

## **First Supplement Dated 1 March 2024 to the Registration Document dated 9 May 2023 of Backed Assets GmbH and the prospectus listed in Schedule 1 hereto**

This supplement ("**Supplement**") is supplemental to the registration document of Backed Assets GmbH dated 9 May 2023 ("**Registration Document**") and must be read in conjunction with the Registration Document and any other supplements thereto.

This Supplement constitutes a supplement according to Article 10 (1) and Article 23 (5) of the Regulation (EU) 2017/1129 of the European Parliament and the Council of 14 June 2017, as amended ("**Prospectus Regulation**"). Terms defined in the Registration Document have the same meaning when used in this Supplement. In case of discrepancies between this Supplement and the Registration Document, this Supplement shall prevail.

This Supplement has been approved by the Financial Market Authority Liechtenstein ("**FMA**"), as competent authority under the Prospectus Regulation. The FMA only approves this Supplement as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer or the quality of the securities that is/are the subject of this Supplement.

This Supplement will be available on the website of Backed Assets (JE) Limited ("**Issuer**") at [www.backedassets.fi](http://www.backedassets.fi) during 10 years after its publication and is also available (together with the other parts of documents of the Base Prospectus) free of charge at the offices of the Issuer at Backed Assets (JE) Limited, First Floor, La Chasse Chambers, Ten La Chasse, St. Helier, JE2 4UE, Jersey. Any website mentioned in this Supplement does not form part of this Supplement or the Base Prospectus itself.

### **1. RIGHT OF WITHDRAWAL:**

Investors who have already agreed to purchase or subscribe for the Products issued pursuant to the prospectuses listed in Schedule 1 hereto before this Supplement is published shall according to Article 23 paragraph 2 Prospectus Regulation have the right, exercisable within three business days after the publication of this Supplement to withdraw their acceptances, provided that the significant new factor, material mistake or material inaccuracy referred to in this Supplement arose or was noted before the closing of the offer period or the delivery of the Products, whichever occurs first.

Any withdrawal may be exercised without stating any reason and shall be sent to the Issuer (Backed Assets (JE) Limited, First Floor, La Chasse Chambers, Ten La Chasse, St. Helier, JE2 4UE, Jersey) in written form.

### **2. PURPOSE / REASON OF THIS SUPPLEMENT:**

This Supplement has been prepared in order to update the Registration Document with the new circumstances due to the absorption by merger of Backed Assets GmbH with seat in Switzerland (issuer of Products according to the Registration Document) as of 23 February 2024 by Backed Assets (JE) Limited ("**Issuer**"), a newly incorporated company in Jersey.

### **3. INFORMATION BEING SUPPLEMENTED:**

The information about the registered office and address of the Issuer, as well as regarding any new circumstances of the Issuer due to the change of seat, shall be replaced throughout the whole Registration Document with the following new registered office and address:

**Backed Assets (JE) Limited, First Floor, La Chasse Chambers, Ten La Chasse, St. Helier, JE2 4UE, Jersey**

The relevant amendments shall be made in the following sections and shall read as follows:

**a. Amendments on front pages**

1. The title: "Registration Document for Retail Non-Equity Securities" on the front page shall be amended, and the new title shall be read as: "Registration Document".
2. The information about the business name, registered office and address of the Issuer on the front page shall be replaced with the new business name and jurisdiction of incorporation reading as follows:

**"Backed Assets (JE) Limited**

a private limited company incorporated in Jersey"

**b. Amendments in section "Warnings"**

1. The last two paragraphs in the section "Warnings" shall be replaced with the following text:

**General**

**The Issuer has registered (or will register within any applicable time frame) with the Jersey Financial Services Commission (the "JFSC") under the Proceeds of Crime (Supervisory Bodies) (Jersey) Law 2008 for one or more activities specified at Schedule 2 of the Proceeds of Crime (Jersey) Law 1999.**

**A copy of this Registration Document has been delivered to the registrar of companies in Jersey in accordance with Article 5 of the Companies (General Provisions) (Jersey) Order 2002, and it has given, and has not withdrawn, its consent to its circulation.**

**The JFSC has given, and has not withdrawn (or will have given prior to the issuance of the Products and not withdrawn) its consent under Articles 2 and 4 of the Control of Borrowing (Jersey) Order 1958 to the issue of shares, admission of members and issue of securities by the Issuer. The JFSC is protected by the Control of Borrowing (Jersey) Law 1947, as amended, against liability arising from the discharge of its functions under that law.**

**It must be distinctly understood that, in giving these consents, neither the Registrar of Companies in Jersey nor the JFSC takes any responsibility for the financial soundness of the Issuer or for the correctness of any statements made, or opinions expressed, with regard to it.**

**It should be remembered that the price of the Products can go down as well as up. If you are in any doubt about the contents of this Registration Document, the Securities Note and/or the Final Terms you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser.**

The directors of the Issuer declare that to the best of their knowledge, the information contained in the Securities Note and Final Terms is in accordance with the facts and makes no omissions likely to affect its import. The directors of the Issuer declare that to the best of their knowledge, the information contained in this document, the Securities Note and Final Terms is in accordance with the facts and makes no omissions likely to affect its import (or the Securities Note and Final Terms). All the directors accept responsibility accordingly.

The Issuer has not authorized anyone to disclose any information or confirmations more than the information disclosed in this Registration Document, together with the Securities Note and Final Terms. If such information and confirmations are nevertheless given, investors should not rely on them as if they had been authorized by the Issuer.

**Requirements under the Guidance issued by the JFSC in respect of Token Issuances (the "JFSC Guidance")**

The Issuer is a private limited company incorporated in Jersey. Anyone issuing a token through a Jersey company will require a specific consent from the Jersey Company Registry, part of the JFSC. Whilst this consent does not give the issuer a 'regulated' status, it mandates a set of conditions designed to ensure that the issuer meets specific standards in terms of governance, investor disclosure and AML/CFT/CPF compliance.

Investors should have regard to Annex 2 in respect of the JFSC Guidance appended to this Registration Document.

Token sales or coin offerings are typically a highly speculative form of investment. Investors should be prepared for the possibility of losing their investment completely. Investment in token sales or coin offerings is not necessarily subject to existing capital market regulations and protections.

In particular, Investors should be aware that they will be asked to acknowledge the above warning and also confirm the following prior to purchasing the Products:

- (i) (for an individual) that they have read the above warning, as well as the Registration Document, the Securities Note and Final Terms and understand the risks set out above; that the Products are suitable for them and that they wish to proceed to acquire the Products from the Issuer.
- (ii) (for an entity) that they are duly authorised to act on behalf of the entity stated below, they have read the above warning, as well as the Registration Document, Securities Note and Final Terms and understand the risks set out above; that the entity they represent has considered the Products carefully and considers them suitable and wishes to proceed to acquire the Products from the Issuer.

**Requirements under the Collective Investment Funds (Restriction of Scope) (Jersey) Order 2000 (the "RoS Order")**

The Products do not constitute a collective investment fund for the purpose of the Collective Investment Funds (Jersey) Law 1988, as amended, on the basis that they are investment products designed for financially sophisticated investors with specialist knowledge of, and

experience of investing in, such investments, who are capable of fully evaluating the risks involved in making such investments and who have an asset base sufficiently substantial as to enable them to sustain any loss that they might suffer as a result of making such investments. The Products are not regarded by the JFSC as suitable investments for any other type of investor.

Any individual intending to invest in the Products should consult their professional adviser and ensure that they fully understand all the risks associated with making such an investment and have sufficient financial resources to sustain any loss that arises from it.

