



TokenPay (TPAY) Tracker Certificate

F A C T S H E E T

April
2019

Product Details

TPAY Tracker Certificate

The TokenPay (TPAY) Tracker Certificate is a **passive investment vehicle that tracks the TokenPay (TPAY) Coin**, which covers the blockchain category focusing on privacy features and censorship resistance. The certificate offers qualified investors **cost-effective, convenient and transparent access** to a rising crypto asset.

TokenSuisse AG

TokenSuisse is a **dynamic and innovative Crypto Asset Investment Manager** with the mission to **provide simple access** to the world of **Blockchain Assets** for institutional and individual investors. TokenSuisse can offer comprehensive solutions and access for investments in Blockchain Assets through traditional investment products.

TokenSuisse enables the investor **to participate** in this new investment universe **by providing professional tailor-made advisory solutions**.

TokenSuisse was founded in July 2017 by **experienced financial markets professionals** with considerable **expertise** in the field of Crypto Assets and Blockchain **Technology**.

TokenSuisse AG is based in Baar, Switzerland and is a member of:



Details

Name	TokenPay Tracker Certificate
Issuer	TSE Issuer Limited
Index Sponsor	TokenSuisse AG
Product Sponsor	TokenPay (TPAY)
ISIN	CH0466857544
Valor	46685754
Currency	USD
Underlying	TokenPay (TPAY) Coin
Subscription period	25.03.2019 – 12.04.2019
Issue date	16.04.2019
Fixing	15.04.2019
Maturity	Open end
Issue price	100%
Denomination	USD 100.00
Min investment size	USD 1'000.00
Issue size	Up to USD 50'000'000.00
Price calculation	Daily
Subscriptions (Liquidity)	Subscriptions are possible on a weekly basis and have to be preannounced 3 days in advance.
Redemptions (Liquidity)	Redemptions are possible on a monthly basis and have to be preannounced 3 days in advance.
Subscription Fee	3%
Management Fee	1.5% p.a.
Offering	Private Placement (not for Public Distribution) only for qualified investors
Issuers termination	The Issuer has the unconditional right to call the certificates with immediate effect with 5 days period of notice.
Paying agent	ISP Securities AG, Zürich
Broker/Custodian	TokenSuisse AG, Baar
Calculation Agent	TSE Issuer Limited, Guernsey
Clearing / Settlement	SIX SIS AG / Clearstream Banking AG
Governing Law / Jurisdiction	Swiss Law under exclusion of the Swiss Private International Law Act and of the CISG / City of Zurich

Additional information according to the termsheet

Illiquidity notice/warning

The Underlying might be or become illiquid over the life time of the Product. Illiquidity of an Underlying might lead to larger bid/offer spreads of the Product and/or to an extended time period for buying and/or selling the Underlying respective to acquire, unwind or dispose of the hedging transaction(s) or asset(s) or to realise, recover or remit the proceeds of such hedging transaction(s) or asset(s) which might implicate a postponed redemption or delivery and/or a modified redemption amount, as reasonably determined by the Calculation Agent.

TPAY Tracker Certificate

Simple Access to Crypto Assets

Tracker Methodology

The TPAY Tracker Certificate reflects a general Crypto Asset trend and provides exposure to the blockchain category focusing on privacy features and censorship resistance by tracking the TokenPay (TPAY) Coin.

The applied tracker certificate strategy implies participation of the TokenPay (TPAY) Coin over the lifetime of the tracker certificate. Due to various factors such as costs, friction, liquidity etc., the **certificate may evolve differently** to the value of the TokenPay (TPAY) Coin.

Investor Benefits

The TokenPay (TPAY) Tracker Certificate enables investors simple and safe exposure to emerging blockchain technologies and cryptos. Crypto Assets, such as Bitcoin and Altcoins, **have shown considerable outperformance and offer low correlation with traditional asset classes thus providing investors a diversification benefit.** The TokenPay (TPAY) Tracker Certificate profits from the price increase of The Crypto Asset, the TokenPay (TPAY) Coin **and offers weekly subscription liquidity to investors.**

The TokenPay (TPAY) Tracker Certificate aims to meet the needs of investors who seek an exposure to an emerging crypto asset, the TokenPay (TPAY) Coin. The asset depict promising technological solutions, share an existing user base and are based on solid business cases with multiple commercial objectives within the Crypto World.

Risk Profile

The TokenPay (TPAY) Coin in the tracker certificate is **stored via a multi-level cold and hot wallet storage system.** Hot wallet storage is only used when necessary for routine business activities. All wallet solutions are established from **trusted third-parties** that meet the highest industry-standards.

All investors considering an investment in the TokenPay (TPAY) Tracker Certificate should carefully consult representative information material. **Risks** include but are not limited to:
(see page 5ff.)

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About TokenPay

TokenPay is a blockchain payments and technology company with headquarters in Hong Kong. It is the creator and maintainer of the TPAY blockchain, which supports the TPAY cryptocurrency. This is a Tor integrated coin known for its privacy and security features such as Dual-Key Stealth Addresses, Zero-Knowledge Proofs and Multi-Signature Transactions. The company has released several products, such as desktop and mobile wallet applications for Windows, Mac, iOS and Android and a secure end-to-end wallet based encrypted chat application. Overall, TokenPay products are very favorably recommended in the Apple App Store and Google Play.

