



## Exchange Traded Product on Next Generation Payment CHF Index

### Bullish

Product Category:	Product Type:	SSPA Code:	Offering Type:	Exchange Listing:
Participation Products	Tracker Certificate	1300	Public Offering: CH	Listed on SIX Swiss Exchange

The products (the "Product") documented in this Termsheet may be considered structured products in Switzerland pursuant to article 70 of the Swiss Financial Services Act of 15 June 2018 ("FinSA") and are neither subject to authorization nor supervision by the Swiss Financial Market Supervisory Authority FINMA ("FINMA"). None of the Products constitute a participation in a collective investment scheme within the meaning of the Collective Investment Schemes Act of 23 June 2006 ("CISA") and investors do not benefit from the specific investor protection provided under CISA. Investors bear the credit risk of the Issuer.

Investors should read the section "Risk Factors" of the Base Prospectus and the section "Significant Risks for Investors" of this Termsheet. Investing in this product may put Investor's capital at risk. Investors may lose some or all of their investment.

The Product is a Collateralized Product (as defined in the Base Prospectus) and its value is secured in accordance with the terms of the Security Agreements as further described in section IX of the Base Prospectus.

Even though translations of documents into other languages might be available, only the English version of the Final Terms and the Base Prospectus of the relevant Issuance and Offering Programme shall form the entire and legally binding documentation for this Product. This Termsheet does not, and is not intended to, constitute, or contain an offer or invitation to sell, and it is not soliciting offers to buy, the Product in any jurisdiction where such offer or sale is not permitted.

This Termsheet constitutes a marketing document within the meaning of article 68 FinSA. It is provided for information and discussion purposes only.

### Product Overview

Any investment decisions must not only be based on the Product Overview but on the entire information contained in the Base Prospectus and the Final Terms. In particular, each investor should consider the risk factors contained in the Base Prospectus and in the Final Terms.

#### Information on the securities

Issuer	CAT Financial Products AG, Zurich, Switzerland	Security Codes	
		ISIN:	CH1272477501
		Swiss Security Number:	127247750
		SIX Symbol:	NGPCI
SSPA Code	1300 (as defined in the SSPA Swiss Derivative Map)	Underlying Index	Next Generation Payment CHF Index
Issue Price	CHF 100.00	Issue Size	Up to 100'000 Product(s) (can be increased at any time)
Settlement Currency	CHF	Settlement Type	Cash Settlement
Initial Fixing Date	02/07/2024	Issue Date	04/07/2024
Final Fixing Date	Open-end	Redemption Date	The 5th Business Day following the Final Fixing Date and subject to Settlement Disruption Event provisions.
Collateralization	The Product is a Collateralized Product (as defined in the Base Prospectus) and its value is secured in accordance with the terms of the Security Agreements as further described in section IX of the Base Prospectus.	Listing	The Products are listed and admitted to trading in Switzerland on SIX Swiss Exchange according to the Exchange Traded Product (ETP) Regulatory Standard. First Exchange Trading Date: 04/07/2024 (anticipated)

## Product Description

The Product replicates the price movements in the underlying Index (adjusted by the Units and the Management Fee) and is therefore in terms of risk comparable to a direct investment in the underlying Index. On the Redemption Date, the Investor will receive a Cash Settlement in the Settlement Currency, as further described under Redemption.

**Index description:** The underlying Index is a dynamic, actively managed index (the “**Index**”) which is discretionary managed by the Index Sponsor and the Index Administrator and calculated by the Index Calculation Agent. The Index Components (the “**Components**”) of the Index may – subject to the Index Administrator’s veto right – be rebalanced by the Index Sponsor on a regular basis. The Index Sponsor determines and is responsible for the composition of the Index and may add, replace or remove Index Components in accordance with a set of predefined rules set out in the Index Rule Book DS67AF, dated 27/05/2024 (the “**Index Rule Book**”).

**Objective:** The Next Generation Payment CHF Index (NGPCI) tracks the performance of companies leading in digital payment innovations such as digital wallets, mobile payments, blockchain transactions, and contactless methods. It includes global, publicly traded companies with significant revenue from these technologies. The NGPCI uses a modified market capitalization weighting method and undergoes monthly reviews to remain current. It provides valuable insights for investors, serving as a benchmark for evaluating investments in next-generation payment technologies and aiding in portfolio diversification and strategic decision-making.

**Universe:** The Index universe consists of eligible Index Components which may include Cash Instruments, Equities and Crypto Currencies as determined by the Index Sponsor and subject to the restrictions defined in the Index Rule Book.

