

This Base Prospectus is dated 12 August 2022



**Hashdex AG**

(incorporated in Switzerland)

Reg. No.: CHE-197.355.536

LEI: 5067006813V7BE5V3H11

**Exchange Traded Products Issuance Programme**

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Under the terms of its issuance programme (the **Programme**) as described in this Base Prospectus (this **Base Prospectus**), Hashdex AG (the **Issuer** or **Hashdex**), subject to compliance with all applicable laws and regulations, may from time to time issue exchange traded products (the **ETPs**) in the forms set out in this Base Prospectus, as completed, supplemented and/or amended by the specific final terms in respect of the relevant series of ETPs (the **Final Terms**).

This Base Prospectus was approved on 12 August 2022 by the Swedish Financial Supervisory Authority (the **SFSA**), as competent authority under the Prospectus Regulation (EU) 2017/1129, shall be valid for 12 months after its approval for offers to the public or admissions to trading on a regulated market, provided that it is completed by any supplement required pursuant to Article 23 of said regulation. In respect of any tranches of any ETPs of a given Series, the Base Prospectus, as amended from time to time, together with the applicable Final Terms, will constitute the prospectus.

The ETPs will be issued in series (each, a **Series**). Each Series will be subject to the General Terms and Conditions set forth in this Base Prospectus (the **General Terms and Conditions**), as completed, supplemented and/or amended by the relevant Final Terms relating to such Series (together, the **Relevant Product Documentation**). In the event of any inconsistency between the General Terms and Conditions and the Final Terms, the Final Terms shall prevail.

The ETPs have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the **Securities Act**) or with any securities regulatory authority of any State or other jurisdiction of the United States and (i) may not be offered, sold or delivered within the United States to, or for the account or benefit of U.S. Persons (as defined in Regulation S (**Regulation S**) under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws and (ii) may be offered, sold or otherwise delivered at any time only to transferees that are Non-United States Persons (as defined by the U.S. Commodities Futures Trading Commission (CFTC)).

IMPORTANT: You must read the information in the section “Important Notice” starting on page 91.

**The ETPs and the underlying collateral in respect of the ETPs are highly speculative and involve a high degree of risk, including the risk of a total loss of all capital invested. See “Risk Factors”.**

**The ETPs will be obligations solely of the Issuer and will not be guaranteed by, or be the responsibility of, any other entity.**

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

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## OVERVIEW OF THE PROGRAMME

*The following overview of the Programme and the ETPs does not purport to be complete and is subject to and qualified by the detailed information contained elsewhere in this Base Prospectus and in the Final Terms in respect of the relevant ETPs.*

*Words and expressions not defined in this overview shall have the meanings given to them elsewhere in this Base Prospectus.*

### Description of the Programme

This Programme, pursuant to which the Issuer may issue collateralised exchange traded products (**ETPs**) linked to Underlyings or a basket of Underlyings providing exposure to a range of Crypto Assets. Such ETPs may also have long or short exposure to the daily performance of a referenced index.

### Parties to the Programme

**Issuer** ..... Hashdex AG is a corporation (*Aktiengesellschaft*) organised under the laws of Switzerland and with its registered office and address at c/o Prosperus GmbH, Landis + Gyr-Strasse 1, 6300 Zug, Switzerland.

**The Programme** ..... On 13 April 2022, the Issuer established a programme (the **Programme**) for the issuance of ETPs. The Final Terms relating to each Series of ETPs will specify the detailed terms applicable to such Series of ETPs.

**Base Prospectus** ..... This Base Prospectus has been approved by the Swedish Financial Supervisory Authority *Finansinspektionen* (the **SFSA**), as competent authority under the Prospectus Regulation (EU) 2017/1129. The SFSA only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129. Such approval should not be considered as an endorsement of the issuer that is the subject of this Base Prospectus. Such approval should not be considered as an endorsement of the quality of the securities that are the subject of this Base Prospectus. Investors should make their own assessment as to the suitability of investing in the securities.

The Base Prospectus permits for an offer of ETPs to the public in Sweden and/or an admission to trading of securities on a regulated market in Sweden or a MTF in Sweden. The Issuer may request the SFSA to notify the approval of the Base Prospectus to other EEA Member States in accordance with the Prospectus Regulation for the purposes of making a public offer in such Member States or for admission to trading of all or any ETPs on a regulated market therein, or both. As at the date of this Base Prospectus the Issuer has asked the SFSA to notify approval of the Base Prospectus to the competent authorities in each of the Member States of the European Union and Norway.

<b>Warning regarding expiry and supplement(s).....</b>	Investors should note that this Base Prospectus will be valid, as a maximum until, 12 August 2023. The Issuer shall prepare a supplement (each, a <b>Supplement</b> ) to this Base Prospectus or publish a new base prospectus if there is a significant change affecting any matter contained in this Base Prospectus or a significant new matter arises, the inclusion of information in respect of which would have been so required if it had arisen when this Base Prospectus was prepared and/or pursuant to Article 23 of the Prospectus Regulation. The obligation to supplement a prospectus in the event of significant new factors, material mistakes or material inaccuracies does not apply when a prospectus is no longer valid.
<b>Transaction Structure .....</b>	Under the Programme, the Issuer may issue ETPs of a Series to Authorised Participant appointed in respect of such Series.  For a description of the creation and redemption processes, as well as a description of the principal parties and transaction documents related to the Programme, see “ <i>Summary of the Parties and the Structure</i> ”.  It is intended that Authorised Participants will sell ETPs in the secondary market to Investors who have directly approached the Authorised Participant(s) for a purchase price agreed between the Authorised Participant and such Investor(s) in respect of the ETPs. Investors will also be able to purchase ETPs on the secondary market on a trading venue and any other trading venue on which the ETPs are listed and/or admitted to trading. Investors may sell the ETPs from time-to-time in the secondary market to third parties or to Authorised Participants.
<b>Issuance of Series of ETPs .....</b>	ETPs issued under the Programme are issued in series (each, a <b>Series</b> ), and each series may comprise one or more tranches (each, a <b>Tranche</b> ) issued on identical terms other than the Issue Date and Issue Price per exchange traded product and with the ETPs of each Tranche of a Series being interchangeable with all other ETPs of that Series. Each Tranche is subject to Final Terms.
<b>Collateral Agent .....</b>	The Law Debenture Trust Corporation p.l.c. or any other collateral agent specified in the applicable Final Terms.
<b>Custodian .....</b>	Coinbase Custody Trust Company, LLC, or any successor or alternative custodian as specified in the applicable Final Terms.
<b>Administrator .....</b>	Theorem Fund Services, LLC, Intertrust Corporate and Fund Services LLC, or any other administrator specified in the relevant Final Terms.
<b>Global Paying Agent.....</b>	Bank Frick & Co. AG
<b>Swiss Paying Agent.....</b>	ISP Securities AG, or any other Swiss bank or securities dealer performing the paying agency function for a particular Series of ETPs for the purposes of the regulations of the SIX Swiss Exchange as set forth in the relevant Final Terms.

The Issuer may appoint additional paying agents (including a Swiss Paying Agent) in relation to a Series of ETPs if required by the rules of any trading venue on which ETPs are listed or admitted to trading.

**Authorised Participants ...** DRW Europe B.V., Flow Traders B.V., Jane Street Financial Limited and Goldenberg Hehmeyer LLP.

Only an Authorised Participant may engage in creation or redemption transactions directly with the Issuer (other than in limited circumstances). Currently, there are four Authorised Participants for the ETPs. The Issuer reserves the right to change, increase or decrease the number of Authorised Participants or any individual firm.

**Market Maker(s) .....** The market maker(s) specified as Market Maker(s) in the relevant Final Terms.

**Index Calculation Agent...** The Index Calculation Agent specified in the relevant Final Terms.

**Index administrator .....** Each Index will constitute a benchmark subject to Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 Regulation (the **Benchmark Regulation**). Each Index will be administered by an administrator included in the register referred to in Article 36 of the Benchmark Regulation.

**Continual Issuance and Redemption .....** ETPs of each Series shall be subject to a continuing issuance and redemption mechanism, under which additional ETPs of such Series may be issued, and ETPs may be redeemed by Authorised Participants.

**Terms and Conditions of ETPs .....** Each Series of ETPs will have the terms and conditions set out in the section of this Base Prospectus headed "*General Terms and Conditions*", as completed, amended and/or supplemented by the Final Terms in respect of such Series.

**Issue Price .....** The Issue Price in respect of each Tranche of ETPs will be set out in the Final Terms with respect to such Tranche.

**Interest .....** The ETPs will not bear interest.

**Collateral.....** The Underlyings or Underlying Components credited to the Collateral Account and other eligible assets denominated in the Underlying or Underlying Components which serve as collateral for the ETPs or any other eligible assets as specified in the applicable Final Terms.

Collateralisation of ETPs, as further described in the section headed "Collateral" herein, eliminates credit risk to the Issuer only to the extent that the proceeds from the liquidation or realisation of Collateral (less the costs of liquidation fees and expenses of the Collateral Agent and any payout) meet the Investors' claims. The Investor bears the following risks, among others: the market risk associated with the Collateral results in insufficient liquidation proceeds or, in

extreme circumstances, the Collateral might lose its value entirely, including through theft, hacking, slashing (in the case of staking), or fraud, prior to the liquidation taking place or it may not be possible to realise the Collateral. The costs for the service with respect to the collateralisation of the ETPs may be taken into account for the pricing of a specific ETPs and may therefore be borne by the Investors. With regard to the payment to the respective Investors of the relevant share of the net liquidation proceeds, each Investor shall bear the solvency risks of any counterparty with respect to any Underlying, Underlying Components or Collateral Counterparty and/or any custodian of the Underlying or Underlying Components (Coinbase Custody Trust Company, LLC (**Coinbase** or the **Custodian**), and/or The Law Debenture Trust Corporation p.l.c. (**Law Debenture** or the **Collateral Agent**) effecting the liquidation of the collateral, as well as the financial intermediaries along the payout chain. The payment to the Investors may be delayed for factual or legal reasons. To the extent the calculation of the current value of ETPs proves to be incorrect, the collateralisation of the ETPs may be insufficient to fully discharge the Investors' claims or may also be an over-collateralization in which case the Investors may not participate in any upside.

**Underlyings and Underlying Components ..** The Underlyings or Underlying Components for each Series of ETPs will be specified in the relevant Final Terms.

**Issuer ETP Security .....** The security created over the Collateral in favour of the Collateral Agent and for the benefit of Investors pursuant to the Account Security Agreement, the Account Control Agreement and any Additional Security Agreement.

**Redemption .....** The ETPs are perpetual ("open-ended") and have no fixed maturity.

The Issuer may terminate and redeem a Series of ETPs in whole but not in part at any time, at the Issuer's sole discretion and without any further prior consent of the Investors, on a redemption date set out in a termination notice published by the Issuer in accordance with the General Terms and Conditions.

Authorised Participants may request the Issuer to terminate and redeem all or part of its holding of ETPs by delivery of the Crypto Asset Collateral for such ETPs in accordance with Condition 5.4 (*Redemption of ETPs at the Option of an Authorised Participant*) and the relevant Authorised Participant Agreement. Redemptions by Authorised Participants shall be settled on an in-kind basis unless the Issuer permits such redemption to be settled in accordance with Condition 5.3 (*Cash Settlement*).

The Issuer shall, at the option of any Investor holding ETPs, upon such Investor giving not less than 30 nor more than 60 days' written notice, via the financial intermediary administering the relevant securities account, to (i) the Global Paying Agent if the ETPs are listed on SIX or (ii) the Issuer if the ETPs are not listed on SIX, redeem the ETPs held by such Investor, in an amount of ETPs corresponding to such Investor's Redemption Notice (as specified in the relevant

Final Terms), on the Investor Put Date specified in the relevant Final Terms at the Redemption Amount.

**Redemption Amount .....** Other than in respect of redemptions other than pursuant to Condition 5.4 (*Redemption of ETPs at the Option of an Authorised Participant*), which, unless the Issuer permits such redemption to be settled in accordance with Condition 5.3 (Cash Settlement), shall be settled on an in-kind basis, an amount in the Settlement Currency payable by the Issuer to the Investors calculated as specified in the relevant Final Terms; provided, however, that in the case of an Extraordinary Event pursuant to Condition 17, the Redemption Amount shall be reduced and may be as low as the smallest denomination of the Settlement Currency (*i.e.*, U.S.\$0.01, €0.01, CHF 0.01, £0.01 or the equivalent in other Settlement Currencies).

The Redemption Amount shall not be less than the smallest denomination of the Settlement Currency (*i.e.*, U.S.\$0.01, €0.01, CHF 0.01, £0.01 or the equivalent in other Settlement Currencies).

**Investor's Exposure to the Performance of the Applicable Index .....** If ETPs are related to an Index, the return on each Series of ETPs will be linked to the performance of the applicable Index, as the Redemption Amount will be derived from the closing price of such Index on the relevant price fixing date.

**Index.....** In respect of any Series of ETPs, the index specified in the Final Terms.

At the discretion of the Issuer, one or more indices, with different strategies and from a variety of index providers, administrators or calculating agents, may be used, tracked or followed by the Issuer in relation to any of the ETPs issued under the Programme.

**Events of Default and Bankruptcy Event .....** If the Issuer fails to pay any amount due in respect of a Series of ETPs when due and such failure continues for a period of ten Swiss business days (an Event of Default), then Investors holding at least 25% of the outstanding ETPs in the relevant Series may, by notice in writing to the Issuer (at its registered office) and the Collateral Agent (at its specified office) (with a copy to the Administrator), declare all the ETPs in such Series to be, and whereupon they shall become, immediately redeemable without further action or formality (an **Acceleration**).

Upon the Issuer being declared bankrupt within the meaning of article 736 No. 3 of the Swiss Code of Obligations and the DEBA by a competent court (a Bankruptcy Event), all the ETPs shall become immediately redeemable without further action or formality.

**Enforcement.....** Upon the occurrence of an Event of Default or Bankruptcy Event, the Collateral Agent shall, subject to being indemnified and/or secured and/or prefunded to its satisfaction: (i) in the case of an Event of Default, if so instructed by Investors representing not less than 25% of ETPs in the relevant Series in writing; or (ii) in the case of a Bankruptcy Event, if so instructed by any Investor in writing, serve an Enforcement Notice on the Issuer and, at any time and without notice and subject as provided in the Collateral Agent Agreement, institute such

proceedings and/or take such action, step or proceedings as instructed against, or in relation to, the Issuer or any person to enforce its rights under any of the Transaction Documents.

**Obligations of the Issuer..** The ETPs will be obligations solely of the Issuer.

In particular, the ETPs will not be obligations or responsibilities of, or guaranteed by, the Collateral Agent, the Global Paying Agent, the ETP Calculation Agent, or any other partner or affiliate of the Issuer, any direct or indirect shareholder of the Issuer or any Authorised Participant.

The Issuer was established for the purpose of issuing listed and exchange traded products. If the net proceeds of realisation of the Collateral in respect of a particular ETPs are less than the aggregate amount payable in such circumstances by the Issuer in respect of the ETPs, the investors in such ETPs may face losses.

**Governing Law of ETPs ...** The ETPs are governed by and shall be construed in accordance with Swiss law (without reference to the principles of conflicts of law rules). In relation to any proceedings in respect of the ETPs, the Issuer has submitted to the jurisdiction of the courts of the City of Zurich, the place of jurisdiction being Zurich 1.

The Collateral Agent Agreement is governed by the laws of England and Wales, with certain provisions of the Collateral Agent Agreement being governed by the laws of Switzerland as stated within the Collateral Agent Agreement.

The Custody Agreement, the Account Security Agreement and the Account Control Agreement are governed by the laws of the State of New York.

**Listing and Admission to Trading.....** The Issuer may apply to have any Series of the ETPs admitted for trading on one or more regulated markets or MTFs in Sweden and/or in any other Member State of the EU and/or Norway, in each case in accordance with applicable rules and regulations, including Regulation (EU) 2017/1129 (the **Prospectus Regulation**).

For the avoidance of doubt, application may also be made for the ETPs in any Series to be admitted to the SIX Swiss Exchange or any other trading venue specified in the applicable Final Terms.

**Selling and Transfer Restrictions .....** No action has been or will be taken by the Issuer that would permit a public offering of any ETPs or possession or distribution of any offering material in relation to any ETPs in any jurisdiction where action for that purpose is required. No offers, sales, resales, or deliveries of any ETPs or distribution of any offering material relating to any ETPs may be made in or from any jurisdiction except in circumstances which will result in compliance with any applicable laws and regulations and which will not impose any obligation on the Issuer.

**Form of ETPs .....** A Series of ETPs will, subject to all applicable legal and regulatory requirements, be issued in Tranches or Series comprising uncertificated securities. Once

registered with SIX SIS and entered in the securities account of one or more participants, the ETPs will qualify as intermediated securities within the meaning of the Federal Intermediated Securities Act.

**Cautionary statement  
regarding forward  
looking statements .....**

Some statements in this Base Prospectus are and/or may be deemed to be forward looking statements. Forward looking statements include statements concerning the Issuer's plans, objectives, goals, strategies, future operations and performance and the assumptions underlying these forward looking statements. When used in this Base Prospectus, the words "anticipates", "estimates", "expects", "believes", "intends", "plans", "aims", "seeks", "may", "will", "should" and any similar expressions generally identify forward looking statements. These forward looking statements are contained in the sections captioned "Risk Factors", "Information About the Issuer", "General Description of Certain Underlyings or Underlying Components" and other sections of this Base Prospectus. The Issuer has based these forward looking statements on its current view with respect to future events and financial performance. Although the Issuer believes that the expectations, estimates and projections reflected in its forward looking statements are reasonable as of the date of this Base Prospectus, forward looking statements are uncertain by nature and if one or more of the risks or uncertainties materialise, including those identified in the sectioned captioned "Risk Factors" or which the Issuer has otherwise identified in this Base Prospectus, or if any of the Issuer's underlying assumptions prove to be incomplete or inaccurate, events relating to the Issuer and the Issuer's actual results may be materially different from those expected, estimated or predicted.

Without prejudice to any requirements under applicable laws and regulations, the Issuer expressly disclaims any obligation or undertaking to disseminate after the date of this Base Prospectus any updates or revisions to any forward looking statements contained herein to reflect any change in expectations thereof or any change in events, conditions or circumstances on which any such forward looking statement is based.

**Conflicts of interests etc.**

The Issuer and its affiliates (which directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the Issuer) may hold, retain, buy or sell ETPs, the Underlying or the Underlying Components (each, as defined in the General Terms and Conditions) at any time. See "*Risk Factors—Risk Factors Relating to the Issuer—Potential Conflicts of Interest*". They may also enter into transactions relating to or derivative of ETPs, in such amounts, with such purchasers and/or counterparties and at such prices (including at different prices) and on such terms as any such entity may determine, be it as part of its business and/or any hedging transactions as described in this Base Prospectus or for any other reason. There is no obligation upon the Issuer to sell all of the ETPs of any issue. The ETPs of any issue may be offered or sold in one or more transactions in the over-the-counter market or otherwise at prevailing market prices or in negotiated transactions, at the discretion of the Issuer, subject as provided above.

**No recommendation** ..... Neither this Base Prospectus nor any other information supplied in connection with the ETPs (i) is to be used as the basis of any credit assessment or other evaluation or (ii) is to be considered as a recommendation by the Issuer that any recipient of this Base Prospectus (or any other information supplied in connection with the Programme) should purchase any ETPs. Each Investor contemplating the purchase of any ETPs should make his or her own independent enquiries regarding the financial condition and business development of the Issuer and his or her own appraisal of their creditworthiness.

**No STS notification**..... While the Issuer is established as a special purpose company for issuing the ETPs backed by the Collateral as described in this Base Prospectus, no notification has been or is intended to be, communicated to ESMA in relation to the 'Simple, Transparent, and Standardised' (STS) criteria set out in the Securitisation Regulation (EU) 2017/2402.

## **RISK FACTORS**

*Certain capitalised terms used in this section are defined in the General Terms and Conditions and/or the Final Terms.*

*This section contains a number of risk factors related to the Issuer, to the ETPs and to crypto assets as Underlyings. The assessment of materiality of each risk factor is based on the probability of their occurrence and the expected magnitude of their adverse effect is classified by rating the relevant risk as low, medium or high. This rating is based on the Issuer's experience with the offering of similar products.*

*The risk factors contained herein are presented in categories in which the most material risk factors in each category are presented first. Subsequent risk factors in the same category are not ranked in order of materiality or probability of occurrence. In case one risk factor may be included in more than one category, such risk factor will appear only in the most relevant category for it.*

*The Issuer believes that the factors relating to the Issuer, its industry and the ETPs set out below represent the principal risks inherent in investing in ETPs. All of these risk factors are risks which may or may not occur.*

*An investor may lose the value of their entire investment or part of its investment in ETPs.*

*An investor may also lose some or the entire value of its investment or part of its investment in ETPs for other reasons which may not be considered significant risks by the Issuer based on information currently available to it or which it may not currently be able to anticipate.*

*Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus and reach their own views prior to making any investment decision.*

### **Risk Factors Relating to the Issuer**

#### ***Dependence on Certain Service Providers and Potential Conflicts of Interest***

The Issuer is dependent on a number of service providers to maintain the issuances and the Collateral. These include, but are not limited to, the Administrators, the Custodian, Authorised Exchanges (as defined in the General Terms and Conditions), trading desks, parties to any arrangements in place in respect of any crypto-denominated assets held as Collateral, lending desks, Wallet Providers (as defined herein), Market Makers, Authorised Participants and the Global Paying Agent. Should there be a material adverse change with any existing partner and a suitable alternative be unavailable or impracticable, it may be impossible for the Issuer to continue to list and service the ETPs. Should this risk occur, this may have an adverse impact on the market value of the relevant ETPs and the ability of holders of ETPs to divest their holdings at the time and prices they otherwise would have expected.

Service providers, including but not limited to, the Administrators, may act in other capacities in respect of a particular Series of the ETPs, including but not limited to, the role of ETP Calculation Agent and/or Index Sponsor specified in the relevant Final Terms. Accordingly, the role of a provider may give rise to conflicts of interest, which are adverse to the interests of holders of ETPs.

Risk Rating: high.

### ***Market Volatility***

Market volatility reflects the degree of instability and expected instability of the performance of, for example, the market for structured products over time. The level of market volatility is not purely a measurement of actual market volatility, but is largely determined by the prices for derivative instruments that offer Investors protection against such market volatility. The prices of these derivative instruments are determined by forces such as actual market volatility, expected market volatility, other economic and financial conditions and trading speculations. Market volatility may result in the Issuer incurring losses despite hedging arrangements. The Issuer is a newly-created special purpose vehicle and currently not profitable and depends on capital from outside investors. This may ultimately impair the Issuer's ability to meet its obligations.

Risk Rating: high.

### ***The Issuer is a Special Purpose Vehicle***

The Issuer is not an operating company. The Issuer is a newly incorporated special purpose vehicle with the sole business of issuing exchange traded products, such as the ETPs. The contracts which may be entered into by the Issuer and the payments of the Issuer and the parties thereunder (Auditors, Administrators, Authorised Participants, Paying Agents and Market Makers) are structured to have the capacity to provide the Issuer with funds to service payments due and payable in respect of the ETPs and on any redemption by the Issuer of the ETPs. If the Issuer becomes unsuccessful in the issuance of ETPs, the Issuer may cease its business activities as issuer or, ultimately, become insolvent.

Risk Rating: medium.

### ***Credit Risk***

Investors are exposed to the credit risk of the Issuer and the Custodian. An Investor's ability to obtain payment in accordance with the General Terms and Conditions is dependent on the Issuer's ability to meet these obligations. The ETPs are not, either directly or indirectly, an obligation of any other party. As a result, irrespective of the collateralisation, the creditworthiness of the Issuer may affect the market value of any ETPs and, in the event of a default, insolvency or bankruptcy, Investors may not receive the amount owed to them under the General Terms and Conditions. In addition to direct credit risks, the Investors are indirectly exposed to any credit risk that the Issuer is exposed to. For example, the Issuer may incur losses and/or fail to obtain delivery under any arrangements in place in respect of any crypto-denominated assets held as Collateral.

Risk Rating: medium.

### ***Liquidity Risk***

The Issuer may not have sufficient funds for making payments at any point in time, meaning that the Issuer may have difficulties meeting financial obligations. In the event of insufficient liquid funds, in particular due to the inability to liquidate Collateral with respect to a specific Product, there is a risk that the Issuer will not be able to, fully or partially, fulfil its payment obligations on time or at all.

Risk Rating: medium.

### **General Insolvency Risk**

Each Investor bears the general risk that the financial situation of the Issuer could deteriorate.

Unless specified otherwise, Investors are exposed to the credit risk of the Issuer of the ETPs. ETPs in each Series constitute unsubordinated obligations of the Issuer and rank *pari passu* (under equal conditions) with each other and all other current and future unsubordinated obligations of the Issuer. The insolvency of the Issuer may lead to a partial or total loss of the invested capital.

Collateralisation, as further described in the section captioned “*Collateral*”, reduces the credit risk of the Issuer only to the extent that the proceeds from the liquidation of Collateral (less the costs of liquidation, including the fees and expenses of the Collateral Agent, and pay out) meet the Investors’ claims. Investors bear the risks, among others, that the liquidation of the Collateral may result in insufficient liquidation proceeds or, in extreme circumstances, that the Collateral may lose its value entirely before liquidation can take place.

Risk Rating: low.

### **Non-reliance on Financial Information of the Issuer**

Various risk factors can impair the Issuer’s ability to implement business strategies and may have a direct negative impact on earnings. Accordingly, the Issuer’s revenues and earnings are subject to fluctuations. The revenues and earnings figures from a specific period are not evidence of sustainable results. Such revenues and earnings can change from one year to the next, which may, in turn, affect the Issuer’s ability to achieve its strategic objectives. These results may change, in line with, or independent of, the performance of the crypto markets.

Risk Rating: low

### **Counterparty Risk**

The Issuer will be exposed to the credit risk of a number of counterparties with whom the Issuer transacts, including, but not limited to, the Custodian, the Administrators, Wallet Provider(s), Depositories, Paying Agents, Market Makers, Authorised Participants, any party to any arrangements in place in respect of any crypto-denominated assets held as Collateral and exchanges. Consequently, the Issuer is exposed to risks, including credit risk, reputational risk and settlement risk, arising from the failure of any of its counterparties to fulfil their respective obligations, which, if any such risks occur, may have a material adverse effect on the Issuer’s business and financial position.

With respect to the Custodian, the Issuer will be exposed to the credit risk of depository institutions with whom it holds cash and other Crypto Assets. Credit risk, in this case, is the risk that the depository holding a financial instrument (cash or crypto) will fail to fulfil an obligation or commitment to the Issuer. The Issuer’s Crypto Assets are maintained by the Custodian in segregated accounts, which are intended to be protected in the event of insolvency of the Custodian. However, any insolvency of the Custodian may result in delayed access to Crypto Assets serving as Underlyings or Underlying Components, including those serving as Collateral for any ETPs. In such a situation, Investors may face a loss due to asset price fluctuation.

It is important to note that no party, including the Wallet Providers, Custodian or Issuer is liable for the loss of the Underlyings or Underlying Components. In the case of theft, the corresponding loss shall be borne solely by the Investor under the relevant Series of ETPs.

The Global Paying Agent for the ETPs is responsible for: (i) disbursing fiat currency in the event of a redemption of the ETPs other than as set out in Condition 5.4 (*Redemption of ETPs at the Option of an Authorised Participant*); and (ii) holding the cash balance in the period between the liquidation of the Underlying or Underlying Component and the return of the cash to Investors. In the event of insolvency of the Global Paying Agent during this interim period, the Issuer may be considered a general unsecured creditor. See Conditions 17 (*Extraordinary Event*) and 5 (*Redemption of ETPs*).

The Issuer relies on third parties to provide the trading of both the ETPs and any Underlyings or Underlying Components. Any dysfunction of such third parties or disruption in the exchanges may result in a loss of value of the ETPs, which may, in turn adversely impact the Issuer and/or the Investors.

Risk Rating: low.

### ***Business Risk***

There are a number of risks related to external and internal circumstances or events which may harm the operating business of the Issuer. These are related to: (i) losses due to incorrect or insufficient controls, (ii) errors caused by humans or systems; and (iii) legal risks, among others. Any of these risks may be detrimental to the Issuer's reputation and operating results, which may, in turn, adversely impact the Issuer's financial performance and creditworthiness. This may ultimately impair the Issuer's ability to meet its obligations.

Risk Rating: low.

### ***Potential Conflicts of Interest***

The Issuer or affiliated companies may participate in transactions related to the ETPs, either for their own account or for account of a client. Such transactions may not serve to benefit the Investors and may have a positive or negative effect on the value of the Underlying and, consequently, on the market value of the ETPs. In addition, affiliates of the Issuer may act in other capacities with regard to the ETPs, such as ETP Calculation Agent, the Global Paying Agent and/or Index Sponsor specified in the relevant Final Terms.

Hashdex Asset Management Ltd. (**Hashdex Asset Management**), a Cayman Islands exempt company, serves as investment manager to funds based in the Cayman Islands, providing investment advice, risk management, research and other investment support services and investment analysis services to such funds. Hashdex Asset Management also provides certain administrative, accounting, investor relations and other services to these funds. Hashdex Asset Management has filed as an exempt reporting advisor with the U.S. Securities and Exchange Commission (SEC) pursuant to the Advisers Act, and is registered as a "Securities – Registered Person" with the Cayman Islands Monetary Authority (CIMA). Hashdex Asset Management is a subsidiary of Hashdex, Ltd., the controlling entity of the Issuer.

The Issuer or affiliated companies may be involved in the development of products which may serve as Underlyings of the ETPs. In particular, Hashdex Management has co-developed the Nasdaq Crypto Index™ together with Nasdaq, Inc. (**Nasdaq**) and its affiliates. The Nasdaq Crypto Index Europe™ (which may be an Index Underlying, at the discretion of the Issuer), administered by Nasdaq, is designed to track the performance of those Crypto Assets that are meant to represent a substantial portion of the overall Crypto Asset market. Crypto Assets are eligible for inclusion in the Nasdaq Crypto Index Europe™ if they satisfy several index eligibility criteria, as set forth in the Nasdaq Crypto Index Europe™ rules maintained by Nasdaq. The Nasdaq Crypto Index Europe™ utilizes a rules-based methodology to periodically adjust constituents and weightings to reflect changes in the digital asset market.

The Issuer may use Underlyings for the ETPs which are also used by its affiliates for other products. Indices provided by CF Benchmarks (which may be an Index Underlying, at the discretion of the Issuer) are used by other Hashdex products in both the Cayman Islands and in Brazil. The Index, administered by CF Benchmarks, is designed to track the performance of one Crypto Asset or a basket of Crypto Assets, depending on the index's strategy. Crypto Assets are eligible for inclusion in the Indices provided by CF Benchmarks if they satisfy several index eligibility criteria, as set forth in the rules maintained by CF Benchmarks.

Furthermore, the Issuer, or affiliated companies of the Issuer, may issue other derivative instruments relating to the respective Underlying. Introduction of such competing products may affect the market value of the ETPs. The Issuer and its respective affiliated companies may also receive non-public information relating to the Underlying and neither the Issuer nor any of its affiliates will undertake to make this information available to Investors.

As at the date of this Base Prospectus, none of the directors of the Issuer have a private interest or other duties resulting from their directorship of other companies, enterprises, undertakings or otherwise, that may conflict with the interests of the Issuer. The directors of the Issuer may, however, have holdings in the Underlyings and the Underlying Components.

Any transactions executed or refrained from, and/or other actions taken or refrained from, by any such parties may not be in the best interest of the holders of ETPs and may have an adverse impact on the market value of the ETP and on the return realised from any investment in the ETPs, if any.

Risk Rating: low.

## **Risk Factors Relating to the ETPs and the Collateral**

### ***Risk of the Occurrence of an Extraordinary Event***

Condition 17 of the General Terms and Conditions provides that, in the case of a fraud, theft, cyber-attack, change in regulations and/or a similar event (each, an **Extraordinary Event**) with respect to, or affecting any, Underlying or Underlying Component, including any Underlying or Underlying Component that serves as Collateral, the Issuer shall give notice to Investors in accordance with Condition 16, and the Redemption Amount for such ETPs shall be reduced accordingly, potentially to the smallest denomination of the Settlement Currency (i.e., U.S.\$0.01, €0.01, CHF 0.01, £0.01 or the equivalent in other Settlement Currencies) per ETPs. Accordingly, Investors bear the risks of the occurrence of an Extraordinary Event and of a partial or complete loss of their investment. Moreover, the risks of an Extraordinary Event are greater than for similar events with respect to other asset classes and, unlike in the case of other asset classes, are unable to be mitigated. In addition, it is not presently practical to insure against an Extraordinary Event. The Issuer has assigned a risk rating of high given the potential impact should the risk occur.

Risk Rating: high

### ***Crypto Pricing***

The value of ETPs is affected by the price of underlying Crypto Assets, in particular the Underlyings or Underlying Components. The amount to be paid by the Issuer upon redemption of any ETPs, or, in respect of redemption as set out in Condition 5.4 (*Redemption of ETPs at the Option of an Authorised Participant*), the amount of Crypto Asset Collateral able to be redeemed, depends on the performance of these assets, as calculated in accordance with the General Terms and Conditions. The ETPs are not capital protected at all and there is, therefore, a risk of partial or complete loss of investment. The market value of Crypto Assets 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 use of Crypto Assets. This means that a significant component of the value of Crypto Assets is speculative and could lead to increased volatility. Investors could experience significant gains, losses and/or volatility depending on the valuation of Crypto Assets.

