

This Base Prospectus is dated 25 April 2024 and has been approved by the Liechtenstein Financial Market Authority (FMA) as competent reviewing body as a base prospectus under the Prospectus Regulation (EC) 2017/1129 on 25 April 2024.

## Swiss Assetization AG

(incorporated in Zurich under the laws of Switzerland)

### Structured Products Program

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Under the terms of the Structured Products Program (the **Program**) described in this Base Prospectus dated 24 April 2024 (the **Base Prospectus**), Swiss Assetization AG, a company limited by shares (*Aktiengesellschaft*) incorporated in Zurich, Switzerland (the **Issuer**), subject to compliance with all applicable laws and regulations, may from time-to-time issue structured products (the **Products**). Each Product will be subject to the terms and conditions set forth in this Base Prospectus (the **Terms and Conditions**; each a **Condition**), as amended from time to time and as completed by the relevant final terms relating to such Product (the **Final Terms**). In the event of any inconsistency between the Terms and Conditions and the Final Terms, the Final Terms shall prevail.

The Products will include structured products based on the value or performance of underlying asset(s) (**Underlying(s)** or **Underlying Assets**) to be specified in the relevant Final Terms, including, but not limited to, specified Collateral Assets (as defined herein) and baskets or indices consisting thereof or a combination thereof. Neither the Products nor the Issuer are or are expected to be rated.

The Products 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).

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**The Products and the underlying collateral in respect of the Products are highly speculative and involve high degree of risk, including the risk of a total loss of all capital invested. The holders of the Products bear the credit risk. See "Risk Factors".**

The Program and the Products issued under the Program are intended to offer Investors (as defined on page 45 herein) in the Products means of investing in a broad range of traditional or alternative assets (the Underlying Assets) as set out in the Program and the Final Terms. Potential Investors should ensure that they understand the nature of the Products and the extent of their exposure to risks and they should also consider the suitability of the Products as an investment in the 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 Products issued under the Program. In particular, if a Termination 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.

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This Base Prospectus was approved by the Liechtenstein Financial Markets Authority Landstrasse 109, 9490 Vaduz, Principality of Liechtenstein as competent authority under Regulation 2017/1129/EC (the "Prospectus Directive") on 25 April 2024 and is valid until 24 April 2025. This Base Prospectus is available for inspection at the registered office of the Issuer or the relevant Authorized Offeror (and in case of the Swiss Assetization AG may be downloaded on the website [swiss-assetization.com](http://swiss-assetization.com)). In case of significant new factors, material mistakes or material inaccuracies the Issuer is obliged to establish a supplement to the Prospectus. The Issuer's obligation to supplement a prospectus does not apply when a prospectus is no longer valid. The FMA only approves a security prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EC) 2017/1129. Such approval should not be considered as an endorsement of the Issuer or a confirmation of the quality of the securities offered under this Prospectus. Investors should make their own assessment as to the suitability of investing in the securities.

## IMPORTANT INFORMATION

### GENERAL SALES RESTRICTIONS

THE PRODUCTS ARE NOT PERMITTED FOR THE OFFER OR DISTRIBUTION TO ANY U.S. PERSON OR ANY PERSON OR ADDRESS IN THE UNITED STATES OR IN ANY OTHER JURISDICTION TO WHICH THE OFFER OR DISTRIBUTION WOULD BE UNLAWFUL.

This Base Prospectus does not constitute, and may not be used in connection with, the offer, distribution or solicitation in any place where offers, the distribution 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 other party involved (each as defined in the Base Prospectus) or any affiliate of any other party is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by such other party or such affiliate on behalf of the Issuer or holders of the applicable securities in such jurisdiction.

**The offering, distribution or sale of the Products in certain jurisdictions may be restricted by law including because of the Underlying. For a description of certain restrictions on offers and sales of Products and on the distribution of this Base Prospectus, see section "Selling Restrictions".** Persons who obtain possession of this Base Prospectus and/or the Final Terms are required to inform themselves about and to adhere to any such restrictions. Neither this Base Prospectus nor the Final Terms constitute or may be used for the purposes of, an offer, the distribution or solicitation to subscribe for or to purchase any Product in any jurisdiction in which such an offer, distribution or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation. Accordingly, this Base Prospectus and the Final Terms should not be used by anyone for this purpose.

#### United States

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 other involved parties (each as defined in the Base Prospectus) as a result of such access.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES, MAY BE USED FOR THE PURPOSE OF, OR MAY BE CONSTRUED AS, AN INVITATION, AN OFFER OR A SOLICITATION OF SECURITIES FOR SALE OR FOR SUBSCRIPTION IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO.

THE PRODUCTS 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 UNDER THE SECURITIES ACT), EXCEPT ACCORDING 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 UNAUTHORIZED. 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 AUTHORIZED AND WILL NOT BE ABLE TO PURCHASE ANY OF THE SECURITIES DESCRIBED HEREIN.

## **European Economic Area**

This Base Prospectus is a "prospectus" for the purposes of Regulation (EU) 2017/1129 (the **Prospectus Regulation**) and has been approved as meeting the requirements imposed under EU law pursuant to the Prospectus Regulation. The Base Prospectus has been prepared on the basis that any offer of securities in any member state of the European Economic Area (**EEA**) which has implemented the Prospectus Regulation will be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish a prospectus for offers of securities except in the following jurisdictions: Liechtenstein and any other jurisdictions to which notifications in the meaning of Art 25 of the Prospectus Regulation have been made (the "**Non-Exempt Offer Jurisdictions**").

## **CONFIRMATION OF YOUR WARRANTIES:**

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. By accessing the Base Prospectus, you shall be deemed to have warranted to the Issuer, the Authorized Offeror and the other involved parties that (i) you and any customers you represent are outside the United States and any jurisdiction in which receiving or accessing the Base Prospectus cannot lawfully be made without compliance with registration or other legal requirement, (ii) you are a person who is permitted under applicable law and regulation to receive the Base Prospectus, (iv) you consent to delivery of the Base Prospectus and any amendments or supplements thereto by electronic transmission, (iii) you will use this Base Prospectus for the sole purpose of evaluating a possible investment in a Product, and (iv) you acknowledge that no person is authorized to give any information or make any representation in connection with a Product or an offering that is not contained in this Base Prospectus and the related Final Terms.

## **CAUTIONING REGARDING COMPLETENESS AND TRUE COPY OF BASE PROSPECTUS**

The Base Prospectus has been made available to you in an electronic form. Please ensure that your copy of the Base Prospectus is complete.

## **Issuer not licensed or registered**

The Issuer of the Products is a company limited by shares incorporated under the laws of Switzerland. The Issuer is neither licensed nor registered with the FINMA, FMA or any other supervisory authority.

## **FURTHER IMPORTANT NOTICES**

No person is authorized 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 Program. Investors should not rely upon information or representations that have not been given or confirmed by the Issuer. Except in the circumstances described below, the Issuer has not authorized 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 Products in any jurisdiction. Any offer made without the consent of the Issuer is unauthorized 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 unauthorized offer.

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 Products, the Underlying (as defined in the section headed "*Terms and Conditions*") at any time. See "*Risk Factors — Risks relating to the Issuer — Potential Conflicts of Interest*". They may also enter into transactions relating to Products or derivatives of Products, 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 Products of any issue. The Products 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.

Neither this Base Prospectus nor any other information supplied in connection with the Program (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 Program) should purchase any Products. Each Investor contemplating the purchase of any Products should make its own independent enquiries regarding the financial condition and business development of the Issuer and its own appraisal of their creditworthiness.

Neither this Base Prospectus nor any other information supplied in connection with the Program constitutes an offer or an invitation by or on behalf of the Issuer or any person to subscribe for or to purchase any Products. The delivery of this Base Prospectus does not at any time imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Program is correct as of any time subsequent to the date indicated in the document containing the same.

The Products may not be a suitable or appropriate investment for all Investors. Each potential Investor in the Products must determine the suitability or appropriateness 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 a meaningful evaluation of the Products, the merits and risks of investing in the Products 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 Products and the impact the Products 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 Products, including Products with principal in one or more currencies, or where the currency for principal is different from the potential Investor's currency; (iv) understands thoroughly the terms of the Products; 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.

The Issuer shall prepare a supplement (each a **Supplement**) 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 or in any other situation required under the FinSA.

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

This Base Prospectus contains information extracted from a range of technical and non-technical digital sources, including (but not limited to) documents provided by service providers to the Issuer, their websites, and industry publications. Where third-party information is used in this Base Prospectus, the source of such information is stated. 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 each of the relevant sources, no facts have been omitted which would render the reproduced information inaccurate or misleading.

**An investment into any of the Products 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 Products. Payments to Investors may be delayed for factual or legal reasons. To the extent the calculation of the current value of Products proves to be incorrect, the Collateralization of the Products may be insufficient.**

**The Products are structured products and do not qualify as units of a collective investment scheme within the meaning of 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 the Swiss Federal Act on Collective Investment Schemes ("CISA"), as amended, and are not registered thereunder. Therefore, the Products are neither governed by the UCITSG, the AIFMG, the IUG or the CISA nor supervised by the Swiss Financial Market Supervisory Authority ("FINMA") or the Liechtenstein Financial Markets Authority (FMA). Accordingly, Investors do not have the benefit of the specific investor protection provided under any of the before cited legal acts.**

Unless specified otherwise, Investors are exposed to the credit risk of the Issuer and Collateral Provider of the Products. The Products constitute unsubordinated and in principle unsecured obligations (with the exception of a Collateralization as further described in the section headed "*Collateralization*" herein) of the Issuer, and rank *pari passu* with each and all other current and future unsubordinated and unsecured obligations of the Issuer. The insolvency of the Issuer or Collateral Provider may lead to a partial or total loss of the invested capital.

Collateralization of the Product, as further described in the section headed "*Collateralization*" herein, reduces the credit risk to the Issuer only to the extent that the proceeds from the liquidation or realization of Collateral (less the costs of liquidation fees and expenses of the Security Agent and 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 operational issues, theft, hacking, or fraud, prior to the liquidation taking place. The costs for the service with respect to the Collateralization of the Products may be taken into account for the pricing of a specific Product 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 the Issuer.

The Products will be obligations solely of the Issuer and will not be guaranteed by, or be the responsibility of, any other entity. Investing in Products, therefore, entails an Issuer credit risk (which is only mitigated due to and in case of Collateralization), meaning that Investors must bear losses if the Issuer defaults, becomes insolvent, or in any other case of negative changes in the financial condition of the Issuer. The Collateral is held by the Custodian (or the Security Agent if not identical with the Custodian), but the insolvency of the Custodian (or the Security Agent if not identical with the Custodian) may result in delayed or prevented access to the Collateral. In such a situation, Investors may face a loss due to asset price fluctuation and therefore bear an indirect credit risk of the Security Agent and the Custodian. In a worst-case scenario, the Investors may suffer financial damages and lose their invested capital partially or fully.

During the term of the Products, the Product-related documentation as well as this Base Prospectus can be ordered by an Investor free of charge from the Issuer or the Authorized Offeror as set out in the Final Terms. The Base Prospectus and the Final Terms can also be downloaded at the website of [swiss-assetization.com](http://swiss-assetization.com) and, if and as set out in the Final Terms, the Authorized Offeror.

No representation, warranty, or undertaking, express or implied, is made and no responsibility or liability is accepted by any other involved party (as described in the Base Prospectus) as to the accuracy or completeness of the information contained herein, or any other further information supplied in connection with the Product.

## CAUTIONARY STATEMENT REGARDING FORWARD LOOKING STATEMENTS

Some statements in this Base Prospectus 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 and Collateral Provider*", "*Information on the Product*" and other sections of this Base Prospectus. The Issuer has based these forward-looking statements on its current view concerning 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, if one or more of the risks or uncertainties materialize, including those identified in the section 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.

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## OVERVIEW

The following is only an overview of this Base Prospectus. This overview is to be read and understood as an introduction to the Base Prospectus (as supplemented from time to time) only. Whilst it contains material information about the Product, it does not contain or summarize all of the information about the Product, the Issuer, the Underlying and the Collateralization that is material and that may be important to you. Key information on the Products and the admission to trading of the Products, if any, will be provided in the Final Terms of each Product.

Furthermore, you should read this entire Base Prospectus, including the section "*Risk Factors*" beginning on page 6, the Final Terms and the documentation incorporated by reference herein before making an investment decision about the Product. Liability for this overview is limited to cases where the information contained herein is misleading, inaccurate, or inconsistent when read together with the other parts of the Base Prospectus.

Terms not defined in this overview shall have the meanings given to them elsewhere in this Base Prospectus.

### The Program

#### Description of the Program

On 20.03.2024, Swiss Assetization AG established a program (the **Program**) for the issuance of structured products (the **Products**). Pursuant to this Program the Issuer may issue Products linked to underlying assets (the **Underlyings** or **Underlying Assets**) or a basket of Underlyings which may or may not be collateralized, all as set out in the final terms applicable to the respective Product (the **Final Terms**).

#### Issue and Redemption of the Products

The Products may or may not be subject to an issuance and redemption mechanism, under which additional Products may be issued and/or redeemed. Products may only be issued and redeemed via the Paying Agent.

If not specified in the Final Terms the Products may possibly not be subject to an issuance and/or redemption mechanism (except for their redemption at maturity). If the Products are not subject to an issuance and/or redemption mechanism, it may not be possible for Investors to increase their position in the Products and/or redeem the Products during the term of the Products.

Investors in the Products (as defined on page 45) (the **Investors**) need to approach an Authorized Offeror to purchase Products, in which event a purchase price is agreed between the Authorized Offeror and such Investor(s) in respect of the Products, or may purchase products on the secondary market, if any, or on a trading venue on which the Products are listed and/or admitted to trading, if any.

For a description of the creation and redemption processes for the Products, as well as a description of the principal parties and Product-related documentation related to the Program, see "*Structure of the Program*".

### Parties to the Program

#### Issuer

Swiss Assetization AG, Brandschenkestrasse 45, 8002 Zurich, Switzerland, in respect of each Product.

Swiss Assetization AG is a company limited by shares (*Aktiengesellschaft*) incorporated with limited liability under the laws of Switzerland.

	Neither the Issuer nor the relevant Product are licensed or registered in Liechtenstein by the Liechtenstein Financial Market Authority (FMA) or in Switzerland by the Swiss Financial Market Supervisory Authority (FINMA) or registered or authorized by the FMA or FINMA as a collective investment scheme.
Collateral Provider	Swiss Assetization AG, Brandschenkestrasse 45, 8002 Zurich, Switzerland.
Security Agent	The Security Agent as specified in the Final Terms.
Custodian (Broker)	The Custodian as specified in the applicable Final Terms.
Paying Agent	The Paying Agent as specified in the applicable Final Terms.  The Issuer may appoint additional Paying Agents in relation to certain Products if required by the rules of any trading venue on which those Products are listed or admitted to trading.
Authorized Offeror	Authorized Offerors as specified in the Final Terms or on the website of the Issuer <a href="http://www.swiss-assetization.com">www.swiss-assetization.com</a> .
Auditor for prospectus approval purposes	Senn & Partner AG, Wirtschaftsprüfungs- und Treuhandgesellschaft, Esslingerstrasse 17, 8618 Oetwil am See, Switzerland, has been appointed as an independent auditor recognized by the Federal council under the Federal Audit Oversight Act auditor tasked with auditing the annual reports of the Issuer for regulatory prospectus approval and listing purposes. Senn & Partner AG is a member of EXPERTsuisse.  <b>Audit Exemption: The Issuer is indefinitely exempt from the requirement of a statutory audit under Swiss Law. The Issuer has not appointed any auditor under the Swiss CO and has opted out from an audit under article 727a para. 1 CO. Accordingly, no statutory auditor has been appointed by the Issuer as a body.</b>
Market Maker(s)	If a Market Maker is appointed for a specific Product it shall be specified in the Final Terms.
Calculation Agent	Unless specified otherwise in the Final Terms the Issuer shall act as Calculation Agent of each Product.
<b>Nature of the Products</b>	
Product Type	Structured products, especially, Tracker Certificates (1300) and Credit-Linked Notes (1400)  (cp. Swiss Derivative Map of the Swiss Structured Products Association SSPA on the website <a href="http://www.sspa.ch">www.sspa.ch</a> )
Description	The Products issued under the Program are primarily tracker certificates linked to an Underlying (including, inter alia, index trackers, Actively Managed Certificates (AMCs) and Credit-Linked Notes (CLNs)), adjusted by fees and costs, as described in the Final Terms.

Underlying(s)	The Underlying(s) (the <b>Underlying(s)</b> ) of Products linked to Indices or Products linked to a basket for each Product will be specified in the relevant Final Terms.
Terms and Conditions of the Products	Each Product will be governed by the terms and conditions set out in the section of this Base Prospectus headed " <i>Terms and Conditions</i> " as complemented by the Final Terms.
Collateral	The Underlyings credited to the accounts held in the name of the Issuer are pledged to the Security Agent set out in the Final Terms for the benefit of the Investors under the Collateral Agreement for Financial Instruments governed by Swiss law (the <b>Collateral Agreement</b> ) and therefore serve as collateral for the Product.
Issue Price	The Issue Price in respect of each Product will be set out in the Final Terms.
Redemption	<p>The Products are either open-ended (without a fixed maturity date) or closed-ended (with a fixed maturity date) as set out in the Final Terms.</p> <p>The Products may (or may not) provide for a redemption right in favour of the Investor (Investor Put Option) subject to certain notice periods set out in the Final Terms, and termination rights in favour of the Issuer (Issuer Call Option) as set out in this Base Prospectus. Investors will not be entitled to the Underlying Assets and only have a claim against the Issuer for the Redemption Amount on the Investor Redemption Date.</p> <p>The Issuer may terminate and redeem a Product in whole but not in part at any time by exercises of the Issuer Call Option, at the Issuer's sole discretion and without any further prior consent of the Investors, on a Termination Date set out in a Termination Notice published by the Issuer in accordance with the Conditions.</p> <p>The Issuer shall, at the option of any Investor holding Products, upon such Investor exercising the Investor Put Option, if applicable, by providing a Redemption Order, via the financial intermediary administering the relevant securities account, within the Redemption Notice Period to the Paying Agent, redeem the Products held by such Investor, in an amount of Products corresponding to such Investor's Redemption Notice, on the Investor Redemption Date specified in the relevant Final Terms against payment of the Redemption Amount.</p>
Redemption Amount	<p>On any Investor Redemption Date and any Termination Date, the redemptions will be settled by payment of the Redemption Amount through Cash Settlement payable by the Issuer, to the Investors against delivery of the Products to be redeemed as described further in this Base Prospectus. Investors are not be entitled to In-Kind Settlement though the Issuer may, in exceptional circumstance, decide to redeem the Products in kind.</p> <p>In the case e.g. a redemption is not possible or not possible within a certain period of time with Cash Settlement due to illiquidity of the Underlyings, respectively, Collateral, the Issuer may settle such redemption on an in-kind basis (unless the Issuer is able to conduct such redemption to be settled by Cash Settlement in accordance with Condition 8.3). Cash Settlements of Products with illiquid Underlyings may lead to a Redemption Amount of as little as zero due to the illiquidity of such Underlyings.</p>
Event of Default and Enforcement (Realization Event)	If an Event of Default occurs the Security Agent shall serve a Termination Notice upon the Issuer, and the Product shall become due for redemption at the next possible Termination Date or Investor Put Date (as set out in

the Final Terms) after an Event of Default so notified. The Security Agent shall initiate such proceedings and/or take such steps to realize the Collateral as provided for in the Collateral Agreement. If the net proceeds of realization of the Collateral in respect of a particular Product are less than the aggregate amount payable in such circumstances by the Issuer in respect of the Product, the Investors in such Products may face losses.

A realization event shall occur if (i) the Issuer or any of its assets are subject to any form of winding up, administration, receivership, insolvency proceedings, arrangements with creditors generally (subject to applicable rules of the Debt Enforcement and Bankruptcy Act in Switzerland), (ii) the Issuer is in violation of the applicable law and forced by a regulator to cease its activity, or (iii) the Issuer is in breach of the issuance conditions of the Product that results in a claim for the Investors, such as but not limited to a situation where the Issuer does not honor a payment or delivery commitment under the Product when it becomes due according to the issuing conditions, or does not honor such a commitment in good time or without defects, unless those defects are remedied within 3 Business Days.

#### Obligations of the Issuer

The Products will be obligations solely of the Issuer.

In particular, the Products will not be obligations or responsibilities of, or guaranteed by, any other Company or financial institute, nor any other guarantor, nor any other Product of the Issuer, nor the Authorized Offeror, the Security Agent, the Paying Agent, the Calculation Agent, or any other service provider, partner or affiliate of the Issuer, or any direct or indirect shareholder of the Issuer.

#### Governing Law / Jurisdiction for Products

The Products 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 Product, the Issuer has submitted to the jurisdiction of the courts of Zurich, the place of jurisdiction being Zurich 1.

#### Trading and Trading Venues

##### Listing and Admission to Trading

Application may be made for the Products to be admitted to the SIX Swiss Exchange or any other trading venue in Switzerland or the European Economic Area (EEA) if specified in the applicable Final Terms. However, Products may not be listed and not be admitted to trading on any trading venue if that is not provided for 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 Products or possession or distribution of any offering material in relation to any Products in any jurisdiction other than the **Non-Exempt Jurisdictions**. No offers, sales, resales, or deliveries of any Products or distribution of any offering material relating to any Products may be made in or from any jurisdiction other than the Non-Exempt Jurisdiction except in circumstances which will comply with any applicable laws and regulations and which will not impose any obligation on the Issuer.

##### Type of Products

Products may, subject to all applicable legal and regulatory requirements, be issued as uncertificated securities (*Wertrechte*).

Once registered with SIX SIS and entered in the securities account of one or more participants, the Products will qualify as intermediated securities

	( <i>Bucheffekten</i> ) within the meaning of the Federal Intermediated Securities Act.
Settlement and Clearing	Settlement and Clearing of trades in the Products takes place through SIX SIS AG, Olten, or any other clearing system determined in the Final Terms.
<b>Approval of Base Prospectus / Issuance of Final Terms</b>	
Approval of the Base Prospectus by the Reviewing Body	This Base Prospectus is dated 25 April 2024 and was approved as a base prospectus within the meaning of Prospectus Regulation (EC) 2017/1129 by the Liechtenstein Financial Market Authority (FMA) on 25 April 2024.
Issuance of Products under the Base Prospectus	<p>On or after the date of this Base Prospectus the Products may be publicly offered in Liechtenstein and any other EEA country where notifications in accordance with Art 24 <i>et seq.</i> of the Prospectus Regulation have been made to (the “<b>Non-Exempt Offer Jurisdictions</b>”).</p> <p>The Prospectus will also be filed with the Swiss Review Body and published in accordance with the FinSA as soon as the Final Terms of such Product are available and will thus be eligible for public distribution in Switzerland.</p>

## **RISK FACTORS**

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

An investment in the Products involves a high degree of risk. If one or more of the risks described below occur or for reasons other than those set out below (for example, reasons not currently considered by the Issuer to be material or based on facts of which the Issuer is not currently aware), Investors may incur a partial or even a total loss of their invested capital.

The Issuer believes that the factors described below represent the principal risks inherent in investing in the Products, but the inability of the Issuer to pay any amounts on or in connection with the Products may occur for other reasons and the Issuer does not warrant that the statements below regarding the risks are exhaustive. Before making an investment decision, prospective Investors in the Products should consider carefully, in the light of their own financial circumstances and investment objectives, all the detailed information set out elsewhere in this Base Prospectus and the respective Final Terms in order to reach their own views before making any investment decision.

### **GENERAL RISK FACTORS**

#### **Independent Review and Advice**

Before entering into a transaction, Investors should consult their own legal, regulatory, tax, financial, and accounting advisors, as far as they consider necessary, and make their own investment, hedging, and trading decisions (including decisions regarding the suitability and/or appropriateness of an investment in the Products or an exposure to the Underlying) based upon their own independent review and assessment and advice taken from those advisers they consider necessary.

Furthermore, Investors should conduct such independent investigation and analysis regarding the Issuer and all other relevant persons or entities and such market and economic factors as they deem appropriate to evaluate the merits and risks of an investment in the Products. As part of such independent investigation and analysis, Investors should consider carefully all the information outlined in this Base Prospectus.

Investment in the Products may involve a loss of the capital invested under the terms and conditions of a respective Product even where there is no default or insolvency of the Issuer. In particular, Investors in the Products bear the risk of theft or hacking, for example, of the Underlying serving as Collateral, which may, in turn, cause a decline in value of the Products. Investors will at all times be solely responsible for making their own independent appraisal of, and investigation into, the business, financial condition, prospects and creditworthiness, status, business safety, and security provisions and course of business of the Issuer. None of the Issuer or any other agent or affiliate of the aforementioned (or any person or entity on their behalf) will have responsibility or duty to make investigations, to review matters, or to provide the Investors with advice concerning accompanying risks.

#### **Investor Suitability or Appropriateness**

Purchase of the Products involves substantial risks. Investors should be familiar with financial instruments having the characteristics of the Products and should fully understand the terms and conditions set out in the product documentation and the nature and extent of their exposure to risk of loss.

In addition, Investors must evaluate, based on their own independent review and any legal, business, tax and other advice as they deem necessary under the circumstances, that the acquisition of the Products (i) is fully consistent with their financial needs, objectives, and conditions, (ii) complies and is fully consistent with all corporate law documents, investment policies, guidelines, authorizations and restrictions (including in terms of their capacity) applicable to them, (iii) has been duly approved in accordance with all applicable laws and procedures and (iv) is an adequate, reasonable and suitable investment for them.

## **Effect of Ancillary Costs**

Commissions and other transaction costs incurred in connection with the purchase or sale of Products may result in charges, particularly in combination with a low order value, which can substantially reduce any redemption amount to be paid to an Investor in respect of a Product. Before acquiring Products, Investors should therefore inform themselves of all costs incurred with the purchase or sale of the Products, including any costs charged by their custodian bank, or the Authorized Offeror upon purchase and redemption of the Products.

## **No Reliance**

The Issuer, the Authorized Offeror, and/or all of their affiliates, respectively, disclaim any responsibility to advise Investors of the risks and investment considerations associated with the purchase of the Products as they may exist at the date hereof or hereafter.

## **Legality of Purchase**

The Issuer, the Authorized Offeror and their affiliates have or assume no responsibility for (i) the lawfulness of the acquisition of the Products by Investors or (ii) the compliance by Investors with any law, regulation or regulatory or internal policy applicable to them. Accordingly, Investors bear the risk of the permissibility of the purchase of any Products by them.

## **Settlement**

All Products are intended to be settled through SIX SIS AG or any other eligible Clearing System. As such, Investors will have to rely on the rules and procedures governing their operations. The Issuer will not be responsible for any delay in settlement of the Products by factors outside the Issuer's control, for example disruption on relevant settlement systems.

These delays may result in a longer settlement time between the redemption value fixing date and the termination of a Product, which could affect the redemption value of the relevant Product.

## **RISKS RELATED TO THE ISSUER**

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

The following "Risks related to the Issuer" apply also to the Collateral Provider even if only the Issuer is referred to. The Issuer is a special purpose vehicle with the sole business of developing, issuing and administrate innovative financial products including structured products, which may or may not be exchange-traded products, in Switzerland and worldwide. The contracts which may be entered into by the Issuer and the payments of the Issuer and the parties thereunder are structured to have the capacity to provide the Issuer with funds to service payments due and payable in respect of the Products and on any redemption by the Issuer of the Products.

