PROSPECTUS

Issued in accordance with the Abu Dhabi Global Market's ("**ADGM**") Financial Services and Markets Regulations 2015, as amended ("**FSMR**") and the ADGM Financial Services Regulatory Authority's ("**FSRA**") Market Rulebook (the "**Market Rules**")

for the offer of Strategy CB Certificates (Certificates over Shares) representing beneficial interests in shares of Class A common stock of Strategy Inc (Ticker: MSTR) (the "**Securities**")

of

COINBASE ONCHAIN SPV LTD

a private company limited by shares incorporated in the ADGM and subject to the ADGM Companies Regulations 2020, as amended (the "**Issuer**")

dated

3 September 2026

(the "**Prospectus**")

This Prospectus has been approved by the FSRA as the Listing Authority of the ADGM under section 61(2) of FSMR and section 4.6.2 of the Market Rules on 3 September 2026.

The ADGM does not accept any responsibility for the content of the information included in the Prospectus, including the accuracy or completeness of such information. The liability for the content of the Prospectus lies with the Issuer of the Prospectus and other Persons, such as Experts, whose opinions are included in the Prospectus with their consent. The ADGM has also not assessed the suitability of the Securities to which the Prospectus relates to any particular investor or type of investor. If you do not understand the contents of this Prospectus or are unsure whether the Securities to which the Prospectus relates are suitable for your individual investment objectives and circumstances, you should consult an authorised financial adviser.

The Securities have not been and will not be registered under the United States ("**U.S.**") Securities Act of 1933, as amended ("**Securities Act**") or with any securities regulatory authority of any State or other jurisdiction of the U.S. and (i) may not be offered, sold, or delivered within the U.S. to, or for the account or benefit of U.S. Persons (as defined in Regulation S under the Securities Act), and (ii) may be offered, sold, or otherwise delivered at any time only to transferees that are Non-U.S. Persons (as defined by the U.S. Commodities Futures Trading Commission).

The Prospectus does not constitute an offer of, or the solicitation of an offer to buy or to subscribe for (i) Securities to any person in any jurisdiction to whom or in which jurisdiction such offer or solicitation is unlawful and, in particular, is not for distribution in any jurisdiction other than in the ADGM, in each case except in compliance with applicable securities laws, or (ii) shares of Class A common stock of Strategy Inc to any person in any jurisdiction.

VALIDITY OF PROSPECTUS

This Prospectus is valid until its expiry on 2 September 2027. If there is (i) a significant change in, or a material mistake or inaccuracy affecting, any matter contained in the Prospectus, or (ii) a significant new matter arises, the Issuer will publish a supplementary prospectus that will need to be approved by the FSRA in accordance with the Market Rules.

IMPORTANT INFORMATION FOR PERSONS CONSIDERING ACQUIRING SECURITIES

Persons considering acquiring Securities for their own account should make their own assessment as to the suitability of investing in the Securities. It should be remembered that the market price of the Securities can go down as well as up. If you are in any doubt about the contents of the Prospectus you should consult your stockbroker, bank manager, solicitor, accountant, or other financial adviser.

As of the date of the Prospectus, the Directors of the Issuer believe, based on limited investigation, that the Underlying Issuer either (i) is subject to the periodic reporting requirements of the U.S. Securities Exchange Act of 1934, as amended ("**Securities Exchange Act**") and, accordingly, files reports with the U.S. Securities and Exchange Commission, or (ii) publishes information in English on its internet website or another electronic information delivery system generally available to the public in its primary trading market, in either case in compliance with Rule 12g3-2(b) under the Securities Exchange Act as in effect and applicable to that Underlying Issuer at that time. However, neither the Directors of the Issuer, nor the Issuer (i) assume any duty to determine if the Underlying Issuer is complying with the current requirements for periodic reporting under the Securities Exchange Act or publishing information under Rule 12g3-2(b) under that Act or to take any action if the Underlying Issuer is not complying with those requirements, or (ii) makes any representation as to the accuracy or completeness of, or takes any responsibility for verifying, the content of any such reports or information.

The Issuer has not authorised anyone to disclose any information or confirmations more than the information disclosed in the Prospectus. If such information and confirmations are nevertheless given, prospective purchasers of the Securities should not rely on them as if they had been authorised by the Issuer.

Except for the service providers and other factors already disclosed in the Prospectus, so far as the Issuer is aware, no person involved in the offer of the Securities has an interest material to the offer.

The information contained herein regarding the Underlying has been derived from publicly available sources. The Issuer has not independently verified such information and accepts no responsibility for its accuracy, completeness, or continued availability.

In addition to risks associated with an investment in the Underlying, investing in the Securities carries certain risks that are specific to Digital Securities. Prospective purchasers of the Securities are advised to carefully consider the risks described in section 4 (*Risk factors*) below before acquiring Securities. Any prospective purchaser of a Security should be prepared for the possibility of losing their investment completely.

In particular, by acquiring the Securities, such persons are deemed to acknowledge the above warning and confirm the following before acquiring the Securities:

(i) (for an individual) that they have read the above warning and understand the risks set out above (and elsewhere in the Prospectus); they understand that neither the Issuer nor its Directors have verified the accuracy or completeness of any reports or information made public by the Underlying Issuer in respect of the Underlying, and that they consider the Securities are suitable for them for the purpose of gaining exposure to the Underlying; and

(ii) (for an entity) that the person(s) acting on behalf of the entity are duly authorised to do so, they have read the above warning and understand the risks set out above (and elsewhere in the Prospectus); they understand that neither the Issuer nor its Directors have verified the accuracy or completeness of any reports or information made public by the Underlying Issuer in respect of the Underlying, and that the entity they represent has considered the Securities carefully and considers them suitable for it for the purpose of gaining exposure to the Underlying.

The right of a Holder to be registered as the legal owner of the Securities and to exercise any rights attaching thereto is not absolute and is subject at all times to such Holder satisfying all applicable Vesting Conditions, that must be demonstrated to the satisfaction of the Issuer (or the Tokenisation Entity acting on its behalf) acting in its sole and absolute discretion. Any failure to satisfy the Vesting Conditions may result in, among other things, restrictions on a Holder's right or ability to own, hold, or benefit from the Securities.

Only Vested Holders may exercise any rights with respect to the Securities (including any applicable rights of redemption or voting rights). The Issuer will not recognise any Holder as having any rights whatsoever with respect to Securities unless and until such Holder becomes a Vested Holder. See section 4.4(c) (*Risks relating to the structure of the Securities and Vesting Conditions*).

GENERAL SALES RESTRICTIONS

THE SECURITIES OFFERED UNDER THE PROSPECTUS ON PRIMARY MARKETS ARE NOT FOR DISTRIBUTION TO ANY U.S. PERSON OR TO ANY PERSON OR ADDRESS IN THE U.S. OR IN ANY OTHER JURISDICTION OR TO ANY OTHER PERSON TO WHICH A DISTRIBUTION WOULD BE UNLAWFUL.

The Prospectus does not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law.

The offering or sale of the Securities in certain jurisdictions may be restricted by law. In addition, certain rights, entitlements, or actions with respect to the Securities may be limited, impracticable, or prohibited altogether in certain jurisdictions as a result of law or circumstance and the Issuer makes no representation or guarantee that any such rights, entitlements, or actions shall be made available at all times and to all persons, nor shall the Issuer be liable for any limitation, impracticability, or prohibition that arises from factors outside of the Issuer's control. For a more detailed description of certain restrictions on the offer or sale of the Securities and on the distribution of the Prospectus, see section 14 (*Restrictions on acquisition, holding and transfer*).

Persons who obtain possession of the Prospectus are required to inform themselves about and to adhere to any applicable restrictions. The Prospectus does not constitute, and may not be used for the purposes of, an offer or solicitation to subscribe for or to purchase any Securities in any jurisdiction in which such an offer or solicitation is not authorised or to any person to whom it is unlawful to make such an offer or solicitation. Accordingly, the Prospectus should not be used by anyone for this purpose.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Some statements in the 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 the 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 section 4 (*Risk factors*) and other sections of the 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 the Prospectus, if one or more of the risks or uncertainties materialise, including those identified in section 4 (*Risk factors*) or which the Issuer has otherwise identified in the Prospectus, or if any of the Issuer's underlying assumptions prove to be incomplete or inaccurate, events relating to the Issuer, the Underlying Issuer, the Underlying and the actual results of the Underlying Issuer may be materially different from those expected, estimated, or predicted.

Without prejudice to any requirements under Applicable Law, the Issuer expressly disclaims any obligation or undertaking to disseminate after the date of the 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.

TABLE OF CONTENTS

DEFINITIONS

The following definitions apply throughout this Prospectus unless the context requires otherwise or a term is defined separately within a specific section. Words denoting the singular number only shall include the plural number also and vice versa.

ADGM	Abu Dhabi Global Market.
Adjustment Event	As defined in section 12.5(b) of this Prospectus.
Alpaca	Alpaca Securities LLC, an SEC-registered broker-dealer and a member of FINRA and the SIPC, incorporated under the laws of the State of Delaware, U.S., with its registered office at 12 E 49th St., Floor 11, New York, NY 10017, United States, acting as Custodian and Broker to the Issuer.
AML	Anti-money laundering, counter-terrorist financing and counter-proliferation.
Applicable Law	All applicable laws, statutes, rules, regulations, orders, judgments, decrees and other requirements of any governmental, regulatory or supervisory authority, and all applicable rules, regulations and requirements of any securities exchange, stock exchange, trading market or self-regulatory organisation, in each case having jurisdiction over the relevant person, transaction or matter.
Articles	The Articles of Association of the Issuer, as amended from time to time.
Auditors	The Issuer's external auditors, Deloitte & Touche (M.E.) LLP of Level 11, Al Sila Tower, Abu Dhabi Global Market Square, Al Maryah Island, Abu Dhabi, UAE.
Authorised Participant	An entity approved and engaged by the Issuer (in its absolute sole and absolute discretion) to participate in the primary offering of the Securities and facilitating the creation and redemption of the Securities subject to the terms of the Authorised Participant Agreement which shall contain, for the avoidance of doubt, provisions requiring such entities to abide at all times with Applicable Law and any restrictions contained herein with respect to the sale, transfer, or disposition of the Securities.
Authorised Participant Agreement	The agreement entered into between the Issuer and an Authorised Participant.
Blockchain Network	A decentralised, distributed, and cryptographically secured digital ledger that is designed to be immutable and tamper-proof, including blockchains or other forms of distributed ledger technology.
Board or Board of Directors	The Issuer's board of directors.
Broker	Alpaca, as the regulated securities broker providing brokerage services in connection with buying/selling the Underlying pursuant to the Institutional Account Agreement.
Business Day	A day (other than a Saturday, Sunday or public holiday) on which Underlying can be traded and settled and banks are open for business in Abu Dhabi and New York.
CCIL	Coinbase Custody International Limited, a private company limited by shares incorporated under the laws of Ireland on 25 September 2019 with company

	number 657718 and a wholly owned subsidiary of Coinbase. CCIL is the lender under the US$3,000,0000 Facility provided to the Issuer.
Certificate over Shares	An instrument (i) which confers on the bidder contractual or property rights to or in respect of a share, and (ii) the transfer of which may be effected by the holder without the consent of that other person.
Coinbase	Coinbase Global, Inc.
Coinbase Group	Coinbase and its subsidiaries and affiliates.
Companies Regulations	The ADGM Companies Regulations 2020, as amended.
Condition	Each term and condition of the Terms and Conditions.
Conduct of Business Rules or COBS	The FSRA's Conduct of Business Rulebook, as amended from time to time.
Connected Person	Has the meaning given to it in section 9.2 of the Prospectus.
CSD	A person authorised by the FSRA to carry on the activity of "Acting as a Central Securities Depositary" (as defined in section 258(1) of FSMR) in the ADGM.
Custodian	Alpaca or any successor custodian appointed to hold the Deposited Underlying and other Deposited Property on behalf of the Issuer as trustee in accordance with the Deed of Trust from time to time.
Custody Account(s)	The segregated custody account(s) maintained in the Issuer's name at the Custodian in which Deposited Property is held on trust for the benefit of Holders in accordance with the Terms and Conditions.
Dapp	Decentralised application.
Deed of Trust	The deed of trust executed and delivered by the Issuer on 3 September 2026, as set out in Annex 2 of this Prospectus (such deed, as amended, supplemented, varied, novated or replaced from time to time in accordance with its terms).
DeFi	Decentralised finance.
DeFi Market	Any DeFi protocol, including decentralised exchange, automated market maker pool, smart contract, or other blockchain-based Dapp that facilitates the transfer, sale, and purchase of cryptocurrencies or other digital assets.
Deposit Ratio	The number or fraction of Underlying represented by one Security, as determined and adjusted from time to time by the Issuer in accordance with the Terms and Conditions.
Deposited Property	The Deposited Underlying and any cash, securities, rights or other property received, held, acquired, or retained in respect of such Deposited Underlying, including: (i) any cash dividends, distributions or other amounts received and held pending application in accordance with Condition 6 (*Distributions*) of the Terms and Conditions; (ii) any proceeds of sale or realisation of property forming part of the Deposited Property; and

	(iii) any property held pending payment of fees, charges, expenses, taxes, duties or other amounts payable in accordance with the Terms and Conditions.
Deposited Underlying	The Underlying held in the Custody Account in the Issuer's name on trust for the benefit of Registered Owners from time to time, in accordance with the Deed of Trust and the Terms and Conditions.
Digital Securities	Types of digital assets that possess the features and characteristics of a "security" (as such term is defined in section 258(1) of FSMR) and as deemed by the FSRA to be "securities" for the purposes of FSMR pursuant to section 58(2)(b) of FSMR. Digital Securities also include 'tokenised' offerings of "securities".
Directors	The directors of the Issuer from time to time, being as at the date of this Prospectus, Jordan Fish and John D'Agostino.
DLT	Distributed ledger technology, including blockchain technology.
Facility	The US$3,000,000 loan facility provided by CCIL to the Issuer under the Global Master Loan Agreement.
FATCA	U.S. Foreign Account Tax Compliance Act.
FINRA	The U.S. Financial Industry Regulatory Authority.
FSMR	ADGM Financial Services and Markets Regulations 2015, as amended.
FSRA	ADGM Financial Services Regulatory Authority.
Global Master Loan Agreement or GMLA	The agreement between the Issuer and CCIL with respect to the Facility.
Holder	In relation to Securities (or any fractional interest therein), the person controlling the Wallet in which tokens representing such Securities (or fractional interests) are held from time to time.
Inside Information	As defined in section 95 of FSMR.
Institutional Account Agreement	The agreement entered into between the Issuer and Alpaca governing the provision of custody of the Deposited Property and brokerage services by Alpaca to the Issuer.
ISIN	International security identification number.
Issuer	Coinbase Onchain SPV Ltd, a private company limited by shares incorporated in the ADGM with company number 37941.
KYC	Know-your-customer.
LA Disclosure Platform	The FSRA's Listing Authority Disclosure Platform on the Listing Authority's webpage, through which disclosures and Inside Information are published by the Tokenisation Entity as Reporting Entity.
Legal Register	The definitive record of legal title to Securities maintained by the Tokenisation Entity in its capacity as CSD.

Loan	Each advance drawn down by the Issuer under the Global Master Loan Agreement.
Market Counterparty	A person who satisfies the definition provided under COBS 2.5.
Market Rules or MKT	The FSRA's Market Rulebook, as amended from time to time.
MENA	Middle East and North Africa.
Non-ADGM Financial Services Regulator	As defined in section 258(1) of FSMR.
Offer	The communication made by the Issuer in the ADGM to Authorised Participants to subscribe for Securities from time to time under the Prospectus.
On-Chain Data	Data relating to transactions, events, and actions affecting the Securities, including the holding and transfer thereof, immutably recorded on a Blockchain Network.
OMHL	Onchain Marketplace Holdings Limited, a private company limited by shares incorporated in the ADGM with company number 17246 and owning 100% of the shares of the Issuer.
OML	Onchain Marketplace Limited, a private company limited by shares incorporated in the ADGM with company number 17243.
OTC	Over-the-counter.
Professional Client	A person who satisfies the definition provided under COBS 2.4.
Prospectus	This prospectus that was approved by the FSRA as the Listing Authority of the ADGM under section 61(2) of FSMR and section 4.6.2 of the Market Rules on 3 September 2026.
Recognised Investment Exchange	An investment exchange in relation to which a recognition order is in force under Part 12 of FSMR.
Redemption Order	A relevant communication in the form prescribed by the Tokenisation Entity for Authorised Participants or other Vested Holders to request a redemption in respect of Vested Securities.
Redemption Right	The right of a Vested Holder to redeem Vested Securities they hold in accordance with the Terms and Conditions.
Registered Owner	In relation to a Security (or a fractional interest therein), the person in whose name legal title to such Security (or fractional interest therein) is registered in the Legal Register at the relevant time.
Regulated Exchange	Any exchange regulated by a Non-ADGM Financial Services Regulator.
Relevant System	A computer-based system and procedures that enables title to Securities to be evidenced and transferred in accordance with the Uncertificated Securities Rules (as more particularly defined therein).
Reporting Entity	The Tokenisation Entity, which has been declared as a Reporting Entity by the FSRA pursuant to section 72(4) in FSMR for the purposes of the Market Rules.

SEC	U.S. Securities and Exchange Commission.
Securities	Digital Securities issued by the Issuer constituting "Certificates representing certain Financial Instruments" for the purposes of paragraph 92 of Schedule 1 of FSMR, each of which represents a pro rata beneficial interest in the Deposited Property (as a whole).
Securities Act	U.S. Securities Act of 1933, as amended.
Securities Exchange Act	U.S. Securities Exchange Act of 1934, as amended.
Securities Termination	Has the meaning given to it in the Terms and Conditions.
Settlement Currency	USD as cash and/or upon the sole and absolute discretion of the Issuer, optionally also in other fiat currencies or cryptocurrencies.
SIPA	Securities Investor Protection Act of 1974.
SIPC	Securities Investor Protection Corporation.
SPV	Special purpose vehicle.
Termination Date	Date of choice on which the Issuer terminates a Security.
Termination Proceeds	Has the meaning given to it in the Terms and Conditions.
Terms and Conditions	The Terms and Conditions of the Securities, as set out in Annex 1 of this Prospectus.
Tokenisation Entity	Onchain Marketplace Ltd, being the entity providing the Tokenisation Services.
Tokenisation Services	The tokenisation services to be provided by the Tokenisation Entity pursuant to the Tokenisation Services Agreement, as described in section 12.10(d) of the Prospectus.
Tokenisation Services Agreement	Agreement between the Issuer and the Tokenisation Entity.
UAE	United Arab Emirates.
Uncertificated Securities Rules	The ADGM Uncertificated Securities Rules 2021, as amended.
Underlying(s)	Shares of Class A common stock of Strategy Inc, as registered with the SEC and listed for trading on the Underlying Listing Venue (Ticker: MSTR).
Underlying Issuer	Strategy Inc.
Underlying Listing Venue	Nasdaq.
Unvested Holder	A Holder who has not satisfied the Vesting Conditions, as determined by the Tokenisation Entity, acting on behalf of the Issuer.
Unvested Securities	Securities held in the Wallet of an Unvested Holder.
U.S.	United States.

USD or US$	U.S. dollars.
Vested Holder	A Holder who has satisfied the Vesting Conditions, as determined by the Tokenisation Entity, acting on behalf of the Issuer.
Vested Securities	Securities held in the Wallet of a Vested Holder.
Vesting Conditions	The conditions that must be satisfied by a Holder to become a Vested Holder, as defined in Condition 2.4(c) of the Terms and Conditions.
Wallet	A self-custodial digital wallet used to hold, receive, transfer, and otherwise exercise control over Securities.

SUMMARY

A. INTRODUCTION AND WARNINGS

Introduction

This Summary should be read as an introduction to the Prospectus and any decision to acquire Securities should be based on consideration of the Prospectus as a whole.

The Summary does not contain all of the information that a prospective purchaser of the Securities may require in order to make an informed investment decision. Prospective purchasers should therefore read the contents of the Prospectus carefully prior to any decision to acquire Securities.

Civil liability

Civil liability may arise on the basis of the Summary, but only if the Summary is false, misleading, deceptive, inaccurate, or inconsistent when read in conjunction with the other parts of the Prospectus, or if it fails to provide key information that would assist prospective purchasers when considering whether to acquire Securities.

The value of the Securities may increase or decrease, and Holders may lose all or part of their investment. The Securities provide no downside protection and no guaranteed minimum return. Persons considering acquiring Securities should therefore make their own assessment as to the suitability of investing in the Securities.

B. KEY INFORMATION ON THE ISSUER

Overview of the Issuer

Identity of the Issuer	The Issuer is Coinbase Onchain SPV Ltd, a private company limited by shares incorporated in the ADGM and subject to the Companies Regulations. The Issuer was incorporated on 17 June 2026 under company number 37941. Its registered office and address is Unit 12, Level 25, Al Sila Tower, Abu Dhabi Global Market Square, Abu Dhabi, Al Maryah Island, UAE. The Issuer's legal entity identifier is 9845007BEC1A2C555705.
Website	https://www.coinbase.com/tokenize
Principal activities	The Issuer is an SPV established solely for the purpose of issuing Digital Securities and carrying out activities incidental thereto.
Directors	The Directors of the Issuer are Jordan Fish and John D'Agostino.
Auditor	The Issuer's external auditors are Deloitte & Touche (M.E.) LLP of Level 11, Al Sila Tower, Abu Dhabi Global Market Square, Al Maryah Island, P.O. Box 990, Abu Dhabi, UAE.
Ownership structure	The Issuer is a wholly owned subsidiary of OMHL, a private company limited by shares incorporated in the ADGM with company number 17246. The Issuer has no subsidiaries. OMHL is a wholly owned subsidiary of Coinbase, incorporated under the laws of the State of Texas, U.S., with its principal office at One Madison Avenue Suite 2400 New York, U.S. Coinbase is a publicly traded company listed on Nasdaq (ISIN: US19260Q1076).

Financial position of the Issuer

The Issuer was incorporated as a private company limited by shares in the ADGM on 17 June 2026 and thus only a limited history on the Issuer exists.

As a newly incorporated entity, the Issuer's financial position reflects (i) contractual rights and obligations, including arrangements with the Tokenisation Entity, Coinbase, and Alpaca in its capacity as Custodian and Broker, and (ii) 1,000 ordinary shares, each fully paid with a nominal value of US$1, representing an issued share capital of US$1,000.

The Issuer's financial position as at 17 June 2026 is set out in the unaudited special purpose statement of financial position attached at Annex 3 to the Prospectus. As at that date, the Issuer had (i) total equity of US$1,000 (1,000 ordinary shares of US$1 each), and (ii) no other material assets or liabilities.

The Issuer expects to generate revenue by charging creation, redemption, and distribution fees. However, the Issuer is an SPV established for the sole purpose of issuing Digital Securities and is not expected to generate profits. The Issuer also has access to the US$3,000,000 Facility provided by CCIL to the Issuer for the purpose of meeting its ongoing operational costs. The Issuer may also receive capital injections from time to time from the Coinbase Group until such time as the abovementioned fees can cover the Issuer's operational costs.

The Issuer's financial year ends on 31 December. The first audited annual accounts will be prepared as of 31 December 2026 and will be disclosed on the LA Disclosure Platform and published on the Issuer's website: https://www.coinbase.com/tokenize.

Working capital statement

In the opinion of the Directors, the Issuer's working capital is sufficient for its requirements for the 12-month period following the date of the Prospectus.

Key risks associated with the Issuer

The following are the most material risks that are specific to the Issuer. The realisation of any of these risks could result in an adverse effect on the value of an investment in the Securities.

Working capital risk	The Issuer is an SPV that does not generate operating revenue in an amount necessary to sustain its operating costs and is substantially reliant on the Coinbase Group to fund its operations. The Issuer has access to a US$3,000,000 Facility provided by CCIL to support any capital needs or requirements of its operations. The Issuer therefore depends on the continued willingness of the Coinbase Group to continue funding its operations and CCIL to advance funds under the Facility. It has no independent sources of debt or equity funding outside the Coinbase Group, and a material adverse change affecting the Coinbase Group, or a decision by CCIL to cease advancing or to terminate the Facility, could affect the terms on which, or whether, funding is available to the Issuer.
Conflicts of interest risk	The Issuer and the Tokenisation Entity are affiliates and form part of the Coinbase Group. Members of the Coinbase Group may from time to time perform multiple roles in relation to the Securities, the Underlying, blockchain infrastructure, digital asset infrastructure, custody arrangements, wallet services, transaction settlement, technology services, liquidity provision, brokerage, financing, staking, tokenisation, data services, index services, or other activities relating to digital assets or financial instruments. Actual or potential conflicts of interest may therefore arise between the interests of the Issuer, the Tokenisation Entity, other members of the

	Coinbase Group, Holders, Authorised Participants, liquidity providers or other market participants. Notwithstanding the governance arrangements described in the Prospectus, there can be no assurance that any conflicts of interest will be identified or resolved in favour of Holders.
Counterparty and service provider risk	The Issuer's ability to perform its obligations depends upon the continued availability and proper performance of its counterparties and service providers, including the Tokenisation Entity, other entities in the Coinbase Group, Alpaca (as Custodian and Broker) and Authorised Participants. If any such counterparty or service provider becomes insolvent, fails to perform its obligations, or ceases to provide services, the Issuer may be unable to administer the Offer as intended and Holders may suffer losses. If the Tokenisation Entity were to terminate its agreement with the Issuer, lose its regulatory status, become insolvent, cease business, suffer a sustained systems failure, or fail to perform its obligations under the Tokenisation Services Agreement, the Issuer would immediately lose the ability to process any minting, redemption, transfer control, corporate action, or Deposit Ratio adjustment. No issuance, redemption, or on-chain adjustment of outstanding Securities could be executed, and the Issuer would have no alternative means of performing these functions. Identifying and onboarding a replacement entity with the technical capability and regulatory eligibility to assume these functions would take a materially significant period of time, during which the Offer would be operationally suspended.
Risk of regulatory action arising from distribution outside of the ADGM	The Offer is made exclusively to the public in the ADGM under and subject to the Prospectus. Any subsequent transfer of Securities through secondary trading on Blockchain Networks or in DeFi Markets does not constitute participation in the Offer and is not subject to the Offer perimeter. The Securities are subject to transfer restrictions that are embedded in the Security's smart contract and are contractually binding on all Holders. Notwithstanding these restrictions, a Security could be transferred on a peer-to-peer basis or through DeFi Markets to a person in a jurisdiction where the Offer was never made, where distribution of the Securities is unlawful, or where the relevant regulator has not approved the Offer. Notwithstanding the controls implemented to enforce transfer restrictions, any regulatory action brought against the Issuer in a foreign jurisdiction could interfere with the Issuer's operational capacity and could require the Issuer to suspend or restrict the Offer, which would in turn affect the Offer's attractiveness and reduce demand for newly issued Securities.

C. KEY INFORMATION ON THE SECURITIES

Essential characteristics of the Securities

Type	The Securities constitute "Certificates representing certain Financial Instruments" for the purposes of paragraph 92 of Schedule 1 of FSMR. Each Security represents a pro rata beneficial interest in the Deposited Property (as a whole) attributable to the Securities held by the Issuer on trust for Holders in accordance with the Terms and Conditions. The Securities are deemed to be "securities" for the purposes of FSMR by the FSRA pursuant to a written determination under section 58(2)(b) of FSMR. The Securities do not constitute direct investments in the Underlying. The Securities are (i) issued by the Issuer pursuant to the Terms and Conditions and the Deed of Trust, (ii) issued in uncertificated form through a Relevant System operated in accordance with the ADGM Uncertificated Securities Rules, and (iii) evidenced operationally through tokens recorded

	on a Blockchain Network (although such tokens do not constitute separate securities or independent financial instruments and are used solely as part of the operational infrastructure of the Relevant System operated by the Tokenisation Entity in its capacity as CSD).
ISIN	AE000A4AWGY7.
Currency	The currency denomination of the Securities is USD.
Maturity date	The Securities do not have a fixed maturity date.
Admission to trading	The Securities are not admitted to trading on any stock exchange, multilateral trading facility, organised trading facility, or other centralised trading venue (whether in the ADGM or elsewhere).
Legal title and vesting status	At any time, Securities will either be Vested Securities or Unvested Securities depending on whether the Holder has satisfied, and continues to satisfy, the Vesting Conditions (as defined in the Terms and Conditions). Vesting relates to a Holder's eligibility to (i) be registered as the Registered Owner of Securities in the Legal Register, and (ii) exercise rights attaching to the Securities directly. The rights attached to Unvested Securities, including with respect to redemption, termination, and voting, are restricted. Legal title to the Securities is recorded in the Legal Register maintained by the Tokenisation Entity. Vested Holders are recorded in the Legal Register as Registered Owners and therefore hold a pro rata beneficial interest in the Deposited Property as a whole in proportion to the Vested Securities they hold. The Issuer is recorded as the Registered Owner of Unvested Securities, which it holds as bare trustee for the benefit of the relevant Unvested Holders until such time as they satisfy the Vesting Conditions. Unvested Holders therefore have a beneficial interest in the Unvested Securities they hold, but are not recorded in the Legal Register as Registered Owners of the Securities unless they satisfy the Vesting Conditions.

Rights attaching to the Securities

Distributions	Distributions received by the Issuer in respect of the Deposited Underlying will generally be dealt with in accordance with the Terms and Conditions, which may include reinvestment, sale, retention as Deposited Property, adjustment of the Deposit Ratio, or other adjustments determined by the Issuer. Holders will not receive cash dividends, securities, or other property distributed on the Underlying directly.
Voting rights	Holders of the Securities do not have direct voting rights in respect of the Underlying. Where voting rights are exercisable in respect of Deposited Underlying, the Issuer may, subject to Applicable Law, practical limitations, the constitutional documents of the Underlying Issuer, and the Terms and Conditions, endeavour to vote or procure the voting of the relevant Underlying in accordance with timely written instructions from Vested Holders. Any voting rights with respect to the Underlying are strictly limited to Vested Holders and will not, in any circumstances, be available to Unvested Holders.
Acquisition, holding and transfer	The Securities are intended to be held and transferred on Blockchain Networks and traded in DeFi Markets or otherwise used in Dapps. Persons other than Authorised Participants may only acquire Securities on Blockchain Networks or in DeFi Markets through secondary acquisitions from Authorised Participants or other Holders and will hold them as Unvested Holders unless and until they satisfy the Vesting Conditions.

	Acquisitions, transfers, or resales of Securities through DeFi Markets must be conducted in compliance with Applicable Law, including the restrictions set out in the Prospectus. Subject to those transfer and holding restrictions, the Securities are transferable in accordance with the Relevant System operated by the Tokenisation Entity in its capacity as CSD.
Redemption	Vested Holders have the right to redeem Securities by submitting a Redemption Order to the Tokenisation Entity to redeem Securities for the Underlying, or via one of the prescribed alternative settlement methods. Unvested Holders are not entitled to redeem Securities or withdraw Underlying.

Key risks associated with the Securities

The following are the most material risks that are specific to the Securities. The realisation of any of these risks could result in an adverse effect on the value of an investment in the Securities.

Risks associated with trading through DeFi protocols	Securities are solely transferable and traded through DeFi Markets. DeFi Markets are not currently regulated in the ADGM and may provide limited or no regulatory oversight, investor protections, operational safeguards, or recourse mechanisms. Transactions in DeFi Markets may be vulnerable to transaction reordering or market manipulation, resulting in unfavourable pricing, increased transaction costs, failed transactions, or partial or total investment losses. DeFi Markets and smart contracts may contain coding errors, security vulnerabilities, or design flaws that could also be exploited and could result in the loss, theft, impairment, or freezing of Securities or transaction proceeds, and any resulting losses may be irreversible. Engaging in trading in DeFi Markets occurs outside of the CSD environment that is under the control of the Tokenisation Entity. While the Tokenisation Entity retains certain control functions with respect to the Securities at the smart contract level, neither it nor the Issuer can guarantee proper functioning of trading or other activities in such DeFi Markets.
Risks associated with Blockchain Networks	Any Blockchain Network used for the issuance of the Securities may be susceptible to mining attacks (or equivalent) and other new forms of attacks which present a risk to any transactions or activity related to the Securities, and any expected proper execution or sequencing of Blockchain Networks or any contract computations in general. Any malfunction, breakdown, abandonment, unintended function or unexpected functioning may have a material adverse effect on the Issuer, the Holders and/or the Securities.
Risks relating to the nature and structure of the Securities	Each Security represents a pro rata beneficial interest in the Deposited Property (as a whole) attributable to the Securities. The Securities do not constitute direct investments in the Underlying. The Underlying Issuer is not involved in the offer or sale of the Securities, and the Securities are not sponsored, endorsed, or promoted by the Underlying Issuer. The Securities therefore do not replicate the performance of a direct investment in the Underlying and the market value of the Securities and amounts payable on redemption or termination may diverge. Equally, a Holder's ability to exercise any rights attaching to Securities is not absolute and is subject to such Holder satisfying all applicable Vesting Conditions, which includes satisfying AML/KYC procedures. There is no guarantee that any Holder will be capable of satisfying all Vesting Conditions at any given time. Furthermore, Vesting Conditions may change even after a Holder has become a Vested Holder, which may result in the freezing or confiscation of the Securities, or a suspension or revocation of such Holder's vesting status. A

	partial or total loss of invested capital is possible due to a failure to satisfy Vesting Conditions.
Risk of transfer to a jurisdiction where the Offer was not made resulting in the risk of the Securities being frozen	The Securities are offered only in the ADGM under the Prospectus to Authorised Participants. Thereafter, the Securities may be transferred on a peer-to-peer basis on Blockchain Networks or through DeFi Markets to persons in jurisdictions where the Offer was not made or approved, where distribution is unlawful, or where the relevant regulator has not approved instruments of this type. Any such Holder would acquire the Securities without the benefit of a locally approved disclosure document and without the ability to become a Vested Holder or to exercise entitlements in respect of the Underlying represented by the Securities. Such transfers could result in the Securities being frozen at the smart contract level, which would deny the Holder all economic benefit in respect of the Underlying represented by such Securities.
Risks relating to the Underlying	An investment in the Securities is subject to market risk, including the potential loss of the entire amount invested. Changes in interest rates, foreign exchange rates, digital asset exchange rates, and increases in volatility may increase credit or market risks and may adversely affect the value of a Holder's investment. General movements in local and international markets, and factors affecting the investment climate, the value of the Underlying, or market sentiment, may reduce trading activity and therefore affect the secondary market value of the Securities, which may diverge from the value of the Deposited Property. The market price of the Underlying may also decline at any time due to company-specific events, sector-wide factors, or macroeconomic conditions. As the Securities are designed to provide exposure to the Underlying in proportion to the Deposit Ratio, any decline in the price of the Underlying is expected to result in a corresponding decline in the economic value of the beneficial entitlement represented by the Securities.
Risk of challenge or invalidation of trust structure	The Issuer holds the Deposited Property and Unvested Securities as bare trustee for the benefit of Registered Owners and Unvested Holders respectively. However, the effectiveness of any such trust arrangements may be subject to legal, operational, and enforcement risks, including in the event of the Issuer's insolvency. In the event of the Issuer's insolvency, creditors of the Issuer may apply to a court to challenge or set aside the trust structures and seek recourse to the Deposited Property to satisfy any outstanding creditor claim. Similarly, any such insolvency proceedings may result in the Deposited Property being frozen or otherwise cause disruption resulting in operational delays in processing redemptions. While the Board is of the opinion that the Issuer has sufficient working capital for its requirements during the 12-month period following the date of the Prospectus, such risks cannot be fully avoided and persons considering acquiring Securities should consider this carefully before deciding to make any such investment.

