds to the Authorised Participant subscribing to or purchasing Bonds from the Issuer in the primary market, but only if such subscribing or purchasing Authorised Participant has transferred (or arranged to be transferred) at least **[**(i)**]** the Cryptocurrency Entitlement (to be calculated as of **[**the date of the subscription or purchase of the Bonds in the primary market**]** **[**the Subscription Effective Bonding Date**]**) per Bond being subscribed or purchased in the

primary market to the Depositary Wallet **[**and (ii) any cash premium required for the Issuer to enter into the FX Hedging Transaction (if applicable) to such Bonds being subscribed or purchased in the primary market**]**;

"**Secured Settlement Obligations Amount**" means the amount in the Cryptocurrency (aggregate Cryptocurrency Entitlement of the Bonds to be settled) **[**and cash amounts received by the Issuer as premium to enter into FX Hedging Transactions in relation to the Bonds to be settled**]** of those Secured Settlement Obligations which are not yet fulfilled by the Issuer and remain outstanding;

"**Security**" has the meaning given in Condition 3;

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

"**Security Trustee**" means **[●]**, a security trustee which holds the security interest in (i) the Depositary Wallet and the Deposited Cryptocurrency and (ii) the Issuer-Owned Bonds held in the Issuance Account for the benefit of the Bondholders, Security Trustee and Bondholder's Representative (if appointed) or any successor or replacement security trustee. The Security Trustee may be appointed or such appointment terminated by the Issuer pursuant to Condition 9 – *Security Trustee*;

["**Staking**" means activities which involve setting aside a certain amount of eligible Cryptocurrency to become an active validating node for the networks proof-of-stake protocol (and "**Stake**" and "**Staked**" shall be construed accordingly);**]**

["**Staking Provider**" means the entity specified in Condition 8.1 below that the Issuer, from time to time, has designated as a Staking Provider to perform the Staking of the Deposited Cryptocurrency on the instructions from the Issuer. The Staking Provider may be appointed or such appointment terminated by the Issuer pursuant to Condition 8 – *Transaction Partners*;**]**

["**Subscription Effective Bonding Date**" has the meaning given in Condition 2.2;**]**

"**Substitute Debtor**" has the meaning given in Condition 16.1;

"**Termination Notice**" has the meaning given in Condition 13.2

"**Totally Failed Execution**" has the meaning given in Condition 15;

["**Transfer Amounts**" means an amount of the Cryptocurrency and/or cash corresponding to the FX Hedge Performance accrued from the Issue Date of the Bonds to the termination of the respective FX Hedging Transactions. In case of Voluntary Redemptions, the Transfer Amounts will be calculated *pro rata* corresponding to the amount of Bonds so redeemed;**]**

"**Upfront Redemption Fee**" means no higher than **[●]**, which the Issuer may charge at its reasonable discretion and in accordance with general market practice for the exercise of a Voluntary Redemption by a Bondholder who is not an Authorised Participant;

"**Voluntary Redemption**" means the Redemption of Bonds at the option of one or more Bondholders, in accordance with Condition 5;

"**Voluntary Redemption Date**" has the meaning given in Condition 5.1;

"**Voluntary Redemption Settlement Date**" means:

(a) if Physical Redemption applies, the **[●]** Business Day following the applicable Voluntary Redemption Date; and

(b) if Cash Redemption applies, the **[●]** Business Day following the date on which the Issuer has received in full cleared funds in the Issuer's cash account the proceeds of the sale of the relevant Cryptocurrency in respect of the Bonds being Redeemed.

["Yield Index Provider" means the entity specified in Condition 8.1 below that the Issuer, from time to time, has designated as a Yield Index Provider;**]**

"Website" means the Issuer's official website at https://bitwiseinvestments.eu/.

2. FORM, SERIES AND SUBSCRIPTION RESTRICTIONS

2.1 Each Bond represents the right of the Bondholder to demand and receive from the Issuer:

(a) delivery of the Cryptocurrency in accordance with the Terms and Conditions; and/or

(b) payment of a cash amount **[**and**][**/**][**or**][**an amount of other Eligible Assets, as applicable**]** determined in accordance with the Terms and Conditions in fulfilment of its delivery claim to the Cryptocurrency pursuant to (a) above.

2.2 *Subscription Restrictions.* The Bonds may only be subscribed or purchased by Authorised Participants from the Issuer in the primary market, and the following shall apply:

[(a)**][**Unless Condition 2.2 (b) applies,**]** Authorised Participants subscribing to the Bonds shall transfer a number of units of the relevant Cryptocurrency corresponding to the Cryptocurrency Entitlement **[**plus any cash premium required for the Issuer to enter into the FX Hedging Transaction (if applicable)**]** (**[**as of the date of the subscription or purchase in the primary market**]** **[**as of the date falling Expected Bonding Period calendar days after the date of the subscription or purchase in the primary market (such later date, the "**Subscription Effective Bonding Date**")**]**) per Bond to be subscribed or purchased.

[(b) The Issuer may sell Bonds to the Authorised Participants in derogation from Condition 2.2 (a) provided the following is satisfied:

(i) the consideration the Issuer receives is (i) cash, (ii) Cryptocurrency (not necessarily in the amount or composition corresponding to the Cryptocurrency Entitlement) or (iii) Eligible Assets or (iv) any combination of the foregoing;

(ii) the Issuer converts the consideration received from the Authorised Participant into a number of units of the relevant Cryptocurrency corresponding to the Cryptocurrency Entitlement with a counterparty appropriately regulated or registered (if not subject to regulation) for AML/KYC purposes with financial authorities in its country of incorporation and operation, whereby the exchange rate is based on the current market value and the consideration so received from the Authorised Participant (as determined by the relevant counterparty) and of the underlying Cryptocurrency;

(iii) The Issuer shall not make any conversions with counterparties based outside of the list of the acceptable jurisdictions for the location of an Authorised Participant or not supervised (through regulation or registration) for AML/KYC purposes, even if jurisdiction in question does not require entities dealing in Cryptocurrency **[**or Eligible Assets**]** to be supervised;

(iv) The Issuer shall only deliver Bonds to the Authorised Participant if: (a) sub-conditions (i) to (iii) (inclusive) are satisfied; (b) delivery of Bonds will not result in the Issuer being in breach of any Condition of these Terms and Conditions but specifically Condition 14.3; and (c) the Administrator approves such transfer; and

(v) The agreement between the Issuer and the Authorised Participant governing relationships between the parties shall contain the provision that in case subscription is performed pursuant to Condition 2.2 (b) no obligation to deliver Bonds to the Authorised Participant exists unless sub-conditions (i) to (iv) (inclusive) are satisfied, including, that any obligation to deliver Bonds (even after above-mentioned sub-conditions are satisfied) is an unsecured contractual claim and does not qualify as part of Secured Settlement

Obligations.**]**

[(b)**][**(c)**][**If, for the purposes of Condition.2.2.(a), the Cryptocurrency Entitlement as of the Subscription Effective Bonding Date cannot be calculated exactly on the day of the primary market transaction, the Authorised Participant is required to: (i) transfer such number of units of the Cryptocurrency per Bond which is equal or exceeds the greatest possible value of the Cryptocurrency Entitlement on the Subscription Effective Bonding Date, if such greatest possible value can be calculated pursuant to the relevant formulas in Annex A; or (ii) agree to receive the number of Bonds to be determined not on the primary market subscription date, but once the Cryptocurrency Entitlement on the Subscription Effective Bonding Date is available, with a corresponding delay in the settlement of the Bonds.**]**

[(b)**][**(c)**] [**(d)**] [**The Issuer shall not sell any Bonds on the primary market unless it enters into a hedging transaction with the FX Counterparty (as defined above) which seeks to offset potential movements in the exchange rate fluctuations between the currency in which the Bonds are denominated (the Bond Currency) and the currency in which the relevant Cryptocurrency is denominated (the Reference Price Currency (as defined in Annex A)) and ensures that the amount of the Deposited Cryptocurrency and amounts due from the FX Counterparty taken together are equal or greater than Secured Obligations Amount at all times (the "**FX Hedging Transaction**").**]**

2.3 *Form.* The Bonds are being issued in bearer form.

2.4 *Redemption.* The Bonds do not have a fixed maturity date.

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

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

3. STATUS AND SECURITY

3.1 *Status. The* obligations under the Bonds constitute direct, unsubordinated, limited recourse and secured obligations of the Issuer ranking *pari passu* among themselves with Secured Redemption Obligations and Secured Settlement Obligations.

3.2 *Security.* As continuing security for the payment and discharge of the obligations to the Bondholders under the Bonds the Issuer pledges and assigns, as applicable, in favour of the Bondholders, the Security Trustee and the Bondholders' Representative (if appointed) pursuant to the Security Documents (i) all of its rights, title, interest and benefit, present and future, in, to and under the Depositary Wallet and the Deposited Cryptocurrency; **[**and **]**(ii) all of its rights, title, interest and benefit, present and future, in, to and from the Issuer-Owned Bonds**[**; and (iii) all of its rights, title, interest and benefit present and future in, to and from the amounts due from the FX Counterparty due under the FX Hedging Transaction**]** (the "**Security**"). Details of the accounts and the terms and conditions of the respective pledges and assignments shall be stipulated in the Security Documents between the Security Trustee and the Issuer. The Security will be held, administered and enforced by the Security Trustee in accordance with the German Security and Security Trust Agreement.

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

3.4 **[***Limited recourse.* It is the Issuer's intention that assets comprising Security shall always be sufficient to satisfy all of the obligations arising in connection with the Bonds (by operation of these Terms and Conditions, including without limitation procedures put in place where the Administrator has to approve (i) issuances of new Bonds on the primary market only against the deposit of appropriate assets to become part of the Security, and (ii) any release of assets from the Security). However, in the event

assets comprising the Security are insufficient to cover all or some of the liabilities arising in connection with the Bonds, subject to mandatory legal provisions, Bondholders shall have no claim against: (i) general assets of the Issuer or any affiliated party not comprising the Security; (ii) assets comprising pools pledged for the benefit of holders of other securities issued by the Issuer, which are not Bonds; or (iii) any other assets which are not part of the Security.**]**

4. INTEREST

4.1 There will be no payment of interest on the Bonds.

5. VOLUNTARY REDEMPTION

5.1 An Authorised Participant or a Bondholder may (subject as provided herein) require the Issuer to Redeem all, or in part, its Bonds in the form of a Physical Redemption or (in fulfilment of its delivery claim to the Cryptocurrency) Cash Redemption by (i) submitting a duly completed Redemption Form, together with all required KYC Documents; (ii) paying the Upfront Redemption Fee (if applicable); and (iii) transferring the Bonds to the Issuance Account free of payment (collectively the "**Voluntary Redemption Steps**"). The date on which all of the Voluntary Redemption Steps have been completed, shall be the "**Voluntary Redemption Date**".

5.2 Settlement in respect of the relevant Bonds will be effected in accordance with Condition 5.5 by the delivery of Cryptocurrency **[**or Eligible Assets, as applicable**]** or Condition 5.6 by the delivery of cash as requested by the redeeming Bondholder on the Redemption Form, unless (i) the redeeming Bondholder in its Redemption Form certifies that it is prohibited for legal or regulatory reasons from owning or taking delivery of any of the applicable Cryptocurrency **[**or Eligible Assets, as applicable**]** upon a Redemption and/or (ii) the Issuer is prohibited for legal or regulatory reasons from effecting a delivery of any of the relevant Cryptocurrency to the Bondholder, in which case settlement will only be effected by the delivery of cash as set out in Condition 5.6.

5.3 Upon completion of the Voluntary Redemption Steps, the Issuer shall take all necessary actions to give effect to the Redemption Form as required by this Condition 5.

5.4 The Issuer may suspend the right to request Redemptions or the settlement of Redemptions of the Bonds, in accordance with the provisions in Annex B.

5.5 *Delivery of Cryptocurrency upon Voluntary Redemption*

Where Bonds held by a Bondholder are required to be redeemed by Physical Redemption:

(a) The Issuer shall **[**subject to paragraph (d) below**]** upon completion of the Voluntary Redemption Steps, **[**(i) instruct the Staking Provider to De-Stake the required amount of Cryptocurrency within a reasonable period of time, but no later than 10 Business Days following the completion of the Voluntary Redemption Steps, to effect the Redemption; and (ii)**] [[**(i)**]** within a reasonable period of time, but no later than 10 Business Days following the completion of the Voluntary Redemption Steps terminate the required amount of FX Hedging Transactions and instruct the relevant FX Counterparty to transfer the respective Transfer Amounts attributable to the FX Hedge Performance in respect of the Bonds to be redeemed in order for the Issuer to effect the Redemption**]** on the Voluntary Redemption Settlement Date; and **[**(ii)**] [**(iii)**]]** instruct the relevant Depositary to transfer the relevant Cryptocurrency attributable to or forming part of the Security in respect of such Bonds in an amount equal to the Redemption Amount with respect of those Bonds, from the Depositary Wallet to the relevant Bondholder Wallet, to be delivered on the Voluntary Redemption Settlement Date**[**, provided however that in case any of the Cryptocurrency which is to be delivered as part of the Redemption is Staked, settlement of such Cryptocurrency may be delayed by the time period needed to effect the De-Staking**]**. **[**If the Issuer receives cash from the transfer of the Transfer Amounts, the Issuer shall transfer the cash amounts so received with respect to the Bonds on the Voluntary Redemption Settlement Date to the relevant Bondholder's account as specified in the Redemption Form.**]**

(b) From the Voluntary Redemption Settlement Date, in the case of Physical Redemption all title to and risks in the Redemption Amount shall pass to the Bondholder. The Issuer shall not be

responsible or liable for (and no Event of Default shall occur by virtue of) any failure by a Depositary to effect a delivery of Cryptocurrency in accordance with the instructions of the Issuer. However, in the event of such failure, the Issuer shall to the extent practicable assign to the redeeming Bondholder its claims in relation to such Cryptocurrency in satisfaction of all claims of such Bondholder in respect of the Bonds to be redeemed and the Bondholder shall have no further claims against the Issuer or the Security. **[**Additionally, the Issuer shall not be responsible in the case the settlement of the Cryptocurrency is delayed due to the delays with De-Staking of relevant Cryptocurrency which is beyond its reasonable control.**]** **[**Additionally, the Issuer shall not be responsible in case the settlement of the Cryptocurrency is delayed due to a delay related to the termination of the relevant FX Hedging Transactions.**]**

(c) The Secured Redemption Obligations of the Issuer in respect of the Bonds being Redeemed shall be satisfied by transferring the Redemption Amount in accordance with the provisions of this Condition 5.5.**[**

(d) In case of redemptions by Authorised Participants, in derogation from paragraph (a) above, the Issuer may fulfil its obligations stipulated in this Condition 5.5 by transfer of Eligible Assets instead of the Cryptocurrency, and paragraphs (a) to (c) above shall apply to the Eligible Assets accordingly, provided the following is satisfied:

(i) The Issuer converts the amount of the relevant Cryptocurrency corresponding to the Cryptocurrency Entitlement into a number of units of the Eligible Assets with a counterparty appropriately regulated or registered (if not subject to regulation) for AML/KYC purposes with financial authorities in its country of incorporation and operation, whereby the exchange rate is based on the current market value of the Eligible Assets (as determined by the relevant counterparty) and of the underlying Cryptocurrency;

(ii) The Issuer shall not make any conversions with counterparties based outside of the list of the acceptable jurisdictions for the location of an Authorised Participant or not supervised (through regulation or registration) for AML/KYC purposes, even if jurisdiction in question does not require entities dealing in Cryptocurrency or Eligible Assets to be supervised;

(iii) Transfer and/or delivery of Eligible Assets will not result in the Issuer being in breach of any Condition of these Terms and Conditions and the Administrator approves such transfer; and

(iv) The agreement between the Issuer and the Authorised Participant governing relationships between the parties shall contain the provision that in case redemption is performed pursuant to this Condition 5.5 (d) no obligation to deliver or transfer Eligible Assets to the Authorised Participant exists unless sub-conditions (i) to (iii) (inclusive) are satisfied, including, that any obligation to deliver or transfer Eligible Assets (even after above-mentioned sub-conditions are satisfied) is an unsecured contractual claim and does not qualify as part of the Secured Redemption Obligations.**]**

5.6 *Payment of Cash upon Voluntary Redemption*

Where Bonds held by a Bondholder are required to be redeemed by Cash Redemption:

(a) The Issuer shall upon completion of the Voluntary Redemption Steps, **[**(i) instruct the Staking Provider to De-Stake of the required amount of Cryptocurrency within a reasonable period of time, but no later than 10 Business Days following the completion of the Voluntary Redemption Steps, to effect the Redemption; and (ii)**]** **[[**(i)**]** within a reasonable period of time, but no later than 10 Business Days following the completion of the Voluntary Redemption Steps terminate the required amount of FX Hedging Transactions and instruct the relevant FX Counterparty to transfer the respective Transfer Amounts attributable to the FX Hedge Performance in respect of the Bonds to be redeemed in order for the Issuer to effect the Redemption**]** on the Voluntary Redemption Settlement Date; and **[**(ii)**]** **[**(iii)**]]** instruct the Execution Agent to sell in accordance with the

Cryptocurrency Execution Procedure as detailed in Condition 15, the relevant Cryptocurrency attributable to or forming part of the Security in respect of such Bonds in an amount equal to the Cryptocurrency Entitlement per Bond being Redeemed. For this purpose, the Issuer may give such instructions to the Depositary as necessary to effect such sale. **[***For the avoidance of doubt*, the Cryptocurrency Execution Procedure will start once all relevant Cryptocurrency attributable to or forming part of the Security in respect of the Bonds being Redeemed is successfully De-Staked.**]**

(b) The Issuer shall transfer the aggregate Redemption Amount with respect to the Bonds on the Voluntary Redemption Settlement Date to the relevant Bondholder's account as specified in the Redemption Form.

(c) The obligations of the Issuer in respect of Bonds being Redeemed shall be satisfied by transferring the Redemption Amount in accordance with the provisions of this Condition 5.6.

6. MANDATORY REDEMPTION

6.1 Upon occurrence of a Mandatory Redemption Event (as defined below) the Issuer at its sole and absolute discretion may, (but is not obliged to) give notice to the Bondholders in accordance with Condition 19 (the "**Mandatory Redemption Notice**"), stating the applicable Mandatory Redemption Event. Upon giving a Mandatory Redemption Notice, the Bonds shall be redeemed on the Mandatory Redemption Date at their Mandatory Redemption Price. A "**Mandatory Redemption Event**" is determined at the Issuer's sole and absolute discretion for **[**any event (including without limitation the lack of success in placing of the Bonds with investors) which in the sole and absolute discretion of the Issuer makes continuing the issuance of Bonds and/or maintaining Outstanding Bonds economically or practically not viable.**] [**one of the following events:

(a) for a continuous period of 90 (ninety) calendar days the Bond Currency equivalent of the Outstanding Amount, calculated on each calendar day using the most recent published Reference Price(s) for the relevant Cryptocurrency(ies), is less than **[**100,000,000.00**][●] [**one hundred million**][●]**; or

(b) any new or existing law or regulation, or interpretation of any existing law or regulation, requires the Issuer to obtain any license, permission or approval, or to become regulated, registered or supervised in any way in Germany or elsewhere, to continue fulfilling its obligations under these Terms and Conditions, but excluding requirements to publish an approved prospectus with respect to the Bonds; or

(c) as a result of any change in, or amendment to, the laws or regulations of the United Kingdom, the Federal Republic of Germany, or any other member state of the European Economic Area or any political subdivision or taxing authority thereto or therein affecting taxation, the tax treatment of the Cryptocurrency in general changes materially, such change was not reasonably foreseeable at the Issue Date, and such change is in the assessment of the Issuer materially disadvantageous to the business of the Issuer (regardless of whether this affects the issuance of the Bonds); or

(d) any third-party service provider, including the Issuer's auditors, legal advisers, the Transaction Partners or the Security Trustee, stops providing services to the Issuer, and the Issuer fails to find a replacement within reasonable time; or

(e) if the Issuer was ordered by the competent court or otherwise became required by law to arrange for the Bonds to be mandatorily redeemed.**]**

6.2 From the date of the Mandatory Redemption Notice, the Issuer shall **[**instruct the Staking Provider to De-Stake all of the Deposited Cryptocurrency which is Staked on the Mandatory Redemption Date and**] [**terminate any FX Hedging Transactions on the Mandatory Redemption Date and**]** take all necessary steps in relation to the units of the Cryptocurrency affected by the Mandatory Redemption Notice to facilitate the Redemption.

6.3 *Delivery of Cryptocurrency upon Mandatory Redemption*

In case the Issuer gives the Mandatory Redemption Notice in respect of the Bonds:

(a) Subject to **[**paragraph (d) below and**]** Condition 6.4, the Bonds held by a Bondholder shall be redeemed by Physical Redemption if the Bondholder: (i) submits to the Issuer a duly completed Redemption Form, together with all required KYC Documents; and (ii) transfers the Bonds to the Issuance Account free of payment (collectively the "**Mandatory Redemption Steps**"), in which case the Issuer shall instruct the relevant Depositary to transfer the relevant Cryptocurrency attributable to or forming part of the Security in respect of such Bonds in an amount equal to the Redemption Amount as of the Mandatory Redemption Date with respect of those Bonds, from the Depositary Wallet to the relevant Bondholder Wallet, to be delivered on the Mandatory Redemption Settlement Date.

