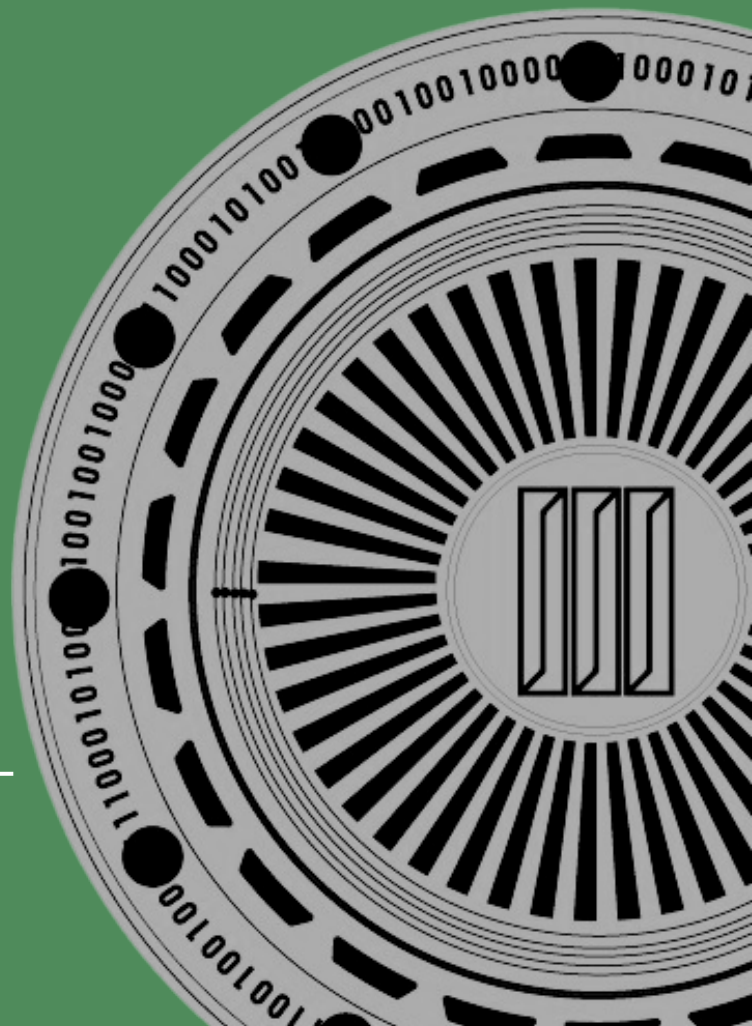


Sirius Invest Invest Value USD Whitepaper

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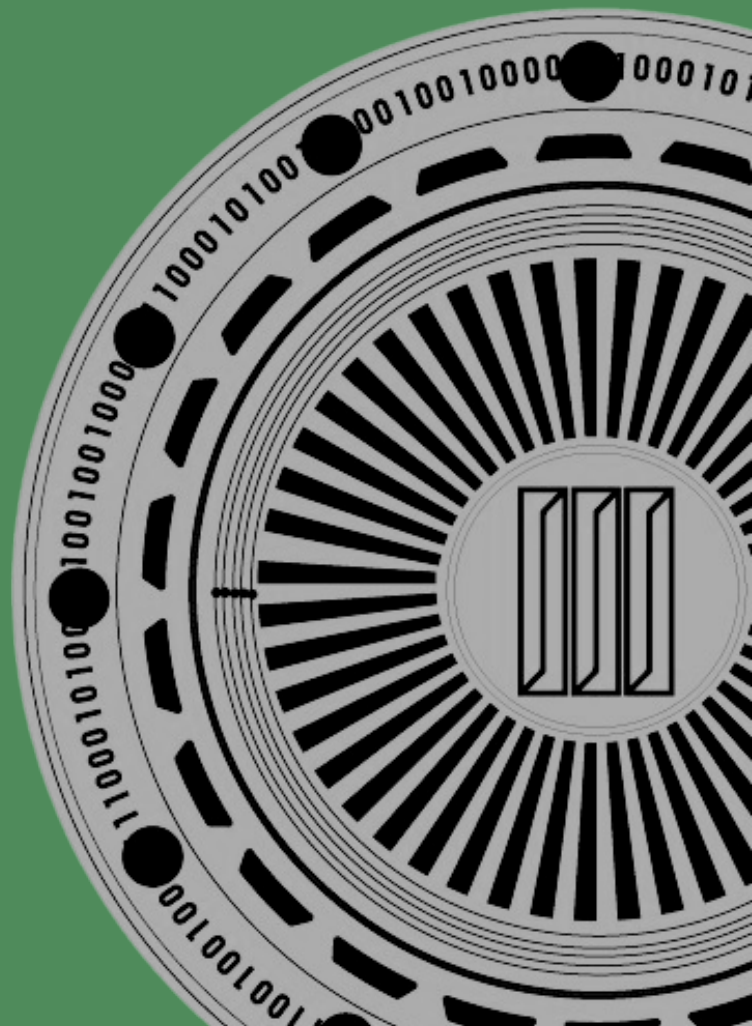
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Executive Summary



1.1 Sirius Mission: Security Tokenization for a New Era of Asset Management

Tokenization, the conversion of assets into digital tokens, is rewriting the rules of asset management. It emerged from the need for greater transparency, liquidity and accessibility in financial markets. It proved to be a transformative solution to the limitations of traditional wealth management.

The benefits of tokenization are profound. It enables fractional ownership and improves accessibility for a wider range of investors. It also increases liquidity and security as tokenized assets can be easily traded while benefiting from the trust and transparency of the blockchain.

Tokenization spans industries, from real estate to art to stocks, and promotes financial inclusion and innovation. However, challenges, including regulatory and technical considerations, must be addressed to fully manage this change.

Sirius Mission's commitment to improving wealth management through the power of tokenization through so called security tokens demonstrates the potential to transform the financial landscape and usher in an era of efficiency, transparency and accessibility.

1.2 What is Tokenisation?

Security tokenization is the process of materializing the ownership in a security through the issuance of a "token" registered on a distributed ledger technology (DLT) infrastructure. Therefore, a tokenized security can be equity, a bond, or an investment fund. It could also represent a securitized fraction of a real asset (e.g. a piece of art).

The DLT infrastructure used to issue the tokens can, depending on the legislation and the choice of the issuer, either be the "primary register" for the security or a representation in the form of tokens primarily issued on a different infrastructure outside of the blockchain. For the purpose of this whitepaper, we will refer to these tokens as 'security tokens' and we will detail how they work in the following section. Most players in this emerging industry refrain from calling these 'digital securities', as the term is too vague, and in fact, securities have been traded digitally for years.

Our world is full of these securities, but many are currently difficult to physically transfer or subdivide, so buyers and sellers instead trade paper or unsecured digital files that represent some or all of the asset. These systems are cumbersome, difficult to transfer and can be hard to track. The underlying assets can also lack transferability: For example, if the underlying asset is a piece of property, transferring the ownership of that asset requires for it to be sold. Through tokenization, the rights of these assets can be shared almost instantaneously thanks to peer-to-peer trading.

1.3 What is a Security?

To start with the basics, a security is a fungible and negotiable financial instrument that holds some type of monetary value. It can represent ownership in a company's stock, a creditor relationship with an entity through a bond, or rights to ownership as represented by an option. To keep it simple, a security can be broken down into three overarching categories; equities, funds and debts. Equity is an investment in stock issued by another company. The stock can be either private or public, and represents ownership of an entity. The entity could either be a corporation or a trust. Equity securities entitle the holder to some control of the entity on a pro-rata basis, via voting rights. Debt represents money that is borrowed and has to be repaid. The issuer of the bond (or debt) owes the holders debt and is therefore generally obliged to pay them interest, and to pay the principal on the maturity date as stipulated in the offering documentation of the security. Typically, interest is paid as fixed intervals (monthly, quarterly, annually, etc). An investment fund is a supply of capital belonging to numerous investors used to collectively purchase securities. Each investor retains ownership and control of their own shares. The same principle can be tokenized, and the tokens can represent shares in the fund.

1.4 What is a Security Token?

A security token is a type of cryptocurrency token that represents ownership or a stake in a real-world asset, investment security or a company. Unlike utility tokens, which provide access to a specific product or service within a blockchain ecosystem, security tokens are designed to comply with regulations governing traditional securities.

Security tokens can represent various financial instruments such as equity, debt, or other forms of investment contracts. They derive their value from the underlying asset or enterprise and often offer investors certain rights, such as dividends, profit sharing, or voting privileges.

The use of security tokens is intended to bring greater transparency, liquidity, and regulatory compliance to the world of blockchain-based assets, making them a bridge between traditional finance and the emerging digital asset space.

1.3 What is a Security?

A security token differs from a utility token in its purpose and regulatory classification.

Difference:

1. Purpose:

- **Security Token:** Represents ownership or investment in real-world assets or enterprises, offering financial rights such as dividends or voting privileges.
- **Utility Token:** Grants access to specific products or services within a blockchain ecosystem.

2. Regulatory Classification:

- **Security Token:** Subject to securities regulations, as they represent ownership in traditional financial instruments.
- **Utility Token:** Typically not considered a security, as its primary function is to access features within a blockchain network.

Stablecoins:

All stablecoins worldwide are issued as an Utility token so far. Authorities worldwide have still not made clear when stablecoins are considered securities or how they will be regulated. The SEC in the USA did open cases against the stablecoins Binance and Paypal both sold under Paxos licence to be considered as a security.

What a Security Token Is Not:

A security token is not a utility token. While utility tokens serve as a means of accessing services or goods within a blockchain platform, security tokens represent ownership or investment in real-world assets, making them subject to securities regulations. The key distinction lies in the financial rights and regulatory oversight associated with security tokens.

1.6 The Market Potential and Security Token Offerings (STOs)

The financial landscape is undergoing profound change, with Security Token Offerings (STOs) taking center stage. Essentially, STOs are tokens issued on a blockchain that represent assets, rights, or equity-based instruments of a company, similar to traditional stocks but with the added benefit of being digitally native.