D. KEY INFORMATION ON THE OFFER

General terms of the Offer

The Offer of Securities is made in the ADGM, and no Offer is made outside the ADGM or by any person other than the Issuer. The Securities are offered and issued by the Issuer under the Prospectus exclusively to Authorised Participants. All Authorised Participants will (i) meet the definition of either a Professional Client or Market Counterparty, and (ii) be approved and engaged by the Issuer to participate in the primary Offer of the Securities.

Persons other than Authorised Participants do not participate in the Offer and may not place creation orders for Securities with the Issuer. Such persons may acquire Securities only in DeFi Markets or otherwise on Blockchain Networks through secondary acquisitions from Authorised Participants or other Holders and will hold them as Unvested Holders unless and until they satisfy the Vesting Conditions. Such secondary acquisitions do not form part of the Offer, are not made by the Issuer, and are subject to the transfer and holding restrictions described in the Prospectus.

The Securities constitute "Certificates representing certain Financial Instruments" within the meaning of paragraph 92 of Schedule 1 of FSMR. The Securities are deemed to be "securities" for the purposes of FSMR by the FSRA pursuant to a written determination under section 58(2)(b) of FSMR. Securities may be created and acquired in fractional amounts. Legal title to Securities does not pass to persons who acquire them in DeFi Markets as Unvested Holders unless and until they satisfy the Vesting Conditions.

The Prospectus is prepared for the purpose of section 61(4)(a) of FSMR in connection with the Offer of the Securities in the ADGM and contains information on the terms of the Offer and the Securities that the Board considers relevant to enable Authorised Participants to decide whether to subscribe. The Prospectus does not constitute an Offer of Securities to any person other than an Authorised Participant, and the Securities are not admitted to trading on a Recognised Investment Exchange. However, the Prospectus (in addition to any information made available by the Reporting Entity on the LA Disclosure Platform in accordance with its continuous disclosure obligations) is made publicly available so that Holders and persons considering the secondary acquisition of Securities in DeFi Markets may inform themselves of the terms of, and risks relating to, the Securities.

Expenses charged to Holders

Holders and Authorised Participants may be subject to the following costs and fees in connection with the Securities:

Creation fee	Creation fee of 0.01% (1 basis point) of the invested amount (being the aggregate market price of Underlying delivered to the Custody Account) in connection with the creation of Securities.
Redemption fee	Redemption fee of 0.05% (5 basis points) of the redemption amount in respect of a Redemption Order, being (i) where redemption is settled in kind, the aggregate market price of Underlying, or (ii) where redemption is settled in cash or stablecoins, the aggregate proceeds received by the Issuer as trustee in connection with the sale of Underlying, in each case represented by the Securities the subject of the Redemption Order.
Tax and withholding	U.S. withholding tax on dividends is currently 30% for non-U.S. Holders (unless reduced by applicable treaty) and is deducted before reinvestment. No UAE withholding tax is applicable at the current time.
Distribution fee	The Issuer will charge a fee of 5.0% of the gross aggregate value of any dividends or other distributions received by the Issuer in respect of the Deposited Underlying, before any withholding taxes, deductions, or reinvestment.

Reasons for the Offer

The Issuer is an SPV established for the sole purpose of issuing Digital Securities. It does not carry on any independent commercial business, and the Offer is not made to raise working capital or financing for the Issuer's own operations. The purpose of the Offer is to issue Securities to Authorised Participants on a continuous basis and in accordance with the Authorised Participant Agreements, which provide Holders with economic exposure to the Underlying in a tokenised form that can be held and transferred on a Blockchain Network and traded in DeFi Markets or otherwise used in Dapps.

The Securities are issued on an unsponsored basis: the Underlying Issuer is not a party to, and has not approved or participated in, the Offer or the issuance of the Securities. The Offer is made in the ADGM and exclusively to Authorised Participants.

Use of proceeds

The Issuer is established for the sole purpose described above and is not expected to generate profits. The sufficiency of the Issuer's resources to meet its costs is addressed in section B (see section '*Financial position of the Issuer*') above.

The Issuer applies the proceeds of each creation of Securities (net of fees) solely to acquire or take delivery of the corresponding Underlying which it holds in the Custody Account on trust for the benefit of Registered Owners in accordance with the Deed of Trust and the Terms and Conditions. The Issuer does not retain the subscription proceeds for its own account and does not apply them for any purpose other than acquiring and holding the Underlying. The Securities are backed by the Underlying so held, initially on a one-to-one basis, subject to the Deposit Ratio, which is expected to be adjusted over time as dividends and other distributions received in respect of the Underlying are reinvested by the Issuer in acquiring further Underlying or otherwise to reflect corporate actions affecting the Underlying. Accordingly, the Issuer does not expect to receive or retain net cash proceeds from the issuance of the Securities.

1. **GENERAL**

1.1 **Responsibility statement**

This Prospectus complies with the requirements in Part 6 of FSMR and Chapter 4 of the Market Rules.

The Issuer, Coinbase Onchain SPV Ltd, with its registered address at Unit 12, Level 25, Al Sila Tower, Abu Dhabi Global Market Square, Abu Dhabi, Al Maryah Island, UAE, and the Directors of the Issuer, whose names and functions are set out in section 7.1 of this Prospectus, having taken all reasonable care to ensure that such is the case, the information contained in the Prospectus is, to the best of their knowledge, in accordance with the facts and contains no omission likely to affect its import.

The Issuer, Coinbase Onchain SPV Ltd, and each of the Directors accept responsibility for this Prospectus accordingly.

1.2 **Date of signing of the Prospectus**

The Prospectus was signed by the Directors on 3 September 2026.

1.3 **Expert opinions, statements or reports**

The Prospectus does not include statements or reports attributable to experts.

2. **INFORMATION ABOUT THE ISSUER**

2.1 **Legal name**

The legal and commercial name of the Issuer is Coinbase Onchain SPV Ltd.

2.2 **Incorporation of the Issuer**

The Issuer was incorporated on 17 June 2026 in the ADGM under company number 37941. The Issuer's legal entity identifier is 9845007BEC1A2C555705.

2.3 **Domicile, legal form and other information**

The Issuer was incorporated in the form of a private company limited by shares pursuant to the Companies Regulations. Its registered office and address is Unit 12, Level 25, Al Sila Tower, Abu Dhabi Global Market Square, Abu Dhabi, Al Maryah Island, UAE. Its telephone number is +971 2 494 0840.

The Issuer's website is available at: https://www.coinbase.com/tokenize. Save for the documents and information expressly incorporated by reference into the Prospectus, the website does not form part of the Prospectus and is provided for information purposes only.

2.4 **Ratings**

As of the date of this Prospectus the Issuer is not rated.

3. **OPERATIONAL FINANCIAL OVERVIEW**

3.1 **History and development**

The Issuer was incorporated as a private company limited by shares in the ADGM on 17 June 2026 and thus only a limited history on the Issuer exists. The Issuer is an indirect wholly owned subsidiary of Coinbase, through the intermediate holding entity, OMHL.

The Issuer is an SPV that has been established for the purpose of issuing Digital Securities in the ADGM. The prospectuses relating to the Digital Securities offered by the Issuer (including this Prospectus) are available on the Issuer's website at https://www.coinbase.com/tokenize and on the LA Disclosure Platform. For the avoidance of doubt, this Prospectus relates only to the Securities.

3.2 Principal activities

The Issuer's principal activity is the issuance of Digital Securities in the ADGM. The Issuer issues the Securities, which each represent a pro rata beneficial interest in the Deposited Property (as a whole) held by the Issuer on trust for Registered Owners, pursuant to the Deed of Trust and subject to the Terms and Conditions. The Securities therefore derive their value from the value of the Deposited Property. The Securities do not constitute shares in the Issuer and do not form part of the Issuer's share capital. The Securities do not confer any voting rights in the Issuer, any claim to assets that are beneficially owned by the Issuer, or any rights to subscribe for other securities of the Issuer.

The Issuer facilitates creations and redemptions of Securities in continuous primary market transactions through its contractual arrangements with Authorised Participants. Securities are typically created or redeemed by Authorised Participants in large blocks. Creation by Authorised Participants is the sole means through which Securities may come into circulation. While redemptions of Securities will primarily be conducted by Authorised Participants, the ability to redeem the Securities is also available to Holders that have satisfied the Vesting Conditions, subject to conditions with respect to Redemption Rights as set out in the Terms and Conditions.

The Securities are issued in accordance with ADGM law and are accessible to Holders on Blockchain Networks and may be made available through secondary trading on such Blockchain Networks and/or DeFi Markets.

As at the date of this Prospectus, the Issuer does not conduct any activities other than the issuance of Digital Securities. The Issuer has no employees and relies on the Tokenisation Entity to administer its business activities and day-to-day operations with respect to the issuance of the Securities and other Digital Securities, subject at all times to the oversight of the Directors. The Tokenisation Entity also serves as the Reporting Entity for the Issuer for the purposes of the Market Rules and is therefore responsible for discharging the Issuer's disclosure, periodic reporting, and recordkeeping obligations in that capacity.

3.3 Products and/or services

The Issuer was incorporated on 17 June 2026 and thus only a limited history on the Issuer exists. The Issuer's principal activity is the issuance of Digital Securities in the ADGM. Since its incorporation, the Issuer has not introduced, and does not intend to introduce, any significant new products (other than further series of Digital Securities) or services.

3.4 Principal markets

The Issuer is established in the ADGM and operates exclusively within the ADGM. The Offer is made by the Issuer in the ADGM to Authorised Participants. No Offer is made by any person other than the Issuer.

Creation by Authorised Participants is the sole means through which Securities may come into circulation. Authorised Participants may be based in the ADGM or in other jurisdictions, subject at all times to compliance with Applicable Law, including securities laws applicable to the Offer, in (i) the ADGM, and (ii) the jurisdiction of the relevant Authorised Participant. While redemptions of Securities will primarily be conducted by Authorised Participants, the ability to redeem the Securities is also available to Holders that have satisfied the Vesting Conditions, subject to conditions with respect to Redemption Rights as set out in the Terms and Conditions. Such Holders may be based in the ADGM or in other countries.

Persons other than Authorised Participants do not participate in the Offer and may not subscribe for Securities. Such persons may acquire Securities only on Blockchain Networks or in DeFi Markets through secondary acquisitions from Authorised Participants or other Holders and will hold them as Unvested Holders unless and until they satisfy the Vesting Conditions.

3.5 Major customers, suppliers and material dependencies

(a) Customers

The Issuer has no major customers. The Issuer's primary counterparties in connection with the creation and redemption of Securities are (i) OML (in its capacity as Tokenisation Entity), and (ii) Authorised Participants, being entities that (A) meet the definition of a Professional Client or Market Counterparty, and (B) have been approved and engaged by the Issuer to participate in the primary Offer of the Securities. However, the Issuer will also allow Vested Holders to redeem the Securities directly, subject to the conditions with respect to Redemption Rights as set out in the Terms and Conditions.

(b) Suppliers and material dependencies

The Issuer is materially dependent on the following entities in connection with the issuance of the Securities:

(i) *Onchain Marketplace Ltd in its capacity as Tokenisation Entity and Reporting Entity*. As Tokenisation Entity, OML provides the technical solution for tokenisation to the Issuer pursuant to the Tokenisation Services Agreement. This includes minting, delivery, burning, developing and deploying smart contracts, security audits, designing and developing the platforms and software for issuance, redemption and compliance monitoring, and overseeing and verifying the satisfaction of Vesting Conditions by Holders. The Tokenisation Entity is also responsible for (i) operating the Relevant System, the purpose of which is to evidence and transfer title to the Securities, (ii) maintaining the Legal Register, which is the definitive record of legal title to the Securities, and (iii) preserving the integrity of the issuance of Securities and conducting intraday reconciliations of the positions recorded on the Blockchain Network against the Legal Register in compliance with the Conduct of Business Rules.

OML is authorised by the FSRA to carry on the regulated activities of Arranging Deals in Investments and Providing Custody (restricted to operating a Central Securities Depositary) in connection with the activities described above. OML also serves as the Reporting Entity for the Issuer for the purposes of the Market Rules and is therefore responsible for discharging the Issuer's disclosure, periodic reporting, and recordkeeping obligations in that capacity.

The Issuer is an SPV and has no employees. The Issuer is therefore materially dependent on OML for the activities set out above. OML will in turn rely on technology services provided by the Coinbase Group pursuant to an intragroup technology services outsourcing agreement.

(ii) *Alpaca Securities LLC in its capacity as Custodian and Broker*. As Custodian, Alpaca provides the Custody Account(s) to which the Underlying purchased by the Issuer, as well as cash amounts and other assets received by the Issuer in connection with the purchase and sale of the Underlying, are credited. The Custodian is, together with and subject to instructions by the Issuer, responsible for all matters in connection with corporate actions in the Underlying. As Broker, Alpaca's role is to purchase and sell the Underlying on instruction of the Issuer.

Alpaca is an SEC-registered broker-dealer and a member of FINRA and the SIPC.

The Issuer is materially dependent on Alpaca in its capacity as Custodian and Broker for the activities set out above.

(iii) *Authorised Participants*. The creation and redemption of Securities in continuous primary market transactions is facilitated by the Issuer through Authorised Participants, being entities that (i) meet the definition of a Professional Client or Market Counterparty, and (ii) have been approved and engaged by the Issuer to participate in the primary Offer of the Securities. Creation by Authorised Participants is the sole means through which Securities may come into circulation. Redemptions of Securities will also primarily be conducted by Authorised Participants, although the ability to redeem the Securities is also available to Holders that have satisfied the Vesting Conditions, subject to conditions with respect to Redemption Rights as set out in the Terms and Conditions. Authorised Participants must at all times comply with Applicable Law and any transfer restrictions as set out herein, or as otherwise defined in the Authorised Participant Agreement, with respect to any secondary market transactions or otherwise the sale or disposition of the Securities.

3.6 Significant factors affecting income/operations

(a) Significant factors materially affecting or likely to affect the Issuer’s income from operations

As of the date of the Prospectus, there are no significant factors (including unusual or infrequent events or new developments) that are materially affecting or are likely to affect the Issuer’s income from operations.

(b) Governmental, economic, fiscal, monetary or political policies or factors

The Issuer is not aware of any governmental, economic, fiscal, monetary, or political policies or factors, other than those described in the risk factors set out at section 4.7 of the Prospectus, that have materially affected, or could materially affect, the Issuer’s operations.

3.7 Trends, uncertainties, demands, commitments or events

The Issuer is not aware of any trends, uncertainties, demands, commitments, or events that are reasonably likely to have a material effect on the Issuer’s prospects for the next 12 months.

4. RISK FACTORS

Persons considering acquiring the Securities should note that the Securities are financial instruments that may fluctuate in value and an investment in the Securities may involve a high degree of risk, including the risk of a total loss of all capital invested. The value of the Securities may be influenced by the value (or otherwise perceived value) of the Underlying, although there is no guarantee of a direct correlation to such value of the Underlying with respect to any trading of the Securities in DeFi Markets or in any other future trading venue.

The market price of the Underlying on the Underlying Listing Venue may decline due to company-specific, sector, or broader market factors or sentiment. Any decline in the market price of the Underlying may have a corresponding adverse effect on the economic value of the Securities. The value and price of both the Securities and the Underlying are therefore highly speculative in nature and subject to market volatility.

Before making any investment decisions, prospective purchasers should carefully read and consider the risk factors described in this section, together with all other information contained in the Prospectus. Such persons should also take into account that all of the risks described may occur cumulatively, interact, and thereby exacerbate each other. In such case, the Issuer’s ability to satisfy its obligations may be adversely affected or Holders who have acquired Securities and control the Wallet in which the tokens evidencing such Securities are held may otherwise be adversely affected by such occurrence(s).

In case one or more of the described risks or further factors (which appeared to be immaterial at the time of drafting the Prospectus or any facts of which the Issuer is currently not aware) occur, investors may suffer a partial or even a total loss of their investment.

Prospective purchasers of the Securities should make their own assessment as to the suitability of investing in the Securities. The Issuer strongly recommends that persons considering acquiring the Securities conduct a thorough examination of their personal risk and financial situation, which may include consulting with an independent adviser prior to the acquisition of any Securities.

4.1 Risks relating to the Issuer

(a) Working capital risk

The Issuer is an SPV that does not generate operating revenue in an amount necessary to sustain its operating costs and is substantially reliant on the Coinbase Group to fund its operations. The Issuer also has access to a US$3,000,000 Facility provided by CCIL under a Global Master Loan Agreement to further support any capital needs or requirements of the Issuer's operations. The Issuer therefore depends on the continued willingness of the Coinbase Group to continue funding its operations and CCIL to advance funds under the Facility; it has no independent source of funding outside the Coinbase Group, and a material adverse change affecting the Coinbase Group, or a decision by CCIL to cease advancing or to terminate the Facility, could affect the terms on which, or whether, funding is available to the Issuer.

The Issuer monitors its working capital position on an ongoing basis. The Directors review the Issuer's financial position on a quarterly basis and are required to take action to address any projected shortfall in working capital. In the event that additional working capital is required, the Issuer will seek additional funding from the Coinbase Group either in the form of a capital injection or financing arrangement. The Issuer's estimated costs for the 12-month period following the date of the Prospectus are set out in section 11.2 of the Prospectus and are limited given that the Issuer has no employees and all operational functions are performed by the Tokenisation Entity under the Tokenisation Services Agreement, reducing the risk of unexpected cost escalation.

The Directors are of the opinion that the working capital is sufficient for the Issuer's present requirements for at least the 12 months following the date of this Prospectus.

4.2 Risk relating to markets and trading

(a) Unregulated DeFi Markets

As at the date of this Prospectus, the Issuer has no plans to admit the Securities to trading on a Recognised Investment Exchange or any other regulated market or trading venue in the ADGM. It is expected that Securities will be solely transferable and traded on Blockchain Networks and through DeFi Markets that are not currently regulated in the ADGM. Trading on such venues may not be subject to the market surveillance, trading controls, or investor protection obligations applicable to regulated trading venues in the ADGM, and the price of the Securities on such venues may diverge materially from the market price of the Underlying which are traded on regulated venues in the U.S. The effectiveness of monitoring and enforcement tools in preventing market manipulation on decentralised or otherwise unregulated trading venues cannot be guaranteed.

A person who acquires Securities on an unregulated DeFi Market faces the following specific risks:

(i) if such person is an Unvested Holder, their ability to satisfy the Vesting Conditions is not guaranteed, and may be delayed or refused if such Holder does not satisfy applicable KYC, AML, sanctions, eligibility, or other Vesting Conditions and any such failure may further result in the Unvested Holder being permanently blocked and prohibited from becoming a Vested Holder or exercising any rights attaching to the Securities;

(ii) if a prohibited holding is detected, the Tokenisation Entity may freeze the Securities at the smart contract level using the blacklist or freeze function, denying the Holder all economic benefit until the position is no longer prohibited (which may never occur);

(iii) loss of the private keys to the relevant Wallet may result in the permanent and irrecoverable loss of the Securities, and the Holder may lose the beneficial entitlement to the Underlying represented by those Securities; and

(iv) smart contract vulnerabilities, network congestion, blockchain forks, or cyberattacks affecting the applicable Blockchain Network could affect on-chain transfers of Securities and the Holder's ability to realise the beneficial entitlement to the Underlying represented by the Securities.

The smart contract governing the Securities includes blacklist, freeze, and pause functions operable by the Tokenisation Entity in its capacity as CSD, which remain available throughout the Security lifecycle and operate without requiring counterparty cooperation. Compliance screening is applied to all on-chain holdings and, where detected, prohibited transactions may be blocked and the relevant Securities frozen or burned. All Vested Holders are required to acknowledge that on-chain transfers must comply with Applicable Law and that the Issuer may freeze Securities held at non-compliant addresses.

(b) **Market volatility**

Market volatility refers to the risk that market prices of the Securities or the Underlying may rise or fall, sometimes rapidly or unpredictably. An investment in the Securities is subject to market risk, including the potential loss of the entire amount of the investment. Changes in interest, foreign exchange rates, digital asset exchange rates, and increases in volatility may increase credit or market risks and may also affect the value of a Holder's investment. General movements in local and international markets and factors that affect the investment climate, the value of the Underlying, or market sentiment could also affect the level of trading and, therefore, the secondary market value of the Securities, which may differ from the value of the Deposited Property.

Similarly, the market price of the Underlying may decline at any time due to company-specific factors (including earnings reports, litigation, regulatory actions, or other market news affecting the Underlying Issuer or its products, changes in consumer demand, or supply chain disruptions), sector-wide factors, or macroeconomic conditions. Trading in the Underlying is subject to the trading hours, trading halts, and market disruption events applicable to the Underlying Listing Venue. The Securities are designed to provide exposure to the Underlying in proportion to the Deposit Ratio. Any decline in the price of the Underlying is therefore expected to result in a corresponding decline in the economic value of the beneficial entitlement represented by the Securities, regardless of whether such decline is reflected in the secondary market trading price of the Securities.

These risks are generally applicable to any investment in securities or financial instruments. Holders should therefore be aware that Securities may increase or decrease in value and that Holders may lose part or all of their investment. The Securities provide no downside protection and no guaranteed minimum return.

(c) **Price and valuation divergences**

The Securities are designed to provide exposure to the Underlying in accordance with the Deposit Ratio. However, there is no guarantee that the trading price of the Securities in DeFi Markets will directly correspond to the market price of the Underlying and the Issuer has no control over any such trading price. Some divergence in trading prices of the Securities and the corresponding Underlying is expected due to market dynamics, and the divergence may be significant.

Similarly, the value of the Securities may diverge from the value of the beneficial entitlement to the Underlying they represent. The Issuer is neither affiliated with the Underlying Issuer nor capable of exercising any influence with respect to the value or the performance of the Underlying. The Securities constitute investments independent from the Underlying and are therefore subject to many distinct risks that affect only the Securities and not the Underlying. For example, if the Issuer is subject to a regulatory enforcement action or legal sanction, the value of the Securities may be impacted without a corresponding impact on the value or market price of the Underlying.

The Securities will only be issued to Authorised Participants, being entities that (i) meet the definition of a Professional Client or Market Counterparty, and (ii) have been approved and engaged by the Issuer (via the Authorised Participant Agreement) to participate in the primary Offer of the Securities. Authorised Participants may trade the Securities on Blockchain Networks or in DeFi Markets, making the Securities widely available to other potential Holders, which may include retail investors, as a result of such activity. While Authorised Participants may assist in reducing any market value gap between the Underlying and the Securities, the Issuer cannot guarantee the success of such Authorised Participants in doing so nor can it guarantee or otherwise oblige the Authorised Participants to take any actions with respect to trading activity in the Securities or the Underlying, except as otherwise set out explicitly in the Authorised Participant Agreement. Holders can in no circumstances rely on the opportunity to sell Securities at a specific price or time. Furthermore, Authorised Participants are not obliged to secure a certain minimum level rate, purchasing unlimited numbers of Securities or certain minimum volume in abnormal market conditions.

(d) **Market trading and liquidity risk**

The Securities are intended to be available and traded on DeFi Markets and may be admitted to trading in the future on Regulated Exchanges or other trading venues, subject to the necessary authorisations. There is no certainty that there will be liquidity available on any DeFi Market or any other future Regulated Exchange or trading venue. There is also no guarantee that once the Securities are available and traded on a DeFi Market that they will remain accessible and traded on such venue as a result of factors that may be outside of the Issuer’s control, such as a lack of market demand for the Securities or regulatory changes affecting the Issuer, the relevant DeFi Market, the Underlying, or the ability of the Issuer to continue operating the Offer.

(e) **Market disruption, operational disruption and termination risk**

The operation of the Securities depends on the ability of the Issuer, Custodian, Broker, Tokenisation Entity, and other service providers to acquire, hold, transfer, dispose of, and settle transactions in respect of the Underlying. Market disruptions, trading suspensions, exchange closures, custody restrictions, settlement failures, liquidity shortages, sanctions restrictions, technological failures, regulatory developments, or other events affecting or resulting in the delisting of the Underlying may impair or prevent the ability of such persons to perform such activities. As a result, the Issuer may be prevented from operating the Securities in the ordinary course or such operation may be materially disrupted. In such circumstances, the Issuer may exercise broad powers under the Terms and Conditions, including delaying or suspending creations, transfers, redemptions, settlements or distributions, adjusting the Securities, or terminating the Securities. Any such action may adversely affect the value, liquidity, transferability, or redemption value of the Securities and may result in losses to Holders.

(f) **Potential for market abuse**

The DeFi Markets the Securities trade in may include a broad range of products and participants. Such DeFi Markets may be wholly unregulated and more susceptible to market abuse, in addition to other risks. Such systems and platforms may constitute nascent, untested, or otherwise unreliable technology with minimum predictability and, as a result of the lack of regulatory oversight in such DeFi Markets, may be exposed to different forms of manipulative trading activity compared to traditional and regulated markets.

In general, the characteristic of digital assets could be used by certain market participants to exploit arbitrage opportunities through schemes like front running, miner extracted value, spoofing, pumpand-dump, and fraud across different systems, platforms, or geographic locations. Due to the reduced or complete lack of regulatory oversight and market infrastructure, and the potential for thin liquidity, these kinds of illicit schemes may be more widespread on DeFi Markets and may not be monitored or otherwise enforced against as opposed to regulated trading venues. A result of any market abuse could be a loss of confidence in the Securities or an adverse effect on the value of the Securities generally.

As there is a lack of a central regulatory authority and structure in the DeFi Markets through which the Securities may trade, and in particular as the Securities may trade in an environment where the Issuer and Tokenisation Entity lack visibility or control (considered outside of the CSD environment maintained by the Tokenisation Entity), Holders may have no legal remedies or practical recourse against the Issuer, other Holders of the Securities, and any other person or entity that may interfere with the Issuer, the Securities, Blockchain Networks, DeFi Markets, or the Holders' Wallet.

(g) **Other factors affecting market value**

The creation or redemption of the Securities and any transaction involving such Securities requires the ability to execute transactions on a Blockchain Network. Transactions on Blockchain Networks are sometimes governed by fees paid to blockchain validators, and these may increase significantly in times of market disruption, increased network activity, or congestion. In such times, any transaction in or with respect to the Securities may be affected by such increased fees, which may have an adverse impact on the total value obtained by the Holder as a result of such transaction. The Issuer has no ability to control or predict future blockchain fees.

4.3 **Risks relating to digital assets and Blockchain Networks**

(a) **Risks associated with Blockchain Networks**

Any Blockchain Network used for the issuance of the Securities is or may be susceptible to mining attacks, including double-spend attacks, majority mining power attacks, selfish-mining attacks, and race condition attacks, as well as their equivalent in proof-of-stake systems, and other new forms of attacks that may be created. Any successful attack presents a risk to any transactions or activity related to the Securities, and any expected proper execution or sequencing of Blockchain Networks or any contract computations in general. Mining attacks may also target Blockchain Networks which may consequently impact the Securities significantly. As such, any malfunction, breakdown, abandonment, unintended function, or unexpected functioning may have a material adverse effect on the Issuer, the Holders, and/or the Securities offered.

(b) **Risks associated with trading through DeFi protocols**

The Securities may be traded through DeFi Markets. Unlike traditional securities markets, DeFi Markets may be subject to limited or no regulatory oversight and may not provide the same investor protections, operational safeguards, or recourse mechanisms available when trading on regulated markets or through Regulated Exchanges or financial intermediaries. See further the risk factor at section 4.2(a) (*Unregulated DeFi Markets*) above.

Transactions occurring in DeFi Markets may be vulnerable to front-running, sandwich attacks, miner or validator extractable value strategies, and other forms of transaction reordering or market manipulation, which may result in unfavourable pricing, increased transaction costs, failed transactions, or partial or total investment losses. In addition, DeFi Markets and smart contracts may contain coding errors, security vulnerabilities, or design flaws that could be exploited through hacks, cyberattacks, flash-loan attacks, oracle manipulation, bridge exploits, governance attacks, or other malicious activities. Such events could result in the loss, theft, impairment, or freezing of Securities or transaction proceeds, and any resulting losses may be irreversible. Engaging in trading in DeFi Markets occurs outside of the CSD environment that is under the control of the Tokenisation Entity and while the Tokenisation Entity retains certain control functions with respect to the Securities at the smart contract level, neither it nor the Issuer can guarantee proper functioning of trading or other activities in such DeFi Markets.

DeFi Markets may also experience reduced liquidity, significant price volatility, network congestion, protocol failures, or disruptions affecting trading, transfer, or settlement activities. Furthermore, software upgrades, governance decisions, or other protocol changes may adversely affect the operation, security, or functionality of DeFi Markets.

Any of these events could impair the ability of Holders to trade or settle transactions involving the Securities and could adversely affect their value or marketability or result in partial or total loss of investment.

(c) **Risk of blockchain forks**

A fork is an event in which an interlinked chain of blocks (a blockchain) is, at a certain block onwards, followed by two or more parallel and non-identical blocks, each generating a separated continuum of the original blockchain, possibly becoming the dominant version and rendering all transactions recorded on the other possible chains ineffective in practice. Forks are therefore changes to the rules of a Blockchain Network which often include major technical upgrades or changes needed to be made to such Blockchain Network. They typically originate from improvement proposals by the community and result in changes of the rules of the Blockchain Network. The rule changes may create a temporary split in the network. New blocks of digital assets could be produced according to the old rules or the new rules. Forks are usually agreed upon in advance to give owners the opportunity to adapt to changes concordantly. Consequently, the fork including the upgrades becomes the main chain. However, in rare cases, disagreements over forks can cause the network to permanently split, creating duplicate representations of tokens and other digital assets existing on the network prior to the fork.

In the event of a fork affecting a Blockchain Network on which Securities are minted, the Issuer shall decide, in its sole discretion, which resulting chain to recognise as the valid Blockchain Network for the purpose of the Securities issue. The Issuer will not recognise duplicate tokens on any other resulting chain as Securities or evidence thereof and any transactions effected on such other resulting chain with respect to such duplicate tokens will not be recognised by the Issuer or any other person as transactions affecting the Securities. In such circumstances, there is a risk that a person may acquire duplicate tokens on an invalid chain, or a Holder may transact on an invalid chain with respect to duplicate tokens, in either case in the mistaken belief that the relevant tokens represent Securities, resulting in financial loss to such person or Holder.

The Reporting Entity will promptly disclose information on the LA Disclosure Platform and via the Issuer's website at https://www.coinbase.com/tokenize identifying the valid chain resulting from a fork affecting a Blockchain Network on which Securities are minted.

(d) **Technical risks relating to Blockchain Networks**

There are several technical risks to which Holders may be exposed including, but not limited to, flaws in code, forks in a Blockchain Network, double spending, and 51% attacks. These and various other risks must be considered by Holders as they may occur over time and could adversely affect the value or operability of the Securities.

Some Blockchain Networks are built on open-source code which is available to the public and developed in a shared way. The underlying source code of digital assets on such Blockchain Networks may therefore also be visible publicly to anyone. It is possible that flaws or mistakes in released and public source code could lead to severe damage to such Blockchain Networks and any digital assets hosted on them. Furthermore, it is possible that a group of highly skilled contributors or other technical groups may attack the code, which may directly lead to severe damage. In any of these technical vulnerabilities, the value or operability of the Securities can be severely and detrimentally affected.

Certain Blockchain Networks may undergo upgrades, both in the form of forks, changes to the rules of the protocol, and in other ways. This might significantly alter the way these Blockchain Networks operate, both in terms of the way new blocks are mined, how consensus is reached, the transaction throughput of the blockchain, the incentive mechanism of including transactions in a block, and many more changes. Some of these changes may impact existing smart contracts and create uncertainty as to the behaviour of software deployed on the blockchain or interacting with it.

(e) **Risk of loss of private key**

The Securities must be stored in a Wallet controlled by the Holder. This Wallet may only be accessed with a private key in the possession of the Holder. If a private key is lost, destroyed, or otherwise compromised and no backup of the private key is accessible, the Holder may not be able to access the digital assets associated with the corresponding Wallet address, and the Issuer will not be capable of restoring the private key. Any loss of private keys relating to Wallets used to store Securities on a blockchain could have an adverse effect on the Holder and their investment. It is the Holder’s sole responsibility to store and protect their private keys accordingly.

(f) **Hacking and theft risk**

The Blockchain Networks, smart contracts, associated websites, applied software applications, and software platforms of the Issuer, the Tokenisation Entity, the Blockchain Network, or any other material third-party service provider may be exposed to attacks by hackers or other individuals that could result in theft or loss of Securities, Deposited Property, or otherwise negatively affect the Holders’ investment up to a total loss. Furthermore, it may impact the Issuer’s ability to issue or administer rights with respect to Securities.

(g) **Blockchain / DLT network congestion**

The Securities are issued, recorded, and transferred through one or more Blockchain Networks and may be traded on a variety of DeFi Markets. The performance of such networks is subject to factors that are beyond the control of the Issuer, Tokenisation Entity, Custodian, or any other service provider.

Blockchain Networks may experience periods of congestion, high latency, reduced processing capacity, or other operational disruptions resulting from increased transaction volumes, validator or node failures, software defects, cyberattacks, protocol upgrades, forks, network outages, or other technical issues. During such periods, transactions involving the Securities may be delayed, processed more slowly than expected, or fail to be processed altogether. In addition, transaction fees charged by the Blockchain Network may increase significantly during periods of network congestion, which could adversely affect the ability or willingness of market participants to transact in the Securities.

Delays in processing transactions on a Blockchain Network may affect the timing or successful completion of transfers, issuances, redemptions, voting rights, or other activities relating to Securities. Furthermore, a transaction that has been submitted to a Blockchain Network may not be considered final until a sufficient number of confirmations or other consensus requirements of the Blockchain Network have been satisfied which may result in increased latency as compared with other types of trading systems. Latency in transaction processing may result in disadvantageous pricing as a result of market price fluctuations in the elapsed period of time between submission of a transaction and its execution. There may be periods during which the status of a transaction remains uncertain. In extreme circumstances, network disruptions or failures could impair the transferability, liquidity, market value, or functionality of the Securities.

There can be no assurance that any Blockchain Network used in connection with the Securities will operate without interruption, delay, congestion, or technical failure. Any such events could have a material adverse effect on the ability of Holders to transact in, receive, transfer, settle, or realise value from the Securities. For example, Holders may be unable to complete sales, purchases, redemptions, or other transactions in respect of the Securities within expected timeframes or at expected market prices.

The Reporting Entity will periodically disclose the relevant Blockchain Networks on the LA Disclosure Platform and will also publish such information on the Issuer's website: https://www.coinbase.com/tokenize. Any updates or changes to the Blockchain Networks will also be disclosed and published through the same channels.

4.4 **Risks relating to the Securities**

(a) **Risks relating to the nature of the Securities**

The Securities constitute "Certificates representing certain Financial Instruments" within the meaning of paragraph 92 of Schedule 1 of FSMR, with the specific "Financial Instrument" being shares. Each Security represents a pro rata beneficial interest in the Deposited Property (as a whole) attributable to the Securities. The Securities do not constitute direct investments in the Underlying.