**Distributions:** Net distributions with respect to Components (after deduction of any expenses and taxes) will lead to an adjustment of the Index (as specified in the Index Rule Book).

**The Index represents a hypothetical portfolio. There is no obligation of the Index Calculation Agent, the Issuer or any other party to purchase and/or hold any Components and there is no actual portfolio of assets to which any person is entitled or in which any person has an ownership interest. The Index consists of Components, the performance of which will be used as a reference point for the purposes of calculating the value of the Index. The Issuer shall be free to choose how to invest or further proceed with any proceeds of the issuance of any of the Products. References to any rebalancing of the Index or addition, adjustment, substitution, replacement or removal of Components should not be construed as imposing an obligation on the Issuer, the Index Calculation Agent or any person to acquire or dispose of any securities, investments, assets or other property but are references to the change in, and relate solely to the calculation of, the value of the Index, which is relevant for the determination of any amount payable in respect of the Products.**

Upon request, the Index Rule Book and the latest composition of the Index are available free of charge from the Index Calculation Agent (CAT Financial Products AG, Tessinerplatz 7, 8002 Zurich, Switzerland) or can be downloaded on [www.cuglos.com](http://www.cuglos.com).

## Underlying Index Information

Index	Index Sponsor	Index Calculation Agent	Index Administrator	Units <sub>0</sub>	Index Currency	Initial Fixing Level (Index Value <sub>0</sub> )
Next Generation Payment CHF Index	CAT Financial Products AG	CAT Financial Products AG	CAT Financial Products AG	0.9800	CHF	CHF 100.00

## Product Details

### Security Codes

ISIN: CH1272477501

Swiss Security Number: 127247750

SIX Symbol: NGPCI

Issue Price: CHF 100.00

Issue Size: Up to 100'000 Product(s) (can be increased at any time)

Settlement Currency: CHF

## Dates

Subscription Start Date: 25/06/2024

Subscription End Date: 02/07/2024

Initial Fixing Date: 02/07/2024

Issue Date: 04/07/2024

First Exchange Trading Date: 04/07/2024 (anticipated)

Last Trading Date: Open-end or in case of an exercise of the Issuer's Termination Right two Scheduled Trading Days prior to the Final Fixing Date.



Final Fixing Date	Open-end or in case of an exercise of the Issuer's Termination Right, as specified in the Issuer's Termination Announcement or in case of an exercise of the Investor Redemption, the day for which the Product Administrator receives the duly signed Redemption Notice (subject to Market Disruption Event provisions).
Redemption Date	The 5th Business Day following the Final Fixing Date and subject to Settlement Disruption Event provisions.
Observation Dates	Quarterly, from (and including) 15/09/2024; if a specific Observation Date is not a Scheduled Trading Day then the following Scheduled Trading Day will be deemed to be an Observation Date.

## Fees

Distribution Fee (DF)	Up to 2.00% are included in the Issue Price (incl. VAT, if any)
Management Fee (MF)	1.50% p.a.; the Management Fee reduces the redemption amount subject to the holding period and has a negative effect on the secondary market prices. The Management Fee is payable quarterly within 10 Business Days of its determination on the Observation Date(s) by the Issuer.
Rebalancing Fee	<p>A Rebalancing Fee is levied by the Index Administrator for each Index Component adjustment within the Index. The Rebalancing Fee represents the maximum of a) a percentage amount of up to 0.15% of the notional volume or b) an equivalent amount of up to CHF 50 in the Settlement Currency of each of the transactions in the Index Components.</p> <p>The Rebalancing Fee does not apply to changes in Units<sub>t</sub> in the Index. Market charges, such as stamp duty or execution costs incurred by a hypothetical hedging entity as determined by the Index Administrator in its sole discretion, will always be charged in addition to the Rebalancing Fee.</p>
Other Fees	Additional fees may be charged for individual Index Components (e.g., for required infrastructure or required audits).

## Redemption

The Investor is entitled to receive from the Issuer, subject to an early redemption, on the Redemption Date per Product a Cash Settlement in the Settlement Currency corresponding to the value of the underlying Index on the Final Fixing Date adjusted by the Units<sub>t</sub> and the Management Fee. This amount equals Value<sub>t</sub> on the Final Fixing Date, where Value<sub>t</sub> is calculated according to the following formula and reasonably determined by the Index Calculation Agent:

$$\text{Value}_t = \text{Units}_{t-1} \times \text{Index Value}_t - \text{AMF}_t$$

On any Observation Date, the Value<sub>t</sub> is calculated based on the AMF<sub>t</sub> before the adjustment of Units<sub>t</sub> is made.

