§ 1 Issuer, total nominal amount, denomination

(1)   Blue Coin Emissions GmbH, domiciled in Germany, registered in the commercial register of the District Court of Paderborn under number HRB 16056 (the "**Issuer**" or "the **Company**") issues a bond ("**Blue Coin Select 20 Bond**" or "**Bond**") with a total nominal amount of up to EUR 100,000,000.-. The bond is divided into up to 1,000,000 units with a nominal amount of EUR 100.-- each. The bonds are being issued in bearer form.

The bond has the securities identification number A30V2E and the ISIN DE000A30V2E6.

§ 2 Form of the bonds

1. The bonds are represented by a global certificate (the "**Global Certificate**") without coupons. The global certificate shall be signed by or on behalf of the Issuer. Definitive certificates representing individual Bonds and coupons will not be issued, and the right of bondholders to request the issuance and delivery of definite Bonds shall be excluded.

(2) The global certificate will be kept in custody by or on behalf of the Clearing System until all obligations of the Issuer under the bonds have been fulfilled. "**Clearing System**" means Clearstream Banking AG, Frankfurt, Mergenthalerallee 61, 65760 Eschborn, Germany, and any successor in this capacity.

(3) "**Bondholder**" means any holder of a proportionate co-ownership or other beneficial interest or right in the Bonds.

§ 3 Term, issue price, minimum subscription

The term of the bond begins on 07.11.2022 and it will be issued at a price of 100. This is an open-end bond (bond with no fixed maturity). The minimum subscription volume is EUR 100,000.00 (Euro one hundred thousand) per bondholder, but only until the issuer has published an approved prospectus for a public offering of the Bond.

§ 4 Legal nature
(1)   **Use of issue proceeds**
The proceeds of the issue of the Bond will be used to purchase up to 20 different

cryptocurrencies (together the "**Coins**") on established crypto exchanges or crypto platforms.

When selecting the 20 coins, market capitalization, liquidity and tradability are the main focus. The selected up to 20 coins (together the "**Basket**") will be available on the Internet on the Company's website at www.bluecoin20.de.

The bond capital received is divided as <u>equally weighted</u> as possible among the up to 20 coins, whereby   a so-called rebalancing is carried out at the end of each month, so that the 20 coins are re-weighted as equally as possible. If necessary, the Company may carry out a reallocation of the coins held at the end of each quarter. Any such change in the composition of the Basket will be published on the Internet on the Company's website under www.bluecoin20.de.

In order to generate additional income, coins can be used for staking and/or be invested in interest-bearing accounts at established crypto exchanges or platforms, depending on availability. Any income therefrom will be divided equally between the company and the bondholders and reinvested (see also § 5).

The obligations under the Bond constitute direct, unsubordinated and unsecured obligations of the Issuer ranking pari passu among themselves.

By holding the bond, the bondholder participates in the performance of the underlying Basket.

The assets of the Bond attributable to the bondholders are determined in accordance with § 4 (2) to (7):

(2)   **Assets**
The assets attributable to the bonds consist of the Coins, which were acquired from the proceeds of the issue of the bond (bond capital), credit balances held with domestic and foreign banks, brokers and on accounts with crypto exchanges and/or platforms, cash assets and other assets that are attributable to the bondholders.

(3)   **Passiva**
The liabilities attributable to the bonds comprise of all liabilities directly attributable to the Bond, including the expenses and fees as described in paragraphs § 4 (4) to (7).

(4) Expenses, fees and other costs
As regulated in § 4 (5) to (7), the total assets attributable to the bonds are charged with directly or indirectly attributable expenses, fees, other costs, the purchase and sale fees for the coins, custody fees and expenses for the execution of administration and settlement.

(5) Management fee
The Company receives the following management fee for its activities with regards to the management of the assets attributable to the Bond:
The Company receives a monthly management fee amounting to 0.10% of the assets attributable to the bondholders (after deduction of expenses, fees and costs as regulated in § 4 (4)). The decisive factor for determining the management fee is the value of the assets attributable to the bondholders on the Effective Date. The management fee is due monthly in arrears, calculated on the basis of the Effective Date, which is the last bank working day of the calendar month. The management fee is deducted from the total assets attributable to the bondholders by reclassification. The assets used as the basis for calculation include all cash balances, cash equivalents, all positions in cryptocurrencies and other investments, assessed at the market value of the Effective Date (valuation, participation and termination date – "**Effective Date**" – is every bank working day in Germany, Frankfurt am Main), less all directly attributable costs, such as in particular, bank and trading charges, custody charges, stock exchange fees, etc.
The Company is entitled to delegate part or all of its management activities to third parties, but this must not increase the management fee.