**Requirements under the Financial Services (Investment Business (Special Purpose Investment Business – Exemption)) (Jersey) Order 2001 (the "SPB Order")**

Pursuant to the SPB Order, the Products may only be issued or allotted exclusively to:

1. A person whose ordinary activities involve them acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their business or who it is reasonable to expect will acquire, hold, arrange or dispose of investments (as principal or agent) for the purposes of their business (a "Professional Investor"); or
2. A person who has received and acknowledged a warning to the effect that (A) the Products are only suitable for acquisition by a person who: (i) has a significantly substantial asset base such as would enable them to sustain any loss that might be incurred as a result of acquiring the Products; and (ii) is sufficiently financially sophisticated to be reasonably expected to know the risks involved with acquiring the Products; and (B) neither the issue of the Products nor the activities of any functionary with regard to the issue of the Products are subject to all the provisions of the Financial Services (Jersey) Law 1998 (the "SPB Order Investment Warning")

Investors should be aware that they will be asked to confirm that they are either a Professional Investor under 1. above, or alternatively that they acknowledge receipt of the SPB Order Investment Warning under 2 above prior to the Products being issued to them.

**Important Note for Authorised Participants**

Where an Authorised Participant acquires the Products and then facilitates their transfer to a third party (a "Prospective Investor"), the JFSC expects Authorised Participants to provide (and draw a Prospective Investor's attention to) the warnings set out in this section, as well as providing such Prospective Investors with access to this Registration Document, the Securities Note and the Final Terms prior to any such transfer being made.

By acquiring the Products an Authorised Participant is deemed to undertake to the Issuer that it will draw the Prospective Investor's attention to the warnings set out in this section prior to facilitating the transfer of the Products.

**Important Note for Investors acquiring the Products on the secondary market**

Each Investor who acquires Products on the secondary market will be deemed, by such acquisition, to have represented that:

- (a) they have read this Registration Document, the Securities Note and Final Terms;
- (b) they have received and acknowledged the warning set out above under the JFSC Guidance (as defined above); they understand the risks set out above; that the Products are suitable for them and that they wish to acquire Products from the Issuer; and
- (c) under the SPB Order (as defined above), they are a Professional Investor (as defined above), or alternatively they will be deemed, by such acquisition, to have represented that they have received and acknowledged the SPB Order Investment Warning (as defined above).

**c. Amendment on the Table of Contents:**

- 1. The Table of Contents and the numbering system shall be amended accordingly to the amendments made throughout the Registration Note. It shall read as follows:

1.	General .....	7
2.	Risk Factors .....	8
3.	Information about the Issuer .....	15
4.	Business Overview .....	17
5.	Organisational Structure .....	18
6.	Trend Information.....	19
7.	Profit Forecasts or Estimates.....	19
8.	Administrative, Management, and Supervisory Bodies .....	20
9.	Major Shareholders.....	22
10.	Financial Information concerning the Issuer's Assets and Liabilities, Financial Position and Profits and Losses .....	22
11.	Additional Information .....	23
12.	Material Contracts.....	23
13.	Documents Available .....	24
14.	Continuation of the Offer of Securities to the Public .....	25
	Annex 1: Annex pursuant to Art. 26 para. 4 Prospectus Regulation relating to the Registration Document of Backed Assets (JE) Limited dated 9 May, 2023 .....	26
	Annex 2: Jersey Financial Services Commission's Guidance.....	30

This first supplement will, to keep the overview, use a "new" numbering system and titles for the different sections while explaining the amendments. All amendments concerning the numbering system and titles made throughout the registration document shall be read as follows:

Old	New
1. Persons Responsible, Third Party Information, Experts' Reports and Competent Authority Approval	1. General
1.1 Persons Responsible	1.1 Definitions
1.2 Declaration of Responsibility	1.2 Persons Responsible and Declaration of Responsibility
	1.3 Auditors

2. Statutory Auditors	-
3. Risk Factors	2. Risk Factors
3.1 Preliminary Remarks	2.1 Preliminary Remarks
3.2 Risks relating to the Issuer	2.2 Risks relating to the Issuer
3.2.1 Risks related to the Financial Situation of the Issuer	2.2.1 Risks related to the Financial Situation of the Issuer
3.2.1.1 Liquidity Risk	2.2.1.1 Liquidity Risk
3.2.1.2 Counterparty Risk	2.2.1.2 Counterparty Risk
3.2.1.3 Credit Risk	2.2.1.3 Credit Risk
3.2.1.4 Risk of no Rating	2.2.1.4 Risk of no Rating
3.2.1.5 General Insolvency Risk	2.2.1.5 General Insolvency Risk
3.2.2 Risks related to the Business Activities and Industry of the Issuer	2.2.2 Risks related to the Business Activities and Industry of the Issuer
3.2.2.1 Issuer as Special Purpose Vehicle	2.2.2.1 Issuer as Special Purpose Vehicle
3.2.2.2 Short Business History and Limited Financial Information of the Issuer	2.2.2.2 Short Business History and Limited Financial Information of the Issuer
3.2.2.3 Operational Risk	2.2.2.4 Operational Risk
3.2.2.4 Market Risk	2.2.2.5 Market Risk
3.2.2.5 Dependence on Service Providers	2.2.2.6 Dependence on Service Providers
3.2.2.6 Competition	2.2.2.7 Competition
3.2.2.7 Reputational Risk	2.2.2.8 Reputational Risk
3.2.3 Legal and Regulatory Risks	2.2.3 Legal and Regulatory Risks
3.2.3.1 Changes of the Regulatory Environment	2.2.3.1 Changes of the Regulatory Environment
3.2.3.2 Risk of Data Breach	2.2.3.2 Risk of Data Breach
3.2.4 Internal Control and Governance Risks	2.2.4 Internal Control and Governance Risks
3.2.4.1 Personnel Interdependence / Conflicts of Interest	2.2.4.1 Personnel Interdependence / Conflicts of Interest
3.2.5 Further Risks	2.2.5 Further Risks
3.2.5.1 Environmental and Social Risks	2.2.5.1 Environmental and Social Risks
3.2.5.2 Cybersecurity related Risks	2.2.5.2 Cybersecurity related Risks
3.2.5.3 Software related Risks	2.2.5.3 Software related Risks
4. Information about the Issuer	3. Information about the Issuer
4.1 History and Development	3.1 History and Development
4.1.1 Legal and Commercial Name	3.1.1 Legal and Commercial Name
4.1.2 Registration	3.1.2 Registration
4.1.3 Incorporation of the Issuer	3.1.3 Incorporation of the Issuer
4.1.4 Domicile, Legal Form and other Information	3.1.4 Domicile, Legal Form and other Information
4.1.5 Recent Events of Particular Significance	3.1.5 Recent Events of Particular Significance
4.1.6 Ratings	3.1.6 Ratings
4.1.7 Material Changes	3.1.7 Material Changes
4.1.8 Financing of the Issuer's Activities	3.1.8 Financing of the Issuer's Activities
5. Business Overview	4. Business Overview
5.1 Principal Activities	4.1 Principal Activities
5.2 Principal Markets	4.2 Principal Markets