Prices for Crypto Assets fluctuate widely and, for example, may be impacted by any of 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 valuation of the Underlyings, the market for, and performance of, the ETPs and the operational ability and financial results of the Issuer.
- *Regulatory events or statements by regulators* – there is a lack of consensus regarding the regulation of Crypto Assets and insecurity regarding their legal and tax status and regulations of Crypto Assets continue to evolve across different jurisdictions worldwide. Any change in regulation in any particular jurisdiction may impact the supply and demand of that specific jurisdiction and other jurisdictions due to the global network of exchanges for Crypto Assets, as well as composite prices used to calculate the underlying value of such Crypto Assets, as the data sources span multiple jurisdictions.
- *Investment trading, hedging or other activities by a wide range of market participants which may impact pricing, supply and demand for Crypto Assets* – markets for the Underlyings are local, national and international and include a broadening range of products and participants. Significant trading may occur on any system or platform, or in any region, with subsequent impacts on other systems, platforms and regions. These activities may account for a significant amount of the market in any of the Underlyings or Underlying Components. In addition, given the nature of the market of the Underlyings, redemption of certain ETPs by Investors or otherwise than as set out in Condition 5.4 (Redemption of ETPs at the Option of an Authorised Participant), or sale of the residual Underlyings by the Issuer as part of executing re-balancing and/or redemption requests, may impact the pricing of other ETPs.
- *Forks in the underlying protocols* – Bitcoin and many other crypto currencies are 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 Bitcoin network and the properties of Bitcoin. When a modification is proposed and 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 users and miners consent to the proposed modification, and the modification is not compatible with the software prior to its modification, the consequence would be what is known as a "fork" (i.e., a "split") of the network (and the blockchain), with one prong running the pre-modified software and the other running the 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 asset which lacks interchangeability with its predecessor. Additionally, a fork could be introduced by an unintentional, unanticipated software flaw in the multiple versions of otherwise compatible software users run. For example, on 1 August 2017, after extended debates among developers as to how to improve the Bitcoin network's transaction capacity, the Bitcoin network was forked by a group of developers and miners resulting in the creation of a new blockchain, which underlies the new digital asset "Bitcoin Cash". Bitcoin and Bitcoin Cash now operate on separate, independent blockchains. Litecoin was also the result of a fork in the original Bitcoin blockchain. Significant forks are typically announced several months in advance. The circumstances of each fork are unique and their relative significance varies. It is possible that a particular fork may result in a significant disruption to the underlying asset and, potentially, may result in a Market Disruption Event should pricing become problematic following the fork. It is not possible to predict with accuracy the impact that any anticipated fork

could have for how long any resulting disruption may exist. See “—Fork Policy Risk & Risks Associated with Newly-Forked Assets”.

- *Disruptions to the infrastructure or means by which Crypto Assets are produced, distributed and stored, which are capable of causing substantial price movements in a short period of time* – Crypto Assets infrastructure can vary depending on the specific asset. Some assets are mined, whereby computers solve math problems to verify transactions and are rewarded for this effort in increased asset supply, while other are pre-mined, resulting in all supply existing on day one of the protocol. See “—General Description of Underlyings or Underlying Components.” The computers that make up this infrastructure are decentralised and belong to a combination of individuals and large corporations. Should a significant subset of this pool choose to discontinue operations, pricing, liquidity and the ability to transact in Underlyings or Underlying Components could be limited. Other critical infrastructure which may be negatively affected includes storage solutions, exchanges or custodians for the assets. See “Collateral & Summary of Security Arrangements” and “General Description of Certain Underlyings or Underlying Components—Exchanges and Liquidity”. 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 Crypto Assets. In addition, volatility in the pricing of Crypto Assets leads to increased opportunities for speculation and arbitrage, which, in turn, contributes to price fluctuations. See “—Risk Factors Relating to the Underlyings or Underlying Components Generally”.
- *Execution Risk* – it may be impossible to execute trades in any Crypto Underlyings at the quoted price. Any discrepancies between the quoted price and the execution price may be the result of the availability of assets, any relevant spreads or fees at the exchange or discrepancies in the pricing across exchanges. The Issuer will take all reasonable steps to ensure optimal execution, but is limited by KYC requirements, custodianship solutions and availability of exchanges. The Issuer cannot, therefore, guarantee that the price at which any trade is executed is the best available price globally.

Due to their nature as speculative investments, the prices of Crypto Assets may fluctuate for any reason and such fluctuations may not be predictable.

With respect to the Nasdaq Crypto Index Europe™, an index administered by Nasdaq, as well as with respect to the Issuer sources crypto pricing through the Index Calculation Agent, who calculates the Nasdaq Crypto Index Europe™ seven days per week using published real-time quotes through publicly available APIs, as detailed in the relevant methodology. While these elements are intended to preserve reliability in pricing, there is no guarantee that this process will successfully reduce any speculative or manipulative pricing trends.

At the discretion of the Issuer, one or more indices, with different strategies and from a variety of index providers, administrators or calculating agents, may be used, tracked or followed by the Issuer in relation to any of the ETPs issued under the Programme. With respect to any other Index Underlyings, the crypto pricing may be different and may involve other risks, including but not limited to similar risks as the Nasdaq Crypto Index Europe™ administered Indices.

Risk Rating: high.

### ***Potential Decline in the Adoption of Crypto Assets***

As new assets and technological innovations, the Crypto Asset industry is subject to a high degree of uncertainty. The adoption of Crypto Assets will require growth in their usage and in the blockchains, for various applications. Adoption of Crypto Assets will also require an accommodating regulatory environment. The Issuer will not have any strategy relating to the development of Crypto Assets and non-financial applications for the blockchains. A lack of expansion in usage of Crypto Assets and the blockchains could adversely affect an investment in the ETPs.

In addition, there is no assurance that Crypto Assets will maintain their value over the long-term. The value of Crypto Assets is subject to risks related to their usage. Even if growth in Crypto Assets adoption occurs in the near or medium-term, there is no assurance that Crypto Assets usage will continue to grow over the long-term. A contraction in use of Crypto Assets may result in increased volatility or a reduction in the price of Crypto Assets, which would adversely impact the value of the ETPs.

Risk Rating: high.

### ***Risks Relating to Crypto Asset or on a Basket of Crypto Assets***

Neither the Issuer nor any affiliate of the Issuer have performed any investigations or review of any issuer of Crypto Assets, if applicable. Investors should not conclude that the inclusion of the relevant Crypto Asset is any form of investment recommendation. Consequently, there can be no assurance that all events occurring prior to the relevant Issue Date affecting the trading price of the relevant Crypto Asset will have been publicly disclosed. Subsequent disclosure of, or failure to disclose, material future events concerning a company issuing, or responsible for, any Underlying could affect the trading price of the share and, therefore, the trading price of the ETPs. Neither the Administrator nor the Issuer is responsible for informing the Investors of material events related to any of the Underlyings or Underlying Components, including, but not limited to, corporate events.

Risk Rating: medium.

### ***Realisation of Collateral***

In the event that the Issuer defaults and the Collateral Agent enforces its rights under the Collateral Agent Agreement, the Account Security Agreement and/or the Account Control Agreement to take control of the Collateral Account and any Additional Security Agreement, the realisation of this Collateral may not be of sufficient value to cover all Redemption Amounts payable to Investors because: (i) the Collateral will only consist of assets equal to the value of the ETPs as at the close of the immediately preceding Business Day on which the calculations and valuations are made and there may be a number of days between such valuations occurring and the date on which the Collateral Agent takes control of the Collateral Account or any rights in other assets, during which time a significant difference between the value of the Collateral and the price of the Underlying or Underlying Components could arise, particularly given the volatility of the crypto markets; (ii) the Collateral is not denominated in the Settlement Currency (but rather in Crypto Assets) and the value of such Collateral may fall due to exchange rate movements; (iii) the face value of ETPs could rise due to market conditions; (iv) the Issuer (or the Collateral Agent) may not be able to realise some or all of the assets comprised in the Collateral at the prices at which they were valued; (v) payment in respect of Redemption Amounts are required to be made in the Settlement Currency and there may be costs involved in converting the proceeds of realisation of the Collateral into the Settlement Currency or the Issuer may otherwise be unable to convert such proceeds into the Settlement Currency; or (vi) there may be certain costs associated with the realisation of the assets comprised in the Collateral.

In addition, there can be no certainty as to the timeliness of any such enforcement. Under the General Terms and Conditions, the Issuer may utilise depositories, banks or other financial institutions in connection with the custody of the Collateral and hold other assets denominated in the Underlying or Underlying Components. In the event that the Issuer defaults and the Collateral Agent enforces its rights to take control of the Collateral Account or other assets that are the subject of any Additional Security Agreement, this account or assets will be held with a depository or be in respect of arrangements with third parties as arranged by the Issuer. Accordingly, the Issuer or the Collateral Agent may not be able to recover all sums due to it and may not, therefore, have sufficient amounts to fund the Issuer's payment obligations to investors and/or it may take longer to realise the Collateral and, therefore, Investors may experience delays in receiving amounts due to them.

If the amounts received by upon the realisation of Collateral are not sufficient to fully cover the fees and expenses of the Collateral Agent and the Issuer's payment obligations to Investors, then Investors may incur a loss, which may be significant.

Risk Rating: medium.

### ***Early Termination of ETPs in accordance with General Terms and Conditions and Reinvestment Risk***

Following certain events, including, *inter alia*, the occurrence of an Event of Default, or at any other time, the Issuer has the right to redeem the ETPs issued under the Programme.

In addition, in order to provide redemption amounts to Investors in fiat currency for redemptions other than as set out in Condition 5.4 (*Redemption of ETPs at the Option of an Authorised Participant*), the Issuer is reliant on counterparties purchasing the Collateral for the ETPs being redeemed. It may not be possible to sell the full amount of Collateral in one day and, accordingly, redemption proceeds (in fiat currency) may take longer than in-kind redemptions. The price by reference to which the Collateral is sold may fluctuate and the fees imposed by transaction parties in connection with the redemption of the ETPs and sale of the Collateral may increase, resulting in a lower net redemption amount. Prospective Investors should note that there can be no assurance that the redemption amount received by Investors will be greater than or equal to the amount invested by any Investor and that an Investor may lose the entire value of its investment if the price of the Collateral falls to zero or close to zero.

Investors should also be aware that following any such redemption of the ETPs, they may not be able to reinvest the redemption proceeds or may only be able to do so on less favourable terms. Investors should consider reinvestment risk in light of other investments available at that time. Any termination of ETPs may, therefore, result in a partial or total loss of an Investor's invested capital.

Risk Rating: low.

### ***Issuer Call Option***

The Issuer may at any time, in its sole and absolute discretion, elect to terminate and redeem all but not some of the ETPs of a Series and designate the redemption date for such purposes. In exercising such discretion, the Issuer is not required to have any regard to the interests of the Investors, and Investors may receive less, or substantially less, than their initial investment and thereby incurring a loss.

Risk Rating: low.

## **Risk Factors Relating to the Underlyings or Underlying Components Generally**

### ***Special Risks related to Crypto Assets as Underlyings***

Users of Crypto Assets and therefore investors in products with Crypto Assets and as an underlying, such as the ETPs, are exposed to elevated risk of fraud and loss, including, but not limited to, through cyber-attacks. Several exchanges specializing in sales of Crypto Assets such as Bitcoin, for example, have already had to cease their activities or have been closed for other reasons, including, in some cases, because of cyber-attacks. Crypto Assets, such as the Underlyings or Underlying Components of any ETPs and Crypto Assets used as collateral, such as the Collateral, can be stolen. Crypto Assets are stored in a crypto wallet, accessible via a private key, which can be compromised. While crypto wallets do not store or contain the underlying currency, they store public and private keys, which are used as an address for receiving the Crypto Asset or for spending the Crypto Asset, and both forms of transactions are recorded on the public immutable ledger, the blockchain. By using the private key, a person is able to spend the Crypto Asset, effectively sending it away from the account and recording that transaction on the immutable ledger, the blockchain. If a private key is compromised, the Crypto Assets associated with that specific public key may be stolen. Unlike traditional banking transactions, once a transaction has been added to the blockchain, it cannot be reversed.

Thefts and cyber-attacks can have a negative impact on the reputation of the currency or the market place concerned and thus affect negatively the market price of Crypto Assets. Through the ETPs, Investors would indirectly participate in such a negative performance, and a loss, including a total loss, would be possible. While the Issuer and the Custodian for the Collateral have taken reasonable measures to prevent a theft or hacking of the Underlyings or Underlying Components also used as Collateral for the ETPs, such event cannot be fully excluded and the losses associated with such an event would be borne by Investors. Moreover, incidences of theft or hacking of Crypto Assets other than the Collateral can also negatively influence the market price, value, or liquidity of the Crypto Assets used as Underlyings and Collateral for a specific ETPs.

Certain Crypto Assets, such as Bitcoins, can be used pseudonymously and do not have to be traded through any financial institutions, government institutions or banks. They can be purchased directly from an owner or on a trading venue. These platforms are generally not regulated. Investors thus face increased risk of the Issuer identifying occurrence of a trading disruption in the broader Crypto Asset market, which could affect the value of their investment in the product.

The market value of most Crypto Assets is not based on any kind of claim, nor backed by any physical asset. Instead, the market value depends entirely on the expectation of being usable in future transactions and continued interest from investors. This strong correlation between an expectation and market value is the basis for the current and probably future volatility of the market value of most Crypto Assets and may increase the likelihood of momentum pricing.

Certain Crypto Assets can be used for staking, a consensus algorithm used by some blockchains to validate agreements. Such Crypto Assets are subject to the risk of slashing. Slashing is a mechanism built into proof of stake blockchain protocols to discourage validator misbehaviour. Slashing is designed to incentivize node security, availability, and network participation. The two key misbehaviours that incur slashing are downtime and double signing. While the specifics of slashing are defined within each protocol, the mechanism is similar: a predefined percentage of a validator's tokens are lost when it does not behave consistently or as expected on the network, which can result in a potential loss of reward and/or principal of the product's assets.

Risk Rating: high.

### ***Regulatory Risk***

The legal status of Crypto Assets varies substantially across jurisdictions. In many countries, the legal status is still undefined or changing. Some countries have deemed the usage of Bitcoin illegal. Other countries have banned Crypto Assets or securities or derivatives in respect to them (including for certain categories of investor), banned the local banks from working with Crypto Assets or restricted the use of Crypto Assets in other ways. Furthermore, the status of Crypto Assets remains undefined and there is uncertainty as to whether the underlying Crypto Assets are a security, money, a commodity or property. In some countries, such as the United States, different government agencies define Crypto Assets differently, leading to regulatory conflict and uncertainty. This uncertainty is compounded by the rapid evolution of regulations. Countries may, in the future, explicitly restrict, outlaw or curtail the acquisition, use, trade or redemption of Crypto Assets. In such a scenario, holding or trading securities tracking or linked to Crypto Assets, such as the ETPs, could be considered illegal and could be subject to sanction.

Risk Rating: high.

### ***Tax Risk related to Crypto Assets***

The taxation of Crypto Assets and associated companies can vary significantly by jurisdiction and are subject to significant revisions. These revisions, or the application of new tax schemes or taxation in additional jurisdictions, may adversely impact the Issuer's performance. Furthermore, the status of Crypto Assets remains undefined and there is uncertainty as to whether the underlying Crypto Assets are a security, money, a commodity or property. Accordingly, the way in which Crypto Assets are taxed varies from country to country. Before making a decision to invest in ETPs, Investors should consult their local tax advisor on taxation.

The Issuer may become exposed to significant tax risk. Any major tax burden may hinder the Issuer's ability to maintain the listing and, in the event that such tax burden results in insolvency, to otherwise continue to operate as expected.

Risk Rating: high.

### ***Valuation of Crypto Assets***

The market value of Crypto Assets 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. This means that a significant amount of the value in Crypto Assets is speculative and could lead to increased volatility. Investors could experience significant gains, losses and/or volatility depending on the valuation of Crypto Assets through the exposure to Underlyings or Underlying Components by the ETPs.

Valuation may also vary significantly by geography, as local exchanges are not necessarily compatible with all Crypto Assets and assets may be difficult to move in and out of any specific market. As a result, geographic arbitrage can have a considerable effect on valuation and, in turn, on the returns from Underlyings or Underlying Components and the ETPs.

Momentum pricing of Crypto Assets 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 Crypto Assets may change due to shifting investor confidence in future outlook of the asset class. These dynamics may impact the value of an investment in ETPs.

Risk Rating: high.

### ***Technical Risks Related to Crypto Assets***

There are a number of technical risks to which investors in Crypto Assets are exposed including, but not limited to, Flaws in the code, Forks in the underlying protocols, Double Spend and 51% attacks, as further described below.

Crypto Assets are frequently built on open-source code available to the general public. This makes the underlying source code of these Crypto Assets visible publicly to anyone, anywhere. While the top Crypto Assets sometimes have dedicated teams of contributors, it is often the case that they are unpaid and not full-time employees or contractors. For these reasons, it is possible that flaws or mistakes in the released and public source code could lead to catastrophic damage to the underlying technology, Crypto Assets and networks. It is possible that the volunteer or undedicated team members are unable to stop this damage before it spreads further. It is further possible that a dedicated team or a group of contributors or other technical group may attack the code, directly leading to catastrophic damage. In any of these situations, the value of Investors' holdings can be severely and detrimentally affected.

Crypto Assets miners earn Crypto Assets by confirming transactions and reaching consensus. The results of this agreement are displayed on the public ledger known as the blockchain. If a single miner, or a group of miners acting in concert, control (even temporarily) a majority of the network mining power (known as hash power) of a particular blockchain network, they could use this control to undertake harmful acts. Such an attack is called a **51% attack**. For example, an individual or group controlling a majority of the Bitcoin network could prevent transactions from posting accurately, or at all, on the blockchain. Furthermore, they could allow for their coins to be spent on multiple occasions and would, in this scenario, have enough network control to confirm and post these transactions to the blockchain, in an attack referred to as **Double Spending**. In a Double Spending situation, the related record of the transaction, posted on the public ledger Blockchain, would become falsified. This could have a detrimental effect on both the sender and the receiver. There are several ways a nefarious cybercriminal could attempt a double-spend, including, but not limited to, sending two conflicting transactions to the network, and creating one transaction but sending the Crypto Assets before releasing that associated block to the blockchain, which would invalidate it. On an exchange with multiple currency trading pairs, it would be possible for a person or individual controlling the majority of a blockchain network to double-spend the coins they control and then subsequently trade them for other currency pairs and transfer them off the exchange to their own private wallet(s). This scenario is more likely to happen with smaller currencies (by measure of market capitalisation) because of the reduced computing power threshold required to control a majority of the network, and has been documented happening multiple times, targeting currencies such as Bitcoin Gold and Verge. It is theoretically possible, even if it is sometimes computationally expensive, to mount a similar 51% or double spending attack on a large currency (by measure of market cap), including Ethereum and Bitcoin. The Underlyings and/or the Underlying Components may also be negatively affected by technical risks such as a 51% attack or Double Spend.

The infrastructure and ecosystem that power Crypto Assets such as Bitcoin and Ethereum are developed by different parties, including affiliated and non-affiliated engineers, engineers, developers, miners, platform developers, evangelists, marketers, exchange operators and other companies based around a service regarding the underlying Crypto Assets, each of whom may have different motivations, drivers, philosophies and incentives. There is, accordingly, a risk that these parties disagree on the future direction of these technologies, which may impede or otherwise negatively affect the development of the technology and, in turn, lead to losses with respect to an Investor's investment.

In cases of particularly strong disagreements, a developer or group of developers can split the code base into two or more branches of variations of development, in what is called a fork. One of the most prominent examples to date was a fork of Bitcoin that occurred in 2017, taking effect on 1 August 2017, which created the cryptocurrency called Bitcoin Cash. Although Bitcoin Cash is the largest Bitcoin fork (as measured by market capitalisation), Bitcoin has had at least three other major forks of the network (Bitcoin XT, Bitcoin Classic, and Bitcoin Unlimited), as well as three major forks of the cryptocurrency (Bitcoin Cash (BCH), Bitcoin Gold (BTG) and Bitcoin Private (BTCP)). It is possible that Bitcoin's network and/or cryptocurrency will be forked more times in the future. The same has occurred with the second largest cryptocurrency (as measured by market cap), Ethereum. After a nefarious attack on a venture capital project built on Ethereum called The DAO, the newly-forked cryptocurrency Ethereum (ETH) was created, which took away the effects of the hack. The sub-group in the community that refused the hard fork continued to use the original Ethereum blockchain, citing immutability concerns (being against any change in the blockchain on principle), which today is called Ethereum Classic (ETC). As at the date of this Base Prospectus, Ethereum Classic (ETC) is in the top 25 cryptocurrencies. Forks occur throughout the range of Crypto Assets and are not limited to just the largest or most popular products.

In scenarios where a fork occurs, the fork policy of the applicable Index that serves as an Underlying of any ETPs, or the applicable ETPs applies. Forks may have a detrimental effect on the value of the Crypto Assets, including by negatively affecting cryptocurrency allocations or by failing to capture of the full value of the newly-forked Crypto Asset if it is removed from the applicable Index that serves as an Underlying of any ETPs for one or more months.

Risk Rating: high.

## ECONOMIC OVERVIEW OF THE ETPs

### Overview of the ETPs

The Issuer may from time-to-time issue ETPs under the Programme, linked to Underlyings or baskets of Underlyings providing exposure to a range of Crypto Assets on the terms set out in the section of this Base Prospectus headed "*General Terms and Conditions*", and read in conjunction with the Final Terms relating to such Tranche.

If ETPs are related to an Index, the return on each Series of ETPs will be linked to the performance of the applicable Index, as the Redemption Amount will be derived from the closing price of such Index on the relevant price fixing date.

### Eligible Underlyings

The Crypto Assets forming part of the exposure for a particular Series of ETPs providing exposure to a single digital currency or to a single basket of digital currencies, will be the asset(s) specified in the relevant Final Terms. Such digital currency(ies) must always consist of the ones that are among the top 125 digital currencies with the highest market capitalization at the time of preparation of the relevant Final Terms (each an **Eligible Underlying**). The assessment shall be based on:

- (1) the data regarding market capitalization and price per unit in USD as published on coinmarketcap.com;
- (2) if no current data is available as per (1) above, the most recent set of such data published on coinmarketcap.com; or
- (3) if (a) no current data as per (1) above is available and (b) no set of such data as per (2) is readily available for the public, the following table (which reflects such data as of 5:49:27 pm on 5 August 2022),

in each case, subject to any limitations pursuant to applicable local legal and regulatory requirements:

Rank	Name	Price	Market Cap
1	Bitcoin	\$23 017,28	\$441 509 399 575,00
2	Ethereum	\$1 672,86	\$204 718 880 489,00
3	Tether	\$1,00	\$66 481 664 803,00
4	USD Coin	\$1,00	\$54 236 370 556,00
5	BNB	\$312,92	\$50 732 716 807,00
6	XRP	\$0,37	\$18 000 930 875,00
7	Binance USD	\$1,00	\$17 925 408 569,00
8	Cardano	\$0,51	\$17 178 267 603,00
9	Solana	\$40,22	\$13 930 900 050,00
10	Polkadot	\$8,41	\$9 277 554 470,00
11	Dogecoin	\$0,07	\$9 116 769 236,00

12	Dai	\$1,00	\$7 484 422 605,00
13	Polygon	\$0,91	\$7 327 671 375,00
14	Avalanche	\$24,32	\$6 917 697 976,00
15	Uniswap	\$8,96	\$6 682 593 572,00
16	Shiba Inu	\$0,00	\$6 598 542 032,00
17	TRON	\$0,07	\$6 441 572 139,00
18	Wrapped Bitcoin	\$23 101,74	\$5 470 723 709,00
19	Ethereum Classic	\$36,88	\$5 021 950 101,00
20	UNUS SED LEO	\$4,95	\$4 718 587 055,00
21	Litecoin	\$61,08	\$4 329 052 770,00
22	FTX Token	\$30,33	\$4 084 920 062,00
23	NEAR Protocol	\$5,14	\$3 869 060 473,00
24	Cronos	\$0,14	\$3 647 000 673,00
25	Chainlink	\$7,76	\$3 645 480 803,00
26	Cosmos	\$10,79	\$3 088 703 558,00
27	Stellar	\$0,12	\$2 934 403 652,00
28	Monero	\$158,67	\$2 880 963 289,00
29	Flow	\$2,72	\$2 814 127 000,00
30	Bitcoin Cash	\$138,22	\$2 645 206 612,00
31	Algorand	\$0,35	\$2 405 384 888,00
32	ApeCoin	\$7,45	\$2 284 971 068,00
33	VeChain	\$0,03	\$2 233 621 537,00
34	Filecoin	\$8,16	\$2 073 240 566,00
35	Internet Computer	\$8,02	\$2 004 293 471,00
36	Decentraland	\$1,03	\$1 912 380 975,00
37	The Sandbox	\$1,32	\$1 691 241 996,00
38	Tezos	\$1,85	\$1 671 473 633,00
39	Theta Network	\$1,61	\$1 607 914 792,00
40	Hedera	\$0,07	\$1 560 834 633,00
41	Axie Infinity	\$18,01	\$1 498 206 468,00
42	Aave	\$100,62	\$1 406 802 165,00
43	Elrond	\$60,15	\$1 380 921 598,00

44	Quant	\$104,54	\$1 262 047 519,00
45	EOS	\$1,23	\$1 228 170 064,00
46	TrueUSD	\$1,00	\$1 201 622 535,00
47	Bitcoin SV	\$61,31	\$1 173 068 951,00
48	OKB	\$18,22	\$1 093 398 851,00
49	Helium	\$8,68	\$1 068 836 296,00
50	Maker	\$1 085,83	\$1 061 541 756,00
51	KuCoin Token	\$10,30	\$1 013 073 247,00
52	Zcash	\$67,60	\$1 012 328 285,00
53	Pax Dollar	\$1,00	\$945 136 783,00
54	Fantom	\$0,37	\$943 168 165,00
55	IOTA	\$0,33	\$930 063 438,00
56	BitTorrent-New	\$0,00	\$915 208 903,00
57	THORChain	\$2,70	\$894 007 003,00
58	Klaytn	\$0,29	\$874 991 109,00
59	The Graph	\$0,13	\$863 948 264,00
60	Chiliz	\$0,14	\$857 032 626,00
61	eCash	\$0,00	\$854 243 856,00
62	Neo	\$11,51	\$812 220 697,00
63	Lido DAO	\$2,56	\$799 896 351,00
64	USDD	\$1,00	\$745 027 446,00
65	Curve DAO Token	\$1,41	\$738 305 809,00
66	Neutrino USD	\$0,99	\$722 320 924,00
67	Huobi Token	\$4,37	\$672 369 669,00
68	Waves	\$6,13	\$667 642 592,00
69	Stacks	\$0,48	\$642 269 624,00
70	Basic Attention Token	\$0,43	\$640 529 508,00
71	Enjin Coin	\$0,68	\$614 922 904,00
72	PancakeSwap	\$4,17	\$607 886 576,00
73	PAX Gold	\$1 770,33	\$601 359 026,00
74	Zilliqa	\$0,04	\$573 604 242,00
75	Loopring	\$0,43	\$566 799 100,00

76	STEPN	\$0,92	\$554 160 801,00
77	Dash	\$50,90	\$554 124 711,00
78	Kava	\$2,17	\$527 213 384,00
79	Kusama	\$62,23	\$527 078 036,00
80	Bitcoin Gold	\$29,21	\$511 602 830,00
81	Mina	\$0,82	\$505 044 957,00
82	Trust Wallet Token	\$1,18	\$491 530 212,00
83	Celo	\$1,07	\$487 861 572,00
84	Arweave	\$14,29	\$477 155 705,00
85	1inch Network	\$0,82	\$468 445 090,00
86	Convex Finance	\$7,05	\$467 938 769,00
87	NEM	\$0,05	\$465 722 940,00
88	Holo	\$0,00	\$452 530 120,00
89	Optimism	\$1,92	\$451 813 614,00
90	Synthetix	\$3,93	\$451 243 032,00
91	Compound	\$58,96	\$424 193 300,00
92	Fei USD	\$0,99	\$421 926 529,00
93	Qtum	\$4,03	\$420 512 590,00
94	Gala	\$0,06	\$419 751 844,00
95	Gnosis	\$161,67	\$417 031 316,00
96	Nexo	\$0,74	\$416 289 016,00
97	Ravencoin	\$0,04	\$410 623 336,00
98	Oasis Network	\$0,08	\$410 156 566,00
99	yearn.finance	\$11 023,68	\$405 297 584,00
100	Decred	\$27,76	\$395 974 272,00
101	Kadena	\$2,00	\$368 128 226,00
102	XDC Network	\$0,03	\$363 039 823,00
103	GateToken	\$4,63	\$363 027 183,00
104	IoTeX	\$0,04	\$352 593 524,00
105	Amp	\$0,01	\$349 658 408,00
106	Ethereum Name Service	\$16,96	\$341 712 663,00
107	BORA	\$0,37	\$339 971 441,00

108	Theta Fuel	\$0,06	\$337 981 568,00
109	TerraClassicUSD	\$0,03	\$329 055 670,00
110	OMG Network	\$2,32	\$324 999 293,00
111	Ankr	\$0,03	\$314 936 756,00
112	ICON	\$0,33	\$305 123 465,00
113	Symbol	\$0,05	\$305 105 555,00
114	Celsius	\$1,27	\$302 410 877,00
115	Ox	\$0,35	\$296 325 660,00
116	Audius	\$0,36	\$293 245 569,00
117	Livepeer	\$12,01	\$292 527 017,00
118	JUST	\$0,03	\$292 228 524,00
119	Harmony	\$0,02	\$289 061 257,00
120	Kyber Network Crystal v2	\$1,57	\$279 533 749,00
121	IOST	\$0,01	\$277 501 757,00
122	Immutable X	\$1,15	\$271 077 246,00
123	Golem	\$0,26	\$264 307 159,00
124	Bitcoin Standard Hashrate Token	\$21,61	\$263 635 700,00
125	Balancer	\$6,16	\$259 675 592,00

The data regarding market capitalization and price per unit in USD reflects such data as of 5:49:27 pm on 5 August 2022. Such data is not indicative of future performance of the ETPs, any single Eligible Underlying or any basket thereof. Third party source: coinmarketcap.com. This price source does not form part of this Base Prospectus and has not been scrutinised or approved by the SFSA.

A description of each individual Eligible Underlying is available at <https://cryptocompare.com> by selecting the individual Eligible Underlying, e.g.: <https://www.cryptocompare.com/coins/btc/overview/USD>. Each Eligible Underlying is presented with a description of features, technology and various market data. This website does not form part of this Base Prospectus and has not been scrutinised or approved by the SFSA.

### Eligible Underlying Components

Where the ETPs provide exposure to an Index the eligible Underlying Components (each an **Eligible Underlying Component**) must comprise of the relevant Underlying Components which are eligible for inclusion as constituents in the relevant Index pursuant to the rules governing the relevant Index. Such Eligible Underlying Components may include assets eligible as single Eligible Assets and/or such assets which are eligible pursuant to the rules governing the relevant Index. Each Index will constitute a benchmark subject to the Benchmark Regulation. Each Index will be administered by an administrator included in the register referred to in Article 36 of the Benchmark Regulation.

## **General design of the ETPs**

Each ETP indirectly represents a quantity of Crypto Assets and the value thereof, a so-called entitlement. Single asset ETPs represent the single Crypto Asset constituting the relevant Underlying and Basket ETPs represent the relevant Crypto Assets constituting the Underlyings. ETPs linked to an Index indirectly represent the Crypto Assets constituting the Underlying Components of such Index. The value of this entitlement will be affected by positive and negative changes in the market value of the relevant Crypto Asset(s) during the term of the ETP. This entitlement will be reduced by the Investor Fees on a daily basis. The value of ETPs providing long exposure will move in the same direction as the direction the value of the Underlying/Underlying Components moves. The value of ETPs providing short exposure will move in the opposite direction as the direction the value of the Underlying/Underlying Components moves.

The value of the entitlement is calculated using the sum of the amount of crypto assets in collateral per unit multiplied with the price for each individual component of the basket. The amount of crypto asset per unit is calculated using the balance of the custody account less the Investor Fees on a daily basis. In the case of Indexes, the price is sourced from the pricing source used to calculate the Index, such as CF Benchmarks Ltd., or another calculation agent duly specified on the relevant Final Terms; in the case of single asset or basket ETP, the price is sourced from CryptoCompare.com. The price source for each series is specified in the Final Terms. These are the leading price sources in the space and are broad based price indexes using 55+ global exchanges designed to capture a broad view of the crypto market globally.

The price movement and the movement of entitlement is correlated 1:1, but Investor Fees will reduce the entitlement.

## **Price per ETPs**

On the Issue Date of the Series, the Price per unit of ETPs will be equal to its Issue Price.

On a Redemption Date the Price per ETPs will be the Redemption Amount calculated in accordance with the formula set out in the relevant Final Terms. The Redemption Amount shall not be less than the smallest denomination of the Settlement Currency (*i.e.*, U.S.\$0.01, €0.01, CHF 0.01, £0.01 or the equivalent in other Settlement Currencies).

Redemptions by Authorised Participants pursuant to Condition 5.4 (*Redemption of the ETPs at the Option of an Authorised Participant*) shall be settled on an in-kind basis unless the Issuer permits such redemption to be settled in accordance with Condition 5.3 (*Cash Settlement*).

## **Issue Price**

The Issue Price in respect of a unit of a Tranche of ETPs will be specified in the Final Terms relating to such Tranche.

The Issue Price will be the Crypto Asset Collateral, being the amount of Crypto Assets collateralising a unit of ETPs on the Issue Date, unless otherwise specified in the applicable Final Terms.

## **Interest on the ETPs**

The ETPs do not bear interest.

## **Redemption**

The Issuer may terminate and redeem a Series of ETPs in whole but not in part at any time, at the Issuer's sole discretion and without any further prior consent of the Investors, on the Redemption Date by publishing a Termination Notice in accordance with the Conditions.

On each Investor Put Date (as specified in the relevant Final Terms), an Investor holding ETPs may, by no less than 30 days' and no more than 60 days' notice to (i) the Global Paying Agent if the ETPs are listed on SIX or (ii) the Issuer if the ETPs are not listed on SIX, redeem the ETPs held by such Investor, in an amount of ETPs corresponding to such Investor's Redemption Notice (as defined in Condition 5.2).