(b) From the Mandatory Redemption Settlement Date, in the case of Physical Redemption all title to and risks in the Redemption Amount in respect of each Bond shall pass to the holder of such Bonds. The Issuer shall not be responsible or liable for (and no Event of Default shall occur by virtue of) any failure by a Depositary to effect a delivery of Cryptocurrency in accordance with the instructions of the Issuer. However, in the event of such failure, the Issuer shall to the extent practicable assign to the redeeming Bondholder its claims in relation to such Cryptocurrency in satisfaction of all claims of such Bondholder in respect of the Bonds to be Redeemed and the Bondholder shall have no further claims against the Issuer or the Security. **[**Additionally, the Issuer shall not be responsible in case the settlement of the Cryptocurrency is delayed due to the De-Staking delay provided that the Issuer has complied with the Condition 6.2.**]** **[**Additionally, the Issuer shall not be responsible in case the settlement of the Cryptocurrency is delayed due to a delay related to the termination of the relevant FX Hedging Transactions on the Mandatory Redemption Date.**]**

(c) The Secured Redemption Obligations of the Issuer in respect of the Bonds being Redeemed shall be satisfied by transferring the Redemption Amount in accordance with the provisions of this Condition 6.3.**[**

(d) In case of redemptions by Authorised Participants, in derogation from paragraph (a) above, the Issuer may fulfil its obligations stipulated in this Condition 6.3 by transfer of Eligible Assets instead of the Cryptocurrency, and paragraphs (a) to (c) above shall apply to the Eligible Assets accordingly, provided the following is satisfied:

(i) The Issuer converts the amount of the relevant Cryptocurrency corresponding to the Cryptocurrency Entitlement into a number of units of the Eligible Assets with a counterparty appropriately regulated or registered (if not subject to regulation) for AML/KYC purposes with financial authorities in its country of incorporation and operation, whereby the exchange rate is based on the current market value of the Eligible Assets (as determined by the relevant counterparty) and of the underlying Cryptocurrency;

(ii) The Issuer shall not make any conversions with counterparties based outside of the list of the acceptable jurisdictions for the location of an Authorised Participant or not supervised (through regulation or registration) for AML/KYC purposes, even if jurisdiction in question does not require entities dealing in Cryptocurrency or Eligible Assets to be supervised;

(iii) Transfer and/or delivery of Eligible Assets will not result in the Issuer being in breach of any Condition of these Terms and Conditions and the Administrator approves such transfer; and

(iv) The agreement between the Issuer and the Authorised Participant governing relationships between the parties shall contain the provision that in case redemption is performed pursuant to this Condition 6.3 (d) no obligation to deliver or transfer Eligible Assets to the Authorised Participant exists unless sub-conditions (i) to (iii) (inclusive) are satisfied, including, that any obligation to deliver or transfer Eligible Assets (even after above-mentioned sub-conditions are satisfied) is an unsecured contractual claim and does not qualify as part of the Secured Redemption Obligations.**]**

6.4 *Delivery of Cash upon Mandatory Redemption*

(a) Bonds held by a Bondholder shall be redeemed by Cash Redemption if (i) the Bondholder fails to complete the Mandatory Redemption Steps on or before the date specified in the Mandatory Redemption Notice (which, for the avoidance of doubt, shall not be the Mandatory Redemption Date or a later date); (ii) relevant Bondholder in its Redemption Form certifies that it is prohibited for legal or regulatory reasons from owning or taking delivery of any of the applicable Cryptocurrency upon a Redemption; or (iii) the Issuer is prohibited for legal or regulatory reasons from effecting a delivery of any of the relevant Cryptocurrency to the Bondholder.**[**

(b) Notwithstanding paragraph (a) above, in case of Bonds held by an Authorised Participant, the Issuer may choose for the Bonds to be redeemed by Cash Redemption.**]**

(c) In case of a Cash Redemption pursuant to **[**paragraph (a)**][**paragraphs (a) and (b)**]**, the Issuer shall instruct the Execution Agent on the Mandatory Redemption Date to sell in accordance with the Cryptocurrency Execution Procedure as detailed in Condition 15 the relevant Cryptocurrency attributable to or forming part of the Security in respect of such Bonds in an amount equal to the Cryptocurrency Entitlement (as of the Mandatory Redemption Date) per Bond being Redeemed. For this purpose, the Issuer may give such instructions to the Depositary as necessary to effect such sale. **[***For the avoidance of doubt*, the Cryptocurrency Execution Procedure will start once all relevant Cryptocurrency attributable to or forming part of the Security in respect of the Bonds being Redeemed is successfully De-Staked.**]**

(d) The Issuer shall transfer the aggregate Redemption Amount with respect to the Bonds on the Mandatory Redemption Settlement Date through the applicable Clearing System.

(e) The obligations of the Issuer in respect of Bonds being Redeemed shall be satisfied by transferring the Redemption Amount in accordance with the provisions of this Condition 6.4.

6.5 If a Redemption pursuant to Condition 6.3 or Condition 6.4 applies in accordance with this Condition 6, the Bondholder of such Bonds being mandatorily redeemed acknowledges and agrees:

(a) to accept the Redemption Amount;

(b) that the Issuer makes no representation or warranty as to the price at which the relevant Cryptocurrency will be sold or the amount of the proceeds of sale realised from the sale of such Cryptocurrency as long as the Cryptocurrency Execution Procedure as detailed in Condition 15 is followed; and

(c) that the Issuer shall not be liable for any failure by any Depositary **[**,**][**or**]** Execution Agent **[**or FX Counterparty**]** in respect of any transfer **[**,**][**or**]** sale **[**or FX Hedging Transaction**]** of any Cryptocurrency pursuant to any transaction completed under Condition 6.2, 6.3 and/or Condition 6.4 but in the event of any such failure, on request from the Bondholder the Issuer shall to the extent practicable transfer or assign to the redeeming Bondholder its rights or claims in relation to such Cryptocurrency in satisfaction of all claims of such Bondholder in respect of the Bonds to be Redeemed and the Bondholder shall have no further claims against the Issuer or the Security.

7. PAYMENTS

7.1 *Payment of Mandatory Redemption Price.* In the case of a Mandatory Redemption pursuant to Condition 6 and in the case the Bonds are to be Redeemed in Bond Currency or a fiat currency published in the Mandatory Redemption Notice, payment of the Mandatory Redemption Price in respect of those Bonds shall be made to the Paying Agent for further forwarding to the Clearing System or to its order for credit to the accounts of the relevant account holders of the Clearing System.

7.2 *Discharge.* The Issuer shall be discharged by payment to, or to the order of, the Paying Agent.

[

7.3 *Partial Redemption*. Annex B may provide that in certain situations or on specific dates the Issuer may or shall partially Redeem the Bonds by converting part of the Outstanding Amount determined by the

provisions of Annex B into the Bond Currency (and withdrawing and selling part of the Deposited Cryptocurrency accordingly) using the Cryptocurrency Execution Procedure. In this case, payment of such partial redemption proceeds in respect of such Bonds shall be made to the Paying Agent for further forwarding to the Clearing System or to its order for credit to the accounts of the relevant account holders of the Clearing System.**]**

8. TRANSACTION PARTNERS

8.1 *Appointment; Specified Offices*. The initial Administrator, Depo Bank, Depositary, **[**Determination Agent,**]** Execution Agent, Fiscal Agent, **[**Index Sponsor,**]** Paying Agent**[**, Staking Provider**]** **[**and FX Counterparty**]** **[**and Yield Index Provider**]** **[**and Fiat Execution Agent**]** **[**and NAV Calculation Agent**]** (each a "**Transaction Partner**" and collectively, the "**Transaction Partners**") will be as specified below and their initial specified offices shall be:

Administrator:

[Apex Corporate & Advisory Services Ltd,
Central North Business Centre Level 1
Sqaq il-Fawwara Sliema SLM1670,
Malta**]**

Depot Bank:

[Quirin Privatbank AG
Kurfürstendamm 119
10711 Berlin
Germany**]**

[●]

Depositary:

[Anchorage Digital Bank N.A.
101 S. Reid Street
Suite 307
Sioux Falls, SD 57103
United States of America**]**

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

[BitGo Europe GmbH
c/o WeWork
Neue Rothofstraße 13-19
60313 Frankfurt am Main
Germany**]**

[Coinbase Custody Trust Company, LLC
200 Park Avenue
Suite 1208
New York, NY 10003
United States of America**]**

[Komainu (Jersey) Limited
3rdFloor, 2 Hill Street
St. Helier
Jersey, JE2 4UA**]**

[Zodia Custody (Ireland) Limited
3rd Floor, Kilmore House
Park Lane, Spencer Dock
Dublin
Ireland, D01 XN99**]**

[Determination Agent: [●]]

Execution Agent:

[Wintermute Trading Ltd.
3rd Floor, 1 Ashley Road
Altrincham, Cheshire
United Kingdom, WA14 2DT**]**

[●]

[Fiat Execution Agent: [●]]

[NAV Calculation Agent: [●]]

[FX Counterparty: [●]]

[Index Sponsor: [●]]

Paying Agent and Fiscal Agent:

[Quirin Privatbank AG
Kurfürstendamm 119
10711 Berlin
Germany**]**

[●]

[Staking Provider: [●]]

[Yield Index Provider: [●]]

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

8.2 *Variation or Termination of Appointment.* The Issuer reserves the right at any time to vary or terminate the appointment of any of the Authorised Participants and/or any of the Transaction Partner(s) and to appoint a replacement (for any of the Transaction Partners) or additional (for the Depositary, Depo Bank **[**and Staking Provider**]** **[**and FX Counterparty**]**) Transaction Partner(s). The Issuer shall at all times maintain an Administrator, Depo Bank, Depositary, **[**Determination Agent,**]** Execution Agent, Fiscal Agent, **[**Index Sponsor,**]** Paying Agent **[**Staking Provider**]** **[**and FX Counterparty**]** **[**and Yield Index Provider**]** **[**and Fiat Execution Agent**]** **[**and NAV Calculation Agent**]**. Any variation, termination, appointment or change to any Transaction Partner(s) shall only take effect (other than **[**(i)**]** in the case of insolvency, when it shall be of immediate effect **[**or (ii) in the case of a replacement of the Index Sponsor triggered by the replacement of the Index by a Replacement Index, when it shall become effective at the same time as the replacement of the Index by the respective Replacement Index**]**) after at least **[●]** Business Days prior notice to the Bondholders in accordance with Condition 19.

8.3 *Agent of the Issuer.* The Transaction Partner(s) and any additional or replacement Transaction Partner(s) appointed pursuant to Condition 8.1 or Condition 8.2 above act solely as agents of the Issuer and do not assume any obligations towards or relationship of agency or trust with any Bondholder.

9. SECURITY TRUSTEE

9.1 *Appointment.* Any Security hereunder shall be held and managed by the Security Trustee on behalf of all present and future Bondholders. The Security Trustee shall, in relation to third parties, act as the

holder of the Security and manage it on behalf of the Bondholders. The detailed duties of the Security Trustee shall solely be governed by the security trust agreement entered into between the Issuer and the Security Trustee (the "**German Security and Security Trust Agreement**") as set out in Annex 1 of the respective Global Note.

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

9.3 *Variation or Termination of Appointment.* The Issuer reserves the right at any time to vary or terminate the appointment of the Security Trustee and to appoint another Security Trustee. The Issuer shall at all times maintain a Security Trustee. Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after at least **[●]** Business Days prior notice to the Bondholders from these events in accordance with Condition 19.

10. INFORMATION DUTIES

Copies of the Security Documents in connection with the Bonds will be made available to Bondholders pursuant to the German Security and Security Trust Agreement, together with all other Programme Documents relevant to the Bondholders' security interest in the Issuance Account and/or Issuer-Owned Bonds and/or the Security as soon as reasonably practicable after the Issue Date.

11. TAXATION

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

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

12. PRESENTATION PERIOD AND PRESCRIPTION

The presentation period provided for in Section 801 paragraph 1, sentence 1 German Civil Code is reduced to ten years for the Bonds. The period of limitation for claims under the Bonds presented during the period for presentation will be two years calculated from the expiration of the relevant presentation period.

13. EVENTS OF DEFAULT

13.1 *Events of Default.* If an Event of Default occurs and is continuing, each Bondholder shall be entitled to declare all but not some of its Bonds due and payable by submitting a Termination Notice (pursuant to Condition 13.2 below) to the Issuer for its entire claim arising from the Bonds and demand (subject to Condition 13.3 below) an immediate payment of the Cryptocurrency Entitlement per Bond in accordance with the conditions set out in Condition 5 (but without any fees payable by the Bondholder which would otherwise be required by the above-mentioned Condition 5). Each of the following is an "**Event of Default**":

(a) the Issuer fails to pay out the Cryptocurrency Entitlement or any other amount in respect of the Bonds within 15 (fifteen) days from the relevant due date, except if the Issuer fails to pay out the Cryptocurrency Entitlement or any other amount in respect of the Bonds for reasons beyond its control, which should include (but is not limited to) circumstances where there is a Disruption

Event, or the Issuer is required to comply with any provision of applicable law relating to the funding of terrorist activities or money laundering.

For the avoidance of doubt: Failure to exercise the Cash Redemption in Bond Currency due to a Totally Failed Execution or Partially Failed Execution shall not amount to such failure; or

(b) the Issuer fails to duly perform any other significant obligation arising from the Bonds and such failure, if capable of remedy, continues unremedied for more than 45 (forty-five) calendar days after the Issuer has received notice thereof from a Bondholder; or

(c) the Issuer is unable or admits its inability to pay its debts as they fall due; or

(d) insolvency proceedings against the Issuer are instituted and have not been discharged or stayed within 90 (ninety) days, or the Issuer applies for or institutes such proceedings; or

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

13.2 *Termination Notices.* Any notice by a Bondholder to Redeem its Bonds in accordance with this Condition 13 (a "**Termination Notice**") shall be made by means of a declaration in text form to the Paying Agent in the German or English language together with evidence by means of a certificate of the Custodian that such Bondholder, at the time of such Termination Notice, is a Bondholder with respect of the relevant Bonds.

13.3 *Cure.* For the avoidance of doubt, the right to declare Bonds due in accordance with this Condition 13 shall terminate if the situation giving rise to it has been cured before the right is exercised.

14. COVENANTS

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

(a) create or permit to subsist any prior-ranking or equal-ranking mortgage, pledge, lien, security interest, charge or encumbrance securing any obligation of any person (or any arrangement having a like or similar effect) upon all or any of the Security (without prejudice to the right to create or permit to subsist any lower-ranking security interest in relation to the Depositary Wallet and/or the Deposited Cryptocurrency); or

(b) transfer sell, lend, part with or otherwise dispose of, or grant any option or present or future right to acquire, any of the Security.

14.2 *Limitation on Incurrence of indebtedness.* The Issuer shall not after the Issue Date, incur any indebtedness for financing purposes.

For the avoidance of doubt, the following is a non-exclusive list of indebtedness that is explicitly *not* for financing purposes (and thus can be incurred by the Issuer):

(i) any costs incurred by the Issuer in its ordinary course of business: or

(ii) any exchange traded notes or similar bonds issued with a primary purpose to give investors exposures other than the credit risk of the Issuer itself;

14.3 *Deposited Cryptocurrency.* The Issuer shall at any given time procure that it holds such amount of the Cryptocurrency equal to or exceeding the Secured Obligations Amount on the Depositary Wallet held with the Depositary (the "**Deposited Cryptocurrency**"), provided however that the amount of Cryptocurrency held by the Issuer in the Depositary Wallet may be less than the Secured Obligations Amount in certain situations which are further described in Annex B.

14.4 **[***Staking.* For the avoidance of doubt, and notwithstanding anything in this Condition 14, the Issuer may use the Deposited Cryptocurrency in activities related to Staking, which may result in partial or total loss of Deposited Cryptocurrency due to a Slashing Event, in which case the Cryptocurrency

Entitlement might be reduced (even to zero) in accordance with the provisions of Annex B and the Bondholders might suffer a total or partial loss.**]**

14.5 **[***FX Hedging Transaction*. Notwithstanding anything in this Condition 14, the Issuer shall not sell any Bonds on the primary market unless it enters into a FX Hedging Transaction with the FX Counterparty which seeks to offset potential movements in the exchange rate fluctuations between the currency in which the Bonds are denominated (the Bond Currency) and the currency in which the relevant Cryptocurrency is denominated (the Reference Price Currency (as defined in Annex A)) and ensures that the amount of the Deposited Cryptocurrency and amounts due from the FX Counterparty taken together are equal or greater than Secured Obligations Amount at all times.**]**

15. CRYPTOCURRENCY EXECUTION PROCEDURE

15.1 If the Issuer is required, pursuant to these Terms and Conditions, to conduct a Cryptocurrency Execution Procedure, the Execution Agent shall upon instructions from the Issuer sell in accordance with the Execution Agency Agreement the Cryptocurrency attributable to or forming part of the Security in respect of the Bonds subject to Cash Redemption in an amount equal to the Cryptocurrency Entitlement as of the Voluntary Redemption Date or Mandatory Redemption Date (as applicable) (the "**Cryptocurrency Execution Procedure**").

15.2 *Totally Failed Execution and special provisions for Mandatory Redemption*

The Cryptocurrency Execution Procedure required by any Condition other than Mandatory Redemption process shall be deemed to be unsuccessful if the Execution Agent fails to sell any units of the Cryptocurrency it has been instructed to sell by the Issuer, for whatever reason (including, without limitation, as a result of disruption to the availability of the Reference Price) (a "**Totally Failed Execution**").

If the Cryptocurrency Execution Procedure required as part of the Mandatory Redemption process is unsuccessful (in full or in part), the Issuer shall sell the required amount(s) of Cryptocurrency using any reasonable efforts to achieve best possible price for the Bondholders (including, without limitation, repeated use of the Cryptocurrency Execution Procedure or other methods at the Issuer's discretion) within a reasonable period of time. Upon completion, proceeds of such sale(s) shall be considered the proceeds of the initially required Cryptocurrency Execution Procedure

15.3 Without prejudice to other provisions of this Condition 15, in case of a Totally Failed Execution, the Issuer shall return all Bonds previously delivered to the Issuer in relation to which the Cash Redemption was exercised, to the Bondholder within a reasonable period. The Issuer may choose to charge any Exercise Fee to the respective Bondholder in case of a Totally Failed Execution. In this case, the Issuer shall forfeit such number of Bonds for its own benefit to become Issuer-Owned Bonds from the Bonds to be returned to the Bondholder, so that Cryptocurrency Entitlement, as of the Voluntary Redemption Date, multiplied by the number of Bonds forfeited does not exceed the Exercise Fee.

15.4 *Partially Failed Execution*

Without prejudice to other provisions of this same paragraph, in the event that Cash Redemption not associated with a Mandatory Redemption was exercised in relation to the Bonds and it is not possible for the Execution Agent to fully execute the Cryptocurrency Execution Procedure for one, or more (but not all) of the Cryptocurrency constituting the Cryptocurrency Entitlement (as a result of a Disruption Event or otherwise) (the "**Affected Cryptocurrency**") (a "**Partially Failed Execution**"), the Issuer shall, in its sole and absolute discretion:

(a) transfer the cash proceeds generated from the successful element of the Cryptocurrency Execution Procedure to the redeeming Bondholder; and

(b) retain, and hold on trust for the benefit of the Bondholder, the Affected Cryptocurrency until the redeeming Bondholder provides instructions for the Issuer to transfer the Affected Cryptocurrency in the form of a Physical Redemption (if permissible) or until such time as the Execution Agent can sell it and transfer the proceeds in the form of a Cash Redemption.

16. SUBSTITUTION

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

(a) the Substitute Debtor, in a manner legally effective, assumes all obligations of the Issuer in respect of the Bonds;

(b) the Security will be legally effective at all times;

(c) the Substitute Debtor and the Issuer have obtained all necessary governmental and regulatory approvals and consents for such substitution and that all such approvals and consents are in full force and effect and that the obligations assumed by the Substitute Debtor in respect of the Bonds are valid and binding in accordance with their respective terms enforceable by each Bondholder;

(d) the Substitute Debtor is licensed (or exempt from the requirement to be licensed) to execute transactions in the Cryptocurrency;

(e) the Substitute Debtor can transfer to the Paying Agent in the currency required and without being obligated to deduct or withhold any taxes or other duties of whatever nature levied by the country in which the Substitute Debtor or the Issuer has its domicile or tax residence, all amounts required for the fulfilment of the payment obligations arising under the Bonds;

(f) the Substitute Debtor has agreed to indemnify and hold harmless each Bondholder against any tax, duty, assessment or governmental charge imposed on such Bondholder in respect of such substitution; and

(g) there shall have been delivered to the Paying Agent, at the cost of the Issuer, an opinion or opinions by lawyers of recognised standing to the effect that subparagraphs (a) to (f) above have been satisfied.

Any substitution of the Issuer pursuant to this Condition 16 and the date of effectiveness of such substitution shall be published in accordance with Condition 19.

16.2 Upon effectiveness of the substitution any reference in these Terms and Conditions to the Issuer shall from then on be deemed to refer to the Substitute Debtor and any reference to the Relevant Taxing Jurisdiction with respect to the Issuer shall from then on be deemed to refer to the Relevant Taxing Jurisdiction with respect to the Substitute Debtor. Furthermore, in the event of such substitution and if the Relevant Taxing Jurisdiction of the Substitute Debtor does not include the Federal Republic of Germany, an alternative reference to the Federal Republic of Germany shall be deemed to have been included in addition to the reference according to the preceding sentence to the Relevant Taxing Jurisdiction of the Substitute Debtor.