Initial Fixing Level (Index Value <sub>0</sub> )	Official close of the Underlying Index on the Initial Fixing Date, as determined by the Index Calculation Agent.
Final Fixing Level	Official close of the Underlying Index on the Final Fixing Date as published by the Index Calculation Agent and as determined by the Product Calculation Agent in its reasonable discretion (billiges Ermessen).
Units <sub>t</sub>	<p>The notional units of the Index per Product on Scheduled Trading Day<sub>t</sub>.</p> <p>Provided Scheduled Trading Day<sub>t</sub> is not an Observation Date:</p> <p><b>Units<sub>t</sub> = Units<sub>t-1</sub></b></p> <p>If Scheduled Trading Day<sub>t</sub> is an Observation Date:</p> <p><b>Units<sub>t</sub> = Value<sub>t</sub> / Index Value<sub>t</sub></b></p> <p>Where Index Value<sub>t</sub> is the Value of the Index on Scheduled Trading Day<sub>t</sub>, adjusted by any costs incurred by the Issuer or a hedging party thereof for unwinding risk reducing hedging transactions relating to the Issuer's obligations under the Product, as reasonably determined by the Index Calculation Agent.</p> <p>Following the adjustment of Units<sub>t</sub> by the AMF<sub>t</sub>, AMF<sub>t</sub> is reset to zero.</p>
Index Value <sub>t</sub>	The last available value of the Index on Scheduled Trading Day <sub>t</sub> as published and as reasonably determined by the Index Calculation Agent.
AMF <sub>t</sub>	<p>The Accrued Management Fee on Scheduled Trading Day<sub>t</sub> is determined by the Index Calculation Agent as follows:</p> <p><b>AMF<sub>t</sub> = AMF<sub>t-1</sub> + Value<sub>t-1</sub> × MF × Day Count<sub>t</sub> and AMF<sub>0</sub> = 0.00</b></p>
Day Count <sub>t</sub>	Actual number of calendar days between Scheduled Trading Day <sub>t-1</sub> to the current Scheduled Trading Day <sub>t</sub> , divided by 360.
Scheduled Trading Day <sub>t</sub>	Means any calendar day on which the Index Calculation Agent is scheduled to publish a value for the Underlying. The Initial Fixing Date corresponds to Scheduled Trading Day <sub>0</sub> and for any subsequent Scheduled Trading Day variable t is incremented by one (1).
Issuer Termination Right	The Issuer has the unconditional right to call the outstanding and issued size for early redemption (the " <b>Termination Right</b> ") at any time with a 10 Business Days (prior to the respective Final Fixing Date) notice



by announcement (the “**Termination Announcement**”) published on [www.cuglos.com](http://www.cuglos.com). The Termination Announcement will specify the adjusted Final Fixing Date and the adjusted Redemption Date. Following the announcement, the Product will be redeemed on the adjusted Redemption Date for an amount in the Settlement Currency that equals the Value, on the communicated adjusted Final Fixing Date, as determined by the Product Calculation Agent.

Investor Redemption Right	Each Investor has an annual right, first time on the anniversary of the Issue Date (such day being the “ <b>Announcement Date</b> ”; following Business Day Convention will apply) to call, the portion of the outstanding size in which they are invested to, for redemption (taking into account any Minimum Redemption Number, if such is applicable as stated under “General Information” herein), by delivering a duly completed and signed Redemption Notice to the Product Calculation Agent (notice to be received by the Product Calculation Agent no later than 07:00 am CET/CEST, 10 Business Days preceding the respective Announcement Date). Following such announcement, the called portion of the outstanding size will be redeemed 5 Business Days after the Announcement Date, for an amount in the Settlement Currency that equals the Value, on the Announcement Date, as determined by the Product Calculation Agent. Payments are dependent on the index universe and may be delayed due to liquidity or index component characteristics, such as but not limited to exit conditions or times.
Extraordinary Termination	The early termination rights pursuant to the General Conditions and the Underlying Specific Conditions apply. See in particular the following provisions: General Condition 19 (Termination and Cancellation due to Illegality, Illiquidity, Impossibility, Increased Cost of Hedging, Hedging Disruption, Increased Cost of Collateralisation (ETPs) or Changed Secured Financing Ability), General Condition 29 (Market Disruption), General Condition 32 (Postponement of Adjustments due to Cash Settlement Disruption, Payment Disruption due to the Occurrence of a Foreign Exchange Disruption Event) and Underlying Specific Conditions 3.3.