The value of the Securities is derived from the value of the Deposited Property. Although the performance of the Securities is expected to correlate with the performance of the Underlying, the value or trading price of the Securities in DeFi Markets may not track that of the Underlying precisely in accordance with the Deposit Ratio at any given time or over any period, as described in the risk factor at section 4.2(c) (*Price and valuation divergences*) above. The returns on the Securities may differ, potentially materially, from those of a direct investment in the Underlying.

Such differences may arise as a result of the structural features of the Securities, including, among other things:

(i) the application of management fees, transaction costs, taxes, and other expenses;

(ii) the timing and method of valuation of the Deposited Property;

(iii) the manner in which cash dividends or other distributions on the Underlying are processed (including by way of reinvestment in the manner described in the Prospectus);

(iv) adjustments to the Deposit Ratio; and

(v) operational or market constraints affecting the acquisition, disposal, or holding of Deposited Underlying.

The Underlying Issuer is not involved in the offer or sale of the Securities and does not owe any obligations to Holders. The Securities are not sponsored, endorsed, or promoted by the Underlying Issuer. Accordingly, the Underlying Issuer may take actions affecting the Underlying without regard to the interests of Holders, and such actions may adversely affect the value of the Securities.

Holders should therefore not expect the Securities to replicate the performance of a direct investment in the Underlying, and the market value of the Securities and amounts payable on redemption or termination may be materially adversely affected by fluctuations in price, latency in processing such transactions, or other market dynamics that may cause a dislocation in value between the two financial instruments.

(b) **Risk of transfer to a jurisdiction where the Offer was not made resulting in the risk of the Securities being frozen**

The Securities are offered only in the ADGM under the Prospectus to Authorised Participants. Thereafter, the Securities may be transferred on a peer-to-peer basis on Blockchain Networks or through DeFi Markets to a person in a jurisdiction where the Offer was not made or approved, where distribution of the Securities is unlawful, or where the relevant regulator has not approved instruments of this type. Any such Holder would acquire the Securities without the benefit of a locally approved disclosure document and without the ability to become a Vested Holder or to exercise entitlements in respect of the Underlying represented by the Securities. Such a transfer could also potentially expose the Issuer to regulatory or enforcement action in that jurisdiction and could result in the Securities being frozen at the smart contract level, which would deny the Holder all economic benefit in respect of the Underlying represented by such Securities.

Transfer restrictions, including the exclusion of U.S. Persons under Regulation S of the Securities Act and restrictions on persons in jurisdictions subject to sanctions restrictions, are embedded in the Security's smart contract and are contractually binding on all Holders and transferees. Vested Holders are required to acknowledge these restrictions via their acceptance of, and entry into, the contractual arrangements required for the purposes of satisfying the Vesting Conditions. The Tokenisation Entity applies blockchain analytics to risk-label external addresses and maintains continuous on-chain monitoring.

(c) **Risks relating to the structure of the Securities and Vesting Conditions**

The Deposited Property is held by the Custodian in segregated Custody Accounts in the Issuer's name. Under the Deed of Trust and the Terms and Conditions, the Issuer holds this interest in the Deposited Property as bare trustee for the benefit of Registered Owners of the Securities. Vested Holders are recorded in the Legal Register as Registered Owners and therefore hold a pro rata beneficial interest in the Deposited Property as a whole in proportion to the Vested Securities they hold. Only Vested Holders may exercise any redemption or voting rights with respect to Securities.

The Issuer is recorded as the Registered Owner of Unvested Securities, which it holds as bare trustee for the benefit of the relevant Unvested Holders until such time as they satisfy the Vesting Conditions. Unvested Holders therefore have a beneficial interest in the Unvested Securities they hold but cannot exercise any right to redeem the Securities for the Underlying (or any other rights attaching to Securities) until they satisfy the Vesting Conditions and are recorded as Registered Owners of the Securities. The Issuer will not recognise any Holder as having any rights whatsoever with respect to Securities unless and until such Holder becomes a Vested Holder.

A Holder's ability to exercise any rights attaching to Securities is therefore not absolute and is subject at all times to such Holder satisfying all applicable Vesting Conditions, which must be demonstrated to the satisfaction of the Issuer (or the Tokenisation Entity acting on its behalf) acting in its sole and absolute discretion. Among other things, the Vesting Conditions require Holders to satisfy AML/KYC procedures and demonstrate that a Holder does not reside in a jurisdiction subject to sanctions. Furthermore, a failure to satisfy the Vesting Conditions may result in restrictions on a Holder's right or ability to own, hold, or benefit from Securities. The Issuer reserves the right to amend or supplement the Vesting Conditions applicable to the Securities where necessary to comply with Applicable Law or for any other reason and there is no guarantee that any Holder will be capable of satisfying all Vesting Conditions at any given time. Furthermore, Vesting Conditions, or the satisfaction thereof, may change even after a Holder has become a Vested Holder, which may result in the freezing or confiscation of the Securities in accordance with the Terms and Conditions or a suspension or revocation of such Holder's vesting status.

A partial or total loss of invested capital is possible due to a failure to satisfy Vesting Conditions.

The Tokenisation Entity uses reasonable efforts to ensure that any person acquiring Securities through DeFi Markets is made aware of Vesting Conditions and the restrictions applicable to Unvested Holders. Any changes to the Vesting Conditions or Terms and Conditions will be disclosed by the Reporting Entity on the LA Disclosure Platform and via the Issuer's website: https://www.coinbase.com/tokenize.

(d) **Risks relating to redemption execution, settlement and timing**

The redemption of Securities is not equivalent to an immediate sale of the Underlying at the market price prevailing when a Redemption Order is submitted. Following submission of a Redemption

Order, the Issuer, Tokenisation Entity, Custodian, and Broker may be required to perform compliance checks (such as AML/KYC and jurisdiction screening), validation procedures (such as a call-back to validate bank account details), settlement processes, and market transactions before redemption proceeds can be delivered. In addition, the Terms and Conditions permit the Issuer, Tokenisation Entity, and Custodian to suspend, delay, or modify the settlement of a Redemption Order in certain circumstances, including where market conditions, settlement restrictions, custody limitations, legal requirements, or operational considerations so require. See the risk factor in section 4.2(e) (*Market disruption, operational disruption and termination risk*) above.

Where a Vested Holder requests redemption in cash, the amount of the redemption proceeds depends upon the sale of the Underlying. In such circumstances, the price realised on such sale may differ materially from the market price of the Underlying prevailing at the time the Redemption Order was submitted. During any period of delay, suspension, or disruption, the market price of the Underlying may increase or decrease significantly. Accordingly, Holders may receive redemption proceeds that are materially lower than expected at the time a Redemption Order is submitted and may suffer losses as a result.

(e) **Permanent inability to redeem the Underlying**

The ability of a Holder to obtain delivery of the corresponding Underlying is dependent upon the relevant Securities being capable of redemption in accordance with the procedures described in this Prospectus. There is no guarantee that all Securities issued by the Issuer will ultimately be redeemed.

In particular, Unvested Holders who acquire Securities on unregulated DeFi Markets may be incapable of satisfying the Vesting Conditions. Vesting may be delayed or refused if the relevant address does not satisfy applicable KYC, AML, sanctions, eligibility, transfer restriction, or other compliance requirements or Vesting Conditions. In addition, Securities may become permanently inaccessible due to the loss of private keys, inaccessible wallets, operational failures, smart contract vulnerabilities, blockchain events, or other circumstances affecting a Holder’s ability to control or transfer the Securities.

Only Vested Holders are eligible to exercise Redemption Rights. Therefore, in the case of Securities held by Unvested Holders who are incapable of satisfying Vesting Conditions, the corresponding Underlying held in the Issuer’s Custody Account may remain permanently held by the Issuer and may never be released through the redemption process. As a result, the corresponding Underlying may remain unavailable for delivery to Holders notwithstanding that the Securities remain outstanding or inaccessible.

The accumulation of Securities that are incapable of redemption may result in a growing amount of Underlying remaining held in the Issuer’s Custody Account for an indefinite period. There can be no assurance that any mechanism will exist to recover, redeem, cancel, or otherwise recoup losses from Securities that have become permanently inaccessible or are held by Unvested Holders that are incapable of satisfying the Vesting Conditions.

(f) **Redemption and suspension risk**

The Tokenisation Entity may suspend the processing of Redemption Orders. Grounds on which a suspension may be imposed include (without limitation):

(i) a suspension of trading in Underlying on the Underlying Listing Venue;

(ii) a material operational failure affecting the Issuer, Tokenisation Entity, Custodian, or Broker;

(iii) a regulatory direction or order from the FSRA; or

(iv) any other circumstance in which the Issuer considers, in its sole discretion, that processing Redemption Orders would be impracticable or contrary to the interests of Holders as a class.

During any suspension of Redemption Orders, Redemption Orders already submitted through the Tokenisation Entity may be queued pending the cessation of the relevant suspension.

The Issuer's discretion to suspend Redemption Orders is exercisable only in the defined circumstances set out in Terms and Conditions and is subject to the oversight of the Board. Any decision to suspend Redemption Orders that constitutes Inside Information must be disclosed without delay via the LA Disclosure Platform in accordance with the Reporting Entity's Inside Information disclosure obligations under MKT 7.2.1, and via the Issuer's website: https://www.coinbase.com/tokenize. The Tokenisation Entity monitors operational conditions on an ongoing basis and is required to escalate matters to the Board that could materially impact Holders.

(g) **Fees and costs risk**

Withholding taxes and fees charged by the Issuer on distributions may reduce the net economic return available to Holders compared to a direct holding of Underlying. Fees may be amended by the Issuer from time to time in accordance with the Terms and Conditions, which continue to apply for so long as any Security remains outstanding, and any increase in fees would further reduce the net return available to Holders. Holders have no control over the level of fees set by the Issuer.

All fees applicable to the Securities are disclosed in section 12.11 of the Prospectus. Material changes to fee levels are subject to the Tokenisation Entity's continuing disclosure obligations as the Reporting Entity for the Issuer.

(h) **Risks relating to termination of the Securities and loss of termination entitlements**

Upon Securities Termination, the right of a Holder to receive Termination Proceeds is subject to the satisfaction of Vesting Conditions and other requirements specified in the Terms and Conditions. The Issuer may suspend, defer, or modify the manner of settlement of termination entitlements where such requirements are not satisfied or where Applicable Law, regulatory restrictions, or operational considerations so require. The Terms and Conditions further provide that where a Holder has not satisfied the applicable requirements for receipt of Termination Proceeds within ninety (90) days following the relevant Termination Date, the entitlement attributable to that Holder may be reallocated among other eligible Holders in accordance with the Terms and Conditions. Accordingly, a Holder that is unable or fails to satisfy the applicable requirements within that period may lose some or all of their economic entitlement to the relevant Securities, Deposited Property, or Termination Proceeds. In addition, the Terms and Conditions impose limitations on the period within which claims in respect of Securities, Deposited Property, and Termination Proceeds may be made following a Termination Date. A Holder that does not make a valid claim within the applicable period may lose all rights in respect of the relevant Securities, Deposited Property, or Termination Proceeds.

(i) **Risk of occurrence of an extraordinary event**

Condition 14 (*Liability*) of the Terms and Conditions provides that in case of fraud, theft, cyberattacks, drastic changes in regulation or similar events with respect to, or affecting any, Underlying, the value of the Redemption Right in respect of such Securities shall be reduced accordingly, potentially to the smallest denomination of the Settlement Currency (i.e., USD 0.01) per Security. As a consequence, Holders bear the risk 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 not always capable of being anticipated or mitigated. Additionally, it is not presently practical to insure against an extraordinary event. If an extraordinary event occurs, Holders might suffer a loss of partial or the whole investment.

(j) **Limited recourse to Issuer**

Under the Deed of Trust and the Terms and Conditions, the Issuer holds its interest in the Deposited Property and Unvested Securities pursuant to bare trust arrangements for the benefit of Registered

Owners and Unvested Holders respectively. These arrangements are designed to ensure that neither the Deposited Property nor Unvested Securities will form part of the Issuer's assets in the event of bankruptcy or insolvency of the Issuer in accordance with ADGM law. The Issuer acts solely in its capacity as trustee of such Deposited Property and Unvested Securities, for the benefit of Registered Owners and Unvested Holders respectively, as expressly contemplated by the Deed of Trust and the Terms and Conditions, and does not undertake any advisory, investment management, or similar obligations to Holders with respect to the Underlying or otherwise pursuant to this Securities offering. Except as otherwise expressly necessary under Applicable Law, Holders shall have recourse only to the Deposited Property and not to the general assets of the Issuer and any claims against the Issuer may necessarily be limited. As such, Holders should carefully consider their limited rights to recourse to the Issuer in evaluating any investment in the Securities. Further, a Holder's right to recourse with respect to the Issuer may differ materially from any rights to recourse that a holder of the Underlying may have to the Underlying Issuer. In addition, Holders of the Securities may not have any recourse to the Underlying Issuer until and unless they have successfully exercised their Redemption Rights and directly obtained the Underlying.

(k) **Risk of Underlying Issuer moving Underlying on-chain**

The Underlying Issuer may in the future elect to migrate its securities to a Blockchain Network, whether through a tokenisation initiative, a regulatory pilot, or otherwise. If the Underlying were to be issued, transferred, or settled natively on-chain, the existing structure underpinning the Securities, including the custody arrangements maintained by the Custodian, the off-chain settlement mechanics operated by the CSD, and the minting and redemption processes facilitated by the Tokenisation Entity, could be rendered operationally unviable, structurally incompatible, or economically non-equivalent. In such circumstances, the Issuer may be unable to maintain or operate the Offer in the manner described in this Prospectus, and the mechanics for Redemption Orders, and corporate action processing or otherwise may require material amendment or may cease to function as described.

The Issuer and the Tokenisation Entity monitor developments in the tokenisation of traditional securities on an ongoing basis. The Reporting Entity would be required to disclose any material change to the Security structure via the LA Disclosure Platform in accordance with its continuous disclosure obligations.

4.5 **Risks relating to operating infrastructure and service providers**

(a) **Conflicts of interest**

The Tokenisation Entity is an affiliate of the Issuer and forms part of the Coinbase Group. Members of the Coinbase Group may from time to time perform multiple roles in relation to the Securities, the Underlying, blockchain infrastructure, digital asset infrastructure, custody arrangements, wallet services, transaction settlement, technology services, liquidity provision, brokerage, financing, staking, tokenisation, data services, index services, or other activities relating to digital assets or financial instruments.

Accordingly, actual or potential conflicts of interest may arise between the interests of the Issuer, the Tokenisation Entity, other members of the Coinbase Group, Holders, Authorised Participants, liquidity providers, or other market participants.

Without limitation, members of the Coinbase Group may:

(i) act as service or technology provider to, or participant or stakeholder in, Blockchain Networks or DeFi Markets on which the Securities or related digital assets may be traded or made available;

(ii) provide custody, brokerage, execution, wallet, liquidity, financing, or other services in relation to digital assets or the Securities;

(iii) receive fees, spreads, commissions, or other compensation from activities connected with the Securities;

(iv) act for their own account or for the account of clients in transactions involving the Securities, the Underlying, or related digital assets;

(v) hold long or short positions or otherwise have economic interests in the Securities, the Underlying or related digital assets; and

(vi) develop, sponsor, promote, or support products or services that compete with or differ from the Securities.

The Issuer, the Tokenisation Entity, and other members of the Coinbase Group may enter into commercial arrangements and transactions involving the Securities or related services in the ordinary course of business and may have interests that differ from those of Holders. Neither the Tokenisation Entity nor any member of the Coinbase Group is under any obligation to act solely in the interests of Holders, and any conflicts of interest may not be resolved in favour of Holders. The Issuer and the Tokenisation Entity will seek to identify and manage conflicts of interest in accordance with Applicable Law and internal policies and procedures. However, there can be no assurance that any conflicts of interest will be identified or resolved in favour of Holders. The existence of any such conflicts could adversely affect the value, liquidity, trading price, availability, or market for the Securities.

(b) **Risk of termination or failure by the Tokenisation Entity**

Under the Tokenisation Services Agreement, all material decision-making is reserved to the Issuer's Board of Directors. However, the Issuer has no employees and no internal operational infrastructure. All smart contract operations, including the issuance and redemption of Securities, freezing, pausing, and transfer controls, are carried out exclusively by the Tokenisation Entity under the Tokenisation Services Agreement. The Tokenisation Entity operates within a delegated mandate with escalation procedures within the Tokenisation Entity for matters that could materially impact Holders. All agreements between the Issuer and the Tokenisation Entity are on arm's length terms with termination provisions, including in the case of material breach. The Tokenisation Entity is the only entity with the technical ability to execute on-chain operations on the Issuer's behalf. If the Tokenisation Entity were to terminate its agreement with the Issuer, lose its regulatory status, become insolvent, cease business, suffer a sustained systems failure, or fail to perform its obligations under the Tokenisation Services Agreement, the Issuer would immediately lose the ability to process any minting, redemption, transfer control, corporate action, or Deposit Ratio adjustment. No issuance, redemption, or on-chain adjustment of outstanding Securities could be executed, and the Issuer would have no alternative means of performing these functions. Identifying and onboarding a replacement entity with the technical capability and regulatory eligibility to assume these functions would likely take a significant period of time, during which the Offer would be operationally suspended. This risk exists from the date of this Prospectus.

(c) **Broker risk**

Alpaca shall act as Broker to the Issuer, executing purchases and sales of the Underlying on the Issuer's instruction in connection with creation, redemption, and purchase of additional Underlying following an issuance of dividends and other operational mechanics of the Offer as may be required. If Alpaca were to cease acting as Broker, lose its broker-dealer registration, be subject to operational failure, or fail to execute purchase or sale instructions promptly and in accordance with applicable U.S. market rules, the Issuer would be unable to mint new Securities, fulfil Redemption Orders, or properly process dividends in accordance with the Terms and Conditions until such time as it was able to engage with a different broker-dealer capable of performing such functions.

Replacing Alpaca as Broker would require the Issuer to identify and onboard a replacement SEC-registered broker-dealer with the necessary custody and trading infrastructure to facilitate the purchase, sale, and settlement of the Underlying in accordance with the needs of the Issuer as pertaining to this Offer, a process that could take several weeks.

Alpaca is an SEC-registered and FINRA-member broker-dealer subject to ongoing regulatory oversight. The brokerage arrangement is governed by the written Institutional Account Agreement with defined obligations. The Board retains oversight in respect of material operational failures by Alpaca in its capacity as Broker.

(d) **Custodian risk**

The Deposited Property is held by Alpaca as Custodian in segregated Custody Accounts in the Issuer's name. The Securities derive their value exclusively from the Deposited Property, the safekeeping of which is entirely dependent on Alpaca's continued performance of its custody obligations. If Alpaca were to become insolvent, lose its regulatory authorisations, freeze or suspend the Issuer's Custody Accounts, fail to segregate the Deposited Property from its proprietary assets, or otherwise fail to return the Deposited Property to the Issuer upon demand, the operation of the Issuer and the value of the Securities may be impaired. The Issuer would have no alternative custodian in place capable of holding and delivering U.S.-listed equities of the type constituting the Underlying without a replacement process that could take several weeks or longer.

Alpaca is required to remain duly registered and in good standing with the SEC and FINRA. The Issuer's right to demand return of the Deposited Property held by Alpaca in the Issuer's name is an absolute right preserved under SEC Rule 15c3-3. The Tokenisation Entity monitors the regulatory status and operational condition of Alpaca on an ongoing basis and is required to escalate any material concerns to the Board. The Issuer retains the right to terminate the custody arrangement in defined circumstances under the Institutional Account Agreement.

(e) **CSD risk**

Transfers of Securities are effected through the Relevant System operated by the Tokenisation Entity in its capacity as CSD. Actions occurring outside of the Relevant System or otherwise outside the control of the Tokenisation Entity are considered to occur outside of the CSD environment and may be subject to additional risks as described herein or as otherwise set out in this Prospectus. The Relevant System refers to the systems and procedures operated by the Tokenisation Entity from time to time and used to evidence and transfer title to Securities in accordance with the Uncertificated Securities Rules, which includes:

(i) the Legal Register maintained by the Tokenisation Entity to record legal title to Securities; and

(ii) off-chain and on-chain systems, procedures, and controls administered by the Tokenisation Entity as CSD, including reconciliation procedures and Vesting Conditions (accomplished in coordination with and through the Custodian as it relates to the Underlying).

On-Chain Data is used by the Tokenisation Entity to update the Legal Register. However, the Legal Register is a separate record maintained by the Tokenisation Entity in its capacity as CSD and prevails over On-Chain Data. The Legal Register is subject to additional controls, including transfer restrictions and Vesting Conditions. Only Vested Holders are entitled to be recorded as Registered Owners of Securities and exercise certain rights with respect to Securities (including Redemption Rights and voting rights). If the Tokenisation Entity were to suffer an IT failure, a data integrity incident, or an operational disruption affecting its record-keeping functions, the Legal Register may be temporarily unavailable or otherwise disrupted. In such circumstances, Holders may be unable to exercise the aforementioned rights attaching to Securities, Vested Holders may be unable to transfer legal title to their Securities, and Unvested Holders who satisfy Vesting Conditions may be incapable of being recorded as the Registered Owners of the Securities they hold.

Unlike On-Chain Data, the Legal Register does not benefit from the transparency and real-time verifiability of a public Blockchain Network. However, the additional controls operated by the Tokenisation Entity as CSD, including enforcement of transfer restrictions, eligibility verification, KYC/AML screening, and other Vesting Conditions, help to ensure the Securities and the Issuer do not breach applicable securities legislation and provide remediation and reconciliation mechanisms in the event of hacks or manipulative actions affecting the Securities. These additional controls represent material protection for Holders, the Issuer, and the integrity of the Offer and Securities issue.

The finality of transfers recorded in the Legal Register is determined by the Tokenisation Entity's internal finality parameters, which are mapped to on-chain transaction confirmation thresholds. A divergence between the Legal Register and the on-chain state of the Security, for example, as a result of a reconciliation failure, could result in disputes regarding the ownership or entitlement of Holders. This risk exists on every Business Day from the commencement of the Offer.

The Tokenisation Entity conducts intraday reconciliations of on-chain positions against the Legal Register in its capacity as CSD, consistent with COBS 10.3.3. No overdrafts are permitted under the Tokenisation Entity's accounting framework. Exception-handling procedures are triggered automatically where discrepancies are detected between the Legal Register and on-chain positions or otherwise.

(f) **Smart contracts and on-chain functions**

The Offer depends on the Tokenisation Entity's ability to operate and maintain the smart contracts deployed on the Blockchain Networks and the on-chain functions required for minting, burning (redemption), freezing, pausing, transfer controls, Deposit Ratio updates, and corporate action processing. Failures, errors, or vulnerabilities in the smart contracts, key management systems, on-chain functions, or back-office reconciliation systems could result in incorrect processing, failed or delayed settlements, disputes regarding outstanding Securities balances, or material losses to the Issuer and would directly impair the Issuer's ability to administer the Offer or process the creation or redemption of Securities. In particular, errors in the Deposit Ratio (used to reflect corporate actions in the Securities balance) could result in incorrect Securities balances or delayed creation or redemption of Securities. Cyber incidents affecting the Tokenisation Entity or the Custodian could also disrupt the operation of the Offer. This risk exists continuously from the date of commencement of the Offer and increases as the total supply of outstanding Securities grows.

The Issuer has taken the following steps to manage this risk: smart contract operations are restricted to controlled roles, such that only the Tokenisation Entity is authorised to execute minting and burning functions, preventing unauthorised creation or deletion of Securities. The Tokenisation Entity maintains intraday reconciliations of on-chain positions against the Legal Register to detect and address discrepancies promptly and otherwise operates the Relevant System in line with the requirements in the Conduct of Business Rules applicable to it as a CSD.

4.6 Risks relating to the Underlying

(a) **Impact of sale of Underlying**

Within the creation and redemption processes, the Issuer will from time to time purchase or sell the Underlying pursuant to the Terms and Conditions. These transactions will be performed, at the Issuer's sole and absolute discretion, on the open market or via OTC trading platforms. In case the amount of Underlying traded is significant enough relative to global supply and demand, such sales could have an impact on the supply and demand dynamics of the Underlying in a manner unrelated to other factors and may affect market conditions for the relevant Underlying and, consequently, the value of the Deposited Property and the Securities.

(b) **Limited trading hours**

The on-exchange trading of Underlying is limited to specific trading windows available on the Underlying Listing Venue. The Issuer (or the Custodian or Broker acting on its behalf) may therefore not be able to buy or sell Underlying outside of exchange market hours in sufficient quantities, or at all. This restriction might expose the Issuer and Holders to risks relating to price movements and volatility on the markets.

(c) **Limited opportunities to influence decisions affecting the Underlying and limited rights to information and distributions**

Holders will not generally be entitled to receive notices, reports, or communications from the Underlying Issuer, except to the extent expressly provided in the Terms and Conditions. The Issuer may make available certain reports or communications that it receives as holder of the Underlying and that are generally made available to holders of the Underlying, but the Issuer is not required to obtain such information or monitor the Underlying Issuer's reporting compliance.

Holders of the Securities also do not have direct voting rights in respect of the Underlying. Where voting rights are exercisable in respect of Deposited Underlying, the Issuer may, subject to Applicable Law, practical limitations, the constitutional documents of the Underlying Issuer, and the Terms and Conditions, endeavour to vote or procure the voting of the relevant Underlying in accordance with timely written instructions from Holders. However, the Issuer is not obliged to notify Holders of meetings, solicit voting instructions, or take any voting action where it determines that doing so is not lawful, practicable, or otherwise appropriate. As a result, Holders may have limited or no practical ability to influence matters submitted to holders of the Underlying.

In addition, Holders will not receive cash dividends, securities, or other property distributed on the Underlying directly. Instead, distributions received by the Issuer in respect of the Deposited Underlying will generally be dealt with in accordance with the Terms and Conditions, which may include reinvestment, sale, retention as Deposited Property, adjustment of the Deposit Ratio, or other adjustments determined by the Issuer. The Issuer may also permit rights to lapse or take no action where it considers action unlawful, impracticable, or otherwise inappropriate.

These limitations may adversely affect the value of the Securities and the amounts payable or other benefits provided to Holders.

(d) **Risk of claims by the Underlying Issuer**

The Issuer monitors the eligibility of the Underlying on an ongoing basis through the Tokenisation Entity who closely considers the charter and bylaws of any Underlying Issuer as well as any Underlying offer documents to check if tokenisation, or otherwise the terms of this Offer with respect to the Underlying, would be expressly prohibited. Any material development affecting the eligibility of the Underlying would be required to be disclosed as Inside Information under the Reporting Entity's disclosure obligations. There is, however, a risk the Underlying Issuer may take legal or other action against the Issuer in relation to the Issuer's use of the Underlying in the context of the Offer, including in relation to statements made about the Underlying in marketing or disclosure materials. The charter and bylaws of the Underlying Issuer or the terms of the offer with respect to the Underlying may be amended from time to time and introduce provisions that restrict or prohibit direct or indirect transfers, sales, or other arrangements relating to the Underlying to certain persons or otherwise. Such actions may cause the Issuer to alter or discontinue the Offer or to suspend or reject the exercise of certain rights (including Redemption Rights) with respect to the Underlying, which could result in material losses to Holders. The Underlying is acquired in the open market, and the Securities are not sponsored or endorsed by the Underlying Issuer. This risk is ongoing from the date of this Prospectus.

4.7 Legal, regulatory and jurisdictional risks

(a) Risk of challenge or invalidation of trust structure

The Securities constitute "Certificates representing certain Financial Instruments" within the meaning of paragraph 92 of Schedule 1 of FSMR. Each Security represents a pro rata beneficial interest in the Deposited Property (as a whole) attributable to the Securities.

The Issuer holds the Deposited Property and Unvested Securities pursuant to bare trust arrangements for the benefit of Registered Owners and Unvested Holders respectively. However, such arrangements do not eliminate the risk that Holders may suffer loss. The effectiveness of any such trust arrangements may be subject to legal, operational, and enforcement risks, including in the event of the Issuer's insolvency. For example, in the event of the Issuer's insolvency, creditors of the Issuer may apply to a court to challenge or set aside the trust structures and seek recourse to the Deposited Property to satisfy any outstanding creditor claim. Similarly, any such insolvency proceedings may result in the Deposited Property being frozen or otherwise cause disruption resulting in operational delays in processing redemptions. The Board is of the opinion that the Issuer has sufficient working capital for its requirements during the 12-month period following the date of the Prospectus. However, the financial condition of the Issuer may deteriorate due to unforeseen events, such as legal proceedings or regulatory enforcements action, resulting in the Issuer's insolvency. Such risks cannot be fully avoided and persons considering acquiring Securities should consider this carefully before deciding to make any such investment.

(b) Risk of regulatory exposure and legal liability arising from distribution in jurisdictions where the offer was never made

The Offer is made exclusively to the public in the ADGM under and subject to this Prospectus. Any subsequent transfer of Securities through secondary trading on Blockchain Networks or in DeFi Markets does not constitute participation in the Offer and is not subject to the Offer perimeter. The Securities are subject to transfer restrictions, including restrictions on the acquisition, holding, and transfer of the Securities by U.S. Persons (in accordance with Regulation S of the Securities Act) and by persons in prohibited jurisdictions, that are embedded in the Security's smart contract and are contractually binding on all Holders. Notwithstanding these restrictions, a Security could be transferred on a peer-to-peer basis or through DeFi Markets to a person in a jurisdiction where the Offer was never made, where distribution of the Securities is unlawful, or where the relevant regulator has not approved the Offer of the Securities.

The Issuer's exposure in this scenario may include:

(i) regulatory or enforcement action in the relevant jurisdiction against the Issuer;

(ii) claims from affected persons who acquired Securities without a required local disclosure document or regulatory approval; or

(iii) reputational damage affecting the Issuer.

Any regulatory action brought against the Issuer in a foreign jurisdiction could interfere with the Issuer's operational capacity and could require the Issuer to suspend or restrict the Offer, which would in turn affect the Offer's attractiveness to users and reduce demand for newly issued Securities. This risk exists from the commencement of the Offer and is ongoing as long as the Securities remain outstanding.

As a Vesting Condition, all Vested Holders are required to acknowledge, via their acceptance of, and entry into, the contractual arrangements required for the purposes of satisfying the Vesting Conditions, that the Security is a regulated instrument, that on-chain transfers must comply with Applicable Law in the recipient's jurisdiction, and that the Issuer or the Tokenisation Entity may freeze Securities held at non-compliant addresses. The Tokenisation Entity takes reasonable steps to ensure that persons acquiring Securities through DeFi Markets are made aware that:

(i) they are acquiring Securities outside of the CSD environment when doing so through secondary trading on Blockchain Networks or unregulated DeFi Markets and not pursuant to the Offer which is made exclusively in the ADGM;

(ii) the Issuer has not made any offer or invitation to them in their jurisdiction; and

(iii) they are responsible for ensuring that their acquisition, holding, and transfer of Securities complies with all Applicable Law in their jurisdiction.

Controls enabling the Tokenisation Entity to enforce transfer restrictions are embedded in the Securities' smart contract. The Tokenisation Entity, in its capacity as CSD:

(i) conducts continuous on-chain monitoring and reconciles on-chain positions against the Legal Register on an intraday basis, enabling the identification of Securities held at ineligible addresses;

(ii) maintains address-level controls at the smart contract level, including blacklisting and freezing of addresses associated with sanctioned persons and transfer restriction violations, which operate continuously and without requiring counterparty cooperation; and

(iii) uses reasonable efforts to ensure that any person acquiring Securities on-chain through DeFi Markets is made aware of transfer restrictions, via their acceptance of, and entry into, the contractual arrangements required for the purposes of satisfying the Vesting Conditions. The Prospectus includes contractual selling legends and transfer restrictions binding on all transferees.

(c) **Changes in Applicable Law or regulation affecting the Issuer's ability to operate the Offer**

The Offer operates in an evolving regulatory environment in the ADGM. Changes in Applicable Law or regulation, including FSMR, the Market Rules, FSRA guidance, AML requirements, applicable sanctions regimes, U.S. securities laws applicable to the Underlying, or U.S. custody and broker-dealer regulations applicable to Alpaca, could adversely affect the Issuer's ability to operate the Offer. In particular, changes to U.S. regulations governing the holding of listed securities by SPVs could require material alterations to the Issuer's operating model.

If changes to Applicable Law or regulation require such alterations, the Issuer may be required to seek FSRA approval, incur material costs and delays, and may be unable to continue its activities. In extreme circumstances, if the Issuer is unable to comply with a changed regulatory requirement, the FSRA may require the Issuer to terminate the Offer. This risk is inherent and continuing as laws and regulations may change at any time. The risk may crystallise in response to regulatory developments in the ADGM, the U.S., or other relevant jurisdictions. The Issuer, through the Tokenisation Entity, monitors relevant regulatory developments in the ADGM and in the U.S. on an ongoing basis. As at the date of this Prospectus, the Issuer is not aware of any pending or imminent change to the laws or rules of the ADGM, the U.S., or other relevant jurisdictions that would affect its operations or the Offer.

The Tokenisation Entity maintains a regulatory change log and material regulatory changes are required to be escalated to the Board for assessment and, where necessary, determination of an appropriate response. The Issuer's agreements with service providers include provisions addressing the consequences of changes in Applicable Law including notification obligations in respect of material regulatory developments affecting their services.

(d) **SIPC and broker-dealer customer protection**

The Underlying is held in the Custody Account in the Issuer's name at the Custodian. The Issuer, not the Holder, is the direct customer of the Custodian for the purposes of U.S. broker-dealer customer protection rules. Holders do not have a direct account relationship with the Custodian and should not assume that they benefit from the protections of the SIPA or SIPC in respect of the Underlying. SIPC protects cash and securities held by a customer at a financially troubled SIPC-member broker-dealer, subject to statutory limits (currently US$500,000 per customer, of which no more than US$250,000 may be in cash), and does not protect against loss of market value. Whether Holders would have any pass-through or indirect benefit from the Issuer's SIPC entitlement in the event of Alpaca's insolvency depends on the application of U.S. insolvency and customer protection rules to the specific custody structure. In the event of Alpaca's insolvency, the Issuer's ability to recover the Underlying or to satisfy Redemption Orders may be subject to delay, partial loss, or the application of U.S. insolvency proceedings, including a SIPA liquidation administered by a SIPC-appointed trustee. Under SIPC guidance applicable to accounts with underlying beneficial ownership of multiple third parties, underlying beneficial owners may be treated as separate "customers" of the clearing firm, and thus may each be individually eligible for up to US$500,000 in SIPC coverage, if it can be demonstrated that the net equity in the account arose from those beneficial owners' individual transactions and that adequate records exist to trace such interests. This aforementioned SIPC guidance is referred to here because the Issuer is of the view that it is most analogous to the custody arrangements under which the Issuer holds Deposited Property with the Custodian. Under the Deed of Trust, the Issuer holds the (i) Deposited Property as bare trustee for the benefit of Registered Owners, and (ii) Unvested Securities as bare trustee for the benefit of Unvested Holders. The Legal Register and On-Chain Data provide records through which each Holder's interest can be traced; however, Alpaca does not itself maintain or control the Legal Register or On-Chain Data, and neither SIPC's rules nor its published guidance directly address this novel custody structure. Accordingly, in the event of Alpaca's insolvency, Holders seeking SIPC protection would need to file claims with the bankruptcy trustee or court and demonstrate their entitlement to customer status, and there can be no assurance that such claims would be successful or that the US$500,000 per-customer coverage limit would be applied on a per-Holder basis rather than solely at the Issuer-level.