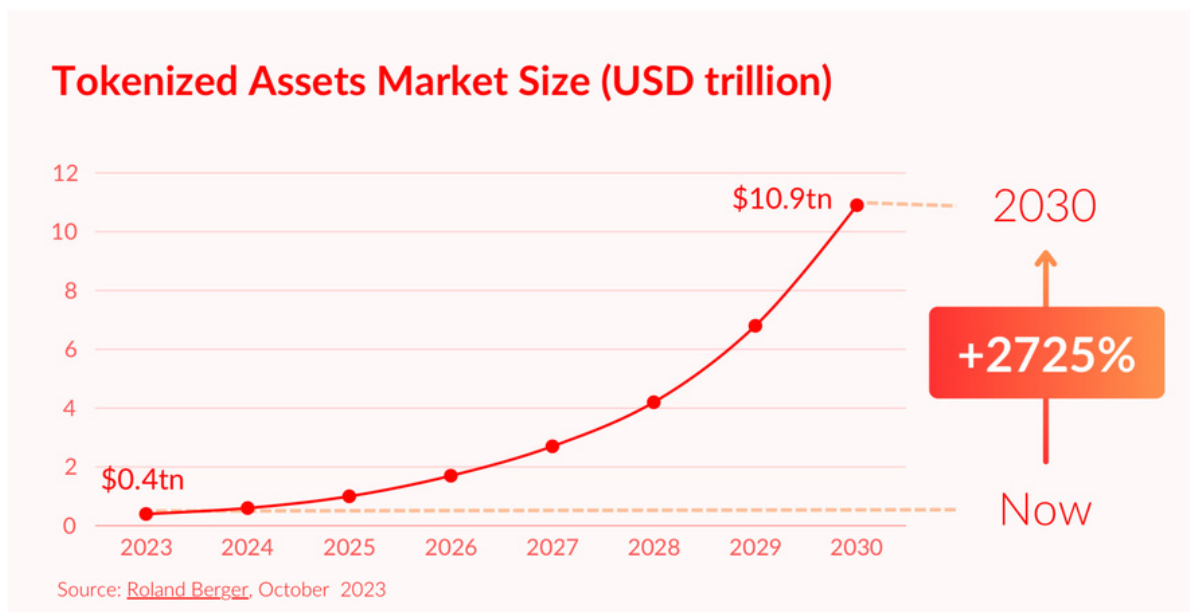
This unique feature also distinguishes them from traditional cryptocurrencies. Unlike traditional cryptocurrencies like Bitcoin, whose value comes primarily from speculation and market demand, STOs are backed by tangible assets offering investors a level of security and stability, making it a compelling option in the world of digital finance.

Reports on the security token market highlight the exponential growth of this asset class since its inception. The innovative nature of STOs suggests a sustainable growth trajectory that is changing the way we approach investments and financial transactions.

A study by PlutoNeo and Tangany predicts a significant STO boom in USDope over the next five years, predicting a total market volume of over 918 billion USDos by 2026. This forecast is supported by an estimated annual growth rate of around 81% from 2021 to 2026, it emphasizes the potential of security tokens.

Current figures support this growth story. In 2021, security token market capitalization increased by 500% and trading volume increased by 1000% compared to the previous year. According to Stobox, a leading tokenization provider, from April 2021 to April 2022, market capitalization increased by 2650% and trading volume increased by 386%.

A significant milestone was reached in May 2022 when the total market capitalization of traded security tokens exceeded \$19 billion, representing 20x growth in just one year.



This trend is explained by the growing interest in tokenized assets, which offer high liquidity and a way to save and increase funds for investors of any scale. In addition if regulators worldwide consider stablecoins as a security all stablecoins have to be converted into security tokens.

Stablecoins Market Cap & Volumes



1.7 The Problem

No Intrinsic Value in Fiat Money

"Intrinsic" value can be a slippery term, used in different ways by different people. But having no intrinsic value does not mean having no value.

The sense in which fiat money has no intrinsic value is that no one guarantees to deliver anything specific in return. The government does not promise to redeem it for gold or anything else. It can be used to buy goods and services, but not at a guaranteed fixed price. Prices can double tomorrow. The government will use it for taxes, fines, fees, and other things - but all of those things can double tomorrow as well. There is no set amount of a good or service that you can get for your money.

But that doesn't mean that money has no value. You can buy goods and services with it, and if the currency is healthy, the amount you can buy is somewhat predictable, at least in the short run.

Central bank reserves increase the value of money because they stabilise its value and increase the likelihood that it can be exchanged for gold or foreign currency. If the currency is sound, the currency's exchange value will be reasonably predictable in the short run, and the central bank will use its reserves to make it more predictable. However, there is no guarantee that the central bank will defend a particular gold price or foreign exchange rate. It could decide tomorrow to halve the gold or foreign exchange value of the currency.

The central bank's reserves give it the ability to defend the value of the currency, but they do not guarantee its willingness to do so or the success of the defence.

Bad & Dubious Crypto & Stablecoin Projects

Cryptocurrencies are a volatile market, and you need to be careful due to price fluctuations, coin scams, and misinformation spread by influencers.

Moreover, the majority of crypto projects do not have hasty models and therefore do not bring any real added value, which can result in a mediocre experience, little profit and even a complete loss. This could be seen in May 2022 with the example of Terra Luna.

Many scams are fairly obvious, but others are harder to spot. Since fiat currencies like the U.S. dollar don't have the same protections as cryptocurrencies, once the money is gone, it's gone forever.

According to Elliptic, a company that tracks the movement of funds on digital ledgers that support crypto assets, losses due to DeFi exploits total \$12 billion so far in 2021. \$10.5 billion of that is due to fraud and theft, a seven-fold increase from the previous year.

An example is the TerraUSD stablecoin. Cryptocurrency markets were rocked by the collapse of TerraUSD (UST), which broke its 1:1 peg to the dollar. The coin's complex stability mechanism, which involved balancing with a free-floating cryptocurrency called Luna, stopped working when Luna came under selling pressure. TerraUSD was last trading at around 9 cents, while Luna fell to almost zero.

Ownership

In times of crisis, whether it's the chaos of war or the turmoil of a financial meltdown, several pressing concerns come to the forefront when it comes to managing and preserving one's wealth. These issues often revolve around the vulnerability of traditional financial systems, which can be significantly impacted by economic turmoil. During a financial meltdown, the traditional banking system may struggle to maintain stability, which can lead to account freeze and the devaluation of assets and currencies. Furthermore, managing the physical acquisition and transfer of gold can be intricate, adding to concerns about secure storage and logistics.

Moreover, during times of severe crisis, traditional financial institutions may be compelled to take measures to prevent bank runs. They could limit access to personal assets by an account freeze, making it increasingly challenging for individuals to have control over their wealth. An account freeze essentially means the bank suspends you from conducting certain transactions. You can still access your account, but there are limits to what you can do. You can still monitor your account and can receive deposits including your paycheck. But whatever is deposited during this time stays put. In the worst-case scenarios, such as during war times, financial institutions may cease to exist entirely.

However, in light of these challenges, a compelling solution emerges. Tokenization provides a way to represent ownership of gold, securities and other tangible assets securely and transparently, separate from the traditional financial system. Each digital token is backed by a specific quantity tangible asset or security stored outside the banking system in highly secure vaults, ensuring that individuals can retain control over their wealth even in situations where access to traditional banks might be restricted. It offers a practical approach to address these concerns, enabling individuals to safeguard their wealth during turbulent times and unforeseen scenarios.

Hyperinflation and High Interest Scenario

In simple words, when a country starts to print more currency than its gold reserves to pay its debts, hyperinflation starts. When the supply of money is increased in a country, the prices of everyday items also rise, and the currency loses its value and renders the people helpless and poor. Hyperinflation is mostly caused by poor economic decisions, corruption and war conditions. Getting out of this storm is really hard, and most countries default because of this.

An example of hyperinflation is Germany. The country had already suffered an enormous hyperinflation in November 1923. At that time, a streetcar ride in Dresden cost ten billion marks and had thus reached its dramatic peak. Those who received their wages in the morning were already unable to do anything with them in the evening.

When inflation is high, there is a significant increase in prices of goods and services. Central banks usually increase their interest rates to tackle inflation and this influences interest rates charged by commercial banks on your loans.

We are currently in the midst of a global economic crisis that will become even more widespread in the near future. Hyperinflation of almost double digits in USDope and America, supply chain bottlenecks around the world, energy crises, and on top of that, a war in USDope that not only seems to be spreading, but is already causing food shortages for the entire world.

No interest paid on deposits held in stablecoins

While you'd think that stablecoins pegged at a 1:1 ratio to the US dollar would command the same interest rates, this is not the case. Stablecoins are similar to bank deposits in many respects, but they do not pay interest. With currently high interest rates on bank deposits and high inflation rate it is very unfavourable to hold deposits in stablecoins without interest earned.

Limited Access to Gold and Silver

In times of hyperinflation, people resort to tangible assets. Tangible assets like gold and silver, because they have an intrinsic value that they can always rely on, even if the world were to go down tomorrow.

However, if everyone wants to hedge their bets in these current times of crisis, access to this gold will become extremely scarce. Gold is limited in quantity and the price is determined by supply and demand. If any number of people wanted to acquire the precious metal to protect their assets, the supply would accordingly become scarcer and the price higher.

During extreme crises, governments can also seize people's gold. There have been some stunning examples of "gold confiscation" in the past. Most memorably, this occurred in the US in 1933 during the great depression. The government of Franklin D Roosevelt seized all gold bullion and coins via Executive Order 6102, forcing citizens to sell at well below market rates. Immediately after the "confiscation", the government set a new official rate for gold that was much higher as part of the Gold Reserve Act 1934.

Today, you can already see this, for example, with governments in countries like Russia or Turkey. These had already gone through hyperinflation this year and last year, and the population had to starve to a large extent because their savings were no longer worth anything.

As a countermeasure, the government started buying as much gold as possible. Both outside the country and inside the country from the population itself. With this gold, they started to cover the ruble and lira currency, in order to give these currencies an intrinsic value.

This has apparently worked. The ruble was the best performing currency in 2022, while many other currencies have declined in value.

1.8 The Solution

Guaranteed Access to Gold

Sirius guarantees gold access by partnering with certified gold mines worldwide, securing the security token with acquisition rights. This allows the investor to convert the security token to gold anytime, retrievable from our vaults. This key differentiator ensures continuity and security, which sets us apart from other gold-backed security tokens that may face limitations in adding more gold to back their coins if gold access is disrupted.

Trust and Transparency

Our silve is securely stored at Brink's in Dubai and Switzerland outside the banking system, the largest gold vaults in the Middle East and USDope. The DMCC vault, as part of Dubai Freezone's commitment to offer secure physical infrastructure for the precious metals sector, aims to provide the safest vaulting solution.

In addition, Dubai is conveniently located on the world map to connect the growing gold and precious metals trade flows to and from the Indian subcontinent, Southeast Asia, USDope and Africa. Within the Dubai city limits, the DMCC vault benefits from proximity to Dubai International Airport, Deira Gold Souk and Jebel Ali Port. The vault is also close to major road networks, Emirates Road to Sharjah and Ajman and Sheikh Zayed Road to Jebel Ali and Abu Dhabi. The DMCC vault is an important part of Dubai's logistical infrastructure, as valuables stored here can be efficiently redistributed to major hubs around the world.

In addition, we have partnered with Brink's Global Services, a market leader with over 150 years of experience in risk management and security logistics, to manage all day-to-day operations of the vault. The vault was commissioned in April 2009 and is considered the largest non-governmental vault in the Middle East. It is designed to store large quantities of gold bullion and other valuables such as jewellery, watches and art. BGS is the world's leading provider of security logistics. The company has been operating since 1859 and operates in 116 countries and employs around 50,000 people using a fleet of 9,000 vehicles. The gold can be shipped to any location at any time or physically picked up on site.