6. Organisational Structure	5. Organisational Structure
7. Trend Information	6. Trend Information
8. Profit Forecasts or Estimates	7. Profit Forecasts or Estimates
9. Administrative, Management, and Supervisory Bodies	8. Administrative, Management, and Supervisory Bodies
9.1 Members of the Management	8.1 Directors and company secretary
	8.1.1 Directors
	8.1.2 Company Secretary
9.2 Members of the Supervisory Bodies	8.2 Supervisory Bodies
9.3 Conflicts of Interests	8.3 Conflicts of Interests
10. Major Shareholders	9. Major Shareholders
11. Financial Information concerning the Issuer's Assets and Liabilities, Financial Position and Profits and Losses	10. Financial Information concerning the Issuer's Assets and Liabilities, Financial Position and Profits and Losses
11.1 Financial Information	10.1 Financial Information
11.2 Historic Financial Information	10.2 Historic Financial Information
11.3 Legal Arbitration Proceedings	10.3 Legal and Arbitration Proceedings
11.4 Significant Changes in the Issuer's Financial Position	-
12. Additional Information	11. Additional Information
12.1 Quota Capital	11.1 Share Capital
12.2 Contribution to the Capital Reserves and Subordinated Shareholder Loan	11.2 Contribution to the Capital Reserves and Subordinated Shareholder Loan
12.3 Articles of Association	11.3 Articles of Association
13. Material Contracts	12. Material Contracts
14. Documents Available	13. Documents Available
15. Continuation of the Offer of Securities to the Public	-
Annex pursuant to Art. 26 para. 4 Prospectus Regulation relating to the Registration Document of Backed Assets GmbH dated 9 May 2023	Annex 1: Annex pursuant to Art. 26 para. 4 Prospectus Regulation relating to the Registration Document of Backed Assets (JE) Limited dated 9 May, 2023
1. Who is the Issuer of the Products?	1. Who is the Issuer of the Products?
2. What is the Key Financial Information regarding the Issuer?	2. What is the Key Financial Information regarding the Issuer?
3. What are the Key Risks that are Specific to the Issuer?	3. What are the Key Risks that are Specific to the Issuer? Annex 2: Jersey Financial Services Commission's Guidance 1. Jersey Treatment of the Issuer

#### d. Amendment in section "1. General"

- Section 1 shall be replaced by the following text:

##### "1.1 Definitions

Certain capitalised terms used in this Registration Document and not defined in this Registration Document are defined in the relevant general terms and conditions (together, the "**Terms and**

**Conditions**" and each, a **"Condition"**), the relevant Securities Note and/or the relevant Final Terms.

**"Swiss Merger Act"** means the Swiss Federal act on mergers, demergers, conversions and transfers of assets of 3 October 2022, as amended (Fusionsgesetz) with SR 221.301.

## **1.2 Persons Responsible and Declaration of Responsibility**

The directors of the Issuer, **Backed Assets (JE) Limited**, First Floor, La Chasse Chambers, Ten La Chasse, St. Helier, JE2 4UE, Jersey have taken all reasonable care to ensure that the facts stated in this Registration Document are true and accurate in all material respects, and that there are no other facts the omission of which would make misleading any statement in the document, whether of facts or of opinion. The directors of the Issuer declare that to the best of their knowledge, the information contained in this document, the Securities Note and Final Terms is in accordance with the facts and makes no omissions likely to affect its import (or the Securities Note and Final Terms). All the directors accept responsibility accordingly.

For further information on the Issuer see section 4 of this Registration Document.

## **1.3 Auditors**

The Issuer's new auditors are Bracken Rothwell Limited of 2nd Floor, The Le Gallais Building, 54 Bath Street, St Helier, Jersey, JE1 1FW (the **"Auditors"**).

The Issuer's financial statements for the year 2024 will be audited in accordance with the United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice) ("FRS102").

The auditors of Backed Assets GmbH for the financial years 2022 and 2023 were Grant Thornton AG, Claridenstrasse 35, 8027 Zurich, Switzerland, licensed as a state-supervised auditing company by the Swiss Federal Audit Oversight Authority ("**FAOA**") and member of the Swiss Expert Association for Audit, Tax and Fiduciary ("**EXPERTsuisse**").

The financial statements of Backed Assets GmbH for the period from 1 January 2022 to 31 December 2022 and for the period from 1 January 2023 to 31 December 2023 have been audited with the standard of a limited statutory examination based on the Swiss Code of Obligations by the Auditors (the **"Financial Reports of Backed Assets GmbH"**).

The Financial Reports have been produced by Grant Thornton AG (acting as advisors only) at the request of Backed Assets GmbH and have been included by way of incorporation of the documents into this Registration Document (see section 13 of this Registration Document) with the consent of the relevant persons who have authorised the contents of that part of the Registration Document for the purpose of the Base Prospectus.

### **e. Amendment in section "2.1 Preliminary Remarks"**

1. The last paragraph: "Certain capitalised terms used in this chapter and not defined in this Registration Document are de-fined in the relevant general terms and conditions (together,



the "Terms and Conditions" and each, a "Condition"), the relevant Securities Note and/or the relevant Final Terms." shall be deleted.

**f. Amendment in section "2.2.1.1 Liquidity Risk"**

1. The Risk Rating in the above-mentioned section shall be amended to "low".

**g. Amendment in section "2.2.1.2 Counterparty Risk"**

1. The first paragraph shall be extended with an additional counterparty which also leads to an amendment of the numbering system and an amendment in its entirety. The paragraph shall be read as follows:

" The Issuer is exposed to the credit risk of a number of counterparties with whom the Issuer transacts, including, but not limited to:

- a. the Jersey corporate administrator to the Issuer (the "**Administrator**") with regard to the administration and company secretarial services it provides;
- b. any person administering the accounts to which the Underlyings (as defined in the relevant Securities Notes) purchased by the Issuer are credited ("**Custodian**");
- c. any person that administers the accounts to which the Underlyings (as defined in the relevant Securities Notes) are credited as Collateral according to the Collateral procedures described in the relevant Securities Notes;
- d. any person accepting or dispatching payments on behalf of the Issuer of the Products and by accepting or distributing the funds from/to the investors ("**Paying Account Provider**");
- e. a regulated securities broker regarding brokerage services in connection with buying/selling the Underlyings ("**Broker**");
- f. any person that provides market making services including bid and offer of market prices for the Products, next to adequate liquidity with regard to all Products ("**Market Maker**");
- g. any person/legal entity providing tokenization services, i.e. creating the ledger-based securities for the Products, activating them and handling the issuance and redemption transactions on behalf of the Issuer ("**Tokenizer**");
- h. any person or legal entity which is (i) a licensed bank according to the Swiss Banking Act ("**BA**"), (ii) a securities firm according to the Swiss Financial Institutions Act ("**FinIA**"), (iii) an insurance company according to the Swiss Insurance Supervision Act ("**ISA**"), or (iv) a non-Swiss institution being supervised in an equivalent manner, approved by the Issuer (in its absolute sole discretion), that file requests that securities are created or redeemed for the Products under the Base Prospectus ("**Authorized Participants**"); and
- i. any party to any arrangements in place in respect of the Underlyings (as defined in the relevant Securities Notes) held as Collateral."

**h. Amendment in section "2.2.1.5 General Insolvency Risk"**

1. The section shall be amended in its entirety to reflect Jersey insolvency law and shall read as follows:

"Each Investor bears the general risk that the financial situation of the Issuer could deteriorate. Unless specified otherwise, Investors are exposed to the credit risk of the Issuer of the Products.

Collateralization reduces the credit risk of the Issuer for Investors as each Investor has a sole claim to the Collateral allocated to the specific Product they are holding. Investors have no further claim to any Collateral allocated to other Products. Further, following the realisation of the Underlying held by way of Collateral for the Products issued to an Investor, an Investor has no residual claim against the assets of the Issuer in the event that an Investor suffers any loss. Accordingly, Investors bear the risk, among others, that the liquidation of the Collateral may result in insufficient liquidation proceeds due to fees and costs incurred in the liquidation process.

Risk rating: low"

**i. Amendment in section "2.2.2.1 Issuer as Special Purpose Vehicle"**

1. The date of establishment of the Issuer shall, because of the new establishment of Backed Assets (JE) Limited in Jersey, be amended to 19 January 2024.
2. The term "incorporated as" shall be replaced with the term "is".

**j. Amendment in section "2.2.2.2 Short Business History and Limited Financial Information of the Issuer "**

1. Due to the recent incorporation of Backed Assets (JE) Limited, the above-mentioned section shall be entirely replaced by the following text:

"Due to the fact that the Issuer has been incorporated on 19 January 2024, no significant "track-record" on its activity and/or performance can be provided. However, the financial information on the Issuer is to be assessed in view of the financial information and historical financial information of Backed Assets GmbH, which has been absorbed via merger by the Issuer as of 23 February 2024. Investors are advised to consult the Financial Reports of Backed Assets GmbH covering the periods between January 2022 and December 2023 and section 10 of this Registration Document and make their own independent decision on the financial standing of the Issuer and risks implied. For that purpose, they may also consult with their own independent advisors."