16.3 Upon effective substitution of the Issuer as set forth in this paragraph, the Issuer shall be released from any obligation arising from or in connection with the Bonds.

17. FURTHER ISSUES, PURCHASE AND CANCELLATION

17.1 Without prejudice to any covenant contained in Condition 14, the Issuer may from time to time, without the consent of the Bondholders, sell Issuer-Owned Bonds, other Bonds held by the Issuer or issue further Bonds having the same terms and conditions as the Bonds in all respects (or in all respects except for the relevant Issue Date and/or issue price) so as to form a single series with the Bonds.

17.2 Without prejudice to any covenant contained in Condition 14, the Issuer may at any time purchase Bonds in the open market or otherwise and at any price. Bonds purchased by the Issuer may, at the option of the Issuer, be held, resold, transferred to the Issuance Account to become Issuer-Owned Bonds (if not already held on such account) or surrendered to the Paying Agent for cancellation.

18. AMENDMENTS OF THE TERMS AND CONDITIONS

18.1 The Issuer may, without the consent of the Bondholders in its reasonable discretion and taking into consideration the interests of the Bondholders and the relevant capital market practice: (i) make any modification to these Terms and Conditions which is of a formal, minor or technical nature or is made to correct a manifest error and that is in the opinion of the Issuer not materially prejudicial to the interests of the Bondholders, and (ii) make any other modifications, and any waiver or authorisation of any breach or proposed breach of any of these Terms and Conditions that is not materially prejudicial to the interests of the Bondholders. Any such modification, authorisation or waiver will be binding on the Bondholders and will be notified by the Issuer to the Bondholders in accordance with Condition 19 without undue delay. If and to the extent required by applicable law, a supplement to the Prospectus will be established and filed for approval.

Additionally, regarding the provisions of these Terms and Conditions which allow for any action (or lack of any action) to be taken (or not taken) at the Issuer's discretion (including, without limitation, provisions referring to situation(s) where the Issuer 'may' take some action), the Issuer may amend these Terms and Conditions to make them more restrictive on itself by prescribing particular behaviour to be implemented by the Issuer (which may – however – still include some limited amount of discretion) where before it had complete discretion.

18.2 The Issuer may furthermore, without the consent of the Bondholders, make any modification to these Terms and Conditions which is not specifically stated therein to require the consent of the Bondholders, including any modification which is made as a consequence of the occurrence of an Adjustment Event (as defined in Annex B) and subject to the conditions details in Annex B.

18.3 The Terms and Conditions may also be amended with consent of the Issuer by virtue of a majority resolution of the Bondholders pursuant to Sections 5 et seqq. of the German Act on Issues of Debt Securities (*Gesetz über Schuldverschreibungen aus Gesamtemissionen* – "**SchVG**"), as amended from time to time. In particular, the Bondholders may consent to amendments which materially change the substance of the Terms and Conditions, including such measures as provided for under Section 5 paragraph 3 of the SchVG by resolutions passed by such majority of the votes of the Bondholders as stated under Condition 18.4 below. A duly passed majority resolution shall be binding equally upon all Bondholders.

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

18.5 Subject to Condition 18.6 below, resolutions of the Bondholders shall exclusively be made by means of a vote without a meeting in accordance with Section 18 of the SchVG. The request for voting will provide for further details relating to the resolutions and the voting procedure. The subject matter of the vote as well as the proposed resolutions shall be notified to the Bondholders together with the request for voting. The exercise of voting rights is subject to the Bondholders' registration. The registration must be received at the address stated in the request for voting no later than the third day preceding the beginning of the voting period. As part of the registration, Bondholders must demonstrate their eligibility to participate in the vote by means of a special confirmation of the Custodian in accordance with Condition 20.4 (i) (a) and (b) hereof by means of a declaration in text form and by submission of a blocking instruction by the Custodian stating that the relevant Bonds are not transferable from (and including) the day such registration has been sent to (and including) the day the voting period ends.

18.6 If it is ascertained that no quorum exists for the vote without meeting pursuant to Condition 18.5 above, the scrutineer may convene a Bondholders' meeting, which shall be deemed to be a second noteholders' meeting within the meaning of Section 15 paragraph 3 sentence 3 of the SchVG. Attendance at the second Bondholders' meeting and exercise of voting rights is subject to the Bondholders' registration. The registration must be received at the address stated in the convening notice no later than the third day preceding the second Bondholders' meeting. As part of the registration, Bondholders must demonstrate their eligibility to participate in the vote by means of a special confirmation of the Custodian in accordance with Condition 20.4 (i) (a) and (b) hereof by means of a declaration in text

form and by submission of a blocking instruction by the Custodian stating that the relevant Bonds are not transferable from (and including) the day such registration has been sent to (and including) the stated end of the noteholders' meeting.

18.7 The Bondholders may by majority resolution provide for the appointment or dismissal of a joint representative (the "**Bondholders' Representative**"), the duties and responsibilities and the powers of such Bondholders' Representative, the transfer of the rights of the Bondholders to the Bondholders' Representative and a limitation of liability of the Bondholders' Representative. Appointment of a Bondholders' Representative may only be passed by a Qualified Majority if such Bondholders' Representative is to be authorised to consent, in accordance with Condition 18.4 above, to a material change in the substance of the Terms and Conditions.

18.8 Any notices concerning Conditions 18.5 to 18.7 shall be made exclusively pursuant to the provisions of the SchVG.

19. NOTICES

19.1 All notices regarding the Bonds, other than any notices stipulated in Conditions 18.5 to 18.7 which shall be made exclusively pursuant to the provisions of the SchVG, will be published on the Website.

19.2 The Issuer will be entitled to deliver all notices concerning the Bonds, other than any notices stipulated in Conditions 18.5 to 18.7, to the Clearing System for communication by the Clearing System to the Bondholders to the extent that the rules of the stock exchange on which the Bonds are listed or admitted to trading permit so.

19.3 Any notice, other than any notices stipulated in Conditions 18.5 to 18.7, will be deemed to have been validly given on the date of the first publication (or, if required to be published in a newspaper, on the first date on which publication shall have been made in the required newspaper) or, as the case may be, on the fourth Business Day after the date of such delivery to the Clearing System.

20. GOVERNING LAW

20.1 The Bonds, as to form and content, and all rights and obligations of the Bondholders and the Issuer, shall be governed by German law. The Security Documents, as to form and content, and all rights and obligations of the Bondholders and the Issuer, shall be governed by German law.

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

20.3 All calculations and determinations required to be made by these Terms and Conditions shall be made by the Issuer, or any party appointed by the Issuer, in its sole and absolute discretion.

20.4 Any Bondholder may in any proceedings against the Issuer, or to which such Bondholder and the Issuer are parties, protect and enforce in its own name its rights arising under the relevant Bonds on the basis of (i) a statement issued by the Custodian with which such Bondholder maintains a securities account in respect of the Bonds (a) stating the full name and address of the Bondholder, (b) specifying the aggregate principal amount of Bonds credited to such securities account on the date of such statement and/or specifying the aggregate principal amount of Bonds transferred from such Bondholder's securities account to the Issuance Account (including effective dates of such transfer(s)) and (c) confirming that the Custodian has given written notice to the Clearing System containing the information pursuant to (a) and (b), and (ii) a copy of the Global Note representing the relevant Bonds certified as being a true copy of the original Global Note by a duly authorised officer of the Clearing System or a depository of the Clearing System, without the need for production in such proceedings of the actual records or the Global Note representing the Bonds. For purposes of the foregoing,

"**Custodian**" means any bank or other financial institution of recognised standing authorised to engage in securities custody business with which the Bondholder maintains a securities account in respect of the Bonds, including the Clearing System. Each Bondholder may, without prejudice to the foregoing, protect and enforce its rights under these Bonds also in any other way which is admitted in the country of the proceedings.

21. LANGUAGE

These Terms and Conditions are written in English language.

ANNEX A – Cryptocurrency Entitlement

PART A – Bonds linked to a single underlying Cryptocurrency

"**Cryptocurrency Entitlement**" means, as of any Business Day, the Bondholder's claim against the Issuer in respect of each Bond, expressed as the number of the units of the particular Cryptocurrency comprising the Bond.

On the Issue Date, the Cryptocurrency Entitlement corresponds to the Initial Cryptocurrency Entitlement (as defined below).

On any day after the Issue Date, the Cryptocurrency Entitlement will be calculated by the Issuer in its sole discretion in accordance with the following formula:

$$CE_{(t)} = CE_{(t-1)} * \left(1.0 - \frac{DER}{365}\right)$$

Where:

"$\boldsymbol{CE_{(t)}}$" means the Cryptocurrency Entitlement on day "t" days after the Issue Date;

"**t**" means the number of calendar days elapsed since the Issue Date;

"$\boldsymbol{CE_{(t-1)}}$" means the Cryptocurrency Entitlement on the previous day before day "t" days after the Issue Date;

"$\boldsymbol{CE_{(0)}}$" or "**Initial Cryptocurrency Entitlement**" means **[●]**, the Cryptocurrency Entitlement on the Issue Date; and

"$\boldsymbol{DER}$" means the Diminishing Entitlement Rate. The Diminishing Entitlement Rate represents the management fee expressed as the rate at which the Cryptocurrency Entitlement decays over time; As of the Issue Date, the Diminishing Entitlement Rate is **[●]** percent. The Diminishing Entitlement Rate applicable to any future (but not past) periods of time may be changed by the Issuer at any time and the Issuer shall notify the Bondholders thereof in accordance with Condition 19.

PART B – Bonds linked to an Index of underlying Cryptocurrency

"**Basket**" means a basket of Cryptocurrency initially composed as specified in Part II below, which are the components of the Index on any given day and are not notified as Unsupported Cryptocurrency by the Issuer;

For the avoidance of doubt: Any reference to a "unit of the Basket" or "units of the Basket" in this Terms and Conditions also refers to the units of the Cryptocurrency comprising the Basket;

["Index" means **[●];]**

"**Index Methodology**" means **[**insert reference to Index Methodology**]**;

The Issuer reserves the right, in its reasonable discretion, to replace the Index and the corresponding Index Methodology with an Index (the "**Replacement Index**") and corresponding Index Methodology (the "**Replacement Index Methodology**"), which the Issuer deems to be comparable to the initial Index, the components of the Index and its Index Methodology, provided it notifies the Bondholders thereof in accordance with Condition 19. Following any such replacement, any reference to the term Index and Index Methodology shall refer to the Replacement Index and the Replacement Index Methodology. All provisions in these Terms and Conditions (for the avoidance of doubt, including this provision) shall apply mutatis mutandis to the relevant replacement of such Replacement Index and Replacement Index Methodology by any new Replacement Index and Replacement Index Methodology. In this case, any reference in this provision to the term Replacement Index and Replacement Index Methodology shall be deemed to be a reference to the Replacement Index and Replacement Index Methodology that last applied. The Issuer shall at all times maintain an "Index" and "Index Methodology".

"**Index Sponsor**" means, initially, the entity specified in Part II below. The Issuer shall replace the Index Sponsor with the index sponsor of the relevant Replacement Index following a replacement of the Index by the relevant Replacement Index (the "**Replacement Index Sponsor**") accordingly. The Issuer shall notify the Bondholders thereof together with the replacement of the Index by the relevant Replacement Index in accordance with Condition 19 as specified above, Following any such replacement, any reference to the term Index Sponsor shall refer to the Replacement Index Sponsor. All provisions in these Terms and Conditions (for the avoidance of doubt, including this provision) shall apply mutatis mutandis to the relevant replacement of such Replacement Index Sponsor by any new Replacement Index Sponsor. In this case, any reference in this provision to the term Replacement Index Sponsor shall be deemed to be a reference to the Replacement Index and Replacement Index Sponsor that last applied;

"**Rebalance Day**" means any day on which a rebalancing of the components of the Index takes place. If for any reason, the Issuer is unable to rebalance the components of the Index on a set Rebalance Day, it will perform the rebalancing of the components of the Index on the next possible Business Day it is able to;

"**Single Cryptocurrency Entitlement**" or "**SCE**" means, as of any Business Day, part of the total Bondholder's claim against the Issuer in respect of each Bond, expressed as the number of the units of the particular Cryptocurrency comprising the Basket per Bond;

On the Issue Date, the Single Cryptocurrency Entitlement corresponds to the Initial Single Cryptocurrency Entitlement (as defined below);

On any day after the Issue Date, the Single Cryptocurrency Entitlement will be calculated by the Issuer in its sole discretion in accordance with the following formula:

If the relevant day ("t" days after the Issue Date) is <u>not</u> a Rebalance Day:

$$SCE^{i}_{(t)} = SCE^{i}_{(t-1)} * \left(1.0 - \frac{DER}{365}\right)$$

If the relevant day ("t" days after the Issue Date) is a Rebalance Day:

$$SCE^{i}_{(t)} = \widetilde{SCE}^{i}_{(t)} * \left(1.0 - \frac{DER}{365}\right) - (RCR * RTV^{i}_{(t)})$$

$$\widetilde{SCE}^{i}_{(t)} = \frac{W^{i}_{(t)} * MTM_{(t)}}{P^{i}_{(t)}}$$

$$MTM_{(t)} = \sum_{i \in B_{(t-1)}} SCE^{i}_{(t-1)} * P^{i}_{(t)}$$

$$RTV^{i}_{(t)} = Max\left(0, \widetilde{SCE}^{i}_{(t)} - SCE^{i}_{(t-1)}\right)$$

Where:

"$\boldsymbol{SCE^{i}_{(t)}}$" means the Single Cryptocurrency Entitlement in respect of the particular Cryptocurrency comprised in the Basket (denoted "i") on day "t" days after the Issue Date;

"**t**" means the number of calendar days elapsed since the Issue Date;

"$\boldsymbol{SCE^{i}_{(t-1)}}$" means the Single Cryptocurrency Entitlement in respect of the particular Cryptocurrency comprised in the Basket (denoted "i") on the previous day before day "t" days after the Issue Date;

"$\boldsymbol{\widetilde{SCE}^{i}_{(t)}}$" means the Single Cryptocurrency Entitlement gross of rebalance cost and management fee i in respect of the particular Cryptocurrency comprised in the Basket (denoted "i") on day "t" days after the Issue Date;

"$\boldsymbol{SCE^{i}_{(0)}}$" means the initial Single Cryptocurrency Entitlement on the Issue Date. As of the Issue Date, the respective Single Cryptocurrency Entitlements shall be:

[Insert table with SCE]

"$\boldsymbol{DER}$" means the Diminishing Entitlement Rate. The Diminishing Entitlement Rate represents the management fee expressed as the rate at which the Single Cryptocurrency Entitlement decays over time. As of the Issue Date, the Diminishing Entitlement Rate is **[●]** percent. The Diminishing Entitlement Rate applicable to any future (but not the past) period of time may be changed by the Issuer at any time and the Issuer shall notify the Bondholders thereof in accordance with Condition 19;

"**RCR**" means the effective rebalance cost rate; The RCR represents a fee charged by the Issuer to affect the rebalancing of the Basket. As of the Issue Date, RCR is not more than **[●]**[1.00**]** percent; The RCR rate applicable to any future (but not past) period of time may be changed by the Issuer at any time and the Issuer shall notify the Bondholders thereof in accordance with Condition 19, *provided however* that notwithstanding the foregoing the Issuer may lower RCR rate applicable to past periods of time and adjust Single Cryptocurrency Entitlement and Cryptocurrency Entitlement upwards accordingly by giving the Bondholders notice in accordance with Condition 19;

"$\boldsymbol{RTV^{i}_{(t)}}$" means the positive variation between the Single Cryptocurrency Entitlement (for the relevant Cryptocurrency denoted "i") on day "t" and the Single Cryptocurrency Entitlement on the previous calendar day; If the Basket has not comprised the relevant cryptocurrency on the previous calendar day, the respective Single Cryptocurrency Entitlement on the previous calendar day is zero; If the variation between the Single Cryptocurrency Entitlement on day "t" and Single Cryptocurrency Entitlement on the previous calendar day is negative, **RTV*t i*** is zero;

"$\boldsymbol{MTM}$" means the mark-to-market value of the total Cryptocurrency Entitlement (as of the previous day) calculated on the day "t" calendar days after the Issue Date;

"$\boldsymbol{P_{(t)}}$" means the reference price calculated in respect of the particular Cryptocurrency comprising the Basket (denoted "i") on the day "t" calendar days after the Issue Date; The same methodology and source for $\boldsymbol{P^{i}_{(t)}}$ calculation shall be used as prescribed by the Index Methodology for the calculation of prices of its components; **[**and**]**

"$W^{i}_{(t)}$" means the weighting in respect of the particular Cryptocurrency comprised in the Basket (denoted "i") on the day "t" calendar days after the Issue Date, provided by the Index Sponsor. The Issuer reserves the right, within its reasonable discretion, to adjust said weightings by distributing weights, attributed to any Unsupported Cryptocurrency comprised in the Index, among Cryptocurrency comprised in the Basket (denoted "i"), such that the total sum of the weightings is equal to 100.00 percent **[**; and**][.]**

["Unsupported Cryptocurrency" means any Cryptocurrency that the Issuer notifies the Bondholders of in accordance with Condition 19 provided that the Issuer may revoke the designation of a cryptocurrency as an Unsupported Cryptocurrency only if the relevant day is a Rebalance Day.

In the event the Issuer revokes the designation of a Cryptocurrency as an Unsupported Cryptocurrency thereby including such Cryptocurrency in the definition of Basket, the Single Cryptocurrency Entitlement applicable to any future (but not the past) periods of time shall be determined in accordance with the "Single Cryptocurrency Entitlement" formula above;

In the event the Issuer designated a Cryptocurrency as an Unsupported Cryptocurrency, and the effective date of such designation is not a Rebalance Date, the Issuer shall perform an unscheduled rebalance of all Single Cryptocurrency Entitlements according to the formulas above as if such date was a Rebalance Day where affected Cryptocurrency was excluded from the Index (and, accordingly, from the Basket).**]**

PART C – Bonds linked to a single underlying Cryptocurrency to be Staked

"**Cryptocurrency Entitlement**" means, as of any Business Day, the Bondholder's claim against the Issuer in respect of each Bond, expressed as the number of the units of the particular Cryptocurrency comprising the Bond.

On the Issue Date, the Cryptocurrency Entitlement corresponds to the Initial Cryptocurrency Entitlement (as defined below).

On any day after the Issue Date, the Cryptocurrency Entitlement will be calculated by the Issuer in its sole discretion in accordance with the following formula:

$$CE_{(t)} = CE_{(t-1)} * \left(1 - \frac{DER}{365}\right) + \frac{SR_{(t-x)}}{N_{(t-x)}}(1 - DSC)$$

Where:

"$\boldsymbol{CE_{(t)}}$" means the Cryptocurrency Entitlement on day "t" days after the Issue Date;

"$\boldsymbol{CE_{(t-1)}}$" means the Cryptocurrency Entitlement on the previous day before day "t" days after the Issue Date;

"$\boldsymbol{CE_{(0)}}$" or "**Initial Cryptocurrency Entitlement**" means **[●]**, the Cryptocurrency Entitlement on the Issue Date;

"$\boldsymbol{DER}$" means the Diminishing Entitlement Rate. The Diminishing Entitlement Rate represents the management fee expressed as the rate at which the Cryptocurrency Entitlement decays over time. As of the Issue Date, the Diminishing Entitlement Rate is **[●]** percent. The Diminishing Entitlement Rate applicable to any future (but not past) period of time may be changed by the Issuer at any time and the Issuer shall notify the Bondholders thereof in accordance with Condition 19;

"$\boldsymbol{SR_{(t-x)}}$" means the staking rewards expressed in respective cryptocurrency received (both earned and accrued) from staking on the day "x" days before the day "t" days after the Issue Date. If, for any reason on any given day(s), the staking rewards, or reports pertaining to the staking rewards, are not received or unattainable (such event, a "**Staking Rewards Delay**"), the Issuer shall use its reasonable discretion in line with the acceptable market practice in estimating the staking rewards for the period of Staking Rewards Delay. Once the Staking Rewards Delay is concluded and staking rewards, or reports pertaining to the staking rewards, are actually received by the Issuer, the Issuer shall rectify the difference in the staking rewards per Bond but only for the Bondholders that subscribed or redeemed the Bonds after the Staking Rewards Delay has finished. When rectifying the difference in the staking rewards per Bond, the Issuer is entitled to exercise its full discretion, acting in good faith and in a commercially reasonable manner, whether in its opinion it is appropriate to make one or more adjustments to the Cryptocurrency Entitlement to account for the economic effect of any Staking Rewards Delay, after the conclusion of the Staking Rewards Delay. In case of ongoing subscription and/or redemption procedures in accordance with Conditions 2, 5 and 6 of the Terms and Conditions, Bondholders will be entitled to a reconfigured Cryptocurrency Entitlement per Bond, calculated using the estimate of the staking rewards by the Issuer;

"**x**" means **[[●]** days**][**a number of days as prescribed by the Expected Unbonding Period of the respective Cryptocurrency**]**;

"$\boldsymbol{N_{(t-x)}}$" means number of bonds outstanding as of end of the day "x" days before the before day "t" days after the Issue Date; and

"**DSC**" means the fees applied to the staking rewards. As of the Issue Date, the DSC shall be **[●]**. The DSC applicable to any future (but not past) period of time may be changed by the Issuer at any time and the Issuer shall notify the Bondholders thereof in accordance with Condition 19.