The Underlying is held in an Issuer's Custody Account, separate from the Custodian's proprietary assets. The Issuer's right to demand return of the Underlying is preserved under SEC Rule 15c3-3. The Tokenisation Entity monitors the regulatory status of the Custodian on an ongoing basis.

(e) **Taxation**

The taxation of digital assets and associated companies can vary significantly by jurisdiction and may be 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, the value of the Securities or the Underlying, or taxes payable by Holders. Depending on the Holder's country of residence, holding the Securities may have tax implications, such as value-added tax or capital gains tax. Holders are advised to consult with their tax advisers as to their specific consequences. Holders should therefore consider whether such tax liabilities apply when investing in the Securities. Each Holder will assume and be solely responsible for all taxes of any jurisdiction, including central government or local state taxes or other like assessments or charges which may be applied in respect of the Securities.

The Issuer may also become exposed to significant tax risk if the tax treatment of the Issuer, the Securities, or any transactions in the Securities or Underlying are subject to a change in regulation that might cause the Issuer to incur any material tax liability with respect to the issuance of the Securities. Changes in tax regulations may ultimately impact the Issuer's ability to continue to Offer the Securities if compliance with such regulations renders the continued operation of the Issuer either commercially infeasible or unduly burdensome. Any major tax burden resulting from a change in regulations or the tax status of the Issuer may hinder the Issuer's ability to maintain the Securities and, if such tax burden results in insolvency, to otherwise continue to operate as expected.

The tax considerations contained in this Prospectus reflect the view of the Issuer based on the legislation applicable at the date of the issuance of this Prospectus. It cannot, however, be ruled out that the tax treatment by the tax authorities and courts could be interpreted differently or could be subject to changes in the future. Additionally, the tax considerations contained herein are in summary form and may not be used as the sole basis for the decision to invest in the Securities from a tax perspective, since the individual situation of each Holder must also be considered. Accordingly, the considerations regarding taxation contained in this Prospectus do not constitute any sort of material information or tax advice nor are they in any way to be construed as a warranty with respect to specific tax consequences.

According to the Terms and Conditions, the Issuer may terminate all Securities at any time including, inter alia, for certain tax reasons. Accordingly, Holders should consult their personal tax advisers before making any decision to purchase the Securities and must be aware of and be prepared to bear the risk of a potential early redemption due to tax reasons.

The Issuer monitors legal and regulatory developments that may be applicable to it or the Securities on an ongoing basis through the Tokenisation Entity and legal and tax advisers. The Reporting Entity will disclose details of any material changes to the Issuer's tax status or other changes in tax laws affecting the Securities on the LA Disclosure Platform and via the Issuer's website at https://www.coinbase.com/tokenize promptly upon becoming aware of same.

(f) **Risks relating to the UAE and ADGM**

The Securities are offered and issued in the ADGM. The Issuer is established in and conducts business operations in the ADGM and has affiliates in the broader UAE or the wider MENA region. As such, economic, financial, and political conditions in the UAE and the MENA region may affect market conditions, investor sentiment, and trading activity in the ADGM, which could adversely impact the Issuer's ability to operate in the ADGM, as well as the liquidity, pricing, and offer of the Securities generally in the ADGM.

The UAE economy is subject to global economic conditions and external shocks, including periods of financial market volatility, changes in global trade flows, and shifts in investor confidence. Prolonged periods of low oil or gas prices, or delays in economic diversification initiatives, could negatively affect government revenues, public spending, financial institutions, and consumer demand in the UAE, which may in turn adversely affect market conditions in the ADGM and activity in relation to the Securities.

Parts of the wider MENA region have been affected by political unrest, armed conflict and heightened geopolitical tensions, and developments in neighbouring countries or the escalation of regional or global conflicts could adversely affect economic conditions, investor confidence, and market stability in the ADGM even where the UAE is not directly involved. Governments in the MENA region, including the UAE, have historically exercised significant influence over economic policy and market regulation, and changes in political, economic or regulatory conditions, including measures affecting foreign investment, trade, taxation, or currency controls, may affect the regulatory or operating environment applicable to this offering of Securities in the ADGM or otherwise the operations of parties necessary to facilitating the exercise of rights with respect to such Securities.

A deterioration in market conditions in the ADGM resulting from any of the above could reduce investor participation, suppress demand for newly issued Securities, and materially adversely affect the economic position of the Issuer.

5. ORGANISATIONAL AND CONSTITUTIONAL STRUCTURE OF THE ISSUER

5.1 Constitution

The Issuer has adopted the ADGM's model articles for private companies limited by shares as set out in Schedule 1 to the Companies Regulations (Model Articles) Rules 2015, subject to limited modifications to expressly permit the issuance of securities in uncertificated form in accordance with the Uncertificated Securities Rules.

The Articles are incorporated by reference into the Prospectus. The key provisions of the Articles are summarised below.

(a) **Objects and capacity of the Issuer**

The Articles do not contain any objects clause or other limitation on the Issuer's corporate capacity. Subject to Applicable Law, the Issuer may exercise all powers of a company incorporated under the Companies Regulations.

(b) **Directors and management of the Issuer**

Subject to the Companies Regulations and the Articles, the Directors are responsible for the management of the Issuer's business and may exercise all powers of the Issuer. The Articles contain customary provisions regarding the appointment, removal, remuneration, powers, meetings, and decision-making procedures of directors. The Directors must exercise their powers in accordance with their statutory duties, as specified in the Companies Regulations, which includes a general duty to promote the success of the Issuer for the benefit of its shareholders as a whole.

(c) **Rights attached to shares of the Issuer**

As at the date of this Prospectus, the Issuer has a single class of ordinary shares in issue. The ordinary shares rank pari passu in all respects and confer rights to receive dividends, participate in distributions on a winding-up and attend and vote at general meetings of the Issuer, in each case subject to the Articles and Applicable Law.

The Articles do not contain any restrictions or requirements governing changes in the Issuer's share capital which are more stringent than those imposed by Applicable Law. The rights attaching to the shares of the Issuer may be amended in accordance with the Companies Regulations, the Articles, and any applicable shareholder resolutions of the Issuer.

(d) **Shareholder meetings**

General meetings of shareholders are convened and conducted in accordance with the Companies Regulations and the Articles. The Articles contain customary provisions relating to notice, quorum, attendance, voting, and adjournment of meetings.

(e) **Control of the Issuer**

As at the date of this Prospectus, the Issuer is wholly owned by OMHL. Both the Issuer and OMHL are wholly owned members of the Coinbase Group, which is ultimately controlled by Coinbase. The Articles do not contain any provisions that would have the effect of delaying, deferring or preventing a change in control of the Issuer.

(f) **Other material matters**

The Articles do not contain any provisions that are unusual or considered material to Holders or persons considering acquiring Securities.

5.2 **Director's powers under the constitution**

(a) **General**

Subject to the Articles, the Directors may exercise all powers of the Issuer under Applicable Law. Under the Articles, decisions of the Directors with respect to the exercise of these powers are taken collectively in the customary manner. The Articles do not contain any express limitation on the exercise by the Directors of borrowing powers of the Issuer.

(b) **Conflicts and remuneration**

Where a proposed decision of the Directors concerns an actual or proposed transaction or arrangement in which a Director is materially interested, the relevant Director is generally not counted as participating in the decision-making process for quorum or voting purposes, subject to customary exceptions set out in the Articles.

The Articles permit the Directors to determine their remuneration for services to the Issuer in their capacity as Directors or otherwise.

(c) **Removal of Directors**

The Articles do not impose any mandatory retirement age for Directors or terms of office of Directors. Directors cease to hold office only in the circumstances specified in the Articles and Applicable Law, which includes circumstances where a relevant Director becomes disqualified (e.g., pursuant to a court order or Applicable Law).

5.3 Group structure

The Issuer is a wholly owned subsidiary of OMHL which is incorporated as a holding company in the ADGM with its registered office in Unit 12, Level 25, Al Sila Tower, Abu Dhabi Global Market Square, Abu Dhabi, Al Maryah Island, United Arab Emirates. The Issuer has no subsidiaries.

OMHL is a wholly owned subsidiary of Coinbase. Coinbase is incorporated under the name Coinbase Global, Inc. under the laws of the State of Texas, U.S., with its principal office at One Madison Avenue Suite 2400 New York, U.S. Coinbase was founded in San Francisco in 2012 by Mr. Brian Armstrong and Mr. Fred Ehrsam, well-known tech entrepreneurs and remaining shareholders in Coinbase. Coinbase is a publicly traded company listed on Nasdaq (ISIN: US19260Q1076).

6. CAPITAL AND SECURITIES

6.1 Share capital

As of the date of the Prospectus, the Issuer has issued a total of 1,000 ordinary shares, each fully paid with a nominal value of US$1, representing an issued share capital of US$1,000. There is no category of shares that carry preferential rights.

The Issuer is authorised to issue up to 1,000 ordinary shares, corresponding to an authorised share capital of US$1,000, of which 0 ordinary shares remain unissued.

The share capital of the Issuer is held in its entirety by OMHL.

6.2 Capital resources

(a) **Short- and long-term capital resources**

The Issuer's capital resources comprise the issued share capital of US$1,000.

(b) **Borrowing requirements and funding structure**

The Issuer expects to generate revenue by charging creation, redemption, and distribution fees. However, the Issuer is an SPV established for the sole purpose of issuing Digital Securities and is not expected to generate profits.

In addition to the aforementioned fees, CCIL provides operational funding to the Issuer by way of a US$3,000,000 Facility, available to the Issuer for the purpose of meeting its ongoing operational costs. CCIL is a private company limited by shares incorporated under the laws of Ireland on 25 September 2019 with company number 657718 and a wholly owned subsidiary of Coinbase.

The Issuer may also receive capital injections from time to time from the Coinbase Group until such time as the abovementioned fees can cover the Issuer's operational costs.

No other external or intra-group funding arrangements are contemplated as at the date of this Prospectus.

(c) **Restrictions on the use of capital resources**

There are no material restrictions on the use of the Issuer's capital resources that have materially affected, or could materially affect, the Issuer's operations.

(d) **Anticipated sources of funds – existing or planned material tangible fixed assets and major encumbrances**

The Issuer does not own, occupy, or lease any tangible fixed assets, including real property, plant or equipment. The Issuer has no registered office premises of its own and does not require physical operational infrastructure to conduct its business as all operational, administrative, and technology functions are performed on the Issuer's behalf by the Tokenisation Entity pursuant to the Tokenisation Services Agreement. The Issuer therefore has no existing material tangible fixed assets and no planned acquisitions of material tangible fixed assets. No encumbrances exist, or are anticipated, in respect of any such assets.

(e) **Anticipated future sources of funds**

The Issuer has not made, and the Directors have not made, any firm commitments to any principal future investments outside the ordinary course of the issuance and maintenance of the Securities described in the Prospectus and other Digital Securities issued by the Issuer from time to time.

(f) **Information on undertakings**

The Issuer does not hold any equity interest, participation, or capital stake in any undertaking, subsidiary or joint venture. The Issuer has no subsidiaries and no holdings in any entity that would be likely to have a significant effect on the assessment of its own assets and liabilities, financial position, or profits and losses.

6.3 **Securities**

(a) **Nature of Securities**

The Securities constitute "Certificates representing certain Financial Instruments" within the meaning of paragraph 92 of Schedule 1 of FSMR. Each Security represents a pro rata beneficial interest in the Deposited Property (as a whole) held by the Issuer on trust for Holders in accordance with the Terms and Conditions. The Deposited Property is intended to primarily consist of the Deposited Underlying, being the shares of Class A common stock of Strategy Inc (Ticker: MSTR), held in the Custody Account in the Issuer's name with the Custodian. The Securities therefore derive their value from the value of the Deposited Property, which is determined by reference to the Underlying. The Securities do not constitute direct investments in the Underlying. Equally, the Securities do not confer any voting rights in the Issuer, any claim to assets that are beneficially owned by the Issuer, or any rights to subscribe for other securities of the Issuer.

(b) **Principal responsibilities and obligations of the Issuer**

The principal responsibilities and obligations of the Issuer with respect to the Securities are set out below.

(i) *Holding of Deposited Property on trust.* Each Security represents a pro rata beneficial interest in the Deposited Property as a whole. The Issuer, in its capacity as trustee, is responsible for holding the Deposited Property as bare trustee for the benefit of Registered Owners in proportion to their respective Security holdings pursuant to the Deed of Trust and the Terms and Conditions.

(ii) *Setting and determining the satisfaction of Vesting Conditions.* At any time, Securities will either be Vested Securities or Unvested Securities depending on whether the Holder has satisfied, and continues to satisfy, the Vesting Conditions. Vesting relates to a Holder's eligibility to (i) be registered as the Registered Owner of Securities in the Legal Register, and (ii) exercise rights attaching to the Securities directly. The rights attached to Unvested Securities, including with respect to redemption, termination, and voting, are restricted. The Issuer is responsible for determining (i) the Vesting Conditions applicable to Securities from time to time, and (ii) whether the Vesting Conditions have been satisfied by a Holder. As the Issuer is an SPV with no employees, in practice the Tokenisation Entity performs these responsibilities and obligations on behalf of the Issuer.

(iii) *Holding of legal title of Unvested Securities on trust.* The Issuer, in its capacity as trustee, is recorded in the Legal Register as the Registered Owner of any Unvested Securities which it holds as bare trustee for the benefit of Unvested Holders pursuant to the Deed of Trust and the Terms and Conditions until such time as the Unvested Holder satisfies the Vesting Conditions.

(iv) *Determination and adjustment of the Deposit Ratio.* The Deposit Ratio is determined by the Issuer and may be adjusted by the Issuer in accordance with the Terms and Conditions. This includes any adjustment required to reflect any change affecting the Deposited Property, including any (i) fees, charges, or other costs, (ii) corporate actions affecting the Underlying, (iii) distribution of dividends, or (iv) other events determined by the Issuer to have a dilutive or concentrative effect on the Underlying, the Deposited Property, or the value represented by each Securities. Any adjustment to the Deposit Ratio is binding on all Holders and may be effected without the consent of the Holders. As the Issuer is an SPV with no employees, in practice the Tokenisation Entity performs these responsibilities and obligations on behalf of the Issuer.

(v) *Payments received on the Underlying.* When any payment or distribution is received by the Issuer in respect of the Underlying, including cash dividends, securities, or other property distributed on the Underlying directly, the Issuer is responsible for processing such payments or distributions in the manner set out in the Terms and Conditions. As the Issuer is an SPV with no employees, in practice, the Tokenisation Entity performs these responsibilities and obligations on behalf of the Issuer.

(vi) *Exercise of voting rights in the Underlying.* Where voting rights are exercisable in respect of Deposited Underlying, the Issuer may, subject to Applicable Law, practical limitations, the constitutional documents of the Underlying Issuer, and the Terms and Conditions, endeavour to vote or procure the voting of the Deposited Underlying in accordance with timely written instructions received by the Issuer from Vested Holders. The Issuer will not exercise any voting rights in respect of the Deposited Underlying except in accordance with instructions received from Vested Holders. The Issuer may, but assumes no obligation to, solicit instructions from Vested Holders as to the exercise of any voting rights with respect to the Deposited Underlying. As the Issuer is an SPV with no employees, in practice the Tokenisation Entity performs these responsibilities and obligations on behalf of the Issuer.

(vii) *Redemption*. Subject to the Terms and Conditions and Applicable Law, Vested Holders may submit a Redemption Order via the Tokenisation Entity to redeem Securities for the Underlying, or via one of the alternative settlement methods prescribed by the Terms and Conditions.

(c) **No third-party guarantee of payments**

The Securities are obligations solely of the Issuer and are not guaranteed by any other entity. The Issuer's ability to process payments received on the Underlying and to reflect them through the Deposit Ratio is dependent on (i) the Underlying Issuer making the relevant payment, (ii) the Custodian crediting the payment to the Issuer's Custody Account in a timely manner, and (iii) the Tokenisation Entity executing the corresponding Deposit Ratio adjustment without operational failure. If any of these conditions are not met, there may be a delay in the processing of the Deposit Ratio adjustment.

(d) **Limited recourse and non-petition**

The Issuer's obligations to Holders are limited recourse. All amounts due to Holders, including any obligation to deliver the Underlying or reflect payments received on the Underlying through adjustments to the Deposit Ratio, are satisfied only by recourse to the Deposited Property held in the Custody Accounts (which the Issuer holds as bare trustee for the benefit of Registered Owners) and/or the net cash proceeds or other assets realised from the sale of such Deposited Property, after applicable deductions. Holders have no further recourse to the Issuer's other assets. Holders are subject to a non-petition covenant under the Deed of Trust and the Terms and Conditions, pursuant to which they agree not to institute or join any insolvency, winding-up, or other actions or proceedings against the Issuer.

(e) **Material information about the Underlying Issuer**

The Underlying consists of shares of Class A common stock of Strategy Inc (Ticker: MSTR), incorporated in the State of Delaware, U.S., and traded on Nasdaq.

The Underlying Issuer is not a party to the offer of Securities and has not consented to or been involved in the preparation of the Prospectus. The Issuer makes no representation regarding the creditworthiness, financial condition, or future performance of the Underlying Issuer. The Issuer's ability to meet its payment and other obligations to Holders depends on (i) the Underlying Issuer continuing to make payments in respect of the Underlying, (ii) the continued eligibility and value of the Underlying held in custody, and (iii) the continued operation of the arrangements described in the Prospectus. Publicly available information about the Underlying Issuer is available at www.strategy.com/investor-relations. The content of any third-party website referenced is not incorporated by reference into the Prospectus and has not been verified by the Issuer.

7. MANAGEMENT OF THE ISSUER

7.1 Directors of the Issuer

The Directors are:

Name	Business address	Business occupations	Experience
Jordan Fish	c/o Coinbase Onchain SPV Ltd, Unit 12, Level 25, Al Sila Tower, Abu Dhabi Global Market Square,	Director. Jordan Fish is Vice President of Product at Coinbase, where he leads the Consumer Trading business and is responsible for the	Current: Vice President of Product, Coinbase. Jordan Fish is a product-focused entrepreneur and investor with over a decade of experience investing in and advising companies across the digital asset, blockchain, and

	Al Maryah Island, Abu Dhabi, UAE.	strategy and development of Coinbase's on-chain capital-markets products.	fintech sectors. Mr. Fish also founded Echo, an on-chain investment platform opening private, early-stage funding rounds to qualified investors which was acquired by Coinbase in 2025. From 2017 to 2020, he served as a Product Director at Monzo.
John D'Agostino	c/o Coinbase Onchain SPV Ltd, Unit 12, Level 25, Al Sila Tower, Abu Dhabi Global Market Square, Al Maryah Island, Abu Dhabi, UAE.	Director. John D'Agostino is a senior executive within Coinbase's Institutional business, responsible for institutional strategy.	Current: Head of Strategy – Institutional, Coinbase. John D'Agostino has served as the Head of Strategy – Institutional for Coinbase since January 2022. He currently serves as a Board Member of The Alternative Investment Management Association, as well as being a Research Affiliate of the Massachusetts Institute of Technology and Chair of the US Asset Management Working Group for the Department of International Trade.

No Director has (i) any conviction relating to fraud or other financial crimes in the previous five years, (ii) any bankruptcy, receivership, or liquidation of an entity with which they were associated in a similar capacity in the previous five years, (iii) any official public incrimination or sanction by a statutory or regulatory authority, or (iv) been disqualified by a court from acting as a director or in a senior management capacity or with respect to the conduct of the affairs of any issuer in the previous five years.

There are no family or business relationships between the Directors. There are no arrangements or understandings with major shareholders, customers, suppliers or others pursuant to which any Director was selected. There are no restrictions agreed by any Director on the disposal of their holdings in the Issuer's securities.

7.2 Directors of Coinbase

The directors of Coinbase, as the ultimate holding company of the Issuer, are Brian Armstrong, Fred Ehrsam, Fred Wilson, Marc Andreessen, Gokul Rajaram, Christa Davies, Kelly Kramer, Chris Lehane, and Tobias Lutke.

7.3 Potential conflicts of interest

Jordan Fish and John D'Agostino are both Directors of the Issuer and also hold senior roles within the Coinbase Group. In particular (i) Jordan Fish is a director of OML (which acts as the Tokenisation Entity and Reporting Entity), and (ii) John D'Agostino is a director of both OMHL (the Issuer's direct 100% parent entity) and OML. John D'Agostino also performs the controlled function of Senior Executive Officer for OML. This gives rise to a potential conflict of interest as they may be subject to competing duties owed to the Issuer, OML, and the Coinbase Group. In circumstances where the interests of the Issuer or Holders diverge from those of the Coinbase Group, their judgement and decision-making could be, or could be perceived to be, influenced by their roles within the Coinbase Group. Conflicts of interest are identified through the Coinbase Group's conflicts of interest framework and are managed through clearly segregated responsibilities, documented intra-group service arrangements, information barriers, and compliance oversight.

7.4 Employees

The Issuer has no employees. All operational activities of the Issuer are performed by the Tokenisation Entity pursuant to the Tokenisation Services Agreement.

8. FINANCIAL INFORMATION

8.1 Financial information

The Issuer was incorporated on 17 June 2026 and therefore no audited financial statements (balance sheet, income statement and notes) for any financial year are available.

The Issuer's first financial year will end on 31 December 2026. The Issuer's annual financial statements will be prepared in accordance with International Financial Reporting Standards as issued by the International Auditing and Assurance Standards Board. The annual financial statements will be independently audited or reported on as to whether or not, for the purposes of the Prospectus, they give a true and fair view, in accordance with the applicable auditing standards.

The Issuer will publish its annual financial statements on its website at https://www.coinbase.com/tokenize in the future when available. The annual financial statements will also be disclosed on the LA Disclosure Platform.

8.2 Special purpose statement of financial position

The Issuer's unaudited special purpose statement of financial position, prepared as at 17 June 2026, is set out at Annex 3 to this Prospectus. As shown in the unaudited special purpose statement of financial position, as at 17 June 2026, the Issuer had: (i) issued share capital of US$1,000 (comprising 1,000 fully paid-up ordinary shares, all of which are held by OMHL); (ii) no intra-group loan balances or capital contributions from Coinbase Group; and (iii) no other assets or liabilities.

Subsequent to the date of the unaudited special purpose statement of financial position: (i) the Issuer (as borrower) entered into the Global Master Loan Agreement with CCIL (as lender), pursuant to which the Issuer has access to the US$3,000,000 Facility for the purpose of meeting its ongoing operational costs, the terms of which are described in section 10 (*Material contracts*) of this Prospectus; and (ii) in addition to the Securities offered under this Prospectus, the Issuer has issued further series of Digital Securities (in each case constituting "Certificates representing certain Financial Instruments" for the purposes of paragraph 92 of Schedule 1 of FSMR), each offered under a separate prospectus and backed by its own separate pool of underlying assets. The prospectuses relating to the Digital Securities offered by the Issuer (including this Prospectus) are available on the Issuer's website at https://www.coinbase.com/tokenize and on the LA Disclosure Platform. For the avoidance of doubt, this Prospectus relates only to the Securities.

The Issuer confirms that there has been no significant change in the financial or trading position of the Issuer since the date of the unaudited special purpose statement of financial position.

8.3 Recent events of particular significance

In the view of the Issuer, there have been no recent events of particular significance since its incorporation that would be of material importance to the evaluation of the Issuer's solvency.

8.4 Legal and arbitration proceedings

Currently and during the period covering the last 12 months preceding the date of the Prospectus, there have not been any governmental, legal or arbitration proceedings or disputes (including any such proceedings which are pending or threatened of which the Issuer is aware) that may have, or have had in the recent past, a significant impact on the Issuer's financial position or profitability. With respect to the Coinbase Group, as a publicly listed company Coinbase has disclosed legal proceedings that it considers are material to the Coinbase Group at Note 21 (*Commitments and Contingencies*) of the Notes to its Consolidated Financial Statements included in Part II, Item 8 of this Annual Report on Form 10-K. which is available at https://s27.q4cdn.com/397450999/files/doc_financials/2025/q4/Form-10K-2025.pdf and incorporated by reference into the Prospectus.

9. OTHER INFORMATION RELATING TO THE ISSUER

9.1 Auditors

The Issuer's external Auditors are Deloitte & Touche (M.E.) LLP of Level 11, Al Sila Tower, Abu Dhabi Global Market Square, Al Maryah Island, Abu Dhabi, UAE. The Auditors are authorised and registered to conduct audit services in the ADGM.

Note that the Prospectus has not been audited or reviewed by the Auditors.

9.2 Connected Persons

Pursuant to Rule 7.3.2(1) of the Market Rules, the following persons are each deemed to be a "**Connected Person**" of the Issuer (i) Directors and individuals involved in the senior management of the Issuer and/or of any controller of the Issuer, and (ii) persons owning (legally or beneficially) or controlling (directly or indirectly) voting securities carrying more than 5% of the voting rights of the Issuer or a controller of the Issuer.

For these purposes, a person is a "controller" of the Issuer if that person (the first person), either alone or with their associates, controls the majority of the voting rights in, or the right to appoint or remove the majority of the Issuer's Directors or any person who has similar control over the first person, including an ultimate controller of the first person.

As at the date of this Prospectus, the Connected Persons of the Issuer are:

(i) the Directors of the Issuer, being Jordan Fish and John D'Agostino;

(ii) OMHL, as the 100% direct shareholder of the Issuer and therefore a controller of the Issuer on the basis that it controls the majority of the voting rights in the Issuer;

(iii) the directors of OMHL, being Shaun Martinak and John D'Agostino, on the basis that they are individuals involved in the senior management of a controller of the Issuer;

(iv) Coinbase, as the ultimate holding company of the Issuer and therefore a controller of the Issuer on the basis that it controls the majority of the voting rights in OMHL; and

(v) the directors of Coinbase, being Brian Armstrong, Fred Ehrsam, Fred Wilson, Marc Andreessen, Gokul Rajaram, Christa Davies, Kelly Kramer, Chris Lehane, and Tobias Lutke, on the basis that they are individuals involved in the senior management of a controller of the Issuer.

As a publicly listed company, Coinbase is required to disclose information regarding the beneficial ownership of its common stock within its Proxy Statement prepared pursuant to section 14(a) of the Securities Exchange Act and filed with the SEC on an annual basis. Coinbase's latest filings with the SEC are available on its website at https://investor.coinbase.com/financials/sec-filings/default.aspx. The content of that website is not incorporated by reference into the Prospectus and is not verified by the Issuer.

As of the date of the Prospectus, no Connected Person has voting rights different from those of the Issuer's shareholders.

As of the date of the Prospectus, the Issuer is not aware of any arrangements, the operation of which may at a subsequent date result in a change in control of the Issuer. Coinbase indirectly owns 100% of the shares in the Issuer and measures are therefore not required to prevent abuse of its control.

10. MATERIAL CONTRACTS

The Issuer has entered into the following contracts that are material to its business activities.

(i) *Tokenisation Services Agreement*. The Issuer and OML as Tokenisation Entity entered into an agreement effective as of 1 July 2026, and as amended from time to time, that covers the provision of the Tokenisation Services by the Tokenisation Entity to the Issuer. The agreement between the Issuer and the Tokenisation Entity is on arm's length terms. Notwithstanding anything to the contrary contained in the Tokenisation Services Agreement, the maximum liability of either party to the Tokenisation Services Agreement from all causes of action and under all theories of liability (with the exception of cases of gross negligence, fraud, or wilful misconduct) will be limited to and will not exceed the fees paid to the Tokenisation Entity by the Issuer pursuant to the Tokenisation Services Agreement up to the date of the liability claim made. Subject to gross negligence, fraud, or wilful misconduct, the Tokenisation Entity shall hold the Issuer harmless and shall defend and indemnify the Issuer (and its officers, directors, and affiliates) from and against any direct loss, cost or expense, including reasonable legal fees, with respect to any third-party claim arising out of any act or omission of the Tokenisation Entity in connection with the performance of its duties under the Tokenisation Services Agreement. Subject to there being no breach of confidentiality under the Tokenisation Services Agreement, or to the extent such damages are paid or payable to a third party, under no circumstances and under no legal theory, whether in tort, contract or otherwise, shall either party be liable to the other party, or any other person for any indirect, special, incidental, exemplary, punitive, or consequential damages of any character or lost profit arising out of the Tokenisation Services Agreement including, without limitation, damages for loss of goodwill, work stoppage, computer failure or malfunction, even if such party shall have been informed of the possibility of such damages, or for any claim by any other party.

(ii) *Institutional Account Agreement with Alpaca (as Custodian and Broker)*. The Issuer has entered into an Institutional Account Agreement with Alpaca dated 30 July 2026, pursuant to which Alpaca acts as Broker and Custodian on behalf of the Issuer with respect to the Underlying and, where applicable, the Deposited Property. Alpaca's role as Custodian is distinct from its role as Broker. With respect to each role:

- As Custodian, Alpaca provides the segregated Custody Account(s) in which the Deposited Property is held. The Custodian must handle the Deposited Property with the customary care and diligence required. The Custodian is not permitted to engage in any securities lending or other proprietary transactions affecting the Deposited Property held in Custody Account(s). The Custodian shall have no right to assert any applicable rights of lien, retention, or other rights to retain any of the Deposited Property. Deposits are generally set-up for an unlimited period and will not expire in the event of loss of capacity to act or bankruptcy on the part of the Issuer. The Custodian will perform customary administrative services without special instruction by the Issuer. The Custodian shall be allowed to delegate its duties under the agreement to a third party, subject to the prior notification of the Issuer.

- As Broker to the Issuer, Alpaca executes purchases and sales of the Underlying on the Issuer's instruction in connection with the creation and redemption of Securities. Such brokerage transactions are executed on an execution-only basis. The Broker will provide the brokerage services prescribed under the Institutional Account Agreement with the customary care and diligence required.

Alpaca must remain duly registered and in good standing with the SEC and FINRA throughout the term of the Institutional Account Agreement. Other than for gross negligence or wilful misconduct, the Custodian's liability is limited to a contractually specified amount of direct losses; Alpaca bears no liability for consequential, third party or special losses.

Either party may terminate the agreement on prior written notice. The Institutional Account Agreement is governed by the laws of the State of New York.

(iii) *General Services Agreement*. The Issuer has entered into a General Services Agreement with Coinbase effective as of 1 July 2026, pursuant to which Coinbase provides certain administrative and operational support services to the Issuer. The services provided under the General Services Agreement include support with respect to finance, legal and compliance, technology, human resources, marketing and communications, data analytics and management, security and privacy support, customer support, corporate development, and business development matters. Such services must be provided in a timely and professional manner by appropriately trained persons using reasonable skill and care. The General Services Agreement includes provisions regarding the ongoing monitoring, reporting, and escalation of the services and related service levels.

Coinbase may subcontract the performance of all or part of the services subject to certain conditions specified in the General Services Agreement, including providing the Issuer with prior notice of any such subcontracting and giving the Issuer the opportunity to object. Coinbase remains responsible for the supervision and actions of any subcontractors.

The Issuer pays Coinbase a fee for the services provided calculated on an arm's length basis which is reviewed on a periodic basis and subject to adjustment to continuously reflect the arm's length standard. The General Services Agreement includes customary liability limitations and warranties, with carve outs for fraud, wilful misconduct and gross negligence. Either party may terminate the agreement on prior written notice. The General Services Agreement is governed by the laws of the State of California.

(iv) *Global Master Loan Agreement*. The Issuer has entered into a Global Master Loan Agreement with CCIL dated 30 July 2026, pursuant to which CCIL, as lender, will make available to the Issuer, as borrower and on an arm's length basis, cash loans of up to an aggregate of US$3,000,000, to be drawn in tranches in fiat currency or USDC at the request of the Issuer from time to time as determined by business need. Each advance constitutes a separate Loan under the GMLA, the commercial terms of which are agreed and recorded in a confirmation. No Loan may have a term of more than 360 calendar days. The Facility is uncollateralised. Collateral is specified as not applicable in the Schedule to the GMLA, and accordingly no collateral, margin, or equivalent-collateral obligations arise, and the Issuer's borrowing is unsecured. The Issuer pays CCIL a fee on each Loan, together with a late fee on any amount not repaid when due. In no circumstance would CCIL have recourse to the Securities or the Deposited Property under the terms of the GMLA.

The Facility is available for the general business purposes of the Issuer. CCIL is entitled to terminate any Loan and call for repayment on notice in accordance with the GMLA, and the Issuer is entitled to prepay a Loan on notice. Loans may be repaid without penalty, with the loan fee payable to the date of repayment. The GMLA contains customary events of default (including failure to pay a loan fee or late fee when due, subject to a one-day cure period, misrepresentation, and insolvency-related events), together with close-out, netting and default-valuation provisions under which, on an event of default, outstanding obligations are accelerated and determined as at the termination date, and tax gross-up provisions. The Issuer is not currently in default under the GMLA and is not aware of any circumstances likely to give rise to a default within the 12-month period following the date of this Prospectus. The GMLA, and non-contractual obligations arising out of or in connection with it, is governed by Irish law, and the courts of Ireland have exclusive jurisdiction.

There are no further material contracts that are not entered into in the ordinary course of the Issuer's business that could result in any member of the Issuer's group being under an obligation or entitlement that is material to the Issuer's ability to meet its obligations to Holders in respect of the Securities being issued.

11. REASONS FOR THE OFFER AND USE OF PROCEEDS

11.1 Reasons for the offer

The Issuer is an SPV established for the sole purpose of issuing Digital Securities. It does not carry on any independent commercial business, and the Offer is not made to raise working capital or financing for the Issuer's own operations. The purpose of the Offer is to issue Securities to Authorised Participants, on a continuous basis and in accordance with the Authorised Participant Agreements, which provide Holders with economic exposure to the Underlying in a tokenised form that can be held and transferred on a Blockchain Network and traded in DeFi Markets or otherwise used in Dapps. The Securities are issued on an unsponsored basis: the Underlying Issuer is not a party to, and has not approved or participated in, the Offer or the issuance of the Securities. The Offer is made in the ADGM and exclusively to Authorised Participants.

11.2 Use of proceeds

The Issuer is established for the sole purpose described above and is not expected to generate profits. The sufficiency of the Issuer's resources to meet its costs is addressed in section 6.2 of the Prospectus.

The Securities are offered on a continuous basis and the number in issue varies with creation and redemption activity. Accordingly, the total proceeds of the Offer are not fixed and cannot be determined as at the date of this Prospectus.

The Issuer applies the proceeds of each creation of Securities (net of fees, described below) solely to acquire the corresponding Underlying (or, where a creation order is settled in kind, takes delivery of the Underlying so delivered), which it holds in the Custody Account on trust for the benefit of Registered Owners in accordance with the Deed of Trust and the Terms and Conditions. The Issuer does not retain the subscription proceeds for its own account, and does not apply them for any purpose other than acquiring and holding the Underlying. The Securities are backed by the Underlying so held, initially on a one-to-one basis, subject to the Deposit Ratio, which is expected to increase over time as dividends and other distributions received in respect of the Underlying are reinvested by the Issuer in acquiring further Underlying. Accordingly, the Issuer does not expect to receive or retain net cash proceeds from the issuance of the Securities.

