

Official Notice  
Not for release outside of Switzerland

Nr.: [◆]

Title:

Exchange Traded Products of 21Shares AG (the "Company" or the "Issuer") |  
Addition of Alternative Collateral | Additional Administrator.

Ticker	ISIN	Valor
HODL	CH0445689208	44568920
AXRP	CH0454664043	45466404
ABCH	CH0475552201	47555220
KEYS	CH0475986318	47598631
ABTC	CH0454664001	45466400
AETH	CH0454664027	45466402
ABBA	CH0496484640	49648464
ABNB	CH0496454155	49645415
AXTZ	CH0491507486	49150748
SBTC	CH0514065058	51406505
MOON	CH0508793459	50879345

Name, registered office and address of the Company:

21Shares AG is a stock corporation under the laws of Switzerland. It has its registered office and address at Dammstrasse 19, 6300 Zug.

Brief description of the changes and effects regarding alternative collateral:

The Products have been issued by the Company under its Exchange Traded Products Programme dated 13 November 2018 as updated on 13 November 2019 and as supplemented from time to time (the "Programme").

Under the Programme, the Issuer may issue Products of a Series to Authorised Participant appointed in respect of such Series. For a description of the creation and redemption processes, as well as a description of the principal parties and transaction documents related to the Programme, see "Summary of the Parties and the Structure" of the Base Prospectus dated 13 November 2018 or of the Base Prospectus dated 13 November 2019, respectively, in each case as supplemented. Each Tranche is subject to Final Terms.

Each Product issued under the Programme shall be, and the Products are, collateralised through the purchase of a pool of Crypto Assets (eligible crypto currencies) on a 1:1 basis. These assets will be, and are, held on behalf of the Issuer by the relevant Custodian in accordance with the Custodial Services Agreement. The Underlying and/or the Underlying Components of the respective Product are specified in the relevant Final Terms. The Underlying Components are credited to the Collateral Account and serve as collateral for the Product. The Custodian is responsible for creating and maintaining wallet addresses and all safety and security measures associated with the wallet. The Law Debenture Trust Corporation p.l.c. acts as collateral agent with respect to the Products (the Collateral Agent). The security is created over the Collateral in favour of the Collateral Agent and for the benefit of Investors pursuant to the relevant Pledge of Collateral Account Agreement and the Account Control Agreement.

The issuer now will add "futures contracts" (Terminkontrakte) within the meaning of article 14(1) No. 1. of the Additional Rules for Exchange Traded Products as alternative eligible Collateral to the Products. These "futures

contracts" (Terminkontrakte) will arise from lending arrangements that the Issuer may enter into whereby it lends certain Underlying or Underlying Components to third parties. In order to mitigate the Issuer's, and the Investor's indirect, additional credit risk exposure to any parties to any lending arrangements, that third party must post eligible collateral assets with a market value at least equivalent to the value of the Underlying or Underlying Components lent. Underlyings or Underlying Components may be lent to third parties over a period of time. All of the Issuer's rights in any lending arrangements or assets posted back thereunder will be pledged to the Collateral Agent acting on behalf of Investors. In cases where such arrangements are put in place, the Collateral consisting of directly held Underlyings or Underlying Components is replaced by Collateral in the form of Underlyings or Underlying components and a claim against the relevant third party for delivery of the respective Underlyings or Underlying Components at a future point in time and any rights in the collateral posted by that third party. For this purpose, as of 23 July 2020, the Issuer and the Collateral Agent have entered into a pledge of loan agreement and account control agreement which is governed by the laws of the State of South Dakota. This pledge provides for a security interest in favour of the Collateral Agent for the benefit of Investors in certain agreements that the Issuer has entered into with respect to these new arrangements. The security interest created in the pledge of loan agreement and account control agreement is for the benefit of the Investors holding relevant Products issued under the Programme. For additional risks, amended definitions in the General Terms and Conditions as well as additional disclosure, see the Second Supplement to the Base Prospectus dated 13 November 2019 at the Issuers website (<https://21shares.com/ir#prospectus>).

**Additional Administrator:**

For the Products, the Issuer will add Sudrania Fund Services Corporation, as an additional Administrator to the Products. Sudrania Fund Service Corporation is a corporation incorporated in the State of Illinois in the United States of America with identification number 72079728. Sudrania Fund Service Corporation has its registered office at 633 Rogers Street, Suite 106, Downers Grove, IL 60523. Sudrania Fund Service Corporation is a fund accounting and fund technology company providing NAV Calculation and other services. It provides fund administration for hedge funds, commodity pools, private equity funds, and digital asset funds. Sudrania Fund Service Corporation was established with the purpose of accomplishing such lawful business and activities as determined by its shareholders.

**Date of Effectiveness:**

The addition of "futures contracts" (Terminkontrakte) as alternative Collateral and of Sudrania Fund Services Corporation as an additional Administrator for the Products will be effective as of 1 August 2020.

**Offering restrictions:**

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

Please refer to the Programme and Base Prospectus dated 13 November 2018 or dated 13 November 2019, respectively, in each case as supplemented, and the

relevant Final Terms for offering restrictions. In particular United States, European Economic Area or United Kingdom.

Further information:

Trades in the abovementioned Product of the Exchange Traded Product (ETP) segment will not be CCP-eligible. In contrast to other securities in this segment trades in the relevant ISINs will be instructed for bilateral settlement (excluding the CCP).

Copies of the offering and listing prospectus and any supplements thereto, if any, as well as copies of all transaction documents are available free of charge at 21Shares AG, Zug (email: etp@21shares.com).

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The Products are exchange traded products, which do not qualify as units of a collective investment scheme according to the relevant provisions of the Swiss Federal Act on Collective Investment Schemes (CISA), as amended, and are not licensed thereunder. Therefore, the Products are neither governed by the CISA nor supervised or approved by the Swiss Financial Market Supervisory Authority FINMA (FINMA). Accordingly, Investors do not have the benefit of the specific investor protection provided under the CISA.