Authorised Participants may request the Issuer to terminate and redeem all or part of its holding of ETPs by delivery of the Crypto Asset Collateral for such ETPs in accordance with Condition 5.4 (*Redemption of the ETPs at the Option of an Authorised Participant*) and the relevant Authorised Participant Agreement. Redemptions by Authorised Participants shall be settled on an in-kind basis unless the Issuer permits such redemption to be settled in accordance with Condition 5.3 (*Cash Settlement*).

## **Events of Default, Bankruptcy Event and Enforcement**

If an Event of Default and Acceleration or a Bankruptcy Event occurs in respect of a Series of ETPs, each ETP of such Series shall become, immediately redeemable without further action or formality.

Upon the occurrence of an Event of Default or Bankruptcy Event, the Collateral Agent shall: (i) in the case of an Event of Default, if so instructed by Investors representing not less than 25% of ETPs in the relevant Series in writing; or (ii) in the case of a Bankruptcy Event, if so instructed by any Investor in writing, serve an Enforcement Notice on the Issuer and, at any time and without notice and subject as provided in the Collateral Agent Agreement, institute such proceedings and/or take such action, step or proceedings as instructed against, or in relation to, the Issuer or any person to enforce its rights under any of the Transaction Documents.

Pursuant to the Collateral Agent Agreement, the Collateral Agent is not bound to take any steps or to institute any proceedings or to take any other action under or in connection with any of the agreements related to the Issuer ETP Security (including, without limitation, enforcing the Issuer ETP Security constituted by or pursuant to such documents if it has become enforceable or lodging an appeal in any proceedings) unless directed to do so by the Required Threshold in writing and in all cases provided that it shall have been indemnified and/or secured and/or prefunded to its satisfaction.

## GENERAL TERMS AND CONDITIONS

*The ETPs are issued under the exchange traded products programme (the **Programme**) established by Hashdex AG (the **Issuer**). The following general terms and conditions (together, the **General Terms and Conditions** and each, a **Condition**) are applicable to all ETPs issued under the Programme by the Issuer and shall be completed by, and read in conjunction with, the Final Terms related to the relevant ETPs. In case of inconsistencies between the General Terms and Conditions and the Final Terms, the Final Terms shall prevail.*

*The Investors are deemed to have notice of all the provisions of these Terms and Conditions, the Final Terms, the relevant Authorised Participant Agreement, the Collateral Agent Agreement, the Administration Agreement and the Paying Agency Agreement.*

*All subsequent references in these General Terms and Conditions to “ETPs” are to the ETPs which are the subject of a relevant Final Terms. All capitalised terms that are not defined in these General Terms and Conditions will have the meanings given to them in the relevant Final Terms.*

*For the purposes of these General Terms and Conditions, where ETPs are redeemed in accordance with these General Terms and Conditions, the Issuer and the relevant Investor(s) shall be deemed to consent to the release of the relevant Underlyings.*

### 1. DEFINITIONS

*The following definitions are applicable to all ETPs issued under the Programme by the Issuer and shall be read in conjunction with the Final Terms related to each Tranche of ETPs, which supplement, amend and/or complete them.*

As used in these General Terms and Conditions, the following definitions shall have the meanings in respect of any ETPs as set forth below. Words denoting the singular number only shall include the plural number also and vice versa.

**Account Control Agreement** means the account control agreement dated on or about 13 April 2022, governed by the laws of the State of New York, entered into between the Issuer, Coinbase Trust Company, LLC, and the Collateral Agent with respect to the respective Collateral Account, as may be amended and/or supplemented and/or restated from time-to-time or any other custody agreement specified in the applicable Final Terms, as applicable, or any other account control agreement specified in the Final Terms, as applicable.

**Account Security Agreement** means the account security agreement dated on or about 13 April 2022, governed by the laws of the State of New York, entered into between, the Issuer, as pledgor, and the Collateral Agent, as collateral agent, in respect of the Issuer ETP Security, each, as may be amended and/or supplemented and/or restated from time-to-time or any other any other account security agreement specified in the applicable Final Terms, as applicable.

**Additional Security Agreement** means any security agreement (excluding any Account Security Agreement) entered into from time to time pursuant to which the Issuer grants security over one or more assets of the Issuer to secure its payment obligations under the Relevant Product Documentation.

**Administrator** means Theorem Fund Services, LLC, Intertrust Corporate and Fund Services LLC, or any successor or additional administrator as specified in the applicable Final Terms.

**Administration Agreement** means the agreement dated as of 4 March 2022, governed by the laws of the State of Illinois, entered into between the Issuer and Theorem Fund Services, LLC and the agreement dated as of 11 April 2022, governed by the laws of Switzerland, entered into between the Issuer and Intertrust Corporate and Fund Services LLC, in relation to the Programme, as may be amended and/or supplemented and/or restated from time-to-time or any other administration agreement specified in the Final Terms.

**Airdrop** means the equivalent of a special dividend in kind which results in the creation or allocation of new units of an existing asset serving as an Underlying or Underlying Component (as defined below) to participants in the blockchain. The new units of Crypto Assets are allocated to some but not necessarily all participants on a blockchain and are typically designed to incentivise specific behaviour in the network (*i.e.*, increased participation, maintaining infrastructure, *etc.*).

**AP Redemption Date** means the transaction date specified by a relevant Authorised Participant in its Form of Order Request, or such other date as may be agreed in writing between the Issuer and the relevant Authorised Participant.

**Appointee** means any agent, delegate, custodian or nominee appointed by the Collateral Agent.

**Authorised Participant** means an entity that is specified in the Final Terms and has entered into an Authorised Participant Agreement with the Issuer.

**Authorised Participant Agreement** means an agreement between the Issuer and an Authorised Participant in respect of the creation, redemption and distribution of ETPs, as may be amended and/or supplemented and/or restated from time-to-time.

**Bankruptcy Event** has the meaning assigned to such term in Condition 20 of the General Terms and Conditions.

**Basket** means a basket of Underlyings as specified in the Final Terms, as may be adjusted by the Index Calculation Agent, from time-to-time in accordance with these General Terms and Conditions.

**Business Day** in connection with any payment and settlement procedure, means a day on which (i) relevant Clearing Systems are open and ETPs can be settled, (ii) relevant commercial banks and custodians are open, (iii) banks in Zurich are open, (iv) foreign exchange markets execute payments in the respective Settlement Currency, (v) Underlyings or Underlying Components of the relevant ETPs can be settled, and/or (vi) any other day, as specified in the Final Terms, if applicable.

**Cash Settlement** means the procedures specified in Condition 5.3, as completed by the Final Terms.

**Clearing** and/or **Clearing System** means (i) in relation to ETPs listed on the SIX Swiss Exchange, SIS and any additional clearing system approved by the SIX Swiss Exchange or (ii) any other additional clearing system specified in the Final Terms.

**Collateral** means the assets which from time to time are, or are expressed to be, the subject of the Issuer ETP Security, or any part of those assets (including, without limitation, the Underlyings or Underlying Components credited to the Collateral Account and other assets denominated in the Underlyings or Underlying Components and/or any other collateral specified in the Final Terms and which serve as collateral for the ETPs).

**Collateral Account** means the account or sub-account, as applicable, administered by the Custodian and opened for the ETPs.

**Collateral Agent** means The Law Debenture Trust Corporation, p.l.c. and any successor collateral agent.

**Collateral Agent Agreement** means the collateral agent agreement, dated on or about 13 April 2022, governed by the laws of England and Wales, with certain provisions of the Collateral Agent Agreement being governed by the laws of Switzerland as stated within the Collateral Agent Agreement, entered into between the Issuer and the Collateral Agent, as may be amended and/or supplemented and/or restated from time-to-time.

**Collateralisation** means the procedures set out in Condition 3.2.

**Crypto Asset Collateral** means the amount of eligible Crypto Assets or other assets denominated in Underlying or Underlying Components or other eligible crypto assets collateralising a unit of ETPs.

**Crypto Assets** means (i) in the case of each Series of ETPs providing exposure to a single Crypto Asset, the single digital currency specified in the Final Terms applicable to such Series, (ii) in the case of each Series of ETPs providing exposure to a basket of Crypto Assets, the digital currencies specified in the Final Terms applicable to such Series, (iii) in the case of each Series of ETPs providing exposure to an Index that tracks the performance of Crypto Assets, the Eligible Underlying Components of the relevant Index specified in the Final Terms applicable to such Series, in each case, subject to adjustment pursuant to the provisions in the General terms and Conditions;

**Custodian** means Coinbase Custody Trust Company, LLC, or any successor or additional custodian as specified in the applicable Final Terms.

**Custody Agreement** means the custody agreement in relation to the Crypto Assets collateralising ETPs issued under the Programme dated as of 17 February 2022, governed by the laws of the State of New York, entered into between the Issuer and Coinbase Custody Trust Company, LLC, as may be amended and/or supplemented and/or restated from time-to-time or any other custody agreement specified in the applicable Final Terms, as applicable.

**DEBA** means the Swiss Federal Debt Enforcement and Bankruptcy Act (*Bundesgesetz über Schuldbetreibung und Konkurs*) of 11 April 1889 (SR 281.1), as amended and restated from time to time.

**Eligible Underlying** means each digital currency that are among the top 125 digital currencies with the highest market capitalization at the time of preparation of the relevant Final Terms, as determined in accordance with the criteria stated on page 22 of the Base Prospectus.

**Eligible Underlying Component** means each Underlying Component which is eligible for inclusion as constituent in the relevant Index pursuant to the rules governing the relevant Index.

**Enforcement Notice** means a notice given to the Issuer by Collateral Agent (following receipt of instructions to do so by the Required Threshold of Investors) following the occurrence of an Event of Default or a Bankruptcy Event as described in Condition 21.

**ETPs** means the exchange traded products linked to an Underlying, as specified in the Final Terms.

**ETP Calculation Agent** means the calculation agent specified in the Final Terms.

**Event of Default** has the meaning assigned to such term in Condition 20 of the General Terms and Conditions.

**Exchange** means the trading venue specified in the Final Terms where the ETPs is listed and, in case the Exchange is SIX, traded.

**Exchange Business Day** means, if not otherwise specified in the Final Terms:

- (i) In relation to ETPs with a single Underlying or a Basket, if the value of such Underlying or Underlying Components is determined:
  - (a) by way of reference to a price or value source including but not limited to information providers such as Reuters or Bloomberg and the respective pages on their systems, a day on which such price or value source still exists and officially provides for the respective price or value, subject to Market Disruption Events;
  - (b) by way of reference to a publication of an official fixing, a day on which such fixing is scheduled to be determined and published by the respective fixing sponsor, subject to Market Disruption Events;
  - (c) by way of reference to an official cash settlement price, a day, on which such official cash settlement price is scheduled to be determined and published by the respective exchange or any other official announcing party, subject to Market Disruption Events;
  - (d) by way of reference to an official settlement price, a day, on which the Relevant Underlying Exchange is scheduled to be open for trading for its respective regular trading session, notwithstanding any such Relevant Underlying Exchange closing prior to its scheduled closing time.
- (ii) In relation to ETPs with an Index as Underlying, a day, on which the relevant Index is calculated by the Index Calculation Agent or the Successor Index Calculation Agent and published by the Publishing Party or the Publishing Third Party, subject to Market Disruption Events.
- (iii) In relation to ETPs with more than one Underlying or Underlying Component, irrespective of their nature and number, a day on which all Underlyings or Underlying Components can be determined in accordance with (i) and (ii) above.

**Extraordinary Event** has the meaning assigned to such term in Condition 17.

**Fair Market Value** has the meaning assigned to such term in Condition 9.2.

**Final Fixing Date** means, subject to provisions regarding a Market Disruption Event, the date for the determination of the Redemption Amount specified in the Final Terms or in any Termination Notice.

**FISA** means the Swiss Federal Act on Intermediated Securities (*Bundesgesetz über Bucheffekten*) of October 3, 2008 (SR 957.1), as amended and restated from time to time.

**Fork** means an event where a developer or group of developers split the code base powering a Crypto Asset that serves as an Underlying or Underlying Component into two or more branches of variations of development, resulting in the creation of a new asset which derives from the original blockchain of the respective Underlying or Underlying Component.

**Form of Order Request** means the form of order request in respect of a redemption of ETPs at the option of an Authorised Participant in accordance with Condition 5.3, as set out in the relevant Authorised Participant Agreement.

**FX Disruption Event** has the meaning assigned to such term in Condition 10.

**FX Establishment Date** has the meaning assigned to such term in Condition 10.

**FX Rate** has the meaning assigned to such term in Condition 10.

**Global Paying Agent** means Bank Frick & Co. AG and any successor global paying agent.

**Hashdex Servicing Entity** means Hashdex Asset Management Ltd., a company organised under the laws of the Cayman Islands.

**Increased Cost of Collateralisation** has the meaning specified in Condition 10.

**Index** means the index specified in the Final Terms, which may be, at the discretion of the Issuer, one or more indices with different strategies and from a variety of index providers, administrators or calculating agents, as specified in the Final Terms.

**Index Calculation Agent** means the index calculation agent specified in the Final Terms.

**Index Sponsor** means the sponsor of the Index specified in the Final Terms.

**Intermediated Securities** has the meaning assigned to such term in Condition 2.

**Investor** means (i) the persons, other than intermediaries (*Verwahrungsstellen*), holding the ETPs in a securities account (*Effektenkonto*) with an intermediary (*Verwahrungsstelle*) and (ii) the intermediaries (*Verwahrungsstellen*) holding the ETPs for their own account, in each case in accordance with the provisions of the FISA.

**Investor Put Date** is the date specified in the relevant Final Terms.

**Issue Date** means the date specified in the Final Terms on which the ETPs are issued.

**Issue Price** per ETP means the Crypto Asset Collateral specified in the Final Terms.

**Issuer** means Hashdex AG, a corporation organised under the laws of Switzerland.

**Issuer ETP Security** means the security expressed to be created over, *inter alia*, the Collateral in favour of the Collateral Agent and for the benefit of Investors pursuant to the Security Documents.

**Issuer ETP Security Enforcement Proceeds** has the meaning assigned to such term in Condition 21.2.

**Main Register** has the meaning assigned to such term in Condition 2.

**Market Disruption Event** has the meaning specified in Condition 6.

**Market Maker** means the market maker specified in the Final Terms. This may be the same as or different than the Authorised Participant for the ETPs.

**Minimum Investment Amount** means the minimum investment amount for any Tranche of ETPs as specified in the Final Terms, if any.

**Minimum Trading Lot** means a minimum trading lot specified in the Final Terms, if any.

**Nasdaq Crypto Index** or **Nasdaq Crypto Index Europe™** or **NCIE™** means the index co-developed by an affiliate of the Issuer and administered by Nasdaq Inc. and/or its affiliates, which utilizes a rules-based methodology, as set forth in the index rules maintained by Nasdaq, to periodically adjust constituents and weightings to reflect changes in the digital asset market.

**Observation Date** has the meaning specified in the Final Terms, if applicable.

**Paying Agency Agreement** means the agency agreement between the Issuer and the Global Paying Agent in relation to the Programme, as may be amended and/or supplemented and/or restated from time-to-time.

**PCF** means the portfolio composition file published by the Issuer and providing an indication of the Collateral required for an ETP creation or redemption unit.

**Postponed Final Fixing Date** has the meaning assigned to such term in Condition 10.

**Postponed Observation Date** has the meaning assigned to such term in Condition 10.

**Potential Adjustment Event** has the meaning assigned to such term in Condition 8.1.

**Publishing Party** means the entity specified as the Publishing Party in the Final Terms.

**Publishing Third Party** means the entity which is the successor to the Publishing Party.

**Redemption Amount** means an amount in the Settlement Currency payable per ETP by the Issuer to the Investors calculated as specified in the Final Terms; *provided, however*, that in the case of an Extraordinary Event pursuant to Condition 17, the Redemption Amount shall be reduced and may be as low as the smallest denomination of the Settlement Currency (*i.e.*, U.S.\$0.01, €0.01, CHF 0.01, £0.01 or the equivalent in other Settlement Currencies).

**Redemption Date** means (i) the date specified in the Termination Notice, which date shall be no earlier than 30 days after publication of the Termination Notice; or (ii) in respect of any redemption following the exercise of an Investor's option in accordance with Condition 5.2, the relevant Investor Put Date, as specified in the Final Terms. Where a Final Fixing Date is postponed as a consequence of a Market Disruption Event, the Redemption Date will be postponed accordingly.

**Redemption Order** has the meaning set out in Condition 5.2.

**Redemption Period** has the meaning set out in Condition 5.2.

**Relevant Currency** means the currency in which the Underlying or Underlying Components is trading on the Relevant Underlying Exchange.

**Relevant Product Documentation** means these General Terms and Conditions and the relevant Final Terms, each as may be amended and/or supplemented and/or restated from time-to-time.

**Relevant Underlying Exchange(s)** means the exchange(s) or a quotation system as specified in the Final Terms on which the relevant Underlying or Underlying Components are traded, or any successor to such Relevant Underlying Exchange or any substitute exchange or quotation system to which trading in the Underlying has temporarily relocated. Any substitute exchange or quotation system must provide comparable liquidity relative to the Underlying or Underlying Components as on the original Relevant Underlying Exchange, as determined by the Issuer.

**Required Threshold** means: (i) in respect of any action relating to or following a Bankruptcy Event, any Investor; and (ii) in any other case (including, for the avoidance of doubt, an Event of Default), Investors representing not less than 25% of ETPs in the relevant Series.

**Security Documents** means the Account Security Agreement, the Account Control Agreement and any Additional Security Agreement.

**Settlement Currency** means the currency specified in the Final Terms in which the Redemption Amount is settled.

**SIS** means SIX SIS AG, or any successor thereof.

**SIX Swiss Exchange** or **SIX** means SIX Swiss Exchange AG, or any successor thereof.

**Successor Index Calculation Agent** means the entity that is the successor to the Index Calculation Agent.

**Successor Underlyings** means underlying assets as defined in Condition 8.3.

**Swiss Paying Agent** means ISP Securities AG, or any other Swiss bank or securities dealer performing the paying agency function for a particular Series of ETPs for the purposes of the regulations of the SIX Swiss Exchange as set forth in the relevant Final Terms.

**Termination Notice** means the Issuer's notice of the termination and redemption of the ETPs.

**Tranche** has the meaning assigned to such term in Condition 2.

**Underlying** means the underlying specified in the Final Terms.

**Underlying Component** means, in relation to ETPs linked to an Index, each component of such Index and, in relation to ETPs linked to a Basket, each component of such Basket.

**Underlying Illiquidity** has the meaning assigned to such term in Condition 7.1.

**Wallet (or Digital Wallet or Cryptocurrency Wallet or Crypto Wallet)** means a software program where a private key (secret number) and public address for every Crypto Asset address that is saved in the wallet of the person or person who owns the balance.

## 2. SERIES, TRANCHES AND FORM

ETPs issued under the Programme are issued in series (each, a **Series**), and each Series may comprise one or more tranches (each, a **Tranche**). Each Tranche is subject to a Final Terms. Tranches in a Series shall be identical in all respects except for the Issue Date and the Issue Price.

ETPs in each Series will be issued in uncertificated form in the Minimum Investment Amount(s), if applicable, and Relevant Currency specified in the Final Terms, as uncertificated securities (*Wertrechte*) that are created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*). Such ETPs will then be entered into the main register of the Clearing System (*Hauptregister*) (the **Main Register**). Once the ETPs are registered in the Main Register of the Clearing System and entered into the accounts of one or more participants of the Clearing System, they will constitute intermediated securities (*Bucheffekten*) (**Intermediated Securities**) in accordance with the provisions of the FISA.

None of the Issuer, the Investors, the Global Paying Agent, any Swiss Paying Agent, other paying agent or any other person shall at any time have the right to affect or demand the conversion of ETPs (as uncertificated securities) into, or the delivery of, a permanent global certificate (*Globalurkunde*) or individually certificated securities (*Wertpapiere*).

So long as the ETPs remain registered with the Clearing Systems, the ETPs may only be transferred or otherwise disposed of in accordance with the provisions of the FISA by entry of the transferred ETPs in a securities account of the transferee.

The records of the Clearing System will determine the number of ETPs held through each participant in the Clearing System. In respect of the ETPs held in the form of Intermediated Securities, the holders of the ETPs will be the Investors.

## 3. STATUS AND COLLATERALISATION

### 3.1 Status

The ETPs constitute unsubordinated obligations of the Issuer and rank *pari passu* with each and all other current and future unsubordinated obligations of the Issuer.

### 3.2 Collateralisation

The Issuer will, by no later than the Issue Date of the relevant Series of ETPs, credit the Underlyings or Underlying Components of the ETPs or other eligible assets specified in the Final Terms to the respective Collateral Account for such Series. The Issuer has entered into the Account Security Agreement, the Account Control Agreement, any Additional Security Agreements and the Collateral Agent Agreement in order to provide the Collateral for the benefit of the Investors to secure its payment obligations under the Relevant Product Documentation.

## 4. PERPETUAL ETPs

The ETPs are perpetual (“open-ended”) and have no fixed maturity.

The Issuer has the right to terminate and redeem all but not part of the outstanding ETPs in any Series in accordance with the procedure described in Condition 5.

## 5. REDEMPTION OF ETPs

### 5.1 Termination and Redemption of ETPs by the Issuer

The Issuer may terminate and redeem the ETPs outstanding in any Series in whole but not in part (i) at any time, at the Issuer's sole discretion and without any further consent of or approval by the Investors, on the relevant Redemption Date by publishing the Termination Notice in respect of such Series in accordance with Condition 16, and (ii) in accordance with Conditions 11 and 12.

### 5.2 Redemption of ETPs at the Option of the Investors

The Issuer shall, at the option of any Investor holding ETPs, upon such Investor giving not less than 30 nor more than 60 days' written notice, acting through the financial intermediary administering the securities account of the Investor to which the relevant ETPs are credited, prior to the Investor Put Date (the **Redemption Period**) to (i) the Global Paying Agent if the ETPs are listed on SIX or (ii) the Administrator and the Issuer if the ETPs are not listed on SIX, redeem the ETPs held by such Investor, in an amount of ETPs corresponding to such Investor's Redemption Order (as defined below), on the Investor Put Date specified in the relevant Final Terms at the Redemption Amount. The ETPs shall be redeemed in accordance with the procedure set forth in Condition 5.3.

To exercise such option, the holder must, within the Redemption Period, instruct the financial intermediary maintaining the relevant securities account to set up a sell order (the **Redemption Order**) with the Global Paying Agent, acting on behalf of the Issuer. All Redemption Orders received by the Global Paying Agent or the Issuer and the Administrator (as the case may be) during the Redemption Period shall be deemed to be valid, and may not be subsequently withdrawn without the prior consent of the Issuer. Settlement of such Redemption Orders shall take place exclusively in the delivery versus payment procedure via SIX SIS.

### 5.3 Cash Settlement

#### (a) Cash Settlement Redemption

All termination and redemption of ETPs, other than as set out in Condition 5.4 (*Redemption of ETPs at the Option of an Authorised Participant*) shall be settled on a Cash Settlement basis in accordance with this Condition 5.3.

#### (b) Determination and Notification of the Redemption Amount

The ETP Calculation Agent shall determine the Redemption Amount to be paid by the Issuer in respect of the ETPs being terminated and redeemed.

#### (c) Cash Settlement on the Redemption Date for the relevant Series.

On or prior to the Redemption Date, the Issuer shall, in respect of the ETPs being terminated and redeemed, for value on the Redemption Date, transfer (or cause to be transferred) the Redemption Amount to the Global Paying Agent.

On the Redemption Date, the Global Paying Agent shall, subject to (i) transfer of the relevant ETPs to be terminated and redeemed and (ii) receipt of payment of the related taxes and duties, if any, initiate the redemption process by way of delivery versus payment procedure via SIX SIS AG.

#### 5.4 Redemption of ETPs at the Option of an Authorised Participant

- (a) An Investor, which is also an Authorised Participant, may at any time, require the Issuer to terminate and redeem all or part of its holding of ETPs by delivery of the Crypto Asset Collateral for such ETPs (as determined by the ETP Calculation Agent) in accordance with paragraph (b) by lodging with the Issuer a Form of Order Request.
- (b) Where ETPs are required to be redeemed by delivery of the Crypto Asset Collateral for such ETPs in accordance with paragraph (a):
  - (i) the Authorised Participant shall submit a Form of Order Request on the order-taking platform;
  - (ii) the Issuer and Administrator shall verify the order to ensure that it complies with these Conditions, the relevant Final Terms and the relevant Authorised Participant Agreement and, if so, shall send an order confirmation (T+1);
  - (iii) the Global Paying Agent shall (i) de-register the relevant ETPs in the Main Register and (ii) debit the direct participant's account accordingly via DfP transfer instructions (T+1);
  - (iv) the Global Paying Agent shall cancel the relevant ETPs in the Issuer's book of uncertificated securities (*Wertrechtebuch*) (T+1);
  - (v) the Custodian shall transfer the relevant Crypto Asset Collateral to the Authorised Participant's Wallet or account on the relevant AP Redemption Date (T+1).
- (c) From the relevant AP Redemption Date, all title to and risks in such Crypto Asset Collateral shall pass to the holder of the relevant ETPs. None of the Issuer, the Administrator the Collateral Agent, the Hashdex Servicing Entity, the Global Paying Agent or any Swiss Paying Agent or other paying agent shall be responsible or liable for any failure by the Custodian to effect delivery of the relevant Crypto Asset Collateral in accordance with the Form of Order Request and the instructions given by the Issuer or any other person. However, in the event of such failure, the Issuer shall to the extent practicable, assign to the redeeming Authorised Participant its claims in respect of such Crypto Asset Collateral in satisfaction of all claims of such holder in respect of the ETPs to be redeemed and the holder shall have no further claims against the Issuer or the Issuer ETP Security.
- (d) The obligations of the Issuer in respect of ETPs being redeemed pursuant to this Condition 5.4 shall be satisfied by transferring the relevant Crypto Asset Collateral in accordance with this Condition 5.4.
- (e) An Authorised Participant may request redemption under this Condition 5.4 to be effected on a Cash Settlement basis. If such request is approved by the Issuer, the redemption shall be effected in accordance with paragraph (b) above, other than that the Issuer will convert the Crypto Asset Collateral equivalent to the redemption units in U.S. Dollars and the Administrator shall transfer the resulting U.S. Dollars amount to the Authorised Participant's bank account on the relevant AP Redemption Date (T+1), according to the instructions given by the Authorised Participant to the Administrator.
- (f) A Form of Order Request submitted by an Authorised Participant shall be in the form set out in the relevant Authorised Participant Agreement and shall include, *inter alia*, the number and type of ETPs to be redeemed, the Wallet or account to which the relevant Crypto Asset Collateral shall be delivered

and the AP Redemption Date, and shall be signed by an authorised signatory of the Authorised Participant.

- (g) The Issuer may change or vary the procedures for the lodgement and completion of the Form of Order Request and this Condition 5.4 shall be modified in respect of redemption to the extent of any such variation.

## **6. MARKET DISRUPTION – RIGHTS ON A MARKET DISRUPTION**

### **6.1 For ETPs related to an Index**

*This Condition 6.1 is applicable only in relation to ETPs related to an Index.*

#### **(a) Market Disruption Event**

For the purpose of this Condition 6.1, **Market Disruption Event** means, in respect of an Index, the occurrence or existence on a day relevant for the fixing, observation or valuation of the Index, in particular the Final Fixing Date, of a suspension or a limitation on trading in a material number or percentage of the Underlying Components or a limitation on prices for such Underlying Component. The number or percentage can be determined in the Final Terms and in the absence of such determination, a suspension or limitation of trading in 20% or more of that Index capitalisation shall be deemed to constitute a Market Disruption Event.

For the purposes of this definition a limitation on the hours and number of days of trading will not constitute a Market Disruption Event if it results from an announced change in the regular business hours of the Relevant Underlying Exchange.

#### **(b) Rights on the Occurrence of a Market Disruption Event**

If the ETP Calculation Agent, in its discretion determines that a Market Disruption Event has occurred and is continuing on a day relevant for the fixing, observation or valuation of the Index, for example the Final Fixing Date, then the respective day relevant for the fixing, observation or valuation of the Index shall be postponed until the next following Exchange Business Day on which there is no such Market Disruption Event.

If, in the sole opinion of the ETP Calculation Agent, a Market Disruption Event is continuing, then the day relevant for the fixing, observation or valuation of the Index, in particular the Final Fixing Date, and the value for that Index shall be determined for such date by the ETP Calculation Agent, in its duly exercised discretion and in accordance with established market practice.

### **6.2 For ETPs related to single Underlying or a Basket of any Underlyings**

*This Condition 6.2 is applicable only in relation to ETPs related to a single Underlying or a Basket.*

#### **(a) Market Disruption Event**

For the purpose of this Condition 6.2, **Market Disruption Event** means, in respect of the single Underlying or Basket, that the price or value relevant for the ETPs cannot be determined or announced or published or otherwise is not being made available on a day relevant for the fixing,

observation or valuation of such Underlying or Basket, in particular the Final Fixing Date, as determined by the ETP Calculation Agent, in its duly exercised discretion.

(b) Rights on the occurrence of a Market Disruption Event

If the ETP Calculation Agent, in its duly exercised discretion, determines that a Market Disruption Event has occurred and is continuing on a day relevant for the fixing, observation or valuation of the single Underlying or Basket, in particular the Final Fixing Date, then the respective day relevant for the fixing, observation or valuation of such Underlying or Basket shall be postponed until the next following Exchange Business Day where there is no such Market Disruption Event.

If a Market Disruption Event is continuing, then the respective day relevant for the fixing, observation or valuation of the single Underlying or Basket, in particular the Final Fixing Date, and the value for such Underlying or Basket for such date shall be determined by the ETP Calculation Agent, in its duly exercised discretion, but in accordance with established market practice.

In the case of ETPs relating to a Basket, the day relevant for the fixing, observation or valuation of the Basket, in particular the Final Fixing Date, for each Underlying Component which is not affected by the Market Disruption Event shall be the originally designated Final Fixing Date and the Final Fixing Date, as the case may be, for each Underlying Component which is affected shall be determined as provided above.

## 7. UNDERLYING ILLIQUIDITY

### 7.1 Underlying Illiquidity

For the purpose of this Condition 7, **Underlying Illiquidity** means, in respect of any Underlying or Underlying Component, low or no trading volume in the Underlying or Underlying Component, the difficulty to buy and/or sell the Underlying or Underlying Component in a short period of time without its price being affected, or any comparable event that leads to an extraordinary illiquidity in any Underlying or Underlying Component, as determined by the Issuer in its sole discretion.

### 7.2 Rights upon Underlying Illiquidity

(a) Expanded bid/offer spreads

In case of Underlying Illiquidity, the Market Maker or Authorised Participant shall be entitled to temporarily increase the spread between the bid and offer prices of the ETPs to account for such prevailing market conditions.

(b) Modified Redemption Amount

In case of Underlying Illiquidity, the relevant Redemption Amount may be calculated based on the average execution price (less transaction costs) as it was obtained on a best effort basis, as determined by the ETP Calculation Agent, instead of using the originally pre-defined fixing or value of the Underlying (e.g., the official close of the respective Underlying) set out in the Final Terms.

- (c) Postponed fixing and/or redemption

In case of Underlying Illiquidity, the determination (fixing) and/or the payment of the relevant redemption amount shall be postponed accordingly by such number of days necessary to account for such prevailing market conditions as determined by the ETP Calculation Agent.

## **8. ADJUSTMENTS FOR ETPs RELATED TO ANY UNDERLYING OR BASKET OF UNDERLYINGS**

### **8.1 Adjustments**

The Issuer shall, acting in a commercially reasonable manner and in accordance with established market practice and without the consent of Investors, determine whether or not at any time an event has occurred that may have a diluting or concentrative effect on the theoretical value of the relevant Underlying or Underlying Component (each, a **Potential Adjustment Event**).

If the Issuer determines that such a Potential Adjustment Event has occurred, the Issuer will make such adjustment as it considers appropriate in its duly exercised discretion and in accordance with established market practice. Such adjustment could be made to the Redemption Amount, the relevant Underlying or Underlying Component, the number of Underlyings to which each ETPs relates, the number of Underlyings or Underlying Component comprised in a Basket, and/or any other adjustment and, in any case, any other variable relevant to the redemption, settlement, or payment terms of the relevant Series of ETPs as the Issuer determines, in its duly exercised discretion but in accordance with established market practice, to be appropriate to account for that diluting or concentrative effect. The Issuer shall further determine, in its duly exercised discretion and in accordance with established market practice, the effective date(s) of such adjustment(s).

### **8.2 Fork Event**

Upon the occurrence of a Fork, the Issuer, in its sole discretion, will determine whether or not to participate in the Fork, in accordance with the Issuer's fork policy at the relevant time. If the Issuer determines to participate in the Fork, then any value received from the newly-forked asset will form part of the Collateral (in such form as is determined by the Issuer in its sole discretion). If the Issuer determines not to participate in the Fork, then the Investors will not be entitled to receive any value from the newly-forked asset. The Issuer is not obliged to assess every Fork or event resulting in a Fork or to notify the Investor of the ETPs of any Fork or event resulting in a Fork.

### **8.3 Discontinuation of Trading on Relevant Underlying Exchange**

If the Issuer, acting in a commercially reasonable manner and in accordance with established market practice, upon the announcement of the Relevant Underlying Exchange that pursuant to the rules of such Relevant Underlying Exchange, the relevant Underlying or Underlying Component ceases (or will cease) to be traded or publicly quoted on the Exchange for any reason and is not immediately re-traded or re-quoted on an exchange or quotation system, then the Issuer may determine, in its duly exercised discretion and in accordance with established market practice, that the relevant Series of ETPs shall be terminated and the ETPs shall pay an amount which the ETP Calculation Agent, in its duly exercised discretion and in accordance with established market practice, determines is the fair market value. Alternatively, the Issuer is entitled to continue the affected ETPs with a new underlying (**Successor Underlying**). The Issuer shall determine the Successor Underlying in its duly exercised discretion and in accordance with established market practice for the type of Underlyings.