Estimated costs

The Issuer's fees, costs, and expenses are funded through creation fees and other fees payable under the Authorised Participant Agreements and the Terms and Conditions. The Issuer's estimated fees, costs and expenses for the 12-month period following the date of the Prospectus are as follows:

Cost item	Estimate (US$)
Tokenisation Entity fees	1,000,000
Issuer audit fees	100,000
Legal fees	650,000
Regulatory costs (calculated in accordance with the FSRA's Fees Rulebook, Rule 9.1)	1,166,000
Total estimated costs (first 12 months)	**2,916,000**

Estimated revenue and funding arrangements

The Issuer is an SPV established for the sole purpose of issuing Digital Securities and is not expected to generate profits. The Issuer's projected revenue for the 12-month period following the date of this Prospectus, which it expects to generate primarily through creation, redemption, and distribution fees, is US$120,000. This estimated revenue against estimated costs of US$2,916,000 results in an estimated loss of approximately US$2,796,000 for the 12-month period following the date of this Prospectus.

Under the Global Master Loan Agreement, CCIL has made a US$3,000,000 Facility available to the Issuer for the purpose of funding the Issuer's ongoing operational costs. The Issuer may also receive capital injections from time to time from the Coinbase Group until such time as the Issuer is capable of independently funding its operating costs.

No other external or intra-group funding arrangements are contemplated as at the date of this Prospectus.

12. DESCRIPTION OF THE PRODUCTS

12.1 Type of securities offered

The Securities constitute "Certificates representing certain Financial Instruments" for the purposes of paragraph 92 of Schedule 1 of FSMR. Each Security represents a pro rata beneficial interest in the Deposited Property (as a whole) attributable to the Securities held by the Issuer on trust for Registered Owners in accordance with the Deed of Trust and the Terms and Conditions. The Securities do not constitute direct investments in the Underlying. The Securities:

(i) are issued by the Issuer pursuant to the Terms and Conditions and the Deed of Trust;

(ii) are issued in uncertificated form through a Relevant System operated in accordance with the Uncertificated Securities Rules; and

(iii) are evidenced operationally through tokens recorded on a Blockchain Network (although such tokens do not constitute separate securities or independent financial instruments and are used solely as part of the operational infrastructure of the Relevant System operated by the Tokenisation Entity in its capacity as CSD).

The Deposited Property is intended to primarily consist of Deposited Underlying.

In the ordinary course, any dividends or other distributions received by the Issuer with respect to Deposited Underlying, net of withholding tax and distribution fees, will be reinvested to acquire additional Underlying (as described further in section 12.6). The number of Deposited Underlying relative to Securities may therefore increase over time due to this reinvestment process.

The value and trading price of the Securities on DeFi Markets is expected to be influenced by changes in the market price of the Underlying, although the performance of holding the Securities may differ from that of direct ownership of the Underlying due to fees, expenses, taxes, reinvestment mechanics, trading dynamics, and other factors described in the Prospectus.

The Securities do not constitute shares in the Issuer and do not form part of the Issuer's share capital. The Securities do not confer any voting rights in the Issuer, any claim to assets that are beneficially owned by the Issuer, or any rights to subscribe for other securities of the Issuer. No pre-emptive or other subscription rights apply to the Securities.

The Securities do not bear interest.

The Securities do not have a fixed maturity date.

The Securities are not admitted to trading on any stock exchange, multilateral trading facility, organised trading facility, or other centralised trading venue (whether in the ADGM or elsewhere).

12.2 **Trust structure and deposited property**

The Securities are structured through a trust arrangement established pursuant to the Deed of Trust and the Terms and Conditions.

The Deposited Property is held by the Custodian in segregated Custody Account(s) in the Issuer's name. Under the Deed of Trust and the Terms and Conditions, the Issuer holds this interest in the Deposited Property as bare trustee for the benefit of Registered Owners of the Securities. Vested Holders are recorded in the Legal Register as Registered Owners and therefore hold a pro rata beneficial interest in the Deposited Property as a whole in proportion to the Securities they hold.

The Issuer is recorded as the Registered Owner of Unvested Securities, which it holds as bare trustee for the benefit of the relevant Unvested Holders until such time as they satisfy the Vesting Conditions. Unvested Holders therefore have a beneficial interest in the Unvested Securities they hold but are not recorded in the Legal Register as Registered Owners of the Securities unless they satisfy the Vesting Conditions.

The Deposited Property is intended primarily to comprise:

(i) the Deposited Underlying (which may increase due to the reinvestment of any distributions received with respect to Deposited Underlying);

(ii) cash distributions received in respect of the Deposited Underlying;

(iii) additional securities or property received in respect of the Deposited Underlying; and

(iv) other assets attributable to the Securities from time to time.

The rights of Holders are limited to the rights expressly set out in the Terms and Conditions and the Deed of Trust. Holders do not have direct legal ownership of any specific Underlying or other Deposited Property and do not have direct rights against the Underlying Issuer.

12.3 **ISIN number**

The ISIN for the Securities is AE000A4AWGY7.

12.4 **Currency of the Securities**

The currency denomination of the Securities is USD.

12.5 **Deposit Ratio**

(a) **General**

The Deposit Ratio is the number or fraction of Underlying represented by one Security and is determined by dividing the total number of Deposited Underlying by the total number of Securities in issue.

The Deposit Ratio will start at 1:1 (i.e., each Security will correspond to one Deposited Underlying) for the first Securities created pursuant to the Offer. However, the Deposit Ratio is subject to adjustment in the manner described in this section. Each creation of Securities occurs at the Deposit Ratio prevailing at such time.

The Deposit Ratio may be adjusted by the Issuer from time to time to reflect changes affecting the Deposited Property, in accordance with the Terms and Conditions, including (without limitation):

(i) the deduction of fees, charges, expenses, taxes, and other costs;

(ii) corporate actions affecting the Underlying (such as stock splits, bonus issues, mergers, or reorganisations); and

(iii) the receipt and application of distributions in accordance with Condition 6 (*Distributions*) of the Terms and Conditions.

In particular, where the Issuer or the Custodian receives any cash dividend, distribution, or other amount in respect of the Deposited Underlying, such amounts, net of applicable taxes, fees, and expenses, will, to the extent practicable and subject to Applicable Law, be applied to acquire additional Underlying. Any such Underlying will form part of the Deposited Property. Rather than distributing such amounts to Holders, the Issuer will adjust the Deposit Ratio so that each Security represents a proportionately increased interest in the Deposited Property.

Similarly, where the Issuer receives distributions in the form of shares of the Underlying Issuer or other securities (such as rights issues or shares issued due to a demerger or spinoff), such assets will generally be added to the Deposited Property and reflected through an adjustment to the Deposit Ratio.

As a result, Holders do not have a direct entitlement to receive cash or other distributions from the Underlying. Instead, the economic effect of such distributions is reflected through changes to the Deposit Ratio and, consequently, to the value of the Securities.

Adjustments to the Deposit Ratio are determined by the Issuer acting in a commercially reasonable manner and in accordance with the Terms and Conditions. Such adjustments are binding on all Holders and may be made without the consent of Holders. Any adjustment to the Deposit Ratio will be promptly disclosed by the Tokenisation Entity (in its capacity as Reporting Entity) on the LA Disclosure Platform and published on the Issuer's website: https://www.coinbase.com/tokenize.

Further details regarding the adjustment of the Deposit Ratio and the treatment of distributions are set out in Condition 4 (*Deposit Ratio and adjustments*) and Condition 6 (*Distributions*) of the Terms and Conditions.

(b) **Adjustment rules**

An "**Adjustment Event**" is an event affecting the Underlying, the Underlying Issuer, or the Deposited Property that, in the opinion of the Issuer, requires an adjustment to the Securities. An Adjustment Event may include, but is not limited to, changes in nominal value or any subdivision, combination or any other reclassification of the Underlying, recapitalisation, reorganisation, sale of assets substantially as an entirety, merger or consolidation affecting the Underlying Issuer or to which it is a party, which makes it impossible to determine the Deposit Ratio or leads to the fact that the Deposit Ratio can no longer be determined on a regular basis or any other event affecting the Underlying, the Underlying Issuer, or the Deposited Property that, in the opinion of the Issuer, requires an adjustment to the Securities.

The Issuer shall, acting in a commercially reasonable manner and without the necessary consent of Holders, determine whether such an Adjustment Event has occurred.

Adjustment actions can be taken with regards to Redemption Rights, the Underlying, and/or any other variable relevant to the redemption, settlement, or payment terms of the Securities.

The Tokenisation Entity (in its capacity as Reporting Entity) will provide due notice of any Adjustment Event and details of any associated actions by way of disclosure on the LA Disclosure Platform and publication on the Issuer's website: https://www.coinbase.com/tokenize.

(c) **Other actions following Adjustment Event**

Upon (i) any change in nominal value or any subdivision, combination, or any other reclassification of the Underlying, (ii) any recapitalisation, reorganisation, sale of assets substantially as an entirety, merger or consolidation affecting the Underlying Issuer or to which it is a party, or (iii) the redemption by the Underlying Issuer at any time of any or all of the Underlying, then and in any such case, the Issuer shall have the right to exchange or surrender such Underlying and accept and hold hereunder in lieu thereof other shares, securities, cash, or property to be issued or delivered in lieu of or in exchange for, or distributed or paid with respect to, such Underlying. Upon any such exchange or surrender, the Issuer shall have the right, in its sole and absolute discretion, to call for surrender of the Securities in exchange (upon payment of fees and expenses of the Issuer) for one or more new Securities of the same form and tenor as the relevant Security but describing the substituted Underlying. In any such case the Issuer shall have the right to fix a date after which the original Security shall only entitle the Holder to receive such new Security or Securities.

The Issuer shall provide notice of any redemption of Underlying to the Holders, provided that in the case of any redemption of less than all of the Underlying, the Issuer shall select in such manner as it shall determine an equivalent number of Securities to be redeemed and shall provide notice of redemption only to the Holders selected. The sole right of the Holders designated for redemption after the provision of such notice of redemption shall be to receive the cash, rights, and other property applicable to the same, upon surrender to the Issuer (and upon payment of its fees and expenses) of the Securities.

12.6 Distributions

Until the surrender of the Security and subject always to Applicable Law, the Terms and Conditions, and the Deed of Trust, the Issuer shall deal with any distributions of cash, Underlying, or other securities or property (other than subscription or other rights) received in respect of the Deposited Underlying represented by the relevant Security in the manner set out below:

(i) *Cash distributions*. In lieu of making any distribution of cash to Holders, the Issuer shall, to the extent practicable and in such manner as it shall determine, apply the amount of any cash distribution (net of any fees, charges and expenses of the Issuer and any taxes or governmental charges required to be withheld) to purchase additional Underlying on the Underlying Listing Venue. Any Underlying so acquired shall be deposited and held as additional Deposited Underlying and the Issuer shall effect such adjustment to the Deposit Ratio as it shall determine to be appropriate to reflect proportionately the economic benefit of such cash distribution.

(ii) *Distributions of Underlying*. In lieu of distributing any Underlying to Holders, the Issuer shall cause such Underlying (net of applicable fees, charges, expenses and taxes) to be deposited and held as additional Deposited Underlying and shall effect such adjustment to the Deposit Ratio as it shall determine to be appropriate so that the interests of the Holders are proportionately adjusted to reflect such distribution.

(iii) *Other securities or property*. Where the Issuer receives any distribution of securities or property other than cash or Underlying, the Issuer may, to the extent practicable, sell such securities or property at such time and in such manner as it shall determine and apply the net proceeds thereof (after deduction or upon payment of any fees, charges, expenses, and taxes) in accordance with paragraph (i) above or, if such sale is not practicable, hold such securities or property as Deposited Property and make such adjustment as contemplated in paragraph (ii) above.

(iv) *Subscription or other rights*. The Issuer may, in its discretion (A) exercise any subscription or other rights and treat any resulting Underlying in accordance with paragraph (ii) above, (B) sell such rights and apply the net proceeds thereof in accordance with paragraph (i) above, or (C) permit such rights to lapse, in each case in such manner as it shall determine.

(v) *Limitations and compliance*. Notwithstanding the foregoing provisions, the Issuer shall not be obliged to take any action with respect to any distribution or right if it shall determine that such action is not lawful or not reasonably practicable or if it has not received such satisfactory assurances (which may include an opinion of counsel) as it may require that such action will not result in any violation of the Securities Act or any other Applicable Law. In such event, the Issuer may deal with such distribution, property, or rights in such manner as it shall determine, including by making a distribution to Vested Holders or holding the same uninvested and without liability for interest.

(vi) *Fractional entitlements*. In making any adjustment, the Issuer may make such rounding or other adjustments as it shall determine to be appropriate and shall not be obliged to distribute fractional entitlements.

12.7 **Reports of Underlying Issuer; Voting rights**

The rights and accommodations referred to in this section shall be strictly limited to Vested Holders and shall not, in any circumstances, be made available to Unvested Holders.

As of the date of the Prospectus, the Directors believe, based on limited investigation, that the Underlying Issuer either (i) is subject to the periodic reporting requirements of the Securities Exchange Act and, accordingly, files reports with the SEC, or (ii) publishes information in English on its internet website or another electronic information delivery system generally available to the public in its primary trading market, in either case in compliance with Rule 12g3-2(b) under the Securities Exchange Act as in effect and applicable to that Underlying Issuer at that time. However, neither the Directors, nor the Issuer (i) assumes any duty to determine if the Underlying Issuer is complying with the current requirements for periodic reporting under the Securities Exchange Act or publishing information under Rule 12g3-2(b) under that Act or to take any action if the Underlying Issuer is not complying with those requirements, or (ii) makes any representation as to the accuracy or completeness of, or takes any responsibility for verifying, the content of any such reports or information.

The Issuer shall be under no obligation to give notice to the Holders of any meeting of shareholders or of any report of or communication from the Underlying Issuer, or of any other matter concerning the affairs of such Underlying Issuer, except as expressly provided in the Terms and Conditions. The Issuer may make available for inspection by Holders any reports and communications and other information relating to the Underlying Issuer received by it in its capacity as holder of the Underlying or made generally available to the holders of the Underlying by the Underlying Issuer from time to time. Neither the Issuer, Custodian, Tokenisation Entity, nor any person acting on their behalf in relation to the Securities, shall have any obligation to obtain, monitor, verify, update, or supplement any such information, nor does any of the foregoing guarantee the accuracy, completeness or timeliness thereof or assume any responsibility for any statements, omissions or errors contained therein.

Upon (i) the written request of a Vested Holder, received sufficiently in advance of a meeting of holders of the Underlying, and (ii) payment to the Issuer of the Issuer's fees and any expenses involved, the Issuer shall endeavour, in so far as practicable, subject to Applicable Law and the articles of association or similar constitutional documents of the Underlying Issuer, to vote or cause to be voted the amount of Deposited Underlying in accordance with the instructions set forth in that request. The Issuer shall not exercise any voting rights that may exist in respect of the Underlying except in accordance with instructions of that kind received from Vested Holders. The Issuer may, but assumes no obligation to, solicit instructions from Vested Holders as to the exercise of any voting rights with respect to the Deposited Underlying. The Issuer shall be under no obligation to take any action unless it receives instructions in sufficient time and form to permit such action.

12.8 **Settlement and form**

(a) **Uncertificated form**

The Securities are issued solely in uncertificated form in accordance with the Uncertificated Securities Rules. No certificate of title, nor any written instrument of transfer, will be issued in respect of the Securities. The use of the term "Certificate" in the Prospectus to refer to or describe the Securities subject to the Offer derives from relevant investment category under FSMR (being "Certificates representing certain Financial Instruments") and does not imply that any certificate of title to the Securities exists or will be issued.

(b) **Relevant System**

For the purposes of ADGM law, legal title to the Securities is evidenced and transferred through a computer-based system and procedures, referred to in the Uncertificated Securities Rules as a "Relevant System". The Relevant System is operated on behalf of the Issuer by the Tokenisation Entity (in its capacity as CSD) and serves as the definitive means of evidencing and transferring title, without the need for written certificates of title or instruments of transfer. The systems and procedures comprising the Relevant System include:

(i) the Legal Register maintained by the Tokenisation Entity to record legal title to the Securities; and

(ii) off-chain and on-chain systems, procedures, and controls administered by the Tokenisation Entity as CSD, including reconciliation procedures and Vesting Conditions (accomplished in coordination with and through the Custodian as it relates to the Underlying).

The Relevant System therefore includes the Legal Register which constitutes the definitive and exclusive record of legal title to the Securities. No physical certificates or written instruments of title will be issued in respect of the Securities.

The Securities are evidenced operationally through tokens recorded on a Blockchain Network. Such tokens do not constitute separate securities or independent financial instruments but serve solely to facilitate and evidence the holding, vesting, registration, and transfer of the Securities as part of the Relevant System and in accordance with the Terms and Conditions.

Accordingly, the legal rights of Holders arise from the Securities and the Terms and Conditions, and not from ownership or control of any token as such and Blockchain Networks are operational mechanisms supporting the Relevant System. The Tokenisation Entity carries out intraday reconciliation procedures in its capacity as CSD. To the extent of any inconsistency between records on the Blockchain Network and the Legal Register, the Legal Register shall prevail.

Subject always to the Tokenisation Entity's obligation to maintain the integrity of the Securities issue in its capacity as CSD, the Tokenisation Entity may modify the rules and procedures of the Relevant System from time to time, including by supporting more than one Blockchain Network. Any material modifications to the Relevant System affecting Holders will be brought to the attention of Holders by the Issuer in an appropriate manner, including by disclosure on the LA Disclosure Platform in accordance with Condition 17 (*Notices*) or by filing a supplemental prospectus where so required in accordance with section 65 of FSMR.

(c) **Role of Tokenisation Entity as CSD**

Operator of Relevant System

The Tokenisation Entity is authorised to act as a CSD and therefore qualifies as an FSRA-authorised person that operates a Relevant System within the meaning of Rule 7 of the Uncertificated Securities Rules.

Under the terms of the Tokenisation Services Agreement, the Tokenisation Entity is subject to certain recordkeeping and other obligations in relation to the Securities that are consistent with Chapters 10 and 17 of the Conduct of Business Rules. These obligations include the maintenance of a definitive record of legal title (i.e., the Legal Register), the preservation of the integrity of the issue of the Securities, and the reconciliation of holdings, in each case as further described below.

Legal Register and finality of title

The Legal Register constitutes the definitive and exclusive record of legal title to the Securities. An entry in the Legal Register is prima facie and sufficient evidence of the matters in respect of which it is made, including that the person recorded as holding a Security has legal title to that Security, in accordance with Rule 9(1) of the Uncertificated Securities Rules.

Legal title to the Securities is recorded in the Legal Register as follows:

(i) legal title to each Vested Security is recorded in the name of the relevant Vested Holder, such Vested Holder having satisfied the Vesting Conditions; and

(ii) legal title to each Unvested Security is recorded in the name of the Issuer, which holds that legal title on trust for the Unvested Holders as a class, in accordance with the Terms and Conditions. An Unvested Holder may realise the benefit of that trust only by satisfying the Vesting Conditions and being entered in the Legal Register as the Vested Holder of the relevant Security.

A transfer of legal title to the Securities becomes final and irrevocable upon the updating of the Legal Register in accordance with the procedures of the Relevant System, save in the case of error or fraud, in accordance with Rule 9(2) of the Uncertificated Securities Rules. The point at which an entry in the Legal Register becomes final is mapped to the transaction finality rules of the Blockchain Network, so that finality under the Relevant System is treated consistently with finality on the Blockchain Network.

Reconciliation and integrity of the issue

The Tokenisation Entity maintains systems, procedures, and controls designed to preserve the integrity of the issue of the Securities and to prevent the unauthorised creation, deletion, or duplication of Securities.

The Tokenisation Entity performs intraday reconciliations of the positions recorded on the Blockchain Network against the Legal Register, consistent with COBS 10.3.3, in order to verify that, at all times, the total number of Securities in issue equals the aggregate of the:

(i) Vested Securities recorded in the Legal Register in the names of Vested Holders; and

(ii) Unvested Securities recorded in the Legal Register in the name of the Issuer.

The Relevant System does not permit any holding or account to reflect a negative or debit balance, and no Security may be recorded otherwise than against a corresponding Security in issue. Where the reconciliation identifies a discrepancy between the positions recorded on the Blockchain Network and the Legal Register, the Tokenisation Entity applies its exception-handling procedures to investigate and resolve the discrepancy. Pending resolution, the Legal Register prevails for the purpose of determining legal title to the Securities.

Intervention and enforcement powers

The Issuer, acting through the Tokenisation Entity, retains the ability throughout the life of the Securities to intervene in respect of the Securities, including by means of freeze, pause, and address-restriction (blacklist) functions operated at the level of the Relevant System and the Blockchain Network. These functions may be exercised without the cooperation of the relevant Holder and may be exercised irrespective of whether the affected Securities are Vested Securities or Unvested Securities.

Such intervention may be undertaken, among other things, in order to:

(i) comply with Applicable Law, including AML and sanctions obligations;

(ii) give effect to a direction, order, or request of a competent court, regulator, or other authority;

(iii) preserve the integrity of the issue of the Securities or address a discrepancy identified pursuant to the reconciliation procedures described above; or

(iv) give effect to the Vesting Conditions and the transfer restrictions described in the Terms and Conditions.

Where these functions are exercised in respect of an Unvested Security, the economic benefit to which the relevant Unvested Holder would otherwise be entitled under the trust may be suspended or otherwise affected accordingly.

(d) **Security vesting**

Vesting Conditions and procedure

Securities are designated as either "Vested" or "Unvested" depending on whether the relevant Holder has satisfied, and continues to satisfy, the Vesting Conditions.

Vesting relates to a Holder's (i) eligibility to be registered as the Registered Owner of Securities in the Legal Register, and (ii) eligibility to exercise rights attaching to the Securities directly. The Issuer is registered as the Registered Owner of Unvested Securities, which it holds as bare trustee for the benefit of Unvested Holders in accordance with the Deed of Trust and the Terms and Conditions. Unvested Holders may benefit from economic exposure to the Deposited Underlying by holding and transferring Unvested Securities but are not recorded as the Registered Owners of such Securities, and are not entitled to exercise rights attaching thereto, unless and until they satisfy the Vesting Conditions.

Vesting status may be suspended, revoked, or modified at any time if the Tokenisation Entity determines that any Vesting Condition is no longer satisfied by the relevant Holder.

In addition, Vested Holders are responsible for ensuring that they are practically capable of exercising rights attached to Vested Securities in accordance with Applicable Law. For example, a Vested Holder's ability to redeem Vested Securities is subject to such person having access to or providing a securities account or bank account to facilitate delivery of the Underlying or cash proceeds (as applicable) in settlement of a Redemption Order. Neither the Issuer, the Tokenisation Entity, nor the Custodian shall be obligated to facilitate the exercise of a Vested Holder's rights where it is not commercially reasonable to do so.

Limitation of rights attached to Unvested Securities

The rights attached to Unvested Securities are restricted and the claim of any Unvested Holder is limited to a right to become the Registered Owner thereof upon satisfaction of the Vesting Conditions. In particular, unless and until the Vesting Conditions have been satisfied, an Unvested Holder is not entitled to:

(i) redeem the Securities;

(ii) receive Termination Proceeds upon a Security Termination;

(iii) exercise any voting, consent, election, or information rights in connection with the Underlying; or

(iv) exercise such other rights and privileges as may be specified in the Terms and Conditions or determined by the Tokenisation Entity in accordance with Applicable Law.

Notwithstanding the restrictions described in this section, Unvested Holders may achieve economic exposure to the performance of the Underlying by holding or transferring Unvested Securities, subject to the restrictions on possession and transfer of Securities described in section 12.8. In the event of termination of the Securities, Unvested Holders may not be entitled to receive the Underlying directly and may instead receive cash proceeds only, if at all, and solely subject to compliance with the Vesting Conditions and Applicable Law.

(e) **Creation and redemption process**

General

The Issuer facilitates creations and redemptions of Securities in continuous primary market transactions through its contractual arrangements with Authorised Participants. Securities are typically created or redeemed by Authorised Participants in large blocks.

Creation by Authorised Participants pursuant to Authorised Participant Agreements is the sole means through which Securities may come into circulation. While redemptions of Securities will primarily be conducted by Authorised Participants, the ability to redeem the Securities is also available to Vested Holders, subject to the conditions with respect to Redemption Rights as set out in the Terms and Conditions.

Settlement of Securities creations and redemptions may occur in kind, in cash, or through such other settlement methods as may be permitted pursuant to the Authorised Participant Agreement, Terms and Conditions and Applicable Law. The Tokenisation Entity and the Custodian shall coordinate to (i) ensure that Deposited Underlying or other Deposited Property is received or transferred in tandem with the minting or burning actions reflecting the creation or redemption of Securities on the Blockchain Network, and (ii) regularly reconcile the Deposited Property held by the Custodian against On-Chain Data and the Legal Register to preserve the integrity of the Securities issue.

The detailed operational procedures relating to creation, transfer, settlement, vesting, and redemption may be amended or supplemented by the Issuer and the Tokenisation Entity from time to time, provided that such amendments do not materially adversely affect the rights of Holders attaching to the Securities.

Creation process

Creation by Authorised Participants pursuant to the Authorised Participant Agreements is the sole means through which Securities may come into circulation. An Authorised Participant may submit a creation order to the Tokenisation Entity in accordance with the terms of the Authorised Participant Agreement, which processes the order as arranger on behalf of the Issuer. The order is settled either (i) in cash, (ii) in USDC, or (iii) in kind, in each case in accordance with the Authorised Participant Agreement. The Issuer takes delivery of the Underlying in each case prior to creating the corresponding Securities and holds such Underlying in the Custody Account as bare trustee for the benefit of the Registered Owners. The Tokenisation Entity creates the Securities on behalf of the Issuer directly to the self-custodial wallet of the Authorised Participant from which a creation order was received. The number of Securities created is determined by reference to the Underlying acquired and the Deposit Ratio then applicable.

Redemption process

Subject to the Terms and Conditions, voluntary redemption of Securities may be available to Vested Holders that are not otherwise Authorised Participants. The Redemption Rights set out in the Terms and Conditions and the procedures therein, or as otherwise determined by the Issuer or the Tokenisation Entity in their sole and absolute discretion and made available to the Holders by way of disclosure on the LA Disclosure Platform and publication on the Issuer's website at https://www.coinbase.com/tokenize, shall govern the ability of Vested Holders to exercise such rights.

12.9 **Termination of Securities**

The Securities do not have a fixed maturity date. However, the Issuer may terminate all outstanding Securities in its sole and absolute discretion through exercise of a Security Termination in accordance with the Terms and Conditions. Upon termination of the Securities:

(i) no further Securities will be issued;

(ii) the Issuer may suspend transfers of Securities and operation of the Relevant System in relation to the Securities;

(iii) the Issuer may require all outstanding Securities to be redeemed, subject to the limitations in the Terms and Conditions; and

(iv) Holders will thereafter be entitled only to such rights as are expressly provided in the Terms and Conditions.

Where a Holder has not satisfied the applicable requirements for receipt of Termination Proceeds within ninety (90) days following the relevant Termination Date, the entitlement attributable to that Holder may, in accordance with the Terms and Conditions, be reallocated among other eligible Holders. As a result, a Holder that does not satisfy the applicable requirements within that period may lose some or all of its entitlement to Termination Proceeds.

The Issuer will not be obliged to make any payment or delivery where doing so would be unlawful, impracticable, or expose the Issuer, Tokenisation Entity, Custodian, or any relevant service provider to legal, regulatory or operational risk.

The Terms and Conditions also impose a separate limitation period following the relevant Termination Date, after expiry of which claims in respect of Securities, Deposited Property, or Termination Proceeds may become time-barred and the relevant Holder may cease to have rights in respect thereof.

12.10 **Key parties in relation to the Securities**

(a) **Issuer**

The Issuer is Coinbase Onchain SPV Ltd, a private company limited by shares incorporated in the ADGM and subject to the Companies Regulations. In its capacity as trustee, the Issuer shall hold the Deposited Property as bare trustee for the benefit of the Holders.

(b) **Custodian**

Role of the Custodian

The Custodian provides the Custody Account(s) to which the Underlying purchased by the Issuer, as well as cash amounts and other assets received by the Issuer in connection with the purchase and sale of the Underlying, are credited. The Issuer holds a beneficial interest in the Underlying in the Custody Account through the Custodian. The Custodian is, together with and subject to instructions by the Issuer, responsible for all matters in connection with corporate actions in the Underlying.

The role, responsibilities, and obligations of the Custodian are governed by the Institutional Account Agreement, details of which are set out in section 10 (*Material contracts*) of the Prospectus.

Information on the Custodian

Alpaca is an SEC-registered broker-dealer and a member of the FINRA and the SIPC, incorporated under the laws of the State of Delaware, U.S., and registered with the Delaware Division of Corporations. Alpaca will be acting as Custodian in respect of the Securities, holding the Deposited Property.

The Issuer may also appoint other licensed parties as Custodian. Details of parties appointed as Custodian from time to time will be disclosed by the Reporting Entity on the LA Disclosure Platform and published by the Issuer on its website: https://www.coinbase.com/tokenize.

The Custodian's principal place of business is at 12 E 49th St., Floor 11, New York, NY 10017, United States.

(c) **Broker**

Role of Broker

The Broker is a regulated securities broker providing brokerage services in connection with buying/selling the Underlying. The Broker's role is to purchase and sell the Underlying on the Underlying Listing Venue on instruction of the Issuer.

The role, responsibilities and obligations of the Broker are governed by the Institutional Account Agreement, details of which are set out in section 10 (*Material contracts*) of the Prospectus.

Information on the Broker

Alpaca will be acting as Broker for the Securities. The Issuer may also appoint other licensed parties as Broker. Details of parties appointed as Broker from time to time will be disclosed by the Reporting Entity on the LA Disclosure Platform and published by the Issuer on its website: https://www.coinbase.com/tokenize.

The Broker's principal place of business is at 12 E 49th St., Floor 11, New York, NY 10017, United States.

(d) **Tokenisation Entity**

Role of Tokenisation Entity

The role of the Tokenisation Entity is, inter alia, to provide the following services to the Issuer, pursuant to the Tokenisation Services Agreement, as may be amended from time to time ("**Tokenisation Services**"):

(i) mint the Securities in the network in accordance with the specifications defined by the Issuer;

(ii) deliver the Securities when required and as instructed by the Issuer;

(iii) burn Securities in case of redemptions;

(iv) develop and deploy smart contracts on different supported Blockchain Networks, as requested by the Issuer;

(v) security audits of blockchain smart contracts;

(vi) design and develop a web platform and software development kit for issuance and redemption procedures as well as interfacing such web platform and app to the other service providers as described in the Prospectus to the extent required and instructed by the Issuer;

(vii) design and develop an administration platform for the Issuer to overview the status of the Securities and the market;

(viii) operate the Relevant System and conduct intra-day reconciliation procedures in accordance with COBS 10.3.3 and other functions in its capacity as CSD (as further described in section 12.8(c) above);

(ix) oversee and verify the satisfaction of Vesting Conditions by Holders; and

(x) maintain the Legal Register recording the Registered Owners of Securities.

Providing Tokenisation Services therefore means providing the technical solution for tokenisation to the Issuer. However, the Tokenisation Entity is neither acting as the issuer nor offeror of the Securities. In addition, as an FSRA-authorised person, the Tokenisation Entity will also provide the Issuer with support for regulated functions such as providing compliance and AML services, maintaining the Legal Register and ensuring that all functions are properly satisfied through the tokenisation process.

The role, responsibilities and obligations of the Tokenisation Entity are governed by the Tokenisation Services Agreement, details of which are set out in section 10 (*Material contracts*) of the Prospectus.

Information on the Tokenisation Entity

The Tokenisation Entity, namely Onchain Marketplace Limited, is an affiliate of the Issuer and a wholly owned subsidiary of OMHL. OMHL is a wholly owned subsidiary of Coinbase, a publicly traded company listed on Nasdaq (ISIN: US19260Q1076).

The registered office of the Tokenisation Entity is at DD-16-121-040, Level 16, Al Khatem Tower, WeWork Hub71, Abu Dhabi Global Market Square, Abu Dhabi, Al Maryah Island, United Arab Emirates.

(e) **Future service providers**

The Issuer may in the future outsource to certain service providers such other functions as it deems reasonably necessary in its sole and absolute discretion and without the consent of the Holders. Details of any additional service providers appointed by the Issuer that may be material to Securities or Holders will be communicated on the Issuer's website at https://www.coinbase.com/tokenize and disclosed by the Reporting Entity on the LA Disclosure Platform.

(f) **Potential conflicts of interest**

The Tokenisation Entity is an affiliate of the Issuer and forms part of the Coinbase Group. Members of the Coinbase Group may from time to time perform multiple roles in relation to the Securities, the Underlying, blockchain infrastructure, digital asset infrastructure, custody arrangements, wallet services, transaction settlement, technology services, liquidity provision, brokerage, financing, staking, tokenisation, data services, index services or other activities relating to digital assets or Financial Instruments (for the purposes of FSMR).

Accordingly, actual or potential conflicts of interest may arise between the interests of the Issuer, the Tokenisation Entity, other members of the Coinbase Group, Holders, Authorised Participants, liquidity providers, or other market participants.

Without limitation, members of the Coinbase Group may:

(i) act as service or technology provider to, or participant or stakeholder in, Blockchain Networks or DeFi Markets on which the Securities or related digital assets may be traded or made available;

(ii) provide custody, brokerage, execution, wallet, liquidity, financing, or other services in relation to digital assets or the Securities;

(iii) receive fees, spreads, commissions, or other compensation from activities connected with the Securities;

(iv) act for their own account or for the account of clients in transactions involving the Securities, the Underlying, or related digital assets;

(v) hold long or short positions or otherwise have economic interests in the Securities, the Underlying, or related digital assets; and

(vi) develop, sponsor, promote, or support products or services that compete with or differ from the Securities.

The Issuer, the Tokenisation Entity, and other members of the Coinbase Group may enter into commercial arrangements and transactions involving the Securities or related services in the ordinary course of business and may have interests that differ from those of Holders. Neither the Tokenisation Entity nor any member of the Coinbase Group is under any obligation to act solely in the interests of Holders, and any conflicts of interest may not be resolved in favour of Holders. The Issuer and the Tokenisation Entity will seek to identify and manage conflicts of interest in accordance with Applicable Law and internal policies and procedures. However, there can be no assurance that any conflicts of interest will be identified or resolved in favour of Holders. The existence of any such conflicts could adversely affect the value, liquidity, trading price, availability, or market for the Securities.

12.11 Commissions, costs and fees to be borne by Holders

The Issuer may charge any party depositing or withdrawing Underlying, any party transferring or surrendering Securities, any party to whom Securities are issued (including issuance pursuant to a stock dividend or stock split or an exchange of stock or distribution in accordance with the Terms and Conditions) or Holders, as applicable (i) fees for the delivery or surrender of Securities and deposit or withdrawal of Underlying, (ii) fees for distributing cash, Underlying, or other property received in respect of Deposited Underlying, (iii) taxes and other governmental charges, (iv) registration or custodial fees or charges relating to the Underlying, (v) cable, telex, and facsimile transmission expenses, (vi) foreign currency conversion expenses and fees, (vii) depositary servicing fees, (viii) fees and expenses for voting Deposited Underlying, and (ix) any other fees or charges incurred by the Issuer or its agents in connection with the Securities. The Issuer's fees and charges may differ from those of other entities acting as issuers or depositaries in respect of similar securities. The Issuer reserves the right to modify, reduce, or increase its fees upon thirty (30) days' notice to Holders.