Performance Check



Risk Profile

Investors of Crypto Currencies (Virtual Currencies) (and therefore investors in products with Crypto Currencies as an underlying, indirectly) are exposed to elevated risk of fraud, theft and cyber attacks. Several markets for Crypto Currencies already had to cease their activities or have been closed for other reasons - in some cases because of hacker attacks.

In the case of fraud, theft and cyber attacks on the stored positions of the Custodian the Issuer, may exercise its Termination Right and early redeem the Certificate. Moreover, a termination of a hedge position in the Underlying (including, but not limited to, any loss realized by the Issuer resulting from fraud, theft and cyberattacks relating to Custodian and/or Reference Source(s) of the Issuer) could lead to a considerably decreased Redemption Amount including a possible total loss.

Crypto Currencies can be stolen from the Custodian. After purchase, Crypto Currencies are regularly stored in a "virtual wallet" on a computer, laptop or smartphone. These virtual wallets are usually protected by a private key or password. Virtual wallets also usually have a public key and a private key or a password for the access however, virtual wallets are not fully protected from hackers. Just as in real wallets, money can be stolen from a virtual wallet as well. Thefts and hacker attacks can have a negative impact on the reputation of the currency or the market place concerned and thus affect negatively the market price of Crypto Currencies. Through the product, investors would indirectly participate to such a negative performance, the total loss would be possible. Crypto Currencies can be used anonymously and Crypto Currencies do not have to be traded through government institutions or banks. Crypto Currencies can be purchased directly from an owner or a trading venue. These platforms are generally not regulated. Investors thus face increased risk of the issuer identifying occurrence of a hedging disruption, involving the loss risks outlined below. The market value of a Crypto Currency is not based on any kind of claim, nor any physical asset. Instead, the market value depends entirely on the expectation of being usable in future transactions. This strong correlation between an expectation and market value is the basis for the current and probably high future volatility of the market value of Crypto Currencies. If over 50% of all computers used worldwide for verifying Crypto Currencies transactions are subject to control by a single instance, there is a risk that the controlling instance could take over 100% of all transactions. Such "51% attacks", as they are known, can cause overall confidence in Crypto Currencies to evaporate, bringing all trading to a halt, thereby causing losses for investors up to and including a possible total loss.

Risk of data loss

Since the power of disposal of a credit balance in a cryptocurrency exists exclusively through the secret private keys, credit balances can be irretrievably lost through data loss.

Risk of exchange rate fluctuations and price manipulation

Relatively few of the crypto assets operated worldwide are tradeable in regular currencies. They are often, at most, tradeable into other crypto assets. Those that are convertible can be risky as a result of their high volatility and constitute a potential target for attacks. In particular, due to small volumes, crypto assets constitute an object of speculation, unlike stable exchange rate systems in conventional currencies. The exchange rates occur completely outside this system. The exchange rate information vis-à-vis other (in particular, conventional) currencies is information from traders or stock exchanges and may be subject to manipulation. In particular, it does not constitute any guarantee that the cryptocurrency is actually exchanged at this rate.

Counterparty Risk

With involvement of exchanges and other possible third-parties (e.g. storage providers) the investor is exposed to counterparty risk which may lead to a considerably decreased Redemption Amount including a possible total loss.

Regulatory risk

In some countries, regulatory authorities have declared themselves against the use of crypto assets, and have also, in part, already taken specific regulatory measures to prevent their use. Regulatory risks may arise at anytime in any jurisdiction and may affect the value of the crypto assets adversely.

Risk of weaknesses or exploitable breakthroughs in the field of cryptography

Advances in cryptography or technical advances such as the development of quantum computers could present risks to cryptocurrencies, which could result in the theft or loss of crypto assets.

Internet transmission risks

There are risks associated with investing in crypto assets including but not limited to the failure of hardware, software, or internet connections. There are communication failures, disruptions, errors, distortions, or delays that an investor may experience while investing in crypto assets.

Risk of low or no liquidity

Even though there are currently online services available that enable the exchange of cryptographic assets, and some of them enable the exchange of cryptographic assets for fiat money, there are no warranties and/or guarantees given that investments will be listed or made available for exchange for other cryptographic assets and/or fiat money, and no guarantees are given whatsoever concerning the capacity (volume) of such exchanges.

Risk of uninsured losses

Unlike bank accounts or accounts at some other financial institutions, funds held using the PCP Certificate are entirely uninsured.

Unanticipated risks

Cryptocurrencies and blockchains are new and untested technology. In addition to the risks set forth here, there are risks that the PCP Certificate cannot foresee, and it is unreasonable to believe that such risks could have been foreseeable. Unanticipated risks may arise at any time.

Disclaimer

This document is for informational purposes only. It does not constitute an invitation to buy or sell securities, investment advice or any other recommendation. **It is a non-public offer intended exclusively for qualified investors who understand and accept the associated risks. Past investment performance is no indication of future earnings.** The full details of the bearer bonds can be found in the current terms and conditions of the bearer bond. Together with the subscription form, they are the sole binding basis of the purchase and are available free of charge from TSE Issuer Limited. The information contained in this document reflects current information or estimates at the time of preparation. Changes are subject to change without notice. Although this information has been compiled with the utmost care, no guarantee can be given for its accuracy, completeness or adequacy. The information contained in this document is based on the assessment of TSE Issuer Limited and the current legal and tax position at time of preparation. However, the tax treatment of an investment in the Notes depends on the personal circumstances of the investor and may be subject to change in the future. This document is a promotional message. The publication is to be kept confidential.



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