**k. Amendment in section "2.2.2.5 Dependence on Service Providers"**

1. The list of service providers shall be extended with the following provider: "the Administrator".

**l. Amendment in section "2.2.2.7 Reputational Risk"**

1. The term "quotaholders" shall be replaced with the term "shareholders".

2. The term "Issuers's" shall be replaced with the term "Issuer's".

**m. Amendment in section "2.2.4.1 Personnel Interdependence / Conflicts of Interest"**

1. The first paragraph certain directors of the Issuer of the above-mentioned section shall be amended, and shall be read as follows:

"Certain directors of the Issuer (as described in section 8.1) are also members of the Board of Directors of its parent company Backed Finance AG. Other directors of the Issuer are employed by the Administrator."

2. The term "they" in the second paragraph shall be replaced by the term ", the directors".

**n. Amendment in section "3.1 History and Development"**

1. The paragraph shall be amended in its entirety in view of the new incorporation of the Issuer in Jersey, and shall be read as follows:

"The Issuer was incorporated as a limited liability company in Jersey on 19 January 2024 and thus only a limited history on the Issuer exists, which can be disclosed. Backed Assets GmbH has been absorbed via merger by the Issuer as of 23 February 2024 and all assets and liabilities of Backed Assets GmbH have been assumed by the Issuer."

2. The following paragraph shall be added:

"On 23 February 2024 the Jersey Financial Services Commission issued a Certificate of Merger recording the completion of a merger between the Issuer and Backed Assets GmbH (the "Merger"). The Merger was carried out in accordance with Part 18B of the Companies (Jersey) Law 1991 in Jersey and, in Switzerland, article 3 para. 1 lit. a and article 4 para. 1 lit. of the Swiss Merger Act in combination with article 163b et seqq. 2.1. As Backed Finance AG held all of the quota capital of Backed Assets GmbH and Backed Finance AG is also the sole shareholder of the Issuer, the simplified merger provisions pursuant to article 23 para. 1 lit. b and article 24 para. 1 of the Swiss Merger Act were applicable.

The Issuer was the survivor body, and so all the assets, properties and rights, criminal and civil liabilities or actions or other legal proceedings, together with all contracts, debts and other liabilities or obligations of Backed Assets GmbH were absorbed into and became part of the Issuer's assets and liabilities. As such, all existing contracts between Backed Assets GmbH and its service providers were automatically transferred to the Issuer. Backed Assets GmbH is due to be deleted from the commercial registry of the Canton of Zug shortly."

**o. Amendment in section "3.1.1 Legal and Commercial Name"**

1. The legal and commercial name of the Issuer shall be amended to: "**Backed Assets (JE) Limited**".

**p. Amendment in section "3.1.2 Registration"**

1. The registration of the Issuer shall be amended as follows:

"The Issuer is registered in Jersey, under the registration number 152608. The Issuer's legal entity identifier ("LEI") is 984500001AB7C6C7F577.

2. The following paragraph shall be added:

"On 23 February 2024 the Issuer merged with Backed Assets GmbH, with the Issuer being the survivor body. The Jersey Registrar of Companies issued a merger certificate recording completion of the Merger on that date."

**q. Amendment in section "3.1.3 Incorporation of the Issuer"**

1. The incorporation of the Issuer shall be amended as follows:

"The Issuer was incorporated on 19 January 2024 in Jersey for an indefinite time period."

2. The following paragraph shall be added:

"Backed Assets GmbH was established in Switzerland on 20 April 2021. Following completion of the Merger between the Issuer and Backed Assets GmbH on 23 February (as set out at Section 3.1 above), the Issuer is the survivor body. Backed Assets GmbH will be deleted from the commercial registry of the Canton of Zug shortly."

**r. Amendment in section "3.1.4 Domicile, Legal Form and other Information"**

1. The first paragraph of the above-mentioned section shall be replaced in its entirety by the following text:

"The Issuer was incorporated in the form of a company with limited liability pursuant to the Companies (Jersey) Law 1991. Its registered office and address is First Floor, La Chasse Chambers, Ten La Chasse, St. Helier, JE2 4UE, Jersey. Its telephone number is +44 1534 888860"

2. The following paragraph shall be added:

"Backed Assets GmbH was established in Switzerland with limited liability pursuant to the Swiss Code of Obligations. Following completion of the Merger between the Issuer and Backed Assets GmbH on 23 February 2024 (as set out at Section 3.1 above), the Issuer is the survivor body. Backed Assets GmbH will be deleted from the commercial registry of the Canton of Zug shortly."

**s. Amendment in section "3.1.5 Recent Events of Particular Significance"**

1. The following paragraph shall be added:

"The completion of the Merger between the Issuer and Backed Assets GmbH on 23 February 2024 (further details of which are set out at Section 3.1 above) will not, in the view of the Issuer have an impact on the evaluation of the Issuer's solvency."

**t. Amendment in section "3.1.7 Material Changes"**

1. The section shall read as follows:

"Save as disclosed above in relation to the Merger between the Issuer and Backed Assets GmbH there have been no material changes in the Issuer's borrowing and funding structure."

**u. Amendment in section "3.1.8 Financing of the Issuer's Activities"**

1. The term "also" shall be deleted in the first brackets of the second paragraph.
2. The third paragraph shall be replaced in its entirety by the following text:
3. "For the incorporation of Backed Assets GmbH, which has been absorbed via merger by the Issuer as of 23 February 2024, the necessary share capital of CHF 20,000 was provided through a contribution in kind of 25,000 USD Coins ("USDC"). As of 25 February 2022, the share capital was increased by CHF 230,000 up to CHF 250,000 through (a) CHF 6,235.83 by offsetting of clearable claims, (b) USD 156,559.43 by offsetting of clearable claims, and (c) USD 95,000 by contribution in kind of USDC 115,000. Further capital contributions by the Parent were made to the capital reserves of Backed Assets GmbH, one in the amount of CHF 500,000 as per 5 May 2022, second in the amount of CHF 250,000 on 27 December 2022, third in the amount of CHF 100,000 as per 24 November 2023 and fourth in the amount of CHF 140,000 as per 28 December 2024."

4. The following shall be inserted as fourth paragraph:

For the incorporation of the Issuer share capital of £100 was provided. In addition to the available capital of Backed Assets GmbH, which would be available, it is expected that the parent would maintain a free capital of at least 100,000 GBP at all times.

5. The following shall be the fifth paragraph:

"The Parent as lender also provided a subordinated loan agreement which allowed Backed Assets GmbH, which has been absorbed by the Issuer via the Merger, as borrower, to draw advances in the amount of up to CHF 1,000,000. On the date of this Registration Document, all drawn advances have been repaid."

**v. Amendment in section "4.1 Principal Activities"**

1. The above-mentioned section shall be amended in its entirety, and shall read as follows:

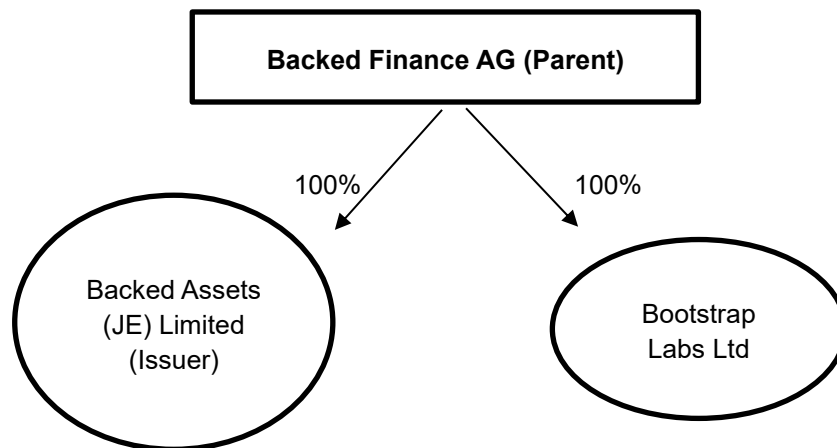
"The Issuer's principal activity is the issuance of its Products in the form of blockchain based cryptographic tokens worldwide. The Products are issued as structured products according to art. 3 lit. a No. 4 FinSA, i.e. certificates in the form of cryptographic tokens and track highly demanded, liquid and listed and not listed Underlyings in the form of book-entry securities in order to make them easily accessible to investors (tracker certificates according to the derivative map of the Swiss Structured Products Association SSPA). For that purpose, the Issuer researches, identifies and designs Products fully backed by the Underlying (as defined in the relevant Securities Notes) in the form of highly demanded, liquid and listed stocks and other securities. The Products are tokenized in accordance with Swiss law and digitally accessible to investors."