#### **8.4 Airdrop**

If the Underlying is an Index, any additional Crypto Assets obtained through an Airdrop will be kept until the subsequent re-balancing of the Index, at which point the allocations required by the Index would be met once more, which may require a sale of the new assets acquired through the Airdrop. Any proceeds of such sale, or Crypto Asset held following an Airdrop, will form part of the Collateral.

If the Underlying consists of a single Crypto Asset, the airdropped assets will form part of the Collateral.

#### **8.5 Other Events**

In the case of events other than those described in this Condition 8, which in the sole opinion of the Issuer have an effect equivalent to that of such events, the rules described in this Condition 8 shall apply *mutatis mutandis*.

#### **8.6 Notices of Adjustment**

The Issuer shall give notice to the Investors in accordance with Condition 16 of any change to the terms and conditions of the ETPs in accordance with this Condition 8. For the avoidance of doubt, the consent of the Investors shall not be required to make any of the changes to the ETPs set out in this Condition 8.

### **9 ADJUSTMENTS FOR ETPs RELATED TO AN INDEX**

*This Condition 9 is applicable in relation to ETPs related to an Index.*

#### **9.1 Modification of calculation or replacement of an Index**

In the event that the Index Calculation Agent or the Successor Index Calculation Agent, if any, substantially modifies the formula or method of calculation of an Index or in any other way materially modifies an Index in the event of, among others, changes in constituent Underlying Components or their capitalisation, or in the event that the Index Calculation Agent, the Successor Index Calculation Agent, if any, replaces an Index by a new index to be substituted to that Index, the Issuer may (without the consent of the Investors):

- (i) either (subject to a favourable opinion of an independent expert nominated by the ETP Calculation Agent (if appointed)) replace that Index by the Index so modified or by the substitute index (if any), multiplied, if need be, by a linking coefficient ensuring continuity in the evolution of the underlying index. In such event, the modified Index or the substitute index, and (if necessary) the linking coefficient and the opinion of the independent expert, will be notified to the Investors in accordance with Condition 16 within ten Business Days following the date of modification or substitution of that Index; or
- (ii) apply the provisions of Condition 9.2.

#### **9.2 Cessation of calculation of an Index**

In the case of ETPs related to an Index, if for any reason, on or prior to any Final Fixing Date the Index Calculation Agent or the Successor Index Calculation Agent should cease permanently to calculate and/or announce the level of the Index and does not provide for a substitute index, or such substitute index cannot replace that Index, for any reason, then the Issuer shall terminate and redeem the ETPs and pay to each Investor in respect of the ETPs held by it an amount representing the fair market value of such ETPs (the

**Fair Market Value**). The Fair Market Value will be determined by the ETP Calculation Agent, in its duly exercised discretion and in accordance with established market practice. No other amount shall be due to the Investors by the Issuer upon redemption of the ETPs.

The Fair Market Value so determined will be notified to the Investors in accordance with Condition 16 within seven Business Days following the date of determination of the Fair Market Value.

The amount representing the Fair Market Value will be paid to the Investors as soon as practicable within ten Business Days following the date of determination of the Fair Market Value.

### 9.3 Other Events

In the case of events other than those described in this Condition 9, which in the sole opinion of the Issuer have an effect equivalent to that of such events, the rules described in this Condition 9 shall apply *mutatis mutandis*.

## 10. POSTPONEMENT OF FINAL FIXING DATE OR OBSERVATION DATE ON THE OCCURRENCE OF A FOREIGN EXCHANGE DISRUPTION EVENT

If the ETP Calculation Agent determines that on a Final Fixing Date or an Observation Date an FX Disruption Event has occurred and is continuing, the date for determination of the FX Rate (as defined below) shall be postponed until the first Business Day on which such FX Disruption Event ceases to exist (the **FX Establishment Date**). The Final Fixing Date or the Observation Date in respect of the ETPs shall be postponed to the Business Day which falls on the same number of Business Days after the FX Establishment Date as the Final Fixing Date or the Observation Date, as applicable, was originally scheduled to be after the Final Fixing Date or the Observation Date, as applicable (the **Postponed Final Fixing Date** or the **Postponed Observation Date**).

If an FX Disruption Event has occurred and is continuing on the Postponed Final Fixing Date or Postponed Observation Date (including any Final Fixing Date or Observation Date postponed due to a prior FX Disruption Event), then the Postponed Final Fixing Date or Postponed Observation Date, as applicable, shall be further postponed until the first Business Day following the date on which such FX Disruption Event ceases to exist, or to a date as reasonably determined by the ETP Calculation Agent. For the avoidance of doubt, if an FX Disruption Event coincides with a Market Disruption Event, as the case may be, the provisions of this Condition 10 shall take effect only after such postponements or adjustments have been made as a result of such Market Disruption Event in accordance with the General Terms and Conditions and, notwithstanding the respective provisions of the General Terms and Conditions, the Issuer's payment obligation of the Redemption Amount shall continue to be postponed in accordance with the provisions of this Condition 10.

For the purposes of this Condition 10, **FX Disruption Event** means the occurrence of an event that makes it impossible through legal channels for the Issuer or its affiliates to either:

- (i) convert the Relevant Currency into the Settlement Currency; or
- (ii) deliver the Settlement Currency from accounts within the Relevant Country to accounts outside such jurisdiction; or
- (iii) deliver the Relevant Currency between accounts within the Relevant Country to a person that is a non-resident of that jurisdiction.

**FX Rate** means, the exchange rate (determined by the ETP Calculation Agent in good faith and in a commercially reasonable manner) for the sale of the Relevant Currency for the Settlement Currency on the Final Fixing Date or the Observation Date or other date on which such exchange rate falls to be determined in accordance with the provisions of this Condition 10 expressed as a number of units of Relevant Currency per unit of the Settlement Currency.

In the event that a Settlement Currency used in connection with the FX Rate (as defined above) or in any other context is replaced by another Settlement Currency in its function as legal tender in the country or jurisdiction, or countries or jurisdictions, by the authority, institution or other body which issues such Settlement Currency, by another currency or is merged with another currency to become a common currency, the affected Settlement Currency shall be replaced for the purposes of these General Terms and Conditions and the respective Final Terms by such replacing or merged currency, if applicable after appropriate adjustments have been made, (the **Successor Currency**). The Successor Currency and the date of its first application shall be determined by the Issuer in its duly exercised discretion and will be notified to the Investors in accordance with Condition 16.

#### **11. TERMINATION AND CANCELLATION DUE TO ILLIQUIDITY, ILLEGALITY, IMPOSSIBILITY OR INCREASED COST OF COLLATERALISATION**

The Issuer shall have the right to terminate and redeem the outstanding ETPs in any Series:

- (i) if the ETP Calculation Agent has determined that the Underlying of the relevant Series of ETPs has permanently ceased to be liquid;
- (ii) if compliance by the Issuer with the obligations under the ETPs or any transaction in respect of an Underlying of the relevant Series of ETPs has become unlawful or impossible in whole or in part, in particular as a result of compliance by the Issuer with any applicable present or future law, rule, regulation, judgement, order or directive of any governmental, administrative, legislative or judicial authority or power or controlling authority or of the relevant competent market authorities (a **Regulatory Call**); or
- (iii) due to Increased Cost of Collateralisation in case of collateralised ETPs.

**Increased Cost of Collateralisation** means that the Issuer would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense, fee, or other cost to acquire, hold, substitute or maintain transaction(s) or asset(s) the necessary or deemed necessary by the Issuer in order to collateralise the relevant Series of ETPs.

In such circumstances, the Issuer may terminate and redeem the ETPs by providing notice to Investors in accordance with Condition 16.

If the Issuer terminates and redeems the ETPs in accordance with this Condition 11, the Issuer will, to the extent permitted by applicable law, pay an amount to each Investor in respect of the ETPs, determined by the Issuer in its duly exercised discretion and in accordance with established market practice, as representing the Fair Market Value of such ETPs upon redemption (notwithstanding any illegality or impossibility). Payment will be made within a reasonable time in such manner as shall be notified to the Investors within a period of not less than ten (10) and not more than 30 Business Days in accordance with Condition 16.

In addition, the Issuer has the right to terminate and redeem any outstanding ETPs in a Series in whole, but not in part, on any date that is 30 calendar days after the Issue Date (and, where there is more than one Tranche of

ETPs in any Series, such Issue Date being the Issue Date of the first Tranche issued in that Series), unless the ETPs are subject to a Regulatory Call as set out above, if there is no outstanding position of the relevant Series of ETPs in the market, as determined by the Issuer. The Issuer shall as soon as possible notify the Investors of such redemption in accordance with Condition 16.

## **12. TAXATION/TAX CALL**

Each Investor shall assume and be responsible for any and all taxes, duties, fees and charges imposed on or levied against (or which could be imposed on or levied against) such Investor in any jurisdiction or by any governmental or regulatory authority.

The Issuer and the Global Paying Agent shall have the right, but not the duty, to withhold or deduct from any amounts otherwise payable to the Investor such amount as is necessary for the payment of such taxes, duties, fees and/or charges.

Investors shall not be entitled to receive amounts to compensate for any amount so withheld or deducted.

If any governmental or regulatory authority imposes on the Issuer the obligation to pay any such taxes, duties, fees and/or charges, the Investor shall promptly reimburse the Issuer.

The Issuer may terminate and redeem all outstanding ETPs in any Series in the event that any present or future taxes, duties or governmental charges would be imposed by any jurisdiction in which the Issuer is or becomes subject to tax as a result of any change in laws or regulations of the relevant jurisdiction (**Tax Call**). The Issuer shall as soon as possible notify the Investors of such redemption in accordance with Condition 16. For purposes of this Condition 12, the Issuer shall determine such Redemption Amount in its sole discretion at the Fair Market Value. The amount representing the Fair Market Value will be paid to the Investors as soon as possible following the date of determination of the Fair Market Value.

## **13. TRADING OF THE ETPs**

The Minimum Trading Lot (or an integral multiple thereof) of ETPs for trading of such ETPs, if any, will be specified in the Final Terms.

## **14. AGENTS**

### **14.1 Paying Agents**

The Issuer reserves the right at any time to vary or terminate the order/mandate of the Global Paying Agent and to appoint another paying agent provided that (i) if ETPs are outstanding, it will maintain a paying agent, and (ii) as long as the ETPs are listed on SIX, it will maintain a Swiss Paying Agent for listing purposes only. The Swiss Paying Agent will be specified in the relevant Final Terms.

Each of Global Paying Agent and any other paying agent appointed in respect of a particular Series of ETPs (together with the Global Paying Agent, the **Paying Agents**), is acting solely as agent of the Issuer and does not assume any obligation or duty to, or any relationship of agency or trust for or with, the Investors.

Any determinations, decisions and calculations by the Paying Agents shall (save in the case of manifest error or wilful misconduct) be final and binding on the Issuer and the Investors.

The Issuer may at any time vary or terminate the appointment of the Paying Agents. It shall give notice to the Investors in accordance with Condition 16 of any modification in the appointment of the Paying Agents. Notice of any such termination of appointment or new appointment and of any change in the specified office of a paying agent will be given to the Investors in accordance with Condition 16.

#### **14.2 ETP Calculation Agent**

The ETP Calculation Agent will be specified in the Final Terms.

The ETP Calculation Agent does not act as agent for the Investors and does not assume any obligation or duty to, or any relationship of agency or trust for or with, the Investors.

All calculations, decisions and determinations made by the ETP Calculation Agent shall (save in the case of manifest error or wilful misconduct) be final and binding on the Issuer, the Paying Agents and the Investors.

The ETP Calculation Agent may, with the consent of the Issuer, delegate any of its obligations and functions to a third party, as it deems appropriate.

The Issuer may at any time vary or terminate the appointment of the ETP Calculation Agent. It shall give notice to the Investors in accordance with Condition 16 of any modification in the appointment of the ETP Calculation Agent.

#### **14.3 Collateral Agent**

By investing in the ETPs, each Investor is deemed to agree and acknowledge that the Issuer shall appoint the Collateral Agent (or its successors) to act on behalf of the Investors as set out in, and in accordance with, the terms and conditions set out in the Collateral Agent Agreement and the Security Documents.

The Collateral Agent may, in accordance with the provisions of the Collateral Agent Agreement, delegate all or any of its powers under the Collateral Agent Agreement or conferred upon it by any statute (including the power to sub-delegate) to such third parties as the Collateral Agent in its absolute discretion thinks fit.

The Issuer and the Collateral Agent may agree from time to time to amend the Collateral Agent Agreement or the Security Documents provided that the Collateral Agent is first directed in writing by not less than 25% of holders of the relevant Series of ETPs and provided that the other conditions set out in the Collateral Agent Agreement are satisfied. The Issuer shall give notice to the Investors in accordance with Condition 16 of any modification in the appointment of the Collateral Agent.

Pursuant to the Collateral Agent Agreement, the Collateral Agent is entitled to be indemnified and relieved from responsibility in certain circumstances and to be paid or reimbursed any liabilities incurred by it in priority to the claims of the Investors (save in relation to any responsibility arising out of or liabilities incurred as a result of its own fraud, wilful default or gross negligence). In addition, the Collateral Agent is entitled to enter into business transactions with the Issuer without accounting for any profit.

The Collateral Agent will not be responsible for any loss, cost, damage, expense, liability or inconvenience which may be suffered as a result of any assets comprised in the Issuer ETP Security or any deeds or documents of title thereto or other evidence in respect thereof being uninsured or inadequately insured. The

Collateral Agent shall not be responsible for monitoring the compliance of any of the other parties to the Transaction Documents with their obligations under the Transaction Documents.

The Collateral Agent shall not be required or obliged to take any action, step or proceeding whether in relation to the enforcement of the Issuer ETP Security or otherwise without first being (i) instructed by the Required Threshold of Investors in writing, and (ii) indemnified and/or secured and/or pre-funded to its satisfaction.

The Collateral Agent shall not be responsible or liable for monitoring or ascertaining whether or not an Event of Default, a Bankruptcy Event or an Extraordinary Event has occurred or exists. In the absence of express written notice to the contrary, the Collateral Agent shall be entitled to assume (without any liability to any person) that no Event of Default, Bankruptcy Event or Extraordinary Event has occurred or exists.

The Collateral Agent is exempt from liability with respect to any loss or theft or diminution in the value or loss realised upon any sale or other dispositions made of the assets comprised in the Issuer ETP Security (or any of them).

#### **14.4 Liability**

Without prejudice to the provisions of the Collateral Agent Agreement, none of the Issuer, the ETP Calculation Agent, the Collateral Agent or the Paying Agents shall have any responsibility to the extent permitted by law for any errors or omissions in the calculation of any amount or with respect to any other determination or decisions required to be made by it under these General Terms and Conditions or with respect to any ETPs, irrespective of whether the agents act in the interest of the Issuer or the Investors.

#### **15. PURCHASE BY THE ISSUER**

The Issuer, and/or any of its affiliates may at any time purchase ETPs of any issue at any price in the open market or otherwise. Such ETPs may, at the option of the Issuer, and/or, as the case may be, the relevant affiliate, be held, resold or cancelled or otherwise dealt with.

#### **16. NOTICES**

Notices to Investors relating to ETPs listed on the SIX Swiss Exchange will be published in accordance with the regulations of the SIX Swiss Exchange, as in force, on the SIX Swiss Exchange website [https://www.six-group.com/de/products-services/the-swiss-stock-exchange/market-data/news-tools/official-notices.html#/,](https://www.six-group.com/de/products-services/the-swiss-stock-exchange/market-data/news-tools/official-notices.html#/) on the Issuer's website <https://www.hashdex.com/en-ch> or, in any other form as permitted by the rules and regulations of the SIX Swiss Exchange.

Notices to Investors relating to ETPs listed on a securities exchange or trading venue other than the SIX Swiss Exchange will be published in accordance with the regulations of the relevant securities exchange or trading venue.

Notices to Investors of non-listed ETPs may be published, as specified in the applicable Final Terms, in newspapers, on a website or otherwise.

## 17. LIABILITY FOR LOSSES

None of the Issuer, the Collateral Agent, the Custodian or any other obligor under any ETPs shall be liable for fraud, theft, cyber-attacks and/or any analogous or similar event (each, an **Extraordinary Event**). Accordingly, upon the occurrence of an Extraordinary Event with respect to, or affecting any, Underlying or Underlying Component, including any Underlying or Underlying Component that serves as Collateral, the Issuer shall give notice to Investors in accordance with Condition 16 and to the Collateral Agent and the Redemption Amount for such ETPs shall be reduced to account for such Extraordinary Event and may be as low as the smallest denomination of the Settlement Currency (*i.e.*, U.S.\$0.01, €0.01, CHF 0.01, £0.01 or the equivalent in other Settlement Currencies), as determined by the ETP Calculation Agent (if appointed) and where no ETP Calculation Agent is appointed, the Issuer.

In no event shall the Issuer or the Collateral Agent have any liability for indirect, incidental, consequential or other damages (even if it was advised of the possibility of such damages) other than (in the case of the Issuer only) interest until the date of payment on sums not paid when due in respect of any ETPs. Investors are entitled to damages only and are not entitled to the remedy of specific performance in respect of a unit of ETPs.

## 18. SEVERANCE AND MODIFICATION OF THE GENERAL TERMS AND CONDITIONS AND THE FINAL TERMS

In the event any Condition or item in the relevant Final Terms is or becomes invalid, the validity of the remaining Conditions and items in the relevant Final Terms shall not be affected.

The Issuer shall be entitled to amend without the consent of the Investors any Condition or item in the relevant Final Terms for the purpose of (i) correcting a manifest error, (ii) clarifying any uncertainty, or (iii) correcting or supplementing the provisions herein in such manner as the Issuer deems necessary or desirable, provided that, in the Issuer's sole opinion, the Investors would not incur significant financial loss as a consequence thereof.

Furthermore, the Issuer shall at all times be entitled to amend any Condition or item in the relevant Final Terms where, and to the extent that the amendment is necessitated as a consequence of legislation, decisions by courts of law, or decisions taken by governmental authorities.

## 19. FURTHER ISSUES

The Issuer shall be at liberty without the consent of the Investors to create and issue further ETPs (provided that the Underlying or Underlying Components are also increased by a corresponding amount) either having the same terms and conditions as the ETPs in all respects (or in all respects save for their Issue Date and Issue Price) and so that such further issue shall be consolidated and form a single Series with the outstanding ETPs of any Series or upon such terms as the Issuer may determine at any time of their issue. References in these General Terms and Conditions to the ETPs include (unless the context requires otherwise) any other securities issued pursuant to this Condition and forming a single Series with existing ETPs or a separate Series.

## **20. EVENTS OF DEFAULT AND INSOLVENCY EVENT**

### **20.1 Event of Default**

If the Issuer fails to pay any amount due in respect of a Series of ETPs when due and such failure continues for a period of ten Swiss business days (an **Event of Default**), then Investors holding at least 25% of the outstanding ETPs in the relevant Series may, by notice in writing to the Issuer (at its registered office) and the Collateral Agent (at its specified office) (with a copy to the Administrator), declare all the ETPs in such Series to be, and whereupon they shall become, immediately redeemable without further action or formality. Such redemption shall be effected by the Issuer in accordance with Conditions 5.3 and 23, provided that if the Collateral Agent has served an Enforcement Notice on the Issuer, Condition 21 shall instead apply.

### **20.2 Bankruptcy Event**

Upon the Issuer being declared bankrupt within the meaning of article 736 No. 3 of the Swiss Code of Obligations and the DEBA by a competent court (a **Bankruptcy Event**), all the ETPs shall become immediately redeemable without further action or formality in accordance with Conditions 5.3 and 23, provided that if the Collateral Agent has served an Enforcement Notice on the Issuer, Condition 21 shall instead apply.

The Issuer will notify the Collateral Agent promptly upon the occurrence of a Bankruptcy Event.

## **21. ENFORCEMENT AND POST-ENFORCEMENT PRIORITY OF PAYMENTS**

### **21.1 Enforcement**

- (a) Upon the occurrence of an Event of Default or Bankruptcy Event, the Collateral Agent shall, subject to being indemnified and/or secured and/or prefunded to its satisfaction: (i) in the case of an Event of Default, if so instructed in writing by Investors representing not less than 25% of ETPs in the relevant Series (which instruction can be combined with the notice in Condition 20.1 and the instruction in Condition 21.1(b)); or (ii) in the case of a Bankruptcy Event, if so instructed by any Investor in writing (which instruction can be combined with the instruction in Condition 21.1(b)), serve an Enforcement Notice on the Issuer and, at any time and without notice and subject as provided in the Collateral Agent Agreement, institute such proceedings and/or take such action, step or proceedings as instructed against, or in relation to, the Issuer or any other person to enforce its rights under any of the Transaction Documents, as provided in the Collateral Agent Agreement.
- (b) Subject to the provisions of the Collateral Agent Agreement, the Account Security Agreement, the Account Control Agreement and any Additional Security Agreement, at any time after the Issuer ETP Security has become enforceable, the Collateral Agent shall, subject to being indemnified and/or secured and/or prefunded to its satisfaction, if so instructed in writing by Investors representing not less than the Required Threshold, without notice and subject as provided in the Collateral Agent Agreement, take such steps, actions or proceedings as instructed to enforce such Issuer ETP Security.
- (c) No Investor shall be entitled to proceed directly against the Issuer or any other party to the Relevant Product Documentation in respect of the ETPs unless such Investor has first sought enforcement of the Issuer ETP Security in accordance with the Collateral Agent Agreement.

## 21.2 Post-Enforcement Priority of Payments

Upon the enforcement of the Issuer ETP Security by the Collateral Agent, all monies received and all money derived therefrom (**Issuer ETP Security Enforcement Proceeds**) shall be applied by or on behalf of the Collateral Agent in accordance as follows:

1. *Firstly*, in payment or satisfaction of all amounts then due and unpaid or payable to the Collateral Agent, any Appointee, and any administrator or administrative receiver appointed in respect of the Issuer;
2. *Secondly*, in payment or satisfaction *pari passu* and rateably of all amounts then due and unpaid to the Hashdex Servicing Entity and the Custodian;
3. *Thirdly*, in or towards payment or performance *pari passu* and rateably of all amounts then due and unpaid and all obligations due to be performed and unperformed in respect of the relevant Series of ETPs; and
4. *Fourthly*, in payment of the balance (if any) to the Issuer (without prejudice to, or liability in respect of, any queries as to how such payment to the Issuer shall be dealt with between the Issuer and any such person),

(the **Post-Enforcement Priority of Payments**).

## 22. ISSUER'S COVENANT TO PAY

The Issuer covenants with and undertakes to the Investors, and also for the benefit of the Collateral Agent, that it shall duly, unconditionally and punctually pay and discharge all moneys and liabilities whatsoever which from time-to-time become due, owing or payable by the Issuer: (a) under or in respect of the ETPs; and (b) under or in respect of the Issuer ETP Security.

## 23. PRIORITY OF PAYMENTS

Save for any monies received in connection with the realisation or enforcement of all or part of the Issuer ETP Security, all monies received by or on behalf of the Issuer in relation to any Redemption in accordance with Condition 5 will be paid in the following order of priority:

1. *Firstly*, in payment or satisfaction of all amounts then due and unpaid or payable to the Collateral Agent and any Appointee;
2. *Secondly*, in payment or satisfaction of all amounts then due and unpaid to the Paying Agents;
3. *Thirdly*, in payment or satisfaction *pari passu* and rateably of all amounts then due and unpaid to the Hashdex Servicing Entity and the Custodian;
4. *Fourthly*, in payment of any Redemption Amounts due and unpaid owing to the Investors;
5. *Fifthly*, in payment of the balance (if any) to the Issuer (without prejudice to, or liability in respect of, any queries as to how such payment to the Issuer shall be dealt with between the Issuer and any such person),

(the **Priority of Payments**).

## **24. PRESCRIPTION**

Claims for payment of a Redemption Amount in respect of the ETPs shall be barred by the statute of limitations in accordance with the applicable Swiss law, unless made within ten (10) years from the relevant Redemption Date.

## **25. SUBSTITUTION**

The Issuer may at any time, without the consent of the Investors, substitute for itself as obligor under the ETPs any affiliate, subsidiary or holding company of the Issuer (the **New Issuer**), provided that the New Issuer shall assume all obligations that the Issuer owes to the Investors under or in relation to the ETPs and subject to any consent required from the other parties to Relevant Product Documentation.

If such substitution occurs, then any reference in the Relevant Product Documentation to the Issuer shall be construed as a reference to the New Issuer. Any substitution will be promptly notified to the Investors in accordance with Condition 16. In connection with any exercise by the Issuer of the right of substitution, the Issuer shall not be obliged to carry any consequences suffered by individual Investors as a result of the exercise of such right and, accordingly, no Investor shall be entitled to claim from the Issuer any indemnification or repayment in respect of any consequence.

## **26. SELLING RESTRICTIONS**

No action has been or will be taken by the Issuer that would permit a public offering of any ETPs or possession or distribution of any offering material in relation to any ETPs in any jurisdiction where action for that purpose is required. No offers, sales, resales, or deliveries of any ETPs or distribution of any offering material relating to any ETPs may be made in or from any jurisdiction except in circumstances which will result in compliance with any applicable laws and regulations and which will not impose any obligation on the Issuer.

## **27. GOVERNING LAW AND JURISDICTION**

The ETPs are governed by, and shall be construed in accordance with, Swiss law (without reference to the principles of conflicts of law rules).

In relation to any proceedings in respect of the ETPs, the Issuer submits to the jurisdiction of the courts of the City of Zurich, the place of jurisdiction being Zurich 1.

Notwithstanding the above, and for the avoidance of doubt, certain provisions within each of the Security Documents and Collateral Agent Agreement shall be governed by the laws of Switzerland, the laws of England and Wales, the laws of the State of New York or any other eligible law, as stated in each of the aforementioned agreements.

## **PURPOSE OF FINAL TERMS**

In this section, the expression “necessary information” means, in relation to any ETPs, the information necessary to enable Investors to make an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Issuer and of the rights attaching to the ETPs. In relation to any ETPs which may be issued under the Programme, the Issuer has endeavoured to include in this Base Prospectus all of the necessary information except for information relating to such ETPs, which is not known at the date of this Base Prospectus and which can only be determined at the time of an individual issue of a unit of ETPs.

Any information relating to any ETPs, which is not included in this Base Prospectus and which is required in order to complete the necessary information in relation to a unit of ETPs will be contained in the relevant Final Terms.

In respect of each issue of ETPs, the related Final Terms will, for the purposes of that ETPs only, have to be read in conjunction with this Base Prospectus. The terms and conditions applicable to any particular ETPs are the General Terms and Conditions, as completed by the related Final Terms.

## FORM OF FINAL TERMS

FINAL TERMS DATED [•]

**Hashdex AG**  
(incorporated in Switzerland)

Issue of  
[number] ETPs (the **ETPs**)

pursuant to the Issuer's  
**Exchange Traded Products Programme**

This document constitutes the Final Terms of the ETPs described herein.

### PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the General Terms and Conditions of the ETPs (the **Conditions**) issued by Hashdex AG (the **Issuer**) set forth in the Base Prospectus dated 12 August 2022[, as supplemented by the Supplements thereto dated [•]] (the **Base Prospectus**). This document constitutes the Final Terms of the ETPs described herein and must be read in conjunction with the Base Prospectus (and any supplement thereto). Full information on the Issuer and the offer of the ETPs is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus (together with any supplement thereto) is available for viewing at the registered office of the Issuer and on the website of the Issuer ([www.hashdex.com/en-CH/etp/HASH](http://www.hashdex.com/en-CH/etp/HASH)) by selecting Base Prospectus. The Final Terms will be available for viewing at the registered office of the Issuer and on the website of the Issuer ([www.hashdex.com/en-CH/etp/HASH](http://www.hashdex.com/en-CH/etp/HASH)) by selecting Base Prospectus and then Final Terms and the respective Security Code.

[The Base Prospectus, together with the Final Terms, constitutes the prospectus with respect to the ETPs described herein for the purposes of the Swiss Financial Services Act.] [In accordance with article 58a of the Listing Rules of SIX, the Issuer has appointed Homburger AG, located at Prime Tower, Hardstrasse 201, 8005 Zurich, Switzerland, as recognised representative to file the listing application with SIX.]

<b>Issue Date:</b>	[•]
<b>Series:</b>	[•]
<b>Tranche:</b>	[•]
<b>Date on which ETPs become fungible:</b>	[Not Applicable / The ETPs shall be consolidated and form a single series with the existing tranches on the [Issue Date] / [Insert date]].
<b>Aggregate Number of ETPs represented by this Tranche:</b>	[•] / [Up to [•]]
<b>Issue Price:</b>	The initial Crypto Asset Collateral is comprised of the following Crypto Assets per ETP: [to be inserted].

	<i>The Issue Price is subject to any applicable fees and commissions of the person offering the ETPs.</i>
<b>Underlying:</b>	<p>[•] [Basket] [Index]</p> <p><i>[Insert name(s) of relevant Crypto Asset from the list of Eligible Underlyings in the Base Prospectus]</i></p> <p>[Information regarding past performance and volatility of the Underlying[s] is available at [•].]</p>
<b>[Basket:]</b>	[Applicable] [Not Applicable]
<b>[Index:]</b>	<p>[Applicable] [Not Applicable]</p> <p>[Index: [[•]] Index] / [•]</p> <p>[Index Sponsor: [•]]</p> <p>[Publishing Party: [•]]</p> <p>[Index Calculation Agent: [•]]</p> <p>Information regarding past performance and volatility of the Index is available at [•].</p>
<b>[Underlying Component:]</b>	<p>[[•]   Weight: [•]   Relevant Underlying Exchange: [•]   Relevant Currency: [•]]</p> <p>[[•]   Weight: [•]   Relevant Underlying Exchange: [•]   Relevant Currency: [•]]</p> <p>[[•]   Weight: [•]   Relevant Underlying Exchange: [•]   Relevant Currency: [•]]</p> <p>[[•]   Weight: [•]   Relevant Underlying Exchange: [•]   Relevant Currency: [•]]</p> <p>[Not Applicable]</p>
<b>Redemption Amount:</b>	<p><i>The Redemption amount is calculated as follows:</i></p> <p>[•].</p> <p>[</p> $Assets_{USD} = \sum_{i=1}^n (assetQty_i * priceUSD_i)$ $Redemption_{USD} = Assets_{USD} - rf$ <p>where:</p> <p><i>n = total number of assets in the relevant portfolio</i></p> <p><i>priceUSD<sub>i</sub> = price of the asset "i" in USD</i></p>

	<p style="text-align: center;"><i>assetQty<sub>i</sub> = amount of the asset "i" sold</i></p> <p style="text-align: center;"><i>redemptionFee = [•] USD plus [•] bps of Assets<sub>USD</sub></i></p> <p>[•].</p> <p>The Redemption Amount may also be subject to additional fees related to the transfer of fiat assets.</p> <p>The Redemption Amount per ETP shall not be less than the smallest denomination of the Settlement Currency (<i>i.e.</i>, U.S.\$0.01, €0.01, CHF 0.01, £0.01 or the equivalent in other Settlement Currencies).</p> <p>Redemptions by Authorised Participants pursuant to Condition 5.4 (<i>Redemption of the ETPs at the Option of an Authorised Participant</i>) shall be settled on an in-kind basis unless the Issuer permits such redemption to be settled in accordance with Condition 5.3 (<i>Cash Settlement</i>). The calculation of the Redemption Amount may fluctuate as a result of tracking errors relating to the Underlyings, as described in the section headed "<i>Risk Factors</i>" set out in the Base Prospectus.</p>
<b>Amount of any expenses and taxes specifically charged to the subscriber or purchaser:</b>	Investor fee of [•]% of the aggregate value of the Crypto Asset Collateral annually. Fee will be calculated on a daily basis at 17:00 CET/CEST (the closing time of the SIX Swiss Exchange). Fees related to the ETPs will be collected in-kind.
<b>Investor Put Date:</b>	[•] in each year, beginning on [•]
<b>[Final Fixing Date:]</b>	[•]
<b>[Initial Fixing Date:]</b>	[•]
<b>Benchmark Administrator:</b>	<p>[Name: [•]]</p> <p>Address: [•]</p> <p>Description: [•]]</p> <p>The Benchmark Administrator is included in the register of administrators pursuant to Article 36 of the Benchmark Regulation (EU) 2016/1011.]</p>
<b>ETP Calculation Agent:</b>	<p>[Name: [•]]</p> <p>Address: [•]]</p>
<b>PCF Calculation Agent:</b>	<p>Name: [•]</p> <p>Address: [•]</p>
<b>Index Calculation Agent:</b>	<p>Name: [•]</p> <p>Address: [•]</p>

<b>Administrator:</b>	Name: [•] Description: [•]
<b>Swiss Paying Agent:</b>	[•] / [Not Applicable]
<b>[Additional Paying Agent:]</b>	[•] / [Not Applicable]
<b>[Cash Settlement:]</b>	[•]
<b>Settlement Currency:</b>	[USD] / [EUR] / [other]
<b>Exchange:</b>	[SIX Swiss Exchange] [•]  [In accordance with article 58a of the Listing Rules of the SIX Swiss Exchange, the Issuer has appointed [•], located at [•], as recognised representative to lodge the listing application with the SIX Exchange Regulation of the SIX Swiss Exchange. Said rules do not form part of the EU Prospectus Regulation.]
<b>[Exchange Business Day:]</b>	[As indicated in General Terms and Conditions] / [Other]
<b>Market Maker:</b>	[•]
<b>Authorised Participant:</b>	[•]
<b>Custodian:</b>	[•]
<b>[Additional Security Agreement]:</b>	[•]
<b>Minimum Investment Amount:</b>	[Not Applicable] / [•]
<b>Minimum Trading Lot:</b>	[Applicable] [Not Applicable] [USD] [EUR] [CHF] [GBP] [•]
<b>•[Third Party Information:]</b>	[[ <i>Relevant third party information</i> ] has been extracted from [•]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [•], no facts have been omitted which would render the reproduced information inaccurate or misleading.]
<b>Date of Board of Directors approval of issuance:</b>	[•]

Signed on behalf of the Issuer:

By: \_\_\_\_\_

*Duly authorised*

**PART B – OTHER INFORMATION**

<b>Listing and admission to trading:</b>	<p>[Application has been made for the ETPs to which these Final Terms apply to be admitted to [the regulated market of Nasdaq Stockholm regarding Exchange Traded Notes] [the Nasdaq Structured Products MTF] [the SIX Swiss Exchange] [and] [other].</p> <p>If the application is successful, the first date of trading is expected to be [•].]</p> <p>[Not Applicable]</p>
<b>Interests of natural and legal persons involved in the issue:</b>	<p>[So far as the Issuer is aware, no person involved in the offer of the ETPs has an interest material to the offer] / [give details]</p>
<b>Additional Selling Restrictions:</b>	<p>[Not Applicable] [specify]</p>
<b>Security Codes:</b>	<p>[•]</p>
<b>Names and Addresses of Clearing Systems:</b>	<p>[SIX SIS AG, [specify address] / [give details of additional or alternative clearing system(s)]</p>
<b>Terms and Conditions of the Offer:</b>	<p>[ETPs are made available by the Issuer for subscription only to Authorised Participants]</p>
<b>Offer Price:</b>	<p>[Issue Price]/ [specify]</p>
<b>Use of proceeds:</b>	<p>[As stated in the Base Prospectus] / [Specify].</p>
<b>Costs associated with the issuance:</b>	<p>[•]/[Not applicable].</p>
<b>Conditions to which the offer is subject:</b>	<p>[Offers of the ETPs are conditional upon their issue and, as between the Authorised Offeror(s) and their customers, any further conditions as may be agreed between them]</p> <p>[Not Applicable] / [give details]</p>
<b>Description of the application process:</b>	<p>[Not Applicable] / [give details]</p>
<b>Description of the possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:</b>	<p>[Not Applicable] / [give details]</p>
<b>Details of the minimum and/or maximum amount of application:</b>	<p>[Not Applicable] / [give details]</p>

<b><i>Details of the method and time limited for paying up and delivery the ETPs:</i></b>	[Not Applicable] / [give details]
<b><i>Manner in and date on which results of the offer are made available to the public:</i></b>	[Not Applicable] / [give details]
<b><i>Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:</i></b>	[Not Applicable] / [give details]
<b><i>Whether tranche(s) have been reserved for certain countries:</i></b>	[Not Applicable/Offers may be made by offerors authorised to do so by the Issuer in [ ] to any person [ ].
<b><i>Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:</i></b>	[Not Applicable] / [give details]
<b><i>Name(s) and address(es), to the extent known to the Issuer, of the places in the various countries where the offer takes place:</i></b>	[Not Applicable] / [give details]
<b><i>Name and address of financial intermediary/ies authorised to use the Base Prospectus, as completed by these Final Terms (the Authorised Offerors):</i></b>	[ ] [and] [each Authorised Participant expressly named as an Authorised Offeror on the Issuer's website ( <a href="http://www.hashdex.com/en-CH/etp/HASH">www.hashdex.com/en-CH/etp/HASH</a> ).