### **Limited Capital Resources**

The Issuer does not have a substantial equity capital which may be required for the establishment of a bank or financial institute or for the listing of certain securities on certain exchanges or other trading venues. The Issuer is relying on an exemption under the *Additional Rules for the Listing of Exchange Traded Products (ARETP)* of the SIX Swiss Exchange and, therefore, does not have the otherwise required reported equity capital of CHF 25 million.

As of the date of this Base Prospectus, the Issuer has a share capital of CHF 100'000. Thus, the Issuer may become overindebted and insolvent as well as subject to insolvency and/or bankruptcy proceedings very quickly in case of only minor losses by the Issuer. Such a default of the Issuer could lead to partial or total losses for Investors.

### **The Issuer is Audit Exempted**

The Issuer is exempt from the requirement to have its accounts for a financial year audited indefinitely. Not having audited accounts could result in poor financial reporting which in extreme cases could lead to an insolvency, loss of capital or overindebtedness of the Issuer.

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

Various risk factors can impair the Issuer's ability to conduct its business and may have a direct negative impact on its 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 markets.

### **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 Custodian, exchanges, the Paying Agent, the Authorized Offeror, the Market Maker(s), Index Sponsor, Strategy-Manager, trading desks, parties to any arrangements in place in respect of any Collateral, lending desks, and wallet providers, if any. 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 Products. Service providers may act in other capacities in respect of a particular Product, including but not limited to, the role of Security Agent, Index Sponsor and/or Strategy-Manager as specified in the relevant Final Terms. Accordingly, the role of a service provider may give rise to conflicts of interest which are adverse to the interests of the Investors.

### **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 Paying Agent, Market Maker, Authorized Offeror, any party to any arrangements in place in respect of any 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 Underlying Assets. Credit risk, in this case, is the risk that the depository holding a financial instrument (cash or Collateral Assets) will fail to fulfil an obligation or commitment to the Issuer. The Issuer's Underlying Assets may be 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 Underlyings, including those serving as Collateral for any Products. In such a situation, Investors may face a loss due to asset price fluctuation.

It is important to note that no party, including the Custodian, wallet providers, if any, or Issuer is liable for the loss, including in the case of theft, of the Underlyings, respectively, of the Collateral Assets.

The Paying Agent for the Products is responsible for: (i) disbursing cash (or in-kind redemptions, if applicable) in the event of a redemption of the Products; and (ii) holding the cash balance (or assets for an in-kind redemption, if applicable) in the period between the liquidation of the Underlying and the return of the cash (or in-kind redemption, if applicable) to Investors. In the event of insolvency of the Paying Agent during this interim period, the Issuer may be considered a general unsecured creditor. See Conditions 22 (*Liability*).

The Issuer relies on third parties to provide the trading of both the Products and any Underlyings. Any dysfunction

of such third parties or disruption in the exchanges may result in a loss of value of the Products, which may, in turn adversely impact the Issuer and/or the Investors.

## **Competition**

There are a number of other issuers for products similar to the Products, and other competitors may enter the market at any time. The effect of new or additional competition on the Products or their market prices cannot be predicted or quantified. There are several large institutions which have issued similar products in the past. These competitors have significantly greater financial and legal resources than the Issuer and there is no guarantee that the Issuer will be able to compete successfully, or at all, with such competitors. Moreover, increased competition may severely impact the profitability and creditworthiness of the Issuer.

## **General Insolvency Risk**

Each Investor bears the general risk that the financial situation of the Issuer and the Collateral Provider could deteriorate. Unless specified otherwise, Investors are exposed to the credit risk of the Issuer of the Products. The Products constitute unsubordinated obligations of the Issuer and rank *pari passu* 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. Collateralization, as further described in the section "*Collateralization*", 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 Security Agent, and payout) 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. An insolvency of certain service providers of the Issuer may also have a negative impact on the Products.

## **Credit Risk**

Investors are or may be exposed to the credit risk of the Issuer, the Collateral Provider, the Custodian, the Paying Agent and the Security Agent. An Investor's ability to obtain payment or redemption proceeds according to this Base Prospectus and the Final Terms is dependent on the Issuer's ability to meet its obligations under the Products. The Products are not, either directly or indirectly, an obligation of any other party. As a result, irrespective of the Collateralization, the creditworthiness of the Issuer may affect the market value of the Products and, in the event of a default, insolvency, or bankruptcy, Investors may not receive the amount owed to them under this Base Prospectus.

With respect to the Custodian, the Issuer will be exposed to the credit risk of depository institutions with whom it holds cash and other assets such as, inter alia, Collateral Assets. Credit risk, in this case, is the risk that the depository or Security Agent holding an asset will fail to fulfill an obligation or commitment to the Issuer.

Although the Collateral may be held in segregated accounts, which are intended to be protected in the event of insolvency of the Custodian, the insolvency of the Custodian or the Security Agent may result in delayed or prevented access to the Collateral. In such a situation, Investors may face a loss due to asset price fluctuation and therefore bear a credit risk of the Security Agent and the Custodian. No party, including the Security Agent, Custodian, or Issuer is liable for the loss of the Underlying held as Collateral, including in the case of theft.

## **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, fulfill its payment obligations on time or at all.

## **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.

## **Slippage and Execution Costs Risk**

The reference price of the Underlyings may differ from the price at which the Issuer is able to purchase or dispose of the Underlyings. This may have an impact on the proceeds realized from the sale of the Underlying in a Termination Event or when Investors exercise their Investor Put Option. As a result, Investors in the Products may receive less, or substantially less, than if they had purchased or disposed of the Underlying themselves.

## **Supply and Demand of Underlying Assets**

The Issuer depends on a supply and demand of relevant opportunities to trade Underlying Assets via reputable exchanges and/or OTC platforms or otherwise, as determined by the Issuer. These exchanges and markets are impacted by global and local economic conditions, market sentiment and regulatory changes. Should this supply be constrained or a disruption to exchanges occur, the Issuer may be unable to issue additional Products, which may, in turn, adversely impact the Issuer's financial performance and creditworthiness.

## **Potential Conflicts of Interest**

The Issuer may issue other derivative instruments relating to Underlyings. The introduction of such competing products may affect the market value of the Products. The Issuer may also receive non-public information relating to the Underlyings that the Issuer may not make available to Investors. The members of the board of directors of the Issuer may have certain interest that potentially or actually conflict with those of the Issuer.

## **Expenses and Fees**

The Issuer will sell Underlying Assets held by the Issuer to collect Investor fees and pay other expenses, if any, irrespective of then-current prices. Also, upon any redemption, Investors will receive proceeds net of applicable fees, as outlined in this Base Prospectus. In addition, upon any redemption, if possible, Investors will receive proceeds net of applicable fees, as set forth in the relevant Final Terms. Accordingly, the Redemption Amount per Product specified in the relevant Final Terms may be different from the amount actually received by Investors (as the above-mentioned expenses and fees will be deducted). There can be no assurance that such fees will not increase in the future.

## **Financing Risk**

As a non-operating company, the Issuer depends on capital from outside Investors or other sources of capital. Should the Issuer be unable to raise additional capital, there are limited reserves to maintain company operations, which may result in the inability of the Issuer to take steps to maintain the Underlying or to continue as a going concern.

## **Operational Risk**

Operational risk indicates a risk of loss resulting from inadequate or failed internal or outsourced processes, people, infrastructure and technology or from external events.

## **Risks related to Pandemics or Epidemics**

Global pandemics (such as e.g. the COVID-19 pandemic) or other pandemics or epidemics, and the measures implemented by relevant government authorities to contain them, such as the closure of public services, travel restrictions, border controls and measures to encourage social distancing such as the shutting of business premises, may have a major economic impact on financial markets and the willingness of clients to enter into new transactions. It is not known when the COVID-19 global pandemic will be contained and for how long governments in key jurisdictions will keep their measures in place and whether certain measures will need to be adjusted or even re-implemented from time to time. If the fallout from the COVID-19 global pandemic (or other pandemics or epidemics) persists, it will likely have a material adverse effect on the business, operations and financial position of the Issuer including through losses resulting from significant changes in the ability of the Issuer to hedge risks resulting from its issuance of structured products, the default of hedging counterparties or a significantly reduced demand for structured products issued and sold by the Issuer. Such losses would likely adversely affect the Issuer's business, results of operations and financial condition.

## **Dependence on Key Personnel**

The Issuer and the Program are managed by, and are dependent on, the board of directors. Should the members of the board of directors or any number of its members depart or otherwise become unavailable on short notice, the processes related to the Program may not be able to be operated as described in this Base Prospectus.

Further, the service providers of the Issuer and, in particular, the Authorized Offeror, the Paying Agent, the Security Agent or the Strategy-Managers of AMCs may also be dependent on certain key personnel whose inability to act or loss to the service provider could be to the detriment of the Investors.

## **Major Shareholder**

The sole shareholders of the Issuer is GenTwo AG. GenTwo AG may provide certain services to the Issuer. There is a risk of potential or actual conflicts of interests between the Issuer and its sole shareholder.

## **Reputation**

The Issuer depends on its reputation and the reputation of associated parties to maintain and grow its core business. Any material adverse event could impact the Issuer's reputation, which could, in turn, depress the Issuer's profitability, creditworthiness and fundraising capacity.

## **Cyber Security Risks**

The Issuer or its service providers may be subject to cyber security risks such as e.g. hacking attacks. Such cyber security risks may have wide reaching adverse effects, including trading losses and loss of reputation, which may negatively impact the Issuer's core business.

## **Risk of a Data Breach**

The Issuer may maintain data surrounding trades, trade execution, as well as customer data. A significant data breach may have wide reaching adverse effects, including trading losses and loss of reputation, which may negatively impact the Issuer's core business.

## **Legal, Regulatory and Reputational Risks**

The Issuer is not authorized as a bank or securities firm and is not subject to prudential supervision by FINMA or another supervisory authority. This may increase legal, regulatory or reputational risks in connection with the Issuer

or the Products.

### **Risks relating to Platform Partner Arrangement**

The Issuer may offer specific services to third parties. The Issuer's platform is based on a novel business model that is largely untested and there may not be sufficient demand to enable the Issuer to achieve meaningful income or cash flow.

The Issuer is further exposed to reputational and potentially regulatory risks should one of its partners or service providers default which might have a significant impact on the Issuer's operations.

## **RISKS RELATED TO THE MARKET**

### **General Market Risks**

Market risk refers to the risk that the market price of the Products will rise or fall, sometimes rapidly or unpredictably. An investment in Products is subject to market risk, including the possible loss of the entire principal of the investment. Changes in interest, foreign exchange rates, and increases in volatility can increase credit and market risks, and may also affect revenues of Investors. General movements in local and international markets and factors that affect the investment climate and Investor sentiment could affect the level of trading and, therefore, the market price of any Products. These risks are generally applicable to any investment in listed securities or instruments. Investors should be aware that any and all Products can go down (as well as up) in value or market price.

### **Pricing Divergences**

The prices of the Underlyings will be calculated based on the methodology described in the Terms and Conditions. The price of Underlying Assets in the Settlement Currency or in other currencies available from other data sources may not be equal to the prices used to calculate the values relevant for the specific Products. Investors should not depend on these sources of information when making investment decisions in relation to Products.

### **Tracking Errors**

At any time, the price at which Products trade on the SIX Swiss Exchange or any other exchange or market on which they may be quoted or traded, or over the counter or otherwise, may not accurately reflect the price of the relevant Index or Underlying. The application and redemption procedures for the Issuer are intended to minimize this potential difference or "tracking error". However, the market price of Products will also be a function of supply and demand amongst Investors wishing to buy and sell Products and the bid/offer spread that market makers, if any, are willing to quote for such Products. It is not within the Issuer's control to ensure that the Products trade continuously at a price which equates perfectly to the value of the relevant Underlying or, indeed, to ensure that any degree of variation between "bid/ask" and the value of the relevant Underlying does not exceed certain margins.

### **No Liquidity / Lack of Secondary Market in the Products**

As the Products might not be listed or traded on any exchange, pricing information regarding the Products may be more difficult to obtain and the liquidity of the Products may be adversely affected. The liquidity of the Products may also be affected by restrictions on the purchase and sale of the Products in certain jurisdictions. The Products are not necessarily intended to be listed and traded on the SIX Swiss Exchange and may not be listed or traded on any exchanges or trading venues. There is no certainty that there will be liquidity in the Products or that the market price of the Products will be in line with the fair value or net asset value at any given time. There is also no guarantee that if the Products are listed or traded on an exchange that they will remain so listed or traded as a result of changes in admissibility of the Underlying or the status of the Issuer.

The Issuer, the Paying Agent and/or the Authorized Offeror, as applicable, make no firm commitment to provide

liquidity by means of bid and offer prices for the Products, and assume no legal obligation to quote any such prices or with respect to the level or determination of such prices. Investors therefore cannot rely on the ability to sell Products at a specific time or at a specific price even if the Products are listed or traded on an exchange. Additionally, the Issuer has the right (but no obligation) to purchase Products at any time and at any price in the open market or by tender or private agreement. Any Products so purchased may be held or resold or surrendered for cancellation. If demand for Products exceeds the availability of eligible Underlying Assets and the Issuer is not able to secure additional supply, Products may trade at a premium to their underlying value. Investors who pay a premium risk losing such premium if demand for the Products abates or the Issuer can source more Underlyings. In such circumstances, Products could also trade at a discount or not be tradeable at all.

In principle, no Market Maker will provide bid and offer prices for the Products on a regular basis. Investors cannot rely on having an ability to sell Products at a specific time or at a specific price even if the Products are listed or traded on an exchange. Moreover, Market Maker(s), if any, are not obliged to secure a certain minimum level rate, to purchase unlimited numbers of Products or certain minimum volumes in abnormal market conditions. Additionally, the Issuer has the right (but no obligation) to purchase Products at any time and at any price in the open market or by tender or private agreement. Any Products so purchased may be held or resold or surrendered for cancellation, which could, in turn, affect the liquidity of the Products that remain outstanding.

There can be no assurance as to the depth or sustainability of the secondary market (if any) in the Products, which will affect their liquidity and market price.

### **Intransparent or Inefficient Markets**

Certain markets of Underlyings of the Products may be intransparent or inefficient. In particular, for alternative investments (e.g., non-bankable assets) there is a risk of only receiving limited information on the value of the assets for market participants. For certain assets the information (and in particular price information) may vary depending on the relevant source of such information. Intransparent or inefficient markets may have a negative impact on the value and performance of the Products.

### **Risks Relating to Currency Exchange Rates**

An investment in the Products may be affected by the exchange rate risk of the relevant currencies in which the Products are denominated and in which the Underlying is traded or evaluated. For example, (i) the Underlying(s) may be denominated in, or valued against, a currency or unit of value other than that of the Products, (ii) the Products may be denominated in a currency other than the currency of the Investor's home jurisdiction and/or (iii) the Products may be denominated in a currency other than the currency in which an Investor wishes to receive funds.

Currency values may be affected by complex political and economic factors, including governmental action to fix or support the value, regardless of other market forces.

An Investor's right related to the Products may be determined on the basis of a currency other than the Settlement Currency (as defined in the Terms and Conditions) and the value of the Underlying may be determined in a currency or unit of value other than the Settlement Currency. Accordingly, Investors should be aware that investments in Products could entail risks due to fluctuating exchange rates and, moreover, that the risk of loss depends not only on the performance of the Underlying, but also on unfavourable developments of the value of any currency involved. Investors should be aware that the above mentioned risks may arise at any time during the life of the Product if the currency of the Product and/or of the Underlying will be replaced by a different or a new currency.

### **Expansion of the Spread between Bid and Offer Prices**

It may not be possible to obtain bid and offer prices for the Products. Especially in, but not limited to, special market situations, where the Issuer is unable to enter into or exit hedging transactions or, where such transactions are very difficult to enter into or exit, the spread between the bid and offer prices, if any, may be temporarily expanded in order to limit the economic risks of the Issuer. Furthermore, in case of illiquid Underlyings or Collateral Assets it may not be possible to provide bid and offer prices.

## **Emerging Markets**

Investments in emerging markets should only be made by Investors who have a sound knowledge of these markets, who are well aware of and are able to weigh the diverse risks (inter alia political, social, and economic risks, currency, liquidity and settlement risks, regulatory and legal risks) involved and who have sufficient financial resources to bear the substantial risks associated with such investments.

## **Risks associated with Currency Exchange Rates**

An investment in the Products may be affected by the exchange rate risk of the relevant currencies in which the Products are denominated and in which the Underlying is traded or evaluated. For example (i) the Underlying(s) may be denominated in a currency other than that of the Products, (ii) the Products may be denominated in a currency other than the currency of the Investor's home jurisdiction and/or (iii) the Products may be denominated in a currency other than the currency in which an Investor wishes to receive funds.

Currency values may be affected by complex political and economic factors, including governmental action to fix or support the value, regardless of other market forces. If the Investor's right vested in the Products is determined on the basis of a currency other than the Reference Currency or Settlement Currency, or if the value of the Underlying is determined in a currency other than the Reference Currency or Settlement Currency, Investors should be aware that investments in these Products could entail risks due to fluctuating exchange rates and that the risk of loss does not depend solely on the performance of the Underlying, but also on unfavourable developments in the value of any currency involved. Investors should be aware that the above mentioned risks may arise at any time during the life of the Product if the currency of the Product and/or of the Underlying will be replaced by a different or a new currency.

## **Quanto Feature**

If applicable, the quanto feature cancels the currency exposure on the Product payoff on the Redemption Date or the Expiration Date. Hence, on the Redemption Date or Expiration Date, a Product denominated in a currency different from the Underlying's currency, will have a payoff calculated only on the performance of the Underlying. The exchange rate between the two currencies will not be taken into account at such time. During the life of the Product, the non-exposure to currency risk may come at a cost or benefit depending on the difference between the domestic and foreign interest rates and the exchange rates between the currencies.

## **RISKS RELATED TO THE PRODUCTS AND THE COLLATERAL**

### **Investing in the Products Does Not Correspond to a Direct Investment in the Underlying**

Investors should be aware that the market value of the Products may not have a direct relationship with the prevailing price of the Underlying and changes in the prevailing price of the Underlying will not necessarily result in a comparable change in the market value of the Product(s).

The performance of the Products may differ significantly from returns on direct holdings of Underlyings as a result of the negative effect of the Investor fee or any redemption charge, in addition to the negative effect of any other risks described herein. The return on Products will not reflect the return if the Investor had actually owned the Underlying or a security directly linked to the performance of the applicable Index and held such investment for a similar period.

## **Risk-hedging Transactions**

The ability to eliminate or to restrict the initial risks of the Products arising from their purchase by concluding any hedging transactions during their lifetime depends mainly on the market conditions and the terms of the specific Product. As a consequence, such transactions may be concluded at unfavourable market prices to the effect that corresponding losses may arise.

Investors should therefore not rely on the ability to conclude transactions at any time during the term of the Products that will allow them to offset or limit relevant risks.

## **Features of Products related to Currencies, Exchange Rates or Commodities**

In case of Products where the Underlyings are currencies, exchange rates or commodities, it should be noted that such Underlyings are traded 24 hours each day through the time zones of Australia, Asia, Europe and America. It is therefore possible that a relevant limit, barrier or threshold pursuant to the relevant Final Terms may be reached or exceeded outside of local business hours.

## **Early Termination and Notice of Products / Reinvestment Risk**

Following certain events (as defined in the Terms and Conditions), the Issuer has the right to terminate the Products issued under this Program early.

In the case of such a termination the Issuer will, if and to the extent permitted by applicable law, pay an amount determined by the Calculation Agent in its duly exercised discretion (*billiges Ermessen*), but in accordance with established market practice. This amount is representing the Fair Market Value of such Products immediately prior to such termination (notwithstanding any illegality or impossibility).

Instead of paying a cash amount corresponding to the Fair Market Value of a Product, the Issuer may – in its duly exercised discretion (*billiges Ermessen*) in specific circumstances – deliver the Underlying of such Product.

Investors should be aware that a cash amount corresponding to the Fair Market Value may be less than the initial investment. Where the Issuer delivers the Underlying of a Product, instead of paying the redemption amount, the Investor will not receive a redemption amount. The Investor will therefore be exposed to the risk associated with such Underlying. The Investor should not assume that he or she will be able to sell such Underlying for a specific price after the redemption of the Products, in particular not the same amount paid to purchase the Products. Any early termination of Products pursuant the Terms and Conditions may, therefore, result in a partial or total loss of the invested capital.

Investors should also be aware that following any early redemption of the Products, 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.

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

Condition 22 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, including any Underlying that serves as Collateral, the Issuer shall give notice to Investors in accordance with Condition 24, and the Redemption Amount for such Products shall be reduced accordingly, potentially to the smallest denomination of the Settlement Currency (i.e., USD 0.01, EUR 0.01, CHF 0.01, GBP 0.01 or the equivalent in other Settlement Currencies) per Product. 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.

If an Extraordinary Event occurs, none of the Issuer, the Security Agent, the Custodian or any other person shall be

liable to compensate Investors for any losses that they may bear.

## **Pricing of the Underlyings**

The value of Products is affected by the price of the Underlyings. The amount to be paid by the Issuer upon redemption of any Products depends on the performance of these assets, as calculated in accordance with the Terms and Conditions. The Products are generally not capital protected at all and there is, therefore, a risk of partial or complete loss of the investment.

Prices for Underlying Assets may 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 Products and the operational ability and financial results of the Issuer.
- *Regulatory events or statements by regulators* – there may be a lack of consensus regarding the regulation of certain Underlying Assets (such as e.g. cryptocurrencies) and insecurity regarding their legal and tax status and regulations 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 (e.g. for cryptocurrencies), as well as composite prices used to calculate the underlying value of such Underlyings, as the data sources span multiple jurisdictions.
- *Changes of the financial stability of the issuer of the Underlying Assets* – any changes of the financial stability or solvency or rating or corporate actions (such as e.g., capital increases, mergers, change of capital structure, etc.) any other material events regarding the issuer of the Underlying Asset by have a negative impact on the value or market prices of the Underlying Assets.
- *Investment trading, hedging or other activities by a wide range of market participants which may impact pricing, supply and demand for Underlying 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. In addition, given the nature of the market of the Underlyings, redemption of certain Products by Investors, 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 Products.

## **Impact of Redemptions of Underlying Products**

The redemption of all or part of Products and the subsequent redemption of the Collateral may have an effect on the pricing of Products. These actions may be due to regulatory changes or redemptions or form part of the termination and redemption of a Product under the Terms and Conditions.

## **Impact of Underlying Sale**

The Issuer will periodically be required to sell Underlying Assets to fund operations or to redeem Products pursuant to the Terms and Conditions. These transactions will be performed on the open market or via an over-the-counter (OTC) trading platform, at the Issuer's discretion. If the amount of Underlying Assets is large enough relative to global supply and demand, such sales could have an impact on supply and demand for Underlying Assets in a manner unrelated to other factors affecting the global market for Underlying Assets and may affect the pricing of other Products under the Program.

## **Market Disruption Events**

In accordance with the Terms and Conditions, the Issuer or the Calculation Agent may determine in their duly exercised discretion (*billiges Ermessen*) that a Market Disruption Event has occurred or exists at a relevant time

which could *inter alia* result in the postponement of the fixing, observation or valuation of the applicable Underlying and the value for that Underlying. Any such determination may have an adverse effect on the market value of the Products, which may result in a partial or total loss of the invested capital.

These events may include, but are not limited to, the inability to source reliable data, regulatory changes or other significant technological issues.

### **Other Factors affecting Market Value**

The market value of a Product is determined not only by changes in the price of the Underlying, but also by a number of other factors. Since several risk factors may have simultaneous effects on the Products, the effect of a particular risk factor cannot be predicted. In addition, several risk factors may have a compounding effect, which may not be predictable. No assurance can be given with regard to the effect that any combination of risk factors may have upon the market value of the Products.

These factors include, *inter alia*, the terms of the specific Product, the frequency and intensity of price fluctuations (volatility) in the Underlying, as well as the prevailing interest rate or the creditworthiness of the Issuer, which may change during the lifetime of the Products. A decline in the market value of the Products may, therefore, occur even if the price or level, as the case may be, of the Underlying remains constant or increases, depending on the product type.

Investors should specifically be aware that an investment in the Products involves a valuation risk with regard to the Underlying. They should have experience with transactions in Products whose value is derived from an Underlying. The value of an Underlying may increase or decrease over time by reference to a variety of factors, which may include corporate actions, macro-economic factors, loss of reputation and speculation. If the Underlying is a basket comprised of various assets, fluctuations in the value of any of the assets may be offset or intensified by fluctuations in the value of other basket components. In addition, the historical performance of an Underlying is not an indication of its future performance. Changes in the market price of an Underlying will affect the trading price of the Products, and it is impossible to predict whether the market price of an Underlying will rise or fall in such cases.

### **Information with regard to the Underlying**

Information with regard to the Underlying consists of extracts or summaries of information that is publicly available and that is not necessarily the latest information available. No further or other responsibility (express or implied) in respect of the Underlying information is accepted by the Issuer. The Issuer makes no representation that the Underlying information, any other publicly available information or any other publicly available documents regarding the Underlying or other item(s) to which the Products relate are accurate, up-to-date, or complete. There can be no assurance that all events occurring prior to the Initial Fixing Date (as defined in the Terms and Conditions) of the relevant Products that would affect the trading price of the Underlying or other item(s) to which the Products relate (and therefore the trading price and market value of the Products) have been publicly disclosed. Subsequent disclosure of any such events or the disclosure or failure to disclose material future events concerning the Underlying or other item(s) to which the Products relate could affect the trading price and market value of the Products.

### **Possible Impact of Fluctuations in Market Volatility on the Market Value of Products**

Market volatility reflects the degree of instability and expected instability of the performance of the market 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 instruments are determined by forces such as actual market volatility, expected market volatility, other economic and financial conditions and trading speculations.

## **Regulatory Requirements**

Potential Investors should seek their own legal advice and make their own assessment as to all regulatory requirements and this Base Prospectus does not express any view on the regulatory treatment of the Products. The regulatory treatment of the Products may be unclear or subject to other regulatory qualifications or re-qualification by the regulator or courts in certain jurisdictions.

Potential investors should, in particular, without limitation, seek their own legal advice and make their own assessment as to investment restrictions applying under local law.

## **Risks related to the Collateral**

There is a risk that at the point in time of the redemption of the Products or enforcement of the Collateral there is de jure or de facto not sufficient Collateral available or available for liquidation to redeem the Products fully and to cover the claims of the Investors versus the Issuer. It may not be possible to enforce Collateral on behalf of the Investors under certain circumstances. Especially, for Collateral located outside of Switzerland or Collateral that is subject to restrictions or approvals by third parties regarding its transfer it may not be possible to enforce such Collateral legally or factually in certain cases.

In particular, in the event that the Issuer defaults and the Security Agent enforces its rights under the Collateral Agreement, the realization of the Collateral may not be of sufficient value to cover all Redemption Amounts payable to Investors because: (i) the collateral account only contains assets equal to the value of the respective Product 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 Security Agent takes control of the collateral account, during which time a significant difference between the value of the Collateral in the collateral account and the price of the Underlying could arise, particularly given the volatility of the markets; (ii) the Collateral in the collateral account is not denominated in the Settlement Currency and the value of such Collateral may fall due to exchange rate movements; (iii) the face value of Product could rise due to market conditions; (iv) the Issuer (or the Security Agent) may not be able to realize some or all of the assets in the collateral account 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 realization 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 realization of the assets in the collateral account, as also further set out in the Collateral Agreement.