PART D – Bonds linked to an Index of underlying Cryptocurrency to be Staked

"**Basket**" means a basket of Cryptocurrency initially composed as specified in Part II below, which are the components of the Index on any given day and are not notified as Unsupported Cryptocurrency by the Issuer;

For the avoidance of doubt: Any reference to a "unit of the Basket" or "units of the Basket" in this Terms and Conditions also refers to the units of the Cryptocurrency comprising the Basket;

["Index" means **[●];]**

"**Index Methodology**" means [insert reference to Index Methodology];

The Issuer reserves the right, in its reasonable discretion, to replace the Index and the corresponding Index Methodology with an Index (the "**Replacement Index**") and corresponding Index Methodology (the "**Replacement Index Methodology**"), which the Issuer deems to be comparable to the initial Index, the components of the Index and its Index Methodology, provided it notifies the Bondholders thereof in accordance with Condition 19. Following any such replacement, any reference to the term Index and Index Methodology shall refer to the Replacement Index and the Replacement Index Methodology. The Issuer shall at all times maintain an "**Index**" and "**Index Methodology**".

"**Rebalance Day**" means any day on which a rebalancing of the components of the Index takes place. If for any reason, the Issuer is unable to rebalance the components of the Index on a set Rebalance Day, it will perform the rebalancing of the components of the Index on the next possible Business Day it is able to;

"**Single Cryptocurrency Entitlement**" means, as of any Business Day, part of the total Bondholder's claim against the Issuer in respect of each Bond, expressed as the number of the units of the particular Cryptocurrency comprising the Basket per Bond.

On the Issue Date, the Single Cryptocurrency Entitlement corresponds to the Initial Single Cryptocurrency Entitlement (as defined below).

On any day after the Issue Date, the Single Cryptocurrency Entitlement will be calculated by the Issuer in its sole discretion in accordance with the following formula:

If the relevant day ("t" days after the Issue Date) is <u>not</u> a Rebalance Day or <u>not</u> a day immediately following the Rebalance Day:

$$SCE_{(t)} = SCE^{i}_{(t-1)} * \left(1 - \frac{DER}{365}\right) + \frac{SSR_{(t-x)}}{N_{(t-x)}}\left(1 - \boldsymbol{DSC^{i}_{(t)}}\right)$$

If the relevant day ("t" days after the Issue Date) is a day immediately following the Rebalance Day:

$$SCE_{(t)} = SCE^{i}_{(t-1)} * \left(1 - \frac{DER}{365}\right) + \frac{SSR_{(t-x)} + SSR_{(t-x-1)}}{N_{(t-x)}}\left(1 - \boldsymbol{DSC^{i}_{(t)}}\right)$$

If the relevant day ("t" days after the Issue Date) is a Rebalance Day:

$$SCE^{i}_{(t)} = \widetilde{SCE}^{i}_{(t)} * \left(1.0 - \frac{DER}{365}\right) - (RCR * RTV^{i}_{(t)})$$

$$\widetilde{SCE}^{i}_{(t)} = \frac{W^{i}_{(t)} * MTM_{(t)}}{P^{i}_{(t)}}$$

$$MTM_{(t)} = \sum_{\mathrm{I} \in \mathrm{B}_{(t-1)}} SE^{i}_{(t-1)} * P^{i}_{(t)}$$

$$RTV^{i}_{(t)} = Max\left(0, \widetilde{SCE}^{i}_{(t)} - SCE^{i}_{(t-1)}\right)$$

Where:

"$\boldsymbol{SCE^{i}_{(t)}}$" means the Single Cryptocurrency Entitlement in respect of the particular Cryptocurrency comprised in the Basket (denoted "i") on day "t" days after the Issue Date;

"**t**" means the number of calendar days elapsed since the Issue Date;

"$\boldsymbol{SCE^{i}_{(t-1)}}$" means the Single Cryptocurrency Entitlement in respect of the particular Cryptocurrency comprised in the Basket (denoted "i") on the previous day before day "t" days after the Issue Date;

"$\boldsymbol{SSR_{(t-x)}}$" means the Single staking rewards expressed in respective cryptocurrency received (both earned and accrued) from staking on the day "x" days before the day "t" days after the Issue Date. If, for any reason on any given day(s), the Single staking rewards, or reports pertaining to the Single staking rewards, are not received or unattainable (such event, a "**Staking Rewards Delay**"), the Issuer shall use its reasonable discretion in line with the acceptable market practice in estimating the Single staking rewards for the period of Staking Rewards Delay. Once the Staking Rewards Delay is concluded and the Single staking rewards, or reports pertaining to the Single staking rewards, are actually received by the Issuer, the Issuer shall rectify the difference in the Single staking rewards per Bond but only for the Bondholders that subscribed or redeemed the Bonds after the Staking Rewards Delay has finished. When rectifying the difference in the Single staking rewards per Bond, the Issuer is entitled to exercise its full discretion, acting in good faith and in a commercially reasonable manner, whether in its opinion it is appropriate to make one or more adjustments to the Single Cryptocurrency Entitlement to account for the economic effect of any Staking Rewards Delay, after the conclusion of the Staking Rewards Delay. In case of ongoing subscription and/or redemption procedures in accordance with Conditions 2, 5 and 6 of the Terms and Conditions, Bondholders will be entitled to a reconfigured Single Cryptocurrency Entitlement per Bond, calculated using the estimate of the Single staking rewards by the Issuer;

"**x**" means **[[●]** days**][**a number of days as prescribed by the Expected Unbonding Period of the respective cryptocurrency**]**;

"$\boldsymbol{SSR_{(t-x-1)}}$" means the Single staking rewards expressed in respective cryptocurrency received (both earned and accrued) from staking on the previous day before the day "x" days before the day "t" days after the Issue Date. In case of a Staking Rewards Delay, the Issuer shall use its reasonable discretion in line with the acceptable market practice in estimating the Single staking rewards for the period of Staking Rewards Delay. Once the Staking Rewards Delay is concluded and the Single staking rewards, or reports pertaining to the Single staking rewards, are actually received by the Issuer, the Issuer shall rectify the difference in the Single staking rewards per Bond but only for the Bondholders that subscribed or redeemed the Bonds after the Staking Rewards Delay has finished. When rectifying the difference in the Single staking rewards per Bond, the Issuer is entitled to exercise its full discretion, acting in good faith and in a commercially reasonable manner, whether in its opinion it is appropriate to make one or more adjustments to the Single Cryptocurrency Entitlement to account for the economic effect of any Staking Rewards Delay, after the conclusion of the Staking Rewards Delay. In case of ongoing subscription and/or redemption procedures in accordance with Conditions 2, 5 and 6 of the Terms and Conditions, Bondholders will be entitled to a reconfigured Single Cryptocurrency Entitlement per Bond, calculated using the estimate of the Single staking rewards by the Issuer;

"$\boldsymbol{N_{(t-x)}}$" means number of bonds outstanding as of end of the day "x" days before the day "t" days after the Issue Date;

"$\boldsymbol{\widetilde{SCE}^{i}_{(t)}}$" means the Rebalanced Single Cryptocurrency Entitlement, gross of rebalance cost and management fee, in respect of the particular Cryptocurrency comprised in the Basket (denoted "i") on day "t" days after the Issue Date;

"$\boldsymbol{SCE^{i}_{(0)}}$" means the initial Single Cryptocurrency Entitlement, in respect of the particular Cryptocurrency comprised in the Basket (denoted "i"), on the Issue Date. As of the issue date, the respective Single Cryptocurrency Entitlements shall be:

[Insert table with $SCE^{i}_{(0)}$]

"$\boldsymbol{DER}$" means the Diminishing Entitlement Rate. The Diminishing Entitlement Rate represents the management fee expressed as the rate at which the Single Cryptocurrency Entitlement decays over time. As of the Issue Date, the Diminishing Entitlement Rate is **[●]** percent. The Diminishing Entitlement Rate applicable to any future (but not the past) period of time may be changed by the Issuer at any time and the Issuer shall notify the Bondholders thereof in accordance with Condition 19;

"$\boldsymbol{DSC^{i}_{(t)}}$" means the fees applied to the staking rewards in respect of the particular Cryptocurrency comprised in the Basket (denoted "i"). As of the Issue Date, the DSC shall be:

[Insert table with $DSC^{i}_{(0)}$]

The DSC applicable to any future (but not past) period of time may be changed by the Issuer at any time and the Issuer shall notify the Bondholders thereof in accordance with Condition 19;

"**RCR**" means the effective rebalance cost rate; The effective rebalance cost RCR represents a fee charged by the Issuer to affect the rebalancing of the Basket. As of the Issue Date, RCR is not more than **[**1.00**][●]** percent; The RCR rate applicable to any future (but not the past) period of time may be changed by the Issuer at any time and the Issuer shall notify the Bondholders thereof in accordance with Condition 19, *provided however* that notwithstanding the foregoing the Issuer may lower the RCR applicable to past periods of time and adjust the Single Cryptocurrency Entitlement and Cryptocurrency Entitlement upwards accordingly by giving the Bondholders notice in accordance with Condition 19;

"$\boldsymbol{RTV^{i}_{(t)}}$" means the positive variation between the Single Cryptocurrency Entitlement (for the relevant cryptocurrency denoted "i") on day "t" and the Single Cryptocurrency Entitlement on the previous calendar day; If the Basket was not comprised of the relevant cryptocurrency on the previous calendar day, the respective Single Cryptocurrency Entitlement on the previous calendar day is zero; If the variation between the Single Cryptocurrency Entitlement on day "t" and Single Cryptocurrency Entitlement on the previous calendar day is negative, $\boldsymbol{RTV^{i}_{(t)}}$ is zero;

"$\boldsymbol{MTM}$" means the mark-to-market value of the total Cryptocurrency Entitlement (as of the previous day) calculated on the day "t" calendar days after the Issue Date;

"$\boldsymbol{P_{(t)}}$" means the reference price calculated in respect of the particular Cryptocurrency comprised in the Basket (denoted "i") on the day "t" calendar days after the Issue Date; The same methodology and source for $\boldsymbol{P^{i}_{(t)}}$ calculation shall be used as prescribed by the Index Methodology for the calculation of prices of its components; **[**and**]**

"$\boldsymbol{W^{i}_{(t)}}$" means the weighting in respect of the particular Cryptocurrency comprised in the Basket (denoted "i") on the day "t" calendar days after the Issue Date, provided by the Index Sponsor. The Issuer reserves the right, within its reasonable discretion, to adjust said weightings by distributing weights, attributed to any Unsupported Cryptocurrency comprised in the Index, among Cryptocurrency comprised in the Basket (denoted "i"), such that the total sum of the weightings is equal to 100.00 percent **[**; and**][.]**

["Unsupported Cryptocurrency" means any Cryptocurrency that the Issuer notifies the Bondholders of in accordance with Condition 19 provided that the Issuer may revoke the designation of a cryptocurrency as an Unsupported Cryptocurrency only if the relevant day is a Rebalance Day;

In the event the Issuer revokes the designation of a Cryptocurrency as an Unsupported Cryptocurrency thereby including such Cryptocurrency in the definition of Basket, the Single Cryptocurrency Entitlement applicable to any future (but not the past) periods of time shall be determined in accordance with the "Single Cryptocurrency Entitlement" formula above;

In the event the Issuer designated a Cryptocurrency as an Unsupported Cryptocurrency, and the effective date of such designation is not a Rebalance Date, the Issuer shall perform an unscheduled rebalance of all Single

Cryptocurrency Entitlements according to the formulas above as if such date was a Rebalance Date where affected Cryptocurrency was excluded from the Index (and, accordingly, from the Basket).**]**

PART E – Bonds linked to a single underlying Cryptocurrency with FX Hedging Feature

"**Cryptocurrency Entitlement**" means, as of any Business Day, the Bondholder's claim against the Issuer in respect of each Bond, expressed as the number of the units of the Cryptocurrency per Bond.

On the Issue Date, the Cryptocurrency Entitlement corresponds to the Initial Cryptocurrency Entitlement (as defined below).

On any day after the Issue Date, the Cryptocurrency Entitlement will be calculated by the Issuer in its sole discretion in accordance with the following formula:

$$CE_{(t)} = (CE_{(t-1)} + FXP_{(t)}) * \left(1 - \frac{DER + HDC}{365}\right)$$

$$FXP_{(t)} = \frac{\left(CE_{(t-1)} * P_{(t-1)}\right) * \left(\frac{FFX_{(t-1)}}{FXS_{(t)}} - 1\right)}{P_{(t)}}$$

"$\boldsymbol{CE_{(t)}}$" means the Cryptocurrency Entitlement on day "t" days after the Issue Date;

"**t**" means the number of calendar days elapsed since the Issue Date;

"$\boldsymbol{CE_{(t-1)}}$" means the Cryptocurrency Entitlement on the previous day before day "t" days after the Issue Date;

"$\boldsymbol{CE_{(0)}}$" means the Initial Cryptocurrency Entitlement on the Issue Date. As of the Issue Date, the Cryptocurrency Entitlement shall be **[●]**;

"$\boldsymbol{DER}$" means the Diminishing Entitlement Rate. The Diminishing Entitlement Rate represents the management fee expressed as the rate at which the Cryptocurrency Entitlement decays over time. As of the Issue Date, the Diminishing Entitlement Rate is **[●]** percent. The Diminishing Entitlement Rate applicable to any future (but not past) period of time may be changed by the Issuer at any time and the Issuer shall notify the Bondholders thereof in accordance with Condition 19;

"$\boldsymbol{P_{(t)}}$" means the Reference Price of the underlying Cryptocurrency on the day 't' calendar days after the Issue Date;

"$\boldsymbol{P_{(t-1)}}$" means the Reference Price of the underlying Cryptocurrency on the previous day before day 't' days after the Issue Date;

"$\boldsymbol{FXP_{(t)}}$", means the FX Hedge Performance. The FX Hedge Performance represents the change in Cryptocurrency entitlement rate, in respect of the FX Hedging mechanism for the mitigation of fluctuations in the exchange rate between the currency in which the Reference Price is denominated (the "**Reference Price Currency**") and the Bond Currency, on day 't' days after the Issue Date;

"$\boldsymbol{FFX_{(t-1)}}$" means the FX Forward Reference Level on the previous day before day 't' days after the Issue Date;

"$\boldsymbol{FXS_{(t)}}$" means the FX Spot Reference Level in respect to the day 't' days after the Issue Date;

"**FX Forward Reference Level**" means, in respect of any calendar day, the forward rate, expressed in the Reference Price Currency provided by the FX Counterparty, on that day as being the rate for a forward exchange of an amount of the Reference Price Currency per one unit of the Bond Currency; for the purposes of the foregoing, "forward exchange" shall mean exchange to be settled **[●]** business days in the future, with "business days" understood as customary in relevant foreign exchange markets; and

"**FX Spot Reference Level**" means, in respect of any calendar day, the currency exchange rate expressed in the Reference Price Currency provided by the FX Counterparty, on that day as being the rate for the spot exchange of an amount of the Reference Price Currency per one unit of the Bond Currency. For the purposes of the

foregoing, “spot exchange” shall mean exchange to be settled **[●]** business days in the future, with “business days” understood as customary in relevant foreign exchange markets.

"**HDC**" means the hedging Costs. The hedging costs represents the annual cost of the Issuer to maintain the currency hedging mechanism expressed in per cent. *per annum*. The hedging costs applicable to any future (but not past) period of time may be changed by the Issuer at any time and the Issuer shall notify the Bondholders thereof in accordance with Condition 19.

PART F – Bonds with index based calculation

"**Cryptocurrency Entitlement**" means, as of any Business Day, the Bondholder's claim against the Issuer in respect of each Bond, expressed as the number of the units of the Cryptocurrency per Bond.

On any day after the Issue Date, the Cryptocurrency Entitlement will be calculated by the Issuer in its reasonable discretion in accordance with the following formula:

$$\boldsymbol{CE_{(t)}} = (\Sigma_i^n \; Cryptocurrency\ Amount_i * Entitlement) \; * (1.0 - \mathrm{DER}/365)^t$$

Where:

"$\boldsymbol{CE_{(t)}}$" means the Cryptocurrency Entitlement on day "t" days after the Issue Date;

"$\boldsymbol{Cryptocurrency\ Amount_i}$" means the amount of units of the respective Cryptocurrency comprised in the Index as calculated and published by the Index Sponsor at **[●]** on any day;

"$\boldsymbol{DER}$" means the Diminishing Entitlement Rate. The Diminishing Entitlement Rate represents the management fee expressed as the rate at which the Cryptocurrency Entitlement decays over time; As of the Issue Date, the Diminishing Entitlement Rate is **[●]** percent. The Diminishing Entitlement Rate applicable to any future (but not past) periods of time may be changed by the Issuer at any time and the Issuer shall notify the Bondholders thereof in accordance with Condition 19;

"**Entitlement**" means **[●]**;

["Index" means **[●];]**

"**Index Methodology**" means **[**insert reference to Index Methodology**]**;

The Issuer reserves the right, in its reasonable discretion, to replace the Index and the corresponding Index Methodology with an Index (the "**Replacement Index**") and corresponding Index Methodology (the "**Replacement Index Methodology**"), which the Issuer deems to be comparable to the initial Index, the components of the Index and its Index Methodology, provided it notifies the Bondholders thereof in accordance with Condition 19. Following any such replacement, any reference to the term Index and Index Methodology shall refer to the Replacement Index and the Replacement Index Methodology. The Issuer shall at all times maintain an "Index" and "Index Methodology".

"**Index Sponsor**" means the entity specified in Part II below;

"**n**" means the number of different Cryptocurrencies comprised in the Index;

"**t**" means the number of calendar days elapsed since the Issue Date.

Annex B – Adjustments and Special Situations

1. DEFINITIONS

For the purposes of this Annex B, terms defined in the Terms and Conditions have the meanings given to them in the Terms and Conditions unless otherwise defined in this Annex B. The following terms have the meanings given to them below:

"**Adjustment Event**" means any of the following events or circumstances occur:

(a) a Split;

(b) an Airdrop Event;

(c) a Disruption Event;

(d) a Partial Cryptocurrency Disruption**[**; and**][.]**

(e) **[**an Index Disruption Event**[**; and**][.]]**

(f) **[**a FX Hedging Transaction Failure Event**[**; and**][.]]**

(g) **[**a Slashing Event.**]**

"**Airdrop Event**" means the allocation and distribution by a third party of a cryptocurrency to holders of a Cryptocurrency on such conditions as may be prescribed by that third party which may include without limitation that the holder of the Cryptocurrency perform a prescribed activity or task;

["Collateral Shortfall Event" means the situation where, contrary to the covenant set out in Condition 14.3, the amount of Cryptocurrency held by the Issuer in the Depositary Wallet permanently falls below the Secured Obligations Amounts due to **[**the execution of any of the Eligible Rebalance Procedures**][**a FX Hedging Transaction Failure Event**];]**

"**Disruption Event**" means that the Issuer may (but is not obligated to), with respect to any day, determine that an Adjustment Event or one or more of the following disruption events has occurred or exists on such day with respect to the Bonds (each such event a "**Disruption Event**"):

(a) *Crypto Trading Disruption*: in respect of Cryptocurrency comprising the Cryptocurrency Entitlement for the Bonds trading in any of the relevant Cryptocurrency is subject to a material suspension or material limitation on any Major Exchange for the trading of such Cryptocurrency (including without a limitation a temporary or permanent: (i) scheduled closure, (ii) cessation of trading or (iii) severe lack of reasonable liquidity compared to the 30 calendar day average);

(b) *Service Provider Disruption*: resignation or termination of any of the Transaction Partner(s) for any reason until a successor or replacement is appointed;

(c) Settlement Disruption: situations in which: (i) any Cryptocurrency held as Security with respect to the Bonds is being inaccessible (due to any operational or legal problem with the Depositary, technical problem with the protocol of the applicable Cryptocurrency or for any other reason); or (ii) the Bonds are not capable of being transferred to the Issuance Account for any reason**[.][**; or**]**

(d) **[***FX Disruption:* any disruption(s) which have a materially adverse effect on the FX Counterparty's relevant hedging abilities**[.][**; or**]**

(e) **[***Calculation Disruption*: situations where the Issuer acting in good faith is unable to calculate the Cryptocurrency Entitlement for the Bonds.**]**

["Eligible Rebalance Procedures" means, for any combination of the following:

(a) instructions given to the Execution Agent to buy and sell the required amount of Cryptocurrency out of the Deposited Cryptocurrency to perform the rebalance; and

(b) any settlement of the Cryptocurrency in respect of any instruction covered by (a) above;**]**

["FX Hedging Transaction Failure Event" means a failure by the FX Counterparty to deliver to the Issuer any Cryptocurrency **[**or cash**]** due under the terms of the FX Counterparty agreement;**]**

["Index Cancellation" means in respect of an Index, the Index Sponsor in respect of that Index permanently cancels such Index;**]**

["Index Disruption Event" means an Index Cancellation, Index Suspension and/or Index Modification;**]**

["Index Modification" means in respect of an Index that the Index Sponsor announces that it shall make a material change in the formula for or the method of calculating that Index or in any other way materially modifies that Index (other than a modification prescribed in that formula or method to maintain that Index in the event of changes in constituent cryptocurrencies and capitalisation and other routine events);**]**

["Index Suspension" means in respect of an Index on any Business Day, the Index Sponsor fails to calculate or announce such Index, however the Index Cancellation has not yet happened;**]**

"Major Exchange" means, on the relevant calendar date, any of the three highest-volume Cryptocurrency exchanges and/or trading platforms that report prices for the applicable Cryptocurrency (as measured by the 30 calendar day average trading volume);

["Partial Cryptocurrency Disruption" means the case where Cryptocurrency Entitlement consists of more than one type of Cryptocurrency and: (i) cessation of support for some (but not all) types of Cryptocurrency comprised in the Cryptocurrency Entitlement by the Depositary; or (ii) any change in the legal or regulatory status for some (but not all) types of the Cryptocurrency similar to the one described in the Condition 6.1.(b), including without limitation, classification by a regulatory authority of any such Cryptocurrency as a security;**]**

["Slashing Event" means a situation directly or indirectly cause by Staking of relevant Cryptocurrency where some or all of the Deposited Cryptocurrency which is Staked is forfeited or reduced in accordance with the technical protocol of the Cryptocurrency due to actions or inactions of the Staking Provider or associated third parties (including without limitation the Issuer itself);**]**

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

2. SUSPENSION OF REDEMPTION AND ADJUSTMENTS

2.1 *Suspension of Redemption*

If the Issuer, in its sole and absolute discretion, determines that due to a Disruption Event(s), it would adversely affect the interests of the Issuer or the Bondholders to continue to permit Redemptions, the Issuer may at any time and from time to time while such Disruption Event(s) are continuing suspend the right to, or timings of any Redemption (including Voluntary Redemption(s) and Mandatory Redemption(s)), including the ones which are already pending.