Holders and Authorised Participants may, as applicable, be subject to the following costs and fees in connection with the Securities:

(i) *Creation fee*. The Issuer will charge a creation fee of 0.01% (1 basis point) of the invested amount (being the aggregate market price of Underlying delivered to the Custody Account) in connection with the creation of Securities.

(ii) *Redemption fee*. The Issuer will charge a redemption fee of 0.05% (5 basis points) of the redemption amount in respect of a Redemption Order, being (i) where redemption is settled in kind, the aggregate market price of Underlying, or (ii) where redemption is settled in cash or stablecoins, the aggregate proceeds received by the Issuer as trustee in connection with the sale of Underlying, in each case represented by the Securities the subject of the Redemption Order.

(iii) *Tax and withholding*. U.S. withholding tax on dividends is currently 30% for non-U.S. Holders (unless reduced by applicable treaty) and is deducted before reinvestment in accordance with the distribution mechanism described at section 12.6 above. No UAE withholding tax is applicable at the current time.

(iv) *Distribution fee*. The Issuer will charge a fee of 5.0% of the gross aggregate value of any dividends or other distributions received by the Issuer in respect of Deposited Underlying, before any withholding, deductions, or reinvestment in accordance with section 12.6 above.

In accordance with the Terms and Conditions, the Issuer may modify or supplement the fees referred to herein. Any such changes to the fees will be disclosed by the Reporting Entity on the LA Disclosure Platform and published on the Issuer's website: https://www.coinbase.com/tokenize.

12.12 **Legislation under which Securities are created**

The Issuer has chosen ADGM law as the Applicable Law for the offering and issuance of the Securities. The form, issuance, transfer, and cancellation of the Securities, as well as the creation and registration of proprietary, security, or other interests in Securities and the legal effects of such interests, are therefore governed by and shall be construed in accordance with ADGM law (without reference to principles of conflicts of law rules).

The primary legislation governing the offering of the Securities in the ADGM is FSMR and the Market Rules. The activities of the Tokenisation Entity in its capacity as CSD are governed by FSMR and the Conduct of Business Rules.

In addition, the Issuer is incorporated under the Companies Regulations which is the primary legislation governing company law in the ADGM. The Uncertificated Securities Rules govern, among other things, the form of the Securities and the rules for transferring, evidencing, and registering title to, the Securities.

The Securities are issued in accordance with the resolution of the Board of Directors on 3 September 2026.

12.13 **Information concerning the Underlying**

The Securities derive their value from the value of the Deposited Property, which is determined by reference to the Underlying. The Underlying is in the form of book-entry securities. The following is information concerning the Underlying:

Underlying Issuer	The issuer of the Underlying is Strategy Inc.
Jurisdiction of incorporation of Underlying Issuer	The State of Delaware, U.S.
Principal office of Underlying Issuer	1850 Towers Crescent Plaza, Tysons Corner, Virginia 22182, United States.
Legal Entity Identifier (LEI) of Underlying Issuer	549300WQTWEJUEHXQX21.
Description of Underlying	Shares of Class A common stock.
Primary Underlying Listing Venue	The Underlying are listed on Nasdaq.
Trading symbol on Underlying Listing Venue	MSTR.
Other security identifiers	ISIN: US5949724083.
Currency of denomination of Underlying	The Underlying are denominated in USD.

Public disclosure source	www.strategy.com/investor-relations and www.nasdaq.com/market-activity/stocks/mstr See section 12.7 (*Reports of Underlying Issuer; Voting rights*).

The Securities are not sponsored, endorsed, sold, or promoted by the Underlying Issuer. The information set out above regarding the Underlying has been derived from publicly available sources. The Issuer has not independently verified such information and accepts no responsibility for its accuracy, completeness, or continued availability.

12.14 Courts of competent jurisdiction

In relation to any proceedings in respect of the Securities issued under the Prospectus, the Issuer agrees (and each Holder of the Securities, upon receipt of the Securities, shall be deemed to agree) that the courts of the ADGM shall have non-exclusive jurisdiction to hear and determine any action or proceeding arising out of or in connection with the Securities issued under the Prospectus and for that purpose the Issuer and each Holder of the Securities irrevocably submit to the jurisdiction of the courts of the ADGM.

13. GENERAL INFORMATION RELATING TO THE OFFER

The Offer is made by the Issuer to Authorised Participants under and subject to the Prospectus. The Offer is made in the ADGM, and no Offer is made outside the ADGM or by any person other than the Issuer.

Persons other than Authorised Participants do not participate in the Offer and may not place creation orders for Securities with the Issuer. Such persons may acquire Securities only in DeFi Markets or otherwise on Blockchain Networks through secondary acquisitions from Authorised Participants or other Holders and will hold them as Unvested Holders unless and until they satisfy the Vesting Conditions. Such secondary acquisitions do not form part of the Offer, are not made by the Issuer, and are subject to the transfer and holding restrictions described in section 14.1 below.

The Securities constitute "Certificates representing certain Financial Instruments" within the meaning of paragraph 92 of Schedule 1 to FSMR. The Securities are deemed to be "securities" for the purposes of FSMR by the FSRA pursuant to a written determination under section 58(2)(b) of FSMR. Securities may be created and acquired in fractional amounts. As further described in section 12.8, legal title to Securities does not pass to persons who acquire them in DeFi Markets as Unvested Holders unless and until they satisfy the Vesting Conditions. Any such Securities held by an Unvested Holder are Unvested Securities, which constitute "Rights to or interests in investments" within the meaning of paragraph 98 of Schedule 1 to FSMR and are also deemed to be "securities" for the purposes of FSMR.

The Prospectus is prepared for the purpose of section 61(4)(a) of FSMR in connection with the Offer of the Securities in the ADGM and contains information on the terms of the Offer and the Securities that the Board considers relevant to enable Authorised Participants to decide whether to subscribe. The Prospectus does not constitute an Offer of Securities to any person other than an Authorised Participant and the Securities are not admitted to trading on a Recognised Investment Exchange. However, the Prospectus (in addition to any information made available by the Reporting Entity on the LA Disclosure Platform in accordance with its continuous disclosure obligations) is made publicly available so that Holders and persons considering the secondary acquisition of Securities in DeFi Markets may inform themselves of the terms of, and risks relating to, the Securities.

13.1 Summary of the Offer

Number of Securities offered:	The Securities are offered on a continuous basis. The number of Securities in issue at any time will depend upon creation and redemption

	activity and may increase or decrease from time to time in accordance with market demand. Accordingly, no maximum number of Securities applies to the Offer. However, the total number of Securities that may be issued is theoretically limited by the total number of Underlying in issue and the Deposit Ratio from time to time.
Price or price range of the Securities:	Securities are issued at the applicable issue price upon receipt of a creation order submitted by an Authorised Participant pursuant to the relevant Authorised Participant Agreement. The issue price is calculated as follows: • the invested amount, which corresponds to the aggregate market price of the Underlying delivered by the Authorised Participant to the Custody Account in the name of the Issuer; plus • a creation fee equal to 0.01% (one basis point) of the invested amount. The issue price will therefore vary from time to time.
Categories of potential investors to which the Securities are offered:	The Issuer offers the Securities exclusively to Authorised Participants. All Authorised Participants will (i) meet the definition of either a Professional Client or Market Counterparty, and (ii) be approved and engaged by the Issuer to participate in the primary Offer of the Securities. Authorised Participants do not offer the Securities under this Prospectus. Following issuance, Authorised Participants may make Securities available in DeFi Markets, including to retail investors, subject to and in accordance with the Terms and Conditions and Applicable Law.
Country(ies) of offer(s):	The Securities will be offered in the ADGM and only to Authorised Participants.
Offer period:	The Offer of Securities will remain open on a continuous basis for the entire period during which the Prospectus remains valid unless suspended, terminated, or withdrawn by the Issuer in accordance with the Prospectus and Applicable Law. The Issuer may suspend the creation of Securities in certain circumstances, including market disruption events or settlement disruption events, in the manner described in the Prospectus.
Minimum/maximum creation amount:	Creation orders submitted by Authorised Participants are not subject to any minimum or maximum amount under the terms of the Authorised Participant Agreement; provided, however, that the Tokenisation Entity may limit the number of Securities that can be created in a 24-hour period for security and risk management purposes.
Calculation of Security creation:	Subject to the terms and conditions of the Authorised Participant Agreement, and the operational procedures of Alpaca and the Tokenisation Entity, all creation orders submitted by Authorised Participants will be settled in kind by delivery of Underlying to the Custody Account. The number of Securities created pursuant to a creation order is determined by dividing the number of Underlying delivered to the Custody Account by the Deposit Ratio.
Issue date:	The issuance of Securities occurs on a continuous basis in accordance with the procedures and requirements specified in the Authorised Participant Agreements. In each case, the issuance of Securities occurs

	on the date the relevant Deposited Underlying is delivered to the Custody Account.
Notification of issuance:	Following the acceptance and settlement of a creation order, the Tokenisation Entity will notify the relevant Authorised Participant of the number of Securities issued in accordance with the procedures established for that purpose.
Plan of distribution/ subscription and sale:	The Issuer is established in the ADGM and operates exclusively within the ADGM. The Offer is made by the Issuer in the ADGM to Authorised Participants. No Offer is made by any person other than the Issuer. Creation by Authorised Participants is the sole means through which Securities may come into circulation. Persons other than Authorised Participants do not participate in the Offer and may not subscribe for Securities. Such persons may acquire Securities only on Blockchain Networks or in DeFi Markets through secondary acquisitions from Authorised Participants or other Holders and will hold them as Unvested Holders unless and until they satisfy the Vesting Conditions.
Listing and admission to trading:	As of the date of the Prospectus, the Securities are not, nor are they expected to be, admitted to trading on any stock exchange, multilateral trading facility or organised trading facility (whether in the ADGM or elsewhere).
Legal advisers:	The Issuer has engaged Morgan, Lewis & Bockius LLP, Abu Dhabi Global Market Square, Al Sila Tower, Level 21, P.O. Box 764620, Abu Dhabi, UAE as advisers in connection with the Prospectus, excluding any advice in respect of the specific Underlying to which the Prospectus relates.

13.2 Persons involved in the Offer of Securities

The Securities are offered and issued by the Issuer under the Prospectus exclusively to Authorised Participants in accordance with the creation procedures under the relevant Authorised Participant Agreement. Authorised Participants may submit multiple creation orders provided that each creation order will be considered separately and must satisfy the applicable creation requirements in accordance with the terms of the Authorised Participant Agreement.

Persons who are not Authorised Participants are not entitled to submit creation orders directly to the Issuer. No person other than the Issuer is offering or shall be deemed to be offering Securities for sale pursuant to this Prospectus.

(a) Authorised Participant(s)

Following the issuance of Securities pursuant to a creation order, subject to Applicable Law and the Terms and Conditions, Authorised Participants may engage in secondary market transactions with respect to the Securities, making them available to other persons, including retail investors, through DeFi Markets. They may also be engaged by DeFi Markets or Blockchain Networks to act as market makers or liquidity providers by buying and selling Securities from and to Holders on an OTC basis or through DeFi Markets. The Issuer has not entered into any formal market making or liquidity provider arrangement with any Authorised Participant and takes no responsibility for doing so. The Authorised Participant at all times must comply, in accordance with the Authorised Participant Agreement, with Applicable Law and any transfer or sale restrictions set out herein or otherwise applicable with respect to any secondary market transactions or otherwise disposition of the Securities in which it may engage. Any violation of Applicable Law or otherwise by the Authorised Participant may result in the Issuer terminating such Authorised Participant’s status as such and ability to remain a Vested Holder of the Securities.

All Authorised Participants will (i) meet the definition of either a Professional Client or Market Counterparty, and (ii) be approved and engaged by the Issuer (in its absolute sole discretion) to participate in the primary Offer of the Securities. An Authorised Participant must have entered into an Authorised Participant Agreement with the Issuer which regulates the rights and obligations of the Authorised Participant in the context of the creation, redemption, and transfer of Securities.

Where an Authorised Participant has been approved and engaged by the Issuer, the Issuer and Reporting Entity will describe and communicate the identity of respective Authorised Participant(s) on its website at https://www.coinbase.com/tokenize and by way of disclosure on the LA Disclosure Platform.

(b) **Tokenisation Entity**

See section 12.10(d) above for a description of the role of the Tokenisation Entity.

13.3 Price Stabilisation

The Issuer does not intend to undertake any price stabilisation activities in relation to the Securities. No stabilisation manager has been appointed and no overallotment facility, greenshoe option or similar price support mechanism will be available.

14. RESTRICTIONS ON ACQUISITION, HOLDING AND TRANSFER

14.1 Legal and regulatory eligibility

The Securities constitute "Certificates representing certain Financial Instruments" within the meaning of paragraph 92 of Schedule 1 of FSMR, with the specific "Financial Instrument" being shares of Class A common stock of Strategy Inc. The Securities are issued in the form of Digital Securities on Blockchain Networks. Securities may be issued by the Issuer from time to time to Authorised Participants and may thereafter be acquired by other persons, including retail investors, or transferred by Holders, through DeFi Markets.

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

Accordingly, no person may directly or indirectly acquire, hold, offer, sell, resell, transfer, deliver, or otherwise make available any Securities, or distribute any materials relating to the Securities, in or from any jurisdiction except in circumstances that will result in compliance with all Applicable Law and will not impose any obligation on the Issuer, Tokenisation Entity, Custodian, or any of their respective affiliates.

Persons into whose possession this Prospectus comes must inform themselves about and observe all applicable legal and regulatory restrictions.

No person has been authorised to provide any information or make any representation relating to the Securities other than those contained in this Prospectus and, if provided or made, such information or representation must not be relied upon.

(a) **General eligibility restrictions**

The Securities may only be acquired, held, transferred, or disposed of in compliance with all Applicable Law in any relevant jurisdiction, including applicable securities laws, digital asset laws, sanctions laws, and AML laws.

The possession, offering, sale, or transfer of the Securities in certain jurisdictions may be restricted by law including by law applicable to the Underlying or by reason of the transfer of Securities through DeFi Markets to Holders to whom the Prospectus does not apply.

Any person acquiring, holding, or transferring Securities will be deemed to represent, warrant, and undertake on a continuing basis that:

(i) they are entitled to acquire, hold, and transfer the Securities under all Applicable Law;

(ii) such acquisition, holding, or transfer will not violate any Applicable Law, including any applicable securities laws, digital asset laws, sanctions laws, or AML laws; and

(iii) they are not acquiring or holding the Securities for or on behalf of any person to whom such acquisition, holding, or transfer would be unlawful.

Holders must remain in compliance with all applicable restrictions described in this Prospectus at all times while holding the Securities.

The Issuer may, in its sole and absolute discretion and without liability, refuse to issue, create, redeem, register, or permit the transfer of any Securities, suspend transfers of Securities, or require the disposal or transfer of Securities, where the Issuer considers that such issuance, holding, or transfer may violate any Applicable Law or regulation or expose the Issuer or any of its affiliates to legal, regulatory, or reputational risk.

No intermediary, broker, or other person may knowingly facilitate any acquisition, holding, or transfer of Securities in breach of the restrictions described in this Prospectus.

THE SECURITIES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT, OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE U.S.

THE SECURITIES MAY NOT BE ACQUIRED, HELD, OFFERED, SOLD, RESOLD, TRANSFERRED, DELIVERED, OR OTHERWISE MADE AVAILABLE, DIRECTLY OR INDIRECTLY, IN THE U.S. OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, ANY “U.S. PERSON” (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT).

Accordingly, the Securities may only be acquired, transferred, or resold in offshore transactions in reliance on Regulation S under the Securities Act.

Any person acquiring or holding Securities will be deemed to represent, warrant and undertake that they are:

(i) not a U.S. Person;

(ii) located outside the U.S.; and

(iii) not acquiring the Securities for the account or benefit of any U.S. Person.

Terms used in this section have the meanings given to them in Regulation S under the Securities Act.

(b) **Sanctions and restricted jurisdictions**

The Securities may not be acquired, held, offered, sold, transferred, delivered, or otherwise made available to any person:

(i) in any jurisdiction where such activity would be unlawful;

(ii) that is the subject of sanctions administered or enforced by the UAE, ADGM, United Nations, the European Union, the United Kingdom, the U.S., or any other applicable sanctions authority;

(iii) located in, organised under the laws of, or ordinarily resident in, any country or territory that is subject to comprehensive sanctions or embargoes; or

(iv) identified on any applicable sanctions or restricted persons list maintained by any relevant governmental or regulatory authority.

The Securities may additionally not be made available in jurisdictions identified by the Financial Action Task Force as high-risk jurisdictions subject to a call for action.

(c) **Secondary market transactions**

Any acquisition, transfer, or resale of Securities through DeFi Markets must be conducted in compliance with all Applicable Law, including the restrictions set out in the Prospectus. No person may effect or facilitate any secondary market transaction involving the Securities if such transaction would result in a violation of applicable securities laws, digital asset laws, sanctions laws, or other Applicable Law.

(d) **Further restrictions**

The Issuer reserves the right to impose additional restrictions on the acquisition, holding, transfer, or resale of the Securities at any time where necessary or desirable for legal, regulatory, sanctions, AML, compliance, or operational purposes. Any such additional restrictions may include restrictions relating to particular jurisdictions, persons, Wallet addresses, custodians, intermediaries, trading venues, or settlement systems. Details of any such additional restrictions will be published on the Issuer's website at https://www.coinbase.com/tokenize and disclosed by the Reporting Entity through the LA Disclosure Platform.

14.2 **Operational policies and controls**

Subject to the transfer and holding restrictions described in section 14.1 above, the Securities are transferable in accordance with the Relevant System operated by the Tokenisation Entity in its capacity as CSD (as further detailed in section 12.8).

(a) **General**

In its capacity as CSD, the Tokenisation Entity shall (and where appropriate shall instruct the Issuer to) take all actions necessary to prevent unauthorised transactions or enforce transfer restrictions with respect to the Securities, including (i) rescinding any purported transfer in violation of this Prospectus, (ii) cancelling any or all Securities, (iii) redesignating any Vested Holder as an Unvested Holder, or (iv) freezing the relevant Securities on-chain at the smart contract level, in each case with or without payment. The Tokenisation Entity may take such actions (i) on the instruction of the Issuer in accordance with the Terms and Conditions, or (ii) unilaterally where required to do so to comply with its regulatory obligations as a CSD or where otherwise required in accordance with Applicable Law.

(b) **AML framework**

The Tokenisation Entity has adopted a risk-based AML framework proportionate to its nature, scale, and risk profile, designed to comply with applicable UAE federal and ADGM requirements, comprising: policies and procedures to identify and manage money laundering and terrorist financing risks; appointment of a designated money laundering reporting officer; customer due diligence and enhanced due diligence; sanctions screening and ongoing monitoring; record-keeping consistent with regulatory requirements; and procedures for identifying and reporting suspicious transactions to relevant authorities.

Securities are transferable through the Relevant System. The smart contract will block interactions with addresses flagged as sanctioned under applicable sanctions regulations.

The Tokenisation Entity, acting on the Issuer's instruction or in accordance with Applicable Law, may freeze, pause, rescind, or cancel Securities to ensure compliance with applicable AML laws and sanctions regulations, to give effect to the order of a court or authority recognised in the ADGM, or in the event of a hack, hack attempt, or discovery of a technological vulnerability.

(c) **Transfers to Unvested Holders**

As a Vesting Condition (or, as applicable, as a condition to an Authorised Participant's onboarding with the Tokenisation Entity) Holders and Authorised Participants must affirmatively acknowledge to the Tokenisation Entity that the Securities constitute Digital Securities, that on-chain transfers must comply with all Applicable Law, and that the Issuer may freeze Securities held at non-compliant addresses. All on-chain addresses in which Securities are held from time to time are subject to sanctions screening and transaction monitoring of the destination address and may be subject to enhanced manual review above defined thresholds.

The Tokenisation Entity, in its capacity as CSD, maintains continuous on-chain monitoring and reconciles on-chain positions against its internal records on an intraday basis to preserve the integrity of the Security issuance. Any Authorised Participant or Holder who transfers Securities to a person other than a Vested Holder or who otherwise deposits or uses Securities in a Dapp or other DeFi Market is solely responsible for ensuring compliance with all Applicable Law, AML/KYC, COBS 17.5(c) and transfer restrictions described herein.

Any Unvested Holder who wishes to become a Vested Holder must comply with all Vesting Conditions to the satisfaction of the Tokenisation Entity, which includes transaction screening and sanctions checks. The Tokenisation Entity will not designate any Unvested Holder as a Vested Holder (nor record such Holder as the Registered Owner of any Securities) until those checks have been completed and all other Vesting Conditions have been satisfied. The Tokenisation Entity may refuse or delay any request to be recognised as a Vested Holder, or apply additional controls as Vesting Conditions, where it is reasonably suspected that the relevant Unvested Holder is associated with activity in a jurisdiction subject to sanctions or otherwise involves an impermissible transaction.

(d) **CSD/Issuer on-chain intervention protocol**

The CSD operates an intervention protocol that applies at all times to both Vested Holders and Unvested Holders. The protocol is operated by the Tokenisation Entity (in its capacity as CSD) and, where applicable, the Issuer, in the following graduated steps:

(i) *Identification*. The Tokenisation Entity or, as applicable, the Issuer, identifies, through reconciliation of on-chain positions against the Tokenisation Entity's CSD records, that a Security is held at an ineligible address. The Tokenisation Entity determines that the Holder controlling such address will not be eligible to be designated as a Vested Holder, notwithstanding that the Security remains recorded on the Blockchain Network. If the relevant Holder is a Vested Holder, they will be redesignated as an Unvested Holder and the Tokenisation Entity will update the Legal Register to record the Issuer as the Registered Owner of that Security in accordance with the Deed of Trust and the Terms and Conditions.

(ii) *Freeze instruction*. The Tokenisation Entity freezes the Security held at the ineligible address by executing the freeze function at the smart contract level on the Issuer's instruction or where otherwise required in accordance with Applicable Law or the Terms and Conditions, denying the Holder all ability to transfer the Security or receive any economic benefit in respect thereof.

(iii) *Ongoing monitoring*. The Tokenisation Entity maintains continuous on-chain monitoring following any freeze instruction, reconciling on-chain positions against its internal CSD records on an intraday basis. The Tokenisation Entity's smart contract enforcement tools, blacklist, freeze, and pause, remain available throughout the lifecycle of a Security, with respect to both Vested Securities and Unvested Securities, and operate without requiring counterparty cooperation.

(e) **Updating**

The Tokenisation Entity may amend, substitute, or migrate the Relevant System (including the Legal Register), in order to incorporate technical developments, comply with Applicable Law, or facilitate changes to its operating procedures as CSD, provided such changes do not affect the validity of the Legal Register and the integrity of the issuance of the Securities.

The Issuer may, in order to incorporate technical developments, comply with Applicable Law, or reflect changes in the Issuer's corporate structure, migrate the Securities to another Blockchain Network or Relevant System, or issue Securities on more than one Blockchain Networks or Relevant Systems. Such changes, in each case, shall be executed by the Tokenisation Entity on the Issuer's behalf.

Any updates to the Blockchain Networks or Relevant System will be disclosed by the Reporting Entity on the LA Disclosure Platform and published by the Issuer on its website: https://www.coinbase.com/tokenize.

(f) **Pausing**

Subject to the Terms and Conditions, the Issuer may instruct the Tokenisation Entity to pause all transactions in the Securities in the event of a technological change, discovery of a vulnerability, hack, or hack attempt, including in the event of a hard fork on any Blockchain Network that might materially affect the Securities. Any pause is limited to the time reasonably required to fulfil its purpose, must be based on objectively verifiable criteria, and must be applied equally to all affected Holders.

(g) **FATCA and Common Reporting Standard**

Holders may be required to provide identifying information to the Tokenisation Entity or Issuer for FATCA and Common Reporting Standard classification purposes. Failure to provide such information may result in classification as a U.S. Reportable Account and reporting to the UAE Federal Tax Authority and/or the U.S. Internal Revenue Service. The UAE government has entered into an intergovernmental agreement with the U.S. dated 17 June 2015 in connection with FATCA and has committed to implement the Common Reporting Standard. Holders who fail to provide requested information may be subject to penalties, transfer restrictions, or compulsory redemption of their Securities. By subscribing for or purchasing Securities, each Holder acknowledges that the Tokenisation Entity or Issuer may take such action as it considers necessary to ensure that any withholding tax or related costs arising from their failure to provide requested information is economically borne by that subscriber or purchaser.

15. TAX CONSIDERATIONS

Holders shall be warned that tax legislation, rules, and fiscal practice of the authorities of the Holder's domicile, ADGM, and of the Underlying Issuer's country of incorporation, may have an adverse impact on the income received from the Securities.

The tax treatment for each Holder depends on their specific tax situation. All Holders are advised to consult with their professional tax advisers as to the respective ADGM and other jurisdictional tax consequences of the purchase, ownership, disposition, lapse, exercise, or redemption of Securities (or options embedded therein) in light of their particular circumstances.

According to Condition 13 (*Taxation*) of the Terms and Conditions, each Holder 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 Holder in any jurisdiction or by any governmental or regulatory authority.

(a) **Taxation**

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

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

The statements below relate to a Holder purchasing the Securities as an investment and are based on the Issuer's understanding of the law and practice in force in the ADGM at the date of the Prospectus. While all references to taxation in this section are believed to be correct at the present time, they are only of a general and non-exhaustive nature and their applicability will depend on the personal circumstances of individual Holders. Holders may also be liable to income tax, capital gains tax, or corporation tax or their equivalents in their country of citizenship, residence, domicile, or incorporation. Holders shall be warned that tax legislation, rules, and fiscal practice of the authorities of the Holder's domicile, and of the Underling Issuer's country of incorporation, may have an adverse impact on the income received from the Securities. According to Condition 13 (*Taxation*) of the Terms and Conditions, each Holder 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 Holder in any jurisdiction or by any governmental or regulatory authority.

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

(b) **FATCA**

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

Holders should consult their tax advisers with regard to U.S. federal, state, local and non-U.S. tax reporting and certification requirements associated with an investment in the Securities.

16. OTHER INFORMATION

16.1 Documents for inspection

Copies of the following documents can be inspected during usual business hours at the Tokenisation Entity's registered office at DD-16-121-040, Level 16, Al Khatem Tower, WeWork Hub71, Abu Dhabi Global Market Square, Abu Dhabi, Al Maryah Island, United Arab Emirates, or they can be downloaded on the Issuer's website: https://www.coinbase.com/tokenize:

(i) the Articles of Association of the Issuer; and

(ii) the historical financial information of the Issuer (comprising the Issuer's unaudited special purpose statement of financial position as at 17 June 2026).

Save for the documents and information expressly incorporated by reference into the Prospectus, this website and the information contained on the website does not form part of the Prospectus and is provided for information purposes only.

16.2 Financial condition of the Issuer

The Issuer was incorporated in the ADGM on 17 June 2026 and was established solely for the purposes of issuing Digital Securities and carrying out activities incidental thereto.

Since its incorporation, and as of the date of this Prospectus, the Issuer has not conducted any substantial activities or commercial operations and has not generated any operating revenue. The Issuer's activities have been limited to matters relating to its incorporation, the preparation of the offering of the Securities, and the establishment of the related issuance structure.

As at the date of this Prospectus, the Issuer has no material assets or liabilities other than those arising in connection with the establishment and administration of the issuance structure and the holding of the Deposited Property.

Given the recent incorporation of the Issuer and the limited nature of its activities, there have been no material changes in the Issuer's financial condition since its incorporation and there are no material results of operations to report.

16.3 Working capital statement

In the opinion of the Directors, the Issuer's working capital is sufficient for its requirements for the 12-month period following the date of the Prospectus.

16.4 Creditworthiness of the Issuer

As at the date of this Prospectus, the Issuer has issued share capital of US$1,000 and has no financial indebtedness.

16.5 Guarantees

There are no guarantees attaching to the Securities. In particular, the Securities are not obligations of, and are not guaranteed by, the Underlying Issuer.

16.6 Bankruptcy statement

The Issuer holds the Deposited Property and Unvested Securities for the benefit of Registered Owners and Unvested Holders respectively pursuant to bare trust arrangements in accordance with the Deed of Trust and the Terms and Conditions. Under the laws of the ADGM, subject to the validity of the bare trust arrangements, the Deposited Property and Unvested Securities will not form part of the Issuer's assets in the event of bankruptcy or insolvency of the Issuer. Registered Owners and Unvested Holders are not creditors of the Issuer, nor are they subject to the credit risk of the Issuer with respect to the Securities in the ordinary course.

ANNEX 1: TERMS AND CONDITIONS

TERMS AND CONDITIONS

The following Terms and Conditions are applicable to the Securities.

1. **Introduction**

The following Terms and Conditions will apply to the Securities issued by the Issuer.

The Securities are issued in respect of shares of Class A common stock of Strategy Inc (Ticker: MSTR), pursuant to and subject to the Deed of Trust, with one Security initially representing one Underlying, subject to adjustment of the Deposit Ratio in accordance with these Terms and Conditions.

In accordance with the provisions of the Deed of Trust, the Issuer, in its capacity as Trustee, has appointed Alpaca Securities LLC as Custodian to receive and hold on behalf of the Trustee the Deposited Underlying and any other Deposited Property. The Trustee and the Custodian may appoint and act through nominees, sub-custodians, brokers, agents, correspondents, administrators, and other service providers in connection with the Securities and the Deposited Property.

Pursuant to the Deed of Trust, the Trustee shall hold (i) the Deposited Property as bare trustee for the benefit of Registered Owners in proportion to their respective holdings of Securities, and (ii) the Unvested Securities as bare trustee for the benefit of Unvested Holders from time to time, in each case pursuant to the Deed of Trust and subject to these Terms and Conditions. Subject to the terms of the Deed of Trust and these Terms and Conditions, each Security represents a pro rata beneficial interest in the Deposited Property as a whole.

2. **Form, title and registration**

2.1 **Form of Securities**

(a) *Uncertificated form*

The Securities are issued solely in uncertificated form in accordance with the Uncertificated Securities Rules, title to which is evidenced and transferred for the purposes thereof through a Relevant System (as defined below) from time to time. No certificate or other physical document of title shall be issued in respect of the Securities.

(b) *Relevant System*

The "**Relevant System**" in relation to the Securities refers to the computer-based systems and procedures operated by the Tokenisation Entity from time to time in its capacity as CSD for the purpose of evidencing and transferring title to the Securities in accordance with the Uncertificated Securities Rules, including:

(i) a Legal Register recording legal title to the Securities maintained on behalf of the Issuer by the Tokenisation Entity in its capacity as CSD; and

(ii) other supplementary and incidental matters to the holding and transfer of Securities, including, without limitation (A) procedures implemented by the Tokenisation Entity to determine the identity of the Holders and their eligibility to possess or own Securities, including the satisfaction by such persons of the Vesting Conditions in accordance with Condition 2.4, (B) reconciliation procedures undertaken by the Tokenisation Entity in its capacity as CSD to guarantee the integrity of the Securities issue, and (C) smart contract functionality and other mechanisms operated by the Tokenisation Entity to effect and enforce the requirements of these Terms and Conditions and Applicable Law.

2.2 **Title and registration**

Legal title to the Securities shall be recorded exclusively by registration in the Legal Register maintained on behalf of the Issuer by the Tokenisation Entity in its capacity as CSD and the operator of the Relevant System for the purposes of the Uncertificated Securities Rules.

The Legal Register shall constitute prima facie and sufficient evidence of title to the Securities. For the avoidance of doubt, possession, transfer, and other dealings in Securities through the Relevant System, including through any Blockchain Network, Wallet or smart contract, shall not create, transfer, evidence, or extinguish legal title to any Security except to the extent reflected in the Legal Register.

The Issuer, Trustee, Custodian, Tokenisation Entity, and any other person whatsoever may:

(i) deem and treat the Registered Owner of a Security (or fractional interest therein) as the absolute owner thereof for all purposes and shall not be affected by notice to the contrary; and

(ii) conclusively rely upon the Legal Register for all purposes in connection with the Securities and shall not incur any liability by reason of such reliance in the absence of fraud, wilful misconduct, or manifest error.

The Legal Register shall be conclusive as to legal title to Securities and, in the event of any inconsistency between the Legal Register and On-Chain Data, the Legal Register shall prevail.

2.3 **Issuance of Securities**

Subject to these Terms and Conditions and Applicable Law, the Issuer may issue Securities from time to time in accordance with this Condition 2.3 and the Deed of Trust. The operational procedures applicable to the issuance of Securities and creation orders for Securities may be determined and amended from time to time by the Issuer and the Tokenisation Entity, provided that such procedures remain consistent with these Terms and Conditions and Applicable Law.

The Issuer may suspend or refuse the issuance of Securities generally or in particular instances whenever it determines that such action is necessary or advisable to comply with Applicable Law, sanctions requirements, Compliance Procedures, custody requirements, or operational requirements of the Relevant System.

2.4 **Security vesting**

(a) *General*

At any time, Securities shall either be Vested Securities or Unvested Securities depending on whether the relevant Holder) has satisfied the applicable Vesting Conditions (as defined below) from time to time.

For the purposes of these Terms and Conditions:

(i) a Holder holding Vested Securities is referred to as a "**Vested Holder**" in relation to such Securities; and

(ii) a Holder holding Unvested Securities is referred to as an "**Unvested Holder**" in relation to such Securities.

Subject to Applicable Law and except as otherwise provided in these Terms and Conditions, only Vested Holders shall be entitled to exercise rights attaching to the Securities.

(b) *Legal title to Unvested Securities*

(i) The Trustee shall be recorded as the Registered Owner of Securities that are designated as Unvested Securities, which it shall hold on trust for the benefit of Unvested Holders pursuant to the Deed of Trust and subject to the restrictions specified in these Terms and Conditions until such time as the Unvested Holders thereof satisfy the Vesting Conditions.

(ii) Legal title to Unvested Securities may not be transferred other than to Holders holding such Securities upon satisfaction of the Vesting Conditions or as may otherwise be required in accordance with Applicable Law or as otherwise provided in these Terms and Conditions.

(c) *Vesting Conditions*

The Tokenisation Entity, acting on behalf of the Issuer, shall determine the conditions that must be satisfied by Holders with respect to vesting of Securities from time to time, which may include:

(i) completion of all Compliance Procedures in effect from time to time;

(ii) verification of a Holder's control of a Wallet;

(iii) nomination of one or more bank accounts for the payment and receipt of cash amounts in connection with such Holder's possession and ownership of Securities;

(iv) demonstration by the Holder that neither the Holder, nor any Wallet such Holder is transacting with or from, is subject to any sanctions, restrictions, or prohibitions under Applicable Law that would prevent or restrict such Holder from possessing, owning, or exercising rights in respect of the Securities or the Underlying; and

(v) satisfaction of such other conditions as may be specified by the Issuer, Tokenisation Entity, or Custodian from time to time,

(such conditions, collectively, the "**Vesting Conditions**").