The underlying assets of Sirius Invest tokens are valued daily on a market value NAV basis and published daily to be seen by its ISIN number as the security token is backed by an Swiss investment certificate.

Asset Protection

From time immemorial to the modern age, gold has been and continues to remain a reliable and safe store of value

Gold is ideal for wealth protection primarily because unlike currencies and other financial securities, it has intrinsic value. A currency note can be easily torn or otherwise destroyed. Gold, on the other hand, is an inert metal that cannot be destroyed.

Physical longevity apart, gold, by virtue of its scarcity, has always been a precious commodity. The currency of a nation or shares of a blue-chip company derive their value from the performance of the country's economy or the company. Gold is inherently valuable, which makes it the ideal tool for wealth protection.

Thirdly, diversifying into gold can be a smart move due to its position in the modern economy. The general trend observed over the past 100 years is that gold is a safe haven investment. Investors park their funds in gold during economic and political troubles. Since the global economy follows a cyclical pattern of booms and busts, it is useful to know that gold investments are likely to outperform other investment options during recessions and economic downturns.

Fixed Interest Rates

With currently high interest rates on bank deposits and high inflation rate it is very unfavourable to hold deposits in stablecoins without interest earned. Sirius Investment Value tokens are security tokens and act similar to a stablecoin but paying a coupon of 3.00% p.a

Economic Freedom

Following the Global Financial Crisis of 2008, central banks strongly deviated from their mandate by conducting unorthodox policy experiments such as Quantitative Easing. This led to market aberrations such as negative interest rates. More importantly, actions from Central Banks are jeopardising the due process of price discovery and have ultimately questioned the free market system.

Structural problems within the financial and traditional banking system are becoming increasingly evident and many players such as Sirius Gold advocate for a Monetary Reset. In this context, precious metals are a hedge against systemic failure.

Since gold is not a legal tender controlled by any particular government and because Sirius operates in a parallel peer-to-peer system, Sirius Investment tokens are politically independent and can legally operate outside the traditional banking system.

Sirius Investment token holders would typically seek a store of value independent from government control and fiat currencies.

Sirius Investment token represent a true alternative to fiat and a more practical and efficient way to hold and exchange precious metals legally in the most neutral and secure jurisdictions on earth: Dubai and Switzerland. For too long, the vast majority of the population has suffered as a consequence of a system that politicises money for all the wrong reasons such as re-elections, out of control fiscal deficits (paid through debt monetisation), currency wars or other arbitrary sanctions to free trade. It is time to reject the fiat politicised system. Sirius allows them to take back control of the highest quality money through direct ownership.

Independence from Global Financial System

Investing in tokenised assets stands as a pathway to financial independence, allowing individuals to distance their wealth from the conventional financial system. Tokenized assetownership assures that one's assets remain within reach, even when traditional banking systems may impose limitations. This financial self-sufficiency becomes particularly valuable during financial crises when the stability of the traditional financial system is uncertain. By investing in tokenized assets, individuals can confidently secure their financial well-being, knowing they can manage and access their wealth independently, irrespective of the unforeseen challenges that may unfold within the traditional financial framework.

1.9 Introducing Sirius Invest Value USD Token

The Sirius Invest Value USD Token represents a groundbreaking digital asset within the world of blockchain and distributed ledger technology. This abstract offers a concise overview of the token, which is issued by Sirius NFT LLC, a company headquartered in Dubai, United Arab Emirates.

Sirius Invest Value USD are unique, non-interchangeable tokens that digitize and tokenize various assets, embodying ownership and rights on the blockchain. This abstract introduces the fundamental nature and applications of Sirius NFTs, providing a glimpse into their key features, potential use cases, and the broader ecosystem in which they operate.

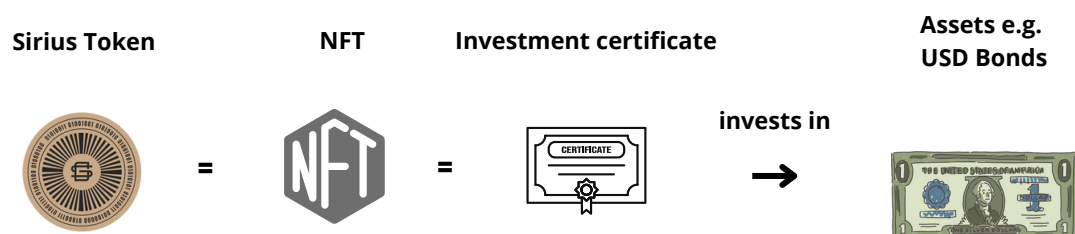


Figure 2. Sirius Token Structure

Further, it highlights the technical design and security measures underpinning these tokens. Security and trust are paramount in the crypto space, and this abstract acknowledges the monitoring mechanisms in place to maintain user confidence. The investment certificate is an Actively Managed Certificate (AMC) issued by our partner Gentwo, a Swiss digital asset management platform. This is based in each case on an individual gold bar. The certificate is then tokenized by a so-called Semi-Fungible Token (SFT) and mapped and secured on the blockchain.

1.9 Semi Fungible Token (SFT) and the Uniqueness of Sirius Invest Value USD Coin

A semi-fungible token (SFT) can change its state from fungible like a bitcoin to non-fungible like an NFT. Simply put, SFTs start out as a fungible token and then transform into a non-fungible token.

This amazing growth of NFTs led to semi-fungible tokens, an asset that straddles the worlds of fungible and non-fungible assets. SFTs are currently in limited use.

Before explaining the concept of SFTs in more detail, it is important to understand the difference between fungible and non-fungible assets.

Fungible assets are completely interchangeable with each other. For example, if you own a Bitcoin, you can exchange it for another Bitcoin without any loss of value, as there is no difference between one Bitcoin token and another. Traditional paper money like US dollar is also fungible. You can exchange a 10-dollar token for another 10-dollar token of another person.

Non-fungible tokens represent ownership of a unique asset. This can be a painting, a song, or a virtual property. The value of each item is based on the inherent characteristics of the item, such as its rarity and the popularity of the item's creator. This means that a 1:1 exchange of two NFTs is not possible because they may have different degrees of rarity. For example, you cannot trade one painting for another because they are worth different amounts. Also, unlike fungible tokens, you can buy fractions of an NFT.

In the lifecycle of a semi-fungible token, they are initially fungible and can be traded with other identical SFTs. When the holder redeems these SFTs, they become non-fungible. Thus, SFTs behave like fungible tokens until they are used. To better understand the concept, imagine a Sirius SFT Investment token that you can exchange for an identical Sirius SFT Investment token of the same value, so it is a fungible asset. However, the moment a Sirius Investment token is used to redeem e.g. physical gold, it cannot be exchanged for another Sirius SFT Investment token. This is the moment it becomes an unsalvageable asset.

The best thing about SFTs is that they have the properties of both fungible and non-fungible tokens. As NFTs, they are indivisible, verifiable, and indestructible. As fungible tokens, they are highly liquid and can be easily exchanged with anyone.

In addition to implicating SFTs, Sirius Invest Value USD is unique in many other ways.

Backed by guaranteed gold

Every Sirius Invest Value USD is a tokenised version of a gold certificate, which are 100% backed by physical gold stored in Brink's vault.

Individual Ownership of Assets through SFT

Each Sirius Invest Value USD is represented by a Swiss investment certificate and an SFT that ensures ownership of the respective gold bar that is underlying the gold coin.

Price Stability

Representing physical gold, Sirius Invest Value USD tokenholders risk diversification and hedging against market volatility at superior credit quality while avoiding costly conversions between fiat and crypto.

Trusted

Sirius is a licensed entity in the UAE regulated by different authorities. It works with well known partners in the industry to store the gold in the biggest vault in the MENA region.

Liquidity

Via the Sirius Wallet investors can redeem their Sirius Invest Value USD at any time for bullion, or its market value in fiat unlocking liquidity for even the largest trades.

Monthly Audit-ability

The amount of gold represented by issued Sirius Gold coins can be verified monthly with recurring statements.

Daily Valuation

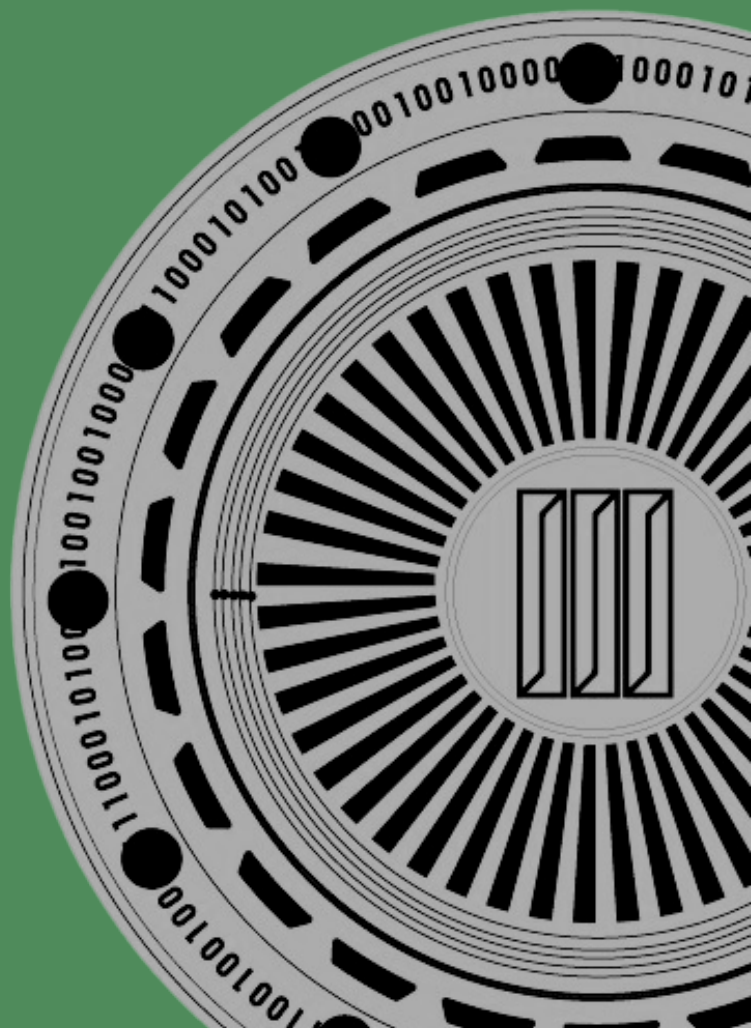
The underlying assets of Sirius Invest Tokens are valued and published daily on a market value NAV basis.

Fixed Interest Rates

Given the current scenario of elevated interest rates and a high inflation rate, it is not advantageous to retain deposits in stablecoins without accruing interest. Sirius Investment Value tokens, being security tokens, function akin to stablecoins but offer the added benefit of providing a 3.00% annual coupon.