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

## **Investors have no Direct Ownership Interest or Right to Delivery of the Collateral**

Investing in Products will not make an Investor the owner of any Collateral. Any amounts payable on the Products will be made in cash and the Investors will have no right to receive delivery of any Collateral at any time.

## **Security Agent**

The Security Agent and its affiliates may act in a number of capacities in respect of Products issued under the Program. The Security Agent and its affiliates acting in such capacities in connection with the Products will have only the duties and responsibilities expressly agreed to by such entities in the relevant capacity and will not, by virtue of acting in any other capacity, be deemed to have other duties or responsibilities or be deemed to hold a standard of care other than as expressly provided with respect to each such capacity. Security Agent and its affiliates in their various capacities in connection with the Products may enter into business dealings, from which they may derive revenues and profits in addition to any fees, without any duty to account therefor.

## **Enforcement by Security Agent**

The Security Agent may take any action permitted by the Collateral Agreement in an enforcement scenario without having regard to the effect of such action on individual Investors.

Fees, costs and expenses for the Security Agent will need to be paid in advance. All fees, costs and expenses related to enforcement will be the sole responsibility of, and will be deducted from any payments made to, the relevant Investors.

## **Security Agent's Responsibility in respect of Payments**

The Security Agent shall have no responsibility whatsoever to any other party hereto or to any Investor as regards any deficiency which might arise because the Security Agent is subject to any tax in respect of the Collateral or any part thereof or any income therefrom or any proceeds thereof.

## **Security Agent's Duties and potential Conflicts of Interest**

When exercising any of its powers, authorities, duties or discretions under the Collateral Agreement, the Security Agent shall have regard to the general interests of the Investors, but shall not have regard to any interests arising from circumstances particular to individual Investors (whatever their number) and, in particular but without limitation, shall not have regard to the consequences of such exercise for individual Investors (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof.

## **RISKS RELATING TO THE UNDERLYINGS**

### **Illiquidity of the Underlying(s)**

The Calculation Agent may determine in its duly exercised discretion (*billiges Ermessen*) that an Underlying is illiquid at a relevant time. Underlying Illiquidity might lead to a larger bid/offer spread for the Product, for an extended time period for buying and/or selling the Underlying respectively to acquire, unwind or dispose of the hedging transaction(s) or asset(s) or to realise, recover or remit the proceeds of such hedging transaction(s) or asset(s), as well as to a postponed redemption and a modified redemption amount, a postponed fixing and/or redemption. Thus, any such determination may have an adverse effect on the market value of the Products.

### **Hedging Activity relating to the Underlying**

The Issuer shall execute its trading and hedging activities (including unwinding and termination of already executed hedging transaction) on a best efforts basis, taking into account the possibility of unduly affecting the market and consequently to limit its activities related to the Underlying. To minimize the market impact, the Issuer is entitled to suspend or to entirely cease its trading activities related to an Underlying.

This market conduct of the Issuer, as well as the limitation of its trading and/or hedging activities related to the Underlying, may impact the Product negatively, in particular it may lead to:

- an occurrence or non-occurrence of a barrier event;
- an extended bid-ask spread;
- an occurrence of a stop loss event, which can impact the liquidation price negatively, which under extraordinary conditions can be zero.

Investors should consider that the market conduct of the Issuer respectively the limitations of its trading activities can furthermore negatively impact the redemption amount or the liquidation price of the Product

## **Risks of Products on a Share, Bond or Credit or on a Basket of Shares, Bonds or Credits**

Neither the Issuer nor any affiliates of the Issuer have performed any investigations or review of any company issuing any share, bond or credit including any public filings by such companies. Investors should not conclude that the inclusion of the shares, bonds or credit is any form of investment recommendation.

Consequently, there can be no assurance that all events occurring prior to the relevant Issue Date (as defined in the Final Terms), affecting the trading price of the share(s), bond(s) or credit(s) will have been publicly disclosed. Subsequent disclosure of or failure to disclose material future events concerning a company issuing any Underlying could affect the price of the Underlying (e.g., a share, bond or credit) and therefore the trading price of the Product.

With respect to credits which serve as Underlyings, in particular, the Issuer has not and will not conduct a credit evaluation (*Kreditprüfung*) of the debtor of such credit.

## **Risks related to Products linked to Indices**

In case of Products linked to indices, the redemption amount depends on the performance of the respective Index and thus of the components contained in the respective Index. During the term, the market value of the Products can deviate from the performance of the Index or components contained in the Index since other factors such as the correlation, volatilities, interest level and (for example in the case of performance indices) the reinvestment of any dividend payments relating to the components contained in the Index, may have an impact on the performance of the Products. The Investor can therefore not rely on recovery of the price of the Product. In the case of a price Index as Underlying, Investors should note that dividend payments are in principle not taken into account (whereas in the case of performance indices the calculation of such Index takes into account all dividend payments). Investors therefore should note that they do not participate in any dividend payments with regard to the components contained in the Index.

The Investor bears an additional risk if an Index is calculated and determined at the discretion of the Index Sponsor, the Index Calculation Agent or any other person responsible for determining and calculating the Index as there is no guarantee that such decisions will lead to a positive performance of the Index. The performance of the Index and hence the Product depends, inter alia, on the quality of the Index Sponsor's investment decisions. Investors need to conduct their own due diligence with respect to the Index Sponsor.

Neither the Issuer nor the Authorized Offeror, nor any of their affiliates take any responsibility for the selection of Index components or the success of the intended strategy as long as they are not taking this responsibility explicitly as part of their capacity as Index-Sponsor, Index Calculation Agent or as a person responsible for composing or calculating the Index respectively. The same applies for the selection of Strategy-Components in case of AMCs, where neither the Issuer nor the Authorized Offeror nor any of their affiliates take any responsibility for the selection or adjustments to the Strategy-Components (which are selected and adjusted by the Strategy-Manager).

## **Certain additional Risk Factors associated with Actively Managed Certificates**

The risks of an investment in Actively Managed Certificates (AMCs) may be similar to the risks of a direct investment in the Underlyings Components. The performance of an AMC depends on the performance of the Underlyings, the investment strategy, the decisions made by the Strategy-Manager, and the investment techniques applicable to a specific AMC. Past performance is not a guarantee for future developments and the performance is not foreseeable at the point in time of the investment decision. Furthermore, it is not certain that all adjustments of the Underlyings intended by the Strategy-Manager can be implemented and its expectations regarding the development of the value of the Product will be fulfilled. A total loss of the investment may occur, if the Underlyings become worthless, respectively, the Strategy-Level decreases to zero. Further risks may arise from the specific Strategy of the Strategy-Manager or of the investment techniques (i.e., leverage, short selling) which are used to implement such Strategies, if applicable. In particular, potential gains but also losses may be magnified by such investment techniques.

## **Risks of Products based on Collective Investment Schemes or a Basket of Collective Investment Schemes**

Investing in the Product is not the same as investing in the reference Collective Investment Schemes (**CIS**) or investments or assets underlying the CIS. Changes in the market price of the reference CIS, and/or equity(ies) or assets underlying the CIS, may not lead to any corresponding change in the market value of, or potential payout under, the Product. The market value of the Product will fluctuate depending on factors such as market interest rate movements, the financial condition of the Issuer, the market's view of the credit quality of the issuer, the value of the embedded option(s), the price performance and price volatility of the referenced CIS. If the Investor sells the Product back to the Issuer via the Paying Agent before expiry, if possible, the amount the Investor receives for the Product may be substantially less than the issue price paid for the Product. In extreme circumstances, the Investor may lose 100% of the initial investment amount.

The reference CIS is managed by its manager and the investment objectives and investment restrictions of the reference CIS may change from time to time. Neither the Issuer, the Authorized Offeror nor the Investors have any control over the decisions made by the manager regarding the reference CIS and have no rights against the manager for its decisions. Such decisions may have any adverse impact on the potential gain/loss of the Product. In addition, the applicable laws and regulations governing the reference CIS may also restrict the operations of the reference CIS and restrict their ability to achieve the investment objectives. Such risks may have a negative impact on the performance of the reference CIS and therefore the potential return of the Product. Investors should read the offering documents of the reference CIS for further information about the risks applicable to the reference CIS.

The objective of most Exchange Traded Funds (ETFs) is to track the performance of the equity(ies) or assets underlying the ETFs or, as the case may be, a specific index. However, increases in the price performance of the equity(ies), assets underlying the ETFs or specific index may not lead to an increase in the market price of the ETFs. Also, any increase(s) in the market prices of the ETFs or the equity(ies) or assets underlying the ETFs or the level of the related index (as the case may be) may not lead to an increase in the market value of the Product of the same magnitude or even any increase at all. Investors should note that ETFs are or may be exposed to the political, economic, currency and other risks related to the underlying asset pool or index that the ETFs are designed to track. Some ETFs may not invest directly in the equity(ies), underlying assets or constituents of the specified index which they track, but instead may synthetically replicate the performance of the referenced equity(ies), underlying assets or specified index by investing in derivatives issued by market counterparties that are linked to the referenced equity(ies), underlying assets, specified index or constituents of the specified index. For these synthetic ETFs, Investors are exposed to the credit risk of the counterparties which used the derivatives, in addition to the risks relating to the referenced equity(ies), underlying assets or specified index. Potential contagion and concentration risks of these counterparties which issue the derivatives should also be taken into account. In addition, a higher liquidity risk is involved if a synthetic ETF include derivatives which do not have an active secondary market, and wider bid/offer spreads in the price of the derivatives may result in losses in the ETF. There may also be a disparity between the performance of the ETF and the performance of the underlying index due to, for instance, failure of the tracking strategy of the ETF, currency differences, fees and expenses.

Furthermore, where the index/market that the ETF tracks is subject to restricted access, the efficiency in the creation or redemption of units of or shares in the ETF to keep the price of the ETF in line with its fair value or net asset value may be disrupted, causing the ETF to trade at a premium or discount to its net asset value. Such risk may have a negative impact on the performance of the ETF and may adversely affect the value of the Product in which case the Investor may suffer a loss in the investment.

## **Risks of Products based on Commodities, a Basket of Commodities or Commodities Indices**

Commodities, as defined by the product documentation, comprise physical commodities, which need to be stored and transported, and commodity contracts, which are agreements either to buy or sell a set amount of a physical commodity at a predetermined price and delivery date (e.g. futures contracts). The majority of commodities are traded globally on exchanges or directly between market participants (interbank trading) over-the-counter by means of largely standardized contracts. Commodity prices are more volatile than other investment categories and, in particular, commodity markets are less liquid than bond, currency or stock markets. This means that changes in the supply and demand have a larger impact on prices and volatility, making commodities riskier and more complex

than other investments.

The factors that influence commodity prices are both numerous and complex. Examples of some typical factors affecting commodity prices are: limited scope for action for commodities on the supply side and differences in regional demand, unfavourable weather conditions, diseases and epidemics, influence of the overall yield with commodities, e.g. through costs (for example for transport, storage and insurance) in the case of direct investments in commodities, strong speculation, production in emerging markets that often have unstable political and economic situation, high inflation, increased risk of currency fluctuations as well as political and legal risks and changes in tax rates and customs duties.

The majority of commodities are usually traded in U.S. dollars, therefore Investors may bear an exchange rate risk between the currency in which the commodity is traded and the Settlement Currency of the Product.

The price of a commodity contract (a future) will generally be at a premium or at a discount to the spot price of the relevant physical commodity. This discrepancy is due to factors such as the need to adjust the spot price due to related expenses and different methods being used to evaluate general factors affecting the spot and the futures markets. Products with the physical commodity as Underlying may therefore provide a different return than Products with a commodity contract as Underlying.

Investors should also consider that commodities are mostly traded 24 hours a day as a result of the time zones of Australia, Asia, Europe and America. For this reason it is possible that a material event in accordance with the respective Product or a factor relevant to the determination of the right granted by the Product may occur or be determined outside the business hours of the place where the Products are offered and/or traded.

Markets where commodities are traded may become in whole or in part, subject to future additional regulation which could significantly impact the performance of the Issuer's obligations under the Products. Furthermore, arrangements made to hedge the Issuer's obligations under the Products may become invalid in whole or in part. In such a case the Issuer has the right to terminate the Products by providing notice to Investors.

### **Risks related to Products linked and/or including SARON and other reference rates, interest rates, equity, commodity, foreign exchange rates and other types of benchmarks**

Interbank Offered Rates (including the Swiss Average Rate Overnight ("SARON") and other reference interest rates), interest rates, equity, commodity, foreign exchange rates and other types of rates and indices which are deemed to be "benchmarks" are the subject of ongoing national and international regulatory reforms. Following any such reforms, benchmarks may perform differently than in the past or disappear entirely, or there could be other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Products linked to such benchmarks.

Key regulatory proposals and initiatives in this area include (amongst others) the IOSCO's Principles for Financial Market Benchmarks (the "IOSCO Benchmark Principles"), the EU Regulation on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (the "Benchmark Regulation"), and the transition proposed by the UK's Financial Conduct Authority (the "FCA"), away from prior reference rates to one or more alternative benchmarks (each, as discussed below).

The IOSCO Benchmark Principles aim to create an overarching framework of principles for benchmarks to be used in financial markets, specifically covering governance and accountability as well as the quality and transparency of benchmark design and methodologies. Subsequent implementation reviews have found that widespread efforts are being made to implement the IOSCO Benchmark Principles by the majority of administrators surveyed. However, these reviews also note that, as the "benchmarks industry" is in a state of flux, IOSCO may need to take further steps in the future – although it is not yet clear what these steps might be. On 16 December 2016, IOSCO published a report setting out guidance to improve the consistency and quality of reporting on compliance with IOSCO Benchmark Principles.

The Benchmark Regulation entered into force in June 2016 and became fully applicable in the EU on 1 January 2018 (save that certain provisions, including those related to "critical benchmarks", took effect on 30 June 2016), subject to certain transitional provisions. The Benchmark Regulation applies to the contribution of input data to a

"benchmark", the provision or administration of a "benchmark" and the use of a "benchmark" in the EU. Among other things, it (a) requires EU benchmark administrators to be authorized or registered as such and to comply with extensive requirements relating to the administration of "benchmarks" and (b) prohibits certain uses by EU supervised entities of "benchmarks" provided by EU administrators which are not authorized or registered in accordance with the Benchmark Regulation (or, if located outside of the EU, deemed equivalent or recognised or endorsed). The scope of the Benchmark Regulation is wide and, in addition to so-called "critical benchmark" indices, applies to many other interest rate indices, as well as equity, commodity and foreign exchange rate indices and other indices. This will include "proprietary" indices or strategies where these are used to (i) determine the amount payable under, or the value of, certain financial instruments (including securities or OTC derivatives listed on an EU regulated market, EU multilateral trading facility (MTF), EU organised trading facility (OTF) or "traded via a systematic internaliser"), (ii) determine the amount payable under certain financial contracts, or (iii) measure the performance of an investment fund.

The Benchmark Regulation could have a material impact on Products linked to a "benchmark" and/or limit or prohibit their use in certain jurisdictions.

### **Investing in the Products does not correspond to a direct investment in the Underlying**

Investors should be aware that the market value of the Products may not have a direct relationship with the prevailing price of the Underlying and changes in the prevailing price of the Underlying will not necessarily result in a comparable change in the market value of the Product(s).

The Investors will not have voting rights or rights to receive dividends, interest, or other distributions, as applicable, or any other rights with respect to any share as Underlying. The responsibility for registration of any shares delivered to the Investor, where applicable, is borne by the Investor if "Delivery of Underlying" is provided in the relevant Final Terms and if the shares are delivered.

### **Possible decrease in Underlying Value in case of Delivery of Underlying**

To the extent that "Delivery of Underlying" is provided for in the relevant Final Terms, Investors should note that any fluctuations in the price of the Underlying between the Expiration Date of the Product and the delivery of the Underlying on the Redemption Date need to be borne by the Investors. Losses in the value of the Underlying can therefore still occur after the corresponding Expiration Date and are to be borne by the Investors.

### **Protection Amount**

If and to the extent that a capital protection has been declared applicable in the relevant Final Terms, the Products are intended to be redeemed at maturity for an amount no less than the specified protection. A capital protection may apply at a level below, at or above the nominal value of the Product. The capital protection, if any, will not be due if the Products are redeemed prior to their Redemption Date, upon the occurrence of a Market Disruption Event, or upon a Tax Call, as defined in the Terms and Conditions. If no capital protection is applicable, the full amount invested by the Investor may be lost. Even if a capital protection applies, the return may be less than the capital protection specified in the Final Terms. The payment of the protection amount may be affected by the condition (financial or otherwise) of the Issuer. In particular, Investors are exposed to the credit risk of the Issuer and the Collateral Provider.

Investors must be willing and prepared to hold their Product until the Expiration Date. The invested amount is protected only, as specified in the relevant Final Terms, if the Investor holds the Product until the Expiration Date. If an Investor sells the Product in the secondary market prior to the Expiration Date, the Investor will not have capital protection on the Product sold.

## **Products and/or Underlyings listed on the SIX Swiss Exchange or any other exchanges may be suspended from trading**

SIX respectively SIX Exchange Regulation provides for rules determining admissible underlying instruments for derivatives (including structured products). It cannot be excluded that during the lifetime of the Product, the Underlying is suspended from trading or de-listed from SIX or any other applicable exchange for reasons beyond the reasonable control of the Issuer and/or Collateral Provider. In case the Underlying of a Product is suspended from trading or de-listed, this might have material adverse effects on the Product and/or, among other reasons, might also lead to the suspension or de-listing of the Product.

In addition, it cannot be excluded that the Products may be suspended from trading or de-listed from SIX or any other applicable exchange during the lifetime of the respective Product for other reasons.

## **No Supervision by the Liechtenstein Financial Markets Authority (FMA) or Swiss Financial Market Supervisory Authority (FINMA)**

The Products are structured products. They do not qualify as units of a collective investment scheme according to the relevant provisions of 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 the Federal Act on Collective Investment Schemes ("**CISA**"), as amended, and are not and cannot be registered thereunder. Therefore, the Products are neither governed by the UCITSG, the AIFMG, the IUG or CISA nor supervised by the Liechtenstein Financial Market Authority ("**FMA**") or Swiss Financial Market Supervisory Authority ("**FINMA**"). Accordingly, the Investor does not have the benefit of the specific investor protection provided under any of the before cited legal acts. Investors should be aware that they are exposed to the credit risk of the Issuer.

## **Special Risks related to Alternative Investments as Underlyings**

The Products may have certain alternative investments assets as Underlyings and may, therefore, be subject to the risks of such alternative investments. Alternatives are not suitable for every investor. Given their unique risk-return profile and complex investment characteristics, they often are most attractive and more suitable for more sophisticated and higher-net-worth investors. In addition to meeting minimum investment and suitability requirements, investors should also consider their time horizon, investment objectives and their ability to withstand periods of volatility before considering an allocation to alternatives. Risk and return profiles may differ across different alternative investments. However, Investors in Products with alternative investments as Underlyings must understand the risks of the respective Underlyings before investing in the Products.

## **Special Risks related to Private Equity as Underlyings**

The special risks of private equity investments apply in case of private equity as Underlying of the Products. Such risks may include, inter alia, the funding risk, the liquidity risk, the market risk, the capital risk, or other risks or external factors. Private equity investments may be relatively intransparent when compared to investments in listed companies. In other words: Products with private equity as Underlying (as well as such Underlying) may be illiquid and their performance vastly depends on the development of the underlying company or business as well as the ability of the Issuer to sell the Underlying. Moreover, private equity investments generally rather have a mid to long-term investment horizon.

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

### ***Pricing of Underlying Crypto Currencies in Particular***

Prices for underlying crypto currencies or digital tokens (**Crypto Assets**) (or Simple Agreements for Future Token (SAFT) and Simple Agreements for Future Equity (SAFE)), if any, may fluctuate widely and, for example, may be impacted by any of the following additional factors:

- *Forks in the underlying protocols* – most of the Crypto Assets 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 a particular Crypto Asset. When a modification is proposed and majority of users and miners consent to the modification, the change is implemented and the network remains uninterrupted. 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, however, the consequence would be what is known as a fork (i.e., a split) of the network, 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 inter-changeability 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. 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 Assets 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.
- *Disruptions to the infrastructure* – disturbances or malfunctions of the infrastructure or other 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 others are pre-mined, resulting in all supply existing on day one of the protocol (see "*— General Description of Underlying Assets*"). The computers that make up this infrastructure are decentralized 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 could be limited. Other critical infrastructure which may be negatively affected includes storage solutions, exchanges or custodians for the assets.
- *Execution Risk* – it may be impossible to execute trades in any Crypto Assets 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. See "*— Risks relating to the Underlyings*".

Users of Crypto Assets, such as crypto currencies, and therefore Investors in Products with Crypto Assets as an underlying, such as the Products, 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 of any Product 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 marketplace concerned and thus negatively affect the market price of Crypto Assets. Through the Products, 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 also used as Collateral for the Products, 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 Product.

Certain Crypto Assets, such as Bitcoins, can be used pseudonymously and do not have to be traded through government institutions or banks. They can be purchased directly from an owner or a certain 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.

### ***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 Spending and 51% attacks, as further described below.

Bitcoin, Ether, and other Crypto Assets are often 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**. 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.

Moreover, there is a risk that the various parties involved in the crypto currency industry 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. Such a fork could have a detrimental effect on the value of the Products.

### ***Usage and Network Participation***

Today, there is limited use of Crypto Assets in the retail, commercial, or payments spaces. On a relative basis, speculators make up a significant portion of users. This pattern may contribute to outsized price volatility.

Furthermore, for mined Crypto Assets such as Bitcoin and Ether, the incentives for miners to contribute processing power to the respective networks are set to decrease over time. See "*— Cease in Expansion of Processing Power*". The implementation of fees for transactions may result in decreased usage and limit expansion of these or other protocols in the retail, commercial and payments space, adversely impacting investment in the Products. See "*— Potential of Collusion to Raise Transaction Fees*". Conversely, if the reward for miners or the value of the transaction fees is insufficient to motivate miners, they may cease expending processing power for any blockchain to solve blocks and confirm transactions.

### ***Cease in Expansion of Processing Power***

Miners generate revenue from both newly created Crypto Assets (known as the "block reward") and from fees taken upon verification of transactions. If the aggregate revenue from transaction fees and the block reward is below a miner's cost, the miner may cease operations. Additionally, in the event of a fork of the relevant Crypto Asset network, some miners may choose to mine the alternative new bitcoin resulting from the fork, thus reducing processing power on the original blockchain. An acute cessation of mining operations would reduce the collective processing power on the blockchain, which would adversely affect the transaction verification process by temporarily decreasing the speed at which blocks are added to the blockchain and make the blockchain more vulnerable to a malicious actor obtaining control in excess of 50% of the processing power on the blockchain. Reductions in processing power could result in material, though temporary, delays in transaction confirmation time. Any reduction in confidence in the transaction verification process or mining processing power may adversely impact the value of an investment in the Products or the ability of the Issuer to operate.

### ***Potential of Collusion to Raise Transaction Fees***

Crypto Asset miners, functioning in their transaction confirmation capacity, collect fees for each transaction they confirm. Miners validate unconfirmed transactions by adding the previously unconfirmed transactions to new blocks in the blockchain. Miners are not forced to confirm any specific transaction, but they are economically incentivised to confirm valid transactions as a means of collecting fees. Miners have historically accepted relatively low transaction confirmation fees, because miners have a very low marginal cost of validating unconfirmed transactions. If miners collude in an anticompetitive manner to reject low transaction fees, then Crypto Asset users could be forced to pay higher fees, thus reducing the attractiveness of the relevant Crypto Asset network. Crypto Assets mining occurs globally, and it may be difficult for authorities to apply antitrust regulations across multiple jurisdictions. Any collusion among miners may adversely impact the attractiveness of Crypto Asset networks and may adversely impact the value of an investment in the Products or the ability of the Issuer to operate.

### ***Market Moving Events***

The price of Underlying Assets may be affected by other vehicles investing in or otherwise tracking the crypto market. These include, but are not limited to, future contracts, funds and structured products. If any of these instruments investing in the asset class come to represent a significant portion of demand or supply, large issuances or redemptions could impact the global price of the asset and value of the Products.

### ***Innovation***

Crypto Assets are a relatively new asset class and subject to the special risks of this asset class. It is currently unclear which Crypto Assets will become dominant, as the sector continues to innovate and evolve. Changes in the viability of any crypto ecosystem may adversely impact pricing and liquidity of the Crypto Assets and, therefore, of the Products.

### ***Competition***

Crypto Assets face significant competition amongst each other, as well as from other technologies or payment forms, such as Swift, ACH, remittance networks, credit cards and cash. Crypto Assets make up a very small percentage of global payments. There is no guarantee that Crypto Assets will become a dominant form of payments, store of value or method of exchange.

### ***Limited Liquidity and Trading Volume***

Liquidity in Crypto Assets is significantly lower than other major currencies, such as U.S. Dollars, Euros or Japanese Yen, as well as certain stocks, bonds and structured products. As such, there is a greater possibility of market moving events such as a single large sale effecting the global market. Furthermore, liquidity crunches may also

occur as a result of lower overall liquidity. In this case, it may be difficult or impossible to buy or sell underlying Crypto Assets, resulting in a significant loss of value. This risk increases significantly as the market capitalization and liquidity of a Crypto Asset declines and, accordingly, may be a more important risk for assets with lower market capitalization, such as Litecoin and Bitcoin Cash.

### ***Limited Trading Hours***

Crypto Assets trade 24 hours every day (including Saturday, Sunday and public holidays). The trading hours of the Products may be restricted to the trading window available on the relevant exchange, market venue or from an OTC broker. Investors cannot invest in or sell the Products on-exchange outside of SIX market hours. This restriction could limit Investor's ability to react to price movements or volatility in crypto markets.

### ***Large-Scale Sales of Underlying Assets***

Political or economic events, either domestically or in foreign jurisdictions, may motivate large-scale buys or sales of Underlying Assets. Large-scale sales of Crypto Assets may result in a decline in the price of Crypto Assets, which may adversely affect an investment in the Products.

### ***Actions of Early Crypto Asset Adopters***

There is no registry showing which individuals or entities own Crypto Assets or the quantity of Crypto Assets owned by any particular person or entity. It is possibly, and in fact, reasonably likely, that a small group of early Crypto Assets adopters hold a significant proportion of the Crypto Assets that has thus far been created. There are no regulations in place that would prevent a large holder of Crypto Assets from selling their Crypto Assets. Such Crypto Assets sales may adversely affect the price of Crypto Assets and an investment in the Products.

### ***Country-specific Regulatory Risks***

The legal status of financial products and/or Underlying Assets may vary substantially from country to country. In many countries, the legal status of certain Products or Underlyings may still be unclear, undefined or changing.

For example, some countries have deemed the usage of Bitcoin illegal. Other countries have banned Crypto Assets, banned the local banks from working with Crypto Assets or restricted Crypto Assets in other ways. Furthermore, the status of Crypto Assets remains undefined and there is uncertainty as to whether the 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 Products tracking or linked to Crypto Assets could be considered illegal and could be subject to sanctions.