## **ANNEX – ISSUE SPECIFIC SUMMARY**

*[Issue specific summary of the ETPs as per Article 7 of the Prospectus Regulation to be inserted if ETPs are to be publicly offered or admitted to trading on a regulated market in a Member State of the EEA]*

## SUMMARY OF THE PARTIES AND THE STRUCTURE

### General Structure of the Programme

#### Principal Parties

*The following are summaries of the roles of the principal parties in relation to the Programme. The following summaries do not purport to be complete, and prospective Investors must refer to the entire Base Prospectus and/or each relevant Transaction Document for detailed information.*

- **Authorised Participant:** Authorised Participants sell ETPs in the secondary market to Investors who have either directly approached the Authorised Participant(s) or to Investors on a securities exchange or trading venue on which the ETPs are listed (as applicable) for a purchase price agreed between the Authorised Participant and such Investor(s) in respect of the ETP. Only an Authorised Participant may initiate the creation or redemption of ETPs directly from the Issuer, other than in the limited circumstances otherwise described herein. Authorised Participants will transfer funds directly to the Custodian. These trades will then internally settle on an in-kind basis, cash basis or otherwise, as described in "The Authorised Participant's Role—Settlement Process".
- **Custodian:** The Custodian manages and stores underlying Crypto Assets. For these purposes the Custodian maintains accounts or sub-accounts, as applicable for the ETPs. The relevant Crypto Assets are kept in digital wallets according to the collateral procedures described in "Collateral & Summary of Security Arrangements". The Issuer has entered into a custody agreement with Coinbase Custody Trust Company, LLC. Coinbase Custody Trust Company, LLC will receive transfers from the Administrator who is responsible for interfacing with the Authorised Participants.
- **Authorised Exchange:** ETPs will generally be backed by corresponding Crypto Assets. As ETPs are created or redeemed, the Issuer will purchase or liquidate corresponding volumes of the underlying Crypto Assets via a crypto exchange. These assets will be purchased via an Authorised Exchange. The Custodian will transact directly with these exchanges without the involvement of the Issuer.
- **Administrator and ETP Calculation Agent:** Pursuant to the Administration Agreement, the Administrator and the ETP Calculation Agent will: (i) provide, or arrange for the provision of, all management and administration services for the Issuer, (ii) as Administrator, be responsible, *inter alia*, for the administration of Authorised Participants, general administration and fee calculation, and (iii) as ETP Calculation Agent, be responsible for making certain determinations and calculations in accordance with the General Terms and Conditions of the ETPs, such as whether a Market Disruption Event has taken place, the determination of the Redemption Amount and, in respect of redemption by an Authorised Participant in accordance with Condition 5.4, the determination of the Crypto Asset Collateral required to be delivered. The Final Terms for each Tranche of ETPs will specify the details of the relevant Administrator and ETP Calculation Agent.
- **Calculation Agent:** The Final Terms for each Tranche of ETPs will specify the details of the Calculation Agent. The ETP Calculation Agent will create PCFs in respect of the ETPs and/or disseminate Indicative Optimised Portfolio Values in respect of the ETPs (the IOPV values).
- **Collateral Agent:** The Collateral Agent is appointed to act on behalf of the Investors in relation to the secured assets under the Programme. The Collateral Agent's duties and obligations are set out in the Collateral Agent Agreement and include the enforcement of the rights of the Investors in the ETPs following the occurrence of an Event of Default or a Bankruptcy Event. The Issuer has entered into a Collateral Agent

Agreement with The Law Debenture Trust Corporation p.l.c. See “—Principal Transaction Documents— Collateral Agent Agreement” and “Collateral & Summary of Security Arrangements”.

- **Paying Agents:** The Issuer has entered into a Paying Agency Agreement with the Global Paying Agent. The Global Paying Agent (and any other paying agent appointed in respect to a particular Series of ETPs) will be responsible for making payments in accordance with the General Terms and Conditions of the ETPs. Details of the Swiss Paying Agent and any other additional paying agent appointed in respect of a particular Series of ETPs shall be set out in the relevant Final Terms.
- **Index Calculation Agent:** The role of the index calculation agent includes, inter alia, the calculation of the value of the index and publishing this information in accordance with Swiss and EU requirements. The Index Calculation Agent will be specified in the relevant Final Terms.

None of the Authorised Participants, the Custodian, the Administrator, the Collateral Agent, the ETP Calculation Agent the Global Paying Agent or the Index Calculation Agent are affiliated with the Issuer.

### **Principal Transaction Documents**

*The following are summaries of certain provisions of the principal agreements entered into by the Issuer in relation to the Programme, which are qualified in their entirety by reference to the detailed provisions of each such agreement. The following summaries do not purport to be complete, and prospective Investors must refer to each such agreement for detailed information regarding such agreement.*

### **Authorised Participant Agreements**

On or about 4 April 2022 and/or 11 April 2022, the Issuer has entered into agreements with each Authorised Participant. The Authorised Participant Agreements set out the terms on which each Authorised Participant will act as Authorised Participant in relation to each Series of ETPs issued by the Issuer under the Programme.

The Authorised Participant Agreements provide that the Issuer has permitted the Authorised Participant to create and redeem the ETPs in accordance with the creation and redemption procedure set out in the Authorised Participant Agreement.

The Authorised Participant Agreements set out the conditions for appointment of the Authorised Participant and termination of the agreement (by either party to the agreement): (i) after giving two (2) months' prior written notice; or (ii) with immediate effect upon the occurrence of any of the following events:

- a) if the other party is in material breach of any of its obligations and has failed to remedy such breach without undue delay following of receipt of a notification specifying such breach and requiring its remedy;
- b) in the event that any representations are or become incorrect in any material respect;
- c) in the event of insolvency, bankruptcy, liquidation or analogous events or the commencement of any proceedings related to the same;
- d) if it has reasonable grounds to believe that the other party will not be able to perform its obligations thereunder in any material respect, and the other party has not provided the first party with reasonable assurance in writing that it will perform its obligations without undue delay following of notice by the first party,

- e) if it is subject to any change or effect that is materially adverse to its business, financial condition, assets, properties, operations or results of operations of it together with its subsidiaries taken as one enterprise, which change or effect would make it unreasonable for a professional market participant to continue performance.

The Authorised Participant Agreements state that the Issuer and the Authorised Participant are liable to each other only in the case of gross negligence, fraud or wilful misconduct. The Authorised Participant Agreements entered into with the Authorised Participants are governed by the laws of England and Wales.

### ***Custody Agreement***

On or about 17 February 2022, the Issuer entered into a custody agreement with Coinbase Custody Trust Company, LLC, which is governed by the laws of the State of New York. This custody agreement sets out the principal terms on which Coinbase Trust Company, LLC is appointed to act as a Custodian in respect of the ETPs issued under the Programme and sets out the duties and obligations of Coinbase Custody Trust Company, LLC in relation to holding all assets that the Issuer delivers to Coinbase Custody Trust Company, LLC in a separate account set up for the Issuer. The custody agreement sets out the conditions for appointment of the Custodian and termination of the agreement (by either party to the agreement after giving thirty (30) days' prior written notice to the other party by registered, certified or express mail). The custody agreement states that the Custodian indemnifies the Issuer for all costs, expenses, damages, liabilities and losses which arise directly in connection with any fraud, wilful misconduct, bad faith or gross negligence by the Custodian in pursuance of the agreement. Furthermore, the Issuer indemnifies the Custodian for any loss, damage, reasonable cost or expense, liability or claim of any third party arising directly or indirectly (a) from any action or inaction by the Custodian at the request of the Issuer and (b) from the performance of the Custodian of its obligations under the agreement.

### ***Collateral Agent Agreement***

On or about 13 April 2022, the Issuer entered into a Collateral Agent Agreement with the Collateral Agent. The Collateral Agent Agreement sets out the terms on which The Law Debenture Trust Corporation p.l.c. will act as Collateral Agent in relation to the secured assets under the Programme.

Pursuant to the terms of the Account Security Agreement and any Additional Security Agreement, the Issuer has granted to the Collateral Agent (for the benefit of the Investors) security over all of the Issuer's right, title and interest in and to the Collateral.

Pursuant to the terms of the Collateral Agent Agreement:

- (a) the Issuer appoints the Collateral Agent to act on behalf of the Investors in accordance with the duties and obligations set out in the Collateral Agent Agreement, which include, but are not limited to, enforcing the rights of the Investors in the ETPs following the occurrence of an Event of Default or a Bankruptcy Event (as set out in and in accordance with the Relevant Product Documentation for each relevant Series of ETPs);
- (b) on the occurrence of an Event of Default or Bankruptcy Event, the Collateral Agent shall: (i) in the case of an Event of Default, if so instructed by Investors representing not less than 25% of the ETPs in the relevant series in writing; or (ii) in the case of a Bankruptcy Event, if so instructed by any Investor in writing, serve an Enforcement Notice on the Issuer (as set out in and in accordance with the Relevant Product Documentation of the ETPs);

- (c) in accordance with the applicable terms and conditions of the ETPs, upon instruction by the Required Threshold of Investors following the occurrence of a Bankruptcy Event, the Collateral Agent shall, having first been indemnified and/or secured and/or prefunded to its satisfaction, (subject as otherwise provided in the Collateral Agent Agreement), contact the Swiss bankruptcy official or administrator (the “**Swiss Bankruptcy Official**”), such Swiss Bankruptcy Official may then decide to either: (a) in accordance with the applicable Swiss Law, take such action, step or proceeding as necessary to enforce the rights under any of the Transaction Documents; or (b) instruct the Collateral Agent to institute such proceedings and/or take such action, step or proceeding as instructed to enforce the rights under any of the Transaction Documents, including, subject to applicable law, appointing an administrative receiver and/or administrator;
- (d) subject to the other provisions of the Collateral Agent Agreement, the Collateral Agent may institute such proceedings and/or take such action, step or proceeding as instructed to enforce the rights under any of the Transaction Documents;
- (e) the Issuer has indemnified the Collateral Agent from and against all costs and expenses, damages, liabilities and losses which the Collateral Agent may suffer or incur in connection with the Collateral Agent Agreement or any Transaction Document (and the Collateral Agent shall be entitled to be indemnified out of the Collateral in respect thereof), provided that such costs and expenses, damages, liabilities and losses do not arise out of the Collateral Agent’s fraud, gross negligence or wilful default.

The Collateral Agent Agreement is governed by the laws of England and Wales, with certain provisions of the Collateral Agent Agreement being governed by the laws of Switzerland as stated in the Collateral Agent Agreement.

#### ***Account Security Agreement***

On or about 13 April 2022, the Issuer entered into an Account Security Agreement with the Collateral Agent, which is governed by the laws of the State of New York. This Account Security Agreement provides a security interest and lien in favour of the Collateral Agent for the benefit of the Investors in certain accounts and all sums or other property of all kind now or at any time hereafter on deposit therein, credited thereto, or payable thereon, all proceeds and products thereof, and all instruments, documents, certificates and other writings evidencing those accounts and the security entitlements with respect to the financial assets credited to those accounts. The security interest and lien created in this Account Security Agreement over a certain account is for the benefit of the Investors holding relevant units of the respective Series of ETPs issued under the Programme.

#### ***Additional Security Agreements***

The Issuer and the Collateral Agent may enter into loan security agreements and account control agreements to provide a security interest in favour of the Collateral Agent for the benefit of Investors in certain agreements between the Issuer and third parties. The security interest created in any such loan security agreement and account control agreement is for the benefit of the Investors holding relevant units of the respective Series of ETPs issued under the Programme.

#### ***Account Control Agreement***

On or about 13 April 2022, the Issuer entered into an Account Control Agreement with Coinbase Custody Trust Company, LLC and the Collateral Agent, which is governed by the laws of the State of New York. The Account Control Agreement with Coinbase Custody Trust Company, LLC was entered into pursuant to the terms of the

relevant Account Security Agreement for the purpose of perfecting the security interest in favour of the Collateral Agent for the benefit of the Investors in respect of the secured accounts and secured property.

### **Administration Agreement**

On or about 4 March 2022, the Issuer has entered into the Administration Agreements with the Administrator. The Administration Agreement sets out the terms on which the Administrator will act in relation to the ETPs issued under the Programme. Pursuant to the Administration Agreement, the Administrator agrees to provide certain services, including:

- (a) *Implementation Services* – including, *inter alia*: (i) defining reporting requirements and establishing a client web portal; (ii) establishing an automated data feed between the Administrator and the Issuer; (iii) collecting and loading portfolio and financial data;
- (b) *Daily Administrator & Accounting Services* – including, *inter alia*: (i) daily processing of portfolio activity; (ii) daily reconciliation of cash and position with the Issuer's prime broker, custodian, bank or exchange; and (iii) daily pricing of the ETPs portfolio using third party pricing sources; and
- (c) *Reporting Services* – including reporting in respect of: (i) daily cash and position reconciliations and a break report; (ii) daily portfolio reporting; and (iii) daily production of a net asset value (NAV) closing package, portfolio composition file and investor fee file, supported by a trial balance.

The Issuer has agreed to indemnify and hold the Administrator harmless against any liability, actions, proceedings, claims, demands, costs or expenses (including but without limitation any reasonable attorneys' fees) whatsoever, which the Administrators may incur or be subject to, in its capacity as providing the services provided under the Administration Agreements, provided, however, that such indemnity shall not apply to any liability or expense occasioned by or resulting from that Administrator's wilful misfeasance, bad faith, fraud or gross negligence in the performance of its duties or from reckless disregard by it of its obligations or duties under the relevant Administration Agreement. The Administration Agreement is governed by the laws of the State of Illinois.

### **Services Agreement with the Hashdex Servicing Entity**

On or about 13 April 2022, the Issuer entered into a Services Agreement with the Hashdex Servicing Entity, pursuant to which the Issuer appoints the Hashdex Servicing Entity to be the servicer, in its name and on its behalf, and the Hashdex Servicing Entity agrees to provide or procure the provision of services (the **Services**) required by the Issuer in connection with its establishment of the Programme and the issuance, marketing, creation and redemption of ETPs thereunder, as well as the performance of its obligations under the Transaction Documents and any other such services as the Issuer and the Hashdex Servicing Entity may agree from time-to-time. In consideration for the Hashdex Servicing Entity's provision of the Services, the Services Agreement provides that the Issuer shall pay to the Hashdex Servicing Entity a service fee. The Services Agreement is governed by the laws of the Cayman Islands.

### **Paying Agency Agreement**

On or about 13 April 2022, the Issuer entered into a Paying Agency Agreement with the Global Paying Agent. The Paying Agency Agreement sets out the terms on which Bank Frick & Co. AG will act as Global Paying Agent in relation to the ETPs issued under the Programme.

Pursuant to the Paying Agency Agreement:

- (a) the Global Paying Agent will represent the Issuer with regard to payments made under or in connection with the ETPs through SIS in accordance with the General Terms and Conditions;
- (b) the Global Paying Agent is responsible for: (i) the creation of the ETPs in SIS as intermediated securities; (ii) the delivery of ETPs to the respective Authorised Participants by way of a “delivery free of payment” method; (iii) disbursing fiat currency to Investors in the event of a redemption of the ETPs as set out in the General Terms and Conditions; (iv) cancellation of intermediated securities in the main register in case of redemptions; and (v) holding the cash balance in the period between the liquidation or sale, respectively, of the Underlying and the return of the cash to Investors;
- (c) on a Redemption Date, the Global Paying Agent shall, subject to: (i) transfer of the relevant ETPs terminated and to be redeemed and (ii) receipt of payment of the related taxes and duties, if any, initiate the redemption process by way of delivery versus payment procedure via SIS;
- (d) both the Issuer and the Global Paying Agent reserve the right at any time with three months prior notice to terminate the mandate of the Global Paying Agent and to appoint another paying agent, provided that (i) if ETPs are outstanding, the Issuer will maintain a paying agent and (ii) as long as ETPs are listed on SIX Swiss Exchange, the Issuer will maintain a Swiss Paying Agent for listing purposes only;
- (e) the Issuer may appoint additional paying agents in relation to a Series of ETPs if required by the rules of any Authorised Exchange on which ETPs are listed or admitted to trading;
- (f) any determinations, decisions and calculations by the Agent shall, save in the case of manifest error or wilful misconduct, be final and binding on the Issuer and the Investors; and
- (g) the Issuer shall pay to the Global Paying Agent a service fee.

The Paying Agency Agreement is governed by the laws of Switzerland.

### **Calculation Agency Agreement**

The Issuer will enter into a calculation agency agreement with the ETP Calculation Agent as and when appointed. The ETP Calculation Agent for a Series of ETPs will be specified in the relevant Final Terms.

### **Summary of ETP Issuance Process**

The issue and redemption mechanism is intended to ensure that ETPs have sufficient liquidity and that the price at which they trade on the SIX Swiss Exchange or other relevant trading venues track the relevant Underlyings. Other than in the circumstances otherwise described herein, only an Authorised Participant may apply for or redeem the ETPs, either in kind or in cash, or a combination of both, as applicable and in its sole discretion. All other persons are required to buy and sell ETPs through trading on the SIX Swiss Exchange or other relevant trading venue on which the ETPs are admitted to trading.

The practical steps involved in the issuance of ETPs under the Programme are generally as follows:

1. Authorised Participant submits a creation order to the Issuer on the order taking platform (T).
2. Authorised Participant (i) buys a Crypto Asset on an Authorised Exchange (or uses its existing stock of Crypto Assets) and transfers Crypto Asset in kind, observing the amount defined by the PCF, to the Collateral Account with the Custodian specified for the respective Series of ETPs (up to T+1) or (ii) transfers

the required cash amount in U.S. Dollars (as defined in the Issuer's Cash PCF), observing the amount defined by the PCF, via wire transfer to the Issuer's bank account as instructed by the Administrator (up to T+1). The cash will be converted into the Crypto Asset Collateral on the same day by the Issuer. Any losses will be adjusted in T+1.

3. The Global Paying Agent issues respective units of ETPs to Authorised Participant via entry in the Issuer's book of uncertificated securities (*Wertrechtbuch*) on the Issuer's behalf (T+1).
4. The Global Paying Agent (i) registers new units of ETPs in the main register of SIX SIS and (ii) credit these to the Authorised Participant's account with SIX SIS (creation of new ETPs as intermediated securities (*Bucheffekten*)) via delivery free of payment (**DfP**) transfer instructions (T+1).
5. SIX SIS clears the trade (T+1).

### **Summary of the ETP Redemption Process**

There are two types of redemption: Investor and Issuer redemption, on the one hand, and Authorised Participant redemption, on the other hand, which follow different mechanisms.

#### ***Investor and Issuer Redemption***

1. Investor and Issuer redemption is triggered by any of the following events:
  - a. Issuer terminates a Series of ETPs (in whole but not in part) – this is possible at any time, at the Issuer's sole discretion and without any further prior consent of the Investors – by publishing a Termination Notice (specifying the Redemption Date) in accordance with the General Terms and Conditions.
  - b. Investor (via the financial intermediary maintaining the Investor's relevant securities account on the investor's behalf) gives notice of exercise of his/her Redemption Order (not less than 30 nor more than 60 days' written notice) for redemption on the Investor Put Date included in the relevant Final Terms.
  - c. Illegality, illiquidity, impossibility or increased cost of collateralisation with respect to the ETPs or any Underlyings and the Issuer terminates the respective ETPs by giving notice of such redemption.
  - d. Tax event (in the event that any present or future taxes, duties or governmental charges would be imposed by any jurisdiction in which the Issuer is or becomes subject to tax as a result of any change in laws or regulations of the relevant jurisdiction) and the Issuer notifies the Investors of such redemption.
2. In such event, the Issuer/Investor's custodian bank informs the Investor's custodian bank/the Global Paying Agent of redemption.
3. On the redemption date, the Issuer liquidates the relevant Crypto Asset Collateral.
4. The Global Paying Agent cancels the relevant ETPs in the Issuer's book of uncertificated securities (*Wertrechtbuch*).

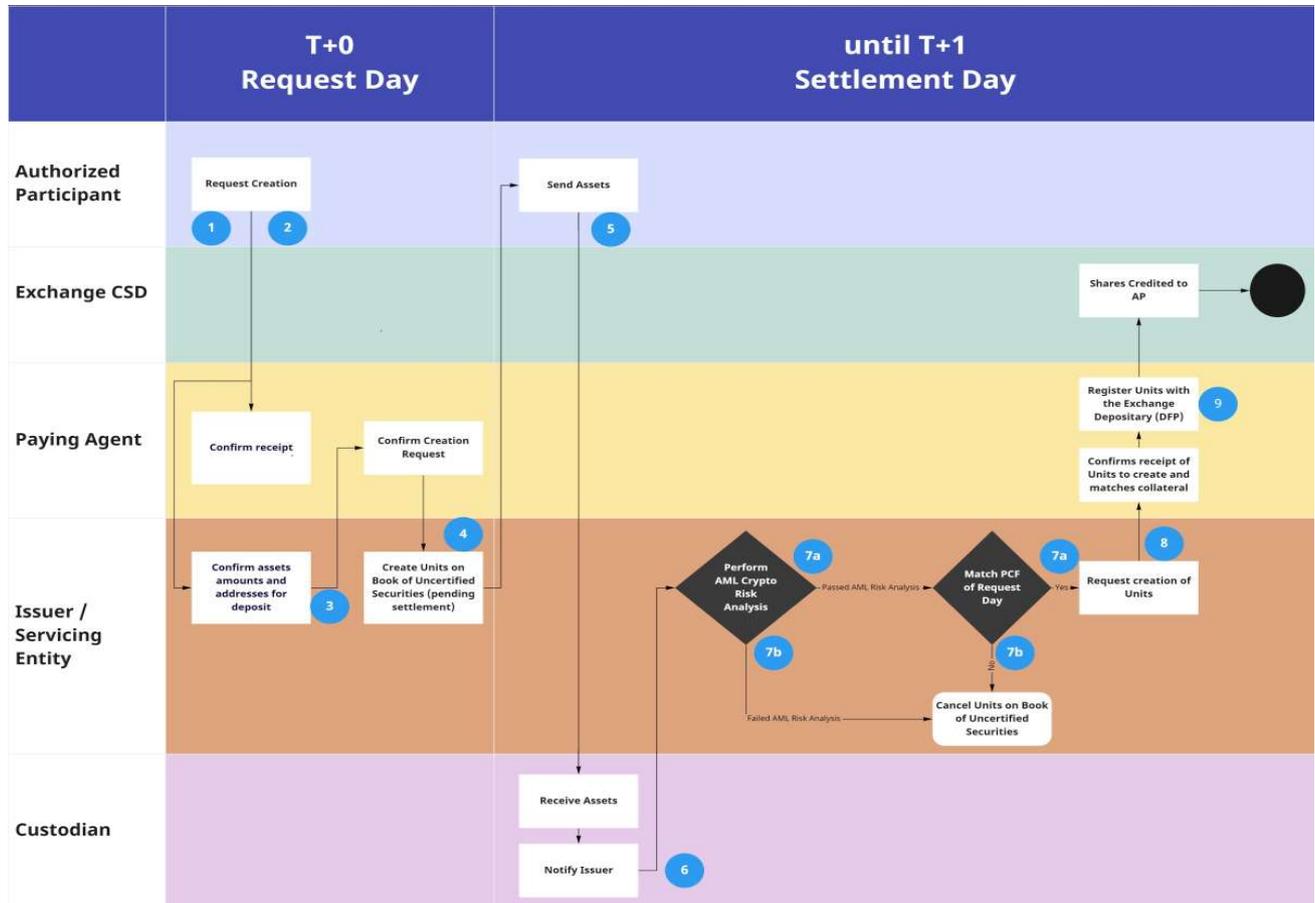
5. The Global Paying Agent (i) de-registers relevant ETPs in the main register of SIX SIS and (ii) debits the direct participant's account accordingly.
6. SIX SIS forwards the relevant Redemption Amount to the direct participants for distribution to the Investor against debit of ETPs in the Investor's securities account in a delivery versus payment transaction.
7. The Investor(s) receive(s) the relevant Redemption Amount (representing the proceeds from the sale of the relevant Underlyings, net of applicable fees and accounting for any tracking error) against debit of ETPs in his/her securities account.

#### ***Authorised Participant Redemption***

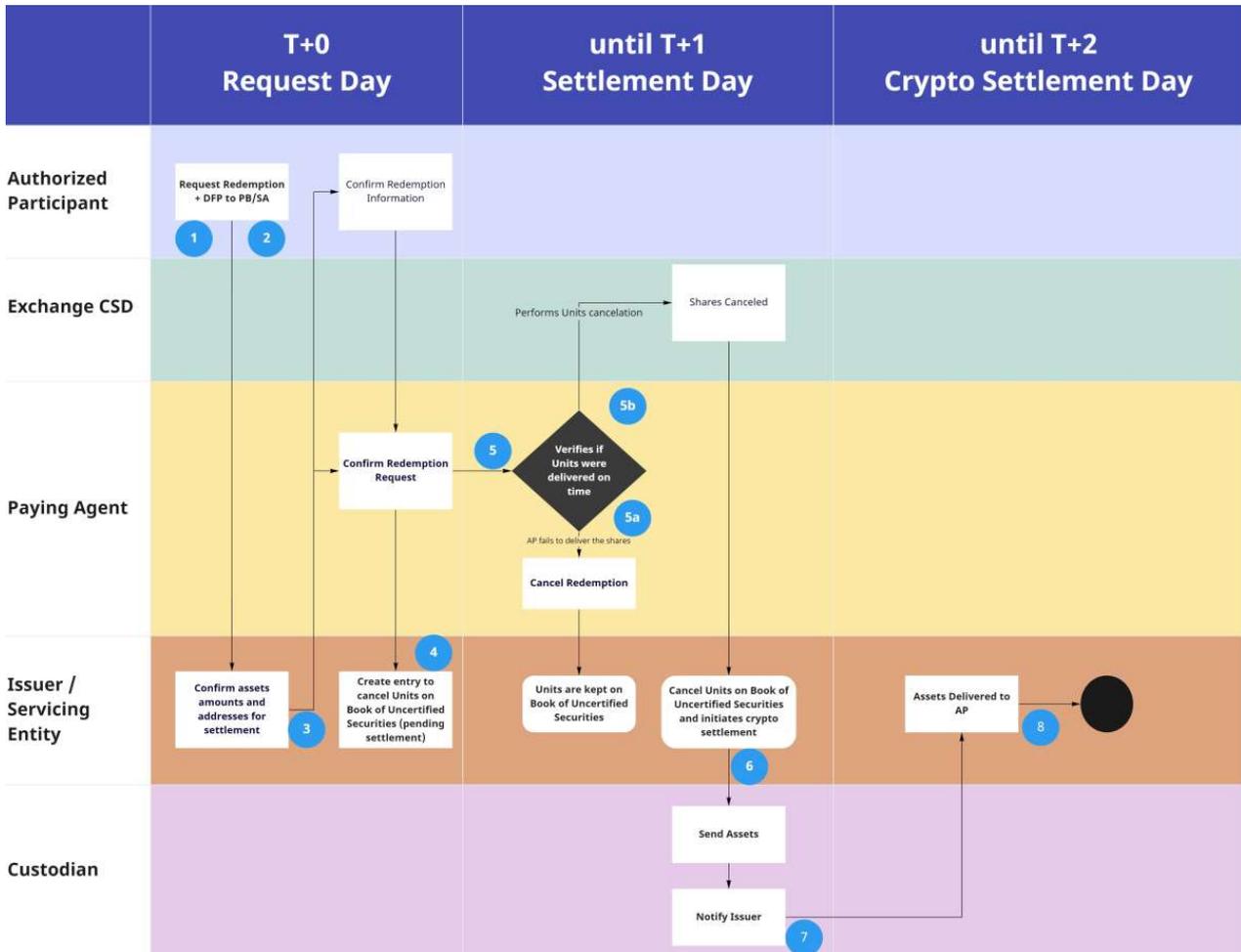
1. Authorised Participant redemption is triggered by an Authorised Participant requesting redemption from the Issuer in accordance with Condition 5.4 (*Redemption by an Authorised Participant*). The ability to request the Issuer to redeem is only available to designated Authorised Participants who have entered into an Authorised Participant Agreement with the Issuer.
2. The Authorised Participant shall submit a Form of Order Request on the order-taking platform.
3. The Issuer and Administrator shall verify the order to ensure that it complies with the General Terms and Conditions, the relevant Final Terms and the relevant Authorised Participant Agreement and, if so, shall send an order confirmation (T+1).
4. The Global Paying Agent shall (i) de-register the relevant ETPs in the Main Register and (ii) debit the direct participant's account accordingly via DfP transfer instructions (T+1).
5. The Global Paying Agent shall cancel the relevant ETPs in the Issuer's book of uncertificated securities (*Wertrechtbuch*) (T+1).
6. The Custodian shall transfer the relevant Crypto Asset Collateral to the Authorised Participant's Wallet or account on the relevant AP Redemption Date (T+1). At its sole discretion, the Issuer may allow cash redemptions in accordance with Condition 5.4 (*Redemption by an Authorised Participant*).

## Flow of Funds

The following table sets out the main elements of the in-kind creation process:



The following table sets out the main elements of the in-kind redemption process:



## COLLATERAL & SUMMARY OF SECURITY ARRANGEMENTS

### Collateralisation Method

Each ETPs issued under the Programme shall be collateralised through the purchase of a pool of Crypto Asset Collateral, or by other eligible assets, on a 1:1 basis. Any such assets will be held on behalf of the Issuer by the Custodian in accordance with the Custody Agreement. The Custodian is responsible for creating and maintaining wallet addresses and all safety and security measures associated with the wallet. See “*Summary of the Parties and the Structure—Principal Transaction Documents—Custody Agreement*”.

The custody for the Crypto Assets is provided by Coinbase Custody Trust Company, LLC or other qualified custodians located in the United States, as applicable.

The Issuer, the Collateral Agent and the Custodian have entered into the Account Control Agreement with respect to the Collateral. See “*Summary of the Parties and the Structure—Principal Transaction Documents—Account Control Agreement*”.

Any Crypto Asset Collateral that is not represented by Crypto Assets but rather in assets denominated in Crypto Assets, such as futures contracts, will be subject to a security interest in favour of the Collateral Agent under an Additional Security Agreements. See “*Summary of the Parties and the Structure – Principal Transaction Documents – Additional Security Agreements*”.

The Issuer will notify Investors of the appointment, termination or alternation of custody arrangements with any custodian, which may be located in multiple jurisdictions, in accordance with Condition 16, by publication of such notice on any securities exchanges or trading venues on which the ETPs are listed, alter the custody arrangements for the Crypto Assets, including the jurisdiction of the custody. As at the date of this Base Prospectus, custody services are provided in the United States.