The determination by the Tokenisation Entity as to whether the Vesting Conditions have been satisfied by a Holder shall, in the absence of manifest error, be final and binding on the relevant Holder and all other persons. The Issuer, Trustee, Custodian, and Tokenisation Entity shall not incur any liability arising from any determination, restriction, suspension, or redesignation pursuant to this Condition 2.4(c) in the absence of fraud, wilful misconduct or manifest error.

(d) *Restrictions applicable to Unvested Holders*

Subject to Applicable Law, and except as otherwise provided in these Terms and Conditions, the rights of Unvested Holders with respect to Unvested Securities shall be limited to:

(i) a beneficial interest in such Securities, legal title to which shall be held by the Trustee as bare trustee pursuant to the Deed of Trust until such time as the relevant Holder satisfies the Vesting Conditions; and

(ii) a right to possess, transfer, and benefit from economic exposure to the Underlying through holding Unvested Securities in accordance with these Terms and Conditions.

An Unvested Holder shall not be recognised by the Issuer, Tokenisation Entity, Custodian, or any other person as the Registered Owner of Unvested Securities or as having any rights with respect to Unvested Securities other than those rights that are expressly provided for as applying to Unvested Holders and Unvested Securities under these Terms and Conditions.

(e) *Loss or suspension of vested status*

The Issuer or the Tokenisation Entity in their sole discretion, acting reasonably, may determine that a Holder shall cease to be a Vested Holder where:

(i) any Vesting Condition ceases to be satisfied or the Holder otherwise becomes subject to sanctions, restrictions, or prohibitions relating to the possession or ownership of Securities or the Underlying under Applicable Law;

(ii) the Holder's Wallet becomes subject to a governmental, regulatory or law enforcement investigation, sanctions, restrictions, or prohibitions relating to the possession or ownership of Securities or the Underlying under Applicable Law;

(iii) the Holder fails to provide information or documentation requested by the Issuer, Tokenisation Entity, or Custodian pursuant to these Terms and Conditions or Applicable Law; or

(iv) such determination is otherwise required in accordance with any governmental, regulatory or law enforcement investigation, Applicable Law, or the Relevant System.

Where a determination is made in accordance with this Condition 2.4(e) that a Holder shall cease to be a Vested Holder:

(i) the relevant Securities shall be redesignated as Unvested Securities;

(ii) the relevant Holder shall be redesignated as an Unvested Holder; and

(iii) the rights of the relevant Holder shall be limited to those of an Unvested Holder of Unvested Securities and may be otherwise restricted or suspended in accordance with these Terms and Conditions or Applicable Law.

The Issuer, Trustee, Custodian, and Tokenisation Entity shall not incur any liability arising from any determination, restriction, suspension, or redesignation pursuant to this Condition 2.4(e) in the absence of fraud, wilful misconduct or manifest error.

3. Transfer and settlement

3.1 General

Subject to these Terms and Conditions, Applicable Law, and the rules and requirements of the Relevant System, possession and control of Securities may be transferred through the Relevant System by the transfer of tokens representing such Securities between Wallets. The transfer of tokens on a Blockchain Network does not by itself constitute a legally effective transfer of title to Securities unless and until the relevant transfer is reflected in the Legal Register in accordance with these Terms and Conditions.

3.2 Legal effectiveness of transfers

Transfers of Securities shall become legally effective:

(i) with respect to possession and control of tokens representing the Securities, upon validation and execution of the relevant transaction on a Blockchain Network; and

(ii) with respect to legal title to Securities, solely upon registration in the Legal Register.

To the extent of any inconsistency between records of On-Chain Data and the Legal Register, the Legal Register shall prevail for all legal and regulatory purposes.

3.3 **Transfers of Vested Securities**

Subject to these Terms and Conditions and Applicable Law, where Vested Securities are transferred:

(i) if the transferee Holder satisfies the Vesting Conditions at the time of transfer, the relevant Securities shall remain designated as Vested Securities and the transferee Holder shall be recorded in the Legal Register as the legal owner thereof; or

(ii) if the transferee Holder does not satisfy the Vesting Conditions at the time of transfer, the relevant Securities shall automatically be redesignated as Unvested Securities and legal title thereto shall be held by the Trustee on trust for the benefit of the relevant transferee Holder in accordance with these Terms and Conditions and the Deed of Trust.

3.4 **Transfers of Unvested Securities**

Subject to these Terms and Conditions and Applicable Law, where Unvested Securities are transferred:

(i) the relevant Securities shall remain designated as Unvested Securities unless and until the transferee Holder satisfies the Vesting Conditions; and

(ii) legal title to such Securities shall continue to be held by the Trustee on trust for the benefit of the relevant Unvested Holder until satisfaction of the Vesting Conditions.

Where the transferee Holder subsequently satisfies the Vesting Conditions:

(i) the relevant Securities shall automatically become Vested Securities; and

(ii) the transferee Holder shall be recorded in the Legal Register as the Registered Owner thereof.

3.5 **Restrictions on transfer and holding of Securities**

The Tokenisation Entity may freeze or cancel Securities held in a Wallet or otherwise refuse, suspend, delay, reverse, invalidate, or otherwise restrict any transfer of Securities where it determines, acting in good faith, that such:

(i) action is necessary or advisable in order to comply with Applicable Law, sanctions requirements, Compliance Procedures, custody requirements, or operational requirements of the Relevant System;

(ii) transfer involves a Wallet on the Designated List;

(iii) transfer would expose the Issuer, Trustee, Custodian, or Tokenisation Entity to legal, regulatory, sanctions, or reputational risk; or

(iv) transfer would otherwise be inconsistent with the Relevant System or these Terms and Conditions.

The smart contracts and other components of the Relevant System may include operational controls designed to effect or enforce the requirements of this Condition 3.5, which may include, without limitation, preventing or restricting transfers involving Wallets appearing on the Designated List.

4. **Deposit Ratio and adjustments**

4.1 **General**

The Deposit Ratio shall be determined by the Issuer and may be adjusted by the Issuer at such times and in such manner as it shall determine to be appropriate to reflect any change affecting the

Deposited Property, including without limitation:

(i) any fees, charges, expenses, Taxes, duties, or costs;

(ii) any corporate action affecting the Underlying;

(iii) any reinvestment, application, retention or realisation of cash, securities, or other property in accordance with Condition 6 (*Distributions*); and

(iv) any other event that the Issuer determines, acting in a commercially reasonable manner, has a dilutive or concentrative effect on the Underlying, the Deposited Property, or the value represented by each Security.

Any adjustment to the Deposit Ratio shall be binding on all Holders and may be effected without the consent of the Holders.

The Issuer shall determine the effective date of any adjustment and, to the extent practicable, give notice thereof to Holders in accordance with Condition 17 (*Notices*).

No Holder shall have any entitlement to receive any cash, securities or other property solely by reason of any event giving rise to an adjustment of the Deposit Ratio.

4.2 **Adjustments related to the Underlying**

(a) *Adjustments*

Upon the occurrence of any event affecting the Underlying, the Underlying Issuer, or the Deposited Property that, in the opinion of the Issuer, requires an adjustment to the Securities (an "**Adjustment Event**"), the Issuer shall make such adjustment to the Deposit Ratio, the Underlying, the Deposited Property, or any rights or entitlements attaching to the Securities as it considers appropriate to reflect, as closely as possible, the effect of the relevant Adjustment Event.

An Adjustment Event may include, but is not limited to, changes in nominal value or any subdivision, combination, or other reclassification of the Underlying, recapitalisation, reorganisation, sale of assets substantially as an entirety, merger or consolidation affecting the Underlying Issuer or to which it is a party, which makes it impossible to determine the Deposit Ratio or leads to the fact that the Deposit Ratio can no longer be determined on a regular basis or any other event affecting the Underlying, the Underlying Issuer or the Deposited Property that, in the opinion of the Issuer, requires an adjustment to the Securities.

In determining whether or not an Adjustment Event has occurred, the Issuer shall act in a commercially reasonable manner and without the consent of Holders. The Issuer shall further determine the effective date of any such adjustment.

(b) *Discontinuation of trading of Underlying*

If the Issuer, acting in a commercially reasonable manner, upon the announcement of the Underlying Listing Venue that, pursuant to the rules of such Underlying Listing Venue, the Underlying ceases (or will cease) to be traded or publicly quoted on the Underlying Listing Venue for any reason and is not immediately re-traded or re-quoted on an alternative exchange, trading platform, or quotation system, then this may result in a Security Termination at the sole discretion of the Issuer. Pursuant to such Security Termination, the Securities shall be terminated by the Issuer in accordance with the procedures described in Condition 9 (*Termination of Securities*).

(c) *Other events*

In the case of events other than those described in this Condition 4.2, which in the sole opinion of the Issuer have an effect equivalent to that of such events, the rules described in this Condition 4.2, shall apply mutatis mutandis.

(d) *Notices of adjustments*

The Issuer shall give notice to the Holders in accordance with Condition 17 (*Notices*) of any change effected or action taken by the Issuer to give effect to an Adjustment Event in accordance with this Condition 4.2. For the avoidance of doubt, the consent of the Holders shall not be required to make any of the changes to the Securities set out in this Condition 4.2, nor shall any failure to provide notice in accordance with Condition 17 (*Notices*) herein invalidate any such adjustment or other right reserved or granted to the Issuer or the Tokenisation Entity pursuant to these Terms and Conditions.

(e) *Other actions following Adjustment Event*

Upon the occurrence of an Adjustment Event, the Issuer shall have the right to exchange or surrender such Underlying and accept and hold in lieu thereof other shares, securities, cash, or property to be issued or delivered in lieu of or in exchange for, or distributed or paid with respect to, such Underlying. Upon any such exchange or surrender, the Issuer shall have the right, in its sole discretion, to call for surrender of the Securities in exchange (upon payment of fees and expenses of the Issuer) for one or more new Securities of the same form and tenor as the relevant Security but describing the substituted Underlying. In any such case the Issuer shall have the right to fix a date after which the original Security shall only entitle the Holder to receive such new Security or Securities. The Issuer shall provide notice of any redemption of Underlying to the Holders, provided that in the case of any redemption of less than all of the of Underlying, the Issuer shall select in such manner as it shall determine an equivalent number of Securities to be redeemed and shall provide notice of redemption only to the Holders selected. The sole right of the Holders designated for redemption after the providing of such notice of redemption shall be to receive the cash, rights and other property applicable to the same, upon surrender to the Issuer (and upon payment of its fees and expenses) of the Securities.

5. Redemption of Securities

5.1 Redemption Rights

Subject to these Terms and Conditions and Applicable Law, Vested Holders shall have the right to redeem Securities from time to time in accordance with this Condition 5 (*Redemption of Securities*).

Unvested Holders shall not be entitled to redeem Securities or withdraw Underlying.

5.2 Redemption Order

A Vested Holder wishing to redeem Securities shall submit a Redemption Order to the Tokenisation Entity in such form and manner as the Tokenisation Entity may prescribe from time to time.

A Redemption Order shall specify:

(i) the number of Securities to be redeemed;

(ii) the relevant method for settlement of the redemption pursuant to Condition 5.3 and details of the custody account, bank account, or Wallet (as applicable) for delivery of redemption proceeds ("**Settlement Instructions**"); and

(iii) such other information as the Tokenisation Entity may require from time to time.

Where a Vested Holder submits a Redemption Order without specifying Settlement Instructions with respect to:

(i) the settlement method, the Tokenisation Entity or Custodian shall have discretion to choose the settlement method or to refrain from processing the Redemption Order until such time as the settlement method is specified; or

(ii) the custody account, bank account, or Wallet (as applicable), the Tokenisation Entity and Custodian may rely upon such account or Wallet details provided to the Tokenisation Entity upon satisfaction of the Vesting Conditions.

The Issuer or Tokenisation Entity shall not be obligated to process and may not process any Redemption Order where a Vested Holder is unable to provide Settlement Instructions to the Issuer or the Tokenisation Entity or where, in the reasonable opinion of the Issuer or Tokenisation Entity, acting in good faith, acting on the Redemption Order:

(i) would result in a breach of, be contrary to, or otherwise cannot be implemented in accordance with Applicable Law or Compliance Procedures; or

(ii) is otherwise impracticable, impossible, or unduly burdensome for the Tokenisation Entity having regard to the operational procedures of the Tokenisation Entity in effect at the relevant time.

5.3 **Redemption settlement methods**

Subject to these Terms and Conditions and Applicable Law, the Tokenisation Entity shall arrange for settlement of a Redemption Order in one of the following ways specified by the relevant Vested Holder in the Redemption Order.

(a) *In-kind redemption*

The Tokenisation Entity shall instruct the Custodian to transfer the corresponding Underlying (or fractional interests therein) from the applicable custody account to the custody or brokerage account nominated by the Vested Holder, in accordance with the applicable Deposit Ratio.

(b) *Cash redemption*

The Tokenisation Entity shall instruct the Custodian to:

(i) sell the number of Underlying corresponding to the Securities subject to the Redemption Order in accordance with the Deposit Ratio at the prevailing market rate; and

(ii) transfer the resulting cash proceeds in USD to the bank account nominated by the Vested Holder.

(c) *Stablecoin redemption*

The Tokenisation Entity shall instruct the Custodian to:

(i) sell the number of Underlying corresponding to the Securities subject to the Redemption Order in accordance with the Deposit Ratio at the prevailing market rate;

(ii) convert the resulting proceeds into USDC or such other stablecoin as may be accepted pursuant to the Relevant System; and

(iii) transfer the resulting stablecoin amount to the relevant Wallet nominated by the Vested Holder.

5.4 **Validation and acceptance of Redemption Orders**

Prior to accepting a Redemption Order, the Tokenisation Entity, Custodian or any relevant service provider may undertake such validation, verification, compliance, or operational checks as they may determine from time to time, including, without limitation and whether or not previously satisfied as part of the Vesting Conditions, in respect of, the following:

(i) the Vesting Conditions;

(ii) the relevant Wallet;

(iii) the Settlement Instructions (including callback verification of account or Wallet details);

(iv) the legality, permissibility, or practicability of the relevant redemption method;

(v) sanctions or compliance restrictions; and

(vi) such other matters as may be required pursuant to Applicable Law, the Relevant System, or internal Compliance Procedures.

The Tokenisation Entity may reject, suspend, delay, or conditionally accept any Redemption Order where any such validation or verification is not satisfied or where it determines that processing such Redemption Order would be inconsistent with Applicable Law, sanctions requirements, Compliance Procedures, custody requirements, or operational requirements of the Relevant System. Notwithstanding acceptance of a Redemption Order, the Issuer, Custodian, or Tokenisation Entity may suspend, delay, or modify the settlement of such Redemption Order where they determine that settlement would be inconsistent with Applicable Law, sanctions requirements, custody requirements, market conditions, settlement restrictions, or operational requirements of the Relevant System.

6. **Distributions**

Until the surrender of the Security and subject always to Applicable Law, these Terms and Conditions, and the Deed of Trust, the Issuer shall deal with any distributions of cash, Underlying or other securities or property (other than subscription or other rights) received in respect of the Deposited Underlying represented by the relevant Security in the manner set out below:

(i) *Cash distributions*. In lieu of making any distribution of cash to Holders, the Issuer shall, to the extent practicable and in such manner as it shall determine, apply the amount of any cash distribution (net of any fees, charges and expenses of the Issuer and any Taxes or governmental charges required to be withheld) to purchase additional Underlying on the Underlying Listing Venue. Any Underlying so acquired shall be deposited and held as additional Deposited Underlying and the Issuer shall effect such adjustment to Deposit Ratio in accordance with Condition 4 (*Deposit Ratio and adjustments*) as it shall determine to be appropriate to reflect proportionately the economic benefit of such cash distribution.

(ii) *Distributions of Underlying*. In lieu of distributing any Underlying to Holders, the Issuer shall cause such Underlying (net of applicable fees, charges, expenses, and Taxes) to be deposited and held as additional Deposited Underlying and shall effect such adjustment to the Deposit Ratio in accordance with Condition 4 (*Deposit Ratio and adjustments*) as it shall determine to be appropriate so that the interests of the Holders are proportionately adjusted to reflect such distribution.

(iii) *Other securities or property*. Where the Issuer receives any distribution of securities or property other than cash or Underlying, the Issuer may, to the extent practicable, sell such securities or property at such time and in such manner as it shall determine and apply the net proceeds thereof (after deduction or upon payment of any fees, charges, expenses and Taxes) in accordance with paragraph (i) above or, if such sale is not practicable, hold such securities or property as Deposited Property and make such adjustment as contemplated in paragraph (ii) above.

(iv) *Subscription or other rights*. The Issuer may, in its discretion (A) exercise any subscription or other rights and treat any resulting Underlying in accordance with paragraph (ii) above, (B) sell such rights and apply the net proceeds thereof in accordance with paragraph (i) above, or (C) permit such rights to lapse, in each case in such manner as it shall determine.

(v) *Limitations and compliance*. Notwithstanding the foregoing provisions, the Issuer shall not be obliged to take any action with respect to any distribution or right if it shall determine that such action is not lawful or not reasonably practicable or if it has not received such satisfactory assurances (which may include an opinion of counsel) as it may require that such action will not result in any violation of the Securities Act or any other Applicable Law. In such event, the Issuer may deal with such distribution, property, or rights in such manner as it shall determine, including by making a distribution to Vested Holders or holding the same uninvested and without liability for interest.

(vi) *Fractional entitlements*. In making any adjustment pursuant to this Condition, the Issuer may make such rounding or other adjustments as it shall determine to be appropriate and shall not be obliged to distribute fractional entitlements.

The Issuer shall not be obliged to apply any amount in accordance with this Condition 6 (*Distributions*) within any fixed timeframe and may aggregate, defer, or batch the application of such amounts as it determines in a commercially reasonable manner. The Issuer shall not be liable for any difference between the amount received and the value of any Underlying acquired as a result of market movements, timing differences, foreign exchange fluctuations, transaction costs, or execution prices.

7. Reports of Issuer of Underlying; Voting rights

(i) As of the date of the Deed of Trust, the directors of the Issuer believe, based on limited investigation, that the Underlying Issuer either (i) is subject to the periodic reporting requirements of the U.S. Securities Exchange Act of 1934 ("**Securities Exchange Act**") and, accordingly, files reports with the U.S. Securities and Exchange Commission, or (ii) publishes information in English on its internet website or another electronic information delivery system generally available to the public in its primary trading market, in either case in compliance with Rule 12g3-2(b) under the Securities Exchange Act as in effect and applicable to that Underlying Issuer at that time. However, neither the directors of the Issuer, nor the Issuer (i) assumes any duty to determine if the Underlying Issuer is complying with the current requirements for periodic reporting under the Securities Exchange Act or publishing information under Rule 12g3-2(b) under that Act or to take any action if the Underlying Issuer is not complying with those requirements, or (ii) makes any representation as to the accuracy or completeness of, or takes any responsibility for verifying, the content of any such reports or information.

(ii) The Issuer shall be under no obligation to give notice to the Holders of any meeting of shareholders or of any report of or communication from the Underlying Issuer, or of any other matter concerning the affairs of such Underlying Issuer, except as expressly provided in these Terms and Conditions.

(iii) The Issuer may make available for inspection by Holders any reports and communications and other information relating to the Underlying Issuer received by it in its capacity as holder of the Underlying or made generally available to the holders of the Underlying by the Underlying Issuer from time to time. Neither the Issuer, Trustee, Custodian, Tokenisation Entity, nor any person acting on their behalf in relation to the Securities, undertakes any obligation to obtain, monitor, verify, update, or supplement any such information, nor does any of the foregoing guarantee the accuracy, completeness or timeliness thereof or assume any responsibility for any statements, omissions or errors contained therein.

(iv) Upon the written request of a Vested Holder, received sufficiently in advance of a meeting of holders of the Underlying, and payment to the Issuer of the Issuer's fees and any expenses involved, the Issuer shall endeavour, in so far as practicable, subject to Applicable Law and the articles of association or similar constitutional documents of the Underlying Issuer, to vote or cause to be voted the amount of Deposited Underlying in accordance with the instructions set forth in that request. The Issuer shall not exercise any voting rights that may exist in respect of the Underlying except in accordance with instructions of that kind received from Vested Holders. The Issuer may, but assumes no obligation to, solicit instructions from Vested Holders as to the exercise of any voting rights with respect to the Deposited Underlying. The Issuer shall be under no obligation to take any action unless it receives instructions in sufficient time and form to permit such action.

8. Record dates established by Issuer

Whenever:

(i) any distribution is received by the Issuer in respect of the Deposited Property;

(ii) any adjustment to the Deposit Ratio is to be made;

(iii) any voting rights are to be exercised in respect of the Underlying;

(iv) any Securities are to be redeemed, cancelled, or exchanged pursuant to these Terms and Conditions;

(v) any entitlement is to be determined upon a Security Termination; or

(vi) the Issuer otherwise determines that it is necessary or desirable to determine the Holders or Registered Owners entitled to any right, benefit, or entitlement under these Terms and Conditions,

the Issuer may fix a record date for the determination of the Holders entitled thereto. The Issuer may rely conclusively upon the Legal Register as of the relevant record date for the purposes of determining the persons entitled to any such right, benefit, or entitlement. No transfer of Securities after a record date shall affect any entitlement determined by reference to such record date.

9. Termination of Securities

9.1 General

If an event occurs, which in the sole discretion of the Issuer requires a discontinuation of the Securities (a "**Termination Event**"), the Issuer has the right to terminate the Securities (a "**Security Termination**") at a date of its choosing ("**Termination Date**"), without providing for a specific reason, by notifying Holders at the earliest possible date, and in any event no later than thirty (30) calendar days prior to the Termination Date ("**Termination Notice**"). Upon termination of the Securities:

(i) no further Securities shall be issued;

(ii) the Issuer may suspend transfers of Securities and operation of the Relevant System in relation to the Securities;

(iii) the Issuer may require all outstanding Securities to be redeemed, subject to the limitations in these Terms and Conditions; and

(iv) Holders shall thereafter be entitled only to such rights as are expressly set out in this Condition 9 (*Termination of Securities*).

The Issuer may also, in its sole discretion, suspend issuances or transfers of Securities and operation of the Relevant System in relation to the Securities without prior notice to Holders.

9.2 **Realisation of Deposited Property**

Following a Security Termination, the Issuer may, acting in a commercially reasonable manner and at such times and in such manner as it deems appropriate:

(i) sell, liquidate, or otherwise realise all or any part of the Deposited Property;

(ii) convert any proceeds into USD, USDC, or such other currency or asset as the Issuer deems appropriate; and

(iii) deduct or reserve amounts in respect of any fees, charges, expenses, Taxes, liabilities, contingent liabilities or other amounts payable in connection with the Securities or their termination.

The net proceeds of such realisation shall constitute the "**Termination Proceeds**".

9.3 **Entitlement of Holders**

Subject to these Terms and Conditions and Applicable Law, each Holder shall be entitled to receive a pro rata share of the Termination Proceeds attributable to the Securities represented by the relevant tokens surrendered, burned, or cancelled. The Issuer may determine, in its sole discretion and subject to Applicable Law, whether settlement of any termination entitlement shall be made (i) in cash, (ii) in stablecoins, (iii) in kind by delivery of Underlying or other Deposited Property, or (iv) in any combination thereof.

9.4 **Conditions to receipt**

The Issuer, Tokenisation Entity, Custodian and any relevant service provider may require any Holder claiming entitlement to Termination Proceeds to satisfy such conditions as they may determine from time to time, including:

(i) satisfaction of the Vesting Conditions;

(ii) completion of all applicable know-your-customer, anti-money laundering, sanctions, and Compliance Procedures;

(iii) provision of valid Settlement Instructions;

(iv) surrender, burn, cancellation, and/or verification of tokens; and

(v) provision of such certifications, representations, undertakings, or other documentation as may reasonably be requested.

9.5 **Unvested Holders and Restricted Holders**

Where any Holder:

(i) is not a Vested Holder at the time of termination;

(ii) fails to satisfy any applicable Vesting Conditions;

(iii) is subject to sanctions, legal, or regulatory restrictions;

(iv) is unable lawfully to receive Underlying, stablecoins, cash, or other property; or

(v) otherwise fails to satisfy the requirements for receipt of Termination Proceeds,

the Issuer may, acting in its sole discretion and subject to Applicable Law:

(i) suspend or defer payment or delivery to such Holder in whole or in part;

(ii) require such Holder to receive cash proceeds instead of Underlying or other property;

(iii) hold the relevant entitlement pending satisfaction of the applicable requirements;

(iv) transfer the relevant entitlement into a segregated account or reserve;

(v) sell any Underlying or other property attributable to such Holder and hold the resulting cash proceeds; or

(vi) take such other action as the Issuer determines necessary or desirable to comply with Applicable Law or to mitigate legal, regulatory, or operational risk.

The Issuer shall not be obliged to make any payment or delivery to any Holder where such payment or delivery would, in the opinion of the Issuer, Tokenisation Entity, or Custodian, be unlawful, impracticable, or expose any such person to liability or regulatory risk.

9.6 **Residual property and unclaimed entitlements**

The Issuer may, at any time following the Termination Date, sell any remaining Underlying, or other non-cash property forming part of the Deposited Property and hold the resulting cash proceeds pending valid claims.

Where, following the Termination Date, any Holder has not satisfied the requirements specified in Condition 9.4 or is otherwise unable to receive Termination Proceeds in accordance with these Terms and Conditions (each, an "**Unsettled Holder**"), the Issuer may retain the relevant Termination Proceeds attributable to such Unsettled Holder pending satisfaction of the applicable requirements. If, on the date falling ninety (90) calendar days after the Termination Date (the "**Final Distribution Date**"), an Unsettled Holder has not satisfied the requirements specified in Condition 9.4 or whose entitlement to receive Termination Proceeds remains unsatisfied for any reason permitted under these Terms and Conditions, the Issuer may determine that the relevant entitlement shall cease to be attributable to the relevant Unsettled Holder and shall instead form part of a residual pool of Termination Proceeds (the "**Residual Pool**"). The Residual Pool shall be distributed among the Vested Holders recorded in the Legal Register as Vested Holders as of the Termination Date pro rata to their respective holdings of Securities as of the Termination Date. The Issuer shall use reasonable efforts to notify Unsettled Holders of the consequences of failing to satisfy the applicable requirements before the Final Distribution Date.

Any redistribution pursuant to this Condition shall not affect the operation of Condition 9.7, provided that an Unsettled Holder shall not be entitled to recover any amount that has previously been included in the Residual Pool and distributed pursuant to this Condition. An Unsettled Holder that subsequently seeks to assert a claim shall have only such rights (if any) as remain available under Condition 9.7 and shall have no entitlement to any appreciation, investment return, or further distribution attributable to amounts previously included in the Residual Pool.

The Issuer shall not incur any liability to any Holder for any action taken pursuant to this Condition 9.6 except to the extent arising directly from its own fraud, gross negligence, or wilful misconduct.

9.7 **Limitation of rights**

Any claim by a Holder in respect of Securities, Deposited Property, or Termination Proceeds shall be extinguished unless made within six (6) years from the applicable Termination Date, after which the relevant Holder shall cease to have any rights in respect thereof and the Issuer, Trustee, Custodian and Tokenisation Entity shall be discharged from any further obligation in respect thereof, subject always to Applicable Law.

9.8 **Continuing limitations**

Following a Security Termination, the Issuer, Tokenisation Entity, Custodian, and their respective affiliates, shall have no further obligations in respect of the Securities other than:

(i) to account for valid claims properly submitted in accordance with these Terms and Conditions; and

(ii) such obligations as may be required by Applicable Law.

The Issuer, Tokenisation Entity, and Custodian shall not be liable for any losses arising from:

(i) any delay in realisation of Deposited Property;

(ii) market movements affecting realised value;

(iii) legal or regulatory restrictions affecting distributions;

(iv) inability to identify or locate Holders;

(v) failure of Holders to satisfy Vesting Conditions; or

(vi) any action taken in good faith in connection with the termination of the Securities.

10. **Holder representations, warranties and indemnities**

10.1 **Representations and warranties**

Each person who, as applicable, subscribes for Securities, transfers Underlying to the securities account at the Custodian, holds Securities, or submits any transfer, redemption, or withdrawal instruction (each, a "**Warrantor**") shall be deemed to represent and warrant to the Issuer, Trustee, Custodian, and Tokenisation Entity that, as applicable:

(i) any Underlying transferred or deposited by such person are validly issued, fully paid, legally and beneficially owned by such person, and free and clear of any lien, encumbrance, security interest, adverse claim, or restriction on transfer;

(ii) such person is duly authorised and legally entitled to effect the relevant transaction;

(iii) the relevant Underlying or Securities are not subject to any restrictions under Applicable Law or any contractual or other arrangement restricting transfer, deposit, redemption, or ownership;

(iv) such person has complied with all Applicable Law and all requirements of these Terms and Conditions and the Relevant System;

(v) all information provided by such person pursuant to the Compliance Procedures, Vesting Conditions, or otherwise in connection with the Securities is true, complete, and not misleading in any material respect; and

(vi) neither such person nor any Wallet used by such person to effect any sale, transfer, or other transaction with respect to the Securities is subject to any sanctions, restrictions, or prohibitions preventing such person from possessing, owning, transferring, or redeeming Securities or Underlying in accordance with Applicable Law.

All such representations and warranties given by a Warrantor pursuant to this Condition 10 (*Holder representations, warranties and indemnities*) shall survive:

(i) the purchase, sale, transfer, redemption, and cancellation of Securities; and

(ii) the withdrawal or delivery of Underlying or other Deposited Property.

10.2 **Indemnities**

Each Holder and each person submitting any creation order or transfer instruction in respect of Securities, Redemption Order, or withdrawal instruction shall jointly and severally indemnify and hold harmless the Issuer, Trustee, Custodian, Tokenisation Entity, and their respective officers, directors, employees, agents, affiliates, successors and assigns from and against any and all liabilities, losses, damages, claims, costs, and expenses (including legal fees and expenses) arising directly or indirectly from:

(i) any breach of these Terms and Conditions by such person;

(ii) any inaccuracy in any representation or warranty made by such person;

(iii) any transfer, redemption, withdrawal, or Settlement Instruction submitted by or on behalf of such person; or

(iv) any act or omission by the Issuer, Trustee, Custodian, or Tokenisation Entity undertaken in reliance upon any instruction, representation, warranty, information, or record relating to such person, the Securities, or the Relevant System.

11. **Binding nature of Terms and Conditions**

These Terms and Conditions shall govern the Securities, the Relevant System, the rights and obligations of Holders, and all matters arising in connection therewith. Each Holder shall be deemed to have notice of and to have agreed to be bound by these Terms and Conditions, the Deed of Trust, and the rules and procedures of the Relevant System.

12. **Certain fees and charges of the Issuer**

The Issuer may charge any party depositing or withdrawing Underlying, any party transferring or surrendering Securities, any party to whom Securities are issued (including issuance pursuant to a stock dividend or stock split or an exchange of stock or distribution pursuant to these Terms and Conditions) or Holders, as applicable (i) fees for the delivery or surrender of Securities and deposit or withdrawal of Underlying, (ii) fees for distributing cash, Underlying or other property received in respect of Deposited Underlying, (iii) Taxes and other governmental charges, (iv) registration or custodial fees or charges relating to the Underlying, (v) cable, telex, and facsimile transmission expenses, (vi) foreign currency conversion expenses and fees, (vii) depositary servicing fees, (viii) fees and expenses for voting Deposited Underlying, and (ix) any other fees or charges incurred by the Issuer or its agents in connection with the Securities. The Issuer's fees and charges may differ from those of other entities acting as depositaries in respect of depositary receipt products. The Issuer reserves the right to modify, reduce, or increase its fees upon thirty (30) calendar days' notice to the Holders.

13. Taxation

Each Holder 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 Holder in any jurisdiction or by any governmental or regulatory authority.

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

Holders 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 Holder shall promptly reimburse the Issuer.

Any Taxes, duties, charges, or withholding arising in connection with any dividend, distribution, or other amount received in respect of the Underlying shall be deducted or withheld before any amount is applied in accordance with Condition 6 (*Distributions*). Any such deduction or withholding shall reduce the amount available for reinvestment and shall be reflected in any corresponding adjustment to the Deposit Ratio pursuant to Condition 4.2. The Issuer shall have no obligation to gross up or otherwise compensate any Holder for any such Taxes, duties, charges, or withholding.

14. Liability

The Issuer issues the Securities and holds the Deposited Property solely in the capacities expressly contemplated by the Deed of Trust and these Terms and Conditions. Except for the trust constituted over the Deposited Property and Unvested Securities pursuant to the Deed of Trust, none of the Issuer, any administrator, the Trustee, Tokenisation Entity, Custodian, any broker, or any other party acting on behalf of such parties or providing any services contemplated hereunder or in the Deed of Trust undertakes any fiduciary, advisory, investment management, or similar obligations to Holders.

Without prejudice to the provisions of any agreement as described in these Terms and Conditions, none of the Issuer, any administrator, the Trustee, Tokenisation Entity, Custodian, or any broker, nor their respective officers, directors, employees, agents, affiliates, successors, and assigns 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 the Prospectus or with respect to the Security, irrespective of whether the agents act in the interest of the Issuer or the Holder.

Nothing in these Terms and Conditions shall exclude or restrict any liability to the extent that such liability cannot be excluded or restricted under Applicable Law, including liability arising from fraud or any other liability which may not lawfully be excluded. Subject to the foregoing, none of the Issuer, any administrator, the Trustee, Custodian, any broker, the Tokenisation Entity, or any other party involved with the Security shall be liable for losses arising from theft, cyberattacks, material changes in regulation, or any analogous or similar event beyond its reasonable control (an "**Extraordinary Event**"), except to the extent resulting from such party's fraud, gross negligence, or wilful misconduct. Upon the occurrence of such an event with respect to, or affecting the Underlying, the value of the Redemption Right shall be reduced accordingly to such Extraordinary Event and may be as low as the smallest denomination of the relevant settlement currency (i.e., USD 0.01 or the equivalent in other settlement currencies), as determined by the Issuer.

In no event shall the Issuer, any administrator, the Trustee, Tokenisation Entity, Custodian, any brokers, or any other involved party with the Security, 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 the Securities.

In acting hereunder, the Issuer shall have only those duties, obligations, and responsibilities expressly specified in the Deed of Trust and these Terms and Conditions and, other than holding the Deposited Property for the benefit of Holders as bare trustee, does not assume any relationship of trust for or with the Holders or any other person.

Subject to Applicable Law, the Issuer shall not incur any liability to any Holder (i) if by reason of any provisions of any present or future law of the ADGM, the U.S., any State thereof, or of any other country, or of any governmental or regulatory authority, or by reason of any provision, present or future, of the charter or articles of association or similar constitutional document of the Underlying Issuer or of the Underlying, the Issuer shall be prevented, delayed, or forbidden from or subjected to any civil or criminal penalty or extraordinary expenses on account of doing or performing any act or thing which by the terms hereof it is provided shall be done or performed, (ii) by reason of any non-performance or delay, caused as specified in clause (i) above, in the performance of any act or thing which by the terms of the Security it is provided shall or may be done or performed, (iii) by reason of any exercise of, or failure to exercise, any discretion provided for in these Terms and Conditions, (iv) for the inability of any Holder to benefit from any distribution, offering, right, or other benefit which is made available to holders of Underlying but is not made available to Holders, (v) for any special, consequential or punitive damages for any breach of the terms of the Securities, or (vi) arising out of any act of god, terrorism or war, or any other circumstances beyond its control.