2.2 Subject to provisions of this Annex B Condition 2, the Issuer may in its sole and absolute discretion terminate such suspension at any time.

2.3 The following provisions shall apply where Redemptions have been suspended:

(i) the Issuer shall give notice of any such suspension and of the termination of any such suspension to the Transaction Partners, and to the Bondholders in accordance with Condition 19, as soon as practicable, but the failure to give any such notice shall not prevent the exercise of its powers to institute suspensions and terminations of such suspensions; and

(ii) any such suspension may continue for a period of up to 60 (sixty) calendar days, after the expiration of which the Issuer shall either: (i) remove any applicable restrictions on the Redemption of the Bonds; or (ii) trigger the Mandatory Redemption process (or, in case

suspension was declared during the Mandatory Redemption process, take all commercially reasonable steps to finalize such Mandatory Redemption without further suspensions).

2.4 The Issuer shall have no liability to the Authorised Participants, the Security Trustee, any of the Transaction Partner(s), the Bondholders or any other person for any determination or non-determination that it makes in respect of the occurrence, existence or continuation of a Disruption Event.

2.5 If an Adjustment Event has occurred, the Issuer shall, as soon as reasonably practicable, determine in good faith and in a commercially reasonable manner whether in its opinion it is appropriate to make one or more adjustments to the Cryptocurrency Entitlement to account for the economic effect on the Bonds of the relevant Adjustment Event, in particular and without limitation **[**: (a)**]** in the case of **[**a Slashing Event,**]** a Split and an Airdrop: to the greatest degree commercially practicable assign to the Bondholders the economic benefit or loss of any Adjustment Event as if the Bondholders held the Cryptocurrency comprising the Cryptocurrency Entitlement in respect of each Bond directly in their name; **[**(b) in the case of an Index Disruption Event, suspend the rebalances of the Index even if required by the methodology of the Index Sponsor and the formulas for the Cryptocurrency Entitlement, and/or replace the Index with a similar new Index and make the unscheduled rebalance of the Deposited Cryptocurrency accordingly; and (c) in the case of Partial Cryptocurrency Disruption, add the affected Cryptocurrency to the list of the Unsupported Cryptocurrency and rebalance the Deposited Cryptocurrency accordingly**]**.

2.6 If the Issuer determines that it is appropriate to make such adjustments, it will, as soon as reasonably practicable, determine in good faith and in a commercially reasonable manner (which may, for the avoidance of doubt, include partial redemption of the Bonds against the payment of cash) the nature and effective date of such adjustment(s), and notify the Transaction Partners and, in accordance with Condition 19, the Bondholders of the occurrence of such Adjustment Event and the details of such adjustments to the Cryptocurrency Entitlement as soon as reasonably practicable upon making such determinations.

2.7 With effect from the effective date of any such adjustment (which for the avoidance of doubt may be in the past), the Issuer, the Bondholders and the Transaction Partners shall take into account the relevant adjustment(s) so notified to them when making any determination and/or calculation they are required to make under the Terms and Conditions.

2.8 In making decisions regarding necessary adjustments pursuant to this Annex B Condition 2.5, the Issuer shall not make adjustments which result in any extraordinary revenue to itself at the expense of the Bondholders. In the previous sentence 'extraordinary revenue' shall mean any revenue which would not be reasonably expected to be received by the Issuer in the absence of the Adjustment Event.

2.9 **[**In case a Collateral Shortfall Event occurs: (i) Cryptocurrency Entitlement per Bond shall be the amount of Deposited Cryptocurrency divided by the number of Outstanding Bonds on the date of the notification of the Collateral Shortfall Event to the Bondholders in accordance with Condition 19, whereby such Cryptocurrency Entitlement shall affect all unfinalized Redemption transactions even if they were initiated prior to such change; and (ii) the Cryptocurrency Entitlement shall evolve thereafter in accordance with the formulas set out in Annex A disregarding any effect of the formulas on the Cryptocurrency Entitlement value prior to the relevant Collateral Shortfall Event.**]**

2.10 **[**Any determination, non-determination, suspension, adjustment or termination of any suspension shall only be made by the Issuer with the explicit written approval of the Determination Agent**]**

2.11 Notwithstanding Condition 14.3, the Issuer may hold less Cryptocurrency in the Depositary Wallet than the Secured Obligations Amount provided that such shortfall is:

(a) **[**temporary due to any delay associated with payment of the staking rewards as prescribed by the protocol of the Cryptocurrency;**]** **[**or**]**

(b) **[**temporary due to any delay associated with settlement of the Cryptocurrency from the FX Counterparty in relation to the FX Hedging Transaction;**] [**or**]**

(c) **[**reasonably required to execute one or more Eligible Rebalance Procedure(s) (including without limitation withdrawals of amounts to be sold from the Depositary to be transferred to the Execution Agent);**] [**or**]**

(d) **[**continuing only until such time as Cryptocurrency Entitlement is adjusted accordingly due to the Collateral Shortfall Event, and is a result of a Collateral Shortfall Event which is occurring as a result of **[**one or more Eligible Rebalance Procedure(s)**][**or**][**FX Hedging Transaction Failure Event**][**;**] [**or**]**

(e) **[**continuing only until such time as Cryptocurrency Entitlement is adjusted accordingly due to a Slashing Event occurring, and is a result of a Slashing Event.**]**

2.12 **[***For the avoidance of doubt*, in case of a Slashing Event the Issuer may reduce the Cryptocurrency Entitlement in accordance with the provisions of Annex B Condition 2.5 and the Bondholders will suffer a total or partial loss of their investment in such case, provided however that the Issuer shall use commercially reasonable efforts to utilise any insurance coverage offered by the Staking Provider to any party, if applicable, to mitigate the impact of the Slashing Event on the Cryptocurrency Entitlement. The Issuer may not permanently reduce the Cryptocurrency Entitlement if and to the extent that (i) the reductions of the Deposited Cryptocurrency are covered and compensated by any insurance offered by the Staking Provider to the Depositary and (ii) such compensated amounts of Cryptocurrency are actually transferred to and deposited in the Depositary Wallet of the Issuer.**]**

2.13 **[***For the avoidance of doubt*, in case of a FX Hedging Transaction Failure Event, the Issuer may reduce the Cryptocurrency Entitlement in accordance with the provisions of Annex B Condition 2.5 and the Bondholders will suffer a partial loss of their investment in such case, provided however that the Issuer shall use commercially reasonable efforts to seek recourse against the FX Counterparty for such loss, to mitigate the impact of the FX Hedging Transaction Failure Event on the Cryptocurrency Entitlement. The Issuer may not permanently reduce the Cryptocurrency Entitlement if and to the extent that (i) the reductions of the Deposited Cryptocurrency are covered and compensated by the FX Counterparty and (ii) such compensated amounts of Cryptocurrency are actually transferred to and deposited in the Depositary Wallet of the Issuer.**]**

15. FORM OF FINAL TERMS

[MIFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Bonds has led to the conclusion that for the Offer Jurisdictions: (i) the target market for the Bonds is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "MiFID II"); and (ii) all channels for distribution of the Bonds to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Bonds (a "distributor") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels[, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable].][18]

[MIFID II PRODUCT GOVERNANCE / RETAIL INVESTORS, PROFESSIONAL INVESTORS AND ECPS TARGET MARKET – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Bonds has led to the conclusion that for the Offer Jurisdictions: (i) the target market for the Bonds is eligible counterparties, professional clients and retail clients, each as defined in Directive 2014/65/EU (as amended, "MiFID II"); EITHER[19] [and (ii) all channels for distribution of the Bonds are appropriate, including investment advice, portfolio management, non-advised sales and pure execution services] OR[20] [(ii) all channels for distribution to eligible counterparties and professional clients are appropriate; and (iii) the following channels for distribution of the Bonds to retail clients are appropriate - investment advice[,/ and] portfolio management[,/ and][non-advised sales][and pure execution services][, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable]]. [Consider any negative target market]. Any person subsequently offering, selling or recommending the Bonds (a "distributor") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels[, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable][21].][22]

[PROHIBITION OF OFFER TO PRIVATE CLIENTS IN SWITZERLAND – [The Bonds are not intended to be offered to private clients within the meaning of the Swiss Federal Financial Services Act (FinSA) in Switzerland. For these purposes, a private client means a person who is not one (or more) of the following: (i) a professional client as defined in Article 4(3) FinSA (not having opted-in on the basis of Article 5(5) FinSA) or Article 5(1) FinSA; or (ii) an institutional client as defined in Article 4(4) FinSA; or (iii) a private client with an asset management agreement according to Article 58(2) FinSA.][23]]

[The Bonds do not constitute a participation in a collective investment scheme in the meaning of the Swiss Federal Act on Collective Investment Schemes (CISA) and are not subject to the supervision by the Swiss

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18 Include legend in case MiFID II target market assessment in respect of the Bonds is "Professional Investors and Eligible Counterparties only."

19 Include for Bonds that are not ESMA complex pursuant to the Guidelines on complex debt instruments and structured deposits (ESMA/2015/1787) (the "**ESMA Guidelines**").

20 Include for Bonds that are ESMA complex pursuant to the ESMA Guidelines. This list may need to be amended, for example, if advised sales are deemed necessary. If there are advised sales, a determination of suitability and appropriateness will be necessary. In addition, if the Bonds constitute "complex" products, pure execution services to retail clients are not permitted without the need to make the determination of appropriateness required under Article 25(3) of MiFID II.

21 If there are advised sales, a determination of suitability will be necessary.

22 Include legend in case MiFID II target market assessment in respect of the Bonds is "Retail Investor Target Market."

23 Legend to be included if the Bonds potentially constitute debt instruments with a "derivative character" for the purpose of FinSA and are offered in Switzerland and no key information document or equivalent document under FinSA will be prepared or the Issuer wishes to prohibit offers to private clients in Switzerland for any other reason, in which case, the "Prohibition of Offer to Private Clients in Switzerland" selling restriction should be specified to be "Applicable" in the Final Terms.

Financial Market Supervisory Authority FINMA, and investors will not benefit from the specific investor protection under the CISA.][24]

[***Relevant Index disclaimers to be included, as required***]

[24] Include if Bonds are offered in Switzerland.

Final Terms

[Title of relevant Series of Bonds**]**
issued pursuant to the

Programme for the issuance of Bonds secured by Cryptocurrency

dated **28 September 2026**

of

Bitwise Europe GmbH

Issue Price:
[Cryptocurrency Entitlement per Bond plus a subscription fee of **[**up to**]** **[●]** percent of the Cryptocurrency Entitlement per Bond **]**

Issue Date: **[ ]**
Trade Date: **[ ]**

Series No.: **[ ]**
Tranche: **[ ]**

These final terms dated **[●]** (the "**Final Terms**") have been prepared for the purpose of Article 8(4) of Regulation (EU) 2017/1129. Full information on the Issuer and the offer of the Bonds is only available on the basis of the combination of the Final Terms when read together with the Base Prospectus of Bitwise Europe GmbH dated 28 September 2026, including any supplements thereto (the "**Base Prospectus**"). The Base Prospectus **[**and the supplement dated **[**insert date**]** **[**, the supplement dated **[**insert date**]]** **[**and the supplement dated **[**insert date**]]]** **[**has**]**[have**]** been or will be, as the case may be, published on the website of the Issuer (https://bitwiseinvestments.eu/). In case of an issue of Bonds which are listed on the regulated market of a stock exchange, the Final Terms relating to such Bonds will also be published on the website of the Issuer (https://bitwiseinvestments.eu/). **[**A summary of the individual issue of the Bonds is annexed to these Final Terms.**]**[25]

[These Final Terms will be deposited with SIX Exchange Regulation Ltd. as review body (*Prüfstelle*) in Switzerland and published according to Article 64 **[**of the Swiss Federal Financial Services Act ("**FinSA**")**]**[FinSA**]** for the purposes of an offer of the Bonds to the public in Switzerland on the basis of the combination of these Final Terms and the Base Prospectus **[**as so supplemented**]** which has been included as a foreign prospectus that is deemed approved according to Article 54(2) FinSA in the list of approved prospectuses according to Article 64(5) FinSA by SIX Exchange Regulation Ltd., deposited with this review body and published according to Article 64 FinSA.**]**[26]

Terms not otherwise defined herein shall have the meanings specified in the Terms and Conditions of the Bonds as set out in the **[**Base Prospectus**]** **[**base prospectus dated 14 January 2021**]** **[**base prospectus dated 23 November

[25] Not to be included for Bonds which are issued with a denomination of at least EUR 100,000 or the equivalent amount in another currency unless a summary section shall be included on a voluntary basis.

[26] Include where the Final Terms are deposited with SIX Exchange Regulation Ltd. as review body in Switzerland.

2021**] [**base prospectus dated 21 November 2022**] [**base prospectus dated 21 November 2023**] [**base prospectus dated 30 October 2024**] [**base prospectus dated 10 October 2025**]** (the "**Terms and Conditions**").

[*In case of Continuously Offered Bonds:* The Base Prospectus under which the Bonds specified in these Final Terms are issued loses its validity at the end of 28 September 2027 or the publication of a new base prospectus in relation to the Programme for the issuance of Bonds secured by Cryptocurrency of Bitwise Europe GmbH immediately succeeding the Base Prospectus (the "**New Base Prospectus**"), depending on which event occurs earlier (the "**Expiry Date of the Base Prospectus**"). Notwithstanding the above, the Bonds specified in these Final Terms (the "**Continuously Offered Bonds**") shall continue to be subject to the terms and conditions of the Base Prospectus. From the Expiry Date of the Base Prospectus, these Final Terms must be read in conjunction with the New Base Prospectus. The New Base Prospectus will be available (no later than the Expiry Date of the Base Prospectus) on https://bitwiseinvestments.eu/.**]**

PART I.: TERMS AND CONDITIONS

Select (i) the Terms and Conditions, Part A, B, C, D, E or F of Annex A and Annex B of this Base Prospectus, (ii) Option I, II, III, IV or V of the Terms and Conditions of the Base Prospectus dated 21 November 2022 as supplemented by the First Supplement dated 7 February 2023, (iii) Option I of the Base Prospectus dated 14 January 2021, as supplemented by the First Supplement dated 16 February 2021 to the Base Prospectus dated 14 January 2021, (iv) Option I of the Base Prospectus dated 23 November 2021, as supplemented by the First Supplement dated 22 March 2022 and the Second Supplement dated 21 June 2022 to the Base Prospectus dated 23 November 2021, (v) Option II of the Base Prospectus dated 21 November 2022 as supplemented by the First Supplement dated 7 February 2023, (vi) the Terms and Conditions, Part A, B, C, D, E or F of Annex A and Annex B of the Base Prospectus dated 21 November 2023, (vii) the Terms and Conditions, Part A, B, C, D, E or F of Annex A and Annex B of the Base Prospectus dated 30 October 2024 or (vii) the Terms and Conditions, Part A, B, C, D, E or F of Annex A and Annex B of the Base Prospectus dated 10 October 2025, which are incorporated by reference into this Base Prospectus, in each case by inserting the relevant Option

PART II.

1.	Net proceeds:		**[**The Bonds are initially purchased from the Issuer in the primary market with **[*insert relevant Cryptocurrency*] [*insert relevant cryptocurrencies comprising the Index*]**. **[*insert relevant Cryptocurrency*] [*insert relevant cryptocurrencies comprising the Index*]** received by the Issuer through the subscription of the Bonds will be transferred to the Depositary Wallet and secured by a security agreement for the benefit of the Bondholders, the Security Trustee and a bondholders' representative (if appointed). Based on the assumption that a total of **[●]** units of Bonds are sold and based on the **[*insert relevant Cryptocurrency*]** value of **[●][*insert values for each Cryptocurrency comprising the Index*]** (**[**in each case**]** as of **[*insert Issue Date*][●]**), the net proceeds for each **[●]** units of Bonds are **[●]**.**] [●]**
2.	**[**Subscription Restrictions:		**[●]]**
3.	(i)	Listing and Trading:	**[**None**] [**No application will be made for the Bonds to be admitted to trading on the regulated market of any stock exchange.**] [**Application may be made**][**has been made**]** for admission to trading of the Bonds as of **[**the Issue Date**] [●]** on **[**the regulated market of the Frankfurt Stock Exchange**] [**the regulated market of the Warsaw Stock Exchange**] [**SIX Swiss Exchange**] [*insert (further stock) exchanges in the European Economic Area*] [*insert (further) Swiss trading venue in the sense of the FMIA*] [●]**
	(ii)	Estimate of the total expenses related to the admission of trading:	**[**Not applicable**] [●]**
	(iii)	Estimate of the total expenses of the issue/offer:	**[●]**
	(iv)	Listing Agent's Responsibility:	In connection with this issue of Bonds and with regard to this issue only, **[**Steubing AG Wertpapierhandelsbank, with its registered office at Goethestrasse 29, 60313 Frankfurt am Main, Germany**] [**Bankhaus Scheich Wertpapierspezialist AG, with its registered office at Rossmarkt 21, 60311 Frankfurt am Main, Germany**] [**Quirin Privatbank AG, with its registered office at Kurfürstendamm 119, 10711 Berlin, Germany**]**, accepts responsibility for the Base Prospectus, including these Final Terms, and confirms that to the best of its knowledge and belief, the information for which it accepts responsibility as aforesaid is in accordance with the facts and does not omit anything likely to affect the importance of such information.**]**

4.	Interest of natural and legal persons involved in the issue/offer:	[None] [***give details of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest***]
5.	Reasons for the offer and use of proceeds	[●]
6.	Post-Issuance Information:	[The Issuer does not intend to provide post-issuance information unless required by any applicable laws and/or regulations.][***specify***]
7.	Non-exempt Offer:	[Not applicable] [●]
8.	Offer Jurisdictions:	[Not applicable] [Germany][Austria][Croatia[]Cyprus][Czechia] [Denmark][Estonia][Finland][France][Greece][Ireland][Italy][Luxembourg][Malta][The Netherlands][Norway][Poland][Portugal][Romania][Slovakia][Slovenia][Spain][Sweden]
9.	Swiss Non-exempt Offer:	[Not applicable] [Applicable][27]
	[Withdrawal right according to Article 63(5) of the Swiss Federal Financial Services Ordinance (FinSO):	[If an obligation to prepare a supplement to the Base Prospectus according to Article 56(5) FinSA is triggered during the Offer Period (see 7. above), investors who have already subscribed or agreed to purchase or subscribe for Bonds before any such supplement to the Base Prospectus is published have the right to withdraw their subscriptions and acceptances within a period of three working days from the publication of such supplement regardless of whether the Offer Period (see 7. above) closes prior to the expiry of such three working day period.]
		[Not Applicable]]
10.	Prohibition of Offer to Private Clients in Switzerland:	[Not applicable] [Applicable]
11.	[Consent to the use of the Base Prospectus:	
	The Issuer consents to the use of the Base Prospectus by the following financial intermediar[y][ies] (individual consent):	[Not applicable] [●]
	Individual consent for the subsequent resale or final placement of the Bonds by the financial intermediar[y][ies] is given in relation to:	[Not applicable] [Austria] [and][,] [Croatia] [and][,] [Cyprus] [and][,] [Czechia] [and][,] [Denmark] [and][,] [Estonia] [and][,] [Finland] [and][,] [France] [and][,] [Germany] [and][,] [Greece] [and][,] [Ireland] [and][,] [Italy] [and][,] [Luxembourg] [and][,] [Malta] [and][,] [Norway] [and][,] [Poland] [and][,] [Portugal] [and][,] [Romania] [and][,] [Slovakia] [and][,] [Slovenia] [and][,] [Spain] [and][,] [Sweden] [and][,] [The Netherlands] [and][,] [Switzerland]

[27] If not applicable, delete the remaining placeholders of this paragraph 9.