## Description of the Issuer and Principal Parties

Issuer	CAT Financial Products AG, Zurich, Switzerland Supervised by: Swiss Financial Market Supervisory Authority (FINMA)
Issue and Paying Agent	CAT Financial Products AG, Zurich, Switzerland
Authorized Participant	CAT Financial Products AG, Zurich, Switzerland
Product Administrator	CAT Financial Products AG, Zurich, Switzerland
Product Calculation Agent	CAT Financial Products AG, Zurich, Switzerland
Collateral Agent	CAT Wealth Management AG, Zurich, Switzerland
Collateral Custodian	Swissquote Bank AG, Gland, Switzerland
Collateral Provider	CAT Financial Products AG, Zurich, Switzerland

## General Information

Listing/Exchange	The Products are listed on SIX Swiss Exchange according to the Exchange Traded Product (ETP) Regulatory Standard. First Exchange Trading Date: 04/07/2024 (anticipated)
Secondary Market	The Issuer intends to provide a daily secondary market under normal market conditions with a maximum bid-offer spread of 1.00%. Daily price indications will be available from 09:00 - 17:30 CET on Bloomberg [ISIN] Corp and/or on <a href="http://www.cuglos.com">www.cuglos.com</a> .
Quotation Type	Secondary market prices are quoted in the Settlement Currency per product.
Settlement Type	Settlement in cash only (“Cash Settlement”). There is no physical delivery of Underlying Component(s) to Investors.
Minimum Investment	1 Product(s)
Minimum Trading Lot	1 Product(s)
Minimum Redemption Number	1 Product(s)
Clearing	SIX SIS AG, Euroclear
Depository	SIX SIS AG
Public Offering	CH
Form	Uncertificated Security / Book-entry
Governing Law/Jurisdiction	Swiss / Zurich



## Swiss Taxation

Swiss Federal Stamp Duty	Secondary market transactions are not subject to Swiss Federal Stamp Duty.
Swiss Federal Income Tax (for private Investors with tax domicile in Switzerland)	For Swiss income tax purposes, the product is treated analogously to a share/unit in an investment fund. All reinvested dividend and interest income from the Underlying are subject to income tax. The taxable income (if any) generated by the Product will be reported annually to the Swiss Federal Tax Administration. For private investors with tax domicile in Switzerland who hold the Product as private assets, the reported income (if any) is subject to direct federal tax. Any dividend payments are subject to direct federal tax on the respective payment date. If no tax reporting is available, the taxable income is determined based on a fair market return, taking into account the asset classes of the Underlying. The tax treatment for cantonal and municipal income taxes may differ from the tax treatment for direct federal tax. In general, however, the income tax treatments are the same.
Swiss Withholding Tax	The Product is not subject to the Swiss Withholding Tax.

The Swiss tax information provided herein is a non-binding summary and only provides a general overview of the potential Swiss tax consequences linked to this Product at the time of issue. Swiss tax laws and administrative practice may change, possibly with retroactive effect.

Investors and prospective Investors are advised to consult with their Swiss or foreign tax advisers with respect to the Swiss or foreign tax consequences of the purchase, ownership, disposition, lapse or exercise or redemption of a Product in light of their particular circumstances. The Issuer and the Paying Agent hereby expressly exclude any liability in respect of any possible Swiss or foreign tax consequences.

### Information with regards to FATCA (Foreign Account Tax Compliance Act)

Any payment under this Product may be subject to withholding tax (such as, inter alia, withholding related to FATCA or 871(m) of the US Tax Code). Any payments due under this Product are net of such tax. If an amount in respect of Section 871(m) of the U.S. Tax Code were to be deducted or withheld from interest, principal or other payments on the Products, none of the Issuer, any Paying Agent or any other person would be required to pay additional amounts as a result of the deduction or withholding of such tax, i.e. the Investor would receive a significant lower amount than he would have received without such deduction or withholding.

## Prospects for Profit and Loss

This product falls within the category "Participation Products". The profit the Investor could realize with this Product at redemption is unlimited (except for bearish products and products with the special feature "capped participation"). The redemption amount is directly linked to the performance of the Index Component(s), taking into account any participation rates or other features.