2

Technology & Network



2.1 Tokenised Securities Overview

The emergence of Bitcoin and various cryptocurrencies marked the beginning of Initial Coin Offerings (ICOs), which utilized Distributed Ledger Technology (DLT) to create utility tokens. These tokens, often associated with blockchain technology, demonstrated their potential by offering unprecedented efficiency, accessibility, and liquidity in the cryptocurrency market. Users could directly transfer token ownership without intermediaries, significantly enhancing the digital asset ecosystem.

However, while these utility tokens thrived on a permissionless, open model, financial markets, particularly private markets, desired a similar level of efficiency, accessibility, and liquidity. The challenge with this desire was that tokenized securities, known as security tokens, could not follow the same permissionless model as utility tokens. Security tokens must adhere to compliance and regulatory requirements, tracking ownership and ensuring that only eligible investors can hold them, aligning with existing securities laws.

To address these evolving regulatory demands and promote the compliant issuance and management of permissioned tokens, a new solution emerged. The open-source ERC3643 token standard and its so called T-REX implementation were specifically designed to support the compliant management of security tokens. This approach is characterized by "Compliance by Design," ensuring that investors meet all necessary compliance requirements before becoming holders of digital securities.

Furthermore, the T-REX system provides a secure, transparent, and efficient environment for managing security tokens while enforcing on-chain compliance. It signals a new era in the financial securities market, allowing security tokens to be issued and managed in full compliance with investor and issuer guidelines.

The T-REX system's underlying technology relies on four key pillars:

1. **ONCHAINID:** This blockchain-based identity management system creates globally accessible identities for all stakeholders.
2. **Validation certificates:** These certificates are issued by trusted third parties, signed on-chain, and linked to individual ONCHAINIDs.
3. **Eligibility Verification System (EVS):** The EVS acts as a filter for all transactions of tokenized securities, verifying the validation certificates of stakeholders and ensuring compliance with offering rules.
4. **Compliance rules:** These rules, tied to the identity of the receiver and the global distribution of tokens, ensure adherence to the specific offering's regulations.

Together, these four elements allow issuers to leverage a decentralized Validator for controlling token transfers and enforcing compliance among security token holders. This Validator incorporates rules governing the entire offering as well as those specific to individual investors, such as KYC requirements or issuer-defined eligibility criteria. It ensures the security, integrity, and compliance of security tokens throughout their lifecycle.

Constraints for tokenized securities

While the rules governing utility tokens and their issuance remain relatively undefined or vague in most jurisdictions, Security Token Offerings (STOs) represent a different paradigm. STOs utilize blockchain technology as a registry, proof of ownership, and transfer infrastructure for securities, which are regulated instruments in every country. Consequently, STOs must comply with the relevant regulations in the countries where the security tokens are issued and distributed.

	Utility Token	Security Token
Purpose	Usage	Investment
Regulation	Non-existing or vague in most cases	Stringent as existing securities laws should be taken as reference
Life cycle	Simple	As complex as a security
Secondary Market	Nearly no constraints	As complex as a security

Figure 3. Comparison between Utility and Security Token.
Source: Tokeny (2022)

One of the fundamental differences between Initial Coin Offerings (ICOs) and Security Token Offerings (STOs) lies in the lifecycle of the tokens they generate. ICOs primarily deal with utility tokens, which have a relatively straightforward lifecycle governed by token economics. Once distributed within a decentralized network, their governance largely revolves around economic principles. In contrast, the landscape for security tokens is distinct. For security tokens, the issuer, or their designated agent, typically bears the responsibility of enforcing controls post-issuance and throughout the entire lifespan of the token. Furthermore, the issuer may need to undertake corporate actions (e.g., dividend or interest payments) or corporate events (e.g., holding an Annual General Meeting or Extraordinary General Meeting), which require continued interaction with and control over their investors.

These control requirements encompass two main categories:

1. General Regulatory Controls: These regulations pertain to the security itself, irrespective of the token. They include obligations related to Anti-Money Laundering (AML) and Know Your Customer (KYC) procedures, such as investor identification, identity verification, and blacklist checks.

2. Specific Security Controls: Some controls are specific to the security being issued, potentially tied to the investor's type, location, or investment limits during a particular period. These controls may result from the issuer's operating regulatory environment or be associated with eligibility criteria established by the issuer for business-related reasons, like limiting access to a specific share class with distinct fee characteristics for investors from a particular country.

To address these multifaceted control requirements, token design must offer a high degree of reusability and flexibility. This need led to the development of the ERC3643 "T-REX" standard. The T-REX standard encompasses a set of versatile tools that assist token issuers in implementing and managing the essential controls and permissions required for security tokens. It achieves this through a flexible decentralized validation system, which combines the Eligibility Verification System (EVS) with the Compliance contract. This enables relevant parties to establish the necessary rules for approving the holding and transfer of their tokens, offering a comprehensive solution for managing security tokens in compliance with regulatory and issuer-defined requirements.

2.2 Decentralized Validation System

In contrast to the usual ERC-20 tokens that are common in the market, a transaction involving T-REX compliant permissioned tokens follows a more controlled decentralised validation process:

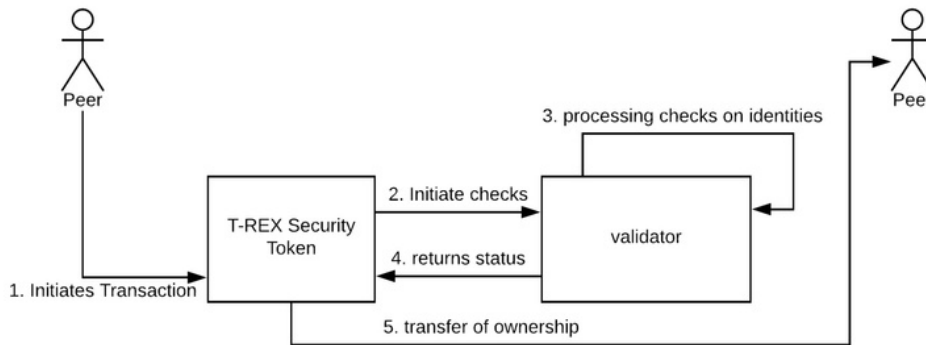


Figure 4. Illustration of an ERC3643 “T-REX” permissioned Token Transaction.
Source: Tokeny (2022)

1. Transaction Initiation: The token holder initiates the transaction via the security token smart contract. This action differs from a standard ERC-20 token, as the smart contract's transaction function has been modified.

2. Validator Engagement: The smart contract's transfer function calls upon the validator (comprising the compliance contract, identity registry, identity registry storage, trusted claim issuer registry, and trusted claim topics registry) to initiate checks on the receiver's ONCHAINID.

3. Compliance and Eligibility Checks: The validator ensures that the receiver's ONCHAINID holds the necessary claims, issued by a trusted third party listed in the trusted issuers registry. It also verifies that the proposed transfer complies with the rules set forth in the compliance smart contract.

4. Evaluation of Transfer: If the receiver's ONCHAINID possesses the requisite claims (personal data validated by trusted third parties such as KYC, AML, sovereign identity, etc.), and the transfer does not violate any compliance rules, the transfer of tokens is allowed to proceed. However, if the ONCHAINID lacks necessary claims, or the transfer breaches any compliance rule, the transfer is rejected.

5. Transfer Execution or Rejection: If the checks are successful, the transfer of tokens is executed. In case of a rejection, an error message is generated, explaining the necessary steps to acquire the missing claims or the reason for the transfer's non-compliance.

2.3 ERC3643 Permissioned tokens

We strongly believe that permissioned tokens, such as ERC3643, are the most suitable for issuing security tokens. The reason for this lies in the inherent need for controlled transactional freedom when dealing with such financial instruments, as investors must meet certain eligibility criteria. These criteria can be regulatory in nature or stipulated by the issuer themselves.

The primary technical distinction between standard ERC-20 tokens and ERC3643 permissioned tokens lies in the conditional nature of the transfer function in ERC3643 tokens. A transaction can only be executed if a decentralized validator approves it, based on the specific governance criteria defined for the token.

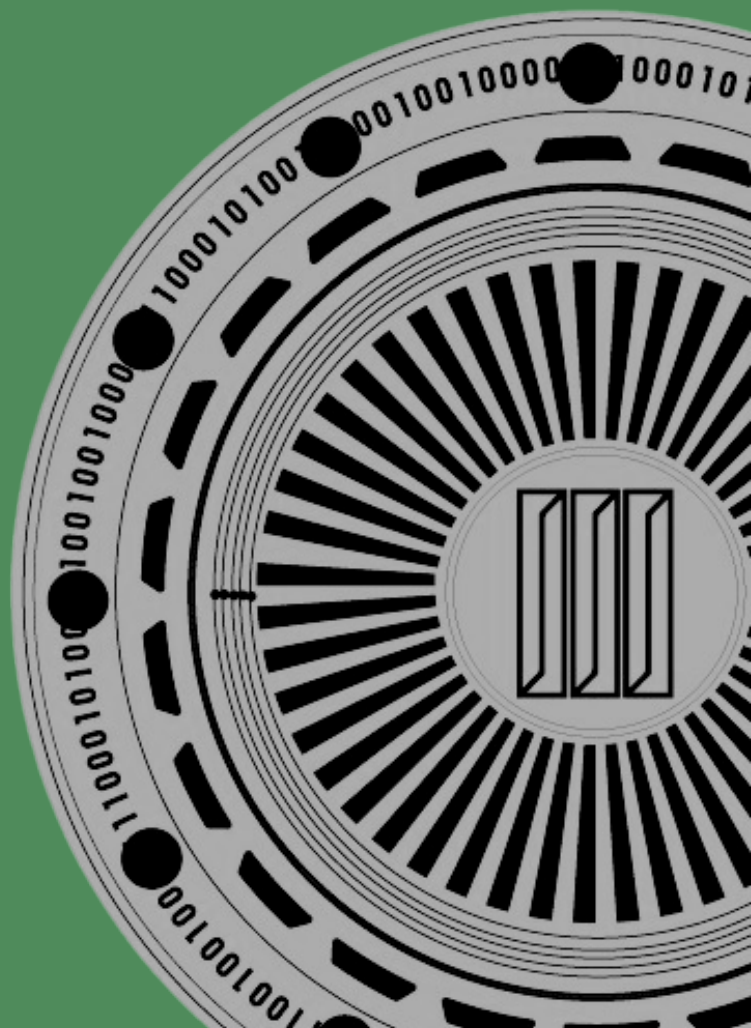
Despite this modification to the transfer function, it's important to note that ERC3643 tokens maintain full compatibility with all ERC-20 based exchanges and tools due to their underlying structure. Integration into an existing ERC-20 compatible platform requires a minor modification: processing pre-checks before any transfer to verify the transaction's compliance status with the decentralized validator. If a transaction fails to meet compliance, the platform should provide clear feedback on why it's non-compliant and, where possible, guidance on achieving compliance. However, in certain cases, compliance may not be achievable, for example, when attempting a transfer to a resident of a country listed on the T-REX compliance blacklist.

In the realm of "security token protocols", most solutions promoted so far are indeed permissioned tokens. They feature a modified transfer function that requires approval from an external validator service to control token transfers. T-REX goes a step further with its implementation, incorporating a fully on-chain identity management system. This allows issuers to have direct control over the transfer of ownership, enhancing the security and compliance of the system.