**w. Amendment in section "5. Organisational Structure"**

1. The term "quotaholder" in the first paragraph shall be replaced with the term "shareholder".
2. The term "the quotas of" in the first paragraph shall be deleted.
3. The business name of the issuer shall be amended to "Backed Assets (JE) Limited".
4. The third paragraph of the above-mentioned section shall be amended in its entirety, and shall be read as follows:

"Backed Assets (JE) Limited as Issuer (incorporated in Jersey), Backed Assets GmbH (incorporated in Switzerland) and Bootstrap Labs Ltd (incorporated in Israel) are fully owned subsidiaries of the Parent (altogether the "**Group**"). The Issuer is thus dependent on the business strategy of the Parent for the entire Group."

5. The Illustration of the Group Structure shall be amended to the current status, and shall be read as follows:



6. The term "quotas" in the last paragraph shall be replaced with the term "shares".
7. The following paragraph shall be added:

"Please see section 3.1 of this Registration Document for further details of the Merger between the Issuer and Backed Assets GmbH on 23 February 2024. Backed Assets GmbH will be wound up shortly and following this any references to Backed Assets GmbH in the above description should be ignored."

**x. Amendment in section "6. Trend Information"**

1. The section shall read as follows:

"There has been no material adverse change in the prospects of the Issuer since the date of the Financial Reports of Backed Assets GmbH. However, the Issuer has further used its financial resources for setting up its operations, particularly for its legal and financial advisors as well as compliance related services and banking fees."

There has not been any significant change in the financial performance of the Issuer since the end of the last financial period for which an audit report as included in the Financial Reports of Backed Assets GmbH has been produced to the date of this Registration Document."

**y. Amendment in section "8. Administrative, Management, and Supervisory Bodies"**

1. The above -mentioned section on the Directors and Company Secretary shall be amended in its entirety, and shall be replaced by the following:

**8.1 Directors and company secretary**

**8.1.1 Directors**

<b>Name / entity</b>	<b>Business Address</b>	<b>Business occupations</b>
Roberto Isaac Klein	c/o First Floor, La Chasse Chambers, Ten La Chasse, St. Helier, JE2 4UE, Jersey	Engineer
Erwan Mismaque	c/o First Floor, La Chasse Chambers, Ten La Chasse, St. Helier, JE2 4UE, Jersey	Finance
James Cunningham-Davies	c/o First Floor, La Chasse Chambers, Ten La Chasse, St. Helier, JE2 4UE, Jersey	Director of Cavendish Fiduciary (Jersey) Limited
Lindsay Bracegirdle	c/o First Floor, La Chasse Chambers, Ten La Chasse, St. Helier, JE2 4UE, Jersey	Director of Cavendish Fiduciary (Jersey) Limited

**8.1.2 Company Secretary**

<b>Name / entity</b>	<b>Business Address</b>	<b>Business occupations</b>
Cavendish Secretaries Limited	First Floor, La Chasse Chambers, Ten La Chasse, St. Helier, JE2 4UE, Jersey	Regulated Trust and company service provider

**8.2 Supervisory Bodies**

A copy of this Registration Document has been delivered to the registrar of companies in Jersey in accordance with Article 5 of the Companies (General Provisions) (Jersey) Order 2002, and it has given, and has not withdrawn, its consent to its circulation.

The Jersey Financial Services Commission (the "**JFSC**") has given, and has not withdrawn, its consent under Articles 2 and 4 of the Control of Borrowing (Jersey) Order 1958 to the issue of shares, admission of members and issue of securities by the Issuer.

It must be distinctly understood that, in giving these consents, neither the registrar of companies in Jersey nor the Jersey Financial Services Commission takes any responsibility for the financial soundness of the Issuer or for the correctness of any statements made, or opinions expressed, with regard to it.

The Issuer has registered (or will register within any applicable time frame) with the JFSC under the Proceeds of Crime (Supervisory Bodies) (Jersey) Law 2008 for certain specified Schedule 2 activities of the Proceeds of Crime (Jersey) Law 1999. In addition, the Administrator and the Issuer are subject to applicable anti-money laundering legislation and regulations in Jersey ("**Jersey AML Legislation**"). In order to comply with legislation or regulations aimed at the prevention of money laundering the Issuer is required to adopt and maintain anti-money laundering procedures, and may require prospective investors to provide evidence to verify their identity, the identity of their beneficial owners/controllers (where applicable), source of funds and wealth. Where permitted, and subject to certain conditions, the Issuer may also rely upon a suitable person for the maintenance of its anti-money laundering procedures (including the acquisition of due diligence information) or otherwise delegate the maintenance of such procedures to a suitable person (a "**Relevant AML Person**").

Save as set out above, the Issuer is not required to be licensed, registered or authorised under any current securities commodities or banking laws of its jurisdiction of incorporation and will operate without supervision by any authority in any jurisdiction. However, there can be no assurance that regulatory authorities in one or more jurisdiction(s) will determine that the Issuer is required to be licensed, registered or authorised under any current securities commodities or banking laws of such jurisdiction or that legal or regulatory requirements with respect thereto will not change in the future.

### **8.3 Conflicts of Interests**

Certain directors of the Issuer (as described in section 8.1) are also members of the Board of Directors of its parent company Backed Finance AG. Other directors of the Issuer are employed by the Administrator. The Administrator has a conflicts of interest policy which its employees are required to comply with. Further, under the Companies (Jersey) Law 1991, directors are required to declare the nature and extent of any material conflicts of interest so that other directors are made aware of any conflicts prior to considering whether to approve board resolutions and must also comply with provisions in the Articles of Association relating to conflicts of interest (which may include provisions restricting their ability to vote on certain matters where there is a conflict of interest).

Furthermore, in accordance with the relevant applicable law the directors may hold securities, other financial instruments and digital assets on their personal name and account. They are under no obligation to disclose their holdings, changes in the value of their holdings, any trading activity in those holdings. These interests may deviate or conflict with interests of investors of the Products.

The Issuer may issue other products relating to the Underlying. The introduction of such competing products may affect the market value of the Products. The Issuer may also receive non-public information relating to the Underlying that the Issuer may not make available to investors.



The Issuer has entered into a contract with its parent company, the Tokenizer, namely Backed Finance AG, in order to receive tokenization services. Thus, the Tokenizer is contractually bound with the Issuer but at the same time also holds all of the shares of the Issuer and controls the company. Therefore, the investors are informed that a potential conflict of interest may arise, in which situation the interests of the parent company may prevail and the activity of the Issuer may be terminated and/or the investors may endure a loss of their investment.

**z. Amendment in section "9. Major Shareholders"**

1. The term "quotaholder" shall be replaced by the term "shareholder" and "26.67% shall be replaced by "19.75%".

**aa. Amendment in section "10.1 Financial Information"**

1. The above-mentioned section be replaced in its entirety by the following text:

"As the Issuer was only recently incorporated on 19 January 2024, no financial statements (balance sheet, income statement and notes) are available. However, as Backed Assets GmbH has been absorbed by the Issuer as of 23 February 2024, the historic financial information of Backed Assets GmbH, as reflected below, is relevant to assess the financial information of the Issuer. See also Annex 1, section 2 with the "Key Financial Information regarding the Issuer".