The collateral securing the ETPs will be held in a securities account. A “securities account” is an account maintained by a “securities intermediary”, such as a bank, a securities broker or other custodian, in which it holds securities or other financial assets (which can include Crypto Assets) for the benefit of a customer. When held in this way, the securities intermediary is technically the direct owner of the financial assets, and the customer holds a “security entitlement” against the securities intermediary with respect to the financial assets, giving the customer (the “entitlement holder”), here the Issuer, all the rights of beneficial ownership (such as rights to direct the disposition of the assets and receive any dividends). The customer, as a borrower or debtor, can pledge its security entitlement (*i.e.*, its interest in the financial assets held in the securities account) to a third-party lender, as collateral, as discussed below.

Gaining a protected security interest in collateral generally involves two steps – “attachment” and “perfection”. Attachment refers to the creation of the security interest in the specified collateral, and gives rights to the secured party against the debtor; while perfection gives rights to the secured party against other creditors asserting rights in the same collateral. A security interest “attaches” when created or granted pursuant to a security agreement. Perfection of the security interest occurs by a variety of methods depending on the type of collateral involved (such as the secured party obtaining “control” of the collateral, taking possession of the collateral or, in the U.S., filing a Uniform Commercial Code (**UCC**) financing statement).

In the case of financial assets held by a securities intermediary in a securities account on behalf of the debtor, perfection is achieved by acquiring “control” over the debtor’s security entitlements in those assets. This is accomplished through a securities account control agreement, which is a tri-party agreement among (1) a

customer/debtor (e.g., a borrower, guarantor or other loan party pledging financial assets as collateral – the Issuer), (2) the secured party (secured lender, the Collateral Agent acting on behalf of the Investors) and (3) the securities intermediary maintaining the relevant financial assets in a securities account maintained on behalf of, and in the name of, the debtor (depository bank – the Custodian). Under the securities account control agreement, the parties agree that the securities intermediary will comply with any instructions issued by the secured party with respect to the disposition of the financial assets in the securities account without the need for further consent from the debtor. The secured party has “control” in the collateral even if any duty of the securities intermediary to comply with instructions originated by the secured party is subject to any conditions (other than further consent by the debtor), for example, that an Event of Default shall have occurred and be continuing. Once that agreement is in place, the secured party is deemed to have “control” over the securities account, and its security interest is therefore “perfected.” In addition to perfecting a security interest, the securities account control agreement enables the secured party, when exercising remedies, to direct the disposition of the assets in the account as well as to prevent the debtor from giving instructions with respect to the financial assets without the secured party’s consent. The secured party and the debtor can agree in the relevant documentation as to when the secured party is permitted to issue such instructions.

The Issuer, the Collateral Agent and the Custodian have entered into the Account Control Agreement with respect to the Collateral. See “*Summary of the Parties and the Structure—Principal Transaction Documents—Account Control Agreement*”.

#### **Determination of an Event of Default and Bankruptcy Event**

The conditions which give rise to an Event of Default and Bankruptcy Event are set out in Condition 20.

Liquidation will occur, in respect of the realisation of Collateral for a Series of ETPs, following an Event of Default, in accordance with the Collateral Agent Agreement and, generally (in the liquidation of the Issuer), upon the instruction of the Swiss Bankruptcy Official.

#### **Practical Procedure in the Event of Realisation**

In the event of a realisation of Collateral for a Series of ETPs, the Collateral Agent (in the event of an Event of Default) or the Swiss Bankruptcy Official or a party appointed by it (including the Collateral Agent) (in the event of a Bankruptcy Event) may (i) enforce any of the Issuer’s rights in any assets of the Issuer under the terms of the Security Documents and arrange for any Crypto Assets due under those agreements to be delivered to a designated collateral account and (ii) place an order through the designated collateral account under the terms of the Custody Agreement. With the assistance of the Custodian and the relevant exchanges, the Collateral Agent or the Swiss Bankruptcy Official (or a party appointed by it) may liquidate the assets, assuming sufficient liquidity is available in the market.

#### **Costs in the Event of Realisation**

In the event of a realisation, Investors will bear a number of costs, including but not limited to: transaction costs with custodians and exchanges, the fees and expenses of the Collateral Agent and other transaction participants, as well as spreads on Crypto Assets. These costs will be deducted from the payment received by the Investors and may create a significant loss of value.

The post-enforcement priority of payments is as follows:

1. firstly, in payment or satisfaction of all amounts then due and unpaid or payable to the Collateral Agent, any Appointee and any administrator or administrative receiver appointed in respect of the Issuer;
2. secondly, in payment or satisfaction *pari passu* and rateably of all amounts then due and unpaid to the Hashdex Servicing Entity and the Custodian;
3. thirdly, in or towards payment or performance *pari passu* and rateably of all amounts then due and unpaid and all obligations due to be performed and unperformed in respect of the relevant Series of ETPs; and
4. fourthly, in payment of the balance (if any) to the Issuer (without prejudice to, or liability in respect of, any queries as to how such payment to the Issuer shall be dealt with between the Issuer and any such person).

#### **Payout following a Market Disruption Event**

In the case of a realisation due to a Market Disruption Event, the Investor will not receive the proceeds of the sale until all of the Collateral has been liquidated. Proceeds from the sale (net of the costs of such liquidation, including the Collateral Agent's fees and expenses) will be returned to the Investor on a *pro rata* basis through the appropriate paying agent.

In the case of liquidation due to other types of redemption by the Issuer or the exercise of the Investor's put option, the Investor will receive the Redemption Amount due to them once the sale of all of the Underlyings or Underlying Components has been processed and settled and the cash made available to the Issuer for transfer. This process may take upwards of ten days, during which Investors may be exposed to market risk.

#### **No liability for an Extraordinary Event**

None of the Issuer, the Collateral Agent or the Custodian is liable for an Extraordinary Event as defined in Condition 17.

## FEES RELATED TO THE ETPs

Investors will be charged a fee in respect of the ETPs in the amount specified in the relevant Final Terms (the **Investor Fee**).

The Final Terms will set out the Investor Fee and the process for determining the Investor Fee on each following calendar day after the Issue Date (including holidays and weekends) until redemption, which shall be based on a percentage of the of the Crypto Asset Collateral at 17:00 CET/CEST (the closing time of the SIX Swiss Exchange) for that ETPs on the immediately preceding calendar day, divided by 365.

Because this fee is subtracted from the indicative value at the closing of the SIX Swiss Exchange on a daily basis, the fee accumulates over time and is subtracted at the rate of a percentage amount set out in the Final Terms. Because the net effect of the Investor Fee is a fixed percentage of the value of each ETPs, the aggregate effect of the Investor Fee will increase or decrease in a manner directly proportional to the value of each ETPs and the amount of ETPs that is held, as applicable.

The Investor Fee includes all of the expenses related to the ETPs, including trading fees, custodianship and security fees. It is important to note that the Investor is still responsible for any tax consequences of rebalances. In addition, the pricing of Crypto Assets may be subject to a spread of as much as 1-1.5% or more by Market Makers and Authorised Participants.

This fee is deducted in kind following the procedure described in “—*Investor Fee*” below.

### **Crypto Asset Collateral**

The Crypto Asset Collateral is the amount of physical Crypto assets backing the ETPs. The daily value of the ETPs is calculated based on the Crypto Asset Collateral of the ETPs, composed of the underlying Crypto Assets with the weighting determined on the basis of the rebalancing which took place on the last trading day of previous month.

Unless otherwise specified in the applicable Final Terms, the implied fiat value of the ETPs is based on the previous day's Crypto Asset Collateral multiplied by the latest available price for the relevant underlying Crypto Assets.

### **Investor Fee**

The ETPs pay operation fees, which accrue at a rate *per annum* equal to the Investor Fee. The Issuer uses this fee to pay other service providers of the Issuer and fund its own daily operations. The rate will be set out in the relevant Final Terms, and is applied to the Crypto Asset Collateral on a daily basis to determine the daily deduction of an amount of Crypto Assets from the Crypto Asset Collateral.

The Crypto Asset Collateral is decreased daily at a rate equal to the portion of the Investor Fee applicable to such day, thus affecting the Crypto Asset Collateral calculation for the subsequent trading day. Crypto Assets representing the reduction in the Crypto Asset Collateral by daily application of the Investor Fee will be periodically sold to fund the payment of operation fees.

## THE AUTHORISED PARTICIPANT'S ROLE

Only Authorised Participants are able to request the Issuer to create or redeem ETPs to be issued under the Programme, unless through special circumstances noted elsewhere in this document (including the Investors' put option set out in the General Terms and Conditions). Authorised Participants may also act as Market Makers (*i.e.*, buying and selling ETPs from and to Investors on an over-the-counter basis or via a securities exchange or trading venue). However, not all Market Makers need to be Authorised Participants.

A person or entity can only be considered an Authorised Participant if it is: (a) a securities house or other market professional approved by the Issuer (in its absolute discretion); and (b) an account holder on SIX (a **SIX Member**). An Authorised Participant must also have entered into an Authorised Participant Agreement with the Issuer dealing with, amongst other things, the rights and obligations of the Authorised Participant in relation to applying for and redeeming the ETPs.

Authorised Participant Agreements have been entered into with the Authorised Participants. See "*Summary of the Parties and the Structure—Principal Transaction Documents—Authorised Participant Agreements*".

The Issuer will use reasonable efforts to ensure that at all times for the duration of the Programme there is at least one Authorised Participant. In the event that at any time there are no Authorised Participants, Investors will be permitted to redeem the securities respectively held by them directly from the Issuer.

It is intended that Authorised Participants will sell ETPs in the secondary market to Investors who have either directly approached the Authorised Participant(s) or to Investors on a securities exchange or trading venue on which the ETPs are listed (as applicable) for a purchase price agreed between the Authorised Participant and such Investor(s) in respect of the ETPs. Investors may sell the ETPs from time-to-time in the secondary market to third parties or to Authorised Participants.

### Authorised Participants

#### ***DRW Europe B.V.***

*The information in this section (DRW Europe B.V.) consists only of information published by DRW. The Issuer accepts responsibility for the accurate reproduction of such information. As far as the Issuer is aware and is able to ascertain from information published by DRW, no facts have been omitted which would render such reproduced information inaccurate or misleading.*

DRW Europe B.V. is a private limited liability company incorporated under the laws of The Netherlands, with registered number 72017163, whose registered office is at Parnassus Tower, Locatellikade 1, 1076 AZ Amsterdam, Netherlands. It is registered with The Netherlands Authority for the Financial Markets. DRW Europe B.V. is a subsidiary of DRW Holdings, LLC ("**DRW**"). DRW is a company organised under the laws of the State of Delaware with registered address at 1209 Orange Street, Wilmington DE 19801 United States.

DRW is a diversified trading firm that utilizes their own capital and trades at their own risk. It is active across a diverse set of asset classes including fixed income, equities, FX, commodities, ETFs and crypto assets. DRW is headquartered in Chicago and has offices in the United States and Canada as well as Europe and Asia. Learn more at [www.drw.com](http://www.drw.com).

#### ***Flow Traders B.V.***

*The information in this section (Flow Traders B.V.) consists only of information published by Flow Traders. The Issuer accepts responsibility for the accurate reproduction of such information. As far as the Issuer is aware and is able to ascertain from information published by Flow Traders, no facts have been omitted which would render such reproduced information inaccurate or misleading.*

Flow Traders B.V., incorporated on November 11, 1991 under the laws of The Netherlands and located at Jacob Bontiusplaats 9, 1018LL Amsterdam, The Netherlands, is a private limited liability company operating under the laws of The Netherlands. It is registered with the Netherlands Chamber of Commerce under register number KvK 33223268. Flow Traders B.V. is part of the Flow Traders Group Group. Its ultimate parent company is Flow Traders N.V., which is listed on Euronext Amsterdam. Flow Traders N.V. has its registered office at Jacob Bontiusplaats 9, 1018LL Amsterdam, The Netherlands.

According to its articles of association, the objective of Flow Traders B.V.'s business is trading in financial instruments for its own account and own risk, in a market maker capacity as permitted. Flow Traders B.V. has affiliates in the APAC region and the United States.

### **Jane Street Financial Limited**

*The information in this section (Jane Street Financial Limited) consists only of information published by Jane Street. The Issuer accepts responsibility for the accurate reproduction of such information. As far as the Issuer is aware and is able to ascertain from information published by Jane Street, no facts have been omitted which would render such reproduced information inaccurate or misleading.*

Jane Street Financial Limited is a limited liability company, incorporated on 13 April 2007 under the laws of England and Wales with company number 06211806 and with its registered office located at 2&A Half Devonshire Square, London EC2M 4UJ, United Kingdom. Jane Street Financial Limited is authorised and regulated by the Financial Conduct Authority in the United Kingdom. Jane Street Financial Limited is a wholly owned subsidiary of Jane Street Group LLC, a quantitative trading firm, which has its registered office located at 250 Vesey Street, 6th Floor, New York, NY 10281, United States.

### **Goldenberg Hehmeyer LLP**

*The information in this section (Goldenberg Hehmeyer LLP) consists only of information published by Goldenberg Hehmeyer (GHCO). The Issuer accepts responsibility for the accurate reproduction of such information. As far as the Issuer is aware and is able to ascertain from information published by GHCO, no facts have been omitted which would render such reproduced information inaccurate or misleading.*

Goldenberg Hehmeyer LLP is a limited liability partnership, incorporated on December 1, 2005 under the laws of England and Wales with company number OC316522 and with registered office located at 77 Cornhill, 6<sup>th</sup> Floor, London EC3V 3QQ, United Kingdom. Goldenberg Hehmeyer LLP is authorised and regulated by the Financial Conduct Authority in the United Kingdom. Goldenberg Hehmeyer LLP is a subsidiary of GHCO Limited. GHCO Limited has its registered office at 77 Cornhill, 6<sup>th</sup> Floor, London EC3V 3QQ, United Kingdom. GHCO Europe Investment Services, SA is a sister company of Goldenberg Hehmeyer LLP, regulated by the Hellenic Capital Markets Commission in Greece, with company number 157008501000 and with registered address located at 14 pigasou street, 151 25 Marousi.

Goldenberg Hehmeyer LLP is one of the fastest-growing liquidity providers specialising in exchange traded funds and products. It strives to make ETFs accessible in every market worldwide with a focus on intelligent algorithmic

trading, tight spreads, reliable presence and the expertise to price a wide range of products. With offices in the UK, US and Europe, GHCO is a market maker on and off all major European exchanges.

### **Application Process**

ETPs may be issued upon application by an Authorised Participant. There is no minimum number of ETPs that must be applied for in order to ensure creation. The Issuer will decline applications for ETPs if it cannot for any reason secure corresponding collateral.

### **Settlement Process**

Where initiated by an Authorised Participant, the ETPs may have a cash or an in-kind settlement structure, which is similar to physical settlement in the context of options and futures contracts.

#### ***In-Kind Settlement***

For in-kind settlements, Authorised Participants will be required on up to T+1 to transfer to the Issuer's relevant accounts with the Custodian a basket of Crypto Assets specified in the PCF for the relevant day. The amount of each Crypto Asset in the basket is equal to the number of units to be created multiplied by the number of the respective Crypto Asset in one product specified in the PCF prepared by the Administrator for the relevant day of the transfer.

For in-kind settlement, the Issuer will not issue ETPs to an Authorised Participant until the settlement amount has been allocated to the Issuer's relevant account with the Custodian, and vice versa for redemption processes.

The primary benefit of in-kind settlement for Crypto Assets is that it is subject to less execution risk or slippage as the entire activity is measured by the physical amount of the underlying Crypto Assets regardless of the cash value they represent. The entire process of delivery of the Underlying is also closely monitored by the Custodian and confirmed by the Administrator.

See "*Summary of the Parties and the Structure—Summary of ETPs Issuance Process*".

#### ***Cash Settlement***

For cash settlements, Authorised Participants will be required on up to T+1 to transfer to the Issuer's relevant accounts with the Administrator a U.S. Dollar amount equivalent to the specifications made in the PCF for the relevant day. The US Dollar amount in the PCF is an over-collateralised estimation of the number of units to be created multiplied by the number of the respective Crypto Asset in one product specified in the PCF prepared by the Administrator on the PCF for the relevant day. If by any chance there may be a difference between the published PCF and the closing net asset value for a given day, that difference will be informed on the same Business Day and must be settled in U.S. Dollars by the Authorised Participant to the Issuer or by the Issuer to the Authorised Participant up to T+2.

For in-cash settlement, the Issuer will not issue ETPs to an Authorised Participant until the settlement amount has been allocated to the Issuer's relevant account with the bank, and vice versa for redemption processes.

The primary benefit of in-cash settlement is to facilitate access to APs that do not currently trade Cryptocurrencies. The entire process of delivery of the Underlying is also closely monitored by the Custodian and confirmed by the Administrator.

See "*Summary of the Parties and the Structure—Summary of ETPs Issuance Process*".

### **Redemption Process**

The redemption process will follow the same flow as above and will settle on a T+1 basis.

See "*Summary of the Parties and the Structure—Redemption Process*".

### **Application Fees and Redemption Fees**

Application fees and redemption fees will be payable on the creation and redemption of the ETPs and not by Investors who buy and sell the ETPs on the secondary market, including the SIX Swiss Exchange. Investors may, however, be subject to other fees imposed by the persons from whom they acquire ETPs.

Application fees and redemption fees will be collected by the Issuer or any other entity designated by the Issuer for such purpose. The Redemption Amount may also be subject to additional fees related to the transfer of fiat assets.

### **AML and Compliance**

The Issuer's primary counterparties for all fiat or crypto related transaction must be Authorised Participants. These institutions are responsible for delivering a basket of Crypto Assets during the creation process. In order to qualify as an Authorised Participant, the institution must be licensed to operate as a broker dealer and market participant on the relevant exchange.

The Issuer's Authorised Participants are large, reputable institutional investors or banks. All of the Issuer's Authorised Participants are required to comply with local regulatory requirements, including KYC/AML, in the jurisdiction(s) in which they operate and have robust compliance processes.

## INFORMATION ABOUT THE ISSUER

### **Name, Registered Office, Location**

The Issuer is Hashdex AG. Its registered office and address is at c/o Prosperus GmbH, Landis + Gyr-Strasse 1, 6300 Zug, Switzerland.

### **Incorporation, Legal Form, Duration, Register Number etc**

The Issuer was established (at a meeting of its founders) on February 14, 2022 under the name Hashdex AG and was incorporated and registered in Zug as a stock corporation (*Aktiengesellschaft*) under article 620 et seq. of the Swiss Code of Obligations for an unlimited duration. As from that day, the Issuer is registered in the Commercial Register of the Canton of Zug Switzerland, under the number CHE-197.355.536.

The Issuer's legal entity identifier or 'LEI' is 5067006813V7BE5V3H11. The phone number to the Issuer's principal place of business is +41 4455 10010. The Issuer's website is available at: [www.hashdex.com](http://www.hashdex.com). This website does not form part of this Base Prospectus (other than where information has been explicitly incorporated by reference into this Prospectus) and has not been scrutinised or approved by the SFSA.

### **Purpose**

The Issuer has been established as a special purpose vehicle for the purposes of issuing exchange traded products and other financial products linked to the performance of Crypto Assets and indices of Crypto Assets.

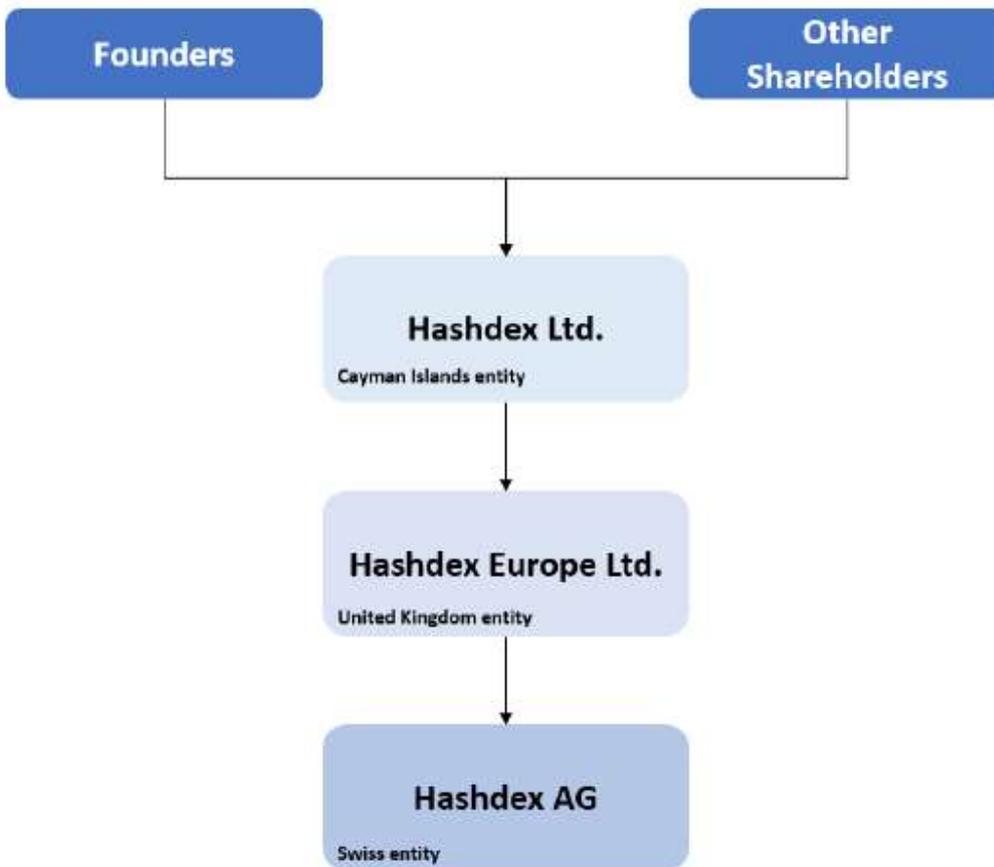
According to Article 2 of the Articles of Association of the Issuer dated January 21, 2022:

- 1. The purpose of the Company is the issuance of listed and exchange-traded products and the provision of related services and activities in Switzerland and worldwide.*
- 2. The Company may open branch offices and subsidiaries in Switzerland and abroad and acquire participations in other companies in Switzerland and abroad.*
- 3. The Company may acquire, hold, manage, mortgage, exploit and sell real estate and intellectual property rights in Switzerland and abroad and may fund other companies.*
- 4. The Company may engage in any commercial, financial and other activities which are suitable to favour the purpose of the Company or which are related to its purpose.*

### **Group**

As at the date hereof, Hashdex AG is a fully owned subsidiary of Hashdex Europe Ltd, 2 Victoria Mews, Lodin, SW 40PA, a private limited company organized under the Laws of England and Wales.

The following is a simplified overview of the Hashdex Group:



Through its shareholding in the direct shareholders, and indirectly via Hashdex Ltd, the latter entity's shareholders, can exercise a material influence over the Issuer. However, in certain respects, the provisions in the Swiss Companies Act regarding powers and responsibilities of different corporate bodies of the Issuer and regarding creditor protection rights limit the influence of said, direct and indirect, shareholders.

### Share Capital

As at the date hereof, the share capital of Hashdex AG amounts to CHF 100,000, divided into 1,000 registered shares with a face value of CHF 100 each. The shares are paid-up in the amount of CHF 100,000.

The share capital is held in its entirety by Hashdex Europe Ltd.

### No Regulatory Status

Hashdex AG is not authorised or subject to prudential supervision by FINMA or any other regulatory authority.

## **Business**

Hashdex AG was set up to issue exchange traded products and other financial products linked to the performance of Crypto Assets and indices of Crypto Assets. The Issuer will also engage in other activities related to the maintenance of the Programme and the creation of new crypto-linked financial products. It does not have other revenue generating business activities.

## **Business Outlook and Recent Developments**

While currently this Programme is the Issuer's only product, the Issuer may expand its product suite to include other financial products catered to crypto investors and the broader crypto market.

At present, there are a couple of direct competitor for the Issuer's products in the Swiss market. There is also a small number of banks or securities dealers issuing structured products (derivatives).

The business description contained herein is accurate at the date of this Base Prospectus.

## **Board of Directors**

The Board of Directors is responsible for the management of Hashdex AG's business.

Under Swiss company law, the board of directors has the following non-transferable and inalienable duties:

- (i) overall direction of the company and issuing the necessary directives;
- (ii) determining the way the company is organised;
- (iii) appointing and dismissing the persons entrusted with management and representation and determining the method of signature;
- (iv) ultimate supervision of the persons entrusted with company management;
- (v) organisation of accounting, financial control and financial planning, to the extent that the latter is necessary for management of the company;
- (vi) drawing up the annual report;
- (vii) preparing for the general meeting and executing its decisions, and
- (viii) notifying the judiciary should the company become over-indebted.

The Board of Directors currently comprises four members (including the chairman), all of which are executive directors.

The following table lists the Board of Directors of Hashdex AG:

<b>Name</b>	<b>Position held</b>
Marcelo Sampaio	Chairman
Bruno Ramos de Sousa	Vice-Chairman
Laurent Kssis	Director
Paul Boskma	Director

The business address of the directors of Hashdex AG is c/o Prosperus GmbH, Landis + Gyr-Strasse 1, 6300 Zug, Switzerland.

## Founders

*Marcelo Sampaio, Chief Executive Officer and Co-Founder of Hashdex, Ltd.*

Mr. Sampaio is the CEO and a Director of Hashdex, Ltd. He was formerly the Chief Growth Officer and Co-Founder of Endless, Inc., before which he worked at Rio Negócios, the official investment agency of Rio de Janeiro. Prior to joining Rio Negócios, he spent the better part of a decade at Oracle Corp. in Brazil, where he became the company's youngest Country Head of Sales globally. Mr. Sampaio has been an active investor in digital assets since 2012 and has given several talks on the subject. Mr. Sampaio attended Harvard Business School's Leadership Program and INSEAD's General Management course. He has a Bachelor's degree in Industrial Engineering from the Pontifical Catholic University of Rio de Janeiro.

*Bruno Caratori, Chief Operations Officer and Co-Founder of Hashdex, Ltd.*

Mr. Caratori joined Hashdex, Ltd. as Co-Founder after working as Product Manager at Edmodo, the world's largest learning social network. Before that, he led the risk unit at Gávea Investments, a leading Brazilian Alternative Asset Manager, and worked at RiskControl, an enterprise software company acquired by Accenture in 2010. Mr. Caratori has an MBA from the Stanford Graduate School of Business; a Master's degree in Business Economics from the Getúlio Vargas Foundation's Graduate School of Economics; and a Bachelor's degree in Electrical Engineering from the Pontifical Catholic University of Rio de Janeiro.

Key personnel in the Issuer, or Hashdex, Ltd, including the respective directors and equity owners thereof, each has certain exposure to the broader cryptocurrency market, which may represent a significant portion of their individual net worth or of their institutional investment pool. Such persons or entities are under no obligation to disclose their holdings, changes in the value of their holdings, any trading in those holdings or which Underlyings or Underlying Components they transact in.

In addition, the Issuer or Hashdex, Ltd. may transact in Crypto Assets on its own account, including in relation to the payment of management fees.

For more information on any potential conflicts of interest, see "*Risk Factors—Risk Factors Relating to the Issuer—Potential Conflicts of Interest*".

## Statutory Auditors

The following firm has been appointed for the purpose of auditing the company financial statements:

Grant Thornton AG, Claridenstrasse 35, 8002 Zurich, Switzerland (the **Auditor**). The Auditor is a member of EXPERTsuisse, the Swiss Expert Association for Audit, Tax and Fiduciary.

The information in this Base Prospectus has not been audited or reviewed by the Auditor.

## Publications

According to its articles of association, currently dated January 21, 2022, Hashdex AG will publish its statutory publications in the Swiss Official Gazette of Commence (*Schweizerisches Handelsamtsblatt*). Notices to shareholders are given by publication in the Swiss Official Gazette of Commence.

## **Financial Statements**

The Issuer is a newly-incorporated special purpose vehicle and, as at the date of this Base Prospectus, has not produced any audited financial statements. As and when available, the Issuer's annual financial statements will be available at [www.hashdex.com/en-CH/etp/HASH](http://www.hashdex.com/en-CH/etp/HASH). This website does not form part of this Base Prospectus (other than where information has been explicitly incorporated by reference into this Prospectus) and has not been scrutinised or approved by the SFSA.

The financial year of the Issuer will end on 31 December of each year.

## **Material Changes Since Foundation**

Save as published or disclosed herein there has been no material change in the financial position of the Issuer since the incorporation on 14 February 2022.

## **Dividends**

The Issuer has not paid any dividends since its foundation and incorporation.

## GENERAL DESCRIPTION OF CERTAIN UNDERLYINGS OR UNDERLYING COMPONENTS

*The following is a summary description of certain Underlyings or Underlying Components intended to be used in respect of certain ETPs issued by the Issuer under the Programme. Investment decisions should **not** be made solely on the basis of this summary description. It is the responsibility of Investors to ensure that they have sufficient knowledge, experience and professional advice to make their own legal, financial, tax, regulatory, accounting and other business evaluation of the merits and risks of investing in ETPs issued under the Programme, including with respect to the Underlyings or Underlying Components.*

*The information in this section (General Description of Certain Underlyings or Underlying Components) consists only of extracts from, or summaries of, publicly available information (including on Bitcoin.org, Stellar.org, Ethereum.org, BitcoinCash.org, Litecoin.org, Block.one, and Ripple.com). Such publicly available information was not prepared in connection with the offering of the ETPs.*

### **The Development of Blockchain Technology**

Following the launch of Bitcoin, there have been a growing number of other blockchains, which have been developed for a range of purposes from file storage to payments. Most but not all Crypto Assets are based on the original code of either the Bitcoin or the Ethereum blockchain.

Bitcoin was the first blockchain ever developed. In 2008, Satoshi Nakamoto, a pseudonym for an individual (or possibly a group of individuals), published a research paper describing a new digital currency called Bitcoin. Shortly thereafter, in 2009, this individual mined the first 50 Bitcoins, known as the genesis block. To date, no individual or group has been reliably identified as the creator of the Bitcoin Network and these creators disappeared shortly after the mining of the genesis block.

Initially, the network was formed by a small group of initial participants and only began to gain traction after the first year of operations. It has since evolved into a vast peer to peer payments network with no centralised authority. Today the Bitcoin Network is maintained by a growing number of miners, developers, Wallet Providers, software companies, and account holders. Since Bitcoin is, at its core, an open source project, there is no official organisation or authority that governs the codebase (a computer programme). However, there are a number of groups who unofficially promote and maintain the network.

Ethereum was created later and initially released in 2015, based on an initial description of the project by programmer Vitalik Buterin in 2013. Bitcoin lacks a scripting language and is therefore considered by some to be an imperfect platform for writing decentralised applications. After failing to add scripting to Bitcoin, Ethereum was built as a platform for this application development capability and was initially funded through a crowd sale (where participants bought the currency Ether (ETH) with Bitcoin (BTC) in 2014. Ethereum has been used as a platform powering numerous decentralised applications, smart contracts, and initial coin offerings.

Since the code behind Bitcoin is open-source, companies and individuals are able to use its codebase to create a new project, in what is called a fork. This has happened multiple times with numerous recorded Bitcoin forks. There were two major Bitcoin forks.

- In 2011, Charlie Lee changed three key parameters of the Bitcoin code – increasing the total supply of the currency to 84 million Litecoins (LTC) from Bitcoin's 21 million, reducing target block confirmation time to

2.5 minutes, and implementing an ASIC (application-specific integrated circuit)-resistant memory-hard Proof of Work algorithm (which reduced the risk of centralised mining) – creating Litecoin.

- In 2017, a group of Bitcoin developers forked Bitcoin, this time creating a replica of the blockchain (a **hard fork**), in an attempt to resolve perceived problems with Bitcoin's scalability, as transaction times were taking a long time, making the currency unattractive for small transactions. This new currency was called Bitcoin Cash and is mostly distinguished by a block size limit of 8 megabytes (as opposed to Bitcoin's 1 megabyte) as well as a difficulty adjustment algorithm. The block rewards, target block time, and supply limit are identical to Bitcoin, 12.5, 10 minutes, and 21 million respectively.

Ripple refers to both an open payments network and the crypto currency (also referred to as XRP) associated with it. In this way, Ripple is all of a real-time gross settlement system (RTGS), currency exchange, remittance network, and crypto currency. The Ripple protocol is built on top of an open source and distributed consensus ledger (a blockchain) using the decentralised digital currency XRP. While this was created and is today maintained by Ripple Labs Inc., an American corporation, the network can operate without Ripple Labs Inc. XRP is an example of a pre-mined digital asset.

While, for example, Bitcoin is a mined digital asset, XRP is pre-mined in the sense that every single unit of the currency that will ever exist has already been created at the beginning of the network with a grand total of one hundred billion XRP. Most are owned by Ripple (55 billion of which was placed in escrow for supply predictability, so that the maximum supply that can enter the market can be mathematically verified and the rest held by companies and individuals). Ripple also is much faster than Bitcoin in terms of transaction speeds: 3 seconds for Ripple; 20 minutes to an hour for Bitcoin. It is also much cheaper than Bitcoin: A transaction costs about USD 0.004 on RippleNet versus about USD 40 on Bitcoin network.

Banks, payment providers and digital asset exchanges process and provide liquidity for payments on RippleNet, creating new, competitive cross-border payments services for their customers. XRP has significant support from major global financial institutions in 75 countries including: Santander, Royal Bank of Canada, MUFG, BMO, Standard Chartered, Credit Agricole, BBVA, Unicredit and American Express.

Other blockchains: There are a number of different blockchains, including the ones that powers Bitcoin, Ethereum, Ripple, Monero, and others. These chains may be more centralised and may not feature all of the characteristics described above. New chains may be created at any time, which may differ significantly in terms of their underlying technology.