On the downside the Investor is exposed to the development of the Index Component(s). This might lead to a partial or even a total loss of the investment.

Please refer to the sections "Product Description" and "Redemption" for more detailed information on the characteristics of this Product.

## Information about Collateral Management

Collateralized Products are secured in accordance with the terms of the Security Agreements and are products with a reduced issuer risk. This protection is provided by means of a collateral pledge. Investors thus profit from increased protection on the invested capital.

The Collateral Provider has entered into the Security Agreement on the 19th of June 2023 ("Securities Pledge Agreement"). The Collateral Provider will provide collateral to secure the value of all Collateralized Products, whereby the Issuer as Collateral Provider undertakes to secure the value of each Collateralized Product at any given time on a 1:1 basis through the purchase of a pool of Collateral.

More detailed information regarding collateralization can also be found in the relevant Programme.

The costs with respect to the collateralization of Collateralized Products as well as the borrowing costs of the Products collateral may be considered for the pricing of Collateralized Products and may therefore be borne by the Investors, as the case may be.

The payment to Investors in case of a realization of the Pledged Assets may be delayed for factual or legal reasons.

## Significant Risks for Investors

Prospective Investors should ensure that they fully understand the nature of this Product and the extent of their exposure to risks and they should consider the suitability of this Product as an investment in the light of their own circumstances and financial condition. Products involve a high degree of risk, including the potential risk of expiring worthless. Potential Investors should be prepared in certain circumstances to sustain a total loss of the capital invested to purchase this Product as well as the transaction costs. Prospective Investors shall consider the following exemplary selection of important risk factors and read the section "Risk Factors" of the Base Prospectus for details on all other risk factors to be considered.

Investors should make sure that their advisors have verified that this Product is suitable for their portfolio taking into account the investor's financial situation, investment experience and investment objectives.

The Conditions of the Product may be subject to adjustments during the lifetime of the Product as set out in the Base Prospectus.

**Product Specific Risks:** Investors may lose some or all of their investment as well as the transaction costs as they are fully exposed to the performance of the Underlying Index. The Product does not confer any claim to receive rights and/or payments of the Underlying Index, such as



dividend payments, unless explicitly stated in the documentation governing the Product. Please refer to the Product Documentation as regards the further Product specific risk factors to be taken into account.

**Issuer Risk:** Investors are exposed to the credit risk of the Issuer to the extent that the proceeds from the liquidation of collateral upon occurrence of an Event of Default (less the costs of liquidation and payout) are not sufficient to cover the Investors' claims. If the Issuer is not able to make a payment or becomes insolvent, investors could lose some or all of their investment.

**Market Risk:** Market risk may have a negative impact on the value of and the return on an investment in the Product. Market risk is the risk associated with the effect of changes in market factors such as interest and foreign exchange rates, equity and commodity prices, credit spreads or implied volatilities, on the value of assets and liabilities held for both the short and long term. Market risk may also lead to an early redemption of the Product (e.g. in the event of a hedging disruption).

**Liquidity Risk:** The Issuer or a third party appointed by the Issuer, intends to act as market maker in relation to the Product and it will use commercially reasonable efforts to provide indicative bid and offer prices for the Product on a regular basis under normal market conditions. However, such market maker does not have an obligation to provide prices for the Product. Liquidity of the Product in the secondary market may be limited and an active trading market for the Product may not develop. Accordingly, investors may not be able to sell their Product.

**Currency Risk:** If the investor's reference currency is different from the currency, in which the Product is denominated, the investor bears the currency risk between the two currencies. The fluctuations in exchange rates could have an adverse effect on the value of or return on an investment in the Product, even if the redemption amount would otherwise provide for a positive return. If the Index Component(s) are calculated in a currency different from the Settlement Currency, the conversion into the Settlement Currency will be carried out at the relevant exchange rate.

**Early Termination and Reinvestment Risk:** The Product may be redeemed prior to its maturity (be it by declaration of the Issuer or as a result of certain events specified in the terms of the Product) and Investors must consider that in case of such an early redemption, investors will not receive any further coupon payments after the occurrence of the early redemption and the early redemption amount may be significantly below the issue / purchase price paid and the redemption amount payable at maturity. Investors may not be able to reinvest the early redemption amount in a financial instrument with the same profit potential and additional transaction costs may be incurred as a consequence of a reinvestment of the early redemption amount.