For additional insights into the T-Rex protocol and ERC364, kindly refer to Tokeny's dedicated resource at: [Link: <https://tokeny.com/erc3643-whitepaper/>].

3

Compliance & Identity



3.1 Service Providers in Compliance & Identity

Sirius has strategically partnered and outsourced its KYC/AML process to one of the largest service providers, named Onfido to enhance trust and identity decisions, streamline payment processing, and ensure the secure exchange of KYC/AML-related information for compliance. In today's digital landscape, identity risk management is crucial as businesses transition online, necessitating effective user onboarding and risk monitoring. Onfido addresses this challenge using advanced AI and machine learning techniques, allowing businesses to confidently verify users globally through a combination of legal identity forms and biometric analysis.

Identity verification involves considering three main factors: what we know (e.g., stored 'out of wallet' questions), what we have (tokens or trusted IDs), and who we are (biometrics such as face, fingerprint, or voice). Onfido advocates for a multifactor approach to achieve reliable results, emphasizing the importance of linking claims to a trusted source, including databases, government-issued IDs, phone numbers, email/social network identities, and biometrics. Each method is evaluated based on factors like reliability, ubiquity, cost, and user experience. Notably, Onfido utilizes supervised machine learning, combining human expertise with deep learning to process and classify a dynamic set of global government-issued IDs effectively.

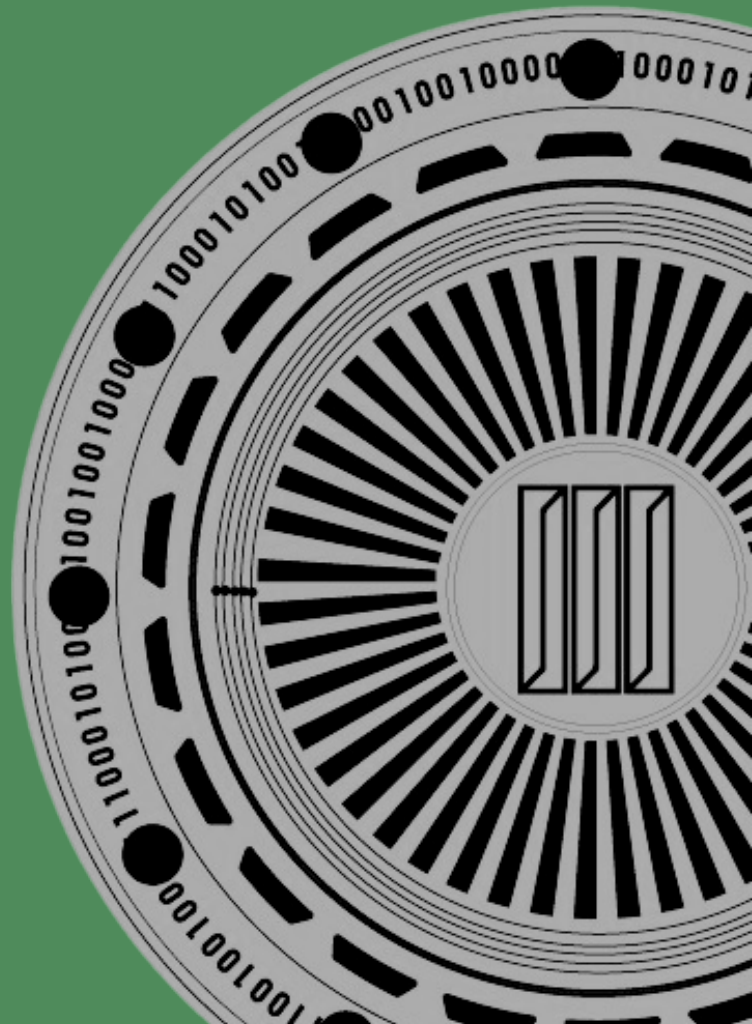
To verify identity authenticity, Onfido employs data integrity analytics, visual document authenticity checks, and proof of ownership through facial comparison. The document verification process encompasses document and biometric capture, classification, extraction/validation, document authenticity analytics, proof of ownership, and supplementary signals analysis.

Onfido's machine learning technology addresses the challenges of identity verification, leveraging deep learning techniques and computer vision for efficient decision-making based on digital images. The system excels at detecting anomalies, crucial in fraud prevention, and can adapt to varying image quality and distortions. Overall, Sirius partnering with Onfido ensures a robust and scalable solution for identity verification in today's digital business landscape.

For further insights into Onfido's identity verification and KYC processes, refer to the white paper "A guide to digital identity verification: the technology and trends": <https://onfido.com/report/guide-to-digital-identity-verification/>.

4

Information Note



4.1 SIRIUS INVEST Value USD Tokens by SIRIUS NFT LLC

This information note has been prepared by SIRIUS NFT LLC, a private limited liability company established under and governed by the Law of the DMCC of Dubai, United Arab Emirates, having its registered seat at Almas Tower, Plot No: JLT-PH1-A0, Jumeirah Lake Towers, Dubai, United Arab Emirates and being registered with the Dubai register of legal entities under number DMCC193465 (the “Issuer”).

Note: THIS DOCUMENT IS NOT A PROSPECTUS AND HAS NOT BEEN VERIFIED OR APPROVED BY ANY REGULATORY AUTHORITY.

Date of this information note: January 2024

WARNING: THE INVESTOR RUNS THE RISK OF LOSING ALL OR PART OF HER/HIS/ITS INVESTMENT AND/OR OF NOT OBTAINING THE EXPECTED RETURN. THE INVESTMENT INSTRUMENTS ARE NOT LISTED: THE INVESTOR MAY FIND IT VERY DIFFICULT TO SELL HER/HIS/ITS POSITION TO A THIRD PARTY IF SHE/HE/IT SO WISHES.

This information note has been prepared by the Issuer. It has been prepared in English language. It constitutes pre-contractual information. It is available free of charge on www.sirius.money and free of charge upon request at the Issuer’s registered seat.

PART I: Principal risks specific to the Issuer and the investment instruments offered and to the offer

The investment instruments issued and offered by the Issuer are fungible tokenized asset instruments (the “Tokens”). These tokens qualify as security tokens, which involve a series of risks for their holders (the “Token holders”).

A fungible token is a form of a digital asset that is used as a store of value, a unit of account or a medium of exchange in blockchain transactions. These assets are called fungible as they can be split or interchanged with the same category of tokens.

A security token represents fractions of assets that have real value such as financial instruments or other commodities. As an investment asset, these Tokens are digital assets that represent ownership or other rights to transfer value from an asset or asset class to a token. In summary, security tokens are the digital form of traditional investments such as bonds or other securitized assets.

The Issuer considers that the risk factors described below are the main risks inherent to the Tokens, the Issuer, the sector in which the Issuer is active (and intends to operate) and the Issuer’s asset. The Issuer considers that the risk factors described below may therefore affect the Issuer's ability to meet its obligations to Token holders in connection with the Tokens.

The Issuer believes that these risk factors reflect the principal risks and uncertainties that, at the date of the information note, are considered relevant in the context of an investment in the Tokens. All these risk factors are unforeseeable, or at least not fully foreseeable, circumstances which may or may not occur.

It should be noted that there are other risks which, on the basis of the information currently available, the Issuer does not consider to be significant or which it cannot foresee at present. The order in which the risks are listed does not necessarily reflect the probability of their occurrence or the extent of their potential impact on the Issuer.

Before making an investment decision, investors should (i) carefully consider, in addition to the other information contained in this information note, those risks which, individually or in the aggregate, may have a significant influence on the investment and (ii) consult their financial, legal and tax advisors to carefully review the risks associated with a potential investment in the offered Tokens.

A. Risks specific to the investment instruments offered (the Tokens)

- Risk of non-payment by the Issuer: The Tokens provide the Token holder a claim against the Issuer for the repayment of the principal amount he/she/it invested and for the payment of interest accrued thereon at the time of realisation of the Tokens and its Underlying (as defined in the final term sheet of 2 November 2023, enclosed below). The ability of the Issuer to make any payment of principal and/or interest (as defined below) under the Tokens is however entirely dependent on the evolution of the relevant Financial Markets (as defined below) and the realisation proceeds the Issuer will be able to obtain. In other words, the Issuer will only be able to (i) repay the principal amount under the Tokens and ii) the interest accrued thereon if the realisation proceeds of the Tokens are sufficient.

Not all amounts made available by investors under the Tokens have been used to pay financial instruments as described in “The Strategy” laid out in the final term sheet of 2 November 2023 (as enclosed below, regarding the “Active Management Certificate” – AMC, issued by Sirius Asset Service PCC Ltd). Part of these amounts were also used to pay the costs and expenses related to the set-up of the infrastructure of the tokenization by the Issuer. This means that the value of the Tokens will have to increase in order for the Issuer to be able to repay the principal amount in whole and the interest thereon at maturity of the Tokens. There are no guarantees that the value of the Tokens will increase in a way that is sufficient in order to allow the repayment of the principal amount invested by the Token holders and to pay any interest. In addition, Token holders are also directly exposed to a decrease in the value of the underlying financial instruments which will result in the Token holders not being able to recover their investment (in part or in whole) nor the interest (in part or in whole).

- Risk related to the limited recourse nature of the claims of the Token holders: Under the Tokens, the Token holder agrees and accepts that any recourse he/she/it has against the Issuer under the Tokens for any claims (including, in particular but without limitation, the payment of principal amount and interest) either at the maturity of the Tokens or in case of an acceleration and/or early redemption of the Tokens in accordance with the terms and conditions of the Tokens (the “Terms and Conditions”), whichever occurs earlier, will be limited to the realisation proceeds of the Tokens and that remain available following the payment of any claims of creditors of the Issuer that would benefit from a legal preference (such as any tax administration).
- Any claims of any Token holder that would remain outstanding following the realisation of the Tokens and the distribution of such remaining realisation proceeds of the Tokens to the Token holders, will expire.
- Risk of valuation: Valuation of the Tokens is difficult and the offering price of the Tokens has been arbitrarily determined by the Issuer based on market conditions at the time of pricing and should not be used by an investor as an indicator of the fair market value of the Tokens.
- Risk of liquidity: The Issuer does not provide any guarantee that the creation of a bulletin board it intends to make available for the Tokens (allowing investors to express their interest to sell (offer) or purchase (bid) can be successfully implemented and/or that a liquid market for the Tokens will come in existence. Token holders should be prepared to hold their investment until the maturity of the Tokens in accordance with the Terms and Conditions.
- Risk of lack of secondary market: There is currently no trading market for the Tokens and hence no source for price formation in respect of the Tokens. If a trading market were to develop, the price of the Tokens may be volatile.
- Tax uncertainty: The tax characterization of the Tokens is uncertain and the Token holders must seek their own tax advice in connection with their investment in the Securities Tokens. Tax authorities may disagree with tax positions regarding the Issuer, its business and the Securities Tokens and may ask to revise these positions in a manner that could adversely affect the Token holders.