The Issuer shall not be responsible for any failure to carry out any requests to vote in respect of any Underlying or for the manner or effect of any vote that is cast either with or without the request of any Holder, or for not exercising any right to vote in respect of any Underlying.

The Issuer does not assume any obligation and shall not be subject to any liability to Holders other than agreeing to act without fraud, gross negligence, or wilful misconduct in the performance of such duties as are specifically set forth herein.

The Issuer shall be under no obligation to appear in, prosecute or defend, any action, suit or other proceeding in respect of the Underlying or in respect of the Securities on behalf of Holders or any other persons. The Issuer shall not be liable for any action or non-action by it in reliance upon the advice of or information from legal counsel, accountants, or any other persons believed by it in good faith to be competent to give such advice or information.

The Issuer and the Custodian may appoint nominees, sub-custodians, brokers, agents, correspondents, and other service providers in connection with the Securities and may rely upon the acts and omissions of such persons selected in good faith. Neither the Issuer nor the Custodian shall be liable for any act, omission, insolvency, or default of any such person unless resulting from its own fraud, gross negligence, or wilful misconduct in selecting or retaining such person.

15. Non-petition

No Holder or former Holder shall institute against, or join any person in instituting against, the Issuer any bankruptcy, winding-up, liquidation, administration, insolvency, or similar proceedings, or appoint or seek the appointment of any receiver, administrator, or similar officer in respect of the Issuer.

16. Purchase by the Issuer

Without prejudice to its rights to terminate the Securities, the Issuer and/or any of its affiliates may at any time purchase Securities of any issue at any price in the open market or otherwise, for the purpose of facilitating the cancellation of Securities or dealing with residual or fractional holdings or otherwise carrying out its functions in relation to the Securities. Securities so acquired may be held, resold or cancelled, or otherwise dealt with, to the extent reasonably necessary for such purposes.

17. **Notices**

Notices to Holders relating to Securities will be published on the Issuer's website at https://www.coinbase.com/tokenize, disclosed by the Reporting Entity on LA Disclosure Platform, and subject to Applicable Law, may be communicated in such other manner as the Issuer may decide. They will only be published in the English language.

Without prejudice to any obligation of the Issuer to publish a supplementary prospectus pursuant to section 65 of FSMR, for the purposes of these Terms and Conditions, all Holders shall be conclusively deemed to have received, understood, accepted, and have knowledge of all information disclosed by the Reporting Entity on the LA Disclosure Platform.

18. **Appointment and replacement of service providers**

The Issuer may at any time appoint, remove, or replace the Custodian, Tokenisation Entity, or any broker, administrator, paying agent, nominee, sub-custodian, or other service provider appointed in connection with the Securities. Any successor Custodian or Tokenisation Entity shall succeed to the rights, powers, duties, and discretions of its predecessor in relation to the Securities from such date as the Issuer may determine. No Holder consent shall be required for any such appointment, removal, or replacement. The Issuer shall give notice of any replacement of the Custodian or Tokenisation Entity to Holders in accordance with Condition 17 (*Notices*) as soon as reasonably practicable following such replacement.

19. **Substitution**

By purchasing or subscribing for the Securities, the Holder is deemed to consent that the Issuer is entitled at any time and without the additional consent of the Holders to have itself substituted as the Issuer of the Securities by a new issuer (which may, or may not, be a subsidiary, branch, or holding company of the Issuer) (the "**New Issuer**"), provided that the New Issuer has:

(i) assumed all obligations of the existing Issuer to Holders with respect to the Securities, including by replacing the Issuer as Trustee under the Deed of Trust;

(ii) filed all necessary product documentation with the competent authorities (where necessary) and such product documentation has been approved by such competent authorities (where necessary);

(iii) entered into service agreements with all necessary service providers (e.g., custodian, broker, administrator, etc.); and

(iv) received all necessary approvals from the authorities of the country in which it has its headquarters.

Upon fulfilment of the aforementioned conditions, the New Issuer takes the place of the existing Issuer in all respects, and the existing Issuer is released from all obligations to the Holders of Securities relating to its function as Issuer arising from or in connection with the Securities.

Any such substitution of the Issuer will be promptly published or brought to the attention of Holders by the Issuer in an appropriate manner, including in accordance with Condition 17 (*Notices*). The Issuer bears no responsibility for damages or consequences incurred by individual Holders as a result of the exercise of the Issuer's right to substitution. Holders therefore have no right to assert legal claims or claims for compensation of damages against the Issuer in this connection.

20. **Severance**

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

21. Modifications of the Terms and Conditions

The Issuer shall be entitled to amend, without the consent of the Holders, any clause or item in these Terms and Conditions for the purpose of correcting a manifest error, clarifying any uncertainty, or correcting or supplementing the provisions herein in such a manner as the Issuer deems necessary or desirable, provided that, in the Issuer's sole opinion, such amendments would not be materially prejudicial to the interests of Holders.

Furthermore, the Issuer shall at all times be entitled to amend any clause or item in these Terms and Conditions where, and to the extent that, the amendment is necessitated in its sole discretion in order to comply with Applicable Law or as a consequence of legislation, decisions by courts of law, or decisions taken by governmental authorities.

Any such amendments to these Terms and Conditions will be promptly published or brought to the attention of Holders by the Issuer in an appropriate manner, including in accordance with Condition 17 (*Notices*) or by filing a supplemental prospectus where so required in accordance with section 65 of FSMR.

22. Governing law and jurisdiction

The Prospectus, the Securities issued, and the rights and obligations of the Issuer and each of the Holders of the Securities under the Prospectus shall be governed by and construed in accordance with the laws of the ADGM.

In relation to any proceedings in respect of the Securities issued under the Prospectus, the Issuer agrees (and each Holder, upon receipt of the Securities, shall be deemed to agree) that the courts of ADGM shall have non-exclusive jurisdiction to hear and determine any action or proceeding arising out of or in connection with the Securities issued under the Prospectus and for that purpose the Issuer and each Holder irrevocably submit to the jurisdiction of the courts of ADGM.

Notwithstanding the above, and for the avoidance of doubt, the various agreements with service providers (e.g., the Tokenisation Entity, the Custodian, any broker and any administrator) shall be governed by the laws set out therein and subject to the jurisdiction set out therein.

23. Definitions and interpretation

23.1 Definitions

In these Terms and Conditions, unless the context otherwise requires, the following terms shall have the respective meanings set out below:

"**ADGM**" means the Abu Dhabi Global Market.

"**Adjustment Event**" has the meaning given to it in Condition 4.2(a).

"**Applicable Law**" means all applicable laws, statutes, rules, regulations, orders, judgments, decrees and other requirements of any governmental, regulatory or supervisory authority, and all applicable rules, regulations and requirements of any securities exchange, stock exchange, trading market or self-regulatory organization, in each case having jurisdiction over the relevant person, transaction or matter.

"**Blockchain Network**" means a decentralised, distributed, and cryptographically secured digital ledger that is designed to be immutable and tamper-proof, including blockchains or other forms of distributed ledger technology.

"**Compliance Procedures**" means all applicable anti-money laundering, counter-terrorist financing, sanctions, know-your-customer, customer due diligence, legal eligibility or other compliance procedures required by the Tokenisation Entity or any relevant service provider from time to time.

"**CSD**" means a person authorised by the FSRA to carry on the activity of "Acting as a Central Securities Depositary" (as defined in section 258(1) of FSMR) in the ADGM.

"**Custodian**" means Alpaca Securities LLC or any successor custodian appointed to hold the Deposited Underlying and other Deposited Property on behalf of the Trustee in accordance with the Deed of Trust from time to time.

"**Deed of Trust**" means the deed of trust dated 3 September 2026 constituting the trusts declared by the Issuer over the Deposited Property and Unvested Securities, as amended, supplemented, novated or replaced from time to time.

"**Deposit Ratio**" means the number or fraction of Underlying represented by one Security from time to time, as determined and adjusted by the Issuer in accordance with these Terms and Conditions.

"**Deposited Property**" means the Deposited Underlying and any cash, securities, rights or other property received, held, acquired, or retained in respect of such Deposited Underlying, including:

(i) any cash dividends, distributions or other amounts received and held pending application in accordance with Condition 6 (*Distributions*) of these Terms and Conditions;

(ii) any proceeds of sale or realisation of property forming part of the Deposited Property; and

(iii) any property held pending payment of fees, charges, expenses, taxes, duties, or other amounts payable in accordance with these Terms and Conditions.

"**Deposited Underlying**" means the Underlying held in a custody account with the Custodian in the Trustee's name on trust for the benefit of Registered Owners from time to time, in accordance with the Deed of Trust and the Terms and Conditions.

"**Designated List**" means any list of Wallets designated by the Tokenisation Entity pursuant to Applicable Law, sanctions requirements, or Compliance Procedures.

"**Extraordinary Event**" has the meaning given to it in Condition 14 *(Liability*).

"**Final Distribution Date**" has the meaning given to it in Condition 9.6.

"**FSMR**" means the ADGM Financial Services and Markets Regulations 2015, as amended.

"**FSRA**" means the ADGM Financial Services Regulatory Authority.

"**Holder**" means, with respect to Securities (or any fractional interest therein), the person controlling the Wallet in which tokens representing such Securities (or fractional interests) are held from time to time.

"**Issuer**" means Coinbase Onchain SPV Ltd, a private company limited by shares incorporated in the ADGM with company number 37941.

"**LA Disclosure Platform**" means the FSRA's Listing Authority Disclosure Platform on the Listing Authority's webpage.

"**Legal Register**" means the definitive record of legal title to Securities maintained by the Tokenisation Entity in its capacity as CSD.

"**Market Rules**" means the FSRA's Market Rulebook, as amended from time to time.

"**New Issuer**" has the meaning given to it in Condition 19 *(Substitution*).

"**On-Chain Data**" means data relating to transactions, events, and actions affecting the Securities, including the holding and transfer thereof, immutably recorded on a Blockchain Network.

"**Prospectus**" means the prospectus to which these Terms and Conditions are annexed and that was approved by the FSRA as the Listing Authority of the ADGM under section 61(2) of FSMR and section 4.6.2 of the Market Rules on 3 September 2026.

"**Redemption Order**" means a relevant communication in the form prescribed by the Tokenisation Entity for Authorised Participants (as defined in the Prospectus) or other Vested Holders to request a redemption in respect of the Vested Securities.

"**Redemption Right**" means the right of a Vested Holder to redeem Vested Securities they hold in accordance with Condition 5.1.

"**Registered Owner**" means, with respect to a Security (or a fractional interest therein), the person in whose name legal title to such Security (or fractional interest therein) is registered in the Legal Register at the relevant time.

"**Relevant System**" has the meaning given to it in Condition 2.1(b).

"**Residual Pool**" has the meaning given to it in Condition 9.6.

"**Securities**" means Digital Securities issued by the Issuer constituting "Certificates representing certain Financial Instruments" for the purposes of paragraph 92 of Schedule 1 of FSMR, each of which represents a pro rata beneficial interest in the Deposited Property (as a whole).

"**Security Termination**" has the meaning given to it in Condition 9.1.

"**Settlement Instructions**" has the meaning given to it in Condition 5.2(ii).

"**Taxes**" includes taxes, levies, imposts, duties, charges, withholdings, deductions or governmental fees of any nature.

"**Termination Date**" has the meaning given to it in Condition 9.1.

"**Termination Event**" has the meaning given to it in Condition 9.1.

"**Termination Notice**" has the meaning given to it in Condition 9.1.

"**Termination Proceeds**" has the meaning given to it in Condition 9.2.

"**Terms and Conditions**" means these Terms and Conditions of the Securities, as amended or supplemented from time to time in accordance with Condition 21 (*Modification of the Terms and Conditions*) and any reference to a particular numbered "**Condition**" shall be construed accordingly.

"**Tokenisation Entity**" means Onchain Marketplace Ltd.

"**Trustee**" means the Issuer, in its capacity as trustee under the Deed of Trust, or any other person acting as trustee with respect to the Deposited Property or Unvested Securities under the Deed of Trust from time to time.

"**Uncertificated Securities Rules**" means the ADGM Uncertificated Securities Rules 2021, as amended from time to time.

"**Underlying**" means shares of Class A common stock of Strategy Inc, as registered with the U.S. Securities and Exchange Commission and listed for trading on the Underlying Listing Venue (Ticker: MSTR).

"**Underlying Issuer**" means Strategy Inc.

"**Underlying Listing Venue**" means Nasdaq.

"**Unsettled Holder**" has the meaning given to it in Condition 9.6.

"**Unvested Holder**" means a Holder who has not satisfied the Vesting Conditions, as determined by the Tokenisation Entity, acting on behalf of the Issuer.

"**Unvested Securities**" means Securities held in the Wallet of an Unvested Holder.

"**U.S.**" means the United States of America.

"**USD**" means U.S. dollars.

"**USDC**" means the fiat-collateralized stablecoin pegged to the USD.

"**Vested Holder**" means a Holder who has satisfied the Vesting Conditions, as determined by the Tokenisation Entity, acting on behalf of the Issuer.

"**Vested Securities**" means Securities held in the Wallet of a Vested Holder.

"**Vesting Conditions**" has the meaning ascribed to such term in Condition 2.4(c).

"**Wallet**" means a self-custodial digital wallet used to hold, receive, transfer, and otherwise exercise control over Securities.

"**Warrantor**" has the meaning given to it in Condition 10.1.

23.2 **Interpretation**

In these Terms and Conditions:

(i) Words importing the plural shall include the singular and vice versa, unless the context requires otherwise.

(ii) A reference to a "person" in the Conditions includes any person, firm, company, corporation, government, state or agency of a state or any association, trust or partnership (whether or not having separate legal personality) of two or more of the foregoing.

(iii) A reference in the Conditions to a provision of law is a reference to that provision as amended or re-enacted.

(iv) Where the Issuer or any other entity or person acting on behalf of the Issuer acts in its opinion or exercises a discretion, it shall do so, unless specified otherwise herein or the context requires otherwise, in its reasonable discretion, each subject to any deviating (a) mandatory rules that apply by operation of law and (b) contractual provisions that are binding for the entity or person exercising the discretion.

(v) References in the Conditions to a company or entity shall be deemed to include a reference to any successor or replacement thereto.

ANNEX 2: DEED OF TRUST

Dated 3 September 2026

DEED POLL AND DECLARATION OF TRUST

relating to

Coinbase Onchain SPV Ltd

and the issuance of

Strategy CB Certificates (Certificates over Shares)

representing beneficial interests in shares of Class A common stock of

Strategy Inc

THIS DEED POLL AND DECLARATION OF TRUST (this "**Deed**") is made on 3 September 2026

BY:

COINBASE ONCHAIN SPV LTD, a private company limited by shares (registered number 37941) incorporated in the Abu Dhabi Global Market under the ADGM Companies Regulations 2020 (as amended), whose registered office is at Unit 12, Level 25, Al Sila Tower, Abu Dhabi Global Market Square, Al Maryah Island, Abu Dhabi, United Arab Emirates (the "**Trustee**").

IN FAVOUR OF:

THE REGISTERED OWNERS AND UNVESTED HOLDERS (as defined below).

WHEREAS:

(A) The Trustee has established a programme for the issuance of Strategy CB Certificates, being "Certificates representing certain Financial Instruments" within the meaning of paragraph 92 of Schedule 1 to the Financial Services and Markets Regulations 2015, as amended (the "**Securities**"), representing beneficial interests in shares of Class A common stock of Strategy Inc (Ticker: MSTR) (the "**Underlying**").

(B) The Securities will be offered and sold only outside the United States in reliance upon Regulation S under the U.S. Securities Act of 1933, as amended.

(C) The Securities will be represented in the form of tokens on a distributed ledger or blockchain.

(D) The Securities will be constituted and issued in uncertificated form pursuant to the laws and regulations applicable in the Abu Dhabi Global Market ("**ADGM**").

(E) The Trustee or its custodian will hold Underlying and other Deposited Property attributable thereto for the benefit of Registered Owners from time to time.

(F) The Trustee will hold legal title to Unvested Securities and the Beneficial Interests attaching thereto for the benefit of Unvested Holders from time to time.

(G) The Trustee wishes:

(i) to constitute the Securities by deed poll;

(ii) to declare the trusts on which the Deposited Property and Unvested Securities are held; and

(iii) to confer rights directly upon Registered Owners and Unvested Holders from time to time.

NOW THIS DEED WITNESSES as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 In this Deed:

"**Beneficial Interest**" means, in respect of each Security (or fraction thereof), a pro rata equitable interest in the Deposited Property as a whole, equal to the proportion which such Security (or fraction thereof) bears to the aggregate number of Securities (including fractional interests in Securities) then outstanding.

"**Deposited Property**" means the Deposited Underlying and any cash, securities, rights, or other property received, held, acquired, or retained in respect of such Deposited Underlying, including:

(a) any cash dividends, distributions or other amounts received and held pending application in accordance with Condition 6 (*Distributions*) of the Terms and Conditions;

(b) any proceeds of sale or realisation of property forming part of the Deposited Property; and

(c) any property held pending payment of fees, charges, expenses, taxes, duties, or other amounts payable in accordance with the Terms and Conditions.

"**Holder**" means, with respect to Securities (or any fractional interest therein), the person controlling the Wallet in which tokens representing such Securities (or fractional interests) are held from time to time.

"**Legal Register**" means the definitive record of legal title to Securities maintained by the Tokenisation Entity in its capacity as CSD.

"**Registered Owner**" means, with respect to a Security (or a fractional interest therein), the person in whose name legal title to such Security (or fractional interest therein) is registered in the Legal Register at the relevant time.

"**Relevant System**" means any computer-based system and related procedures enabling title to Securities to be evidenced and transferred without a certificate or written instrument in accordance with the Uncertificated Securities Rules 2021.

"**Terms and Conditions**" means the Terms and Conditions of the Securities, as set out in the Schedule hereto, as amended from time to time and any reference to a particular numbered "**Condition**" shall be construed accordingly.

"**Unvested Holder**" means a Holder who has not satisfied the Vesting Conditions, as determined by the Tokenisation Entity, acting on behalf of the Issuer.

"**Unvested Securities**" means Securities held in the Wallet of an Unvested Holder.

"**Wallet**" means a self-custodial digital wallet used to hold, receive, transfer, and otherwise exercise control over Securities.

1.2 In the event of any inconsistency between this Deed and the Terms and Conditions in relation to the holding, transfer, vesting, beneficial ownership or registration of Securities, the Terms and Conditions shall prevail.

1.3 In this Deed, capitalised terms that are used but not otherwise defined herein shall have the same meanings given to such terms in the Terms and Conditions.

2. CONSTITUTION OF SECURITIES

2.1 The Trustee hereby constitutes the Securities and covenants in favour of each Registered Owner and Unvested Holder from time to time that it will comply with and perform the obligations expressed to be assumed by it pursuant to this Deed and the Terms and Conditions.

2.2 The Securities shall exist solely in uncertificated form and title thereto shall pass in accordance with applicable ADGM law and the operation of the Relevant System.

3. DECLARATION OF TRUST

3.1 The Trustee hereby declares that it holds all Deposited Property on trust as bare trustee for the benefit of the Registered Owners from time to time, in each case subject to and in accordance with this Deed and the Terms and Conditions.

3.2 Beneficial Interests attach to Securities and the Beneficial Interests of Registered Owners shall adjust automatically upon transfer of the corresponding Securities effected in accordance with Applicable Law and duly registered in the Legal Register.

3.3 Each Beneficial Interest constituted under this Deed is a proportionate proprietary claim to the Deposited Property as a whole. Any contractual or other rights that may be exercisable by a Holder in respect of Securities (including any redemption, voting, and distribution rights with respect to Underlying), arise under, and are governed by, the Terms and Conditions.

3.4 No Registered Owner is entitled to partition or division of the Deposited Property, or to require the transfer or delivery of any specific Underlying or other asset comprised in the Deposited Property, except by way of redemption or on termination of Securities in accordance with the Terms and Conditions.

3.5 The Deposited Property shall be segregated from, and shall not form part of, the proprietary assets of the Trustee.

4. UNVESTED SECURITIES

If and to the extent the Trustee is registered as the Registered Owner of Unvested Securities in accordance with the Terms and Conditions, the Trustee shall hold the legal title and all Beneficial Interests attaching to such Unvested Securities as bare trustee for the Unvested Holders from time to time thereof until such time as a Holder is registered as the Registered Owner thereof upon satisfaction of the Vesting Conditions in accordance with the Terms and Conditions.

5. LIMITATION OF TRUST DUTIES

5.1 Notwithstanding the declarations of trust in clauses 3 and 4, the Trustee shall:

(a) have only those duties expressly set out in this Deed and the Terms and Conditions, which the Trustee shall perform honestly and in good faith for the benefit of, as applicable, the Registered Owners or Unvested Holders from time to time; and

(b) not owe any wider fiduciary, discretionary, or investment duties to Holders.

5.2 The Trustee may exercise all rights, powers, and discretions expressly conferred upon it by the Terms and Conditions and this Deed.

5.3 The rights, powers, discretions, protections, indemnities, and limitations of liability of the Trustee in relation to the Securities and the Deposited Property shall be as set out in the Terms and Conditions, as set out in the Schedule hereto.

5.4 Without prejudice to clause 5.3, the Trustee acts solely in an administrative, custodial, and trustee capacity in relation to the Securities and the Deposited Property and shall not be subject to any duties, obligations, or liabilities except as expressly provided in this Deed, the Terms and Conditions or Applicable Law.

6. LEGAL REGISTER

6.1 The Legal Register shall be conclusive evidence (absent manifest error) of the identity of Registered Owners and the number of Securities legally owned by each Registered Owner.

6.2 No person shall be recognised by the Trustee as a Registered Owner except the person recorded as such in the Legal Register.

7. PAYMENTS AND DISTRIBUTIONS

Payments and distributions in respect of the Deposited Property shall be made in accordance with the Terms and Conditions and subject to Applicable Law, taxes, fees, and expenses.

8. CORPORATE ACTIONS

The Trustee may take all actions contemplated by the Terms and Conditions in relation to the Deposited Property, including but not limited to in connection with dividends, voting, reorganisations, substitutions, rights offerings, and corporate actions.

9. APPOINTMENT OF CUSTODIAN

9.1 The Trustee has separately appointed Alpaca Securities LLC as custodian (the "**Custodian**") to act for it as custodian of the Deposited Property and the Trustee confirms that the Custodian will act in accordance with the terms of, and to carry out those functions expressed to be performed by it in, this Deed and the Terms and Conditions, in each case at the direction of the Trustee. If the Custodian resigns or is discharged from its duties hereunder with respect to any Deposited Property, the Trustee shall promptly appoint a successor custodian.

9.2 The Trustee shall require the Custodian to hold the Deposited Property on trust for the Trustee, to identify it in the Custodian's books and records as held for the account of the Trustee, and to keep it segregated from the Custodian's own assets and, so far as practicable, from the assets of the Custodian's other clients.

10. LIMITATION OF LIABILITY

10.1 Subject to Applicable Law, the Trustee shall not incur any liability to any Holder except to the extent directly arising from its own fraud, gross negligence, or wilful misconduct.

10.2 The Trustee shall be entitled to rely on and benefit from all limitations of liability, protections, rights, powers, discretions and indemnities contained in the Terms and Conditions.

11. ENFORCEMENT

11.1 This Deed shall take effect as a deed poll for the benefit of Registered Owners and Unvested Holders from time to time.

11.2 Each such person may severally enforce the obligations of the Trustee owed to them under this Deed.

12. LIMITED RECOURSE

12.1 The Securities do not constitute debt obligations and do not represent a general liability of the Trustee (in its capacity as Issuer of the Securities).

12.2 Notwithstanding any other provision of this Deed, the obligations of the Trustee and any and all claims of Registered Owners and Unvested Holders (as the case may be) under this Deed, however arising, are limited in recourse to the Deposited Property and its proceeds. No such person shall have any claim against the Trustee in respect of any other assets of the Trustee, including its share capital and any assets held by it otherwise than as Deposited Property. Once the Deposited Property has been realised and applied in accordance with this Deed and the Terms and Conditions, no further sums shall be payable by the Trustee under this Deed and any outstanding claim of a Registered Owner or Unvested Holder shall be extinguished, and no such person shall be entitled to take any step to recover any shortfall against the Trustee's other assets.

13. NON-PETITION

13.1 No Registered Owner or Unvested Holder shall, and each such person agrees that it shall not, institute against, or join any person in instituting against, the Trustee any bankruptcy, winding-up, liquidation, administration, insolvency, or similar proceedings, or appoint or seek the appointment of any receiver, administrator, or similar officer in respect of the Trustee.

13.2 The Trustee shall procure that the Tokenisation Entity gives an equivalent covenant in its agreement with the Trustee. This clause shall survive termination of this Deed.

14. TERMINATION

14.1 On a termination of the Securities, any Deposited Property that remains unclaimed, or that is attributable to Securities whose Holders cannot be identified or located after the steps required by the Terms and Conditions, shall be held for and ultimately applied in the manner set out in the Terms and Conditions, in accordance with the Terms and Conditions and Applicable Law. Nothing in this clause entitles the Trustee to apply Deposited Property otherwise than in accordance with this Deed and the Terms and Conditions.

14.2 If, in respect of any Securities or any Underlying, the continued performance of this Deed or the holding of the Underlying becomes unlawful or is prohibited or materially restricted by any sanctions measure, court order or change in Applicable Law, the Trustee may compulsorily redeem or terminate the affected Securities and realise and distribute the corresponding Deposited Property in accordance with the Terms and Conditions.

14.3 The trust declared by this Deed, and the segregation of the Deposited Property, shall continue throughout any such redemption, termination or wind-down until the Deposited Property has been fully distributed in accordance with the Terms and Conditions.

15. GOVERNING LAW

This Deed and any non-contractual obligations arising out of or in connection with it shall be governed by ADGM law.

16. JURISDICTION

The courts of ADGM shall have exclusive jurisdiction to settle disputes arising out of or in connection with this Deed.

SCHEDULE: TERMS AND CONDITIONS

[Please refer to the Terms and Conditions set out at Annex 1 to the Prospectus.]

ANNEX 3: UNAUDITED SPECIAL PURPOSE STATEMENT OF FINANCIAL POSITION

Company Number: 37941

Coinbase Onchain SPV Ltd.

Abu Dhabi Global Market
Abu Dhabi, United Arab Emirates
Special Purpose Statement of Financial Position
As at June 17, 2026 (being the date of incorporation)

Coinbase Onchain SPV Ltd.
Table of Contents

COINBASE ONCHAIN SPV LTD.
Registered in Abu Dhabi Global Market, United Arab Emirates

Principal Office:
Unit 12, Level 25, Al Sila Tower,
Abu Dhabi Global Market Square,
Al Maryah Island,
Abu Dhabi, United Arab Emirates

Directors:
John D'Agostino (Appointed on June 17, 2026)
Jordan Fish (Appointed on June 17, 2026)

Independent Auditors
Deloitte & Touche (M.E.) LLP
Level 11, Al Sila Tower
Abu Dhabi Global Market Square
Al Maryah Island
P.O. Box 990
Abu Dhabi, United Arab Emirates

Coinbase Onchain SPV Ltd.
Special Purpose Statement of Financial Position
As at 17 June 2026 (being the date of incorporation)
(In US dollars)

Assets	**Note**		
Current assets			
Due from related party	5	$	1,000
Total assets		$	1,000
Liabilities and equity			
Equity			
Share capital	4	$	1,000
Total equity			1,000
Total liabilities and equity		$	1,000

The accompanying notes are an integral part of this special purpose statement of financial position.

The special purpose statement of financial position was approved and authorised for issue by the Board of Directors on July 24, 2026 and were signed on its behalf by:

Jordan Fish
Director
July 24, 2026

The accompanying notes are an integral part of these financial statements.

1. GENERAL INFORMATION

Coinbase Onchain SPV Ltd (the "Company") was incorporated on June 17, 2026 as a private company limited by shares in the Abu Dhabi Global Market ("ADGM"). The registered office of the Company is Unit 12, Level 25, Al Sila Tower, Abu Dhabi Global Market Square, Al Maryah Island, Abu Dhabi, United Arab Emirates.

The Company's principal activity as described in its ADGM commercial license is that of a Special Purpose Vehicle — holding ownership of equity and non-equity assets. Specifically, the Company's principal activity is the issuance of digital securities in the ADGM. These digital securities represent interests in underlying equities held on trust with regulated third-party custodians. The Company will issue a prospectus for each digital security it issues. The Company is not permitted to register branches but may incorporate wholly or partially owned subsidiaries outside of ADGM.

The Company is a wholly owned subsidiary of Onchain Marketplace Holdings Limited (the "Immediate Parent"), which is an indirect wholly owned subsidiary of Coinbase Global, Inc. (the "Ultimate Parent"), a corporation incorporated in Texas, United States of America.

2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

Statement of compliance

The special purpose statement of financial position of the Company has been prepared in accordance with IFRS® Accounting Standards issued by the International Accounting Standards Board (IASB).

Basis of presentation and measurement

The special purpose statement of financial position of the Company has been prepared using the historical cost basis. This is the first special purpose statement of financial position prepared by the Company and as such, no comparative period is presented.

The Company has prepared the Financial Statements on the basis that it will continue to operate as a going concern.

The financial statements of the Company are presented in United States Dollars ("US Dollar" or "$"), which is also the Company’s functional currency. The determination of the functional currency is based on the currency that best reflects the economic substance of the underlying events and circumstances relevant to the entity.

3. MATERIAL ACCOUNTING POLICIES

Current versus non-current classification

Based on the time involved between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has identified twelve months as its operating cycle for determining current and non-current classification of assets and liabilities in the balance sheet.

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. A financial instrument is recognised when the entity becomes a party to its contractual provisions.

Financial assets

The Company's financial assets at the date of incorporation comprise amounts due from related party.

The Company recognises expected credit losses ("ECL") on financial assets measured at amortised cost. As at the date of incorporation, the Company's only financial asset is the amount due from its immediate parent, Onchain Marketplace Holdings Limited, which is an indirect wholly owned subsidiary of Coinbase Global, Inc. The Company considers the credit risk associated with this balance to be minimal, and the ECL provision is assessed as nil.

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

Financial liabilities

As at the date of incorporation, the Company had no financial liabilities. When financial liabilities arise in future periods, they will be initially measured at fair value and subsequently measured at amortised cost using the effective interest method. The Company will derecognise a financial liability when, and only when, the Company's obligations are discharged, cancelled or have expired.

Related party transactions

Related party balances as at the date of incorporation arise solely from the initial capitalisation of the Company through the issuance of share capital to its immediate parent.

Parties are considered related if one party has control, joint control, or significant influence over the other party in making financial and operating decisions.

Equity

Ordinary shares are classified as share capital within equity in the special purpose statement of financial position.

Income taxes

The Company is incorporated in ADGM, UAE. The Company is subject to the UAE Federal Corporate Tax Law (UAE Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses, "Corporate Tax Law") at a rate of 9% on taxable income exceeding AED 375,000. The Corporate Tax Law shall apply to tax periods commencing on or after June 1, 2023. For the Company, current taxes shall be accounted for, as appropriate, in this special purpose statement of financial position for the period beginning from June 17, 2026 (date of incorporation). As at the date of incorporation, the Company had no taxable income; accordingly, no current or deferred tax liability is recognised.

The Company will register with the UAE Federal Tax Authority and fulfil all applicable Corporate Tax Law compliance obligations for its first tax period.

Events after the reporting date

Events after the reporting date that provide additional information about the Company's special purpose statement of financial position at the reporting date (adjusting events) are reflected in the special purpose statement of financial position. Events after the reporting date that are not adjusting events are disclosed in the notes to this special purpose statement of financial position when material.

New standards and interpretations not adopted

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of this special purpose statement of financial position are disclosed below. The Company intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

IFRS 18, Presentation and Disclosures in Financial Statements

In April 2024, the IASB issued IFRS 18, which replaces IAS 1, *Presentation of Financial Statements*. IFRS 18 introduces new requirements to present specified categories and defined subtotals within the statement of profit or loss. IFRS 18 also requires disclosure of management-defined performance measures in the notes to the financial statements and introduces new requirements for the aggregation and disaggregation of financial information within the financial statements.

In connection with the issuance of IFRS 18, narrow-scope amendments have been made to IAS 7, *Statement of Cash Flows*, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss'. In addition, there are minor amendments to IAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors* and IFRS 7, *Financial Instruments: Disclosures*.

IFRS 18, and the related amendments to the other standards, is effective for reporting periods beginning on or after January 1, 2027, on a retrospective basis, with early application is permitted. The Company is currently evaluating the impact of adopting IFRS 18 on its financial statements.

4. SHARE CAPITAL

The Company was incorporated on June 17, 2026 as a private company limited by shares under the ADGM Companies Regulations 2020. As at the date of incorporation, 1,000 ordinary shares with a par value of $1.00 each were issued and outstanding, with an aggregate share capital of $1,000. All shares are of the same class and rank pari passu in all respects. All issued shares are held by Onchain Marketplace Holdings Limited, the immediate parent of the Company.

As at reporting date, the subscription amount of $1,000 remained unpaid and is presented as due from related party.

There are no restrictions on the distribution of dividends or the repayment of capital.

5. RELATED PARTY TRANSACTIONS

Related parties:

Name of the Entity	Relationship
Coinbase Global, Inc.	Ultimate parent
Onchain Marketplace Holdings Limited	Immediate parent
Onchain Marketplace Ltd	Fellow subsidiary

Transaction and outstanding balance:

The transaction entered into with a related party on the date of incorporation was the issuance of 1,000 ordinary shares with a par value of $1.00 each to Onchain Marketplace Holdings Limited at an aggregate amount of $1,000, representing the issuance of the initial share capital of the Company.

As at the date of incorporation, the amount of $1,000 was outstanding and due from Onchain Marketplace Holdings Limited.

Balance outstanding is unsecured, interest-free, and repayable on demand.

6. INCOME TAX

The current fiscal period is the first period for which Corporate Tax Law is applicable for the Entity. Management has assessed their responsibility with regard to compliance with the Corporate Tax Law. In absence of taxable profits, the Entity has not recognised a corporate tax liability.

7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's financial asset at the date of incorporation consists of the amount due from a related party (Note 5). The Company has no financial liabilities as at the date of incorporation. The main risks arising from the Company's financial instruments are credit risk, and liquidity risk.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. As at the date of incorporation, the Company's only financial asset is the amount due from its immediate parent, Onchain Marketplace Holdings Limited,. The Company considers the credit risk associated with this balance to be low, and the expected credit loss is assessed as nil.

Liquidity risk

As at the date of incorporation, the Company has no financial liabilities. The Company is funded by Coinbase Global, Inc. and its immediate parent and is therefore not exposed to significant liquidity risk at the current stage.

8. CONTINGENCIES AND COMMITMENTS

As at July 24, 2026, the Company has no contingencies and commitments.

9. EVENTS AFTER REPORTING PERIOD

Management has evaluated subsequent events through July 24, 2026, the date the special purpose statement of financial position was available for issuance, and determined that no events occurred that require adjustments or disclosures in this special purpose statement of financial position.