	Any other clear and objective conditions attached to the consent which are relevant for the use of the Base Prospectus:	[Not applicable] [●]
	The subsequent resale or final placement of Bonds by financial intermediaries can be made:	[Not applicable] [As long as the Base Prospectus is valid for the offer of the Bonds: [●]] [●] [During the Offer Period (see 7. above)]]
12.	(i) Commissions and Fees:	[None][***specify***]
	(ii) Expenses and taxes specifically charged to the subscriber of the Bonds:	[None][***specify***]]
13.	Categories of potential investors:	[Retail investors] [and] [Professional investors]
14.	Information with regard to the manner, place and date of the publication of the results of the offer:	[***Give details with regard to the manner and date in which results of the offer are to be made public***]
15.	[Name and address of the entities which have a firm commitment to act as intermediaries in secondary trading, providing liquidity through bid and offer rates and description of the main terms of their commitment (*Market Makers*):	[●] [***Insert description of the main terms of commitment***]]
16.	ISIN:	[●]
17.	German Securities Code:	[●]
18.	An indication where information about the past and the future performance of the underlying [Cryptocurrency][cryptocurrencies] [Cryptocurrency comprising the Index][Index] and [its][their] volatility can be obtained:	[●]
19.	[Composition of the Basket as of the Issue Date:	[●]]
20.	[Details of benchmark administrator:	[●]]
21.	[Details of Index Sponsor:	[●]]

16. TAXATION

16.1. WARNING REGARDING TAXATION

THE TAX LEGISLATIONS OF THE INVESTOR'S HOME MEMBER STATE AND OF THE ISSUER'S COUNTRY OF INCORPORATION MAY HAVE AN IMPACT ON THE INCOME RECEIVED FROM THE BONDS.

PROSPECTIVE INVESTORS OF THE BONDS ARE ADVISED TO CONSULT THEIR OWN TAX ADVISORS AS TO THE TAX CONSEQUENCES OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF BONDS, INCLUDING THE EFFECT OF ANY STATE OR LOCAL TAXES, UNDER THE TAX LAWS OF GERMANY AND EACH COUNTRY OF WHICH THEY ARE RESIDENTS.

16.2. TAXATION IN THE FEDERAL REPUBLIC OF GERMANY

The following section contains a summary of certain German income tax considerations in respect of a German tax resident individual person ("**Private Investor**") applicable in the context of acquiring and holding the Bonds as private assets (*Privatvermögen*). The summary does not purport to cover all potential tax aspects that may be relevant to the decision to purchase Bonds. In particular, it does not consider the particular situation or any circumstances relevant to a particular purchaser. The summary is based on the laws of Germany in force at the date of this Base Prospectus, which laws may be subject to short-term changes, possibly with retroactive or retrospective effect.

Prospective purchasers of Bonds are advised to consult their own tax advisors as to the tax consequences of the purchase, holding and disposal of Bonds, including the effect of any state or local taxes, under the laws applicable in the Federal Republic of Germany and each other country in which they reside.

In this respect, it must be noted that the German Ministry of Finance has drafted a proposal to abolish the one-year holding period 2027 onwards and to tax private crypto gains at a rate of 26.375% regardless of the holding period. The proposal would reclassify privately held crypto assets as income from capital assets. Disposal gains would then be taxable regardless of the previous one-year period. The tax rate of 26.375% combines the 25% capital gains tax plus the 5.5% solidarity surcharge levied on top of it (and church tax for those being liable to such tax). The reform would bring crypto assets systematically close to the flat withholding tax (*Abgeltungsteuer*) which already applies in Germany to shares, bonds and fund units. The proposed rules would apply only to crypto assets acquired after December 31, 2026. For crypto assets purchased prior to that date, the current tax regime is expected to remain in place. The bill calls for the new rules to take effect on January 1, 2027. However, automatic tax withholding by German crypto assets service providers is planned to be introduced only as of January 1, 2028, to give platforms time to restructure their accounting systems. The corresponding draft bill is in the early stages of approval within the federal government. However, a final decision has not yet been made. The Ministry of Finance's draft is subject to interagency review, after which the document must undergo further consideration by the government, the German parliament (*Bundestag*), and the German Federal Council (*Bundesrat*).It should further be noted that the following summary only expresses the opinion of the Issuer and that the Issuer is not aware of any court rulings with respect to the taxation of bonds linked to a single Cryptocurrency or by an index consisting of various Cryptocurrency so that it cannot be excluded that tax courts might take a differing view.

a) Income Taxation (capital gains and staking income)

The Bonds should not qualify as other capital claims within the meaning of Section 20 para. 1 no. 7 German Income Tax Act (*Einkommensteuergesetz*, "**EStG**") and the sale and redemption of the Bonds thus should not lead to taxable capital income (*Einkünfte aus Kapitalvermögen*) pursuant to Section 20 EStG being subject to the flat tax regime (*Abgeltungsteuer*) (in principle 25% plus 5.5% solidarity surcharge and church tax as the case may be) irrespective of any holding period. The solidarity surcharge has in general been partially abolished as of 1 January 2021, however, not for capital income unless the individual income tax burden for an individual holder is lower than 25%.

Rather the provisions on private sales transactions (also known as "short-term capital gains") pursuant to Sections 22 no. 2, 23 para. 1 sentence 1 no. 2 EStG should apply. This position is backed by marginal

number 84/5 of the letter of the German Federal Ministry of Finance (Bundesfinanzministerium, "**BMF**") regarding individual questions on the income tax treatment of certain crypto values dated March 6, 2025 (IV C 1 – S 2256/00042/064/043 v. 6.3.2025; Federal Tax Gazette ("**BStBl**.") 2025 I p. 658 – the "**BMF Letter**"). In this letter, the BMF clarifies that the German Federal Fiscal Court (*Bundesfinanzhof*, "**BFH**") case law on Xetra gold bonds (cf. BFH rulings of May 12, 2015, VIII R 35/14, BStBl II p. 834 and VIII R 4/15, BStBl II p. 835, BFH ruling of February 6, 2018, IX R 33/17, BStBl II p. 525) and gold bullion securities (cf. BFH ruling of 16. June 2020, VIII 7/17, BStBl II 2021 p. 9) is to be applied mutatis mutandis if a bond exclusively conveys a claim to delivery of a fixed quantity of units of a virtual currency or other tokens deposited with the issuer or a claim to payment of the proceeds from the sale of the units of a virtual currency or other tokens by the issuer. In this case, according to the BMF, there is no capital claim within the meaning of Section 20 para. 1 no. 7 EStG, but a claim for payment in kind. Further, in marginal number 85 the letter states that the sale of such a note may give rise to income from private sales transactions pursuant to Section 22 number 2 in conjunction with Section 23 para. 1 sentence 1 number 2 EStG and that payments made by the issuer during the term of the bond constitute other income for the investor within the meaning of Section 22 no. 3 EStG. The BMF Letter has been published in the Federal Tax Gazette Part I (*Bundessteuerblatt I*). Pursuant to Section 44 para.1 sentence 3 EStG, this published legal opinion of the tax authorities is binding for the German custody banks regarding the German withholding tax. Therefore, it should be clear that there is no German tax withholding obligation with respect to the Bonds. However, it cannot be ruled out that the German tax authorities or courts could regard a bond secured by cryptocurrencies as a capital claim (being subject to the flat tax regime) if the cash settlement, instead of the delivery of the virtual currency, should become the regular repayment method.

Pursuant to the provisions on private sales transactions (Sections 22 no. 2, 23 para. 1 sentence 1 no. 2 sentence 1 EStG) the acquisition and sale of assets by a Private Investor is only taxable in Germany if the period between acquisition and disposal does not exceed one year.

If a Private Investor disposes of his Bonds more than one year after he has acquired them, such disposal should (therefore) not be subject to tax. Moreover, the redemption of the Bonds should not constitute a sale under the private sales transactions' rules. However, it is not all clear whether a rebalancing with respect to an index of cryptocurrencies or any other disposal of the underlying cryptocurrencies could represent a disposal. Although, there are good arguments that this should not be the case (as there is no change of or realisation of the cryptocurrencies delivery claim, see ruling of the German Federal Fiscal Court dated January 24, 2012 (IX R 62/10, BStBl II 2012, 564), marg. no. 28), there is a risk that the German tax authorities could take a different view. Pursuant to marginal number 68 of the BMF Letter a hard fork of a virtual currency/cryptocurrency (as defined in the BMF Letter) does not result in income under Section 22 no. 3 EStG. However, if the units of a new virtual currency/cryptocurrency created as a result of a fork are sold, the resulting profit is taxable as income from private sales transactions pursuant to Section 22 no. 2 in conjunction with Section 23 para. 1 sentence 1 no. 2 EStG, provided that the units of the cryptocurrency existing prior to the hard fork were acquired and the period between acquisition and sale does not exceed one year. The date of acquisition of the units of the new cryptocurrency corresponds to the acquisition date of the units of the cryptocurrency existing before the hard fork. Based on the aforementioned position of the tax authorities, the BFH case law on Xetra gold bonds (which has been accepted in the BMF Letter) and the BMF letter regarding individual issues with respect to the flat tax dated May 14, 2025 (with respect to the split of stocks see marg. no. 88 et seq.), there are good arguments that a possible split of the Bonds caused by a hard fork event should be treated in the same way as the split of the underlying cryptocurrency itself. However, a deviating position of the German tax authorities in this respect cannot be excluded. In case of a taxability of the sale of the Bonds under the private sales transaction rules, the taxable income (gains or losses) corresponds to the difference between the price for the disposal of the Bonds - the value of the underlying Cryptocurrency on the one hand and the initial costs of the Bonds and the tax allowable expenses on the other. The profit from a disposal will not be taxable if it amounts to less than EUR 1,000, set off against losses, if any, and together with gains from other private sale transactions in the same calendar year. Losses from private sale transactions can only be set off against gains from private sale transactions of the same calendar year. If such gains do not exist, it may be possible under certain circumstances to set off against the gains from private sale transactions from the previous year or from subsequent years.

If the Issuer exercises its right of replacement (Clause 15 of the Terms and Conditions), it cannot be ruled out that such replacement will, for tax purposes, be treated as a swap of the Bonds against new bonds of a different debtor. Such a replacement could entail tax relevant gains or losses for the relevant investor.

Although there are arguments (the Bondholder merely invests in a capital market product as a purely passive investor and has no legal or contractual relationship with the Staking Provider (so that the legal relationship of the Issuer with the Staking Provider cannot be attributed to the Bondholder); the Bond is a speculative product (total loss of the cryptocurrency is possible and Staking Rewards are not certain); the Staking Rewards only form a calculation item in the formula for calculating the cryptocurrency entitlement and income calculated into an index does not necessarily have to lead to taxable income) that the income from the Staking Rewards which form part of the Cryptocurrency Entitlement could be treated as income from private sales transactions as described above, the German tax authorities may take the position that payments made by the issuer with respect to the Staking Rewards constitute other income for the investor within the meaning of Section 22 no. 3 EStG. Such income is in general subject to taxation at the time of the inflow of such income which should arguably be the time at which the Bondholder redeems the Bond, but not already the time the Issuer receives the staking rewards from the Staking Provider. If other income is less than EUR 256 in a calendar year, it is not subject to income tax.

b) Withholding Tax (*Kapitalertragsteuer/Quellensteuer*)

Gains from private sales transactions and payments made by the issuer within the meaning of Section 22 no. 3 EStG should not be subject to German withholding tax (*Kapitalertragsteuer*) so that German custody banks should deduct no withholding tax on any sale or delivery of the Bonds or payments made by the issuer with respect to other income within the meaning of Section 22 no. 3 EStG. If German custody banks should deduct withholding tax, investors should be able to request a refund of the withholding tax deducted during the assessment procedure based on the above mentioned (see a) Income Taxation) BMF letter regarding the income tax treatment of cryptocurrencies.

The Issuer assumes no responsibility for the withholding of taxes at source.

c) Tax assessment

Taxable gains from private sales transactions and other income within the meaning of Section 22 no. 3 EStG must be included by the investor in their tax return. They are subject to the standard rate of income tax (currently up to 45% plus up to 5.5% solidarity surcharge and any church tax as the case may be).

d) Disposal of units of the underlying Cryptocurrency delivered

In case of a redemption, the gains from the subsequent disposal of the units of the underlying Cryptocurrency are, in principle, subject to statutory income tax (currently up to 45%, plus solidarity surcharge of up to 5.5% and church tax as the case may be) if the units of the underlying Cryptocurrency are disposed of within a period of one year as of the acquisition. Due to the rulings of the BFH referred to above, it seems acceptable to assume that the point in time at which the units of the underlying Cryptocurrency were acquired corresponds to the point in time at which the Bonds were acquired and not only the point in time at which the units of the underlying Cryptocurrency were delivered. However, no comments of the tax authorities and no Supreme Court decisions are available on this issue either so that the tax authorities could have another opinion on this matter. In its ruling of 6 February 2018 – IX R 33/17 re. Xetra-Gold bonds the BFH does not express an opinion on this. Transactions through which units of the underlying Cryptocurrency are sold and where the period between acquisition and disposal is more than one year, are not taxable through argumentum *e contrario* from Section 23 para. 1 sentence 1 no. 2 EStG.

The capital gain from a disposal will not be subject to tax if such gain (where applicable, net of losses and together with gains from other private sales transactions effected in the same calendar year) amounts to less than EUR 1,000. Losses incurred upon disposal of the units of the underlying Cryptocurrency may only be set-off against gains from private sales transactions effected in the same calendar year. If

there are no such gains, the losses may, under certain circumstances, be set-off against gains from private sales transactions effected in the preceding year or in subsequent years.

Gains subject to taxation must be declared by the investor in his or her tax declaration.

e) Taxation according to the German Ministry of Finance crypto tax 2027 reform plans

The German Ministry of Finance has drafted a proposal to abolish the one-year crypto assets holding period 2027 onwards and to tax private crypto gains at a rate of 26.375% regardless of the holding period. The proposed rules would apply only to crypto assets acquired after December 31, 2026. For crypto assets purchased prior to that date, the current tax regime is expected to remain in place. The bill calls for the new rules to take effect on January 1, 2027. However, automatic tax withholding by German crypto assets service providers is planned to be introduced only as of January 1, 2028, to give platforms time to restructure their accounting systems. The corresponding draft bill is in the early stages of approval within the federal government. However, a final decision has not yet been made. The Ministry of Finance's draft is subject to interagency review, after which the document must undergo further consideration by the government, the German parliament (*Bundestag*), and the German Federal Council (*Bundesrat*).

The German Finance Ministry's draft bill would reclassify privately held crypto assets as income from capital assets. Disposal gains would then be taxable with respect to crypto assets acquired after December 31, 2026, regardless of the previous one-year period. Specifically, the bill sets a tax rate of 26.375%. It combines the 25% capital gains tax plus the 5.5% solidarity surcharge levied on top of it and church tax for those being liable to such tax. The reform would integrate crypto assets (and correspondingly the Bonds) into the flat withholding tax (*Abgeltungsteuer*) which already applies in Germany to shares, bonds and fund units.

17. SUBSCRIPTION, SALE AND OFFER OF THE BONDS

17.1. OFFER OF THE BONDS

17.1.1. Offer to the public

In the primary market each issue of a Series of Bonds is initially only purchased by Authorised Participants and may subsequently be offered by such Authorised Participants to institutional and retail investors or to institutional investors only, as specified in the relevant Final Terms, in compliance with applicable selling restrictions during the relevant offer period (as specified in the relevant Final Terms). An offer to the public may be made in the countries specified under Condition 6 "*Consent to the Use of the Base Prospectus*".

As further set out in section 17.1.2. "*Conditions and technical details of the offer*" below, to the extent that Authorised Participants directly contact their (existing) clients for a sale of the Bonds, the Authorised Participants will only contact professional investors. This is also set out in the table below in the column "*Description*".

As of the date of this Base Prospectus, the Issuer has entered into agreements with five Authorised Participants.

The following Authorised Participants have been appointed as of the date of this Base Prospectus*:

Name (regulatory status)	**Address**	**Description**
Flow Traders B.V. (Headquarters) (AFM regulated)	Jacob Bontiusplaats 9 Amsterdam 1018 LL The Netherlands	Flow Traders B.V. will register with Deutsche Börse to perform the role of designated sponsor. Flow Traders B.V. will face professional investors to subscribe for and redeem the Bonds.
Jane Street Financial Limited (FCA regulated)	2 & A Half Devonshire Square London EC2M 4UJ United Kingdom	Jane Street Financial Limited will face professional investors to subscribe for and redeem the Bonds.
GTX UK LLP (formerly GHCO and Goldenberg Hehmeyer)	11th Floor, Tower 42 25 Old Broad Street London EC2N 1HQ United Kingdom	GTX UK LLP will face professional investors to subscribe for and redeem the Bonds.
DRW Europe B.V.	Gustav Mahlerlaan 1212 Unit 3.30 1081 LA Amsterdam The Netherlands	DRW Europe B.V. will face professional investors to subscribe for and redeem the Bonds.
Virtu Financial Ireland Limited	Whitaker Court Whitaker Square Sir John Rogerson's Quay Dublin 2 Ireland	Virtu Financial Ireland Limited will face professional investors to subscribe for and redeem the Bonds.

*Any changes to the list of Authorised Participants will be detailed at **https://bitwiseinvestments.eu/**

17.1.2. Conditions and technical details of the offer

Any offer of Bonds is not subject to any conditions or time limits other than the time limits resulting from the validity of the Base Prospectus und the relevant offer period as specified above under "*Offer to the Public*". There is no possibility to reduce subscriptions. No minimum or maximum subscription amounts will be specified.

In the primary market, the Issuer will sell Bonds only to Authorised Participants. Any such subscription and subsequent delivery of the Bonds is subject to the following conditions:

Bonds may be purchased with units of the relevant underlying Cryptocurrency (as set out in the relevant Final Terms) and, if applicable for the relevant Series of Bonds, against payment in cash, as well as against transfer of cryptocurrencies other than the underlying Cryptocurrency (in each case as set out in the relevant Final Terms).

Any investors who are not Authorised Participants can purchase the Bonds in the secondary market either from an Authorised Participant on an anonymous basis (i) via a stock exchange (in case of Bonds admitted to trading on a stock exchange) through their broker or (ii) from any person over the counter. Bonds can be purchased either with units of the relevant Cryptocurrency (as set out in the relevant Final Terms) or with USD, EUR or any other fiat currency or Cryptocurrency accepted by the respective counterparty or trading venue.

In addition, Authorised Participants may also directly contact their (existing) clients for a sale of the Bonds. Where Bonds are purchased from an Authorised Participant, such Bonds can be purchased with units of the underlying Cryptocurrency (as set out in the relevant Final Terms) or with EUR or any other fiat currency or cryptocurrency as will be determined by each Authorised Participant selling the Bonds in the secondary market.

Bonds issued under this Base Prospectus will be delivered via book-entry through the Clearing System and its account holding banks.

17.1.3. Charges and costs relating to the offer

The estimated total expenses of the issue and/or offer of each Series of Bonds will be specified in the relevant Final Terms of each issue of Bonds.

The Issuer may charge a subscription fee up to a certain percentage of the Cryptocurrency Entitlement (as specified in the relevant Final Terms) from the Authorised Participants. Authorised Participants may charge additional fees to investors who are purchasing Bonds from them. These fees may vary and the Issuer has no influence on whether and to what extent the Authorised Participant is charging fees.

17.1.4. Method of determination of the Issue Price

Each issue of a Series of Bonds will be issued at an issue price as stated in the relevant Final Terms. The issue price for Authorised Participants will be equal to the Cryptocurrency Entitlement plus a subscription fee (as specified in the relevant Final Terms).

1. For Series of **Bonds linked to a single Cryptocurrency issued pursuant to Annex A - Part A** of the Terms and Conditions, the Cryptocurrency Entitlement will be determined pursuant to the following formula:

$$CE_{(t)} = CE_{(t-1)} * \left(1.0 - \frac{DER}{365}\right)$$

Where:

"$\boldsymbol{CE_{(t)}}$" means the Cryptocurrency Entitlement on day "t" days after the Issue Date;

"**t**" means the number of calendar days elapsed since the Issue Date;

"$\boldsymbol{CE_{(t-1)}}$" means the Cryptocurrency Entitlement on the previous day before day "t" days after the Issue Date;

"$\boldsymbol{CE_{(0)}}$" or "**Initial Cryptocurrency Entitlement**" means the Cryptocurrency Entitlement on the Issue Date; and

"$\boldsymbol{DER}$" means the Diminishing Entitlement Rate. The Diminishing Entitlement Rate represents the management fee expressed as the rate at which the Cryptocurrency Entitlement decays over time.

2. For Series of **Bonds linked to an Index of Cryptocurrency issued pursuant to Annex A - Part B** of the Terms and Conditions, the Cryptocurrency Entitlement will be determined pursuant to the following formula:

"**Cryptocurrency Entitlement**" means the sum of individual "**Single Cryptocurrency Entitlements**" in respect of each particular Cryptocurrency comprising the Basket per Bond.