B. Risks specific to the Issuer or the industry the Issuer operates in

- Dependence to management: The personality and experience of the Issuer's managers are important elements for the development of the Issuer and the management of the project, including the Issuer's Platform (as defined below). There is a risk linked to the possible unavailability or replacement of these managers.

- **Technology risk:** The Issuer has created a Tokens infrastructure based on blockchain technology on which the Tokens have been created and can be transferred (the “Platform”). The blockchain technology is an emerging technology that is novel and hence the Issuer may not be capable of implementing all features as contemplated in the Terms and Conditions into the Tokens and/or the bulletin board solution it intends to make available to the Tokens and Token holders.
- **Risk related to regulatory compliance:** The Issuer may not, if ever required, obtain any required regulatory approvals, authorisation, registration, license or permit necessary to operate its business (including the Platform) as currently contemplated. The legal framework and regulations applicable to blockchain technologies, cryptocurrencies, tokens and token offerings, including the position of various regulators, is evolving quickly and it is therefore uncertain as to whether the Issuer, the Token holders and/or the Platform may become subject to additional regulations.
- **Risk of fraud:** Blockchain assets and blockchain assets platforms remain susceptible to security breaches and cybercrime. The Tokens, the Token holders, the Issuer or the Platform may be a target of cyber security breaches or theft. Private keys that would allow the Issuer to perform unilateral transfers of or “freeze” the Tokens in case of security breaches and/or cybercrime may be compromised. The Issuer may not be able to prevent illegal activity from occurring over the Platform, which could subject the Issuer to actions, including fines.
- **Risks related to subcontractors:** The Issuer relies on third party contractors for the design, development and implementation of the Platform and maintenance of the infrastructure. The incapacity of such contractors to perform on their engagements towards the Issuer may adversely impact on the continued functionality of the Tokens and the Platform. Systems failures or capacity constraints could materially harm the Issuer’s ability to conduct its operations and execute its business strategy.

C. Risks related to the underlying assets (the certificates):

- **Value of Certificates and underlying financial instruments:** As mentioned above, the Token holders are directly exposed to a possible decrease in the value of the underlying certificates and financial instruments which may result in the Token holders not being able to recover their investment (in part or in whole) nor the interest (in part or in whole). See the final term sheet, enclosed below for further details.

PART II: Information on the Issuer

A. Identity of the Issuer:

Issuer's name: SIRIUS NFT LLC

Registered seat: Almas Tower, Plot No: JLT-PH1-A0, Jumeirah Lake Towers, DMCC, Dubai, United Arab Emirates

Legal form: Limited liability company under the laws of the DMCC, Dubai, United Arab Emirates

Business registration number: DMCC193465, Trade and Company Register of the DMCC, United Arab Emirates.

Website: www.sirius.money

Activities of the Issuer: Sirius NFT DMCC LLC is a licensed NFT e-marketplace specializing in the tokenization of physical assets, including art and commodities. By leveraging NFT technology, the company provides a platform where these assets can be bought, sold, and traded in a digital format.

Shareholders: All the shares of the Issuer are owned by Helmuth Ernst Hermann Metzler.

Board of managers: The board of managers of the Issuer is composed of Dr. Marco Metzler. None of these managers have been subject to a conviction. None of the managers has been convicted of a relevant financial offence that would lead to the loss of their professional and personal reliability.

Day-to-day managers: The Issuer has not delegated the day-to-day management.

Conflicts of interests: There is no conflict of interests between the Issuer and its managers.

Issuer's auditor: The issuer has appointed NAM Accountants as a statutory auditor. Its accounts are audited.

B. Financial information of the Issuer

- Annual accounts: The Issuer was incorporated on 26 May 2022. Its first financial year started on the date of incorporation and will end on 31 December 2022. Given its recent incorporation, the Issuer has not yet published its first annual account.
- The Issuer will, to the benefit of the Token holders, publish its financial statement in accordance with applicable legislation and regulations in the DMCC, Dubai, United Arab Emirates.
- Audit: The Issuer has not appointed, and does not intend to appoint, a statutory auditor. Its annual accounts have not been, and will not be, audited by a (statutory) auditor nor have they been, and will they be subject to an independent external review.
- Financing structure: The share capital of the Issuer amounts to 50,000 AED. It is fully paid up and freely available.

The Issuer confirms that, from its standpoint, its net working capital is adequate and sufficient to meet its obligations for the next twelve months. There was no other significant change in the financial or commercial situation of the Issuer since its incorporation.

PART III: Information on the offer of investment instruments (SIRIUS INVEST US-Value (Security) Tokens)

A. Description of the offer of Tokens

- **Product:** One Token as issued by the issuer represents an Actively Managed Certificate (AMC, as defined in the final term sheet of 2 November 2023, enclosed below), issued by Sirius Asset Service PCC Ltd, Guernsey. The Token allows for participation in the performance of the underlying AMC which is managed in line with the Management "Strategy" (as laid down in the final term sheet of 2 November 2023, enclosed below). The Strategy reflects a notional actively managed portfolio of assets and cash, maintained by the "Strategy-Manager" (NFS AG, Ruggell, Principality of Liechtenstein, see the final term sheet of 2 November 2023, enclosed below, for further details). The performance of the Strategy is tracked via the calculation of the Strategy Level.

The Token holders have exposure to the same performance a real portfolio would have, if it was actually managed according to the Strategy. However, the Holders of the Token will not be entitled to real assets in a real portfolio and have only a claim against the Issuer on the payment of the Redemption Amount based on the Strategy-Level at the Final Valuation Date.

- **Token Underlying:** The Underlying (the certificate, as detailed in the Indicative Term sheet of 2 November 2023, enclosed below) is a basket representing a notional, actively managed portfolio of assets including cash. The relevant basket is selected and managed by the "Strategy Manager" in accordance with the final term sheet of 2 November 2023 (enclosed below).
- **Amounts:** The public offering of Sirius Stable Value USD US is subject to the following conditions: The minimum subscription amount per investor is set at US-\$ 1000.
- The maximum subscription amount per investor is set at US-\$ 10,000, unless the Issuer's board of managers agrees, at its sole discretion, to approve higher subscription amounts.

The issue size is 5000 Tokens (with a reopening clause applicable). Denomination: 1 Unit for the purpose of a price quote on the Token; US-\$ 100 for the purpose of the Token amount calculation.

Payment for the tokens can be made in fiat money, by bank transfer or cryptopayment USDC and USDT. Payment with crypto assets may incur additional costs over and above the premium on the tokens. The current conditions can be found on the website www.sirius.money.

A token can be returned to the issuer. Sirius is not obliged to redeem the tokens before this time. The tokens are redeemable with a notice period of 5 working days; costs may be incurred for this. A return in physical precious metals (instead of fiat money or crypto) can also be agreed for all tokens. The current conditions for this and an overview of the costs incurred is available on the issuer's website.

- Suitability: The tokens are categorised as a high-risk investment and are therefore not suitable for retail investors. Without exception, they are not sold to retail investors.
- Dates: The Tokens were issued by the Issuer on 15 September 2023 (the "Issue Date").

The information note was made available to the public on 4 October 2023. The Issuer was not obliged to communicate this information note to any regulatory body at the time the note was made available to the public. This information note will remain valid until the end of the offer.

The Issuer will publish a supplement to the information note in case of significant new developments, material mistakes or inaccuracies, which could affect the assessment of the Token, and arises or is discovered between the time when the information note is made available to the public and the final closing of the offer to the public.

- Costs, fees & charges: Sirius charges an issuance fee of 5 % and a redemption fee of 5 % atier tokens were sold to or redeemed from investors. Further administrative and operational costs of the Issuer, including for the acquisition of the underlying financial instruments, the setup of the Token infrastructure and the Token Platform, have been factored by it into the issue price of the Securities Tokens. No additional fees (including no management fees) are being charged by the Issuer to the Token holders in relation to the holding of the Tokens.
- The Token holders might need to consider additional costs and charges that may be charged, such as fees of their own legal or tax advisors and additional fees that might be required for the creation and holding of a wallet on which the Tokens can be stored.
- Costs may also be incurred if the token holder returns tokens to the issuer within the 5-day period, as outlined previously.

B. Reasons for the offer of Tokens

- **General:** The Issuer is offering the Tokens to gather financial means to work towards its objectives, being to:

(a) tokenize securities.

The Issuer will apply the US-\$ of the funds raised by it further to the issuance of the Tokens towards the payment of all costs and taxes related to the creation of the legal, administrative and technical infrastructure to acquire, hold and promote the legal and technical infrastructure to issue the Tokens.

Details of the financing of the investment or project that the bid is intended to achieve:

Investment Strategy: The investment objective is the preservation of value with an additional generation of a positive return or long-term real capital growth. The Token's underlying AMCs invest to a large extent in precious metals as well as other assets specified as permissible in the final term sheet of 2 November 2023 (enclosed below).

- **Investment Strategy:** The investment objective is the preservation of value with an additional generation of a positive return or long-term real capital growth. The Token's underlying AMCs invest to a large extent in precious metals as well as other assets specified as permissible in the final term sheet of 2 November 2023 (enclosed below).

PART IV: **Information about the Tokens offered**

The detailed characteristics of the Tokens are laid down in the Terms and Conditions, and can be summarised as follows:

- **Terms and Conditions:** The Tokens are governed by the Terms and Conditions, which are available to the investors and potential investors, free of charge on www.sirius.money and free of charge upon request at the Issuer's registered seat. The Terms and Conditions and this information note should be carefully read, understood and analysed by investors and potential investors before making an investment decision.

- General: The Tokens represent transferable securities (“Certificates”) as laid down in final term sheet of 2 November 2023, enclosed below.

The Tokens have a nominal value of US-\$ 100 each.

The Security Tokens are not

- (a) rated by any credit rating agency,
- (b) guaranteed, and
- (c) listed or admitted to trading on a (regulated) market.

- Maturity: Pursuant to the Terms and Conditions, each of the Tokens is a claim towards the Issuer, with a determined maturity being 15 September 2026 (the “Maturity Date”). At maturity, the Token holders are given the power to decide on the acceleration of their claims against the Issuer.
- Repayment of principal: In accordance with the Terms and Conditions, the Issuer has the obligation to repay the principal amount of the Tokens on the Maturity Date. The capacity of the Issuer to satisfy its obligation to repay the principal amount of the Tokens will however be subject to and entirely dependent on the funds collected by the Issuer. To the extent such funds are insufficient, the outstanding claim of the Token holder for the repayment of principal, will expire.
- Interest: On the Maturity Date, the issuer has the obligation to pay the Token holder an interest which is detailed in the final sheet of 2 November 2023 (enclosed below, once per year. Interest will be paid in additional SIRIUS Invest Value USD (Security) Tokens.
- Ranking and limited recourse: The Tokens constitute direct and unsubordinated obligations of the Issuer and rank without any preference among themselves. Any recourse for any claims the Token holders have against the Issuer under the Tokens will be strictly limited to the realisation proceeds of the Tokens in accordance with the Terms and Conditions, and that remain available following the payment of any claims of creditors of the Issuer that would benefit from a legal preference (such as any tax administration).