**Illiquidity of Underlying:** One or, if applicable, more of the Index Component(s) might be or become illiquid over the lifetime of the Product. Illiquidity of an Index Component might lead to larger bid/offer spreads of the Product and/or to an extended time period for buying and/or selling the Index Component 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 Index Calculation Agent.

**Conflict of Interests:** The Issuer and the Principal Parties and/or any third party appointed by them, as the case may be, may from time to time, as principal or agent, have positions in, or may buy or sell, or make a market as well as be active on both sides of the market at the same time in any securities, currencies, financial instruments or other assets underlying the Products to which this document relates. The Issuer's and Principal Parties' and/or the appointed third party's trading and/or hedging activities related to this Product may have an impact on the price of the Component(s).

**Remunerations to Third Parties:** Depending on the circumstances the Issuer and/or the Principal Parties may sell this Product to financial institutions or intermediaries at a discount to the Issue Price or reimburse a certain amount to such financial institutions or intermediaries (reference is made to section "General Information" or "Fees" herein).

In addition, for certain services rendered by distribution partners and to increase quality and services relating to the Products, the Issuer and/or the Principal Parties may from time to time pay trailer fees to such third parties.

Further information is available on request.

**Tax Impact:** There may be a tax impact on investing in the Product. The Issuer and the Principal Parties do not provide any tax opinion. Any Investor should consult with its own tax advisor prior to investing in the Product. In addition, Investors should be aware that taxation with respect to the Index Component(s) and therefore, this Product may (adversely) change over the lifetime of the Product. In accordance with the General Terms and Conditions the Issuer and the Principal Parties have the right, but not the duty, to withhold or deduct any such taxes, duties, fees and/or charges.

**Foreign Exchange Risk:** The Investor in the Product is exposed to foreign exchange rate risk if the currency of the Index Component(s) and Settlement Currency are not identical.

**Role of the Index Administrator and Index Calculation Agent:** CAT Financial Products AG acts as Index Administrator and Index Calculation Agent in respect of the Underlying Index. In these capacities, it may amend or discontinue the Index Rule Book, is under no obligation to take into account the interests of an Investor of the Products. Any such determinations made by CAT Financial Products AG in relation to the Underlying Index may have a negative impact on the value of and return on the Products.

**Any of the factors below relating to Underlying Component(s) that are Crypto Assets may negatively impact the value, tradability, liquidity and security of such Underlying Component(s) and/or the Product or may result in the early termination of the Product:**

**Volatility of Crypto Assets:** The value of any Crypto Asset may change significantly on an intraday basis. Changes and advances in technology, fraud, theft and cyber-attacks and regulatory changes, among others, may increase volatility significantly – elevating the potential of investment losses in the Product. In addition, the market for Crypto Assets is still at an early stage and the number of market participants is limited and may



stay limited over the lifetime of the Product. A small number of market participants may result in potentially significant (and adverse) price swings and illiquidity (see Underlying Illiquidity Risk).

**Crypto Assets Illiquidity Risk:** Crypto Assets might be or become illiquid over the lifetime of the Product. Illiquidity of an Underlying Component may negatively impact the Issuer's ability to provide a secondary market for the Product, may result in a temporary or even indefinite increase of the bid/offer spread for the Product or result in the (early) termination of the Product.

**Risk relating to Technology:** Technology relating to Crypto Assets is still at an early stage and best practices are still to be determined and implemented. The technology is likely to undergo significant changes in the future. Technological advances in cryptography, code breaking or quantum computing etc. may pose a risk to the security of any Underlying Component and may facilitate price manipulation or forced consensus attacks by miners and others. In addition, alternative technologies could be established, making the Crypto Assets less relevant or obsolete. The functioning of the Crypto Assets may rely on (potentially open-source) software. Developers of such software are not employed or controlled by the Issuer, a hedging party thereof or any other party related to this Product. Developers may introduce weaknesses and programming errors into the software or may stop developing the software (potentially at a critical stage where a security update is required), keeping the Crypto Assets exposed to weaknesses, programming errors and threats of fraud, theft and cyber-attacks (see also "Fraud, Theft and Cyber-Attack Risk"). The inability to implement required changes to technology relating to any of the Underlying Component may negatively impact the Issuer's ability to provide a secondary market for the Product and may result in an increased bid/offer spread (potentially indefinitely) for the Product.