(6) Other costs
The assets attributable to the bondholders are charged with all associated costs, taxes and duties and are reduced by these amounts. This includes, in particular, the pro rata costs of audit work, legal, tax or other advice, notifications, publications, printing costs, costs for the inclusion of the bond in an MTF market, ongoing stock exchange fees, costs for the preparation and dispatch of reports and bank charges.

Binding calculations and determinations (including valuations) shall be made by the Issuer or a third party determined by the Issuer at its own discretion.

When issuing/selling bonds, a front end load of up to 5.0% may be charged. This issuing charge does not form part of the assets attributable to the bondholders.

(7) Administration fee
The Company will receive a monthly administration fee of 0.02% of the assets attributable to the bondholders for carrying out the general administration of the bond. This fee is due on the Effective Date and is deducted from the total assets attributable to the bondholders by reclassification. The administrative fee shall be calculated only after deduction of the expenses in accordance with § 4 (5) and (6).

The Company is entitled to delegate part or all of its administration activities to third parties, but this must not increase the administration fee.

(8) Net Asset Value Calculation
The Company as administrator of the Bond or a third party appointed by the Company, shall calculate (at the expense of the Company) the *net asset value* ("**NAV**") allocable to the Bond for each Effective Date, which shall be decisive for the portion of the assets of the bonds attributable to the bondholders for the respective portion of the individual bond (units).

The NAV is calculated in accordance with § 4 (2) to (7) above according to the following formula:

The total value of the assets of the bond attributable to bondholders, valued on the Effective Date, is divided by the number of bonds issued (units). This value per bond is commercially rounded to the second decimal place. The NAV calculated in this way is decisive for determining the purchase price or the redemption amount (as defined in § 6) on the respective Effective Date. The issuer may choose at its own discretion whether the calculation is made as a unit or percentage quote.

(9) NAV Publication
The Company shall publish the NAV calculated in accordance with the formula set forth in § 4 (8) on its website at www.bluecoin20.de for each Effective Date.

§ 5 Interest, reassessment

No interest payments or other distributions will be made during the term of the bond. The income from the assets attributable to the bondholders is reinvested. Changes in value only become effective upon termination (by means of the Redemption Amount, see § 6) or upon sale of the Bond.

§ 6 Redemption

The bond has no fixed term. Repayment is therefore only made in the event of termination

of the Bond (see § 7). The redemption amount upon termination of the bond ("**Redemption Amount**") is determined in accordance with § 4 (8) and depends on the respective development of the Bond's assets attributable to the bondholders. The respective bondholder is not guaranteed a minimum redemption amount (see also § 10).

§ 7 Termination

(1) Termination by the bondholder

The bondholder is entitled to terminate the bonds (units) held by him, subject to a notice period of 5 (five) banking days in Germany (Frankfurt am Main). The bondholder shall submit the notice of termination in writing or by e-mail to Blue Coin Emissions GmbH (office@bluecoin20.de) by 11:00 a.m. at the latest. Only if the termination declaration is received by Blue Coin Emissions GmbH in due time, the termination shall be effective for that day. If received after 11:00 a.m., the notice of termination shall be deemed to have been received on the next banking working day.

In the event of termination, the bondholder is entitled to payment of the Redemption Amount pursuant to § 4 (8). Any fees, costs, duties and taxes to be paid by Blue Coin Emissions GmbH, which are additionally incurred due to the termination shall be deducted from the Redemption Amount, so that only the difference shall be paid to the terminating bondholder. The aforementioned amount must be paid via the paying agent within 5 (five) banking days after the termination date.

The company may temporarily suspend the redemption of the bonds in case of exceptional circumstances which, in the opinion of the Company's management, render a suspension necessary. Such exceptional circumstances are, for example, the following:

• if a crypto exchange or platform on which a substantial portion of the coins are traded is closed or trading is restricted or suspended;

• if significant assets of the Issuer cannot be disposed of;

• if it is not possible to properly determine the total value of the assets of the bonds attributable to the bondholders or if material assets cannot be assessed.