Whereby:

"**Single Cryptocurrency Entitlement**" or "**SCE**" means, as of any Business Day, part of the total Bondholder's claim against the Issuer in respect of each Bond, expressed as the number of the units of the particular Cryptocurrency comprising the Basket per Bond;

On the Issue Date, the Single Cryptocurrency Entitlement corresponds to the Initial Single Cryptocurrency Entitlement;

On any day after the Issue Date, the Single Cryptocurrency Entitlement will be calculated by the Issuer in its sole discretion in accordance with the following formula:

If the relevant day ("t" days after the Issue Date) is <u>not</u> a Rebalance Day:

$$SCE^{i}_{(t)} = SCE^{i}_{(t-1)} * \left(1.0 - \frac{DER}{365}\right)$$

If the relevant day ("t" days after the Issue Date) is a Rebalance Day:

$$SCE^{i}_{(t)} = \widetilde{SCE}^{i}_{(t)} * \left(1.0 - \frac{DER}{365}\right) - (RCR * RTV^{i}_{(t)})$$

$$\widetilde{SCE}^{i}_{(t)} = \frac{{}^{i}_{(t)} * MTM_{(t)}}{P^{i}_{(t)}}$$

$$MTM_{(t)} = \sum_{i \in B_{(t-1)}} SCE^{i}_{(t-1)} * P^{i}_{(t)}$$

$$RTV^{i}_{(t)} = Max\left(0, \widetilde{SCE}^{i}_{(t)} - SCE^{i}_{(t-1)}\right)$$

Where:

"$\boldsymbol{SCE^{i}_{(t)}}$" means the Single Cryptocurrency Entitlement in respect of the particular Cryptocurrency comprised in the Basket (denoted "i") on day "t" days after the Issue Date;

"**t**" means the number of calendar days elapsed since the Issue Date;

"$\boldsymbol{SCE^{i}_{(t-1)}}$" means the Single Cryptocurrency Entitlement in respect of the particular Cryptocurrency comprised in the Basket (denoted "i") on the previous day before day "t" days after the Issue Date;

"$\boldsymbol{\widetilde{SCE}^{i}_{(t)}}$" means the Single Cryptocurrency Entitlement gross of rebalance cost and management fee i in respect of the particular Cryptocurrency comprised in the Basket (denoted "i") on day "t" days after the Issue Date;

"$\boldsymbol{SCE^{i}_{(0)}}$" means the initial Single Cryptocurrency Entitlement on the Issue Date;

"$\boldsymbol{DER}$" means the Diminishing Entitlement Rate. The Diminishing Entitlement Rate represents the management fee expressed as the rate at which the Single Cryptocurrency Entitlement decays over time;

"**RCR**" means the effective rebalance cost rate; The RCR represents a fee charged by the Issuer to affect the rebalancing of the Basket;

"$\boldsymbol{RTV^{i}_{(t)}}$" means the positive variation between the Single Cryptocurrency Entitlement (for the relevant Cryptocurrency denoted "i") on day "t" and the Single Cryptocurrency Entitlement on the previous calendar day; If the Basket has not comprised the relevant cryptocurrency on the previous calendar day, the respective Single Cryptocurrency Entitlement on the previous calendar day is zero; If the variation between the Single Cryptocurrency Entitlement on day "t" and Single Cryptocurrency Entitlement on the previous calendar day is negative, $\mathbf{RTV}\boldsymbol{t\ i}$ is zero;

"$\boldsymbol{MTM}$" means the mark-to-market value of the total Cryptocurrency Entitlement (as of the previous day) calculated on the day "t" calendar days after the Issue Date;

"$\boldsymbol{P_{(t)}}$" means the reference price calculated in respect of the particular Cryptocurrency comprising the Basket (denoted "i") on the day "t" calendar days after the Issue Date; The same methodology and source for $\boldsymbol{P^{i}_{(t)}}$ calculation shall be used as prescribed by the Index Methodology for the calculation of prices of its components; and

"$\boldsymbol{W^{i}_{(t)}}$" means the weighting in respect of the particular Cryptocurrency comprised in the Basket (denoted "i") on the day "t" calendar days after the Issue Date.

3. For Series of **Bonds linked to a single Cryptocurrency to be staked issued pursuant to Annex A - Part C** of the Terms and Conditions, the Cryptocurrency Entitlement will be determined pursuant to the following formula:

$$CE_{(t)} = CE_{(t-1)} * \left(1 - \frac{DER}{365}\right) + \frac{SR_{(t-x)}}{N_{(t-x)}}(1 - DSC)$$

Where:

"$\boldsymbol{CE_{(t)}}$" means the Cryptocurrency Entitlement on day "t" days after the Issue Date;

"$\boldsymbol{CE_{(t-1)}}$" means the Cryptocurrency Entitlement on the previous day before day "t" days after the Issue Date;

"$\boldsymbol{CE_{(0)}}$" or "**Initial Cryptocurrency Entitlement**" means the Cryptocurrency Entitlement on the Issue Date

"$\boldsymbol{DER}$" means the Diminishing Entitlement Rate. The Diminishing Entitlement Rate represents the management fee expressed as the rate at which the Cryptocurrency Entitlement decays over time;

"$\boldsymbol{SR_{(t-x)}}$" means the staking rewards expressed in respective cryptocurrency received (both earned and accrued) from staking on the day "x" days before the day "t" days after the Issue Date. If, for any reason on any given day(s), the staking rewards, or reports pertaining to the staking rewards, are not received or unattainable (such event, a "**Staking Rewards Delay**"), the Issuer shall use its reasonable discretion in line with the acceptable market practice in estimating the staking rewards for the period of Staking Rewards Delay. Once the Staking Rewards Delay is concluded and staking rewards, or reports pertaining to the staking rewards, are actually received by the Issuer, the Issuer shall rectify the difference in the staking rewards per Bond but only for the Bondholders that subscribed or redeemed the Bonds after the Staking Rewards Delay has finished. When rectifying the difference in the staking rewards per Bond, the Issuer is entitled to exercise its full discretion, acting in good faith and in a commercially reasonable manner, whether in its opinion it is appropriate to make one or more adjustments to the Cryptocurrency Entitlement to account for the economic effect of any Staking Rewards Delay, after the conclusion of the Staking Rewards Delay. In case of ongoing subscription and/or redemption procedures in accordance with Conditions 2, 5 and 6 of the Terms and Conditions, Bondholders will be entitled to a reconfigured Cryptocurrency Entitlement per Bond, calculated using the estimate of the staking rewards by the Issuer;

"$\boldsymbol{N_{(t-x)}}$" means number of bonds outstanding as of end of the day "x" days before the before day "t" days after the Issue Date; and

"**DSC**" means the fees applied to the staking rewards.

4. For Series of **Bonds linked to an Index of Cryptocurrency to be staked issued pursuant to Annex A - Part D** of the Terms and Conditions, the Cryptocurrency Entitlement will be determined pursuant to the following formula:

"**Cryptocurrency Entitlement**" means the sum of individual "**Single Cryptocurrency Entitlements**" in respect of each particular Cryptocurrency comprising the Basket per Bond.

Whereby:

"**Single Cryptocurrency Entitlement**" means, as of any Business Day, part of the total Bondholder's claim against the Issuer in respect of each Bond, expressed as the number of the units of the particular Cryptocurrency comprising the Basket per Bond;

On the Issue Date, the Single Cryptocurrency Entitlement corresponds to the Initial Single Cryptocurrency Entitlement;

On any day after the Issue Date, the Single Cryptocurrency Entitlement will be calculated by the Issuer in its sole discretion in accordance with the following formula:

If the relevant day ("t" days after the Issue Date) is <u>not</u> a Rebalance Day or <u>not</u> a day immediately following the Rebalance Day:

$$SCE_{(t)} = SCE^{i}_{(t-1)} * \left(1 - \frac{DER}{365}\right) + \frac{SSR_{(t-x)}}{N_{(t-x)}}\left(1 - \boldsymbol{DSC^{i}_{(t)}}\right)$$

If the relevant day ("t" days after the Issue Date) is a day immediately following the Rebalance Day:

$$SCE_{(t)} = SCE^{i}_{(t-1)} * \left(1 - \frac{DER}{365}\right) + \frac{SSR_{(t-x)} + SSR_{(t-x-1)}}{N_{(t-x)}}\left(1 - \boldsymbol{DSC^{i}_{(t)}}\right)$$

If the relevant day ("t" days after the Issue Date) is a Rebalance Day:

$$SCE^{i}_{(t)} = \widetilde{SCE}^{i}_{(t)} * \left(1.0 - \frac{DER}{365}\right) - (RCR * RTV^{i}_{(t)})$$

$$\widetilde{SCE}^{i}_{(t)} = \frac{W^{i}_{(t)} * MTM_{(t)}}{P^{i}_{(t)}}$$

$$MTM_{(t)} = \sum_{\mathrm{I} \in \mathrm{B}_{(t-1)}} SCE^{i}_{(t-1)} * P^{i}_{(t)}$$

$$RTV^{i}_{(t)} = Max\left(0, \widetilde{SCE}^{i}_{(t)} - SCE^{i}_{(t-1)}\right)$$

Where:

"$\boldsymbol{SCE^{i}_{(t)}}$" means the Single Cryptocurrency Entitlement in respect of the particular Cryptocurrency comprised in the Basket (denoted "i") on day "t" days after the Issue Date;

"**t**" means the number of calendar days elapsed since the Issue Date;

"$\boldsymbol{SCE^{i}_{(t-1)}}$" means the Single Cryptocurrency Entitlement in respect of the particular Cryptocurrency comprised in the Basket (denoted "i") on the previous day before the day "t" days after the Issue Date;

"$\boldsymbol{SSR_{(t-x)}}$" means the Single staking rewards expressed in respective cryptocurrency received (both earned and accrued) from staking on the day "x" days before the day "t" days after the Issue Date. If, for any reason on any given day(s), the Single staking rewards, or reports pertaining to the Single staking rewards, are not received or unattainable (such event, a "**Staking Rewards Delay**"), the Issuer shall use its reasonable discretion in line with the acceptable market practice in estimating the Single staking rewards for the period of Staking Rewards Delay. Once the Staking Rewards Delay is concluded and the Single staking rewards, or reports pertaining to the Single staking rewards, are actually received by the Issuer, the Issuer shall rectify the difference in the Single staking rewards per Bond but only for the Bondholders that subscribed or redeemed the Bonds after the Staking Rewards Delay has finished. When rectifying the difference in the Single staking rewards per Bond, the Issuer is entitled to exercise its full discretion, acting in good faith and in a commercially reasonable manner, whether in its opinion it is appropriate to make one or more adjustments to the Single Cryptocurrency Entitlement to account for the economic effect of any Staking Rewards Delay, after the conclusion of the Staking Rewards Delay. In case of ongoing subscription and/or redemption procedures in accordance with Conditions 2, 5 and 6 of the Terms and Conditions, Bondholders will be entitled to a reconfigured Single Cryptocurrency Entitlement per Bond, calculated using the estimate of the Single staking rewards by the Issuer;

"$\boldsymbol{SSR_{(t-x-1)}}$" means the Single staking rewards expressed in respective cryptocurrency received (both earned and accrued) from staking on the previous day before the day "x" days before the day "t" days after the Issue Date. In case of a Staking Rewards Delay, the Issuer shall use its reasonable discretion in line with the acceptable market practice in estimating the Single staking rewards for the period of Staking Rewards Delay. Once the Staking Rewards Delay is

concluded and the Single staking rewards, or reports pertaining to the Single staking rewards, are actually received by the Issuer, the Issuer shall rectify the difference in the Single staking rewards per Bond but only for the Bondholders that subscribed or redeemed the Bonds after the Staking Rewards Delay has finished. When rectifying the difference in the Single staking rewards per Bond, the Issuer is entitled to exercise its full discretion, acting in good faith and in a commercially reasonable manner, whether in its opinion it is appropriate to make one or more adjustments to the Single Cryptocurrency Entitlement to account for the economic effect of any Staking Rewards Delay, after the conclusion of the Staking Rewards Delay. In case of ongoing subscription and/or redemption procedures in accordance with Conditions 2, 5 and 6 of the Terms and Conditions, Bondholders will be entitled to a reconfigured Single Cryptocurrency Entitlement per Bond, calculated using the estimate of the Single staking rewards by the Issuer;

"$\boldsymbol{N}_{(t-\mathbf{x})}$" means number of bonds outstanding as of end of the day "x" days before the before day "t" days after the Issue Date;

"$\widetilde{\boldsymbol{SCE}}^{\boldsymbol{i}}_{(t)}$" means the Rebalanced Single Cryptocurrency Entitlement, gross of rebalance cost and management fee, in respect of the particular Cryptocurrency comprised in the Basket (denoted "i") on day "t" days after the Issue Date;

"$\boldsymbol{SCE}^{\boldsymbol{i}}_{(\mathbf{0})}$" means the initial Single Cryptocurrency Entitlement, in respect of the particular Cryptocurrency comprised in the Basket (denoted "i"), on the Issue Date;

"$\boldsymbol{DER}$" means the Diminishing Entitlement Rate. The Diminishing Entitlement Rate represents the management fee expressed as the rate at which the Single Cryptocurrency Entitlement decays over time;

"$\boldsymbol{DSC}^{\boldsymbol{i}}_{(t)}$" means the fees applied to the staking rewards in respect of the particular Cryptocurrency comprised in the Basket (denoted "i");

"**RCR**" means the effective rebalance cost rate; The effective rebalance cost RCR represents a fee charged by the Issuer to affect the rebalancing of the Basket;

"$\boldsymbol{RTV}^{\boldsymbol{i}}_{(t)}$" means the positive variation between the Single Cryptocurrency Entitlement (for the relevant cryptocurrency denoted "i") on day "t" and the Single Cryptocurrency Entitlement on the previous calendar day; If the Basket was not comprised of the relevant cryptocurrency on the previous calendar day, the respective Single Cryptocurrency Entitlement on the previous calendar day is zero; If the variation between the Single Cryptocurrency Entitlement on day "t" and Single Cryptocurrency Entitlement on the previous calendar day is negative, $\boldsymbol{RTV}^{\boldsymbol{i}}_{(t)}$ is zero;

"$\boldsymbol{MTM}$" means the mark-to-market value of the total Cryptocurrency Entitlement (as of the previous day) calculated on the day "t" calendar days after the Issue Date;

"$\boldsymbol{P}_{(t)}$" means the reference price calculated in respect of the particular Cryptocurrency comprised in the Basket (denoted "i") on the day "t" calendar days after the Issue Date; The same methodology and source for $\boldsymbol{P}^{\boldsymbol{i}}_{(t)}$ calculation shall be used as prescribed by the Index Methodology for the calculation of prices of its components; and

"$\boldsymbol{W}^{\boldsymbol{i}}_{(t)}$" means the weighting in respect of the particular Cryptocurrency comprised in the Basket (denoted "i") on the day "t" calendar days after the Issue Date, provided by the Index Sponsor.

5. For Series of **Bonds linked to a single Cryptocurrency with FX Hedging feature issued pursuant to Annex A - Part E** of the Terms and Conditions, the Cryptocurrency Entitlement will be determined pursuant to the following formula:

$$CE_{(t)} = (CE_{(t-1)} + FXP_{(t)}) * \left(1 - \frac{DER + HDC}{365}\right)$$

$$FXP_{(t)} = \frac{\left(CE_{(t-1)} * P_{(t-1)}\right) * \left(\frac{FFX_{(t-1)}}{FXS_{(t)}} - 1\right)}{P_{(t)}}$$

Where:

"$\boldsymbol{CE_{(t)}}$" means the Cryptocurrency Entitlement on day "t" days after the Issue Date.

"**t**" means the number of calendar days elapsed since the Issue Date.

"$\boldsymbol{CE_{(t-1)}}$" means the Cryptocurrency Entitlement on the previous day before day "t" days after the Issue Date.

"$\boldsymbol{CE_{(0)}}$" means the Initial Cryptocurrency Entitlement on the Issue Date.

"$\boldsymbol{DER}$" means the Diminishing Entitlement Rate. The Diminishing Entitlement Rate represents the management fee expressed as the rate at which the Cryptocurrency Entitlement decays over time.

"$\boldsymbol{P_{(t)}}$" means the Reference Price of the underlying Cryptocurrency on the day 't' calendar days after the Issue Date;

"$\boldsymbol{P_{(t-1)}}$" means the Reference Price of the underlying Cryptocurrency on the previous day before day 't' days after the Issue Date.

"$\boldsymbol{FXP_{(t)}}$", means the FX Hedge Performance. The FX Hedge Performance represents the change in Cryptocurrency entitlement rate, in respect of the FX Hedging mechanism for the mitigation of fluctuations in the exchange rate between the currency in which the Reference Price is denominated (the "**Reference Price Currency**") and the Bond Currency, on day 't' days after the Issue Date.

"$\boldsymbol{FFX_{(t-1)}}$" means the FX Forward Reference Level on the previous day before day 't' days after the Issue Date;

"$\boldsymbol{FXS_{(t)}}$" means the FX Spot Reference Level in respect to the day 't' days after the Issue Date;

"**FX Forward Reference Level**" means, in respect of any calendar day, the forward rate, expressed in the Reference Price Currency provided by the FX Counterparty, on that day as being the rate for a forward exchange of an amount of the Reference Price Currency per one unit of the Bond Currency; and

"**FX Spot Reference Level**" means, in respect of any calendar day, the currency exchange rate expressed in the Reference Price Currency provided by the FX Counterparty, on that day as being the rate for the exchange of an amount of the Reference Price Currency per one unit of the Bond Currency.

"**HDC**" means the hedging Costs. The hedging costs represents the annual cost of the Issuer to maintain the currency hedging mechanism expressed in per cent. *per annum*.

6. For Series of **Bonds with index based calculation issued pursuant to Annex A – Part F** of the Terms and Conditions, the Cryptocurrency Entitlement will be determined pursuant to the following formula:

$\boldsymbol{CE_{(t)}} = (\Sigma_i^n\ Cryptocurrency\ Amount_i * Entitlement) * (1.0 - DER/365)^t$

Where:

"$\boldsymbol{CE_{(t)}}$" means the Cryptocurrency Entitlement on day "t" days after the Issue Date;

"$\boldsymbol{Cryptocurrency\ Amount_i}$" means the amount of units of the respective Cryptocurrency comprised in the Index as calculated and published by the Index Sponsor on any day at the time specified in the relevant Final Terms;

"$\boldsymbol{DER}$" means the Diminishing Entitlement Rate. The Diminishing Entitlement Rate represents the management fee expressed as the rate at which the Cryptocurrency Entitlement decays over time;

"**Entitlement**" means the entitlement for each Bond as specified in the respective Final Terms;

"**Index**" means the index specified in the respective Final Terms;

"**Index Sponsor**" means the index sponsor of the respective Index;

"**n**" means the number of different Cryptocurrencies comprised in the Index;

"**t**" means the number of calendar days elapsed since the Issue Date.

7. Additionally, in case of Series of **Bonds with an underlying Index of Cryptocurrency issued pursuant to Annex A - Part B and D** of the Terms and Conditions, the Cryptocurrency Entitlement is subject to adjustments upon the occurrence of a Collateral Shortfall Event (as described below under 13.3.1. "*Security over Depositary Wallet*").

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

As of the Issue Date (as specified in the relevant Final Terms) of each Series of Bonds, the Cryptocurrency Entitlement would correspond to the initially determined number units of the relevant Cryptocurrency or Units of the Index (as specified in the relevant Final Terms, the "**Initial Cryptocurrency Entitlement**") per Bond, i.e. Authorised Participants purchasing Bonds from the Issuer would receive one Bond for a number of units of the relevant Cryptocurrency or Units of the Index corresponding to the Initial Cryptocurrency Entitlement. In addition, the Issuer may charge a subscription fee up to a certain percentage of the Cryptocurrency Entitlement (as specified in the relevant Final Terms) from the Authorised Participant.

Where an investor purchases a Bond from an Authorised Participant with Euro, in case of an exemplary Cryptocurrency Entitlement of 0.001 per Bond, the Euro equivalent of the Cryptocurrency Entitlement as of 24 September 2026, based on a value of the underlying Cryptocurrency of Euro 74,135.9989 [28] would be Euro 74.14. However, given that each Authorised Participant may charge a subscription fee from the investor who it is selling the Bonds at its own discretion, the purchase price for a Bond may be higher than Euro 74.14.

For a determination of the issue price see also section 13.2. "*Description of the Bonds*".

[28] Value of Bitcoin as of 24 September 2026.

17.2. SELLING RESTRICTIONS

17.2.1. General

Any person subsequently offering, selling or recommending the Bonds shall comply with all applicable laws and regulations in each country or jurisdiction in which it purchases, offers, sells or delivers Bonds or possesses, distributes or publishes this Base Prospectus or any other offering material relating to the Bonds.

Persons into whose hands this Base Prospectus comes are required by the Issuer to comply with all applicable laws and regulations in each country or jurisdiction in which they purchase, offer, sell or deliver Bonds or possess, distribute or publish this Base Prospectus or any other offering material relating to the Bonds, in all cases at their own expense.

17.2.2. European Economic Area

If the Final Terms in respect of any Series of Bonds include a legend in the context of any prohibition to make an offer of Bonds to retail investors in certain jurisdictions in the European Economic Area, the Bonds are not intended to be offered and shall not be offered to any retail investor in the European Economic Area. For the purposes of this provision:

(a) the expression "retail investor" means a person who is one (or more) of the following:

(i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU, as amended ("**MiFID II**"); or

(ii) a customer within the meaning of Directive (EU) 2016/97, as amended (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or

(iii) not a qualified investor as defined in Regulation (EU) 2017/1129, as amended (the "**Prospectus Regulation**"); and

(b) the expression an "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Bonds to be offered so as to enable an investor to decide to purchase or subscribe for the Bonds.