Any claims of any Token holder that would remain outstanding following the realisation of the Tokens, will expire.

PART V: **Disclaimer**

IMPORTANT PLEASE READ:

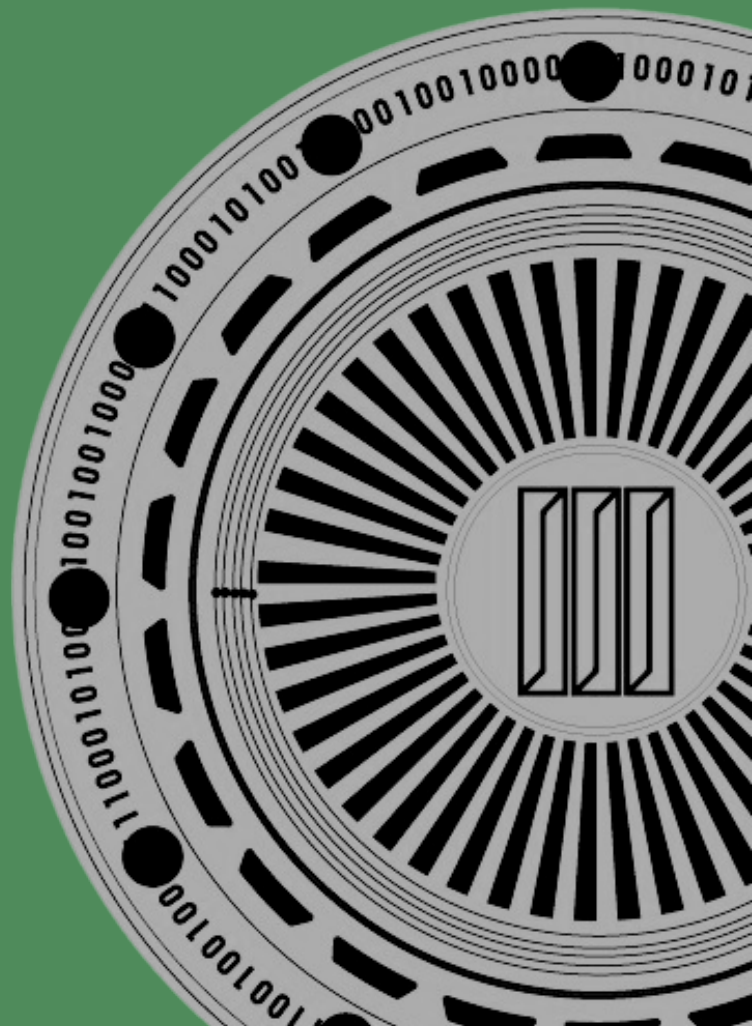
1. This information note as published by the Issuer is purely for information purpose only and is not intended as an offer or solicitation of the purchase or sale of any securities, funds, structured products or any other investment ("Investment Products"). Nothing herein constitute investment, legal, accounting or tax advice or a representation that any Investment Product is suitable for or appropriate to your investment objectives, financial situation, and particular needs, or otherwise constitutes a personal recommendation to you. This note does not purport to identify or suggest all the risks or material considerations which may be associated with any Investment Products. If you are in doubt as to any information in respect of any Investment Product, please consult your own financial, legal and/or tax advisers. Any assumptions, data, projections, forecasts, or estimates are forward looking statements and based upon information furnished to the Issuer or publicly available information and reflect subjective estimates and assumptions concerning circumstances and events that have not yet taken place. Accordingly, there can be no assurance or guarantee that any projected or forecasted results will be attained. Actual results may vary from such projections and forecasts. Past performance is not necessarily indicative of future performance, and such variations may be material. While based on the information believed to be reliable, this note, and its contents are provided on an "as is" basis. The Issuer does not make any representation or warranty as to the accuracy or completeness of the information in this note. Information in this note is confidential. Distribution of this note to any person other than the original recipient will be strictly prohibited. The Issuer and its affiliates, connected or related corporations, directors and/or employees may have an interest in the Investment Products including without limitation, in relation to the Investment Products, marketing, dealing, holding, acting as market-makers, performing financial or advisory services, acting as a manager or co-manager of private offering. The Issuer and its affiliates, connected or related corporations, directors and/or employees may also have alliances, contractual agreements or broking or investment banking or other relationships for the provision of financial services, with any counterparty mentioned in this note. This term sheet may only be distributed in countries where its distribution is legally permitted and described herein within selling restrictions. This information note is not directed to any person in any jurisdiction where by reason of that person's nationality, residence or net worth otherwise will be prohibited. Furthermore, this note may not be publicly distributed or distributed to persons who are not institutional or professional investors by the Issuer or any other person.

2. The Tokens and its underlying, the Actively Managed Certificates (AMCs) do not constitute collective investment schemes within the meaning of the EU-UCITS-Directive or any other Act on Collective Investment Schemes and are therefore neither governed by any EU-Financial Market Legislation nor subject to the supervision by any Regulatory Body.

Accordingly, Token holders do not have the benefit of a specific investor protection provided under EU Financial Markets Legislation. Holders of the Tokens bear the issuer's credit risk. Furthermore, investors should be aware that Tokens and its underlying AMCs have a dynamic, discretionary structure, which may result in changes to the Product terms and/or the Strategy-Components.

5

Appendix Final Term Sheet



Actively Managed Certificate (“AMC”)

on Stable Value USD

End of subscription 8 September 2023

Open End | Not Listed | Private Placement

ISIN CH1214916517

Protected Cell CH1214916517, a Cell of Sirius Asset Service PCC Ltd.

Registration No. 71081

(as “Issuer”)

BRIEF DESCRIPTION

Actively Managed Certificates do not constitute collective investment schemes within the meaning of the Swiss Federal Act on Collective Investment Schemes ("CISA") and are therefore neither governed by the CISA nor subject to the supervision by the Swiss Financial Market Supervisory Authority ("FINMA"). Accordingly, holders of this product (the "Product") do not have the benefit of the specific investor protection provided under the CISA. Holders of the Product bear the issuer's credit risk. Furthermore, investors should be aware that AMCs have a dynamic, discretionary structure, which may result in changes to the Product terms and/or the Strategy-Components.

The Issuer was incorporated on 27 September 2022 as a Protected Cell company limited by shares under the laws of Guernsey under registration number 71081. The registered office of the Issuer is at Suite 6, Provident House, Havilland Street, St. Peter Port, Guernsey GY1 2QE.

2 November 2023

PARTIES

Issuer/Calculation Agent

Sirius Asset Service PCC Ltd. (a Protected Cell company incorporated with limited liability under the laws of Guernsey) Sirius Asset Service PCC Ltd. is not licensed or registered in Guernsey by the Guernsey Financial Services Commission (“GFSC”) or registered or authorized by GFSC as a collective investment scheme and GFSC has not and will not approve the content or dissemination of this AMC or of any other document relating to or in connection with this AMC.

CH1214916517 Cell is a protected cell of Sirius Asset Service PCC Ltd., was created for the specific purpose of issuing the AMC, and is operated and controlled by the Directors of Sirius Asset Service PCC Ltd.. As a matter of Guernsey law, each cell of the Issuer is a protected cell of assets and liabilities, wholly separate and distinct from any assets or liabilities of any other protected cell(s) of the Issuer or any assets or liabilities of the Issuer which are not attributable to any protected cell of the Issuer.

Paying Agent

InCore Bank AG, Switzerland

Custodian/Broker

InCore Bank AG, Switzerland
InCore Bank will only custody the bankable assets of the strategy.

Strategy-Manager

NFS Capital AG (the "Strategy-Manager"). The Strategy-Manager is not subject to a prudential supervision by FINMA.

PRODUCT INFORMATION

Description

This Product (hereinafter, also "Certificate", "Note" or "AMC") is an Actively Managed Certificate. The Product allows for participation in the performance of the Underlying (the "Strategy"). The Strategy reflects a notional actively managed portfolio of assets and cash, maintained by the manager (the "Strategy-Manager"). The performance of the Strategy is tracked via the calculation of the Strategy Level.

The holders of the Product (hereinafter, "Holders of the Product", "Holders of the Certificate" or "Note Holders") have exposure to the same performance a real portfolio would have, if it was actually managed according to the Strategy. However, the Holders of the Product will not be entitled to real assets in a real portfolio and have only a claim against the Issuer on the payment of the Redemption Amount based on the Strategy-Level at the Final Valuation Date.

Underlying

The Underlying is a basket representing a notional, actively managed portfolio (the "Reference Portfolio") of assets including cash in the Currency of the Product (the "Strategy-Components"). The basket is selected and managed by the Strategy Manager in accordance with this termsheet ("Termsheet"), the "Investment Strategy" referred to here below as well as the investment universe (the "Investment Universe"), the guidelines (the "Strategy-Guidelines") and the investment restrictions (the "Investment Restrictions"), as per Annex 1.

Investment Strategy

The investment objective is the preservation of value with an additional generation of a positive return or long-term real capital growth.

The certificate invests to a large extent in precious metals as well as other assets specified as permissible in the Termsheet.

Reinvestment of Returns

Any amounts reflecting net dividends and/or interest rates in a real portfolio consisting of the Strategy-Components will be added to the cash component of the Underlying. Any withholding taxes or similar taxes that might be charged on any

of the Strategy-Components by tax authorities will not be reclaimed and will not be added to the cash component of the Underlying.

Initial Weighting of the Strategy-Components

The Strategy-Manager starts to implement the Strategy at the first possible trading day after Payment Date according to this Termsheet, the Investment Strategy, the Investment Universe, the Strategy-Guidelines and the Investment Restrictions. The Initial Strategy Components will depend on the market conditions at the time the Strategy-Manager starts to implement the Strategy.

Strategy-Level (t)

Sum of the value of each of the Strategy-Components on any trading day t, converted to the Currency of the Product at the prevailing exchange rate(s), less all costs linked to the management of the Strategy including (but not limited to) fees, expenses, hedging and transaction costs, custody fees and taxes (if any), and divided by the sum of outstanding Certificates on such trading day t, as calculated by the Calculation Agent.

Coupon

3.00% p.a. (annually paid)

Coupon Amount

On Coupon Payment Dates, the Notes will pay a cash amount equal to Denomination times:

- Coupon x Time Ratio.

Time Ratio

1 (annual coupon payment)

Coupon Ex-Dates

Ten business days before every Coupon Payment Date

Coupon Payment Dates

10th March in each year, from and excluding the Issue Date to and including the Maturity Date, adjusted as per the Business Day Convention.

Early Redemption Event

The Issuer has the right to partially or fully early redeem the Note by a cash amount (“the Partial/Full Early Redemption Amount”) on any Early Payment Date. Note holders would be notified on the corresponding Early Valuation Date.