The Company shall inform the bondholders of the suspension and of the resumption of redemption pursuant to § 13. If the Company has suspended the redemption of the bonds due to extraordinary circumstances, it is obliged to sell corresponding assets as soon as possible, while safeguarding the interests of the bondholders, in order to raise the then valid redemption amount. It must then redeem the cancelled bonds and pay the corresponding redemption amount to the relevant bondholders.

(2) Termination by the Company, Repurchase of the Bond

The Company is entitled at any time to terminate the entire bond or parts of the bond (units), subject to a fourteen-day notice period, with effect from the end of the following month (last bank working day). In this case, the notice of termination shall be deemed to have been received by all bondholders concerned upon publication of the same pursuant to § 13. In the event of termination of the entire bond by the Company, the entire bond shall expire on the date of termination.

The Company shall be entitled at any time to repurchase all or part of the bond (units) on the market or otherwise at any price for the account of the assets attributable to the bondholders.

The bonds purchased may, at the Company's option, be held for the assets attributable to the bondholders, resold or submitted for cancellation.

§ 8 Paying agent

The paying agent for the bond is Baader Bank AG.

The issuer reserves the right to change or terminate the appointment of the paying agent at any time and to appoint another credit institution as paying agent. The Issuer undertakes to notify the bondholders immediately of any change, dismissal, appointment or other amendment of the paying agent in accordance with § 13 of these Terms and Conditions.

The paying agent, which is appointed in accordance with the preceding paragraph, shall act exclusively as a vicarious agent of the Issuer and shall not assume any obligations towards the bondholders, and no agency or fiduciary relationship shall be established between it and the bondholders.

§ 9 Taxes and fees

All payments made by the Company shall be made net of all taxes, fees, charges and other payments ("**Taxes**") made or deducted by or imposed on the Company. The Company shall not be liable for any taxes resulting from any change in the current legal situation, case law or administrative practice.

In addition, the company is not obliged to pay any taxes arising from the personal circumstances of the bondholder. The bondholder is

responsible for the examination of tax law issues and compliance with the tax law provisions arising in connection with the bond.

§ 10 Risk notice

The success of the investment depends on the respective market conditions for cryptocurrencies. Against the background of the relative newness and the political discussion about virtual currencies in various countries, as well as the fact that there is no global regulator, there are regulatory, legal and tax risks that may have a negative impact on the value of the virtual currencies and/or the bond. Investments in cryptocurrencies are subject to an increased risk of volatility, fraud, theft, cyberattacks and trading restrictions/suspensions. Several cryptocurrency marketplaces have already had to cease their activities or have been closed for other reasons – in some cases due to hacker attacks. Platforms on which cryptocurrencies are traded are generally not regulated. Lost or stolen cryptocurrencies cannot be replaced as transactions are irrevocable. Attractive returns but also substantial losses can be achieved with the investment. In particular, a **total loss** of the invested capital cannot be excluded. Blue Coin Emissions GmbH assumes neither a capital guarantee nor any liability for the success of this investment.

§ 11 Stock exchange listing

A stock exchange listing or inclusion of the bond in an MTF market is permitted.

§ 12 Partial nullity

Should one or more provisions of these bond terms and conditions be or become invalid or unenforceable in whole or in part, this shall not affect the validity of the remaining provisions. In place of the invalid or unenforceable provision, a valid provision shall be deemed agreed which comes as close as possible in its economic effect to the invalid or unenforceable provision. The same shall apply in the case of terms or conditions requiring supplementation.

§ 13 Announcements

All publications and announcements concerning the bonds shall be made with binding effect for and against the bondholders by publication on the Company's information website at www.bluecoin20.de. A separate notification of the individual bondholders is not required.

The Issuer shall be entitled to transmit all notifications relating to the bonds to the Clearing System for forwarding to the bondholders, provided that the regulations of the stock exchange on which the bonds are listed or included for trading permit this.

§ 14 Miscellaneous

(1) Blue Coin Issues GmbH reserves the right to increase the bond volume due to demand.
(2) Claims for payment from the maturing bond shall expire within 10 (ten) years.
(3) German law shall apply to all disputes in connection with this Bond, with the exception of those provisions that refer to foreign law.
(4) The exclusive place of jurisdiction for all disputes arising in connection with this bond is the competent court in Germany.
(5) The original version of these Terms and Conditions is in German; versions in other languages are non-binding translations.
(6) Section 2 of the German Act on Issues of Debt Securities (Schuldverschreibungsgesetz) shall apply.

These Terms and Conditions are written in the German language and provided with an English language translation. The German version shall be the only legally binding version. The English translation is for convenience only.