**Adjustment Event Risk:** As a result of one or more Adjustment Events, trading venues on which Crypto Assets are traded may suspend (temporarily or indefinitely) the ability to trade the respective Underlying Component or in the case of a Hard Fork a particular version of the "underlying". Consequently, the Investors in the Product may (i) not get exposure (indefinitely) to all "underlying" versions following a Hard Fork and forego the value of one or more versions, or (ii) may get exposure to a version on a delayed basis (in which case that version might have a significant change in its value), or (iii) may not benefit or be negatively affected by an Adjustment Event relating to the respective Underlying Component. Following an Adjustment Event, the Issuer may make (but has no obligation to make) an amendment to the Product and/or the affected Underlying Component including, but not limited to, an issuance of an additional product in its reasonable discretion (billiges Ermessen). In addition, Adjustment Events may result in instability of the Underlying Component or an "underlying" version and Adjustment Events or the threat of a potential Adjustment Event may prevent the establishment of the Underlying Component. (Potential) Adjustment Events may negatively impact the Issuer's ability to provide a secondary market for the Product, may result in an increased bid/offer spread (potentially indefinitely) for the Product or result in the (early) termination of the Product.

**Fraud, Theft and Cyber-Attack Risk:** The particular characteristics of Crypto Assets (e.g. only exist virtually on a computer network, transactions in the Underlying are not reversible and are done largely anonymously) make it an attractive target for fraud, theft and cyber-attacks.

Investors in the Product are exposed to fraud, theft and cyber-attacks: (i) any high profile losses as a result of such events may raise skepticism over the long-term future of Crypto Assets and may prevent the establishment of the Underlying Component and may increase the volatility and illiquidity of the Underlying Component; (ii) any loss resulting from fraud, theft and cyber-attacks relating to Service Provider(s) and/or Reference Source(s) of the Issuer will be indirectly borne by the Investors as the respectively decreased Final Fixing Level will be negatively impacting the redemption. Investors in the Product are exposed to such risks and the redemption of the Product could be negatively affected (as defined in the section "Redemption"). However, the issuer and its Service Provider(s) and/or Reference Source(s) have established appropriate measures to limit the exposure of Investors.

**Connected Party Risk:** Depending on the Crypto Asset and the design of Crypto Asset (centralized, decentralized), certain connected parties (management, developers, miners etc. as applicable) may pursue a strategy which may negatively impact the value, tradability, liquidity and security of the Underlying.

**Regulatory Risk:** Any Crypto Assets and products relating to Crypto Assets have been in existence for relatively short time only and various regulatory bodies in Switzerland and globally have or are in the process of taking a view on required regulatory actions relating to Crypto Assets and related products (e.g. regulation concerning money laundering, taxation, consumer protection, publication requirements or capital flows etc.). Any forthcoming regulatory actions may result in the illegality of Crypto Assets (and products relating to Crypto Assets) or the implementation of controls relating to the trading (and therefore liquidity) of Crypto Assets.

Forthcoming regulatory actions may also restrict the availability of markets and/or market participants permitted to engage in transactions related to Crypto Assets. In addition, control mechanisms may increase transaction fees in Crypto Assets significantly (and therefore impact the bid/offer spread of the Product). Investors should ensure that investing in this Product complies with their local regulation.

**No Supervision:** As of the Initial Fixing Date, Crypto Assets do not have a function as and/or the full characteristics of a legal tender and is currently not supervised by any authority or institution such as a central bank. Consequently, there is no authority or institution which may intervene in Crypto Assets market to stabilize the value of Crypto Assets or prevent, mitigate or counter-attack irrational price developments of Crypto Assets.

**Risk relating to Public Data:** Investors should be aware that any purchase and sale of Crypto Assets is stored in a ledger (blockchain) and may be visible to the public. Such ledger is neither a property of nor under control of the Issuer, a hedging party thereof or any other party related to this Product. Information available on the ledger may be exploited or mis-used in, as of today, unforeseen ways.

**Risk relating to Reference Sources and/or Service Providers:** Reference Sources and or Service Providers used by the Issuer (or a hedging party thereof) for trading and holding/storing Crypto Assets, (i) may cease to exist, (ii) may be exposed to fraud, theft and cyber-attacks (see separate risk factor "Fraud, Theft and Cyber-Attack Risk"), or (iii) regulatory requirements and the Issuer's internal compliance requirements may prevent the Issuer (or a hedging party thereof) to use a particular Reference Source or Service Provider for trading Crypto Assets. The Issuer (or a hedging party thereof) has an unconditional right to remove, add or change one or more Reference Sources at any time without previous notice related to Reference Sources by announcement on the Product Administrator's website, all in accordance with the General Terms and Conditions of the Base



Prospectus, and, for listed products, in the form as permitted by the rules and regulations of the relevant Exchange. This potentially results in a wider bid/offer spread for the Product (e.g. due to a change of trading commission payable to the Reference Source and/or Service Provider). The Issuer (or a hedging party thereof) may not be able to replace a Reference Source or Service Provider resulting in an early termination of the Product.