### ***Changes in Regulation and Regulatory Call***

The regulation of financial products and/or Underlying Assets is subject to change. It cannot, therefore, be ruled out that the regulatory treatment of Products and/or Underlying Assets by national authorities (such as e.g. financial markets supervisory authorities) and courts or international standard setting bodies could be subject to changes in the future. As a result of such changes, the purchase and/or direct or indirect investment in certain of the Products, or certain Underlying Assets including with respect to Underlyings or Products may be prohibited or otherwise restricted.

In accordance with the Terms and Conditions, the Issuer may recall and redeem all outstanding Products, *inter alia*, for reasons of regulatory changes affecting the respective Product or any of the Underlyings (a **Regulatory Call**). Accordingly, Investors should consult their personal legal advisors before making any decision to purchase the Products and must be aware of, and be prepared to bear the risk of, a potential early redemption due to regulatory

reasons. The Issuer and their affiliates do not accept any liability for adverse regulatory consequences of an investment in the Products.

Moreover, changes in the regulation of financial products or certain Underlying Assets including with respect to Underlyings, may adversely impact the Issuer, the value of the Products, the value of any of the Underlyings and the value of the Collateral. As a result, Investors bear the risk of a loss of part or all of their investment.

### **Tax Risks**

The taxation of Underlying 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 Underlying Assets may remain unclear or undefined and there may e.g. be uncertainty as to whether 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 Products, 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.

### **Valuation Risks**

The market value of certain Underlying Assets may not be related to any specific company, government or asset and may be difficult to establish. The valuation of these assets may depend on future expectations for the value and the liquidity of such assets. This means that the value of such assets may be speculative and/or 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 by the Products.

Valuation may also vary significantly by geography 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 and the Products.

Market trends 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 Underlying Assets may change due to shifting Investor confidence in the outlook of the asset class. These dynamics may impact the value of an investment in Products.

### **Potential for Market Abuse**

The markets of certain Underlyings is growing rapidly. These markets are local, national and international and include a broadening range of products and participants. Significant trading may occur on systems and platforms with minimum predictability. Any sudden, rapid change in demand and supply of any Underlyings, especially those with a small market capitalization or small unit price, could cause significant price volatilities. Furthermore, there can also be no assurance that the KYC/AML policies of the exchanges used by the Issuer will be sufficiently robust. The characteristic of certain Underlyings and underlying infrastructure could be used to exploit arbitrage opportunities through schemes such as front-running, spoofing, pump-and-dump and fraud across different systems, platforms or geographic locations by certain market participants.

Any market abuse, and a loss of Investor confidence in the Underlyings, may adversely impact an investment in the Products, the ability of the Issuer to operate and broad pricing trends in any individual Underlying or in Crypto Assets as a whole.

### ***Risks related to Underlying Tokens***

Digital tokens are subject to a high degree of risks (including the counterparty or default risk of the issuer of the token and the risk of a partial or total loss of the invested capital). The issuer of the tokens may not be able to successfully develop his business model or to produce cash flows or profits. This may lead to financial distress, insolvency, or bankruptcy of the issuer of the digital token. In particular, financial and operating risks confronting earlier stage companies are significant. It is possible that, due to any number of reasons, including, but not limited to, an unfavorable fluctuation in the value of cryptographic and fiat currencies, the inability by the issuer of the tokens to establish a minimum viable product, a viable financial ecosystem or the tokens' utility, the failure of commercial relationships, intellectual property ownership challenges, or loss of key personal, a token may no longer be viable to operate and the issuer of the token may default, dissolve or take actions that result in its dissolution. Unlike convertible notes and some other securities, tokens, SAVES or SAFTs may not have any "default" provisions upon which purchasers will be able to demand repayment of their investment.

In addition, the issuers of tokens or their products may not be widely adopted and may have limited users. Alternative products may be established that compete with or are more widely used than the products of issuers of tokens. Tokens, SAVES or SAFTs may be subject to transfer restrictions, volatility, market and price risks or illiquidity. Moreover, the business models or products of issuers of tokens could be or become subject to regulatory restrictions or approval or authorization duties.

### **Failure of Exchanges or Trading Venues**

Disruptions at exchanges or trading venues and potential consequences of an exchange's or trading venues' failure could adversely affect the performance of the Underlying and the Products.

### ***Risks related to Non-Fungible Tokens (NFTs)***

Non-Fungible Tokens (NFTs) are innovative and complex digital assets and subject to various special risks. NFTs typically represent unique assets and, therefore, may not have a denomination and may not be exchangeable or tradeable. NFTs may be used to represent a broad range of physical or digital objects, assets, rights or values. However, certain NFTs may legally or factually not represent any kind of object, assets, rights or values at all. NFTs do not have a recognized or uniform legal definition or treatment, especially not internationally. NFTs may not be legally enforceable in certain cases. Moreover, the evaluation of NFTs is challenging and may be controversial, highly volatile or otherwise unreliable. NFTs may be affected by unsustainable economic trends such as, e.g., bubbles and/or the popping of bubbles. The intellectual property rights and the ownership of NFTs and/or their objects, assets or values may be legally invalid, disputed or otherwise unclear which may result in losses for the holders of the NFTs respectively the Investors of the Products.

Furthermore, NFTs may be subject to an adverse regulatory or civil law or tax law qualification in certain countries and by certain regulations or legislators or supervisory authorities or courts, which may result, e.g., in a qualification of the NFTs as securities. Such a regulatory, civil law or tax law qualification may potentially lead to the illegality and/or invalidity/voidness of NFT-transactions. In addition, NFTs are subject to an increased cybersecurity and fraud risk as well as AML-risk.

Accordingly, Products with NFTs as Underlyings may be subject to these risks of NFTs as well. In particular, the special risks of NFTs may impact the holders of the Products negatively and cause a partial or complete loss of the investment for the Investors.

## **REGULATORY AND LEGAL RISKS**

### **Regulatory Risks**

The Products under the Program are financial instruments (debt instruments) in the form of structured products. They do not qualify as units of a collective investment scheme according to the relevant provisions of the UCITSG,

the AIFMG, the IUG or the CISA, as amended, and are not registered thereunder.

The legal status of financial products and/or Underlying Assets may still be unclear, undefined or changing in the future.

While the Issuer believes that these rules do not affect the Products or the Issuer, no assurance can be given that the Products will remain unregulated and unsupervised by FMA, FINMA or any other supervisory authority. There exists a risk of a change of characterization or requalification in terms of the regulatory qualification of certain Products in the EEA, Switzerland or other countries. Any such change of characterization or requalification may have adverse consequences including, among others, the limitation of an offer of Products to, e.g., qualified investors, which may result in a delisting of the Products or other negative consequences for the Investors. Any delisting may, in turn, result in the inability to sell the Products and/or disruption to the pricing of the Products.

### **No Regulation of the Issuer**

The Issuer is not required to be licensed, registered or authorized under any current securities, commodities or banking laws of its jurisdiction of incorporation and will operate without supervision by any authority in any jurisdiction. There can be no assurance, however, that regulatory authorities in one or more other jurisdictions will not determine that the Issuer is required to be licensed, registered or authorized under the securities, commodities or banking laws of such jurisdiction or that legal or regulatory requirements with respect thereto will not change in the future. Any such requirement or change could have an adverse impact on the Issuer or Investors in the Products.

### **Dependence on Approvals**

The Issuer may depend on SIX Exchange Regulation AG's or SIX Swiss Exchange's approvals and the permissibility under the rules and regulations of Switzerland or any other trading venue the Issuer may list or with to list the Products to continue issuing and listing, if applicable, Products and other financial products. Any change to the regulation of the Issuer, the listing requirements, the regulation of the Products, and/or the regulation of Underlying Assets could adversely impact the Issuer's core business.

### **Early Termination of Products in accordance with 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 Products issued under the Program.

In addition, in order to provide redemption amounts to Investors in fiat currency for redemptions, the Issuer is reliant on counterparties purchasing the Collateral for the Products being redeemed. It may not be possible to sell the full amount of Collateral and, accordingly, redemption may take longer than expected. 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 Products 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 Products, they may not be able to reinvest the redemption proceeds or may only be able to do so on less favorable terms. Investors should consider the reinvestment risk in the light of other investments available at that time. Any termination of Products may, therefore, result in a partial or total loss of an Investor's invested capital.

### **Issuer Call Option**

The Issuer may at any time, in its sole and absolute discretion, elect to terminate and redeem a Product fully or partially and designate the redemption date for such purposes in line with the Terms and Conditions. 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.

### **Information on the Underlying**

Information on the Underlying consists of extracts or summaries of information that is publicly available, which is not necessarily the latest information available. While the Issuer accepts responsibility for accurately extracting and summarizing the Underlying information, the Issuer accepts no further or other responsibility (express or implied) in respect of the Underlying information.

The Issuer makes no representation that the Underlying information, any other publicly available information or any other publicly available documents regarding the Underlying or other item(s) to which the Products relate are accurate, up-to-date or complete. There can be no assurance that all events occurring prior to the final valuation date of the relevant Products that would affect the trading price of the Underlying or other item(s) to which the Products relate (and therefore the trading price and market value of the Products) have been publicly disclosed. Subsequent disclosure of any such events or the disclosure or failure to disclose material events concerning the Underlying or other item(s) to which the Products relate could affect the trading price and market value of the Products.

### **Risk-hedging Transactions**

The ability to eliminate or to restrict the initial risks of the Products arising from their purchase by, for example, concluding any hedging transactions during their lifetime depends mainly on the market conditions and the terms of the specific Product. Consequently, such transactions may be concluded at unfavorable market prices (or not at all), which may result in corresponding losses.

Investors should, therefore, not rely on the ability to conclude transactions at any time during the term of the Products that will allow them to offset or limit relevant risks.

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

Neither the Issuer nor any affiliate of the Issuer have performed any investigations or review of any issuer of Underlying Assets, if applicable. Investors should not conclude that the inclusion of the relevant Underlying 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 Underlying 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 Product. The Issuer is not responsible for informing the Investors of material events related to any of the Underlyings, including, but not limited to, corporate events. See "*— Risks Relating to the Underlyings*".

### **Internet Disruptions**

The functionality of certain Underlying Assets may rely on the Internet. A significant disruption of Internet connectivity (*i.e.*, affecting large numbers of users or geographic regions) could prevent the functionality and operations of such networks until the Internet disruption is resolved. An Internet disruption could adversely affect an investment in the Products or the ability of the Issuer to operate.

### **Products Listed on the SIX Swiss Exchange or Any Other Exchange May Be Suspended from Trading**

The SIX Swiss Exchange provides for rules determining admissible Underlyings for Products. It cannot be excluded that during the lifetime of a Product, an Underlying is no longer an admissible underlying under the rules of the SIX or any other applicable exchange for reasons beyond the control of the Issuer. Should an Underlying of a Product no longer be considered an admissible underlying, such a change may have a material adverse effect on the

Products and/or may lead to the suspension or de-listing of all or certain Products.

In addition, it cannot be excluded that the any Product will not be suspended from trading or de-listed from SIX or any other applicable exchange during the lifetime of such Product for other reasons other than no longer being classified as an admissible underlying.

### **Passive Investment Risk**

The Products may be affected by a general decline in market segments related to their respective Underlying(s). The Issuer will not take any action to attempt to reduce the risk of loss resulting from price decreases.

### **No Rights to Underlying**

The Investor in a Product is not entitled to any rights or claim to the Underlying aside from those described in the Terms and Conditions. Physical delivery of the Underlying is excluded and Investor's interests are settled in fiat currency in the event of a redemption or termination.

### **Redemption**

There are significant restrictions involved in the redemption process for the Products. Investors may have the right (exercisable on the Investor Put Date) specified in the relevant Final Terms to request from the Issuer to redeem all or some of the Products it holds upon submitting a Redemption Order within the Redemption Notice Period. The Redemption Order must be submitted via the financial intermediary administering the relevant securities account of the Investor to the Paying Agent. In addition, the Issuer has the right to terminate and redeem Products at its discretion in accordance with Condition 8.1 (*Issuer Redemption*). Redemptions shall be settled in accordance with Condition 8.3 (*Cash Settlement*) unless the Issuer decides or permits such redemption to be settled on an in-kind basis. Once the Redemption Order or Form of Order Request has been received, there may be a settlement window during which the Investor will be exposed to fluctuations in the value of the Underlying, among others. There are also added costs associated with such redemption of Products. For certain Products a Redemption during the term of the Product may not be possible.

### **Early Termination of Products**

The Issuer may, at any time, upon not less than 30 Business Days' notice (or fewer in the event of a change of regulatory framework surrounding Underlying Assets or other material adverse change to the regulatory or tax environment) terminate and redeem the Products.

### **Supply**

The Issuer is under no obligation to issue additional Products. This may create reduced liquidity and increased price volatility in the instrument.

### **Currency**

The price of Products will be set, and Redemption Amounts will be payable, in the Settlement Currency specified in the relevant Final Terms. Pricing and payments will be made by way of a conversion from the relevant unit of value of the Underlying into the Settlement Currency at the relevant exchange rate on the applicable date.

To the extent that an Investor values the Products in a currency other than the Settlement Currency, that value will be affected by changes in the exchange rate between the Settlement Currency and such other currency.

Some Products may include FX Hedges, where the exposure to the Base Currency of the Underlyings is hedged

using foreign exchange (FX) forward contracts. The price of such Products will be set, and the Redemption Amount will be payable, in the Settlement Currency including the result of the FX Hedge as set out in the Final Terms.

The accuracy of the hedges is dependent on how well the forward predicts the spot movement and on the change of the Underlyings reference price between FX Hedge transactions. As a result, a positive or negative tracking error versus the Underlying in the Base Currency may occur and the effects of the movements of the Base Currency and the Settlement Currency cannot be fully eliminated.

While the Custodian may attempt to hedge currency risks, there can be no guarantee that it will be successful in doing so and it may result in mismatches between the currency position the Underlying and the Settlement Currency. All gains/losses or expenses arising from hedging transactions are calculated into the Redemption Amount and are therefore borne by the Investors.

### **Lending arrangements denominated in the Underlying**

The Issuer may enter into lending arrangements whereby it lends certain Underlyings to third parties. In such a case, the Collateral consisting of directly held Underlyings is replaced by Collateral in the form of a futures contract. In order to mitigate the Issuer's and the Investor's indirect, credit risk exposure to any parties to any lending arrangements, that third party must post eligible collateral assets with a market value at least equivalent to the value of the Underlying lent. Underlyings may be lent to third parties over a period of time. All of the Issuer's rights in any lending arrangements or assets posted back thereunder will be pledged to the Security Agent acting on behalf of Investors. The risks of lending the Underlyings include the risk that a borrower may not post back additional Collateral Assets when required or may not return the Underlying when due. A default by the borrower under such lending arrangements combined with a fall in the value of the Collateral Assets that borrower has posted back may result in the Issuer holding insufficient assets to meet its obligations in connection with redemptions of Products and a corresponding fall in the value of an Investors holding.

### **No Recourse**

The Products will be an obligation solely of the Issuer. In particular, the Products will not be an obligation or responsibility of, or guaranteed by, the Security Agent, the Paying Agent, the Custodian or any other partner or affiliate of the Issuer, any direct or indirect shareholder of the Issuer. Further, the Investors have a claim only to the relevant Product of the Issuer. They have no recourse to the assets of other Products of the Issuer.

### **No Guarantee**

As there is no guarantee of the performance of the Issuer's obligations, an Investor has no rights to assert in respect of any form of guarantee. However, the Security Agent for the benefit of the Investors may enforce the obligations of the Issuer under the Terms and Conditions or the Collateralization (as defined herein).

### **No Gross Up**

Each Investor will assume and be solely responsible for any and all taxes of any jurisdiction or governmental or regulatory authority, including, without limitation, any state or local taxes or other like assessment or charges that may be applicable to any payment to it in respect of the Products. In the event that any withholding or deduction for or on account of tax is imposed on payments on the Products, the Investors of the Products will be subject to such tax or deduction and will not be entitled to receive amounts to compensate for such withholding or deduction. No Event of Default will occur as a result of any such withholding or deduction.

### **Change of Law**

The Base Prospectus and the Product are governed by Swiss law. No assurance can be given as to the impact of any possible judicial decision or change to Swiss law or administrative practice after the date of issue of the

Products.

## **RISKS RELATING TO MARKET MAKERS**

### **Market Making by Market Makers**

The price (if any) provided by a Market Maker, if any, for the purchase or sale of Products in the secondary market (whether in an on-exchange or off-exchange transaction), and the number of Products subject to any such offer, will be determined at the absolute discretion of that Market Maker by reference to such factors as it sees fit. A Market Maker may maintain such bid/offer spread as it determines in its absolute discretion. Any price provided by a Market Maker or other secondary market price may take into account fees (including any fees charged by the Issuer to such Market Maker), charges, duties, taxes, commissions, liquidity, market spreads and/or other factors.

Prospective Investors should note that: (i) not all market participants and Market Makers will determine the price of Products in the same manner, and the variation between such valuations and prices quoted may be substantial; (ii) the number of Products subject to any offer made by a Market Maker or otherwise in the secondary market may be affected by market demand for the Product, the number of Products in issue, whether subscriptions can be processed and prevailing market conditions; (iii) they may not be able to sell their Products quickly, easily or at prices that will provide them with a yield comparable to other similar investments; (iv) any price at which the Product may be sold prior to the Investor Redemption Date/Termination Date may be at a discount, which could be substantial, to the price at which the Product were acquired by the relevant Investor; and (v) illiquidity may have a severely adverse effect on the market price of a Product.

Prospective Investors should be aware that Products requested for issue may be held on an inventory basis by the Issuer and offered for sale and/or sold over a period of time. Investors should not assume that Products will automatically be placed with Investors by the relevant Authorized Offeror(s) immediately upon issue. To the extent that the Authorized Offerors hold Products at any time, they may exercise their rights under them in such manner as they see fit in their own interests and need not have regard to the interests of other holders of Products or any other person.

### **Market Maker Concentration Risk**

Only a Market Maker may engage in creation or redemption transactions directly with the Issuer. As at the date of this Base Prospectus, there is no Market Maker for the Products. The Issuer reserves the right to change, increase or decrease the number of Market Makers or any individual firm. The liquidity of the Products may be affected by these changes or the withdrawal of any designated Market Maker, if any.

Should the currently designated institutions exit the business or become unable to proceed with issuance and/or redemption orders and no other Market Maker is able to step forward to make issuance and/or redemption orders, the Products may trade at a discount and face delisting or a general call on the Products.

As of the date of this prospectus, no Market Makers have been appointed by the Issuer. A current list of Market Makers, if any, may be found at the website of the Issuer or the Authorized Offeror if and as set out in the Final Terms.

### **Other Business Activities of Market Maker**

The Market Makers and/or their respective affiliates may be active traders in Underlying Assets. These trading activities may present a conflict between the interests of Investors of the Products and the interests of the Market Makers and their respective affiliates may have in their proprietary accounts, in facilitating transactions for their customers and in accounts under their management. These trading activities, if they influence the value of an Underlying or Index to which Products are linked, could be adverse to the interests of the Investors. The Market Makers and their respective affiliates may also issue or underwrite additional securities or trade other products the return on which is linked to the value of an Underlying or Index linked to Products or other similar strategies. An

increased level of investment in these products may negatively affect the level of an Underlying or Index to which Products are linked and therefore the amount payable in respect of such Products on redemption, as applicable, and the market value of such Products. These activities could give rise to conflicts of interest which are adverse to the interests of the Investors and could adversely affect the market value of such Products. With respect to any of the activities described above, none of the Market Makers or any of their respective affiliates has any obligation to the Issuer to take the needs of any buyers, sellers or Investors of the Products into consideration at any time.

#### **Limited or no Rights of Investors to Redeem Products**

Subject to an Investor's right to request that the Issuer redeem its Product via the Paying Agent (as set out in Condition 8.2), no right to request that the Issuer redeems Products exists, save in relation to redemptions announced by the Issuer or at maturity of the Products. Thus, it may be difficult or impossible to sell Products on the SIX Swiss Exchange or other exchanges or over the counter or otherwise within a reasonable time period.

## INFORMATION ABOUT THE ISSUER AND COLLATERAL PROVIDER

### GENERAL INFORMATION ON THE ISSUER AND THE COLLATERAL PROVIDER

#### Name, Registered Office, Location

Swiss Assetization AG (LEI: 506700302J20C8I3T483) with registered office and address Brandschenkestrasse 45, 8002 Zurich, Switzerland, is the issuer (the **Issuer**) and the collateral provider (the **Collateral Provider**). The Issuer can be reached at Tel Nr. +41 44 244 74 99, the website of the Issuer is [www.swiss-assetization.com](http://www.swiss-assetization.com).

The website of the Issuer and any contents of such website do not form part of this Prospectus.

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

The Issuer was incorporated in Zurich, Switzerland on 16 November 2023 and registered in the Commercial Register of the Canton of Zurich on 22 November 2023, as a company limited by shares (*Aktiengesellschaft*) under the laws of Switzerland for an unlimited duration under the number CHE-475.862.393.

#### Purpose and Date of the Articles of Incorporation

The Issuer has been incorporated as a special purpose vehicle for the purposes of developing, issuing and administering innovative financial products including structured products and/or exchange-traded products. According to article 2 of the articles of association the purpose of the Issuer is:

<sup>1</sup> *The purpose of the Company is the development, issuance and administration of innovative financial products of all kinds as well as the provision of related advisory, securitization, administration and marketing services. Excluded are transactions which are subject to FINMA authorization.*

<sup>2</sup> *The Company may provide direct or indirect financing to third parties, including companies in which it holds a direct or indirect interest, its direct or indirect shareholders and companies in which such shareholders hold a direct or indirect interest, whether by means of loans or other financing, including under cash pooling arrangements, as well as provide security of any kind for their liabilities, including by way of liens on or fiduciary assignments of assets of the Company or by way of guarantees of any kind, whether against consideration or not.*

<sup>3</sup> *The Company may establish branches and subsidiaries in Switzerland and abroad and participate in other companies in Switzerland and abroad as well as engage in all transactions that are directly or indirectly related to its purpose.*

<sup>4</sup> *The Company may acquire, encumber, sell and manage real estate and intellectual property rights in Switzerland and abroad. It may also provide financing for its own account or for the account of third parties and enter into guarantees and sureties for subsidiaries and third parties.*

The articles of incorporation are dated as of 16 November 2023.

#### No Regulatory Status

The Issuer is not authorized or subject to prudential supervision by the Liechtenstein Financial Market Authority (FMA), the Swiss Financial Market Supervisory Authority (FINMA) or any other regulatory authority. The Issuer is not licensed or registered in Liechtenstein by FMA or in Switzerland by FINMA or registered or authorized by FMA or FINMA as a collective investment scheme.

#### No Rating

No rating is available for the Issuer and the Collateral Provider.

## INFORMATION ON THE BODIES OF THE ISSUER AND THE COLLATERAL PROVIDER

### Board of Director

The Board of Directors is responsible for the management of Swiss Assetization 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 organized;
- (iii) organizing the accounting, financial control and financial planning systems as required for management of the company;
- (iv) appointing and dismissing the persons entrusted with management and representation and determining the method of signature;
- (v) overall supervision of the persons entrusted with company management;
- (vi) organization of accounting, financial control and financial planning, to the extent that the latter is necessary for management of the company;
- (vii) compiling the annual report; preparing for the general meeting and implementing its resolutions;
- (viii) preparing for the general meeting and executing its decisions, and
- (ix) filing an application for a debt restructuring moratorium and notifying the court in the event that the company is overindebted.

The Board of Directors currently comprises two members (including the Chairman), both of which are executive directors.

The following table lists the Board of Directors of Swiss Assetization AG:

<b>Name</b>	<b>Position held</b>
Patrick Loepfe	Chairman
Philippe Nägeli	Director

The directors are also directors of GenTwo AG and Security Agent Services AG. The business activities of these companies and the respective functions of the directors in these companies may lead to potential or actual conflicts of interests of the directors in certain situations.

The business address of the directors of Swiss Assetization AG is Brandschenkestrasse 45, 8002 Zurich, Switzerland.

### Founder(s)

GenTwo AG which is established in Zurich, Switzerland, is the founder and sole shareholder of Swiss Assetization AG. The following persons and entities hold more than 10 % in GenTwo AG: Patrick Rudolf Loepfe (Founder & Chairman of GenTwo AG), Philippe André Nägeli /Founder & CEO of GenTwo AG) and Point 72 Venture Investments.

GenTwo AG is a fintech company that aims to expand the investment universe by making all assets investable registered in the commercial registry in Switzerland on 13 February 2018 under the register number CHE-417.358.268. GenTwo AG is not supervised by FINMA.

### **Auditor (for regulatory prospectus approval purposes)**

Senn & Partner AG, Wirtschaftsprüfungs- und Treuhandgesellschaft, Esslingerstrasse 17, 8618 Oetwil am See, Switzerland, has been appointed as an independent auditor recognized by the Federal Council under the Federal Audit Oversight Act auditor tasked with auditing the annual reports of the Issuer for regulatory prospectus approval and listing purposes. Senn & Partner AG is a member of EXPERTsuisse.

The Issuer is indefinitely exempt from the requirement of an audit under Swiss Law. The Issuer has not appointed any auditor under the Swiss CO as a permanent body and has opted out from an audit under article 727a para. 1 CO. Accordingly, no statutory auditor has been appointed by the Issuer as a body.

## **BUSINESS ACTIVITIES OF THE ISSUER AND THE COLLATERAL PROVIDER**

### **Principal Activities**

The Issuer was established to develop, issue and administrate innovative financial products including structured products, exchange-traded products, and/or other financial products. It will also engage in other activities related to the maintenance and issuance of such financial products (such as the hedging and/or collateralization of its own financial products).

The Issuer is not an operating company. It only conducts activities that are related to the development, issuance and administration of financial products. The activities of the Issuer are financed with fees it generates in context with the issue of innovative financial products including structured products and exchange traded products and services provided in relation thereto and, to the extent not required for redemptions in accordance with the Base Prospectus, proceeds of investment of its assets (including proceeds of the issue of Securities under the Program).

The proceeds of the issue of Products on the basis of this Base Prospectus and related Final Terms will (after deduction of Investor Fees) be used by the issuer in order to purchase the Underlying defined in the Final Terms for each Product or will be invested accordingly.

The Issuer has, on the basis of a Base Prospectus in line with Swiss Law, already issued one product in February 2024, the ARCHIP Crypto Certificate (ISIN CH1299990650), which is listed and can be traded at the SIX Swiss Exchange.

The financial products offered by the Issuer stand in competition with other producers of similar products. At present, there are several exchange-traded products and structured products available in Switzerland and the EEA, such as the ETPs of 21Shares AG or Bitcoin Capital AG or the structured products of AMINA, Vontobel, Leonteq, and other independent issuance platforms, banks and/or securities houses.

### **Business Outlook**

The Issuer may expand its product suite to include additional financial products. Each product will be dependent on the market development specific to the Underlying Assets of the product. In addition, the creation of new financial products will most likely be facing a stronger competition going forward. The Issuer's decision to expand its product suite will depend on such market developments.

### **Pending or threatened litigations or administrative proceedings**

There are no court, arbitration, or administrative proceedings pending or threatened against the Issuer as of the date of this Base Prospectus.