## **Mining**

As more participants join or leave the network and the number of transactions rises, the network itself cannot verify and confirm transactions anymore, which would result in an information gap in the transaction chain and thus undermine the idea of the network. In order to solve this problem, the blockchain codebase provides for blocks of a given size (e.g., Bitcoin's 1 megabyte) and allocates a computationally complex numeric problem (a "hash", which is a 64-digit hexadecimal number) to each block. The mining process involves compiling recent transactions (which vary in size) into the blocks and trying to solve the numeric problem, once the block reaches its fixed size. Solving the numeric problem requires great computing power. For that matter, it is the computing power that gives legitimacy to the information chain of the transactions and thus stability to the cryptocurrency. The miner who first solves the numeric problem gets to place the next block on the blockchain and claim the rewards for successfully completing a block and confirming the transactions contained in the block. Therefore, mining is the process by which transactions are verified and confirmed, reaching consensus in the network (**distributed consensus**), and, as a result of this agreement, displayed on the public ledger, which is the blockchain, and also the means through

which new coins are released into circulation, meaning that new coins are constantly created by huge datacentres processing complex numeric problems, or “proof of work”.

The rewards incentivise mining. Rewards may be both transaction fees associated with the transactions compiled in the block as well as newly released coins (provided for in the blockchain codebase). Cryptocurrency miners earn cryptocurrencies by confirming transactions and reaching consensus as a compensation for their computing power.

Furthermore, mining can also give “voting power” when changes are proposed in the blockchain codebase. In other words, a successful miner has influence on the decision-making process on such matters as forking.

Premined Crypto Asset (e.g., Ripple), on the other hand, means that (unlike e.g., Bitcoin or Ethereum) there are no miners that validate transactions in exchange for transaction fees and newly created units. All of the units that will ever be created are already in existence. Therefore, a pre-mine is where a developer allocates a certain limited amount of currency credit to a particular address before releasing the source code to the open community.

Premined Crypto Assets are placed in a cryptographically-secured escrow account to create certainty of supply at any given time. By securing the Crypto Assets in escrow, it is possible to mathematically verify the maximum supply that can enter the market. This lockup eliminates the concern of flooding the market. Escrow allows a sender of Crypto Assets to put conditions on exactly when a payment can be completed, so the payment remains cryptographically locked until the due date.

Due to the absence of the complex mining process, transactions in premixed Crypto Assets are also much faster.

## **Staking**

Staking is the process of validating transactions on the blockchain through the use of committed deposits on the Solana network. Every transaction on any blockchain requires validation from a node. In the case of proof of stake networks such as Solana, this can be done without significant computing power by proving that the node is holding a certain amount of assets referred to as a roll. Similar to mining, these actions are incentivised through by in-kind payments, known as staking rewards, from the network for the services performed.

A portion of the collateral from this series will be used by the Custodian’s nodes to authenticate transactions on the Solana blockchain.

Staking may come with a risk of loss of tokens from incurring penalties, through a process known as slashing. If a disruption such as downtime or double-signing occurs, validator nodes may be subject to slashing. Slashing is designed to incentivize node security, availability and network participation.

Further, illiquidity of staking returns to be converted into bitcoin or stablecoin may be difficult if there is little to no volume of the staked asset. Solana has a lock up period of 2 days. This may prevent all ASOL assets from being staked and/or may cause some delays in settlements.

Rewards duration: similar to lockup periods, some staking assets may not pay out staking rewards daily and make re-investments delayed. Solana pays out every 2 days. This may cause some delays in reflecting staking rewards in the NAV.

Staking rewards for any given network can vary tremendously based on the value of the network, the exchange rate of the assets to USD, the amount staked, the processing rate and the number of transactions on the network.

Any staking rewards paid out as a result of the use of the collateral pool for staking will be added to the total value of the collateral pool less any applicable fees and commissions.

## Uses of Crypto Assets

The use cases of Crypto Assets can include:

- Data on the global market;
- Exchange market;
- Goods and services; and/or
- Peer-to-peer transactions.

From a Swiss regulatory perspective, FINMA has published guidelines regarding the regulatory framework for Crypto Assets. FINMA has identified three different token categories:

- **Payment tokens:** Payment tokens (synonymous with cryptocurrencies) are tokens which are intended to be used, now or in the future, as a means of payment for acquiring goods or services or as a means of money or value transfer. Cryptocurrencies give rise to no claims on their issuer.
- **Utility tokens:** Utility tokens are tokens, which are intended to provide access digitally to an application or service by means of a blockchain-based infrastructure.
- **Asset tokens:** Asset tokens represent assets such as a debt or equity claim on the issuer. Asset tokens promise, for example, a share in future company earnings or future capital flows. In terms of their economic function, therefore, these tokens are analogous to equities, bonds or derivatives. Tokens which enable physical assets to be traded on the blockchain also fall into this category.

The individual token classifications are not mutually exclusive. Asset and utility tokens can also be classified as payment tokens (referred to as hybrid tokens). In these cases, the tokens are deemed to be both securities and means of payment (as defined below).

If FINMA comes to the conclusion that the tokens constitute securities in the sense of the Swiss Financial Market Infrastructure Act (**FMIA**), they fall under securities regulation. Under the FMIA, book-entry of self-issued uncertificated securities currently is essentially unregulated, even if the uncertificated securities in question qualify as securities within the meaning of the FMIA. The same applies to the public offering of certain securities to third parties. However, the creation and issuance of derivative products as defined by the FMIA as well as the underwriting and offering tokens constituting securities of third parties, in each case to the extent offered publicly on the primary market, requires a license as bank or securities firm if conducted on a commercial basis (see articles 12 and 44 FMIA).

The issuing of tokens that are analogous to equities or bonds can also result in prospectus requirements under the Swiss Code of Obligations (**CO**). Pursuant to the Swiss Financial Services Act (**FinSA**) prospectus requirements have become part of supervisory law (article 35 et seq. FinSA). The CO and the FinSA provide, for a number of different exceptions and exemptions.

The issuing of tokens is not generally associated with claims for repayment and such tokens do not therefore fall within the definition of a deposit in the sense of the Swiss Banking Act. To this extent there is no requirement to obtain a banking license because of such an activity. If, however, there are liabilities with debt capital character (e.g. promises to return capital with a guaranteed return), the funds raised are treated as deposits and there is a requirement under the Banking Act to obtain a license unless exceptions apply.

The provisions of the CISA are relevant only if the funds accepted in the context of an issuance of tokens are managed by third parties.

The issuing of payment tokens constitutes the issuing of a means of payment subject to anti-money laundering regulation (*i.e.*, the Swiss Anti-Money Laundering Act (**AMLA**)) as long as the tokens can be transferred technically on a blockchain infrastructure. This may be the case at the time of the issuance of tokens or only at a later date.

In the case of utility tokens, anti-money laundering regulation is not applicable as long as the main reason for issuing the tokens is to provide access rights to a non-financial application of blockchain technology (see article 2 para. 2 let. a no. 3 Anti-Money Laundering Ordinance, FINMA Circular 11/1 “Financial intermediation under AMLA” margin no. 13 *et seq.*).

The Issuer complies with all applicable AMLA requirements and has established in-house procedures to monitor such compliance on an on-going basis for all partners and service providers, including but not limited to Authorised Participants, Custodians, Wallet Providers and exchanges.

Under current FINMA practice, the exchange of a cryptocurrency for fiat money or a different cryptocurrency falls under the AMLA. The same applies to the offering of services to transfer tokens if the service provider maintains the private key (custody Wallet Provider).

### **Safety & Security: How are Crypto Assets stored?**

After purchase, Crypto Assets regularly are stored in a “digital wallet” on a computer, laptop or smartphone. Digital wallets, similar to a bank account, identify the participant and allow transactions. These digital wallets are usually protected by a private key or password. Digital wallets also usually have a public key and a private key or a password, which allows access and thus authority to dispose of the Crypto Assets.

### **Exchanges and Liquidity**

There are several trading venues for Crypto Assets. This list is not exhaustive but gives a sense of the range of available options. All of these exchanges meet the following criteria: (a) the cryptocurrencies can be traded against fiat currencies, (b) there is transparency by the publication of prices, and (c) the trading venue has an “application programming interface” and the website is in the English language at least.

- Bitcoin: Coinbase Pro, Bitstamp, Kraken, Gemini
- Ethereum: Coinbase Pro, Bitstamp, Kraken, Gemini
- Ripple: Bitstamp, Kraken, Korbit
- Bitcoin Cash: Coinbase Pro, Bitstamp, Kraken, Bithumb, Korbit
- Litecoin: Coinbase Pro, Bithumb, Bitstamp

Information on past performance is available on any of these company websites (among others) free of charge:

- [Pro.Coinbase.com](https://pro.coinbase.com)
- [Bitstamp.com](https://bitstamp.com)
- [Kraken.com](https://kraken.com)
- [Coinbase.com](https://coinbase.com)
- [CoinMarketCap.com](https://coinmarketcap.com)
- [CryptoCompare.com](https://cryptocompare.com).

The Issuer does not take responsibility for the contents of these websites, nor are they incorporated by reference herein. None of said websites form part of this Base Prospectus and has not been scrutinised or approved by the SFSA.

## OFFERING AND SALE

***Only Authorised Participants may subscribe for ETPs from the Issuer,  
acting as principals in respect of such subscriptions.***

### IMPORTANT NOTICE

NOT FOR DISTRIBUTION TO ANY U.S. PERSON OR TO ANY PERSON OR ADDRESS IN THE UNITED STATES.

IMPORTANT: You must read the following before continuing. The following applies to the Base Prospectus following this notice, and you are therefore advised to read this carefully before reading, accessing or making any other use of the Base Prospectus. In accessing the Base Prospectus, you agree to be bound by the following terms and conditions, including any modifications to them any time you receive any information from the Issuer or the Authorised Participants (each as defined in the Base Prospectus) as a result of such access.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE ETPS HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE **SECURITIES ACT**) OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND (I) MAY NOT BE OFFERED, SOLD OR DELIVERED WITHIN THE UNITED STATES TO, OR FOR THE ACCOUNT OR BENEFIT OF U.S. PERSONS (AS DEFINED IN REGULATION S (**REGULATION S**) UNDER THE SECURITIES ACT), EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS AND (II) MAY BE OFFERED, SOLD OR OTHERWISE DELIVERED AT ANY TIME ONLY TO TRANSFEREES THAT ARE NON-UNITED STATES PERSONS (AS DEFINED BY THE U.S. COMMODITIES FUTURES TRADING COMMISSION). THE BASE PROSPECTUS MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. IN PARTICULAR, IT MAY NOT BE FORWARDED TO ANY U.S. ADDRESS. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS TRANSMISSION IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS. IF YOU HAVE GAINED ACCESS TO THIS TRANSMISSION CONTRARY TO ANY OF THE FOREGOING RESTRICTIONS, YOU ARE NOT AUTHORISED AND WILL NOT BE ABLE TO PURCHASE ANY OF THE SECURITIES DESCRIBED HEREIN.

Confirmation of your representation: In order to be eligible to view the Base Prospectus or make an investment decision with respect to the securities being offered, prospective investors must be permitted under applicable law and regulation to receive the Base Prospectus. This Base Prospectus is being sent to you at your request and by accepting the email and accessing the Prospectus, you shall be deemed to have represented to the Issuer and the Authorised Participants that (1) you and any customers you represent are outside the United States, (2) the electronic mail address that you gave the sender of this transmission and to which this transmission has been delivered is not located in the United States, (3) you are a person who is permitted under applicable law and regulation to receive the Base Prospectus and (4) you consent to delivery of the Base Prospectus and any amendments or supplements thereto by electronic transmission.

You are reminded that the Base Prospectus has been delivered to you on the basis that you are a person into whose possession the Base Prospectus may be lawfully delivered in accordance with the laws of the jurisdiction

in which you are located and you may not, nor are you authorised to, deliver the Base Prospectus to any other person. Recipients of this Base Prospectus who intend to subscribe for or purchase securities are reminded that any subscription or purchase may only be made on the basis of the information contained in the final base prospectus in respect of the securities described in the Base Prospectus.

The Base Prospectus does not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If the laws or regulation of a jurisdiction require that an offering of securities described herein be made by a licensed broker or dealer and any Authorised Participant or any affiliate of any Authorised Participant is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by such Authorised Participant or such affiliate on behalf of the Issuer or holders of the applicable securities in such jurisdiction. The Base Prospectus has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently neither the Issuer, the Authorised Participants nor any person who controls them nor any director, officer, employee nor agent of them or affiliate or any such person accepts any liability or responsibility whatsoever in respect of any difference between the Base Prospectus distributed to you in electronic format and the hard copy version available to you on request from the Issuer and the Authorised Participants

The ETPs are not sponsored, endorsed, sold or promoted by Nasdaq, Inc. or its affiliates (Nasdaq, with its affiliates, are referred to as the **Nasdaq Corporations**). The Nasdaq Corporations have not passed on the legality or suitability of, or the accuracy or adequacy of descriptions and disclosures relating to, the ETPs. The Nasdaq Corporations make no representation or warranty, express or implied to the owners of the ETPs or any member of the public regarding the advisability of investing in securities generally or in the ETPs particularly, or the ability of the Nasdaq Crypto Index to track general crypto market performance. The Nasdaq Corporations only relationship to Hashdex Asset Management Ltd. and its group (**Licensee**) is in the licensing of the Nasdaq®, Nasdaq Crypto Index Europe™, NCIE™ and certain trade names of the Nasdaq Corporations and the use of the Nasdaq Crypto Index which is determined, composed and calculated by Nasdaq without regard to Licensee or the ETPs. Nasdaq has no obligation to take the needs of the Licensee or the owners of the ETPs into consideration in determining, composing or calculating the Nasdaq Crypto Index. The Nasdaq Corporations are not responsible for and have not participated in the determination of the timing of, prices at, or quantities of the ETPs to be issued or in the determination or calculation of the equation by which the ETPs is to be converted into cash. The Nasdaq Corporations have no liability in connection with the administration, marketing or trading of the ETPs. THE NASDAQ CORPORATIONS DO NOT GUARANTEE THE ACCURACY AND/OR UNINTERRUPTED CALCULATION OF THE NASDAQ CRYPTO INDEX OR ANY DATA INCLUDED THEREIN. THE NASDAQ CORPORATIONS MAKE NO WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY LICENSEE, OWNERS OF THE ETPS, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE NASDAQ CRYPTO INDEX EUROPE™ OR ANY DATA INCLUDED THEREIN. THE NASDAQ CORPORATIONS MAKE NO EXPRESS OR IMPLIED WARRANTIES, AND EXPRESSLY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE NASDAQ CRYPTO INDEX EUROPE® OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL THE NASDAQ CORPORATIONS HAVE ANY LIABILITY FOR ANY LOST PROFITS OR SPECIAL, INCIDENTAL, PUNITIVE, INDIRECT, OR CONSEQUENTIAL DAMAGES, EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

CF BENCHMARKS LTD INDEX DATA IS USED UNDER LICENSE AS A SOURCE OF INFORMATION FOR CERTAIN PRODUCTS ISSUED BY HASHDEX AG OR ANY OF ITS AFFILIATES (THE **HASHDEX PRODUCTS**). CF BENCHMARKS LTD, ITS LICENSORS AND AGENTS HAVE NO OTHER CONNECTION TO HASHDEX PRODUCTS AND SERVICES AND DO NOT SPONSOR, ENDORSE, RECOMMEND OR PROMOTE ANY HASHDEX PRODUCTS OR SERVICES. CF BENCHMARKS ITS LICENSORS AND AGENTS HAVE NO

OBLIGATION OR LIABILITY IN CONNECTION WITH THE HASHDEX PRODUCTS AND SERVICES. CF BENCHMARKS ITS LICENSORS AND AGENTS DO NOT GUARANTEE THE ACCURACY AND/OR THE COMPLETENESS OF ANY INDEX LICENSED TO HASHDEX AND SHALL NOT HAVE ANY LIABILITY FOR ANY ERRORS, OMISSIONS, OR INTERRUPTIONS THEREIN.

The Issuer is not an undertaking for collective investment schemes and the ETPs do not qualify as shares or units in any collective investment scheme or alternative investment fund pursuant to (a) the UCITS Directive (2009/65/CE), the AIFM Directive (2011/61/EU) or any national implementing measures in any EU Member State (including, but not limited to, the Austrian Alternative Investmentfonds Manager Gesetz, the Liechtenstein Law on Organisms for collective investments in transferable Securities (**UCITSG**), the Liechtenstein Law on Alternative Investment Fund Managers (**AIFMG**) or the Liechtenstein Law on Investment Undertakings (**IUG**)) or (b) any equivalent or similar regulatory regimes in any non-EU Member States (including, but not limited to, the Swiss Federal Act on Collective Investment Schemes (**CISA**) or the Financial Services and Markets Act 2000 of the United Kingdom), (collectively, the **CIS Regimes**). Consequently, Investors should be aware that, in relation to their investment in ETPs, they will not benefit from any investment restrictions, diversification and/or liquidity requirements, disclosure and/or reporting requirements and/or supervision by any competent authority under any of the CIS Regimes. Any investment in the ETPs does not have the status of a bank deposit and is not within the scope of any deposit protection scheme. The Issuer is not and will not be regulated by any regulator as a result of issuing the ETPs.

**The ETPs and the underlying collateral in respect of the ETPs are highly speculative and involve a high degree of risk, including the risk of a total loss of all capital invested. See “Risk Factors”.**

Potential Investors should ensure that they understand the nature of the ETPs and the extent of their exposure to risks, including by means of their underlying(s), and they should also consider the suitability of the ETPs as an investment in light of their own circumstances and financial condition. Potential Investors must also ensure that they have sufficient knowledge, experience and professional advice in order to make their own legal, financial, tax, regulatory, accounting and other business evaluation of the merits and risks of investing in ETPs issued under the Programme. In particular, if an Extraordinary Event (as defined herein) occurs, neither the Issuer nor any other person shall be liable to compensate investors for any losses that they may bear.

No person is authorised to provide any information or to make any representation not contained in or not consistent with this Base Prospectus, the Final Terms or any other information supplied by the Issuer in connection with the Programme. Investors should not rely upon information or representations that have not been given or confirmed by the relevant Issuer.

None of the Authorised Participants, any **Administrator**, Bank Frick & Co. AG (the **Global Paying Agent**), any Counterparty, any Custodian, the Collateral Agent, any ETP Calculation Agent, any Index Calculation Agent, and PCF Calculation Agent, any Swiss Paying Agent, any other paying agent or any listing agent has separately verified the information contained herein or any other further information supplied in connection with the Programme or any of the ETPs or their distribution.

**The ETPs will be obligations solely of the Issuer and will not be guaranteed by, or be the responsibility of, any other entity.**

## **Selling Restrictions**

### ***General***

These selling restrictions may be modified by the agreement of the Issuer and the Authorised Participants following a change in a relevant law, regulation or directive. Any such modification will be set out in the Final Terms issued in respect of the issue of the ETPs to which it relates or in a supplement to this Base Prospectus.

None of the Issuer or any Authorised Participant represents that the ETPs any at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

No action has been or will be taken by the Issuer that would permit a public offering of any ETPs or possession or distribution of any offering material in relation to any ETPs in any jurisdiction where action for that purpose is required. No offers, sales, resales or deliveries of any ETPs or distribution of any offering material relating to any ETPs may be made in or from any jurisdiction except in circumstances which will result in compliance with any applicable laws and regulations and which will not impose any obligation on the Issuer.

Each Authorised Participant agrees in the relevant Authorised Participant Agreement that it will, to the best of its knowledge, comply with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers ETPs or has in its possession or distributes this Base Prospectus, any other offering material or any Final Terms and neither the Issuer nor any other Authorised Participant shall have responsibility therefor.

### ***European Economic Area***

*Where sales to retail investors is not specified as prohibited in the applicable Final Terms*, in relation to each Member State of the EEA, each Authorised Participant has represented and agreed, and each further Authorised Participant appointed to issue ETPs under the Programme will be required to represent and agree, that it has not made and will not make an offer of ETPs which are the subject of any offering contemplated by this Base Prospectus as completed by the Final Terms to the public in that Member State except that it may make an offer of the ETPs to the public in that Member State at any time:

- (i) to any legal entity that is a qualified investor as defined in the Prospectus Regulation;
- (ii) 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 Authorised Participant nominated by the Issuer for any such offer; or
- (iii) in any other circumstances falling within article 1(4) of the Prospectus Regulation,

provided that no such offer of ETPs referred to in clauses (ii) to (iii) above shall require the Issuer or any Authorised Participant to publish a prospectus pursuant to article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an offer of ETPs to the public in relation to any ETPs 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 ETPs to be offered so as to enable an investor to decide to purchase or subscribe the ETPs and the expression Prospectus Regulation means Regulation (EU) 2017/1129.

*Where sales to retail investors is specified as prohibited in the applicable Final Terms*, each Authorised Participant has represented and agreed, and each further Authorised Participant appointed to issue ETPs under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any ETPs which are the subject of any offering contemplated by this

Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the EEA. For the purposes of this provision, 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 MiFID II;
- (ii) a customer within the meaning of the IDD, 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.

The expression “offer” includes the communication in any form and by any means of sufficient information on the terms of the offer and the ETPs to be offered so as to enable an investor to decide to purchase ETPs.

### ***United States of America***

The ETPs have not been and will not be registered under the Securities Act and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

Each Authorised Participant represents and agrees in the relevant Authorised Participant Agreement that it has not offered or sold and will not offer and sell ETPs at any time, directly or indirectly, within the United States or its possessions or for the account or benefit of any U.S. person (as defined in Regulation S under the Securities Act) or any person that is not a Non-United States person (as defined by the U.S. Commodity Futures Trading Commission). Each Authorised Participant has further represented and agreed that it has not offered, sold or delivered and will not offer, sell or deliver ETPs except in accordance with Rule 903 of Regulation S, and that none of it, its affiliates nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to such ETPs, and it and they have complied and will comply with the offering restrictions requirement of Regulation S.

In addition, until 40 days after the commencement of the offering, an offer or sale of ETPs within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

Offering materials for the offering of the ETPs have not been filed with or approved or disapproved by the SEC or any other state or federal regulatory authority, nor has any such regulatory authority passed upon or endorsed the merits of this offering or passed upon the accuracy or completeness of any offering materials. Any representation to the contrary is unlawful.

### ***United Kingdom***

Each Authorised Participant of the ETPs has represented and agreed 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 (**FSMA**)) received by it in connection with the issue or sale of any ETPs 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 any ETPs in, from or otherwise involving the United Kingdom.

## **General**

Neither this Base Prospectus nor any other information supplied in connection with the ETPs (i) is to be used as the basis of any credit assessment or other evaluation or (ii) is to be considered as a recommendation by the Issuer that any recipient of this Base Prospectus (or any other information supplied in connection with the Programme) should purchase any ETPs. Each Investor contemplating the purchase of any ETPs should make his or her own independent enquiries regarding the financial condition and business development of the Issuer and his or her own appraisal of their creditworthiness

The ETPs may not be a suitable investment for all investors. Each potential investor in the ETPs must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor may wish to consider, either on its own or with the help of its financial and other professional advisers, whether it:

- (i) has sufficient knowledge and experience to make an adequate evaluation of the ETPs, the merits and risks of investing in the ETPs and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement;
- (ii) has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the ETPs and the impact the ETPs will have on its overall investment portfolio;
- (iii) has sufficient financial resources and liquidity to bear all of the risks of an investment in the ETPs, including ETPs with principal in one or more currencies, or where the currency for principal is different from the potential investor's currency;
- (iv) thoroughly understands the terms of the ETPs; and
- (v) is able to evaluate possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

## **Consent to use this Base Prospectus**

Except in the circumstances described below, the Issuer has not authorised the making of any offer by any offeror, and the Issuer has not consented to the use of this Base Prospectus by any other person in connection with any offer of the ETPs in any jurisdiction.

Any offer made without the consent of the Issuer is unauthorised and the Issuer does not accept any responsibility or liability in relation to such offer or for the actions of the persons making any such unauthorised offer.

The Issuer consents to the offering of ETPs by or to each of the following financial intermediaries (each, an **Authorised Offeror**):

- the Authorised Participants; and
- each authorised participant which either:
  - is expressly named as an Authorised Offeror in the Final Terms; or

- is expressly named as an Authorised Participant on the Issuer's website: [www.hashdex.com/en-CH/etp/HASH](http://www.hashdex.com/en-CH/etp/HASH)  
(in which case, its name and address will be published on the Issuer's website).

New information with respect to any financial intermediaries acting as Authorised Offerors that are unknown at the time of the approval of the Base Prospectus will be published on the Issuer's website. This website does not form part of this Base Prospectus (other than where information has been explicitly incorporated by reference into this Prospectus) and has not been scrutinised or approved by the SFSA.

The consent shall be valid in relation to Sweden and, subject to completion of relevant notification measures, any other Member State within the EU and Norway, provided that it shall be a condition of such consent that the Base Prospectus may only be used by the relevant Authorised Offeror(s) to make offerings of the relevant ETPs in the jurisdiction(s) in which the non-exempt offer is to take place, as specified in the relevant Final Terms.

The Issuer may (i) give consent to one or more additional Authorised Offerors after the date of the relevant Final Terms, (ii) discontinue or change the offer period, and/or (iii) remove or add conditions and, if it does so, such information in relation to the relevant ETPs will be published by way of notice which will be available on the Issuer's website. The consent relates only to offer periods occurring within 12 months from the date of this Base Prospectus.

The Issuer accepts responsibility for the content of this Base Prospectus in relation to any person (an "Investor") purchasing ETPs pursuant to a non-exempt offer where the offer to the Investor is made (i) by an Authorised Offeror (or the Issuer), (ii) in a jurisdiction for which the Issuer has given its consent, (iii) during the offer period for which the consent is given and (iv) in compliance with the other conditions attached to the giving of the consent, all as set forth in the relevant Final Terms.

Other than in accordance with the terms set forth in the paragraph above, the Issuer has not authorised the making of any non-exempt offers of the ETPs or the use of this Base Prospectus by any person. No financial intermediary or any other person is permitted to use this Base Prospectus in connection with any offer of the ETPs in any other circumstances. Any such offers are not made on behalf of the Issuer and the Issuer has no responsibility or liability to any Investor purchasing ETPs pursuant to such offer or for the actions of any person making such offer.

**If an Investor intends to purchase ETPs from an Authorised Offeror, it will do so, and such offer and sale will be made, in accordance with any terms and other arrangements in place between such Authorised Offeror and the Investor, including as to price allocations and settlement arrangements. The Issuer will not be a party to any such arrangements and, accordingly, this Base Prospectus does not contain such information. The terms and conditions of such offer should be provided to the Investor by that Authorised Offeror at the time such offer is made. The Issuer has no responsibility or liability for such information.**

## TAXATION

### General:

Warning: Tax legislation in the investor's home member state and the Issuer's member state may have an impact on any return received from the ETPs.

### Switzerland

*The following discussion is a summary of certain material Swiss tax considerations relating to (i) ETPs issued the Issuer where the holder is tax resident in Switzerland or has a tax presence in Switzerland or (ii) ETPs where the paying agent, Custodian or securities dealer is located in Switzerland. The discussion is based on legislation as of the date of this Base Prospectus. It does not aim to be a comprehensive description of all the Swiss tax considerations that may be relevant for a decision to invest in ETPs. The tax treatment for each investor depends on the particular situation. All investors are advised to consult with their professional tax advisers as to the respective Swiss tax consequences of the purchase, ownership, disposition, lapse, exercise or redemption of ETPs (or options embedded therein) in light of their particular circumstances.*

### Swiss Withholding Tax

Payments on a unit of ETPs are currently not subject to Swiss federal withholding tax provided that the respective issuer is at all times resident and managed outside Switzerland for Swiss tax purposes.

On 3 April 2020, the Swiss Federal Council proposed draft legislation and opened the consultation procedure regarding the reform of the Swiss withholding tax regime, which had previously been suspended. A main aspect of the draft legislation is the exemption of Swiss-domiciled legal entities and foreign investors from withholding tax on Swiss domestic interest-based investments. In essence, the draft legislation would replace the current debtor-based regime applicable to interest payments with a paying agent-based regime for Swiss withholding tax. Broadly, this paying agent-based regime would (i) subject all interest payments made through paying agents in Switzerland to individuals resident in Switzerland to Swiss withholding tax and (ii) exempt from Swiss withholding tax interest payments to all other persons, including to Swiss-domiciled legal entities and foreign investors (other than for indirect interest payments via foreign and domestic collective investments vehicles). If such a new paying agent-based regime were to be enacted and were to result in the deduction or withholding of Swiss withholding tax on any interest payments in respect of the ETPs, the ETPs would not be entitled to receive any additional amounts as a result of such deduction or withholding under the terms of the ETPs. However, the results of the consultation, which ended on 10 July 2020, were controversial. Consequently, on 14 April 2021, the Swiss Federal Council submitted a new draft on the reform of the Swiss withholding tax system providing for the abolition of Swiss withholding tax on interest payments on bonds for submission to the Swiss Federal Parliament.

### Income Taxation

*ETPs held as Private Assets by a Swiss resident holder*

### Structured Notes

If a unit of ETPs classifies as a structured note, its income taxation depends on whether the bond and the derivative financial instrument(s) embedded therein are recorded separately from each other and whether the ETPs is

classified as a structured note with or without a predominant one-time interest payment (a structured note is classified as a note with a predominant one-time interest payment if the one-time interest payment exceeds the sum of the periodic interest payments):

*Non-transparent derivative financial instruments:* If the bond is not recorded separately from the embedded derivative financial instrument(s), the ETPs is classified as non-transparent structured note and any return over the initial investment is classified as a taxable interest payment. Non-transparent derivative financial instruments generally include a predominant one-time interest payment and are taxed in accordance with the principles set forth below under “—Transparent derivative financial instruments with a predominant one-time interest payment”.

*Transparent derivative financial instruments without a predominant one-time interest payment:* If the bond is recorded separately from the embedded derivative financial instrument(s) and the yield-to-maturity predominantly derives from periodic interest payments and not from a one-time-interest-payment (see below “—Transparent derivative financial instruments with a predominant one-time interest payment”), then any such periodic interest payment and the non-predominant one-time interest payment, if any, is taxed when paid to the holder of the ETPs. A gain, including interest accrued, a loss, respectively, realised on the sale of a unit of ETPs is a tax-free private capital gain, a non-tax-deductible private capital loss, respectively (see below “—Capital Gains, ETPs held as Private Assets by a Swiss resident holder”). The same applies if the ETPs is redeemed except that interest accrued is taxed when paid.

*Transparent derivative financial instruments with a predominant one-time interest payment:* If the bond is recorded separately from the embedded derivative financial instrument(s) and the yield-to-maturity predominantly derives from a one-time-interest-payment such as an original issue discount or a repayment premium and not from periodic interest payments, then any periodic interest payments and on the sale or redemption of the ETPs, the difference between the value of the bond at redemption or sale, as applicable, and its value at issuance or secondary market purchase, as applicable, converted, in each case, into Swiss Francs at the exchange rate prevailing at the time of redemption or sale, issuance or purchase, respectively (modified differential taxation method) constitutes taxable income. A value decrease on the bond respectively realised on the sale or redemption of the ETPs may be offset against any gains (including periodic interest payments) realised within the same taxation period from all instruments with a predominant one-time interest payment. Any residual return realised on the embedded derivative financial instrument(s) is a tax-free private capital gain, and any residual loss is a non-tax-deductible private capital loss, respectively (see below “—Capital Gains, ETPs held as Private Assets by a Swiss resident holder”).

## Bonds

*Bonds without a predominant one-time interest payment:* If a unit of ETPs is classified as a pure bond without a predominant one-time interest payment (the yield-to-maturity predominantly derives from periodic interest payments and not from a one-time-interest-payment), Swiss resident private investors will be taxed on the periodic and any one-time interest payments, if any, converted into Swiss Francs at the exchange rate prevailing at the time of payment. A gain, including interest accrued, a loss, respectively, realised on the sale of a unit of ETPs is a tax-free private capital gain, a non-tax-deductible private capital loss, respectively (see below “—Capital Gains, ETPs held as Private Assets by a Swiss resident holder”).

*Bonds with a predominant one-time interest payment:* If a unit of ETPs is classified as a pure bond with a predominant one-time interest payment (the yield-to-maturity predominantly derives from a one-time-interest-payment such as an original issue discount or a repayment premium and not from periodic interest payments), Swiss resident private investors will be taxed on any periodic interest payments and on any gains, including capital and foreign exchange gains, realised on the ETPs (differential taxation method).

### Pure Derivative Financial ETPs

Periodic and one-time dividend equalisation payments realised on a unit of ETPs which is classified as a pure derivative financial instrument (such as pure call and put options, including low exercise price options with a maturity not exceeding one year, pure futures, static certificates replicating an index or a basket of at least five shares and with a fixed maturity or an annual redemption right) and which is held as part of a holder's private assets constitute taxable investment income. Any other return will be classified as a tax-exempt capital gain or a non-tax deductible capital loss (see below "—Capital Gains, ETPs held as Private Assets by a Swiss resident holder").

### Low Exercise Price Options

According to the current practice of the Swiss Federal Tax Administration low exercise price options are given if the underlying of an option has been pre-financed by at least 50% at the time of issuance.

For low exercise price options with a maturity exceeding one year the interest component of the low exercise price option (i.e. issue discount) constitutes taxable investment income. Any other return will be classified as a tax-exempt capital gain or a non-tax deductible capital loss (see below "—Capital Gains, ETPs held as Private Assets by a Swiss resident holder").

### Fund-like ETPs

A ETPs classified as a fund-like instrument will be considered a pass-through instrument for Swiss tax purposes if dividend and interest income (less attributable costs) from, and capital gains and losses (less costs attributable) realised on the underlying investments, are reported and distributed separately. Under such conditions, an individual holding a fund-like ETPs as part of private assets only receives taxable income (which he or she must report annually) over such portion of the distributions (in case the fund is distributing the income realised on the underlying investments) or earnings credits (in case the fund is reinvesting the income realised on the underlying investment) as derive from dividends and interest (less attributable costs) on the underlying instruments. Any distributions or credits deriving from capital gains realised on the underlying investments constitute a tax-free private capital gain and any respective loss on the underlying investments is a non-tax-deductible private capital loss. Any gain realised within a taxation period on the sale of a fund-like instrument (including accrued dividends and interest) is exempt from income taxation as a private capital gain, and, conversely, any loss realised a non-tax-deductible capital loss (see below "—Capital Gains, ETPs held as Private Assets by a Swiss resident holder").