The Issuer will publish any audit reports and financial statements on its website:  
[www.backedassets.fi](http://www.backedassets.fi).

The financial statements will be audited in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice) ("FRS102")

**bb. Amendment in section "10.2 Historic Financial Information"**

1. The above-mentioned section shall be replaced in its entirety by the following text:

The financial statements of Backed Assets GmbH (balance sheet, income statement, cash flow statement and notes), covering the periods from 1 January 2022 to 31 December 2022 and from 1 January 2023 to 31 December 2023 have been audited in accordance with the Swiss Standard on the limited statutory examination. This standard requires that the auditor plans and performs a limited statutory examination to identify material misstatements in the financial statements. A limited statutory examination consists primarily of inquiries of company personnel and analytical procedures as well as detailed tests of company documents as considered necessary in the circumstances. However, the testing of operational processes and the internal control system, as well as inquiries and further testing procedures to detect fraud or other legal violations, are not within the scope of this examination. The published Financial Reports of Backed Assets GmbH consist of the financial statements (balance sheet, income statement and notes, including a comparison to the previous year) and the audit report and can be found on the following website: [www.backedassets.fi](http://www.backedassets.fi). They can also be inspected during usual business hours at First Floor, La Chasse Chambers, Ten La Chasse, St. Helier, JE2 4UE, Jersey.

The following audited historical financial information of Backed Assets GmbH is incorporated by reference to this Registration Document:

- The [Financial Report](#) of Backed Assets GmbH for the period of 1 January 2022 to 31 December 2022, including the financial statements and the audit report of Backed Assets GmbH.
- The [Financial Report](#) of Backed Assets GmbH for the period of 1 January 2023 to 31 December 2023, including the financial statements and the audit report of Backed Assets GmbH.

**cc. Deletion of section "11.4 Significant Changes in the Issuer's Financial Position"**

1. The above-mentioned section shall be replaced with the following text:

"Compared to the financial statements for the period between 1 January 2023 and 31 December 2023 of Backed Assets GmbH, which has been absorbed by the Issuer, there have been no significant changes in the assets and liabilities of the Issuer."

**dd. Amendment in section "11.1 Share Capital"**

1. The above-mentioned section shall be amended in its entirety, and shall be read as follows:

"As of the date of this Registration Document, the share capital of the Issuer amounts to £100. There is no limit to the number of shares that the Issuer may issue. There is no category of shares that carry preferential rights.

The share capital of the Issuer is held in its entirety by its Parent."

**ee. Amendment in section "11.2 Contribution to the Capital Reserves and Subordinated Shareholder Loan"**

1. The above-mentioned section shall be amended in its entirety, and shall be read as follows:

"The Parent as lender has provided a subordinated loan agreement which allows the Issuer, as borrower, to draw advances in the amount of up to CHF 1,000,000. On the date of this Registration Document, no advance is outstanding."

**ff. Amendment in section "11.3 Articles of Association"**

1. The section on the Articles of Association shall be amended according to the registration, and shall be read as follows:
2. "The Issuer is registered in Jersey with the Registrar of Companies, PO Box 267, 14-18 Castle Street, Jersey, JE4 8TP, Channel Islands. The Issuer's Memorandum and Articles of Association (together, the "**Articles of Association**") are available publicly on the Issuer's website: [www.backedassets.fi](http://www.backedassets.fi)."

**gg. Amendment in section "13. Documents Available"**

1. The above-mentioned section shall be replaced in its entirety by the following text:

"For the term of the Registration Document, copies of the following documents can be inspected during usual business hours at Backed Assets (JE) Limited, First Floor, La Chasse Chambers, Ten La Chasse, St. Helier, JE2 4UE, Jersey or they can be downloaded using the below hyperlinks:

- The [Memorandum and Articles of Association](#) of Backed Assets (JE) Limited.
- The [Financial Report](#) of Backed Assets GmbH for the period of 1 January 2022 to 31 December 2022, including the financial statements and the audit report of Backed Assets GmbH.
- The [Financial Report](#) of Backed Assets GmbH for the period of 1 January 2023 to 31 December 2023, including the financial statements and the audit report of Backed Assets GmbH.

All above listed documents are incorporated by reference to this Registration Document and publicly available on the following website: [www.backedassets.fi](http://www.backedassets.fi).

The financial statements of the Issuer will be available on the following website: [www.backedassets.fi](http://www.backedassets.fi)."

#### hh. Amendment in section "1. Who is the Issuer of the Products?" in Annex 1

1. The above-mentioned section shall be amended in its entirety, and shall be read as follows:

##### "Registered seat, legal form, LEI, governing law and country of registration of the Issuer

"The Issuer is a private, no par value company incorporated under the laws of Jersey pursuant to the Companies (Jersey) Law 1991, with the liability of its shareholders being limited to the amount unpaid (if any) on their shares. The Issuer's registered office is in Jersey. The registration number of the Issuer is 152608. The Issuer's legal entity identifier ("LEI") is 984500001AB7C6C7F577."

##### Principal activities of the Issuer

The Issuer's principal activity is the issuance of its products in the form of blockchain based cryptographic tokens in the EU, Switzerland and other countries worldwide (tokenized structured products).

##### Major Shareholder

The sole shareholder of the Issuer is Backed Finance AG (CHE-410.125.970) with its registered office in Zug, Switzerland. Major shareholders of the Backed Finance AG, Zug, are Adam Levi, Yehonatan Goldman and Roberto Isaac Klein, each holding 19.75% of the shares.

##### Directors / Secretary

The directors and company secretary of the company are set out at Section 8.1 above.

Identity of the statutory Auditors

The Auditor is Bracken Rothwell Limited of 2nd Floor, The Le Gallais Building, 54 Bath St, Jersey, JE1 1FW."

**ii. Amendment in section "2. What is the Key Financial Information regarding the Issuer?" in the Annex 1**

1. The above-mentioned section shall be amended in its entirety, and shall be read as follows:

The Issuer is newly incorporated and so does not have any previous financial history. The financial history of Backed Assets GmbH is relevant to assess the financial information of the Issuer, as the Issuer absorbed Backed Assets GmbH via the Merger.

Following key financial information is based on the Financial Statements of Backed Assets GmbH for the period from 01 January 2022 to 31 December 2023.					
Income Statement of 01.01.2022 – 31.12.2022 and 01.01.2023 – 31.12.2023			Balance Sheet as of 31.12.2022 and 31.12.2023		
	01.01.2022- 31.12.2022	01.01.2023- 31.12.2023		31.12.2022	31.12.2023
	CHF	CHF		CHF	CHF
Other operating expenses	-351,604	-385,198.36	Cash and cash equivalents	511,836	338,645.08
<b>Operating result</b>	<b>-351,604</b>	<b>-457'641</b>	Securities	122,924	73,864.29
Financial income	2,362	0	<b>Total current assets</b>	<b>634,760</b>	<b>412,509.37</b>
Financial expenses	-17,173	-23,145.88	Financial assets	1,464	40,524,158.24
<b>Loss for the period before taxes</b>	<b>-366,415</b>	<b>-495,237.22</b>	<b>Total non-current assets</b>	<b>1,464</b>	40,524,158.24
Direct taxes	-727	-353.20	<b>Total assets</b>	<b>636,224</b>	<b>40,936,667.61</b>
<b>Loss for the period</b>	<b>-367,142</b>	<b>-495,590.42</b>	Trade accounts payable	88,010	<b>53,033.91</b>
Cash Flow Statement of 01.01.2022 – 31.12.2022 and 01.01.2023 – 31.12.2023			Other short-term liabilities	30,658	40,612,596.50
	01.01.2022- 31.12.2022	01.01.2023- 31.12.2023	Short-term provisions	1,078	930