## **CAPITAL AND VOTING RIGHTS OF THE ISSUER AND THE COLLATERAL PROVIDER**

As of the date hereof, the share capital of the Issuer amounts, in accordance with Swiss law, to CHF 100'000, divided into 100'000 registered shares. The share capital is held in its entirety by the founder GenTwo AG. Every share in the Issuer entitles to one vote.

The share capital and voting rights of the Issuer and Collateral Provider are as follows:

	<b>Share Capital</b>	<b>Voting Rights</b>
GenTwo AG	100'000.00	100%
<b>Total</b>	<b><u>CHF 100'000.00</u></b>	<b><u>100%</u></b>

## **AUDITED FINANCIAL STATEMENTS OF THE ISSUER AND THE COLLATERAL PROVIDER AND MATERIAL CHANGES**

### **Annual financial statements**

The Issuer has not yet commenced operations and has not prepared audited financial statements at the date of this Base Prospectus. The audited opening balance sheet for the Issuer as of this date is as follows:

<b>Opening Balance Sheet as of 16 November 2023</b>			
<b>Assets</b>		<b>Liabilities and Shareholder's Equity</b>	
Cash at banks	CHF 100'000.00	Liabilities	CHF 0.00
<b>Total cash at banks</b>	<b>CHF 100'000.00</b>	<b>Total liabilities</b>	<b>CHF 0.00</b>
		Paid-in share capital	CHF 100'000.00
		<b>Total equity</b>	<b>CHF 100'000.00</b>
<b>Total Assets</b>	<b>CHF 100'000.00</b>	<b>Total liabilities and shareholder's equity</b>	<b>CHF 100'000.00</b>

The Auditor Letter regarding the audited opening balance sheet of the Issuer is attached in Annex 1. The first annual financial statements as of 31 December 2024 and for the following years will be established in accordance with International Financial Reporting Standards (IFRS). Annual financial statements will in the future be made available on the Issuer's website [www.swiss-assetization.com](http://www.swiss-assetization.com) or the Authorized Offerors website as set out in the Final Terms as and when available. The financial year of the Issuer ends on 31 December of each year.

### **Material Changes**

Save as disclosed in this Base Prospectus (as amended by supplements from time to time), there has been no material adverse change, nor any event involving a prospective material adverse change in the financial and trading position of the Issuer or Collateral Provider since the date of the most recent annual financial statements, respectively, the opening balance sheet.

## INFORMATION ON OTHER PARTIES AND MATERIAL AGREEMENTS

Except for the services of the Calculation Agent, which are performed by the Issuer, each of the Authorized Offerors, the Market Makers, the Custodian, the Security Agent and the Paying Agent and any other third parties set out below are not related to the Issuer.

### AUTHORIZED OFFEROR

#### Role of Authorized Offeror

Only Authorized Offerors are permitted to offer the Products to retail clients. Authorized Offerors may also act as Market Makers (*i.e.*, buying and selling Products 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 Authorized Offerors.

A person or entity can only be considered an Authorized Offeror if it is: (a) a bank, (b) a securities house, (c) a licensed asset manager, (d) another financial intermediary as defined in MiFID II, the Swiss Banking Act (BankA), the Swiss Financial Institutions Act (FinIA) and the Swiss CISA, (e) an insurance company, or (f) an institution that is subject to equivalent supervision. An Authorized Offeror must also have entered into an Authorized Offeror Agreement with the Issuer dealing with, amongst other things, the rights and obligations of the Authorized Offeror in relation to offering the Products.

The Issuer will use reasonable efforts to ensure that at all times for the duration of the Program there is at least one Authorized Offeror per Product offered to retail clients.

#### Information about the Authorized Offeror

Information on the relevant Authorized Offeror will be set out in the Final Terms of the relevant Product.

#### Authorized Offeror Agreement

The Issuer intends to enter into an Authorized Offeror agreement (the Authorized Offeror Agreement) with the relevant Authorized Offeror. The Authorized Offeror Agreement shall set out the terms on which the Authorized Offeror will act as Authorized Offeror in relation to the relevant Product issued by the Issuer under the Program. The Authorized Offeror is permitted to offer the Products to retail clients. The Authorized Offeror Agreements shall be governed by the laws of Switzerland or the laws of the domicile of the Authorized Offeror.

### CUSTODIAN (BROKER)

#### Function

The Custodian administers the accounts to which the Underlyings are credited as Collateral following the collateral procedures described below. The Issuer may enter into custody agreements with the Custodian with respect to the Collateral Accounts (the **Collateral Accounts**).

Furthermore, and under a separate custody agreement, the Custodian maintains the warehousing account for intermediated securities for the Products.

#### Information about the Custodian

The Issuer shall appoint a company incorporated under the laws of Switzerland and registered in the Commercial Register and licensed under the laws of Switzerland as a bank under the Federal Banking Act, as a Custodian and

Broker for each Product as set out in the Final Terms (the **Custodian**).

## SECURITY AGENT

### Function

The Security Agent is appointed by the Issuer to act in favor of the Investors and holds a right of lien for the benefit of the Investors (contract in favor of a third party article 112(2) Swiss Code of Obligations) over the Underlyings credited to the Collateral Account(s) and other assets denominated in the Underlyings and/or any other collateral specified in the Final Terms and which serve as collateral for the Product (the **Collateral**).

Its duties and obligations include, inter alia, enforcing the rights of the Investors following the occurrence of a realization event, which occurs when (i) the Issuer or any of its assets are subject to any form of winding up, administration, receivership, insolvency proceedings, arrangements with creditors generally (subject to applicable rules of the Debt Enforcement and Bankruptcy Act), (ii) the Issuer is in violation of the applicable law and forced by a regulator to cease its activity, or (iii) the Issuer is in breach of the issuance conditions of the Product that results in a claim for the Investors, such as but not limited to a situation where the Issuer does not honor a payment or delivery commitment under the Product when it becomes due according to the issuing conditions, or does not honor such a commitment in good time or without defects, unless those defects are remedied within 3 BusinessDays.

### Information about the Security Agent

The Security Agent (the **Security Agent**) for a Product issued under this Base Prospectus shall be specified in the relevant Final Terms. The Issuer may appoint additional or different Security Agents for specific Products as set out in the Final Terms of the relevant Products.

### Collateralization of Financial Instruments Agreement

The Issuer shall enter into a Collateralization of Financial Instruments Agreement (the **Collateral Agreement**) with the Security Agent set out in the Final Terms.

Under the Collateral Agreement, the Issuer created a right of lien in favor of the Security Agent and for the benefit of the Investors (contract in favor of a third party article 112(2) Swiss Code of Obligations) over the Collateral held with the Custodian. The collateral value at all times corresponds to the current value of the Product, whereby the current value is equal to the value of the Underlying (and any FX Hedge should the Base Currency be hedged) converted into the Settlement Currency of the Product, as defined in the Collateral Agreement.

By acquiring the Product, each Investor automatically declares to the Security Agent, as described in article 112(3) of the Swiss Code of Obligations, that they wish to enforce their rights under the Collateral Agreement when an Event of Default occurs.

Upon the foreclosure on the Collateral by the Security Agent, all monies received and all monies derived therefore shall be applied by or on behalf of the Security Agent as follows:

- firstly, the Security Agent and the Custodian are entitled to satisfy their claims against the Issuer under the Collateral Agreement;
- secondly, on a *pari passu* basis in or towards payment of all amounts due and unpaid and all obligations due to be performed under each Product for which the Collateral is being realized.

Payments by the Security Agent via Paying Agent to Investors shall be made exclusively in the Settlement Currency. The Security Agent may request additional information from Investors or set specific requirements to comply with applicable law. The Security Agent may refuse to transfer any net realization proceeds to an Investor and the claim of the Investor lapses if the Investor is not providing the additional information or is not fulfilling the specific requirements.

No interest and no default interest are payable on the Investors' claims against the Security Agent, which correspond

to their pro-rata shares of net realization proceeds, nor is the Security Agent liable to the Investors for any further damages whatsoever. No other or further claims of any nature may be made against the Security Agent or third parties.

The payment of pro-rata net realization proceeds by the Security Agent to the Investors, under the terms of the Collateral Agreement, discharges the Investors' claims against the Issuer that related to the respective Product.

The Security Agent is entitled to cover from the realization proceeds its own and any third-party costs (including taxes, duties, and fees for external consultants) that arise in connection with the realization of the collateral and the payment of the net realization proceeds to the Investors before any other payments are made. To this end, the Security Agent shall deduct a flat rate of 0.5% of the entire realization proceeds to cover its own processing costs and those of third parties. Should the Security Agent or third parties incur any extraordinary realization and distribution costs, the Security Agent may also deduct these additional costs from the realization proceeds, before any other payments are made to Investors.

The Collateral Agreement is governed by Swiss law.

## **PAYING AGENT**

### **Function**

The paying agent (the **Paying Agent**) will:

- register the securities for the respective Products in SIS as intermediated securities and deliver such intermediated securities to the Custodian for warehousing until required by the Authorized Offeror;
- represent the Issuer with regards to payments made under or in connection with the Products through SIX SIS in accordance with the Terms and Conditions, in particular in the event of redemption of the Products by means of an Issuer Call Option or an Investor Put Option;
- cancel intermediated securities in the main register held with SIS in the case of redemptions; and
- hold cash amounts received in the process of liquidating Underlying until repayment of the Investors.

As long as Products are outstanding, the Issuer will maintain a Paying Agent and as long as Products are listed on SIX Swiss Exchange, the Issuer will maintain a Swiss Paying Agent for listing purposes only (the **Swiss Paying Agent**). The Issuer may appoint additional Paying Agents in relation to any Product if required by the rules of any exchange on which Products are listed or admitted to trading.

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

### **Information about the Paying Agent**

The Issuer shall appoint a Paying Agent as set out in the Final Terms of the relevant Product.

### **Paying Agent Agreement**

The Issuer shall enter into a Paying Agent agreement (the **Paying Agent Agreement**) with a Paying Agent as set out in the relevant Final Terms. The services of the Paying Agent include, e.g., the administration of the Paying Agent activities, handling of pay-outs for the holdings at SIX SIS Ltd., handling of corporate actions from the Paying Agent side, and correspondence with SIX SIS Ltd.

Either party may terminate the Paying Agent Agreement by giving the other party thirty days prior written notice at the end of each calendar year.

The Issuer shall pay a service fee to the Paying Agent. The Paying Agent Agreement(s) shall be governed by Swiss or foreign law.

## **MARKET MAKER**

### **Function**

The market maker (the **Market Maker**), if any, provides market making services including bid and offer prices for, and adequate liquidity in respect of, the relevant Product under normal market conditions.

### **Information about the Market Maker**

The Issuer may (or may not) appoint Market Makers for the Products as per the Final Terms of the Products.

### **Market Making Agreement**

Where the Issuer appoints a Market Maker it concludes a market making agreement (the **Market Making Agreement**). The Market Making Agreement sets out the terms on which the Market Maker will act as such in relation to one or several Product issued by the Issuer under the Program. The Market Making Agreement may typically be terminated by any party in accordance with its terms. The liability for indirect, incidental, special, or consequential damages (including loss of profit and/or reputation) of any type arising out of or relating in any manner to the Market Making Agreement may be excluded therein. The Market Making Agreements shall be governed by Swiss or foreign law.

## **CALCULATION AGENT**

### **Function**

The calculation agent (the **Calculation Agent**) provides price data for the Products on each day relevant for the fixing, observation or valuation of the Index or the relevant Underlying in the case of a single Underlying or a basket of Underlyings.

### **Information about the Calculation Agent**

The Calculation Agent shall be the Issuer, unless provided for differently in the Final Terms. The Calculation Agent may delegate the tasks related to the Calculation Agent function to service providers.

## **INDEX RELATED PARTIES**

The index sponsors (the **Index Sponsor**), index calculation agent (the **Index Calculation Agent**) and index administrator (the **Index Administrator**) involved in the management of the relevant Index linked to a Product, where applicable, shall be set out in the Final Terms of the relevant Product.

## **STRATEGY-BASKET RELATED PARTIES**

The strategy-manager (the **Strategy-Manager**) involved in the management on the Strategy-Basket shall be set out in the Final Terms of the relevant Product.

## ECONOMIC OVERVIEW OVER THE PRODUCTS

### THE STRUCTURED PRODUCT PROGRAM

On 20 March 2024, the Issuer established a program (the **Program**) for the issuance of structured products (the **Products**).

### DESIGN OF THE PRODUCTS

The Program and the Products issued under the Program are intended to offer Investors in the Products means of investing in a broad range of traditional or alternative assets (the **Underlying Assets**) as set out in the Program and the Final Terms. The term "**Investors**" herein means the holder of any Product, except that, in respect of any Product, the person appearing as accountholder for the relevant Clearing System (the **Accountholder**) shall be treated as the Investor for all purposes other than with respect to the payment or delivery of any amount due under the Products (for which purpose the financial intermediary (*Verwahrungsstelle*) holding such Products in a securities account (*Effektenkonto*) shall be treated by the Issuer and the Paying Agent as the relevant Investor). Persons (other than financial intermediaries themselves) wishing to invest in the Products will be required to hold such Products in a securities account (*Effektenkonto*) with a financial intermediary (*Verwahrungsstelle*).

Pursuant to this Program the Issuer may issue Products linked to a single underlying asset (the **Underlying**) or to a basket of Underlyings (the **Basket**) or to an index specified in the Final Terms (the **Index**), which defines a notional portfolio of Underlying, as set out in the detailed final terms applicable to the respective Product (the **Final Terms**). The return on each Product will be linked to the performance of the relevant Underlyings as set out below under "Redemption". The Basket may consist of underlying basket components (the **Basket Components**), which are actively or passively managed. The key information on the individual Products and the respective offer for a specific public or exempt offer or a specific admission to trading of Products shall be supplemented in the Final Terms. The Final Terms for public offers are to be published and filed with the reviewing body as soon as possible after the final information is available. In the case of an admission to trading, this shall be by no later than the time that the Products in question are admitted to trading. In case of exempt offers for specific Products under this Base Prospectus no submission of the Final Terms to the prospectus evaluation body will be required or conducted.

The Products are primarily tracker certificates (Type 1300 (which also includes AMCs) under the road map of the Swiss Structured Product Association ([www.sspa.ch](http://www.sspa.ch)) (the **Tracker Certificates**)) and Credit-Linked Notes (Type 1400). The price movement of any one Product and the movement of the aggregate value of the Underlying typically correlates (e.g., 1:1), but the entitlement of the Investor will be reduced by administration fees, custody fees, index licensing fees, management fees and other fees of service providers in relation to the Products (the **Investor Fees**). Such value will be further adjusted by the applicable Investor Fees and tracking errors resulting from foreign currency hedging (the **FX Hedge**) which may be entered into if the currency in which the Underlying of a Product are trading on the Reference Sources; the **Base Currency**) is not the currency specified in the Final Terms in which the Redemption Amount is settled (the **Settlement Currency**) to mitigate the risk of depreciation in the value of the Base Currency relative to the Settlement Currency.

The theoretical value of an Investors entitlement under a specific Product equals the value of the Product in accordance with the Final Terms of the Product which may depend, inter alia, on the characteristics of the Product and the aggregate value of the Underlying Assets and other instruments and currencies held as Collateral for the relevant Product converted into the currency in which the issues and redemptions will be settled (the **Settlement Currency**) minus the applicable fees, divided by the number of units of the outstanding Product. The market prices of a Product in the primary or secondary market, if any, may deviate from its theoretical value depending on the supply and demand and the liquidity or illiquidity of the Product.

The Products may or may not be listed on SIX Swiss Exchange AG, Zurich, Switzerland (**SIX** or **SIX Swiss Exchange**), as well as exchanges and other regulated or unregulated markets in the European Union (such as but not limited to the MFT segment of the Vienna Stock Exchange) as set out in the relevant Final Terms. Investors can buy and sell the Products through the trading of such Products, if such trading is possible. The market value of a Product at which it can be purchased or sold, may differ from the value according to a hypothetical calculation of the Redemption Amount at any given point in time.

## ISSUANCE AND REDEMPTION OF PRODUCTS

### Issuance and Issue Price

Each Product is in principle subject to an issue and redemption process, under which additional units of such Product may be issued by the Issuer and Products may be redeemed by the Issuer via the Paying Agent in accordance with the Prospectus and the Final Terms. If set out in the Final Terms, the issuance of Products may be subject to a minimum investments amount (the **Minimum Investment Amount**). The redemption of Products may be subject to limitations and may not be possible for certain Products until the maturity or the termination the Product. Further details may be included in the Final Terms.

The issue price (the **Issue Price**) will depend, inter alia, on the value of the Underlying Assets and the Collateral collateralizing a Product on the issue date specified in the Final Terms (the **Issue Date**), divided by the number of Products issued, unless otherwise specified in the applicable Final Terms. On the Issue Date the price for each of the units of a Product will be equal to its Issue Price (and may or may not include a distribution fee).

### Redemption and Redemption Price

Where Products are redeemed in accordance with the Terms and Conditions, the Issuer and the relevant Investor(s) shall be deemed to consent to the release of the relevant Underlyings. The Issuer may terminate and redeem Products 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 Termination Date by publishing a Termination Notice in accordance with Condition 24. On each Investor Redemption Date (as specified in the relevant Final Terms), if any, an Investor holding a Product may redeem such Product by giving a Redemption Order to the Paying Agent within the Redemption Notice Period.

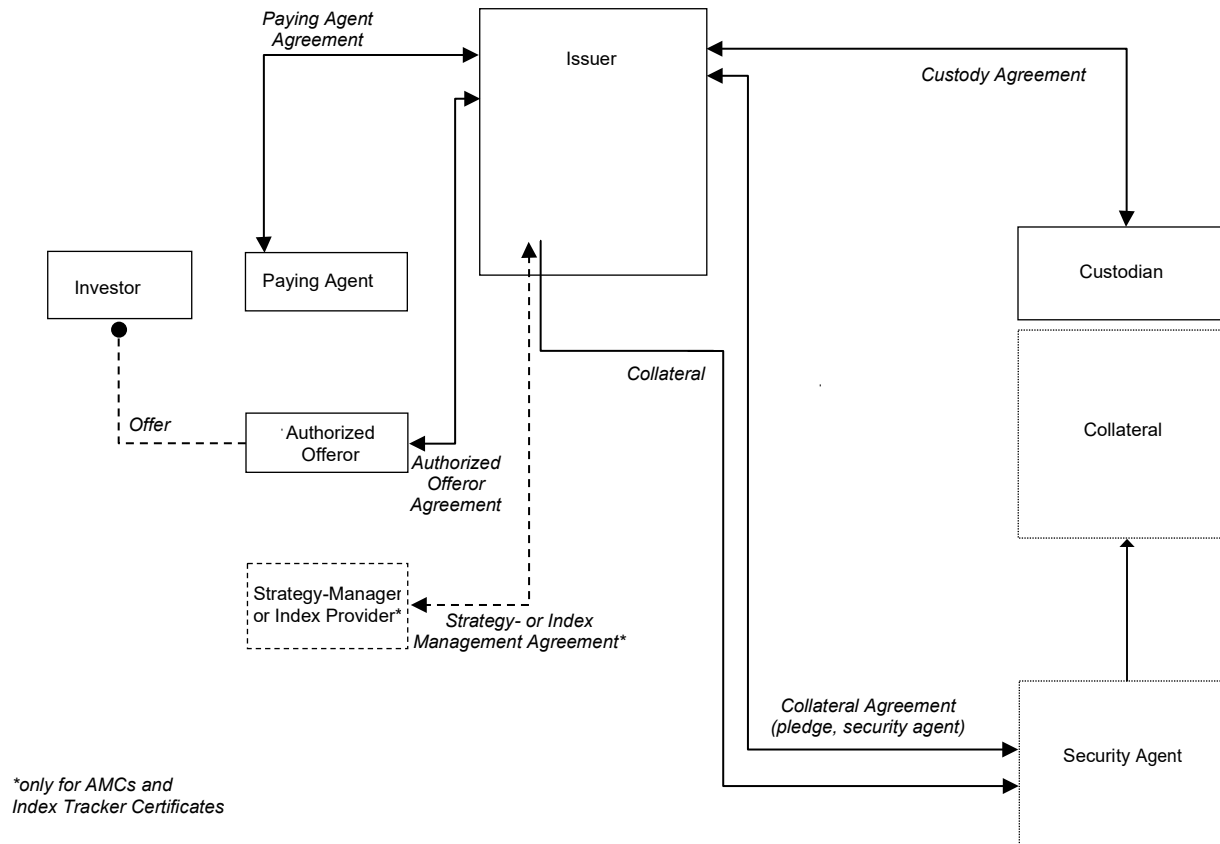
The amount per Product payable by the Issuer will be calculated by the Calculation Agent on a Termination Date or an Investor Redemption Date, unless set out otherwise in the Final Terms (the **Final Valuation Date**) in the Settlement Currency in accordance with the relevant Final Terms (the **Redemption Amount**), provided, however, that in the case of an Extraordinary Event, the Redemption Amount shall be reduced and may be as low as the smallest denomination of the Settlement Currency (*i.e.*, USD 0.01, EUR 0.01, CHF 0.01, GBP 0.01 or the equivalent in other Settlement Currencies). Redemptions shall in principle be settled in accordance with Condition 8.3 (*Cash Settlement*). The Issuer may, in specific circumstances as further defined in the Terms & Conditions, decide to redeem in-kind (e.g., in case of illiquid Underlyings).

Payments will be made for settlement of payment obligations on any day on which (i) relevant Clearing Systems are open and Products can be settled, (ii) relevant commercial banks and custodians are open, (iii) banks in Zurich, Switzerland, are open, (iv) foreign exchange markets execute payments in the respective Settlement Currency, (v) Underlyings of the relevant Product can be settled, and/or (vi) any other day, as specified in the Final Terms, if applicable (a **Business Day**).

## EVENTS OF DEFAULT AND ENFORCEMENT

In an Event of Default in a Product (in a Non Payment Event) or in all Products (in an Insolvency Event or Regulatory Violation Event) the relevant Product(s) mature 30 Business Days after such event. The Issuer will notify the Security Agent promptly upon the occurrence of an Event of Default, Insolvency Event or Regulatory Violation Event.

## STRUCTURE OF THE PROGRAM



## Issuance Vehicle

The Issuer is established in the legal form of a company limited by shares (*Aktiengesellschaft*) under Swiss law.

Products issued under this Base Prospectus are exclusively issued as limited recourse debt obligations Product. The Underlyings, respectively, the assets held by the Issuer in favor of the Product for Collateralization purposes, respectively, for the hedging of the Products (**Collateral Assets**) serve as a security for the Investors of the relevant Products which are held by such Investor (but not for Investors of other Products than the relevant Products). The Products will be exclusively debt obligations solely of the Issuer and will not be guaranteed by, or be the responsibility of, any other entity. The Collateral Assets of the relevant Product are exclusively available to satisfy the rights of Investors in relation to the relevant Product and the rights of creditors whose claims have arisen in connection with the creation, the operation or the liquidation of the relevant Product.

The Investors shall only have recourse, in compliance with the limited recourse clause under Condition 6 (*Limited Recourse and Non-Petition*), to the assets of the relevant Product and not to the assets allocated to other Products created by the Issuer or any other assets of the Issuer. Accordingly, once all the Collateral Assets of the relevant Product have been realized, no further steps may be undertaken against the Issuer to recover any further amount due in connection with the Products. The Products will be issued in accordance with the Conditions and will grant the Investors only an economic interest in the Collateral Assets of the relevant Product. If the proceeds realized by the Collateral Assets of the relevant Product are not sufficient to cover all payments arising in connection with the relevant Product, no other assets of the Issuer or another Product can be used to cover the shortfall. In such case, any claims of Investors or other transaction parties, if applicable, in respect of such shortfall will be extinguished.

The Board of Directors sets up and maintains separate books of account for each individual Product of the Issuer in order to determine the claims of the Investors with regard to a Product. Where assets or liabilities, costs, changes and expenses of the Issuer cannot be allocated to a specific Product, these assets are allocated on a pro rata basis in proportion to the total value of the Products issued by the Issuer, or by another method determined reasonably

and in good faith by the Board of Directors.

If a Product is liquidated, or if the Issuer temporarily or permanently ceases to be able to fulfil its obligations with regard to a specific Product vis-à-vis the relevant Investors or such Product or other transaction parties, the assets of the respective Product will be realized, subject to special rights or restrictions potentially provided for with regard to a security. Each Product may be separately liquidated without such liquidation having any effect on the Issuer or other Products.

### **Issuance Process**

The issue and redemption mechanism is a continuous process and is intended to ensure that Products 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. A creation or redemption of the Products will be made by the Issuer and only in the circumstances otherwise described herein. After a creation has been conducted by the Issuer, the Issuer sells a Product to the Authorized Offeror (via Paying Agent) for on-sale to the Investors.

The practical steps involved in the issuance of Products under the Program are as follows:

1. The Products are pre-created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) and subsequent entry into the main register of SIX SIS AG, Olten, Switzerland (SIX SIS), (*Hauptregister*) (the **Main Register**) by the Paying Agent.
2. Such pre-created intermediated securities are transferred to the Issuer's account for warehousing.
3. Authorized Offeror submits an order to the Issuer (via Paying Agent).
4. Issuer typically buys Underlying Assets (or uses its existing stock of Underlying Assets) and transfers Underlying Assets in-kind to the Collateral Account with the Custodian specified for the respective Product.
5. The Issuer credits to the Paying Agent's account with SIX SIS intermediated securities via transfer instructions.
6. The Paying Agent credits to the Investor's account with SIX SIS intermediated securities via transfer instructions.
7. SIX SIS clears the trade.

There are no creation limits on the Products assuming sufficient liquidity in the markets.

### **Redemption Process**

1. Investor and Issuer redemption is triggered by any of the following events:
  - (i) Issuer terminates a Product (in whole but not in part) by means of exercising the Issuer Call Option in accordance with Condition 8.1.
  - (ii) Investor submits (via the financial intermediary maintaining the Investor's relevant securities account on the Investor's behalf) a Redemption Order to the Paying Agent, thereby exercising the Investor Put Option in accordance with Condition 8.2.
2. On the Termination Date or the Investor Redemption Date, the Issuer liquidates the relevant Collateral Assets.
3. The Paying Agent cancels the relevant Products in the Issuer's book of uncertificated securities (*Wertrechtbuch*).
4. The Paying Agent (i) de-registers relevant Products in the main register of SIX SIS and (ii) debits the direct participant's account accordingly.
5. SIX SIS forwards the relevant Redemption Amount to the direct participants for distribution to the Investor against debit of Products in the Investor's securities account in a delivery versus payment transaction.
6. The Investor(s) receives 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 Products in his/her securities account.

## **Limited Recourse Obligations**

The Products are limited recourse debt obligations of the Issuer. All payment obligations of the Issuer under the Products constitute obligations exclusively to make payments in an amount limited to the Collateral Assets available to the relevant Product. The Products shall not give rise to any payment obligation in excess of the Collateral Assets and any accrued claims against the Issuer shall not become due and recourse shall be limited accordingly. Once all Collateral Assets have been realized and distributed, the Issuer shall not be committed to any further payments and the right of the Investors to receive any such amount shall be extinguished. In accordance with the Conditions, the Investors agree that they will not, in relation to the Products, initiate or join any person in initiating an Insolvency Event or the appointment of an insolvency official in relation to the Issuer. Accordingly, the exercise of the Investors' rights vis-à-vis the Issuer is substantially restricted.