### *ETPs held as Assets of a Swiss Business*

Corporate entities and individuals who hold ETPs as part of a trade or business in Switzerland, in the case of residents abroad carried on through a permanent establishment or a fixed place of business in Switzerland, are required to recognise any payments on, and any capital gains or losses realised on the sale or redemption of, such ETPs (irrespective of their classification) in their income statement for the respective taxation period and will be taxed on any net taxable earnings for such period.

The same taxation treatment also applies to Swiss-resident individuals who, for income tax purposes, are classified as "professional securities dealers" for reasons of, *inter alia*, frequent dealing and leveraged investments in securities.

## **Capital Gains Taxation**

### *ETPs held as Private Assets by a Swiss resident Holder*

A gain, a loss, respectively, realised by an individual resident in Switzerland for tax purposes upon the sale or other disposal of a unit of ETPs held as part of his or her private assets is a tax-free private capital gain, a non-tax deductible capital loss, respectively, unless such individual is classified, for income tax purposes, as a “professional securities dealer” for reasons of, *inter alia*, frequent dealing and leveraged investments in securities. If an individual is classified as a “professional securities dealer” he or she will be taxed in accordance with the principles set forth above under “—ETPs held as Assets of a Swiss Business”. In relation to the bifurcation of a tax-exempt capital gains component, non-tax deductible capital loss component, respectively, from taxable income components of a unit of ETPs, see the bifurcation principles set forth above with regard to the different instruments under “—Income Taxation, ETPs held as Private Assets by a Swiss resident holder”).

### *ETPs held as Assets of a Swiss Business*

Capital gains realised on ETPs held as Assets of a Swiss Business are taxed in accordance with the taxation principles set forth above under “—Income Taxation, ETPs held as Swiss Business Assets”).

## **Stamp Taxes**

### *Swiss Federal Issue Stamp Tax*

The ETPs are not subject to Swiss federal stamp tax on the issuance of securities.

### *Swiss Federal Securities Turnover Tax*

Dealings in ETPs which are classified as pure derivative financial instruments (such as pure call and put options, including low exercise price options with a maturity not exceeding twelve months, pure futures with a maximal pre-financing of 25%, static certificates replicating an index or a basket of at least five shares and with a fixed maturity on an annual redemption right) are not subject to the Swiss federal securities turnover tax.

Dealings in ETPs which have been issued by an issuer outside of Switzerland and which are classified as structured notes, share-like instruments (including low exercise price warrants on shares with a maturity exceeding twelve months) or fund-like instruments are subject to Swiss federal securities turnover tax of 0.3% on the consideration paid, however, only if a Swiss securities dealer (as defined in the Swiss federal stamp tax act) is a party or intermediary to the transaction and no exemption applies.

Dealing in bonds and structured notes with a maturity not exceeding one year are exempt from Swiss federal turnover tax.

The delivery of an underlying taxable security at exercise or redemption to the holder of the ETPs is subject to Swiss federal securities turnover tax of 0.3% if a Swiss domestic securities dealer (as defined in the Swiss federal stamp tax act) is a party or intermediary to the transaction and no exemption applies.

## **Gift, Inheritance and Estate Taxes**

Subject to an applicable tax treaty in an international scenario, transfers of ETPs may be subject to cantonal and/or communal inheritance tax, estate tax or gift tax if the deceased person has had his or her last domicile in Switzerland, the donor is resident in Switzerland, respectively, or in the case of a foreign deceased or resident

person the transfer involves an unincorporated business in Switzerland and ETPs are held as part of such business. No such taxes exist at the federal level. Rates depend upon the existing relationship (i.e. the relationship between the deceased and the heirs, or between the donor and the donee) and the size of the inheritance or gift. The taxable base is usually the market value of the property transferred.

### ***Net Worth and Capital Taxes***

A holder of ETPs who is an individual resident in Switzerland for tax purposes or is a non-Swiss resident holding ETPs as part of a Swiss business operation or a Swiss permanent establishment is required to report ETPs as part of private wealth or as part of Swiss business assets, as the case may be, and is subject to annual cantonal and/or communal private wealth tax on any net taxable wealth (including the ETPs), in the case of non-Swiss resident individual holding ETPs as part of a Swiss business operation or a Swiss permanent establishment to the extent the aggregate taxable wealth is allocable to Switzerland. Incorporated holders of ETPs are subject to cantonal and communal capital tax on net taxable equity, in the case of non-Swiss resident person holding ETPs as part of a Swiss permanent establishment, to the extent the aggregate taxable equity is allocable to Switzerland. No net worth and capital taxes exist at the federal level.

### ***Non-Swiss resident holders***

A holder of a unit of ETPs who is not resident in Switzerland for tax purposes and who during the taxation year has not engaged in trade or business carried on through a business operation or permanent establishment in Switzerland, will neither be subject to income tax and capital gains tax nor net wealth or capital tax in Switzerland.

### ***Automatic Exchange of Information in Tax Matters***

On November 19, 2014, Switzerland signed the Multilateral Competent Authority Agreement (the **MCAA**). The MCAA is based on article 6 of the OECD/Council of Europe administrative assistance convention and is intended to ensure the uniform implementation of Automatic Exchange of Information (the **AEOI**). The Federal Act on the International Automatic Exchange of Information in Tax Matters (the **AEOI Act**) entered into force on January 1, 2017. The AEOI Act is the legal basis for the implementation of the AEOI standard in Switzerland.

The AEOI is being introduced in Switzerland through bilateral agreements or multilateral agreements. The agreements have, and will be, concluded on the basis of guaranteed reciprocity, compliance with the principle of speciality (i.e. the information exchanged may only be used to assess and levy taxes (and for criminal tax proceedings)) and adequate data protection.

Switzerland has concluded a multilateral AEOI agreement with the EU (replacing the EU savings tax agreement) and has concluded bilateral AEOI agreements with several non-EU countries.

Based on such multilateral agreements and bilateral agreements and the implementing laws of Switzerland, Switzerland began to collect data in respect of financial assets, including, as the case may be, Warrants, held in, and income derived thereon and credited to, accounts or deposits with a paying agent in Switzerland for the benefit of individuals resident in a EU member state or in a treaty state.

### ***Swiss Facilitation of the Implementation of the U.S. Foreign Account Tax Compliance Act***

Switzerland has concluded an intergovernmental agreement with the U.S. to facilitate the implementation of FATCA. The agreement ensures that the accounts held by U.S. persons with Swiss financial institutions are disclosed to the U.S. tax authorities either with the consent of the account holder or by means of group requests

within the scope of administrative assistance. Information will not be transferred automatically in the absence of consent, and instead will be exchanged only within the scope of administrative assistance on the basis of the double taxation agreement between the U.S. and Switzerland.

## GENERAL INFORMATION

### Authorisation

The Programme and the issuance of ETPs under the Programme have been duly authorised by the Board of Directors of Hashdex AG pursuant to a resolution dated as of 11 April 2022.

### Clearing Systems

The ETPs have been accepted for clearing through SIX SIS AG. If the ETPs are to clear through an additional or alternative clearing system, the appropriate information will be specified in the applicable Final Terms.

### Significant Change

Save as disclosed herein, there has been no significant change in the financial or trading position of the Issuer since its incorporation.

There has been no material adverse change in the financial position or prospects of the Issuer since its incorporation.

The Issuer is a newly-incorporated special purpose vehicle and, as at the date of this Base Prospectus, has not produced any audited financial statements.

### Trend Information

Save as disclosed herein, the Issuer is not aware of any trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on their respective prospects during the current financial year.

### Legal, Administrative and Arbitration Proceedings

Hashdex AG has not been involved in any governmental, legal or arbitration proceedings which may have or have had during the 12 months preceding the date of this Base Prospectus a significant effect on the financial position or prospects of Hashdex AG, nor are, so far as Hashdex AG is aware, any such proceedings pending or threatened.

### Use of Proceeds

The estimated net amount of the proceeds of any particular issue of ETPs will be specified in the relevant Final Terms. Unless otherwise stated in the relevant Final Terms, the Issuer intends to use the net proceeds from each issue of ETPs for the purchase of the Underlying or Underlying Component to be used as Collateral and for general corporate purposes.

### Third Party Information

Where information in this Base Prospectus has been sourced from third parties including, *inter alia*, under the caption "General Description of Certain Underlyings or Underlying Components", this information has been accurately reproduced and, as far as the Issuer is aware and is able to ascertain from the information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading. The source of third party information is identified where used.

### **Confirmation of characteristics**

The assets backing each issuance of ETPs, being the Collateral, have characteristics that demonstrate capacity to produce funds to service any payments due and payable on the relevant ETPs.

### **Post-Issuance Information**

The Issue Price and the number of the relevant ETPs will be determined before filing of the applicable Final Terms of each Series based on then prevailing market conditions. The Issuer does not intend to provide any post-issuance information in relation to any of the indices or ETPs.

### **Documents on Display**

For so long as ETPs remain outstanding, the following documents will be available, during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted), for inspection at the registered office of the Issuer in printed form or may be ordered by an Investor (proof of holding) free of charge from Hashdex via mail [switzerland@hashdex.com](mailto:switzerland@hashdex.com).

- the Issuer's up to date Articles of Association;
- each Authorised Participant Agreement;
- each Custody Agreement;
- the Administration Agreement;
- the Collateral Agent Agreement;
- each Account Security Agreement;
- each Additional Security Agreement;
- each Account Control Agreement;
- the market making agreement in respect of each Series of ETPs;
- the Final Terms in respect of each Series of ETPs; and
- this Base Prospectus and any supplement thereto.

The Issuer may provide the above documents in redacted form in order to address legitimate privacy or secrecy concerns, such as with respect to information which may infringe on business secrecy or data privacy

### **Websites**

Any website mentioned in this Base Prospectus does not form part of this Base Prospectus. None of such websites form part of this Base Prospectus and has not been scrutinised or approved by the SFSA.

### **Description of Service Providers**

The information in this section (*Description of Service Providers*) consists only of information published such service provider. The Issuer accepts responsibility for the accurate reproduction of such information. As far as the Issuer is aware and is able to ascertain from information published by the relevant service provider, no facts have been omitted which would render such reproduced information inaccurate or misleading.

### **Bank Frick & Co. AG**

Bank Frick & Co. AG is a joint stock corporation (*Aktiengesellschaft*), organised under the laws of the Principality of Liechtenstein, registered in the Commercial Register of Vaduz under register number FL-0001.548.501-4 and with registered office at Landstrasse 14, 9496 Balzers, Liechtenstein.

Bank Frick & Co. AG has traditionally focused on private banking and the development of bespoke financial services. Other notable areas of business include institutional banking and capital market solutions. The bank was the first bank in Europe to offer trading and custody of crypto assets in a fully regulated banking environment, in particular with a view to institutional clients and mining companies, as well as wealthy crypto investors.

Bank Frick & Co. AG was established in 1998 by the Liechtenstein trustee Kuno Frick sen., together with financial investors from Austria. Bank Frick & Co. AG is again wholly owned by the Frick family and the Kuno Frick Family Foundation since the beginning of 2021. The bank's shareholders' equity at the end of 2020 amounted to CHF 78 million and its net profit to CHF 4.3 million. Bank Frick & Co. AG is licensed as a bank and subject to the prudential supervision of the Financial Market Authority Liechtenstein.

Pursuant to article 3 of its articles of incorporation dated 3 November 2015, Bank Frick & Co. AG was established to conduct "...as a universal bank and Liechtenstein private bank of its business district commercial banking operations of all kinds for its own account and for the account of third-parties in Liechtenstein and abroad".

### **Coinbase Custody Trust Company, LLC**

Coinbase Custody Trust Company, LLC is a New York limited liability trust company organised under the laws of the State of New York, with UBI number 604-631-650 and with registered office at 200 Park Avenue South, Suite 1208, New York, NY 10003, United States.

Founded in 2012, Coinbase is the leading cryptocurrency exchange platform in the United States and a leading provider of end-to-end financial infrastructure and technology for the cryptoeconomy. Coinbase integrates with over 15 blockchain protocols, supports over 90 crypto assets for trading or custody and provides a suite of subscription products and services to retail and institutional clients as well as ecosystem partners, such as developers, merchants and asset issuers. Affiliates of Coinbase Custody Trust Company, LLC provide various services to Coinbase Custody Trust Company, LLC, including engineering, sales support, marketing, communications, information technology, security, business operations, tax, strategy, finance, accounting, human resources, customer support, compliance, and legal advice. It is wholly owned by Coinbase Global, Inc. a company organised under the laws of the State of Delaware and listed on the NASDAQ.

Founded in 2018, Coinbase Custody Trust Company, LLC is a fiduciary under § 100 of the New York Banking Law and a qualified custodian licensed to custody clients' crypto assets in trust on clients' behalf. Coinbase Custody Trust Company, LLC is a New York State-chartered limited purpose trust company, which is subject to regulation, examination and supervision by the New York Department of Financial Services.

The purpose of the company is to offer qualified custody services and pursuant to article 9 of the company's articles of organization, the company is to exercise the powers conferred by § 100 of the New York Banking Law

and the company shall neither accept deposits nor make loans except for deposits and loans arising directly from the exercise of the fiduciary powers.

***The Law Debenture Trust Corporation p.l.c.***

The Law Debenture Trust Corporation p.l.c. is a public limited company with company number 01675231, which was incorporated on 2 November 1982, organised under the laws of England and Wales and with registered office at 8<sup>th</sup> Floor, 100 Bishopsgate, London EC2N 4AG, United Kingdom. It is a trust corporation that acts as trustee for Eurobond issues, other forms of complex financing structures and numerous structured product transactions, including Exchange Tradeable Products. The Law Debenture Trust Corporation p.l.c. is owned by its ultimate parent, The Law Debenture Corporation p.l.c., bar one share which is held by Law Debenture Corporate Services Limited as a nominee.

***Theorem Fund Services, LLC***

Theorem Fund Services, LLC is a limited liability company organized in the State of Illinois, USA and maintains its headquarters at 6001 Broken Sound Parkway, Suite 630, Boca Raton, Florida 33487 USA.

Theorem Fund Services, LLC is a multi-service fund administrator offering a unique turn-key solution to traditional and digital asset investment managers that combines institutional-level technology with strong industry experience and a deep understanding of client needs and goals. As of November 19, 2021, Theorem Fund Services, LLC reported it had over USD 10 billion in digital assets under administration.

***Intertrust Corporate and Fund Services LLC***

Intertrust Corporate and Fund Services LLC is a limited liability company incorporated on July 5, 2007 under the laws of Delaware with File number 4384037 having its place of business at 80 Cottontail Lane, Suite 430, Somerset, NJ 08873, U.S.A. Intertrust Corporate and Fund Services LLC is part of the Intertrust Group - a global provider of trust and company administration services, the holding company of which is Intertrust N.V., a company incorporated under the laws of the Netherlands. Intertrust N.V. is registered in the Netherlands with the Chamber of Commerce under registration number 61411809.

***ISP Securities AG***

Description ISP Securities AG is a limited liability company incorporated in the Commercial Register of Canton Zurich on March 19, 1998 with registered number CHE-107.536.101 and registered office at Bellerivestrasse 45, P.O. Box 8034 Zurich, Switzerland. ISP Securities AG is authorised and regulated by the Swiss Financial Market Supervisory Authority (FINMA). ISP Securities AG is a privately-owned group specialised in Structured Credit, Fixed Income and Structured Products & AMCs and offer Paying Agent, Placement Agent and Wealth & Asset Management services.

## APPENDIX I - GLOSSARY OF FREQUENTLY USED DEFINED TERMS

**51% attack** means a negative action undertaken against a particular blockchain network by a single minor, or group of miners acting in concert, who control (even temporarily) a majority of the network mining power of a particular blockchain network.

**Account Control Agreement** means the account control agreement dated on or about 13 April 2022, governed by the laws of the State of New York, entered into between the Issuer, Coinbase Trust Company, LLC, and the Collateral Agent with respect to the respective Collateral Account, as may be amended and/or supplemented and/or restated from time-to-time or any other custody agreement specified in the relevant Final Terms, as applicable, or any other account control agreement specified in the relevant Final Terms, as applicable.

**Account Security Agreement** means the account security agreement dated on or about 13 April 2022, governed by the laws of the State of New York, entered into between, the Issuer, as pledgor, and the Collateral Agent, as collateral agent, in respect of the Issuer ETP Security, each, as may be amended and/or supplemented and/or restated from time-to-time or any other any other account security agreement specified in the applicable Final Terms, as applicable.

**Additional Security Agreement** means any security agreement (excluding any Account Security Agreement) entered into from time to time pursuant to which the Issuer grants security over one or more assets of the Issuer to secure its payment obligations under the Relevant Product Documentation.

**Administrator** means Theorem Fund Services, LLC, Intertrust Corporate and Fund Services LLC, or any successor or additional administrator as specified in the relevant Final Terms.

**Administration Agreement** means the agreement dated as of 4 March 2022, governed by the laws of the State of Illinois, entered into between the Issuer and Theorem Fund Services, LLC and the agreement dated as of 11 April 2022, governed by the laws of Switzerland, entered into between the Issuer and Intertrust Corporate and Fund Services LLC, in relation to the Programme, as may be amended and/or supplemented and/or restated from time-to-time or any other administration agreement specified in the relevant Final Terms.

**Airdrop** means the equivalent of a special dividend in kind which results in the creation or allocation of new units of an existing asset serving as an Underlying or Underlying Component (as defined below) to participants in the blockchain. The new units of Crypto Assets are allocated to some but not necessarily all participants on a blockchain and are typically designed to incentivise specific behaviour in the network (i.e., increased participation, maintaining infrastructure, etc.).

**AMLA** means the Swiss Federal Anti-Money Laundering Act (*Bundesgesetz über die Bekämpfung der Geldwäscherei und der Terrorismusfinanzierung*) of October 20, 1997 (SR 955.0), as amended and restated from time to time.

**ARETP** means the SIX Additional Rules for the Listing of Exchange Traded Products.

**AP Redemption Date** means the transaction date specified by a relevant Authorised Participant in its Form of Order Request, or such other date as may be agreed in writing between the Issuer and the relevant Authorised Participant.

**Appointee** means any agent, delegate, custodian or nominee appointed by the Collateral Agent.

**Auditor** means Grant Thornton AG or any successor auditor.

**Authorised Exchange** means any exchange on which a Person or an Entity can transact in Crypto Assets which has been approved by the Issuer, the Custodian and the Authorised Participants.

**Authorised Offeror** means each Authorised Participant which either is expressly named as an Authorised Offeror in the relevant Final Terms or is expressly named as an Authorised Participant on the Issuer's website.

**Authorised Participant** means an entity that is specified in the relevant Final Terms and has entered into an Authorised Participant Agreement with the Issuer.

**Authorised Participant Agreement** means an agreement between the Issuer and an Authorised Participant in respect of the creation, redemption and distribution of ETPs, as may be amended and/or supplemented and/or restated from time-to-time.

**Banking Act** means the Swiss Federal Banking Act (*Bundesgesetz über die Banken und Sparkassen*) of November 8, 1934 (SR 952.0), as amended and restated from time to time.

**Bankruptcy Event** has the meaning assigned to such term in Condition 20 of the General Terms and Conditions.

**Basket** means a basket of Underlyings as specified in the relevant Final Terms, as may be adjusted by the Index Calculation Agent, from time-to-time in accordance with the General Terms and Conditions.

**Business Day** in connection with any payment and settlement procedure, means a day on which (i) relevant Clearing Systems are open and ETPs can be settled, (ii) relevant commercial banks and custodians are open, (iii) banks in Zurich are open, (iv) foreign exchange markets execute payments in the respective Settlement Currency, (v) Underlyings or Underlying Components of the relevant ETPs can be settled, and/or (vi) any other day, as specified in the relevant Final Terms, if applicable.

**Cash Settlement** means the procedure specified in Condition 5.3 of the General Terms and Conditions, as completed by the relevant Final Terms.

**CISA** means the Swiss Federal Act on Collective Investment Schemes (*Bundesgesetz über die kollektiven Kapitalanlagen*) of June 23, 2006 (SR 951.31), as amended and restated from time to time.

**Clearing** and/or **Clearing System** means (i) in relation to ETPs listed on the SIX Swiss Exchange, SIS and any additional clearing system approved by the SIX Swiss Exchange or (ii) any other additional clearing system specified in the relevant Final Terms.

**CO** means the Swiss Code of Obligations.

**Collateral** means the assets which from time to time are, or are expressed to be, the subject of the Issuer ETP Security, or any part of those assets (including, without limitation, the Underlyings or Underlying Components credited to the Collateral Account and other assets denominated in the Underlyings or Underlying Components and/or any other collateral specified in the Final Terms and which serve as collateral for the ETPs).

**Collateralisation** means the procedures set out in Condition 3.2 of the General Terms and Conditions.

**Collateral Account** means the account or sub-account, as applicable, administered by the Custodian and opened for the ETPs.

**Collateral Agent** means The Law Debenture Trust Corporation, p.l.c. and any successor collateral agent.

**Collateral Agent Agreement** means the collateral agent agreement, dated on or about 13 April 2022, governed by the laws of England and Wales, with certain provisions of the Collateral Agent Agreement being governed by the laws of Switzerland as stated within the Collateral Agent Agreement, entered into between the Issuer and the Collateral Agent, as may be amended and/or supplemented and/or restated from time-to-time.

**Crypto Asset Collateral** means the amount of eligible Crypto Assets or other assets denominated in Underlying or Underlying Components or other eligible crypto assets collateralising a unit of ETPs.

**Crypto Assets** means (i) in the case of each Series of ETPs providing exposure to a single Crypto Asset, the single digital currency specified in the Final Terms applicable to such Series, (ii) in the case of each Series of ETPs providing exposure to a basket of Crypto Assets, the digital currencies specified in the Final Terms applicable to such Series, (iii) in the case of each Series of ETPs providing exposure to an Index that tracks the performance of Crypto Assets, the Eligible Underlying Components of the relevant Index specified in the Final Terms applicable to such Series, in each case, subject to adjustment pursuant to the provisions in the General terms and Conditions;

**Custodian** means Coinbase Custody Trust Company, LLC, or any successor or additional custodian as specified in the relevant Final Terms.

**Custody Agreement** means the custody agreement in relation to the Crypto Assets collateralising ETPs issued under the Programme dated as of 17 February 2022, governed by the laws of the State of New York, entered into between the Issuer and Coinbase Custody Trust Company, LLC, as may be amended and/or supplemented and/or restated from time-to-time or any other custody agreement specified in the relevant Final Terms, as applicable.

**DEBA** means the Swiss Federal Debt Enforcement and Bankruptcy Act (*Bundesgesetz über Schuldbetreibung und Konkurs*) of 11 April 1889 (SR 281.1), as amended and restated from time to time.

**Double Spending** means the act of permitting coins to be spent on multiple occasions and, due to having sufficient network control, confirming and posting these transactions to the blockchain.

**DPoS** means a Delegated Proof of Stake consensus architecture.

**Eligible Underlying** means each digital currency that are among the top 125 digital currencies with the highest market capitalization at the time of preparation of the relevant Final Terms, as determined in accordance with the criteria stated on page 22 of the Base Prospectus.

**Eligible Underlying Component** means each Underlying Component which is eligible for inclusion as constituent in the relevant Index pursuant to the rules governing the relevant Index.

**ETP** means the exchange traded products of each Series issued in accordance with the General Terms and Conditions.

**ETP Calculation Agent** means the calculation agent specified in the relevant Final Terms.

**EU** means the European Union.

**EUR, Euro or €** means the participating member states in the third stage of the Economic and Monetary Union of the Treaty establishing the European community.

**Event of Default** has the meaning assigned to such term in Condition 20.1 of the General Terms and Conditions.

**Extraordinary Events** means any of fraud, theft, cyber-attack, change in regulations and/or a similar event.

**Fiat currency** means a currency issued by a central bank or Government, such as the U.S. Dollar or the Euro.

**Final Terms** means, in relation to a Tranche, the Final Terms issued specifying the relevant issue details of such Tranche, as from time-to-time amended, supplemented or replaced.

**FINMA** means the Swiss Financial Market Authority.

**FinSA** means the Swiss Federal Act on Financial Services (*Bundesgesetz über die Finanzdienstleistungen*) of June 15, 2008 (SR 950.1), as amended and restated from time to time.

**FMIA** means the Swiss Federal Act on Financial Market Infrastructures and Market Conduct in Securities and Derivatives Trading (*Bundesgesetz über die Finanzmarktstrukturen und das Marktverhalten im Effekten- und Derivatehandel*) of June 19, 2015, as amended and restated from time to time.

**Fork** means an event where a developer or group of developers split the code base powering a Crypto Asset that serves as an Underlying or Underlying Component into two or more branches of variations of development, resulting in the creation of a new asset which derives from the original blockchain of the respective Underlying or Underlying Component.

**FSMA** means the Financial Services and Markets Act 2000, as may be amended and restated from time to time.

**General Terms and Conditions** means in respect of the ETPs of each Series the terms and conditions applicable thereto which shall be substantially in the form set out in this Base Prospectus.

**Global Paying Agent** means Bank Frick & Co. AG.

**Hashdex Servicing Entity** means Hashdex Asset Management Ltd., a company organised under the laws of the Cayman Islands.

**ICO** means an initial coin offering.

**Index** means the index specified in the relevant Final Terms, which may be, at the discretion of the Issuer, one or more indices with different strategies and from a variety of index providers, administrators or calculating agents, as specified in the relevant Final Terms.

**Index Calculation Agent** means the index calculation agent specified in the relevant Final Terms.

**Index Sponsor** means the sponsor of the Index specified in the relevant Final Terms.

**Investor(s)** means the investors in the ETPs.

**Investor Put Date** is the date specified in the relevant Final Terms.

**Issue Date** means the date specified in the relevant Final Terms on which the ETPs are issued.

**Issue Price** per ETP means the Crypto Asset Collateral specified in the Final Terms.

**Issuer** means Hashdex AG, a corporation organised under the laws of Switzerland.

**Issuer ETP Security** means the security expressed to be created over, *inter alia*, the Collateral in favour of the Collateral Agent and for the benefit of Investors pursuant to the Security Documents.

**Issuer ETP Security Enforcement Proceeds** has the meaning assigned to such term in Condition 21.2 of the General Terms and Conditions.

**Main Register** has the meaning assigned to such term in Condition 2 of the General Terms and Conditions.

**Market Disruption Event** has the meaning assigned to such term in Condition 6 of the General Terms and Conditions.

**Market Maker** means each such person that has entered into a contract as a market maker in accordance with the rules of the SIX Swiss Exchange.

**MiFID II** means Directive 2014/65/EU as amended or supplemented from time to time.

**Minimum Investment Amount** means the minimum investment amount for any Tranche of ETPs as specified in the relevant Final Terms, if any.

**Minimum Trading Lot** means a minimum trading lot specified in the relevant Final Terms, if any.

**Observation Date** has the meaning specified in the relevant Final Terms, if applicable.

**OTC** means over the counter.

**Paying Agency Agreement** means the agency agreement between the Issuer and the Global Paying Agent in relation to the Programme, as may be amended and/or supplemented and/or restated from time-to-time.

**PCF** means portfolio composition file published by the Issuer and providing an indication of the Collateral required for an ETP creation or redemption unit.

**Postponed Final Fixing Date** has the meaning assigned to such term in Condition 10 of the General Terms and Conditions.

**Postponed Observation Date** has the meaning assigned to such term in Condition 10 of the General Terms and Conditions.

**Potential Adjustment Event** has the meaning assigned to such term in Condition 8.1 of the General Terms and Conditions.

**Programme** means the exchange traded products programme of the Issuer as described in this Base Prospectus.

**Prospectus Regulation** means regulation (EU) 2017/1129 as may be amended or supplement from time to time.

**Publishing Party** means the entity specified as the Publishing Party in the relevant Final Terms.

**Publishing Third Party** means the entity which is the successor to the Publishing Party.

**Redemption Amount** means an amount in the Settlement Currency payable per ETP by the Issuer to the Investors calculated as specified in the relevant Final Terms; *provided, however*, that in the case of an Extraordinary Event pursuant to Condition 17 of the General Terms and Conditions, the Redemption Amount shall be reduced and may be as low as the smallest denomination of the Settlement Currency (*i.e.*, U.S.\$0.01, €0.01, CHF 0.01, £0.01 or the equivalent in other Settlement Currencies).

**Redemption Date** means (i) the date specified in the Termination Notice, which date shall be no earlier than 30 days after publication of the Termination Notice; or (ii) in respect of any redemption following the exercise of an Investor's option in accordance with Condition 5.2 of the General Terms and Conditions, the relevant Investor Put Date, as specified in the relevant Final Terms. Where a Final Fixing Date is postponed as a consequence of a Market Disruption Event, the Redemption Date will be postponed accordingly.

**Redemption Order** has the meaning assigned to such term in Condition 5.2 of the General Terms and Conditions.

**Redemption Period** has the meaning assigned to such term in Condition 5.2 of the General Terms and Conditions.

**Regulatory Call** means the redemption by the Issuer of all outstanding ETPs, *inter alia*, for reasons of regulatory changes affecting the ETPs or any of the Underlyings in accordance with Condition 11 of the General Terms and Conditions.

**Relevant Currency** means the currency in which the Underlying or Underlying Components is trading on the Relevant Underlying Exchange.

**Relevant Product Documentation** means, in respect of each Series of ETPs, the General Terms and Conditions, as completed by the relevant Final Terms, as may be amended and/or supplemented and/or restated from time to time.

**Relevant Underlying Exchange(s)** means the exchange(s) or a quotation system as specified in the relevant Final Terms on which the relevant Underlying or Underlying Components are traded, or any successor to such Relevant Underlying Exchange or any substitute exchange or quotation system to which trading in the Underlying has temporarily relocated. Any substitute exchange or quotation system must provide comparable liquidity relative to the Underlying or Underlying Components as on the original Relevant Underlying Exchange, as determined by the Issuer.

**Required Threshold** means: (i) in respect of any action relating to or following a Bankruptcy Event, any Investor; and (ii) in any other case (including, for the avoidance of doubt, an Event of Default), Investors representing not less than 25% of ETPs in the relevant Series.

**SEC** means the Securities and Exchange Commission of the United States of America.

**Securities Act** means the U.S. Securities Act of 1933, as amended and restated from time to time.

**Security Documents** means the Account Security Agreement, the Account Control Agreement and any Additional Security Agreement.

**Series** means a series of ETPs issued under the Programme comprising one or more Tranches, whether or not issued on the same date, that (except in respect of the issue date and their issue price) have identical terms on issue.

**Servicing Agreement** means the servicing agreement, dated on or about 13 April 2022, governed by the laws of the Cayman Islands, entered into between the Issuer and the Hashdex Servicing Entity.

**Settlement Currency** means the currency specified in the relevant Final Terms in which the Redemption Amount is settled.

**SIS** means SIX SIS AG, Olten, Switzerland, or any successor thereof.

**SIX Swiss Exchange** or **SIX** means the SIX Swiss Exchange AG, or any successor thereof.

**SIX Member** means an account holder on SIX.

**Successor Index Calculation Agent** means the entity that is the successor to the Index Calculation Agent

**Successor Underlyings** means underlying assets as defined in Condition 8.3 of the General Terms and Conditions.

**Swiss Paying Agent** means ISP Securities AG, or any other Swiss bank or securities dealer performing the paying agency function for a particular Series of ETPs for the purposes of the regulations of the SIX Swiss Exchange as set forth in the relevant Final Terms.

**Swiss Paying Agent Appointment Letter** means the letter from the Issuer appointing ISP Securities AG as a Swiss Paying Agent, dated as of 18 February 2022, or any other letter from the Issuer appointing the Swiss Paying Agent listed in the relevant Final Terms in relation to a Series of ETPs.

**Tax Call** means the redemption by the Issuer of all outstanding ETPs at any time, *inter alia*, for certain tax reasons in accordance with Condition 12 of the General Terms and Conditions.

**Termination Notice** means the Issuer's notice of the termination and redemption of the ETPs.

**Tranche** means ETPs of the same Series, which are identical in all respects except for the Issue Date and the Issue Price.

**Transaction Documents** means the Relevant Product Documentation, the Security Documents, the Servicing Agreement, the Custody Agreement, the Administration Agreement, the Collateral Agent Agreement, the Paying Agency Agreement, the Swiss Paying Agent Appointment Letter and the Authorised Participant Agreements.

**UCC** means the Uniform Commercial Code.

**UCITS Directive** means the Council Directive of 13 July 2009 of the European Parliament and of the Council on the co-ordination of laws, regulations and administrative provisions relating to Undertakings for Collective Investment in Transferable Securities (No 2009/65/CE), as amended.

**UCITS Scheme** means a scheme which is an undertaking for collective investment in transferable securities subject to the UCITS Directive.

**Underlying** means the underlying as specified in the relevant Final Terms.

**Underlying Component** means, in relation to ETPs linked to an Index, each component of such Index and, in relation to ETPs linked to a Basket, each component of such Basket.

**Underlying Illiquidity** has the meaning assigned to such term in Condition 7.1 of the General Terms and Conditions.

**U.S.\$, USD or U.S. Dollar** means the currency of the United States of America.

**UK's EU Referendum** means the referendum on the United Kingdom's membership of the EU held on 23 June 2016 pursuant to the European Referendum Act 2015 with the majority voting to leave the EU.

**Wallet (or Digital Wallet or Cryptocurrency Wallet or Crypto Wallet)** means a software program where a private key (secret number) and public address for every Crypto Asset address that is saved in the wallet of the person or person who owns the balance.

**Wallet Provider** means a service or platform that offers users a dedicated storage as well as sending and receiving capabilities related to Crypto Assets.

## **RESPONSIBILITY**

The Issuer accepts responsibility for the information contained in this Base Prospectus. To the best of the knowledge of the Issuer, that to the best of the Issuer's knowledge, the information contained in the Base Prospectus is in accordance with the facts and that the Base Prospectus makes no omission likely to affect its import.

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