	<b>CHF</b>	<b>CHF</b>	Accrued ex- penses and de- ferred income	15,426	24,645
Cash flows from operating activi- ties	-491,657	-420,414.47	<b>Total liabilities</b>	<b>135,172</b>	<b>40,691,205.41</b>
Cash Flows from investing activi- ties	-1,464	-40,522,694.24	Common stock	250,000	250,000
Cash flows from financing activi- ties	1,005,191	40,769,916.92	Reserves from capital contribu- tions	778,190	1,018,189.75
<b>Change in cash and cash equiv- alents</b>	<b>512,070</b>	<b>-173,191.79</b>	Results carried forward	-159,996	-527,137.13
			Loss for the pe- riod	-367,142	-495,590.42
			<b>Total equity</b>	501,052	245,462.20
			<b>Total liabilities and equity</b>	<b>636,224</b>	<b>40,936,667.61</b>

**jj. Amendment in section "3. What are the Key Risks that are Specific to the Issuer?" in the Annex 1**

1. The date of incorporation in paragraph "Short Business History, Limited Financial Information and no rating of the Issuer" shall be amended to: 19 January 2024.
2. The term "very limited" in paragraph "Short Business History, Limited Financial Information and no rating of the Issuer" shall be amended to "available".
3. The paragraph "Personnel Interdependence / Conflicts of Interest" shall be amended in its entirety, and shall be read as follows:

"Directors of the Issuer operate also within the Board of Directors of Backed Finance AG, owning 100% of the shares of the Issuer ("**Parent**"), or the respective secretary. At the same time, the Parent is the contractual Tokenizer of the Issuer. These interests may deviate or conflict with interests of investors of the Products. Other directors of the Issuer are employed by the Administrator, which has an agreement to provide certain administration and company secretarial services to the Issuer."

**kk. Addition of "Annex 2: Jersey Financial Services Commission's Guidance"**

## Annex 2: Jersey Financial Services Commission's Guidance

### 1. Jersey Treatment of Issuer

- 1.1 There are currently no existing capital markets regulations in Jersey specifically governing token sales. However, the Jersey Financial Services Commission (the **JFSC**) is aware of the desire of token issuers to use a Jersey incorporated issuer because of Jersey's reputation as a well-regulated and reputable jurisdiction.
- 1.2 Accordingly, the JFSC has established certain conditions that any issuer of tokens registered in Jersey is required to satisfy. These are implemented through a consent (a **COBO Consent**) granted under the Control of Borrowing (Jersey) Order 1958, which any Jersey entity wishing to issue tokens must obtain.
- 1.3 The conditions require the issuer of the tokens to take certain measures to manage, amongst other things, financial crime and investor risks. The conditions reflect the guiding principles pursuant to which the JFSC discharges its functions as the Island's financial services regulator (the **Guiding Principles**) which are to have regard to:
  - 1.3.1 the reduction of the risk to the public of financial loss due to dishonesty, incompetence, malpractice or the financial unsoundness of financial service providers;
  - 1.3.2 the protection and enhancement of Jersey's reputation and integrity in commercial and financial matters;
  - 1.3.3 the best economic interests of Jersey; and
  - 1.3.4 the need to counter financial crime both in Jersey and elsewhere.
- 1.4 However, whilst the JFSC has established certain conditions that issuers of tokens are required to satisfy, it does not regulate or supervise the tokens or the issuers.
- 1.5 The COBO Consent imposes on the issuer certain requirements which reflect the Guiding Principles, including to:
  - 1.5.1 acknowledge that issuing tokens is a "sensitive activity" falling within the JFSC's Sound Business Practice Policy. Accordingly, the issuer must maintain and adopt systems, controls, policies and procedures for the customer take-on, profiling and transaction monitoring at enhanced levels ensuring reporting of suspicions of money-laundering and financing of terrorism activity;
  - 1.5.2 apply relevant AML/CFT/CPF requirements to persons that either purchase tokens from, or sell tokens back to, the issuer of those tokens;
  - 1.5.3 appoint and maintain a TCSP (a trust and company service provider licensed by the JFSC under the Financial Services (Jersey) Law 1998 to carry on trust company business);

- 1.5.4** appoint and maintain a Jersey resident director on the board of the issuer; where the Jersey resident director is a natural person and also a principal person of TCSP appointed by the issuer;
- 1.5.5** obtain the JFSC's prior approval to any change to the TCSP appointed by the issuer, the Jersey resident director of the issuer or additional specified counterparties of the issuer as set out in the COBO consent;
- 1.5.6** prepare and file annual audited accounts with the Jersey Companies Registry;
- 1.5.7** have procedures and processes in place to (i) mitigate and manage the risk of retail investors investing inappropriately in the tokens, and (ii) to ensure retail investors understand the risks involved;
- 1.5.8** prepare and submit to the JFSC an Information Memorandum (which may be in the form of a White Paper) which complies with certain content requirements required of a prospectus issued by a company under the Companies (Jersey) Law 1991; and
- 1.5.9** ensure that any marketing material (including the Information Memorandum) is clear, fair and not misleading.

Signed on behalf of Backed Assets (JE) Limited, as duly authorized representatives:  
1 March 2024

  
\_\_\_\_\_  
Lindsay Anne Bracegirdle  
Director

*End of this First Supplement*

\* \* \* \* \*

*Start of the consolidated version of the Registration Document*

***[Warning: the following consolidated version of the Registration Document is only for simple illustration reasons and is neither part of this Supplement nor of the Base Prospectus and therefore was not approved by the FMA]***



## Registration Document

According to Art. 6 Para. 3 Sub-Para. 2 of the Regulation (EU) 2017/1129 of the European Parliament and the Council of 14 June 2017, as amended ("**Prospectus Regulation**") in connection with Art. 7 and Annex 6 of the Commission Delegated Regulation (EU) 2019/980 of 14 March 2019, as amended ("**Delegated Regulation**")

of

### **Backed Assets (JE) Limited**

a private limited company incorporated in Jersey

("Issuer")

dated

9 May 2023

("Registration Document")

This Registration Document has been approved by the Financial Market Authority Liechtenstein ("**FMA**"), as competent authority under the Prospectus Regulation. The FMA only approves this Registration Document as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer that is the subject of this Registration Document.

The Issuer has requested FMA to notify the competent authority in Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Norway, Poland, Portugal, Romania, Slovak Republic, Slovenia, Spain, Sweden and the Netherlands in relation to this Registration Document with a certificate of approval ("**Notification**") attesting that this Registration Document has been drawn up in accordance with the Prospectus Regulation and providing it with an electronic copy of this Registration Document. Further, the Issuer

may request FMA to provide a Notification to competent authorities in additional member states within the European Economic Area.

This Base Prospectus (as defined below) will be registered in Switzerland with the reviewing body SIX Exchange Regulation AG, BX Swiss AG or another reviewing body approved by the Swiss Financial Market Supervisory Authority ("**FINMA**"), as a foreign prospectus that is also deemed to be approved in Switzerland pursuant to Article 54 paragraph 2 of the Swiss Financial Services Act ("**FinSA**") together with the Swiss Financial Services Ordinance ("**FinSO**") for inclusion on the list of approved prospectus pursuant to Article 64 para. 5 FinSA, deposited with this review and published pursuant to Article 64 FinSA.

### **Warnings:**

This Registration document is valid until its expiry on 8 May 2024, provided that any necessary supplements pursuant to Art. 23 of the Prospectus Regulation ("**Supplement**") are prepared. When the Registration Document has become invalid, the obligation to prepare a Supplement in the event of significant new factors, material mistakes or material inaccuracies does not apply.

The Issuer may choose to produce a new registration document to replace this Registration Document whenever significant new information regarding the Issuer is available.