## GENERAL DESCRIPTION OF UNDERLYING ASSETS

### General

The following is a summary description of the general characteristics of the assets intended to be used as Underlyings of the Products under the Program. 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 Products issued under the Program, including with respect to the Underlyings.

The information in this section (*General Description of Underlying Assets*) consists only of extracts from, or summaries of, publicly available information. Such publicly available information was not prepared in connection with the offering of the Products.

As far as the Issuer is aware and is able to ascertain from information published by each of the relevant sources, no facts have been omitted which would render such reproduced information inaccurate or misleading.

### (Listed) Shares

Shares are units of ownership interest in a corporation or financial asset that provide for an equal distribution in any profits, if any are declared, in the form of dividends.

### Bonds and Notes

A bond or note is a fixed income instrument that represents a loan made by an investor to a borrower (typically corporate or governmental). Owners of bonds/notes are debtholders, or creditors, of the issuer of the bond/note.

### Alternative Investments

The Products may have certain alternative investments as Underlyings. The term "alternative investments" covers a broad range of assets and strategies. Generally speaking, alternative investments are characterized by:

- relatively low correlation to traditional investments like stocks and bonds in certain market phases;
- higher return (and higher risk) potential than traditional investments;
- more exotic and oftentimes illiquid assets;
- longer lock-up of periods, meaning shares or interests may not be able to be redeemed/sold on a daily basis. This helps allow for exposure to less liquid assets;
- often complex investment structures and risk-return profiles;
- typically, higher minimum investment requirements;
- possible intransparency;
- unique risk profile that should be understood prior to investing.

Alternative investments may include, inter alia, the following:

- *Private Equity*: Private equity investments (accessed directly or through a limited partnership) take an ownership position in companies or securities that typically are not listed on a public stock exchange. The goal is to add value by providing capital to help new businesses grow and by restructuring existing businesses with operational inefficiencies that offer the potential to generate significant long-term gains.
- *Venture Capital*: In exchange for an equity ownership stake, venture capital investors provide funding to early-stage start-ups they expect to grow substantially. The goal is to guide the firm with the intent of selling it either through acquisition or an initial public offering.
- *Private Debt*: Private debt (accessed directly or indirectly via collective investment schemes) includes any

debt held by or extended to privately held companies. It comes in many forms, but most commonly involves non-bank institutions making loans to private companies or buying those loans on the secondary market.

- *Alternative Credit:* Alternative credit investments refer to illiquid financing provided to borrowers that cannot access public credit markets or require non-standard, customized terms. Categories of lending within alternative credit include direct lending, mezzanine, distressed debt, and specialty financing.
- *Real Estate:* Real estate has evolved into a multi-faceted asset class that includes publicly-listed and private real estate investment trusts (REITs) and private commercial real estate debt. Real estate not only has a low correlation with equities, but is often viewed as a hedge against inflation.
- *Hedge Funds:* Hedge funds are investment vehicles that use a range of non-traditional strategies (e.g., pairs trading and long-short strategies) in an effort to maximize the overall return potential and diversification of a portfolio.
- *Alternative risk premia:* Alternative risk premia strategies seek to deliver attractive returns by earning a "premium" through exposure to recognizable and exploitable risk factors.

Alternatives are not suitable for every investor. Given their unique risk-return profile and complex investment characteristics, they often are most attractive and more suitable for more sophisticated and higher-net-worth investors. In addition to meeting minimum investment and suitability requirements, investors should also consider their time horizon, investment objectives and their ability to withstand periods of volatility before considering an allocation to alternatives.

### **Collective Investment Schemes/ETFs**

Collective investment schemes are collective investment schemes as defined in the UCITSG, AIFMG, UCITSG or article 7 and 119 of the Swiss CISA (including Exchange Traded Funds (ETFs)). ETFs are collective investment schemes (typically tracking an index) listed on an exchange.

### **Derivatives**

Derivatives or derivative transactions are financial contracts between two or more parties whose value depends on one or several underlying assets and which are not cash transactions.

### **Structured Products**

A structured product is a debt instrument that typically comprises an embedded derivative component that adjusts the security's risk-return profile. The return performance of a structured product will track both the underlying instrument and the embedded derivative component, if any, in accordance with the terms of the Product.

### **Cash**

Cash is legal tender in any currency that can be used to exchange goods, debt, or services.

### **Digital Assets and Digital Currencies**

#### ***Blockchain Technology***

Most but not all digital assets (including digital currencies) are based on the original code of either the Bitcoin or the Ethereum blockchain. 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 first Bitcoins. The network evolved into a vast peer to peer payments network with no centralized authority. Today the Bitcoin network is maintained by a growing number of miners, developers, wallet providers, software companies and account holders. Bitcoin is at its core, an open source project, thus there is no official organisation or authority that governs the codebase (a computer programme). Since this codebase is open-source, companies and individuals are able to use it to create a new project, in what is called a Bitcoin fork. This has happened multiple times. There are a number of different blockchains, including the ones that power Bitcoin, Ethereum, Ripple, Binance, and others. These chains may be more centralized 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***

Participants joining or leaving the network and rising numbers of transaction, cause that the network itself cannot verify and confirm transactions anymore. This would result in an information gap in the transaction chain and thus undermine the concept of a network. Therefore, 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.

In the mining process recent transactions (which vary in size) are compiled into blocks, once the block reaches its fixed size, numeric problems need to be solved. Solving the numeric problem requires great computing power. The required computing power 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. In other words, 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 datacenters 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 digital assets (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 digital assets are placed in a cryptographically-secured escrow account to create certainty of supply at any given time. By securing the digital 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 digital 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 pre-mined digital assets are also much faster.

### ***Storing Digital Assets***

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

### ***Exchanges and Liquidity***

There are several trading venues for digital assets. The Issuer may trade digital assets on exchanges that meet the following criteria:

- the cryptocurrencies can be traded against fiat currencies; and
- there is transparency by the publication of prices; and
- the trading venue has an "application programming interface"; and
- the website is in the English language at least.

Information on past performance is available on any of these company websites (among others) free of charge: Pro.Coinbase.com/ Bitstamp.com/ Kraken.com/ Coinbase.com/ CoinMarketCap.com/ CryptoCompare.com.

The Issuer does not take responsibility for the contents of these websites, nor are they incorporated by reference herein.

## **Further Underlyings**

Additional types of Underlyings may be specified in the Final Terms on a case-by-case basis.

## COLLATERALIZATION

### Method of Collateralization

All Products issued under the Program shall typically be collateralized through the purchase of a pool of Collateral Assets on a 1:1 basis. These assets will be held on behalf of the Issuer by the Custodian in accordance with the Custody Agreement in an account or wallet. The Custodian is responsible for creating and maintaining such accounts or other custody services or wallet addresses and all safety and security measures associated with the accounts or wallet.

The Issuer may, at its discretion, use Custodians in multiple jurisdictions, provided that such Custodians are notified to Investors in accordance with Condition 24 (*Notices*). It may also, at its sole discretion and upon notification to the Investors and publication of such notice on any exchanges on which the Products are listed, alter the Custody Agreements, including the jurisdiction of the custody. The bankable or non-bankable assets securing the Products will be held in accounts or sub-accounts or other custody solutions maintained by the Custodians for the Issuer. The Custodians may be banks, brokers or other intermediaries maintaining these accounts or sub-accounts for the Issuer. The Issuer has claims against the Custodians with respect to these financial assets. The Issuer pledges all Collateral Assets or claims it holds against the Custodians in relation to Collateral Assets or accounts or sub-accounts opened for the Products by means of a first priority pledge in the Collateral Agreement between the Issuer and the Security Agent.

### Security Agent

The Security Agent represents the Investors (*direkter Stellvertreter*) to secure in the name and on the account of the Investors their claims under the collateralized Product. The Security Agent (i) initiates the realization of the Collateral when the collateralized Product falls due and (ii) instructs the paying agent to initiate the payment of the pro-rata share of the net realization proceeds to the Investors. Such activity qualifies as debt collection activity for and on behalf of the Investors as creditors. The Security Agent does not accept any funds on its own account for and on behalf of the Investors as its principal(s). Rather all proceeds are directly paid to the Paying Agent which will make partial or full repayments to the Investors after having deducted and paid authorized third party fees. The Security Agent does not act as financial intermediary.

### Description of the Collateral Agreement

The Issuer entered into a Collateral Agreement for financial instruments (**Collateral Agreement**) with the Investors represented by the Security Agent as direct representative (*direkter Stellvertreter*) and the Security Agent or a similar Collateral Agreement with another Security Agent as set out in the Final Terms.

Under the Collateral Agreement, the Issuer created a right of lien (*reguläres Pfandrecht, Forderungspfandrecht*) over the Collateral in favor of (a) the Investors represented by the Security Agent acting in the name and on the account of the Investors as direct representative (*direkter Stellvertreter*), as well as (b) the Security Agent to secure its costs in connection with the realization of the Collateral as further set-out in the section "*General Description of Underlying Assets*", where applicable.

The liability of the parties is limited to gross negligence or intentional misconduct. Neither party will bear any responsibility or liability to the other party or to third parties for any losses arising out of any delay in or interruptions of performance of their respective obligations under the Collateral Agreement due to any act of God, act of governmental authority, or act of public enemy, or due to war, the outbreak or escalation of hostilities, riot, fire, flood, civil commotion, outbreak of viruses (local, national or global epidemics and pandemics), insurrection, labor difficulty (including, without limitation, any strike, other work stoppage, or slow-down), severe or adverse weather conditions, power failure, communications line or other technological failure, or technological changes or other similar cause beyond the reasonable control of the party so affected.

The Collateral Agreement is governed by Swiss law.

## **Description of the Security**

### ***Provision of Security***

The relevant collateralized Product is secured under the Collateral Agreement. The Issuer created a right of lien (*reguläres Pfandrecht, Forderungspfandrecht*) in favor of the Investors represented by the Security Agent acting in the name and on the account of the Investors as direct representative (*direkter Stellvertreter*) and the Security Agent to secure its costs over the assets representing the Underlying in the account of the Issuer held with the Custodian (the **Collateral**).

By acquiring the Product, each Investor appoints the Security Agent as direct representative (*direkter Stellvertreter*) and can only exercise its rights under the Collateral Agreement and the Schedule for the relevant collateralized Product through the Security Agent.

The security interest(s) created under the Collateral Agreement over the Collateral are only granted to the Investors of the relevant collateralized Product and to the Security Agent and not to any Investors of other Products collateralized under the Collateral Agreement according to a different schedule. The Collateral only secures the relevant collateralized Product and the associated realization costs.

By transferring all relevant collateralized Products held by an Investor or if the Investor is otherwise no longer the holder of any relevant Products, such Investor will cease to qualify as an Investors and to be a party to the Collateral Agreement and the respective schedule(s) for the Product.

### ***Collateral value***

The minimum value of Collateral to be furnished by the Issuer (Collateral Provider) at any point in time is determined by and must correspond to (i) the then current value of the relevant collateralized Product calculated according to the relevant Final Terms and (ii) the claims and costs of the Security Agent calculated by the Security Agent on a best-effort basis.

The collateral value at all times corresponds to the current value of the Product, whereby the current value is equal to the value of the Underlying converted into the Settlement Currency of the Product.

### ***Falling due of the Investor's claim***

Each Investor's claim that is created by the relevant collateralized Product falling due under the Collateral Agreement is irrevocable on the part of the Issuer (Collateral Provider) from the point in time at which the Product is issued.

### ***Realization event***

A realization event regarding the Collateral occurs when (i) the Issuer or any of its assets are subject to any form of winding up, administration, receivership, insolvency proceedings, arrangements with creditors generally (subject to applicable rules of the Debt Enforcement and Bankruptcy Act), (ii) the Issuer is in violation of the applicable law and forced by a regulator to cease its activity, or (iii) the Issuer is in breach of the issuance terms of the Product that results in a claim for the Investors, such as but not limited to a situation where the Issuer does not honor a payment or delivery commitment under the Product when it falls due in good time or without defects, unless those defects are remedied within 3 business days.

### ***Priority of payments***

The Security Agent is entitled to cover from the realization proceeds its own and any third-party costs (including taxes, duties, and fees for external consultants) that arise in connection with the realization of the collateral and the payment of the net realization proceeds to the Investors before any other payments are made. To this end, the Security Agent shall deduct a flat rate of typically up to 2% of the entire realization proceeds to cover its own processing costs and those of third parties. Should the Security Agent or third parties incur any extraordinary realization and distribution costs, the Security Agent may also deduct these additional costs from the realization proceeds, before any other payments are made to Investors.

The Security Agent shall be entitled to satisfy its claims against the Issuer under the Collateral Agreement (including fee claims) from the realization proceeds before any other payments are made.

The remaining realization proceeds shall be available for payment to the Investors of the relevant collateralized Product.

The Security Agent shall distribute the net realization proceeds with discharging effect by instructing the Paying Agent to execute the payment of the pro-rata share of the net realization proceeds to the financial intermediaries holding the accounts for the respective Investors. For the avoidance of doubt, the transfer of the pro-rata shares of the Net Realization Proceeds shall be determined by the holdings in the relevant collateralized Product.

Payments of the net realization proceeds are made exclusively in the Settlement Currency of relevant collateralized Product. The Security Agent or the Paying Agent (as the case may be) may request additional information from Investors or set specific requirements to comply with applicable law. The Security Agent may refuse to release and the Paying Agent may refuse to transfer any net realization proceeds to the financial intermediaries holding the accounts for the respective Investors and the claim of the investor lapses if the Investor through its financial intermediary is not providing the additional information or is not fulfilling the specific requirements within the timeline set by the Paying Agent or the Security Agent.

No interest shall be paid on the claims of the investors against the Issuer (Collateral Provider), which correspond to their pro-rata shares of the net realization proceeds realized from the Collateral. The Security Agent shall not owe any default interest to the Investors on the payment of the pro-rata share of net realization proceeds, neither shall the Security Agent be liable to the Investors for any further damages whatsoever.

The payment of pro-rata net realization proceeds to the Investors under the terms of the Collateral Agreement, discharges the Investors' claims (represented by the Security Agent) against the Issuer that related to the Product.

### **Procedure in the Event of Realization**

The Issuer appointed the Security Agent to act on behalf of the Investors and enforce their rights following the occurrence of an Event of Default or an Insolvency Event described in Condition 27.1.

The liquidation will occur, in respect of the realization of Collateral, following an Event of Default, in accordance with the Collateral Agreement and, generally (in the liquidation of the Issuer), upon the instruction of the Swiss bankruptcy official.

In the event of a realization, the Security Agent (in the event of an Event of Default) or the Swiss bankruptcy official or a party appointed by it (including the Security Agent) (in the event of an Insolvency Event) will 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 Security Agent or the Issuer will undertake to liquidate the assets as soon as possible, assuming sufficient liquidity is available in the market.

The post-enforcement priority of payments is as follows:

- Firstly, in payment or satisfaction of all amounts then due and unpaid or payable to the Security Agent and any appointee;
- secondly, in payment or satisfaction *pari passu* and ratably of all amounts then due and unpaid to the Index Sponsor or Strategy-Manager, distributors, if any, and the Custodian (as further set out in the Collateral Agreement);
- thirdly, in or towards payment or performance *pari passu* and ratably of all amounts then due and unpaid and all obligations due to be performed and unperformed in respect of the relevant Products; and
- 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).

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

In 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 the Underlyings 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.

None of the Issuer, the Security Agent or the Custodian is liable for an Extraordinary Event as defined in Condition 22.

### **Costs in the Event of Realization**

In the event of a realization, Investors will bear a number of costs, including but not limited to: Transaction costs with Custodians and exchanges, the fees and expenses of the Security Agent and other transaction participants, as well as spreads on digital assets. These costs will be deducted from the payment received by the Investors and may create a significant loss of value.

### **Custodians**

The information in this "Custodians" consists only of information provided to the Issuer by the Custodians.

## TERMS AND CONDITIONS

The Issuer may from time-to-time issue Products under the Program, linked to Underlyings or baskets of Underlyings providing exposure to a range of Underlying Assets. The reference to a Product or Products in this section is always a reference to a Product or Products for which specific Final Terms have been issued. Such Products are therefore issued on the terms and conditions set out in this section of the Base Prospectus (**Terms and Conditions**) in conjunction with the respective Final Terms relating to the Products. Capitalized terms in the Terms and Conditions not defined in this section will have the meaning set out in the Final Terms.

The Investors are deemed to have read and taken notice of the provisions of these Terms and Conditions and the Final Terms.

### TERMS AND CONDITIONS

Terms defined in this Base Prospectus form an integral part of these Terms and Conditions. A reference table of all defined terms is set out in the section "*Reference to Definitions*".

#### 1. Product Type

The Products issued under the Program are primarily open-ended or closed-ended Tracker Certificates (including AMCs) and Credit-Linked Notes tracking the value of the Underlying. The Products replicate the price movement of the Underlying (adjusted by the Investor Fees and tracking errors, e.g., due to FX Hedge, as well as by other fees and costs related to the Products). The Investors have exposure to the performance of the Underlying.

#### 2. Products – Form and Transferability

The Products will be issued in uncertificated form in the Minimum Investment Amount(s), if applicable, and the 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 Products will then be entered into the main register of the SIX SIS (*Hauptregister*) (the **Main Register**). Once the Products are registered in the Main Register of SIX SIS 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 Swiss Federal Intermediated Securities Act of 3 October 2008, as amended (the **FISA**).

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

So long as the Products remain registered with SIX SIS AG, Olten, Switzerland as clearing system (the **Clearing System**), the Products may only be transferred or otherwise disposed of in accordance with the provisions of the FISA by entry of the transferred Products in a securities account of the transferee.

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

#### 3. Rights attached to Products

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

#### 4. Collateralization

The Issuer has entered into the Collateral Agreement with the Security Agent. The Issuer will, by no later than the Issue Date of the relevant Products, credit the Underlyings of the Products specified in the Final Terms to the respective Collateral Account(s) or other custody solutions pertaining to such Products in order to provide the Collateral for the benefit of the Investors to secure its payment obligations under the Base Prospectus and the Final Terms (the **Collateralization**).

## 5. Hedging

The Issuer may (but is not obliged to), by no later than the Issue Date of the relevant Products, hedge the Products. The hedging of the Products will typically be made with the purchase of Collateral Assets and a cash position, if any, in order to provide collateral for the benefit of the Investors to secure its payment obligations under the Program.

## 6. Limited Recourse and Non-Petition

The Investors acknowledge and accept that once all the assets of the relevant Product have been realized, they are not entitled to take any further steps against the Issuer or with regard to assets allocated to other Products to recover any further amounts due and the right to receive any such amounts shall be extinguished. Each Investor agrees with and acknowledges to the Issuer, that neither it nor any person on its behalf shall initiate or join any person in initiating an Insolvency Event or the appointment of an insolvency official in relation to the Issuer.

Each Investor agrees with and acknowledges to the Issuer that if at any time:

- (a) following the occurrence of either:
  - (i) the Final Redemption Date or any earlier date upon which all of the Products are due and payable; or
  - (ii) a declaration by an Investor that the Products are immediately due and payable; and
- (b) the realization of all assets of the relevant Product and application in full of any amounts available to pay amounts due and payable under the Products,

such amounts are insufficient, after payment of any other claims ranking in priority, to pay in full all amounts then due and payable under the Products, then the amount remaining to be paid (after such application in full of the amounts) under the Products shall cease to be due and payable by the Issuer acting on behalf of that Product.

## 7. Term

The Products are either (i) perpetual ("open-ended") and have no fixed maturity or (ii) limited-term ("closed-ended") and have a fixed maturity, as further specified in the Final Terms.

The Issuer has the right to terminate and redeem all but not part of the outstanding units of any Product in accordance with the procedure described in Condition 8.

## 8. Redemption

### 8.1. Issuer Redemption (Issuer Call Option)

If an event occurs, which in the sole discretion of the Issuer requires a discontinuation of a Product (a **Termination Event**), the Issuer has the right to terminate such Product at a date of its choice (the **Termination Date**), without providing for a specific reason, by notifying the Investors at the earliest possible date, in any event no later than 30 Business Days prior to the Termination Date (the **Termination Notice**). The Issuer Call Option may for example (but not only), be exercised:

- (i) if the Calculation Agent has determined that the Underlying of the relevant Products has permanently ceased to be liquid;
- (ii) if compliance by the Issuer with the obligations under the Products or any transaction in respect of an Underlying of the relevant Products will become unlawful or impossible in whole or in part, in particular as a result of compliance by the Issuer with any 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**);
- (iii) due to increased cost of Collateralization; or
- (iv) 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.

Following a Termination Event, the Products will be subject to redemption at the Redemption Amount on the Termination Date. If the Issuer Call Option has been exercised due to unfavorable market conditions, including illiquidity or insolvency or distressed situations relating to an Underlying or a relevant market for the Underlying Investors should be aware that the Redemption Amount may be considerably lower compared to the Issue Price or the last valuation of the Products before the exercise of the Issuer Call Option.

Upon exercise of the Issuer Call Option the Product so terminated will be redeemed in accordance with the procedure set forth in Condition 8.3.

### **8.2. Investor Redemption (Investor Put Option)**

Any Investor may through its financial intermediary maintaining the relevant Products for the Investor exercise its right to require the Issuer to redeem a number of units for any one Product by submitting a sell order (the **Redemption Order**) with 35 days' notice (the **Redemption Notice Period**) as per the redemption dates, if any, as set out in the Final Terms (the **Investor Redemption Dates**) with the Paying Agent. The Products shall be redeemed in accordance with the procedure set forth in Condition 8.3. In case of illiquid Underlyings the redemption of the Product may be subject to a redemption period that shall allow the Issuer to liquidate the Underlyings in an orderly manner (the **Redemption Period**). Such redemption period may be extended by the Issuer (the **Extended Redemption Period**). Further details regarding the Redemption Period and the Extended Redemption Period may be included in the relevant Final Terms.

All Redemption Orders received by the Paying Agent or the Issuer (as the case may be) during the Redemption Notice 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.

### **8.3. Cash Settlement**

All claims due to termination and redemption of Products shall be settled as per the Termination Date or the Investor Redemption Date, as the case may be, in cash in accordance with this Condition 8.3 (the **Cash Settlement**).

The Calculation Agent shall determine the Redemption Amount per Security of the relevant Product to be paid by the Issuer in respect of the Products being terminated and redeemed in accordance with the relevant Final Terms. The Redemption Amount shall be no less than the smallest denomination of the respective Settlement Currency. Where no market value can be obtained, the Calculation Agent will, to the extent permitted by applicable law, determine the fair market value of such Product as per the Termination Date or the Investor Redemption Date in its duly exercised discretion and in accordance with established market practice.

On or prior to the Termination Date or the Investor Redemption Date, as the case may be, the Issuer shall, in respect of the Products being terminated and redeemed, for value on the Redemption Date, transfer (or cause to be transferred) the Redemption Amount to the Paying Agent.

On the Termination Date or the Investor Redemption Date, as the case may be, the Paying Agent shall, subject to (i) transfer of the relevant Products 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.

### **8.4. In-Kind Settlement**

All claims due to investors will be settled in cash in accordance with 8.2 above. Investors are not entitled to in-kind settlement.

In exceptional circumstance, such as (for example but not limited to) the following, the Issuer may decide to satisfy redemption requests or to approve an investors request for settlement in-kind:

- the Underlying is illiquid;
- in case of corporate actions where one (or more) certificates are involved and due to efficiency and / or cost reduction reasons;

- in case of corporate actions between certificates and funds, where an in-kind transfer will as well lead to efficiency gains and / or cost reduction;
- other situations of significance where, in the discretion of the Issuer, it may be legally impossible or burdensome or economically unreasonable to redeem in cash.

## **9. Markets and Market Disruption**

### **9.1. Reference Sources**

The Underlying will be traded on and valuations will be made by the Calculation Agent based on prices issued by the exchange(s) or quotation system(s) specified in the Final Terms (the **Reference Sources**) or any successor of such Reference Sources or any substitute exchange or quotation system to which trading in the Underlying may have temporarily been relocated. Any substitute exchange or quotation system must provide comparable liquidity relative to the Underlying as the original Reference Source, as determined by the Issuer. Alternatively, valuations provided by third parties may be used as Reference Source for certain Underlying Assets.

### **9.2. Market Disruption Event**

A market disruption event (the **Market Disruption Event**) means:

- In relation to an Index the occurrence or existence of a suspension or a limitation on trading in or a limitation on prices for (but for the avoidance of doubt, not merely a limitation on the hours and number of days of trading resulting from an announced change in the regular business hours of) the Reference Sources for one or more index constituents relevant to such Index (calculated using the last known price of such index constituent) on a Business Day relevant for the fixing, observation or valuation of the Index; or
- In relation to a single Underlying or a Basket, the occurrence or existence of a suspension or a limitation on trading in or a limitation on the price of (but for the avoidance of doubt, not merely a limitation on the hours and number of days of trading resulting from an announced change in the regular business hours of the Relevant Underlying Exchange, if any, of) the Underlying or one or more constituents of the basket so that the price or value of the Product cannot be determined, announced or published or otherwise is not being made available on a Business Day relevant for the fixing, observation or valuation of such Underlying as determined by the Calculation Agent in its duly exercised discretion.

### **9.3. Rights on the Occurrence of a Market Disruption Event**

If the 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 or the relevant Underlying in the case of a single Underlying or a basket of Underlyings then the respective day relevant for the fixing, observation or valuation of the Index or the Underlying shall be postponed until the next following day on which there is no such Market Disruption Event.

If, in the sole opinion of the Calculation Agent, a Market Disruption Event is continuing, then (i) the day relevant for the fixing, observation or valuation of the Index or the relevant Underlying in case of a single Underlying or a basket of Underlyings and (ii) the value for that Index or the relevant Underlying for such date shall be determined by the Calculation Agent, in its duly exercised discretion and in accordance with established market practice, it being understood that for relevant Underlyings that are not affected by the Market Disruption Event the day relevant for the fixing, observation or valuation of the Index or the Underlying shall continue to be the originally designated date.

## **10. Underlying Illiquidity**

### **10.1. Underlying Illiquidity**

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

## **10.2. Rights upon Underlying Illiquidity**

In case of Underlying Illiquidity,

- the Market Maker shall be entitled to temporarily increase the spread between the bid and offer prices of the Product to account for such prevailing market conditions.
- 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 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.
- 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 Calculation Agent.

## **11. Additional Terms for Products related to any Underlying or Basket of Underlyings**

### **11.1. Adjustments**

An adjustment event is an event that may have a diluting or concentrative effect on the theoretical value of the relevant Underlying (the **Potential Adjustment Event**).

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 a Potential Adjustment Event has occurred. Where it determines that a Potential Adjustment Event has occurred, the Issuer will, acting in a commercially reasonable manner and in accordance with established market practice determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the relevant Underlying and, if so, 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, the number of Underlyings to which the respective Product relates, the number of Underlyings 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 Products 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).

### **11.2. Discontinuation of Trading of Underlying**

If the Issuer, acting in a commercially reasonable manner and in accordance with established market practice, upon a discontinuation of Trading of an Underlying, takes note that the relevant Underlying ceases (or will cease) to be traded or quoted for any reason and is not immediately re-traded or re-quoted, then the Issuer may determine, in its duly exercised discretion and in accordance with established market practice, that the relevant Products shall be terminated and the Product shall pay an amount which the 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 Products 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.