Early Payment Dates

Any day, from and including the Issue Date to and including the Maturity Date, adjusted as per the Business Day Convention.

Early Valuation Dates

Ten business days before the Early Payment Date.

Redemption Amount

On Redemption Date, the Certificates will redeem a cash amount in the Currency of the Product equal to the Strategy-Level on the Final Valuation Date, as calculated by the Calculation Agent.

The Strategy Manager, as appointed by the Issuer, is responsible for the Strategy. No party, including the Paying Agent, is therefore liable to any party for any loss in connection with the investment, nor for the performance of the Strategy. A Noteholder’s entitlement is limited at all times to the Redemption

Amount at Final Valuation Date. In a worst-case scenario, the Redemption Amount may be zero. Noteholders should be aware that positive performance of the Strategy cannot be guaranteed.

Prices of the Strategy-Components

The prices of the Strategy-Components used as a basis for the calculation of the Strategy-Level are calculated at the sole discretion of the Calculation Agent, based on the values provided by the Custodian or any third party source that the Calculation Agent may deem appropriate to determine the fair value of the component.

Price of the Certificate

The price of one unit of this Product on a specific trading day t is equal to Strategy-Level(t).

Selection / Adjustments / Rebalancing of the Strategy-Components

Adjustments of the Strategy-Components are actively made by the Strategy-Manager.

Termination Event

The Issuer and the Strategy Manager have the right to terminate the Product at any time (“the Termination Date”) without a specific reason, by notifying the Holders of the Certificate on the earliest possible date.

Consequences of a Termination Event

Following a Termination Event, the Certificates will redeem a cash amount in the Currency of the Product equal to the Strategy-Level on the Termination Date (“the Termination Amount”) as calculated by the Calculation Agent.

Investors should be aware that the Termination Amount may be, due to unfavourable market conditions, considerably lower than the Issue Price or the last valuation of the Product before the Termination Event.

The Issuer has the right to reduce the Termination Amount considerably (including to zero) in certain situations. This may include, but is not limited to illiquidity or insolvency of an underlying asset(s) distressed situations related to or impacting an underlying asset.

GENERAL TERMS

Structured Product Type per Swiss Derivative Map	Dynamic Tracker-Certificate (Code 1300)
Total Amount	USD 100'000
Issue Size	1'000 Certificates (with reopening clause)
Issue Price	USD 100 + Distribution Fee (if any)
Distribution Fee	Up to 5.00% times:

- USD 100 for the purpose of the Issue Price definition
- the Price of the Certificate for the purpose of the Secondary Market definition

Currency

USD

Denomination

- 1 Unit for the purpose of a price quote on the Note
- USD 100 for the purpose of the coupon amount calculation

Fees

The following fees will be deducted daily from the Strategy-Level:

- Management fee: 2.50% p.a.
- Administration fee: 0.20% p.a.

Performance Fee

- 20.00% above Hurdle Rate with High Watermark
- Hurdle Rate: 0% (quarterly observed, according to the Performance Fee Observation Dates as defined in Annex 2)

See Annex 2 for more details on Performance Fee Entitlement, Performance Fee Calculation and Performance Fee Observation Dates.

Broker Fee Schedule

See Annex 2.

Payment Date / Issue Date

15 September 2023, being the date on which the Products are issued, and the Issue Price is paid.

Final Valuation Date

Termination Date

Redemption Date

The Redemption Amount shall be due to Noteholders on the tenth business day after the Final Valuation Date.

Settlement

Cash settlement.

Exchange Rate

Applicable Exchange Rates (if any) for conversion of any amount into the relevant settlement currency for the purposes of determining the Strategy-Level or the Redemption Amount, may be sourced from the Custodian (if applicable), or from public sources like Bloomberg (BFIX), Reuters, Telekurs, etc. Relevant is the rate at the time or near the time of the determination of the Strategy-Level or the Redemption Amount.

Minimum Trade Size

100 Certificate(s) and multiples of 1 Certificate(s) thereafter

Valoren

121491651

ISIN

CH1214916517

Listing

Not listed

Business Day Convention	Following
Secondary Market	Daily secondary market trading orders are received and processed on a best effort basis, with a bid offer spread of 1% under normal market conditions. Acceptance of an order cannot be guaranteed and is subject to, amongst other things, sufficient liquidity. Orders must be placed with the Paying Agent before 16:30 for same day trading. Orders after 16:30 will be executed on the next trading day. A Distribution Fee may apply on secondary market buy orders. On Secondary Market transactions, additional transaction fees may apply and are charged to the Strategy-Level.
Clearance Institution / Clearing Code	SIX SIS AG / ICB CH103283

MISCELLENEOUS

Selling Restrictions	Russian Federation, Belarus, Canada, United Kingdom, Guernsey, United States of America, US Persons. Under no circumstances may the product be distributed to any sanctioned person, entity or country identified by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State, the United Nations Security Council, the European Union, Her Majesty's Treasury of the United Kingdom, Bailiwick of Guernsey sanctions regime, Swiss sanctions framework implemented by SECO or other relevant sanctions authority. In and from Switzerland the Product can only be offered or sold to institutional and professional clients pursuant to the Swiss Financial Services Act. The Product shall be distributed only by way of private placement; public distribution is not permitted. The Product may not be issued to more than 50 investors. For jurisdiction-specific tax and any regulatory considerations, investors should consult their independent advisors.
Product Representation	Products to be represented by Intermediated Securities (Bucheffekten)
United States IRC Section 871(m)	Out of scope
Applicable Law / Place of Jurisdiction	Swiss Law under exclusion of the Swiss Private International Law Act and of the CISG / City of Zurich
Risks	Regarding investments in the Product, there are several kinds of risks, inter alia:

- the market, credit and liquidity risk with respect to the Strategy-Components
- the counterparty risk with respect to the Issuer
- the currency risk with respect to the Strategy-Components which are not denominated in the Currency of the Product (if any)
- the risk of sub-optimal adjustments of the Strategy-Components by the Strategy-Manager.

The liquidity of the Product as well as the liquidity of the underlying is very limited and may not exist during the lifetime of the Product.

In a worst-case scenario, Holders of the Product may lose their total investment.

Limitation of Transferability

The Certificate can only be sold back to the Issuer.

Tax Treatment in Switzerland

For individuals holding the Product for private investment purposes with tax domicile in Switzerland the portion of income realised on the underlying Strategy-Level attributable to their respective portion in the underlying Strategy-Level will be subject to Swiss income taxes on an annual basis (by financial year end) or upon redemption. Gains and losses realised on the Strategy-Level as well as gains and losses derived from the sale of the Product should be considered as income tax-free private capital gains and non-tax-deductible private capital losses respectively.

The Product is not subject to the Swiss withholding tax. The Product may be subject to Swiss stamp duty of up to 0.15% on the primary as well as the secondary market. There is no Swiss stamp duty upon redemption of the Product. For Swiss paying agents, payments under the Product are not subject to the EU savings tax.

Investors and other interested parties are advised to consult their tax advisors to determine the special tax consequences of the purchase, ownership or disposition of the Product before any commitment/investment is made.

Common Depository

SIX SIS AG

ANNEX 1

It is the sole responsibility of the Strategy-Manager to ensure that the Strategy and the Strategy Components as well as the investments correspond to the Investment Universe, the Strategy-Guidelines, and the Investment Restrictions. Neither the Issuer, nor the Paying Agent, nor the Custodian, nor the Calculation Agent, nor any other involved party apart from the Strategy-Manager carries out any supervision in that regard.

The Strategy Manager, acting on behalf of the Issuer, is not obliged to invest according to the Strategy, e.g. it can invest in assets other than the Strategy-Components. However, the investor is still entitled to receive the Redemption Amount as outlined in this Termsheet independent of the returns of the investments of the Issuer.

Investment Universe

The Investment Universe consists of the following asset / asset classes and represents the basis for the selection, adjustment and rebalancing of the Strategy-Components by the Strategy-Manager. The Investment Universe may be amended by the Strategy-Manager at any time and in its sole discretion.

Asset class	Range allocation (% of total portfolio value)	Permitted instruments
Equities	Min 0% - Max 100%	<ul style="list-style-type: none"> • Exchange traded stocks • Exchange traded funds (ETFs), mutual funds, structured products
Fixed income	Min 0% - Max 100%	<ul style="list-style-type: none"> • All ratings and maturities • Exchange traded funds (ETFs), mutual funds, structured products
Commodities	Min 0% - Max 100%	<ul style="list-style-type: none"> • Precious metals
Alternative investments	Min 0% - Max 100%	<ul style="list-style-type: none"> • Commodity funds • Private equity funds • Venture capital funds
Private equity	Min 0% - Max 100%	Shares of a private company
Private debt	Min 0% - Max 100%	Private loans
Cash	Min 0% - Max 49%	Cash in the Product currency.

Strategy Guidelines

The Strategy-Components are selected, adjusted and rebalanced by the Strategy-Manager in accordance with the following guidelines (the "Strategy-Guidelines"):

1. Investment decisions are made on the basis of current capital market assessments.
2. The product may invest in non-bankable assets such as Private Equity, Private Debt and physical precious metal.

Investment Restrictions

The following Investment Restrictions are applicable for the Strategy-Manager:

- Short selling of any asset
- Leverage through credit raising, short selling or derivatives
- Long positions in US dividend paying stocks

ANNEX 2

Broker Fees

Average Broker Transaction Fee: According to the fee schedule of the Broker

Performance Fee

High Watermark

Applicable. For the first Performance Fee Observation Date (t=1), the High Watermark is equal to the Issue Price less the Distribution Fee (if any). Thereafter, if the Strategy Level (t) on the Performance Fee Observation Date (t) is higher than the previous High Watermark, the High Watermark is set to that level after deduction of the Performance Fee Amount and any Coupon Amount and/or Partial Redemption Amount paid from and excluding Observation Date (t-1) to and including Observation Date (t).

Performance Fee Entitlement

A Performance Fee Amount is paid to the Strategy Manager if the performance of the Certificate with respect to the High Watermark on the relevant Performance Fee Observation Date exceeds the Hurdle Rate, i.e.:

$$\left(\frac{\text{Strategy-Level}(t)}{\text{High Watermark}} - 1 \right) > \text{Hurdle Rate}$$

Performance Fee Calculation

Performance Fee Amount is equal to:

$$\text{High Watermark} \times \left(\left(\frac{\text{Strategy-Level}(t)}{\text{High Watermark}} - 1 \right) - \text{Hurdle Rate} \right) \\ \times \text{Performance Fee}$$

where:

- *Strategy-Level(t)* is the value of the Certificate on the Performance Fee Observation Date (t), before deduction of the Performance Fee
- *High Watermark* is the highest level of the Certificate on any of the previous Performance Fee Observation Dates (i<t) after deduction of the Performance Fee and the relevant Coupon and Partial Redemption Amounts.

The Performance Fee Amount cannot be a negative number.

Performance Fee Observation Dates

Quarterly on the last business day of March, June, September and December, from and including the Issue Date to and including the Final Valuation Date.

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