If the Final Terms in respect of any Bonds do not include a legend in the context of any prohibition to make an offer of Bonds to retail investors in certain jurisdictions in the European Economic Area (each a "**Member State**"), any relevant person has represented that it has not made and will not make an offer of Bonds which are the subject of the offering contemplated by this Prospectus as completed by the final terms in relation thereto to the public in that Member State except that it may make an offer of such Bonds to the public in that Member State:

(i) if the final terms in relation to the Bonds specify that an offer of those Bonds may be made other than pursuant to Article 1(4) of the Prospectus Regulation in that Member State (a "**Non-exempt Offer**"), following the date of publication of a prospectus in relation to such Bonds which has been approved by the competent authority in that Member State or, where appropriate, approved in another Member State and notified to the competent authority in that Member State, provided that any such prospectus has subsequently been completed by the final terms contemplating such Non-exempt Offer, in accordance with the Prospectus Regulation, in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable, and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;

(ii) at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;

(iii) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) subject to obtaining the prior consent of the relevant dealer or dealers nominated by the Issuer for any such offer; or

(iv) at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Bonds referred to in (ii) to (iv) above shall require the Issuer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision the expression an "**offer of Bonds to the public**" in relation to any Bonds in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Bonds to be offered so as to enable an investor to decide to purchase or subscribe for the Bonds and the expression "**Prospectus Regulation**" means Regulation (EU) 2017/1129, as amended.

17.2.3. United Kingdom - Retail selling restrictions

If the Final Terms in respect of any Series of Bonds include a legend in the context of any prohibition to make an offer of Bonds to retail investors in the United Kingdom, the Bonds are not intended to be offered, sold, distributed or otherwise made available and shall not be offered, sold distributed or otherwise made available to any retail investor in the United Kingdom. For the purposes of this provision:

(a) the expression "retail investor" means a person who is either one (or both) of the following:

(i) not a professional client as defined in point (8) of Article 2(1) of Regulation EU No. 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018; or

(ii) not a qualified investor as defined in paragraph 15 of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024; and

(b) the expression "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Bonds to be offered so as to enable an investor to decide to buy or subscribe for the Bonds.

If the Final Terms in respect of any Bonds do not include a legend in the context of any prohibition to make an offer of Bonds to retail investors in the United Kingdom, any relevant person has represented that it has not made and will not make an offer of Bonds which are the subject of this Base Prospectus as completed by the final terms in relation thereto to the public in the United Kingdom except that it may make an offer:

(A) at any time to any legal entity which is a qualified investor as defined in paragraph 15 of Schedule 1 to the POATRs;

(B) at any time to fewer than 150 persons (other than qualified investors as defined in paragraph 15 of Schedule 1 to the POATRs) in the United Kingdom subject to obtaining the prior consent of the relevant dealer or dealers nominated by the Issuer for any such offer; or

(C) at any time in any other circumstances falling within Part 1 of Schedule 1 to the POATRs,

For the purposes of this provision the expression "**an offer of Bonds to the public**" in relation to any Bonds means the communication in any form and by any means of sufficient information on the terms of the offer and the Bonds to be offered so as to enable an investor to decide to buy or subscribe for the

Bonds and the expression "**POATRs**" means the Public Offers and Admissions to Trading Regulations 2024.

17.2.4. United Kingdom - Other regulatory restrictions

Any person subsequently offering, selling or recommending the Bonds has to ensure that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000, as amended ("**FSMA**") received by it in connection with the issue or sale of the Bonds in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Bonds in, from or otherwise involving the United Kingdom.

17.2.5. United States

The Bonds have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), and may not be offered, sold or delivered within the United States of America (the "**United States**") to or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Bonds are being offered and sold only (1) to "accredited investors" (as defined in Rule 501 of Regulation D under the Securities Act) in compliance with Rule 506(c) or Rule 506(b) of Regulation D under the Securities Act; (2) to 'qualified institutional buyers' as defined in Rule 144A under the Securities Act; and (3) in "offshore transactions" (as defined in Regulation S under the Securities Act) in reliance upon Regulation S under the Securities Act. Any person acting as a distributor of the Bonds exclusively outside the United States has represented and agreed that neither it nor any persons acting on its behalf has offered, sold or delivered or will offer, sell or deliver any Bonds within the United States except in accordance with Rule 903 of Regulation S under the Securities Act. Accordingly, each such distributor has represented and agreed that neither it, its affiliates nor any persons acting on its or their behalf has engaged or will engage in any directed selling efforts with respect to the Bonds offered in reliance on Regulation S. Terms used in this subparagraph have the meaning given to them by Regulation S.

17.2.6. Switzerland

Any person subsequently offering, selling or recommending the Bonds will be required to confirm, represent and agree that:

(a) it has only made and will only make an offer of the Bonds to the public in Switzerland, other than pursuant to an exemption under Article 36(1) FinSA or where such offer does not qualify as a public offer in Switzerland, if the applicable Final Terms in respect of any Bonds published according to Article 64 FinSA specify "Swiss Non-exempt Offer" as applicable, in the Offer Period specified in the applicable Final Terms, and if consent has been granted to use the Base Prospectus and the applicable Final Terms for a public offer in Switzerland in accordance with Article 36(4) FinSA; or

(b) it has not offered and will not offer, directly or indirectly, Bonds to the public in Switzerland, and has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in Switzerland, this Base Prospectus, the applicable Final Terms or any other offering material relating to the Bonds, other than pursuant to an exemption under Article 36(1) FinSA or where such offer or distribution does not qualify as a public offer in Switzerland.

For these purposes "public offer" refers to the respective definitions in Article 3(g) and (h) FinSA and as further detailed in the implementing Swiss Federal Financial Services Ordinance (FinSO).

If Bonds qualifying as debt instruments with a "derivative character" (as such expression is understood under FinSA) are offered to private clients within the meaning of FinSA in Switzerland a key information document under Article 58 FinSA (Basisinformationsblatt für Finanzinstrumente) or Article 59(2) FinSA in respect of such Bonds must be prepared and published. According to Article 58(2) FinSA, no key information document is required if Bonds are acquired for private clients under an asset management agreement. For this purpose, a private client means a person who is not one (or more) of the following: (i) a professional client as defined in Article 4(3) FinSA (not having opted-in on the basis of Article 5(5) FinSA) or Article 5(1) FinSA; or (ii) an institutional client as defined in Article 4(4) FinSA; or (iii) a private client with an asset management agreement according to Article 58(2) FinSA. For these purposes "offer" refers to the interpretation of such term in Article 58 FinSA.

The Bonds do not constitute a participation in a collective investment scheme in the meaning of the Swiss Federal Act on Collective Investment Schemes (CISA) and are not subject to the supervision by the FINMA, and investors will not benefit from the specific investor protection under the CISA.

18. GENERAL INFORMATION

18.1. INCORPORATION BY REFERENCE

The following documents are incorporated by reference into and shall form part of this Base Prospectus:

Document incorporated by reference	**Pages incorporated by reference**	**Pages of the Base Prospectus, on which the incorporation has taken place**
Financial Information		
1. Audited annual financial statements of the Issuer (*Jahresabschluss*) dated 31 December 2024 together with an unqualified auditor's report	(page numbers refer to the pages of the PDF document)	Page 48, "12. Historical Financial Information"
Statement of Financial Position	16	
Statement of Profit or Loss and Other Comprehensive Income	17	
Statement of Cash Flows	18	
Statement of Changes in Equity	19	
Notes to the Accounts as at 31 December 2024	20-32	
Independent Auditor's Report	33 - 36	
2. Audited annual financial statements of the Issuer (*Jahresabschluss*) dated 31 December 2025 together with an unqualified auditor's report	(page numbers refer to the pages of the PDF document)	Page 48, "12. Historical Financial Information"
Statement of Financial Position	18	
Statement of Profit or Loss and Other Comprehensive Income	19	
Statement of Cash Flows	20	
Statement of Changes in Equity	21	
Notes to the Accounts as at 31 December 2025	22-33	
Independent Auditor's Report	34 - 37	

Base Prospectuses and Supplements		
1. Base Prospectus dated 14 January 2021		Page 4, "1.3. Issue Procedures" Page 127, "Part I.: Terms and Conditions" Page 154, "19. Continuously Offered Bonds"
- Terms and Conditions		
- Option I: Terms and Conditions for Bonds linked to a single underlying Cryptocurrency	52 - 85	
- Form of Final Terms	122 - 127	
2. First Supplement dated 16 February 2021 to the Base Prospectus dated 14 January 2021		Page 4, "1.3. Issue Procedures" Page 127, "Part I.: Terms and Conditions" Page 154, "19. Continuously Offered Bonds"
- Item 6	5	
3. Base Prospectus dated 23 November 2021		
- Terms and Conditions		
- Option I: Terms and Conditions for Bonds linked to a single underlying Cryptocurrency	62 - 96	
- Form of Final Terms	137 - 144	
4. First Supplement dated 22 March 2022 to the Base Prospectus dated 23 November 2021		Page 4, "1.3. Issue Procedures" Page 127, "Part I.: Terms and Conditions" Page 154, "19. Continuously Offered Bonds"
- Items 6 - 9	3 - 4	
5. Second Supplement dated 21 June 2022 to the Base Prospectus dated 23 November 2021		Page 4, "1.3. Issue Procedures" Page 127, "Part I.: Terms and Conditions" Page 154, "19. Continuously Offered Bonds"
- Items 10 - 13	3 - 4	

6. Base Prospectus dated 21 November 2022		Page 4, "1.3. Issue Procedures" Page 127, "Part I.: Terms and Conditions" Page 154, "19. Continuously Offered Bonds"
- Terms and Conditions		
- Option II: Terms and Conditions for Bonds linked to an index of underlying Cryptocurrencies	111 - 149	
- Form of Final Terms	267 - 274	
7. First Supplement dated 21 November 2022 to the Base Prospectus dated 7 February 2023		Page 4, "1.3. Issue Procedures" Page 127, "Part I.: Terms and Conditions" Page 154, "19. Continuously Offered Bonds"
- Item 1	2	
8. Base Prospectus dated 21 November 2023		Page 4, "1.3. Issue Procedures" Page 127, "Part I.: Terms and Conditions" Page 154, "19. Continuously Offered Bonds"
- Terms and Conditions		
- Terms and Conditions	87 - 106	
- ANNEX A – Cryptocurrency Entitlement	107 - 116	
- ANNEX B – Adjustments and Special Situations	117 - 120	
- Form of Final Terms	121 - 128	
9. Base Prospectus dated 30 October 2024		Page 4, "1.3. Issue Procedures" Page 127, "Part I.: Terms and Conditions" Page 154, "19. Continuously Offered Bonds"
- Terms and Conditions		
- Terms and Conditions	88 - 124	
- ANNEX A – Cryptocurrency Entitlement	110 - 120	

- ANNEX B – Adjustments and Special Situations	121 - 124	
- Form of Final Terms	125 - 132	
10. Base Prospectus dated 10 October 2025		Page 4, "1.3. Issue Procedures" Page 127, "Part I.: Terms and Conditions" Page 154, "19. Continuously Offered Bonds"
- Terms and Conditions		
- Terms and Conditions	89 - 127	
- ANNEX A – Cryptocurrency Entitlement	112 - 123	
- ANNEX B – Adjustments and Special Situations	124 - 127	
- Form of Final Terms	128 - 135	

Any information not incorporated by reference into this Base Prospectus but contained in the documents set out above as source documents in the cross-reference lists above is either not relevant for investors or covered elsewhere in this Base Prospectus.

The documents incorporated by reference can be found on the following websites:

Financial Information:

- The audited annual financial statements of the Issuer (*Jahresabschluss*) dated 31 December 2024 together with an unqualified auditor's report:

  https://bitwiseinvestments.eu/resources/financial_statements_Reports/annual_financial_statements_ifrs_2024_EN.pdf

- The audited annual financial statements of the Issuer (*Jahresabschluss*) dated 31 December 2025 together with an unqualified auditor's report:

  https://bitwiseinvestments.eu/resources/financial_statements_Reports/annual_financial_statements_ifrs_2025_EN.pdf

Base Prospectuses and Supplements:

- Base Prospectus dated 10 October 2025:

  https://bitwiseinvestments.eu/resources/base_prospectus/bitwise_europe_gmbh_base_prospectus_2025-10-10.pdf

- Base Prospectus dated 30 October 2024:

  https://bitwiseinvestments.eu/resources/base_prospectus/bitwise_europe_gmbh_base_prospectus_2024-10-30.pdf

- Base Prospectus dated 21 November 2023:

https://bitwiseinvestments.eu/resources/base_prospectus/etc_issuance_gmbh_base_prospectus_2023-11-21.pdf

- Base Prospectus dated 21 November 2022:

  https://bitwiseinvestments.eu/resources/base_prospectus/etc_issuance_gmbh_base_prospectus_2022-11-21.pdf

- First Supplement dated 7 February 2023 to the Base Prospectus dated 21 November 2022:

  https://bitwiseinvestments.eu/resources/base_prospectus/etc_issuance_gmbh_bp_supplement_2023-02-07.pdf

- Base Prospectus dated 23 November 2021:

  https://bitwiseinvestments.eu/resources/base_prospectus/etc_issuance_gmbh_base_prospectus_2021-11-23.pdf

- First Supplement dated 22 March 2022 to the Base Prospectus dated 23 November 2021:

  https://bitwiseinvestments.eu/resources/base_prospectus/etc_issuance_gmbh_bp_supplement_2022-03-22.pdf

- Second Supplement dated 21 June 2022 to the Base Prospectus dated 23 November 2021:

  https://bitwiseinvestments.eu/resources/base_prospectus/etc_issuance_gmbh_bp_supplement_2022-06-21.pdf

- Base Prospectus dated 14 January 2021:

  https://bitwiseinvestments.eu/resources/base_prospectus/etc_issuance_gmbh_base_prospectus_2021-01-14.pdf

- First Supplement dated 16 February 2021 to the Base Prospectus dated 14 January 2021:

  https://bitwiseinvestments.eu/resources/base_prospectus/etc_issuance_gmbh_bp_supplement_2021-02-16.pdf

The documents containing the information incorporated by reference have been filed with Bafin. They are available free of charge by the Issuer and are published in electronic form on the Issuer's website https://bitwiseinvestments.eu/resources/#Documents

18.2. DOCUMENTS ON DISPLAY

For the term of this Base Prospectus, copies of the following documents may, when published, be inspected during normal business hours (i.e. between 9:00 (CET) and 17:00 (CET)) at the specified office of the Paying Agent and will be available on the website of the Issuer (https://bitwiseinvestments.eu/resources/):

(a) the Base Prospectus and any supplement thereto;

(b) the constitutional documents of the Issuer;

(c) the Terms and Conditions;

(d) the German Security and Security Trust Agreement in relation to each Series of Bonds;

(e) the Cryptocurrency Security Agreement in relation to each Series of Bonds;

(f) the Depositary Account (Wallet) Control Agreement in relation to each Series of Bonds;

(g) the Issuance Account Control Agreement in relation to each Series of Bonds;

(h) the relevant Final Terms for each Series of Bonds;

(i) the audited annual financial statements of the Issuer (*Jahresabschluss*) dated 31 December 2024 together with an unqualified auditor's report;

(j) the audited annual financial statements of the Issuer (*Jahresabschluss*) dated 31 December 2025 together with an unqualified auditor's report;

(k) the base prospectus dated 14 January 2021;

(l) the first supplement dated 16 February 2021 to the Base Prospectus dated 14 January 2021;

(m) the base prospectus dated 23 November 2021;

(n) the first supplement dated 22 March 2022 to the base prospectus dated 23 November 2021;

(o) the second supplement dated 21 June 2022 to the base prospectus dated 23 November 2021;

(p) the base prospectus dated 21 November 2022;

(q) the first supplement dated 7 February 2023 to the Base Prospectus dated 21 November 2022;

(r) the base prospectus dated 21 November 2023;

(s) the base prospectus dated 30 October 2024;

(t) the base prospectus dated 10 October 2025.

19. CONTINUOUSLY OFFERED BONDS

This Base Prospectus incorporates by reference the form of final terms and (i) Option I of the terms and conditions of the base prospectus of Bitwise Europe GmbH (formerly ETC Issuance GmbH) relating to the Programme dated 14 January 2021, (ii) Option I of the terms and conditions of the base prospectus of Bitwise Europe GmbH (formerly ETC Issuance GmbH) relating to the Programme dated 23 November 2021, (iii) Option II of the terms and conditions of the base prospectus of Bitwise Europe GmbH (formerly ETC Issuance GmbH) relating to the Programme dated 21 November 2022, (iv) the terms and conditions including Part A, B, C, D or E of Annex A and Annex B of the base prospectus of Bitwise Europe GmbH (formerly ETC Issuance GmbH) relating to the Programme dated 21 November 2023, (v) the terms and conditions including Part A, B, C, D or E of Annex A and Annex B of the base prospectus of Bitwise Europe GmbH relating to the Programme dated 30 October 2024 and (vi) the terms and conditions including Part A, B, C, D or E of Annex A and Annex B of the base prospectus of Bitwise Europe GmbH relating to the Programme dated 10 October 2025 (each, a "**Preceding Base Prospectus**" and, together, the "**Preceding Base Prospectuses**").

The bonds issued and offered under the Preceding Base Prospectus, as specified in the table below, are continuously offered and will remain subject to Option I of the terms and conditions of the relevant Preceding Base Prospectus as completed by their respective final terms (the "**Continuously Offered Bonds**").

In relation to the Continuously Offered Bonds, the relevant Final Terms are available on the website of the Issuer https://bitwiseinvestments.eu/.

List of Continuously Offered Bonds:

(1) Bitwise Physical Bitcoin ETP (BTCE) - (ISIN DE000A27Z304)

(2) Bitwise Physical Ethereum ETP (ZETH) - (ISIN DE000A3GMKD7)

(3) Bitwise Physical Litecoin ETP (ELTC) - (ISIN DE000A3GN5J9)

(4) Bitwise Physical Cardano ETP (RDAN) - (ISIN DE000A3GVKY4)

(5) Bitwise Physical Solana ETP (ESOL) - (ISIN DE000A3GVKZ1)

(6) Bitwise Physical XRP ETP (GXRP) - (ISIN DE000A3GYNB0)

(7) Bitwise MSCI Digital Assets Select 20 ETP (DA20) – (ISIN DE000A3G3ZL3)

(8) Bitwise Ethereum Staking ETP (ET32) – (ISIN DE000A3G90G9)

(9) Bitwise Core Bitcoin ETP (BTC1) – (ISIN DE000A4AER62)

(10) Bitwise Diaman Bitcoin & Gold ETP (BTCG) – (ISIN DE000A4AKW34)

(11) Bitwise Solana Staking ETP (BSOL) – (ISIN DE000A4A59D2)

(12) Bitwise Aptos Staking ETP (APTB) – (ISIN DE000A4AJWU3)

(13) Bitwise NEAR Staking ETP (NEAR) – (ISIN DE000A4A5GV2)

(14) Bitwise Avalanche Staking ETP (AVNB) – (ISIN DE000A4APQX6)

(15) Bitwise Celestia Staking ETP (TIAB) - (ISIN DE000A4APRP0)

(16) Bitwise Hyperliquid Staking ETP (BHYP) – (ISIN DE000A4ARTJ5)

(17) Bitwise Canton ETP (BWCC) – (ISIN DE000A4ARTH9)

(18) Bitwise Lighter Staking ETP (BLIT) – (ISIN DE000A4AV9T5)

20. NAMES AND ADDRESSES

ISSUER

Bitwise Europe GmbH
Thurn- und Taxis-Platz 6
60313 Frankfurt am Main
Germany

SECURITY TRUSTEE

The Law Debenture Trust Corporation p.l.c.
8th Floor, 100 Bishopsgate
London EC2N 4AG
United Kingdom

DEPOSITARIES

Anchorage Digital Bank N.A.
101 S. Reid Street
Suite 307
Sioux Falls, SD 57103
United States of America

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

BitGo Europe GmbH
c/o WeWork
Neue Rothofstraße 13-19
60313 Frankfurt am Main
Germany

Coinbase Custody Trust Company, LLC
200 Park Avenue,
Suite 1208,
New York, NY 10003
United States of America

Komainu (Jersey) Limited
3rd Floor, 2 Hill Street
St. Helier
Jersey JE2 4UA

Zodia Custody (Ireland) Limited
3rd Floor, Kilmore House
Park Lane, Spencer Dock
Dublin
Ireland, D01 XN99

LISTING AGENTS

Steubing AG Wertpapierhandelsbank
Goethestrasse 29
60313 Frankfurt am Main
Germany

Bankhaus Scheich Wertpapierspezialist AG
Rossmarkt 21
60311 Frankfurt am Main
Germany

Quirin Privatbank AG
Kurfürstendamm 119
10711 Berlin
Germany

EXECUTION AGENT

Wintermute Trading Ltd.
3rd Floor, 1 Ashley Road
Altrincham, Cheshire
United Kingdom, WA14 2DT

FISCAL AGENT AND PAYING AGENT

Quirin Privatbank AG
Kurfürstendamm 119
10711 Berlin
Germany

AUDITORS

Baker Tilly GmbH & Co. KG Wirtschaftsprüfungsgesellschaft
Cecilienallee 6-7
40474 Düsseldorf
Germany

ADMINISTRATOR

Apex Corporate & Advisory Services Ltd
Central North Business Centre, Level 1
Sqaq il-Fawwara
Sliema SLM1670
Malta