## **12. Additional Terms for Actively Managed Certificates (AMCs)**

### **12.1. Definitions**

In this Condition, the following expressions have the following meanings:

**"Actively Managed Certificates" ("AMCs")** means Products whose Underlying consists of a numerical value (Strategy-Level) that represents the performance of a Strategy (or tailor-made index), respectively, its Strategy- or Index-Components which are fully or partially adjusted at the discretion of a Strategy-Manager and allows the Investors to participate in a positive performance of the Strategy-Level in an unrestricted manner, and on the other hand, may reflect a negative performance of the Strategy-Level.

**"Adjustments of the Strategy-Components"** means the rebalancing of the weight of Strategy-Components or the replacement of Strategy-Components.

**"Dynamic Products"** are Products whose Underlyings may be subject to adjustments according to actively or passively determined and objectively comprehensible rules during the term of the Product.

**"Investment Restrictions"** means the applicable framework for the selection of, and adjustments to, the Strategy-Components, as specified in the Final Terms.

**"Investment Strategy"** means the precise definitions and specifications set out in the Final Terms which are to be presented in a clear and comprehensible form. The Investment Strategy must be determined in a manner such that the Investors can clearly understand the Investment Strategy and orientation of the Product.

**"Investment Universe"** contains all permitted Underlyings which are defined in the section Investment Universe in the Final Terms of a specific Product which may be selected as Strategy-Components.

**"Potential Adjustment Event"** has the meaning stated in Condition 11.1 where applicable.

**"Strategy-Component"** means a Underlying which is part of the Strategy-Composition.

**"Strategy-Composition"** means the specific applicable composition, structure and weighting of the Strategy-Components of an AMC, created, maintained and/or adjusted by the Strategy-Manager.

**"Strategy-Guidelines"** means the guidelines that are specified in the Final Terms and are applicable to the selection of, and adjustments to, the Strategy-Components by the Strategy-Manager.

**"Strategy-Level"** means the theoretical value of the synthetical Strategy which is based on the value of the notional Strategy-Components and calculated as specified in the Final Terms.

**"Strategy-Manager"** is the asset manager which is responsible for the selection of, and adjustments to, the Strategy-Composition, respectively, the Strategy-Components, and the compliance of a Product with the Strategy-Guidelines and Investment Restrictions.

## **12.2. Terms**

The Terms and Conditions of the Program are generally applicable for AMCs, unless stated differently as follows or in the Final Terms or if they are not feasible for AMCs.

Pursuant to the Strategy-Guidelines only the selection of assets contained in the Investment Universe (as defined in the Final Terms) are permitted as Strategy-Components. The Strategy-Guidelines and the Investment Universe must be respected upon fixing and upon adjustment of the Strategy-Components.

The Strategy-Manager is free to correct infringements of the Strategy-Guidelines or the Investment Universe which might possibly occur. No liabilities are assumed by the Strategy-Manager or the Issuer for such infringements.

Each Investor of a Product has the right to receive a redemption of an amount in the currency of the Product according to the Strategy-Level of the Product, which has been calculated by the Calculation Agent based on the Final Terms.

If the Issuer, the Authorized Offeror, the Paying Agent, or a distributor are acting as Strategy-Manager, potential conflicts of interests may arise. Holders of AMCs should be aware of such conflicts of interests. However, the Issuer, the Authorized Offeror and/or the Strategy-Manager will take appropriate measures to deal with potential conflicts of interests.

If the applicable Final Terms indicates that a Strategy-Manager (other than the Issuer) is appointed in respect of the Products, it acts solely as Strategy-Manager and does not assume any obligation or duty to, or any relationship of agency or trust for or with, the Investors. All Adjustments of the Strategy-Components made by the Strategy-

Manager shall (save in the case of manifest error) be final, conclusive and binding on the Issuer and the Investors.

The Strategy-Manager may, with the consent of the Issuer, delegate any of its obligations and functions to a third party as it deems appropriate.

In case of objections or other deviations of the Final Terms and the Terms and Conditions the Final Terms shall have priority.

### **12.3. Adjustments of the Strategy-Components**

With respect to a Potential Adjustment Event Condition 11.1 is applicable, depending on the Underlying.

The following additional provisions apply for Adjustments of the Strategy-Components of AMCs:

- (a) The Strategy-Manager selects and adjusts the Strategy-Components in its sole and absolute discretion and thereby selects and adjusts the Strategy-Components in compliance with the Investment Universe, the Investment Strategy, the Strategy-Guidelines, and the Investment Restrictions.
- (b) The relevant Final Terms shall include provisions specifying details concerning changes of the Terms and Conditions and/or the Strategy-Components.

Such changes may occur on a regular basis and are regarded as changes of the Terms and Conditions and must be made public in accordance with the Terms and Conditions.

- (c) The Adjustments of the Strategy-Components will be made during the respective Trading Day. Breaches of the Strategy-Guidelines or the Investment Universe shall be corrected within one day after detection by the Strategy-Manager. The value of the Product will not be adjusted retrospectively. Neither the Issuer nor the Strategy-Manager shall be held responsible for obligations arising from such breaches.
- (d) The Strategy-Manager (if different from the Issuer) is responsible for Adjustments of the Strategy-Components in case of events with a dilution or concentration effect or similar events. If the Strategy-Manager does not decide within reasonable time, the Issuer will decide independently.

### **12.4. Termination of AMCs**

AMCs may be open-ended, i.e. Products which do not have a final due date (expiry), or be closed-ended, i.e. Products which do not have a final due date (expiry). Open-ended AMCs shall entail a right of cancellation on the part of the Issuer and a right of return in favor of the Investor as follows:

- (a) The Issuer has the right to terminate the AMC within a notice period set out in the Final Terms after notification without a specific reason to the last trading day of a month (subject to the Issuer's general termination rights under Condition 8 (*Redemption*)).
- (b) The Investor of the AMC may terminate his position in the AMC within a notice period set out in the Final Terms after written notification of the Issuer to the last trading day of the month (unless the AMC is closed-ended and has a fixed Maturity).

Further, (and especially if no such special notice period is set out in the Final Terms) the general Condition 8 on Redemption shall apply for AMCs as well.

## **13. Additional Terms for Products related to an Index**

This Condition 13 applies only to Products linked to an Index.

### **13.1. Modification of calculation or replacement of an Index**

In the event that the Index Calculation Agent or a successor, 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 Underlyings or their capitalization, or in the event that the Index Calculation Agent (or its successor), if

any, replaces an Index by a new index to substituted that Index, the Issuer may (without the consent of the Investors):

- (i) either, subject to a favorable opinion of an independent expert nominated by the Index 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 24 within ten (10) Business Days following the date of modification or substitution of that Index; or
- (ii) apply the provisions of Condition 13.2.

### **13.2. Discontinuation of calculation of an Index**

In the case of Products related to an Index, if for any reason, on or prior to any Final Valuation Date the Index Calculation Agent or a successor, if any, 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 the Products by means of the Issuer Call Option and redeem the Products and pay to each Investor in respect of the Products held by it an amount representing the fair market value of such Products (the **Fair Market Value**). The Fair Market Value will be determined by the 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 Products.

The Fair Market Value so determined will be notified to the Investors in accordance with Condition 18 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 (10) Business Days following the date of determination of the Fair Market Value.

### **13.3. Other Events**

In the case of events other than those described in this Condition 13, which in the sole opinion of the Issuer have an effect equivalent to that of such events, the rules described in this Condition 13 shall apply *mutatis mutandis*.

## **14. Foreign Exchange Disruption**

If the Calculation Agent determines that on a Final Valuation 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 and the Final Valuation Date in respect of the Products shall be postponed to the same Business Day on which such FX Disruption Event ceases to exist. 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 14 shall take effect only after such postponements or adjustments have been made as a result of such Market Disruption Event in accordance with the Terms and Conditions and, notwithstanding the respective provisions of the 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 14.

For the purposes of this Condition 14, **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 a Base Currency into the Settlement Currency; or
- (ii) deliver the Base Currency from accounts on which they have been held or are held upon the sale of Underlying to other accounts required for the conversion into the Settlement Currency.

**FX Rate** means the exchange rate (determined by the Calculation Agent in good faith and in a commercially reasonable manner) for the sale of the Base Currency against the Settlement Currency on the Final Valuation Date or other date on which such exchange rate requires determination in accordance with the provisions of this Condition 14 expressed as a number of units of Base 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, or is merged with another currency to become a common currency, the affected Settlement Currency shall be replaced for the purposes of these 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 24.

## **15. Additional Terms for Credit-Linked Notes**

### **15.1. Definitions**

In this Condition, the following expressions have the following meanings:

**"Credit-Linked Notes" ("CLN")** means Products whose Underlying consists of a numerical value representing one or more (in the case of a basket) credit(s).

### **15.2. Terms**

The Terms and Conditions of the Program are generally applicable for CLNs, unless stated differently as follows or in the Final Terms or if they are not feasible for CLNs. Furthermore, Condition 11.1 (*Additional Terms for Products related to any Underlying or Basket of Underlyings / Adjustments*) is applicable for CLNs. Furthermore, the special provisions of this Clause 15 apply for CLNs. Condition 11.2 is not applicable for CLN.

### **15.3. Adjustments**

An adjustment event is an event that may have a diluting or concentrative effect on the theoretical value of the relevant Underlying (the **Potential Adjustment Event**).

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 a Potential Adjustment Event has occurred. Where it determines that a Potential Adjustment Event has occurred, the Issuer will, acting in a commercially reasonable manner and in accordance with established market practice determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the relevant Underlying and, if so, 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, the number of Underlyings to which the respective Product relates, the number of Underlyings 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 Products 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).

### **15.4. Discontinuation of Trading and Illiquidity of the Underlying**

If the Issuer, acting in a commercially reasonable manner and in accordance with established market practice, upon determining illiquidity of the relevant Underlying which is not, ceases (or will cease) to be traded for any reason and is not immediately re-traded or re-quoted by other market participants, then the Issuer may determine, in its duly exercised discretion and in accordance with established market practice, that the relevant Products shall be terminated and the Product shall pay an amount which the 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 Products with the existing or 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. Further, the Issuer may determine that the Product will not be redeemed until its Maturity and the Redemption Amount will be equivalent to the liquidation proceeds or the write-off amount of illiquid or distressed Underlying(s).

## **16. Additional Terms for Products related to any Virtual Currency Underlyings**

### **16.1. Fork Event**

In the event where a developer or a group of developers split the code base powering a Crypto Asset that serves as an Underlying into two or more branches or variations of development and new assets are created as a result deriving from the original blockchain of the respective Underlying (a **Fork**), the Issuer, in its sole discretion, will determine whether or not to participate in the Fork. 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 Product of any Fork or event resulting in a Fork.

### **16.2. Airdrop**

If the Underlying is an Index, any additional Crypto Assets obtained through a special dividend in-kind of Crypto Assets serving as an Underlying to participants in the blockchain (the **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.

### **16.3. Other Events**

In the case of events other than those described in this Condition 16, which in the sole opinion of the Issuer have an effect equivalent to that of such events, the rules described in Condition 9 shall apply *mutatis mutandis*.

### **16.4. Notices of Adjustment**

The Issuer shall give notice to the Investors in accordance with Condition 24 of any change to the terms and conditions of the Products in accordance with this Condition 16. For the avoidance of doubt, the consent of the Investors shall not be required to make any of the changes to the Products set out in this Condition 16.

## **17. Taxation**

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 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.

## **18. Trading of Products**

The Minimum Trading Lot for any one Product, if any, will be specified in the Final Terms. The Issuer may introduce multi-currency trading for the Products, provided that SIX SIS supports the additional currencies. 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 24 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 24.

## 19. Paying Agent

The Paying Agent for the relevant Product shall be set out in the Final Terms. The Issuer may also appoint additional paying agents, provided that there will always be a Swiss Paying Agent as long as the Products are listed on SIX. The Issuer may also appoint several paying agents in relation to any one Product.

The Paying Agent 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 willful misconduct) be final and binding on the Issuer and the Investors.

## 20. Calculation Agent

The Calculation Agent is the Issuer, unless specified otherwise in the Final Terms. The Issuer may at any time vary or terminate the appointment of the Calculation Agent. It shall give notice to the Investors in accordance with Condition 24 of any modification in the appointment of the Calculation Agent.

The 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 Calculation Agent shall (save in the case of manifest error or willful misconduct) be final and binding on the Issuer (if the Calculation Agent is not the Issuer), the Paying Agents and the Investors.

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

## 21. Security Agent

The Security Agent is specified in the applicable Final Terms or any successor security agent of such Security Agent.

By investing in the Product(s), each Investor is deemed to agree and acknowledge that the Issuer shall appoint the Security 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 Agreement. The Issuer may at any time vary or terminate the appointment of the Security Agent in accordance with the provisions of the Collateral Agreement. It shall give notice to the Investors in accordance with Condition 24 of any modification in the appointment of the Security Agent.

The Security Agent may, in accordance with the provisions of the Collateral Agreement, delegate any of its obligations and functions to a third party, as it deems appropriate.

Pursuant to the Collateral Agreement, the Security Agent is entitled to be 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, willful misconduct or gross negligence). In addition, the Security Agent is entitled to enter into business transactions with the Issuer without accounting for any profit.

## 22. Liability

Without prejudice to the provisions of the Collateral Agreement, none of the Issuer, the Custodian, the Calculation Agent, the Security Agent or the Paying Agent 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 this Base Prospectus or with respect to the Product, irrespective of whether the agents act in the interest of the Issuer or the Investor.

None of the Issuer, the Custodian, the Security Agent or any other involved party with the Product shall be liable for fraud, theft, cyber-attacks or any analogous or similar event (an **Extraordinary Event**). Upon the occurrence of such an event with respect to, or affecting the Underlying, the Redemption Amount will be reduced to account for such Extraordinary Event and may be as low as the smallest denomination of the Settlement Currency (i.e. USD 0.01, EUR 0.01, CHF 0.01, GBP 0.01 or the equivalent in other Settlement Currencies), as determined by the

Calculation Agent.

In no event shall the Issuer, the Custodian, or the Security 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 Products. Investors are entitled to damages only and are not entitled to the remedy of specific performance in respect of a Product.

### **23. Purchase by the Issuer**

The Issuer, and/or any of its affiliates may at any time purchase Products of any issue at any price in the open market or otherwise. Such Products 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.

### **24. Notices**

Notices to Investors relating to Products 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 [www.six-swiss-exchange.com/news/official\\_notices](http://www.six-swiss-exchange.com/news/official_notices), on the Issuer's or Authorized Offerors website as set out in the Final Terms or, in any other form as permitted by the rules and regulations of the SIX Swiss Exchange. They will only be published in the English language.

Notices to Investors relating to Products 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 Products may be published, as specified in the applicable Final Terms, in newspapers, on a website or otherwise.

### **25. Further Issuance of Products**

The Issuer shall be at liberty without the consent of the Investors to create and issue further Products, thereby increasing the number of Products in the market (provided that the Underlying are also increased by a corresponding amount). Such Products shall have the same terms and conditions as the respective Product in all respects (or in all respects save for their Issue Date and Issue Price) so that such further issue shall be consolidated and form a single Product with the outstanding units of such Product. Alternatively, the Issuer may decide to create and issue a separate Product upon such terms as the Issuer may determine at any time of their issue and as set out in the Final Terms of such separate Product. References in these Terms and Conditions to the Products include (unless the context requires otherwise) any other Products issued pursuant to this Condition and either forming part of the existing Products or a separate Product.

### **26. Issuer's covenant to pay and priority of payments**

The Issuer covenants with and undertakes to the Investors, and also for the benefit of the Security 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 Products; and (b) under or in respect of the Collateral.

Save for any monies received in connection with the realization or enforcement of all or part of the Issuer Security, all monies received by or on behalf of the Issuer in relation to any Redemption in accordance with Condition 7 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 Security Agent as further set out in the Collateral Agreement;
2. *secondly*, in payment or satisfaction of all amounts then due and unpaid to the Paying Agent and any other Paying Agent;
3. *thirdly*, on a *pari passu* basis in payment or satisfaction of all amounts then due and unpaid to the Index Sponsor or Strategy-Manager, distributors, and Custodian (as further set out in the Custody Agreement);

4. *fourthly*, in payment of any Redemption Amounts due and unpaid owing to the Investors on a pro rata basis of the Products held by the Investors; and
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).

## **27. Events of Default and Foreclosure on Collateral**

### **27.1. Event of Default (Realization Event)**

An event of default (the **Event of Default**) occurs when:

- (i) the Issuer or any of its assets are subject to any form of winding up, administration, receivership, insolvency proceedings, arrangements with creditors generally (each an **Insolvency Event**),
- (ii) the Issuer is in violation of the applicable law and forced by a regulator to cease its activity (the **Regulatory Violation Event**), or
- (iii) the Issuer is in breach of the issuance conditions of a Product that results in a claim for the Investors, such as but not limited to situations where the Issuer does not honor a payment or delivery commitment under a Product when it becomes due according to the issuing conditions, or does not honor such a commitment in good time or without defects, unless those defects are remedied within 3 Business Days. The point decisive for the occurrence of a Realization Event shall be the first Business Day after the grace period of 3 Business Days has expired unused (the **Non Payment Event**).

Then all the units of such Product or in all Products (in an Insolvency Event) shall mature 30 Business Days after an Event of Default. The Issuer will notify the Security Agent promptly upon the occurrence of an Event of Default. Following an Event of Default, the Security Agent shall, subject to being indemnified, secured or prefunded to its satisfaction notify the Custodian and the Paying Agent of the Event of Default and the foreclosure on the Collateral for the Product (in a Non Payment Event) or the Products (in an Insolvency Event or Regulatory Violation Event) (the **Foreclosure Notice**).

### **27.2. Realization of Collateral**

By acquiring the Product, each Investor automatically declares to the Security Agent, as described in article 112(3) of the Swiss Code of Obligations, that they wish to enforce their rights under the Collateral Agreement when an Event of Default occurs.

The Security Agent is entitled to cover from the realization proceeds its own and any third-party costs (including taxes, duties, and fees for external consultants) that arise in connection with the realization of the collateral and the payment of the net realization proceeds to the Investors before any other payments are made. To this end, the Security Agent shall deduct a flat rate of 0.5% of the entire realization proceeds to cover its own processing costs and those of third parties. Should the Security Agent or third parties incur any extraordinary realization and distribution costs, the Security Agent may also deduct these additional costs from the realization proceeds, before any other payments are made to Investors.

Upon the foreclosure on the Collateral by the Security Agent, all monies received and all monies derived therefore shall be applied by or on behalf of the Security Agent as follows:

- *Firstly*, the Security Agent and the Custodian are entitled to satisfy their claims against the Issuer under the Collateral Agreement;
- *secondly*, on a *pari passu* basis in or towards payment of all amounts due and unpaid and all obligations due to be performed under each Product for which the Collateral is being realized.

The payment of net realization proceeds by the Security Agent via Paying Agent to Investors shall be made exclusively in the currency of the Product. The Security Agent may request additional information from Investors or set specific requirements to comply with applicable law. The Security Agent may refuse to transfer any net realization proceeds to an Investor and the claim of the Investor lapses if the Investor is not providing the additional information or is not fulfilling the specific requirements.

No interest and no default interest is payable on the Investors' claims against the Security Agent, which correspond

to their pro-rata shares of net realization proceeds, nor is the Security Agent liable to the Investors for any further damages whatsoever. No other or further claims of any nature may be made against the Security Agent or third parties.

The payment of pro-rata net realization proceeds by the Security Agent to the Investors, under the terms of the Collateral Agreement, discharges the Investors' claims against the Issuer that related to the Product.

## **28. Statute of Limitation (Prescription)**

Claims for payment of the Redemption Amount in respect of the Product shall be barred by the statute of limitation (prescription) in accordance with the applicable Swiss law, unless made within ten (10) years from the relevant Termination Date or the Investor Redemption Date, as the case may be.

## **29. Substitution**

The Issuer may at any time, without the consent of the Investors, substitute for itself as obligor under the Product 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 Product. If such substitution occurs, then any reference in this Base Prospectus to the Issuer shall be construed as a reference to the New Issuer. Any substitution will be promptly notified to the Investors. 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.

## **30. Selling Restrictions**

Save for the approval of this Base Prospectus in relation to the Program by SIX Exchange Regulations AG and the listing of the Products on SIX Swiss Exchange based on the Final Terms, no action has been or will be taken by the Issuer that would permit a public offering of any Products or possession or distribution of any offering material in relation to any Products in any jurisdiction where action of that purpose is required. No offers, sales, resales, or deliveries of any Products or distribution of any offering material relating to any Products 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.

## **31. Severance**

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

## **32. Modification of the Terms and Conditions and the Final Terms**

The Issuer may modify these Terms and Conditions without the consent of the Investors in any manner which the Issuer may deem necessary or desirable provided that such modification is not prejudicial to the interests of the Investors, or such modification is of a formal, minor or technical nature, or to correct a manifest error or to cure, correct or supplement any defective provision contained herein and/or therein. Notice of any such modification will be given to the Investors in accordance with Condition 24 but failure to give, or non-receipt of, such notice will not affect the validity of any such modification.

The Issuer shall further be entitled to amend without the consent of the Investors any clause or item in the relevant Final Terms for the purpose of (i) correcting a manifest error, or (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 clause 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.

### **33. Governing Law and Jurisdiction**

The Products 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 Products, 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, the Collateral Agreement shall be governed by the laws of Switzerland and subject to the jurisdiction set out therein.

## FORM OF FINAL TERMS

FINAL TERMS DATED [•]  
(the **Final Terms**)

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### Swiss Assetization AG

(incorporated in Switzerland) (the **Issuer**)

Issue of [•]

[Product name] (the **Product**)

pursuant to the Issuer's

### Structured Products Program

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

The Products under the Program are derivative financial instruments (debt instruments) according to Swiss law. The Products do not constitute collective investment schemes within the meaning of 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 the Swiss Federal Act on Collective Investment Schemes (CISA) and are, therefore, neither governed by the UCITSG, the AIFMG, the IUG or the CISA nor subject to authorization and supervision by the Liechtenstein Financial Market Authority (FMA) or the Swiss Financial Market Supervisory Authority (FINMA). Accordingly, Investors of these Products do not have the benefit of the specific investor protection provided under the before cited legal acts. Investors bear the issuer risk with respect to the Issuer of the Products. The Issuer is not and will not be regulated by any regulator as a result of issuing the Products.

*[if applicable: Investors should be aware that the Products have a dynamic, discretionary structure, which may result in changes to the Product terms and/or the Strategy-Components.]*

## PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Products (the **Terms and Conditions**) set forth in the Base Prospectus dated 20 April 2024 issued by Swiss Assetization AG (the **Issuer**) [as supplemented by the Supplements thereto dated [•]] (the **Base Prospectus**). This document constitutes the Final Terms of the Products 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 Products 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.swiss-assetization.com](http://www.swiss-assetization.com)). The Final Terms will be available for viewing at the registered office of the Issuer and/or on the website [www.swiss-assetization.com](http://www.swiss-assetization.com). During the term of the Product, the Base Prospectus and the Final Terms can be ordered by an Investor free of charge from [the Authorized Offeror] under the following email address: [•]

The Base Prospectus, together with the Final Terms, constitutes the prospectus with respect to the Products described herein for the purposes of Regulation (EC) 2017/1129 (the "Prospectus Regulation"). [In accordance with article 58a of the Listing Rules of SIX in their version dated [date], the Issuer has appointed [•], as recognized representative to file the listing application with SIX.]

Brief Description	
Product	[•]

Parties	
Issuer	[•]
Calculation Agent	[•]
Index Calculation Agent	[•]
Strategy-Manager	[•]
Collateral Provider	[•]
Security Agent	[•]

Custodian/Broker	[•]
Paying Agent	[•]
Additional Paying Agent	[•] / [Not Applicable]
Authorized Offeror	[•]
[Market Maker	[•] / [Not Applicable]

<b>Product Information</b>	
Underlying	<p>[single Underlying] [ISIN or other identifier]</p> <p>[Basket: the Underlyings of the basket are the following:  [[•]   Weight: [•]   Relevant Underlying Exchange: [•]   Base Currency: [•]] [[•]   Weight: [•]   Relevant Underlying Exchange: [•]   Base Currency: [•]] [[•]   Weight: [•]   Relevant Underlying Exchange: [•]   Base Currency: [•]]]</p> <p>[[•] Index  [Index Sponsor: [•]] [Publishing Party: [•]]  [The current Index Guide is available on [•]]</p> <p>[[•] Strategy  [Strategy-Manager: [•]] [The current Strategy Composition is available from [•]]  [Strategy Guidelines] [Investment Restrictions]</p>
[Reference Source(s) for Underlying prices]	[The Reference Source(s) for the price of the Underlying are: [•]
[Strategy-Manager]	[•]
[Index]	[•]
[Investment Strategy]	[•]
[Reinvestment of Returns]	[•]
[Strategy-Level]	[•]
[Initial Weighting]	[•]
Pricing Formula	[•]
[Redemption Amount]	[•]
[Interest Rate/Coupon]	[•]
Interest Due Dates	[• <i>Date from which interest becomes payable and the due dates for interest.</i> ]
[Type of Quoting]	[• <i>For securities with an interest component information on whether the securities will be traded or quoted including accrued interest or whether the accrued interest will be shown separately (flat/dirty trading or clean trading).</i> ]
Collateralization	Applicable
[Termination Option]	[•]
Structured Product Type per Swiss Derivative Map	[•]
Yield / Yield Calculation Method	[•]

<b>[Additional Information]</b>	
[Additional information for Products on participation rights or claims]	<p>[note if a delivery of the underlying is planned and transferability of the Underlying is restricted, if applicable]</p> <p>[information on where the current annual reports for the issuers of the Underlying may be obtained free of charge for the term of the securities, provided they are not available on the website of the issuer of the Underlying or cannot be obtained via the latter]</p>
[Additional information for Products on collective investment schemes]	[Information on the fund management or issuing company, and details of the composition or investment universe of the collective investment scheme in question, if this information is not publicly accessible.]