**Trust in Crypto Assets:** Crypto Assets only exist virtually and has/have no physical equivalent. Establishing a value for Crypto Assets is or may become difficult as the value depends on the expectation and trust that Crypto Assets have a future use. Among others, persistent high volatility, changes and advances in technology, fraud, theft and cyber-attacks and regulatory changes may prevent the establishment of Crypto Assets for future use and potentially rendering Crypto Assets worthless.

**No Direct Access to Crypto Assets / No Transfer:** Investors in the Product do not have direct access to Crypto Assets or all information relating to Crypto Assets (among others such as information about storage, Service Provider(s) used for trading Crypto Assets or the so called "private keys" required for accessing and transferring Crypto Assets) and cannot transfer Crypto Assets related to the Product to a private storage facility.

**Limited Trading Hours:** Investors should note that Crypto Assets typically trade 24 hours on all weekdays (incl. Saturday, Sunday and public holidays). The trading hours of the Product however are restricted to 09:15 - 17:15 CET on every Exchange Business Day (subject to market disruption events). Investors therefore cannot invest in or divest the Product and react to price movements or volatility of Crypto Assets outside the Product's trading hours. In addition, the secondary market is limited (see "Secondary Market" in section "General Information")

## Selling Restrictions

No action has been or will be taken to permit a public offering of the Products or possession or distribution of any offering material in relation to the Products in any jurisdiction, where such action for that purpose is required. Consequently, any offer, sale or delivery of the Products, or distribution or publication of any offering material relating to the Products, may only be made in or from any jurisdiction in compliance with applicable laws and regulations not imposing any obligations on the Issuing Parties or the Product Administrator. Possible limitations resulting from legal restrictions regarding cross-border communication and cross-border business concerning the Products and related information remain reserved.

Most important jurisdictions where the Products may not be publicly distributed are Singapore, Hong Kong, Panama, Liechtenstein, Dubai, United Kingdom, European Economic Area.

The Products neither have been nor will be registered under the United States Securities Act of 1933, as amended (the "Securities Act") and the Products may neither be offered nor sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act).

Detailed information on Selling Restrictions is published in the Base Prospectus which is available on [www.cuglos.com](http://www.cuglos.com) and can be ordered free of charge from the Product Administrator.

## Legal Notice / Disclaimer

**Product Documentation:** It is intended that the Products will be issued under a base prospectus ("Base Prospectus") as per article 45 FinSA approved by SIX Exchange Regulation AG ("SIX Exchange Regulation") in its capacity as Swiss Prospectus Office. Only the Final Terms, which will be available no later than on the Issue Date, together with the Base Prospectus dated 06/07/2023 containing all further relevant terms and conditions, shall form the entire and legally binding documentation for this Product ("Product Documentation"). The Final Terms should always be read together with the Base Prospectus. Definitions used in the Final Terms, but not defined herein, shall have the meaning given to them in the Base Prospectus. Even though a translation into other languages might be available, only the English version of the Final Terms together with the Base Prospectus are legally binding.

Products may be offered, sold or advertised, directly or indirectly, in Switzerland to retail clients (Privatkundinnen und -kunden) in the meaning of the FinSA ("Retail Clients") in accordance with the FinSA.

A Swiss key information document / key information document in accordance with Regulation (EU) No 1286/2014 (PRIIPs Regulation) has been prepared in relation to the Products and may be obtained, free of charge, upon request from the Product Administrator (see the contact details below).

During the whole term of this Product, the Product Documentation can be ordered free of charge from the Product Administrator at Tessinerplatz 7, 8002 Zurich, via telephone +41 43 311 27 40\* or via e-mail ([products@catfp.ch](mailto:products@catfp.ch)). Please note that all calls made to numbers marked with an asterisk (\*) are recorded. By calling such number, your consent to the recording is deemed given.

**No Offer:** This Termsheet is primarily provided for information purposes and does not constitute a recommendation, an offer or a solicitation of an offer to buy financial products.

**No Representation:** The Issuer, the Product Administrator and any third party appointed by them make no representation or warranty relating to any information herein which is derived from independent sources.