[Additional information for Products on indices]	<i>[name of the agency that calculates and publishes the index (index sponsor), if this information is not publicly accessible;] [details of where the information on the investment universe is publicly accessible and on the method of calculating the index is available;] [indication of whether the index in question is a price or performance (total return) index.]</i>
[Additional information for Products on standardized options and futures contracts]	<i>[contract months, including the term and the expiry, or information on the roll-over mechanism;] [contract unit and price quotation.]</i>
[Additional information for Products on baskets of Underlying Assets]	<i>[initial fixing plus the percentage and, where appropriate, shares of the initial weighting of basket instruments;] [if the composition of the basket is subject to predefined modifications, then the permitted investment universe must be defined.]</i>
[Additional information for Actively Managed Certificates]	<i>[Reference to active management; key data on the investment strategy, such as investment universe, criteria for selecting Underlyings, information on how income from Underlyings is treated;] [name or company name and place of residence or registered office of the manager of the investment strategy as well as information on the supervisory authority or, if applicable, a declaration that the manager is not prudentially supervised;] [details of all compensation paid, such as, in particular, management fees for the manager of the investment strategy for the Product;] [note on where the information on the investment strategy can be obtained free of charge;] [note on where the monthly updated percentage-weighted composition of the Underlying is accessible.]</i>

<b>General Terms</b>	
Issue Date	[•]
Issue Size	[•]
Total Amount	[•]
Security Type	Debt instrument (structured product)
Structured Product Type per Swiss Derivative Map	[•]
Issue Price	[•]
	[The Issue Price is calculated as follows: Aggregate Collateral value on the Issue Date in [Settlement Currency] divided by the number of units of outstanding Products: [to be inserted].] The Issue Price is subject to any applicable fees and commissions of the person offering the Products.
[Denomination]	[•]
[Ratio]	[•]
[Exercise modalities]	[• Information on the key exercise ratio, as well as the last date on which exercise is possible, including the time if this is not the same as the close of trading. Special reference to any limit on the maximum exercise volume that is permitted per day, as well as to the stipulation of minimum exercise volumes.]
[Base Currency]	[USD] / [EUR] / [other]
[Reference Currency]	[USD] / [EUR] / [other]
Settlement Currency	[USD] / [EUR] / [other]
Exchange Rate	[•]
Hedging Arrangements	[Not Applicable] / [•]

Redemption Amount	[•]
Maturity Date	[n/a, this is an open-ended Product] / [•]
Termination Event	[•]
Investor Redemption Date (put date)	[•]
Redemption Date	[•]
[Cash Settlement]	[•Applicable]
[Lock-up period]	
Amount of any expenses and taxes specifically charged to the subscriber or purchaser	Except as set out in the Base Prospectus (section " <i>Fees related to the Products</i> ") and herein, all expenses related to the services provided by the service providers are included in the Investor Fee.
[Initial Fixing Date]	[•]
[Final Fixing Date]	[•]
[Initial Valuation Date]	[•]
Final Valuation Date	[Not Applicable] / [•]
Minimum Investment Amount	[Not Applicable] / [•]
Minimum Trading Lot	[Applicable] [Not Applicable] [USD] [EUR] [CHF] [GBP] [•]
Investor Fee	[•]
Distribution Fees	[•]
[Strategy-Management Fee]	[•]
[Other Fees]	[•]
[if applicable: Exchange]	[SIX Swiss Exchange] [•]
Significant or material change statement	[Save as disclosed in [the Prospectus and these Final Terms].] There has been no significant change in the financial or trading position of the Issuer and there has been no material adverse change in the financial position or the prospects of the Issuer since [the date of this Base Prospectus]
Responsibility	The Issuer accepts responsibility for the information contained in these Final Terms. To the best of the knowledge of the Issuer, which has taken all reasonable care to ensure that such is the case, the information contained in this Final Terms is in accordance with the facts and contains no omission likely to affect its import.
Date of Board of Directors approval of issuance	[•]

## PART B – OTHER INFORMATION

Applicable Law / Place of Jurisdiction	Swiss law / Zurich 1, Switzerland
[if applicable: Listing and admission to trading]	[Application has been made for the Product to which these Final Terms apply to be admitted to [the SIX Swiss Exchange] [and] [other]] [Not Applicable]
Secondary Market	[No Market Maker has been appointed by the Issuer and the Issuer may not be able to redeem the Products at any time before the Redemption Date of the Products.]
Interests of natural and legal persons involved in the issue	[So far as the Issuer is aware, no person involved in the offer of the Products has an interest material to the offer] / [give details]

[Third Party Information]	[[ <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.]
Selling Restrictions (General)	USA/US Persons,
Additional Selling Restrictions	[Not Applicable] [ <i>specify</i> ]
Authorized Offerors	[An offer of the Products may be made only by authorized offerors (the <b>Authorized Offerors</b> ) in or from any jurisdiction in circumstances which will result in compliance with any applicable laws and regulations and which will not impose any obligation on the Issuer. Offers of the Products are conditional upon their issue. Each Authorized Offeror as well as each of the following of financial intermediary/ies qualifies as an Authorized Offeror and shall be authorized to use the Base Prospectus, as completed by these Final Terms: [•], [•], Switzerland]
Auditor	[•]
Valoren No.	[•]
ISIN	[•]
Clearing Code (CFI / FISN)	[•]
Clearing Systems	[SIX SIS AG, [ <i>specify address</i> ] / [ <i>give details of additional or alternative clearing system(s)</i> ]
Product Representation	Intermediated securities ( <i>Bucheffekten</i> )
Taxation in Switzerland	[•]
Terms and Conditions of the Offer	[Products are made available for subscription only by the Authorized Offeror]
Offer Price:	[•]
Conditions to which the offer is subject:	Offers of the Products are conditional upon their issue and, as between the Authorized Offeror(s) and their customers, any further conditions as may be agreed between them
Description of the application process:	[Not Applicable]
Description of the possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:	[Not Applicable]
Details of the minimum and/or maximum amount of application:	[Not Applicable] / [ <i>provide details if applicable</i> ]
Details of the method and time limited for paying up and delivery the Products:	[Not Applicable]
Manner in and date on which results of the offer are made available to the public:	[Not Applicable]

Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:	[Not Applicable]
Webpage where notices to Investors on the Issuer and the Products will be published:	[•]
Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:	[Not Applicable]
Name(s) and address(es), to the extent known to the Issuer, of the places in the various countries where the offer takes place:	Switzerland / [•] / [•]
Name and address of financial intermediary/ies authorized to use the Base Prospectus in other countries, as completed by these Final Terms (the <b>Additional Authorized Offerors</b> ):	[•] [or as expressly named as an Authorized Offeror on the Issuer's website ([insert Issuer's web address])].

[•ANNEXES, if applicable]

## SIGNATURES

Signed on behalf of the Issuer:

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

## FEES RELATED TO THE PRODUCTS

### INVESTOR FEE

The Product pays operation fees, which can be periodically recurring fees or transaction-based fees. The Issuer uses this fee to pay other service providers of the Issuer and fund its own daily operations. In order to be able to make these operational payments, the Product is charged a percentage per annum on the amount of Underlying Assets backing the Product (the **Collateral Assets**). The percentage per annum applied will be set out in the relevant Final Terms (the **Investor Fee**).

The Investor Fee is applied to the Collateral Assets on each following calendar day after the Issue Date (including holidays and weekends) until redemption.

The Investor Fee includes all the expenses related to the services offered by service providers of the Products, including trading fees, administration fees, custodian fees, collateral fees and other fees owed to service providers mentioned in this Base Prospectus or the Final Terms.

It is important to note that the Investor Fee does not cover tax consequences in the case of rebalances which may additionally impact the value of Collateral Assets. In addition, the pricing of Underlying Assets may be subject to a bid/ask spread of as much as 1-1.5% or more by Market Makers and/or Paying Agents.

### PRINCIPLES OF CALCULATION

For the purpose of calculating the Investor Fee the value of the Collateral Assets of the Product at 17:00 CET/CEST (the closing time of the SIX Swiss Exchange) on the immediately preceding calendar day will be applied, divided by 365. In the case of monthly rebalances, the valuation of the Collateral Assets shall be done with the weighting determined based on the rebalancing which took place on the last trading day of previous month.

### IMPACT OF INVESTOR FEE ON VALUE OF PRODUCTS AND ON COLLATERAL ASSETS

The Investor Fee is paid from the Collateral Assets, thus affecting the Collateral Assets calculation for the subsequent trading day. Because the Collateral Assets forms the basis for determining the value of each Security, the aggregate effect of the Investor Fee will increase or decrease in a manner directly proportional to the value of each Product and the amount of Products held by an Investor, as applicable.

## PROGRAM INDICES

The information on the Program Indices that may be used as Underlyings of the Products contained in the Program or the relevant Final Terms may consist of information provided to the Issuer by the Index Sponsor, and/or the Index Administrator, where applicable. As far as the Issuer is aware and can ascertain from information published by the Index Sponsor, and/or the Index Administrator, no facts have been omitted which would render such reproduced information inaccurate or misleading. The respective information is subject to change.

### THE INDICES

The underlying indices, if any, represents a basket of Underlyings. The application of the Index Guide of the Index Sponsor (the **Index Guide**) will lead to a notional portfolio (the **Notional Portfolio**). The Issuer shall invest the capital raised by the issuance of the Products in line with the Notional Portfolio except in market situations where replicating the Notional Portfolio would as advised by the Index Sponsor not be possible (the **Special Market Situations**).

The objective of the indices is to provide an investable index for the underlying assets. The selection of the constituents is monitored on an ongoing basis. The Index may apply advanced techniques to reduce concentration into single constituents and to deliver enhanced diversification.

The indices may be actively or passively managed by the Index Sponsor.

### Index-related Parties

#### *Overview*

The relevant index sponsor (**Index Sponsor**) shall be set out in the relevant Final Terms. The Index Sponsor may or may not selected an Index Administrator (**Index Administrator**) as set out in the relevant Final Terms to maintain the Index and to act as the responsible index administrator in accordance or not in accordance with the Benchmark Regulation (the **Index Administrator**).

#### *Index Sponsor*

##### *Function*

The Index Sponsor shall sponsor the Index and is usually the owner of the Index. The Index Sponsor makes no warranties or representations as to the accuracy and/or completeness of the Index and does not guarantee the results obtained by persons using the Index in connection with trading funds or securities. The Index Sponsor makes no representations regarding the advisability of investing in any fund or security. The Index Sponsor reserves the right to suggest changes to the rules in the Index Guide at any time. The Index Sponsor also reserves the right to suggest, in exceptional cases or in temporary situations, exception changes to the rules in the Index Guide. The Index is the property of Index Sponsor. The use of an Index in connection with any financial products or for benchmarking purposes may require a license.

##### *Information about the Index Sponsor*

The relevant Index Sponsor, if any, shall be set out in the applicable Final Terms.

##### *Index License Agreement*

The Issuer may enter into an Index License Agreement with the Index Sponsor. The Index and Advisory License Agreement grants the Issuer a license to use the Index and possible the related trademarks.

The Index License Agreement may be governed by Swiss or foreign law.

## ***Index Administrator***

### *Function*

The Index Administrator, if any, shall be selected by the Index Sponsor (the owner of the Index), to maintain the Index. The Index Administrator may or may not act as the responsible index administrator according to the Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 (the **Benchmark Regulation**), as applicable and further set out in the relevant Final Terms.

### *Information about the Index Administrator*

Further information on the Index Administrator shall be included in the Final Terms, where applicable

## **Rights and modification modalities for the Notional Portfolio**

### ***Review Schedule***

The Index composition is rebalanced regularly (the **Rebalance Date**). The reviews/rebalancing for the Index are based on the opening data (adjusted for reviewed circulating supply) on the fourth but last business day in that month. If a underlying does not trade on a business day, then the last available price for this underlying will be used. A "**business day**" means any day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in Zurich, Switzerland. Adjustments to constituents will be announced at least one business days prior to the first business day of the next month at 23:00 CET/CEST. The Index shall be rebalanced at 16:00 CET/CEST of the relevant business day or the last business day in each month.

### ***Pricing Source***

For each component pricing shall be calculated using a custom eligible subset of the Index. The Index is a weighted average of the latest available trading price at each exchange. The current composition of the Index may be requested from the Issuer.

### ***Index Corrections***

Index corrections distinguish between calculation errors and incorrect input data:

- Calculation errors detected within a trading day are corrected immediately. Intraday tick data are not corrected retrospectively.
- Calculation errors that are older or based on erroneous input data are corrected if technically possible and economically viable. If significant differences exist, index values can also be corrected retrospectively.

### ***Changes to the Index Guides***

Any changes to the Index Guides will be reviewed by the Index Sponsor and approved by the Index Administrator, if any. The Issuer may also request a conclusive description and further information on any change. The key elements to be analyzed in this phase of the change process are robustness, transparency, reliability and integrity. In case of changes that might immediately change the composition of an index or must be considered material for any other reason also need to be approved by the Issuer prior to their publication and implementation.

In case of material changes an advance notice will be published and provided to users. The Issuer, Index Sponsor or Index Administrator will generally disseminate a notification related to an Index Guide change thirty (30) days prior to the change. A shorter period of time may be applied at the Issuer's discretion if the relevant index has not been licensed for a financial product to a third party. The notice will describe a clear time frame that gives the opportunity to analyze and comment upon the impact of such proposed material change.

## **LEGAL NOTICE PERTAINING TO INDEX ADMINISTRATORS**

The Product is not sponsored, endorsed, sold or promoted by Index Administrators, if any. Index Administrators make no representation or warranty, express or implied, to the owners of the Product or any member of the public regarding the advisability of investing in securities generally or in the Product particularly or the ability of the Index to track the performance of the digital assets market. The Index Administrators only relationship to the licensee is the licensing of certain service marks and trade names of the Index Administrator and of the Index that is backtested, calculated, maintained and disseminated by the Index Administrator without regard to the licensee or the Product. The Index Administrator has no obligation to take the needs of the licensee or the owners of the Product into consideration in backtesting, calculating, maintaining and disseminating the Index. The Index Administrator is not responsible for and has not participated in the determination of the timing of, prices at, or quantities of the Product to be issued or in the determination or calculation of the equation by which the Product is to be converted into cash. The Index Administrator has no obligation or liability in connection with the administration, marketing or trading of the Product.

INDEX ADMINISTRATOR SHALL NOT HAVE ANY LIABILITY FOR ANY ERRORS, OMISSIONS, OR INTERRUPTIONS, AND MAKE NO WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY OWNERS OF THE PRODUCT, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE PRODUCT OR ANY DATA INCLUDED THEREIN. INDEX ADMINISTRATOR MAKES NO EXPRESS OR IMPLIED WARRANTIES, AND EXPRESSLY DISCLAIMS ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE INDEX OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL INDEX ADMINISTRATOR HAVE ANY LIABILITY FOR ANY LOST PROFITS OR INDIRECT, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES OR LOSSES, EVEN IF NOTIFIED OF THE POSSIBILITY THEREOF.

## **LEGAL NOTICE PERTAINING TO THE INDEX SPONSORS**

The names of the indices may be trademarks of or the respective Index Sponsors or otherwise and have been licensed for use by the Issuer. The index related information and index may not be copied, used, or distributed without the prior written approval of the Index Sponsor.

The Product is not issued by the Index Sponsor. The Issuer and/or the Index Sponsor make no warranty regarding the ability of the relevant index to track the underlying assets or otherwise achieve its objective.

The Index Sponsor does not guarantee the accuracy or the completeness of the Index or any data included therein and the Issuer and/or the Index Sponsor shall have no liability for any errors, omissions, or interruptions therein. The Index Sponsor makes no warranty, express or implied, as to results to be obtained by the Issuer, or any other person or entity from the use of the relevant Index or any data included therein. The Index Sponsor makes no express or implied warranties, and expressly disclaims all warranties, of merchantability or fitness for a particular purpose or use with respect to the relevant index or any data included therein, without limiting any of the foregoing, in no event shall the Index Sponsor have any liability for any lost profits or direct, indirect, punitive, special or consequential damages (including lost profits), even if notified of the possibility of such damages. There are no third-party beneficiaries of any agreements or arrangements between the Index Sponsor and the Issuer.

## STRATEGY-BASKETS

### THE STRATEGY-BASKETS

Certain products such as Actively Managed Certificates (AMCs) may have actively managed strategy baskets (**Strategy-Baskets**), respectively, the respective Strategy-Components representing the Strategy-Basket (**Strategy-Components**), as Underlyings. The Strategy-Baskets, if any, represent a basket of Underlyings. The application of the investment strategy of the Strategy-Manager (the **Investment Strategy**) will lead to a notional portfolio (the **Notional Portfolio**). The Issuer shall invest the capital raised by the issuance of the Products in line with the Notional Portfolio as implemented by the Strategy-Manager except in market situations where replicating the Notional Portfolio would not be possible (the **Special Market Situations**). The Investment Strategy (as well as the Collateral) may be actively or passively managed by the Strategy-Manager. The respective Strategy-Managers are further described under the clause "Strategy-Managers" below.

The information on the Strategies that may be used as Underlyings of the Products contained in the Program or the relevant Final Terms may consist of information provided to the Issuer by the Strategy-Manager, where applicable. As far as the Issuer is aware and can ascertain from information published by the Strategy-Manager, no facts have been omitted which would render such reproduced information inaccurate or misleading. The respective information is subject to change.

The selection of the constituents is monitored on an ongoing basis by the Strategy-Manager. The Investment Strategy may apply advanced techniques to reduce concentration into single constituents and to deliver enhanced diversification and returns.

### Strategy-Managers

#### *Overview*

The Strategy-Manager (**Strategy-Manager**) shall be set out in the relevant Final Terms.

#### *Function*

The Strategy-Manager sponsors the Investment Strategy and is usually the asset manager of the Issuer regarding the Collateral held by the Product of the relevant Product. The Strategy-Manager makes no warranties or representations as to the accuracy and/or completeness of the Investment Strategy and does not guarantee the results obtained by persons using the Investment Strategy in connection with trading funds or securities. The Strategy-Manager makes no representations regarding the advisability of investing in any fund or security. The Strategy-Manager reserves the right to suggest changes to the Investment Strategy at any time. The use of an Investment Strategy in connection with any financial products or for benchmarking purposes may require a license in certain jurisdictions.

#### *Information about the Strategy-Manager*

The Issuer may appoint a Strategy-Manager that realize the underlying Investment Strategy for certain Products (in particular, in case of actively managed certificates (AMCs)) by buying and selling Underlying Assets in the name and on the account of the Issuer as further specified in the relevant Final Terms. The relevant Strategy-Manager, if any, shall be set out in the applicable Final Terms.

#### *Strategy-Management Agreement*

The Issuer may enter into a Strategy-Management Agreement, respectively, investment management agreement with the Strategy-Manager. The Strategy-Management Agreement appoints the Strategy-Manager as Strategy-Manager, respectively, Strategy-Manager of the relevant Product. The Strategy-Management Agreement may be governed by Swiss or foreign law.

### **Fees paid to the Strategy-Manager**

The Strategy-Manager may receive a fee in accordance with the Final Terms and the Strategy-Management Agreement between the Issuer and the Strategy-Manager. The fees are calculated e.g. on the basis of the assets managed for a Series of Products and/or on the performance of the underlying basket respectively strategy. The fees are usually calculated quarterly, and the Strategy-Manager directly charges the Issuers' account in the following quarter. The Strategy-Manager in addition receives or could receive benefits (e.g. retrocessions, kickbacks, finder's fees etc.) from third parties when performing its investment management activity if permitted under the Strategy-Management Agreement.

## SELLING RESTRICTIONS

### GENERAL

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

None of the Issuer or any Authorized Offeror represents that the Products may 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. **There exist selling restrictions under Swiss and non-Swiss law. Some of these selling restrictions are set out below.**

No action has been or will be taken by the Issuer that would permit a public offering of any Products or possession or distribution of any offering material in relation to any Products in any jurisdiction where action for that purpose is required. No offers, sales, resales or deliveries of any Products or distribution of any offering material relating to any Products 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 Authorized Offeror agrees in the relevant Authorized Offeror 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 Products 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 Authorized Offeror shall have responsibility therefor.

### Target Market – Categories of investors / Geographical

The target market for the Products includes eligible counterparties, professional clients and retail clients, each as defined in Directive 2014/65/EU, as amended (MiFID II). Products will however only be directly issued to Authorized Offerors who in turn may decide to forward and offer Products to retail clients by means of or in the course of investment advice, portfolio management, non-advised sales and pure execution services, subject to the Authorized Offerors suitability and appropriateness obligations under MiFID II, as applicable.

The Products are intended to be offered in Liechtenstein and any other countries of the European Economic Area where notifications in accordance with Art 24 *et seq* of Prospectus Regulation 2017/1129/EC are made to.

The Products will further be registered for distribution in Switzerland.

### UNITED STATES

Nothing in this Base Prospectus constitutes an offer of securities for sale in any jurisdiction where it is unlawful to do so. The Product has 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 under the Securities Act), except according 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 statespersons (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 Base Prospectus in whole or in part is unauthorized. 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 Base Prospectus contrary to any of the foregoing restrictions, you are not authorized and will not be able to purchase any of the securities described herein.

## SWITZERLAND

**The Products do not constitute collective investment schemes within the meaning of the Swiss Federal Act on Collective Investment Schemes (CISA) and are therefore not subject to the protective provisions of the CISA. Neither the Products nor the Issuer are subject to authorization and supervision by the Swiss Financial Market Supervisory Authority (FINMA). Investors bear the issuer risk with respect to the Issuer of the Products.**

In Switzerland, in accordance with article 70(2) FinSA, the issuing of structured products to retail clients by special purpose entities is only permitted, if a. these products are offered by: 1. financial intermediaries as defined in the Bank Act, the Financial Institutions Act and the CISA; 2. insurance companies as defined in the ISA; 3. a foreign institution that is subject to equivalent supervision; and b. collateral corresponding to the requirements under article 70(1) FinSA is ensured. An offer of the Products to retail clients in or from Switzerland is not permitted unless it is made by such "Authorized Offeror".

The Authorized Offeror(s) of the Products in Switzerland shall be appointed in an Authorized Offeror Agreement between the Authorized Offeror and the Issuer and be specified in the Final Terms.

Moreover, a Swiss key information document and/or EU PRIIPS KID (**KID**) shall be prepared in relation to Products that are offered to private clients and may be obtained, free of charge, upon request from the website of the Issuer or Authorized Offeror as set out in the Final Terms or as described in the Final Terms otherwise.

## **TAXATION**

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.

It is recommended that prospective investors consult their own professional advisers concerning the possible tax consequences of buying, holding or selling any or the Products under the applicable laws of their country of citizenship, residence or domicile. Investors should be aware that the tax legislation of the investor's domicile as well as the Issuer's country of incorporation (Switzerland) may have an impact on the income received from the securities.

## **GENERAL INFORMATION**

### **AUTHORIZATION**

The Program and the issuance of Products under the Program have been authorized by the Board of Directors of Swiss Assetization AG on 20 March 2024.

### **APPROVAL OF THE PROGRAM**

The Liechtenstein Financial Market Authority (FMA) has approved the Base Prospectus as competent authority under Regulation 2017/1129/EC (the "Prospectus Directive") on 25 April 2024.

### **CLEARING SYSTEMS**

The Products have been accepted for clearing through SIX SIS AG. If the Products 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 the date of the last financial statements, if any.

### **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**

The Issuer 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 the Issuer nor are, so far as the Issuer is aware, any such proceedings pending or threatened.

### **USE OF PROCEEDS**

The Issuer intends to use the net proceeds from each issue of Products for the purchase of the Underlying to be

used as Collateral and for general corporate purposes.

### **POST-ISSUANCE INFORMATION**

The Issue Price and the number of the relevant Products will be determined before filing of the applicable Final Terms of each Product 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 Products.

### **DOCUMENTS ON DISPLAY**

For so long as Products 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 or the Authorized Offeror in printed form free of charge:

- the Issuer's Articles of Association;
- the Final Terms in respect of each Product;
- this Base Prospectus;
- Audited Financial Statements.

Documents can also be reviewed and downloaded at [www.swiss-assetization.com](http://www.swiss-assetization.com).

### **WEBSITES**

Any website mentioned in this Base Prospectus does not form part of this Base Prospectus.

## REFERENCE TO DEFINITIONS

The following is a reference table to the pages where terms are defined in the Base Prospectus, which are used throughout the Base Prospectus (including the Terms and Conditions) and the Final Terms related to each product. Words denoting the singular number only shall include the plural number also and vice versa. Such defined terms shall always be read in conjunction with the definition provided in the Base Prospectus.

Term has the meaning as set out on .....page	Term has the meaning as set out on .....page		
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## RESPONSIBILITY

The Issuer accepts responsibility for the information contained in this Base Prospectus. To the best of the knowledge of the Issuer, which has taken all reasonable care to ensure that such is the case, the information contained in this Base Prospectus is in accordance with the facts and contains no omission likely to affect its import.

Signed on behalf of the Issuer: 23.4.24

Mr. Kaufmann R. Müller

**ANNEX 1 – AUDIT LETTER**



**Report of the independent Auditor  
Opening balance sheet as of November 16, 2023**

**Swiss Assetization Ltd,  
Zurich**

## INDEPENDENT AUDITOR'S REPORT

### Report of the independent Auditor to the Board of Directors of

### Swiss Assetization Ltd, Zurich

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#### *Opinion*

As independent auditor, we have been engaged to audit the accompanying opening balance sheet of Swiss Assetization Ltd as of November 16, 2023.

In our opinion, the opening balance sheet as of November 16, 2023 complies with the statutory and legal requirements and gives a true and fair view of the financial position in accordance with International Financial Reporting Standards (IFRS).

#### *Basis for opinion*

We conducted our audit in accordance with Swiss Standards on Auditing (SA-CH) and International Standards on Auditing (ISA). Our responsibilities under these regulations and standards are further described in the 'Auditor's responsibilities for the audit of the opening balance sheet' section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession as well as those of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Board of Directors' Responsibility for the opening balance sheet*

The Board of Directors is responsible for the preparation of the opening balance sheet in accordance with the legal and statutory requirements and with International Financial Reporting Standards (IFRS). This responsibility includes such internal control as the Board of Directors determines is necessary to enable the preparation of an opening balance sheet that is free from material misstatement, whether due to fraud or error. In preparing the opening balance sheet, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of



accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

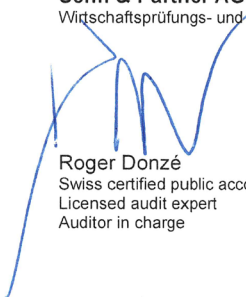
*Auditor's responsibility for the audit of the opening balance sheet*

Our objectives are to obtain reasonable assurance about whether the opening balance sheet as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISA and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this opening balance sheet.

A further description of our responsibilities for the audit of the opening balance sheet is located on EXPERTsuisse's website at: <https://www.expertsuisse.ch/en/audit-report> . This description forms an integral part of our report.

Wetzikon, December 4, 2023

**Senn & Partner AG**  
Wirtschaftsprüfungs- und Treuhandgesellschaft



Roger Donzé  
Swiss certified public accountant  
Licensed audit expert  
Auditor in charge

Enclosure:

Opening balance sheet as of November 16, 2023

Swiss Assetization Ltd.  
8002 Zürich

OPENING BALANCE SHEET

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	<b>Nov. 16, 2023</b> CHF
<b>ASSETS</b>	
Cash at banks	100'000.00
<b>Total cash at Banks</b>	<b>100'000.00</b>
	<hr/>
<b>Total assets</b>	<b>100'000.00</b>
	<hr/>
 <b>LIABILITIES AND SHAREHOLDER'S EQUITY</b>	
Liabilities	0.00
<b>Total liabilities</b>	<b>0.00</b>
 Paid-in share capital	 100'000.00
<b>Total equity</b>	<b>100'000.00</b>
	<hr/>
<b>Total liabilities and shareholder's equity</b>	<b>100'000.00</b>
	<hr/>

## REGISTERED AND PRINCIPAL OFFICES OF THE ISSUER

Swiss Assetization AG  
Brandschenkestrasse 45  
8002 Zurich  
Switzerland

## AUDITORS TO THE ISSUER

Senn & Partner AG, Wirtschaftsprüfungs- und Treuhandgesellschaft  
Esslingerstrasse 17  
8618 Oetwil am See  
Switzerland

## LEGAL ADVISERS AS TO LIECHTENSTEIN LAW

Paragraph7 Attorneys at Law  
Landstrasse 60  
9490 Vaduz  
Principality of Liechtenstein