### **General**

**The Issuer has registered (or will register within any applicable time frame) with the Jersey Financial Services Commission (the "JFSC") under the Proceeds of Crime (Supervisory Bodies) (Jersey) Law 2008 for one or more activities specified at Schedule 2 of the Proceeds of Crime (Jersey) Law 1999.**

**A copy of this Registration Document has been delivered to the registrar of companies in Jersey in accordance with Article 5 of the Companies (General Provisions) (Jersey) Order 2002, and it has given, and has not withdrawn, its consent to its circulation.**

**The JFSC has given, and has not withdrawn (or will have given prior to the issuance of the Products and not withdrawn) its consent under Articles 2 and 4 of the Control of Borrowing (Jersey) Order 1958 to the issue of shares, admission of members and issue of securities by the Issuer. The JFSC is protected by the Control of Borrowing (Jersey) Law 1947, as amended, against liability arising from the discharge of its functions under that law.**

**It must be distinctly understood that, in giving these consents, neither the Registrar of Companies in Jersey nor the JFSC takes any responsibility for the financial soundness of the Issuer or for the correctness of any statements made, or opinions expressed, with regard to it.**

**It should be remembered that the price of the Products can go down as well as up. If you are in any doubt about the contents of this Registration Document, the Securities Note and/or the Final Terms you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser.**

**The directors of the Issuer have taken all reasonable care to ensure that the facts stated in this document, the Securities Note and Final Terms are true and accurate in all material respects, and that there are no other facts the omission of which would make misleading any statement in this document, whether of facts or opinion. The directors of the Issuer declare that to the best of their knowledge, the information contained in this document, the Securities Note and Final Terms is in accordance with the facts and makes no omissions likely to affect its import (or the Securities Note and Final Terms). All the directors accept responsibility accordingly.**

**The Issuer has not authorized anyone to disclose any information or confirmations more than the information disclosed in this Registration Document, together with the Securities Note and Final Terms. If such information and confirmations are nevertheless given, investors should not rely on them as if they had been authorized by the Issuer.**

**Requirements under the Guidance issued by the JFSC in respect of Token Issuances (the "JFSC Guidance")**

The Issuer is a private limited company incorporated in Jersey. Anyone issuing a token through a Jersey company will require a specific consent from the Jersey Company Registry, part of the JFSC. Whilst this consent does not give the issuer a 'regulated' status, it mandates a set of conditions designed to ensure that the issuer meets specific standards in terms of governance, investor disclosure and AML/CFT/CPF compliance.

Investors should have regard to the Annex 2 in respect of the JFSC Guidance appended to this Registration Document.

Token sales or coin offerings are typically a highly speculative form of investment. Investors should be prepared for the possibility of losing their investment completely. Investment in token sales or coin offerings is not necessarily subject to existing capital market regulations and protections.

In particular, Investors should be aware that they will be asked to acknowledge the above warning and also confirm the following prior to purchasing the Products:

- (i) (for an individual) that they have read the above warning, as well as the Registration Document, the Securities Note and Final Terms and understand the risks set out above; that the Products are suitable for them and that they wish to proceed to acquire the Products from the Issuer.
- (ii) (for an entity) that they are duly authorised to act on behalf of the entity stated below, they have read the above warning, as well as the Registration Document, Securities Note and Final Terms and understand the risks set out above; that the entity they represent has considered the Products carefully and considers them suitable and wishes to proceed to acquire the Products from the Issuer.

**Requirements under the Collective Investment Funds (Restriction of Scope) (Jersey) Order 2000 (the "RoS Order")**

The Products do not constitute a collective investment fund for the purpose of the Collective Investment Funds (Jersey) Law 1988, as amended, on the basis that they are investment products designed for financially sophisticated investors with specialist knowledge of, and experience of investing in, such investments, who are capable of fully evaluating the risks involved in making such investments and who have an asset base sufficiently substantial as to enable them to sustain any loss that they might suffer as a result of making such investments. The Products are not regarded by the JFSC as suitable investments for any other type of investor.

Any individual intending to invest in the Products should consult their professional adviser and ensure that they fully understand all the risks associated with making such an investment and have sufficient financial resources to sustain any loss that arises from it.

**Requirements under the Financial Services (Investment Business (Special Purpose Investment Business – Exemption)) (Jersey) Order 2001 (the "SPB Order")**

Pursuant to the SPB Order, the Products may only be issued or allotted exclusively to:

1. A person whose ordinary activities involve them acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their business or who it is reasonable

to expect will acquire, hold, arrange or dispose of investments (as principal or agent) for the purposes of their business (a "Professional Investor"); or

2. A person who has received and acknowledged a warning to the effect that (A) the Products are only suitable for acquisition by a person who: (i) has a significantly substantial asset base such as would enable them to sustain any loss that might be incurred as a result of acquiring the Products; and (ii) is sufficiently financially sophisticated to be reasonably expected to know the risks involved with acquiring the Products; and (B) neither the issue of the Products nor the activities of any functionary with regard to the issue of the Products are subject to all the provisions of the Financial Services (Jersey) Law 1998 (the "SPB Order Investment Warning")

Investors should be aware that they will be asked to confirm that they are either a Professional Investor under 1. above, or alternatively that they acknowledge receipt of the SPB Order Investment Warning under 2 above prior to the Products being issued to them.

#### **Important Note for Authorised Participants**

Where an Authorised Participant acquires the Products and then facilitates their transfer to a third party (a "Prospective Investor"), the JFSC expects Authorised Participants to provide (and draw a Prospective Investor's attention to) the warnings set out in this section, as well as providing such Prospective Investors with access to this Registration Document, the Securities Note and the Final Terms prior to any such transfer being made.

By acquiring the Products an Authorised Participant is deemed to undertake to the Issuer that it will draw the Prospective Investor's attention to the warnings set out in this section prior to facilitating the transfer of the Products.

#### **Important Note for Investors acquiring the Products on the secondary market**

Each Investor who acquires Products on the secondary market will be deemed, by such acquisition, to have represented that:

- (a) they have read this Registration Document, the Securities Note and Final Terms;
- (b) they have received and acknowledged the warning set out above under the JFSC Guidance (as defined above); they understand the risks set out above; that the Products are suitable for them and that they wish to acquire Products from the Issuer; and
- (c) under the SPB Order (as defined above), they are a Professional Investor (as defined above), or alternatively they will be deemed, by such acquisition, to have represented that they have received and acknowledged the SPB Order Investment Warning (as defined above).

## Table of Contents

1.	General.....	7
2.	Risk Factors .....	8
3.	Information about the Issuer .....	15
4.	Business Overview.....	17
5.	Organisational Structure .....	18
6.	Trend Information .....	19
7.	Profit Forecasts or Estimates .....	19
8.	Administrative, Management, and Supervisory Bodies .....	20
9.	Major Shareholders .....	22
10.	Financial Information concerning the Issuer's Assets and Liabilities, Financial Position and Profits and Losses.....	22
11.	Additional Information .....	23
12.	Material Contracts .....	23
13.	Documents Available.....	24
14.	Continuation of the Offer of Securities to the Public .....	25
Annex 1: Annex pursuant to Art. 26 para. 4 Prospectus Regulation relating to the Registration		
	Document of Backed Assets (JE) Limited dated 9 May, 2023 .....	26
Annex 2: Jersey Financial Services Commission's Guidance .....		30

## 1. General

### 1.1 Definitions

Certain capitalised terms used in this Registration Document and not defined in this Registration Document are defined in the relevant general terms and conditions (together, the "**Terms and Conditions**" and each, a "**Condition**"), the relevant Securities Note and/or the relevant Final Terms.

"**Swiss Merger Act**" means the Swiss Federal act on mergers, demergers, conversions and transfers of assets of 3 October 2022, as amended (Fusionsgesetz) with SR 221.301.

### 1.2 Persons Responsible and Declaration of Responsibility

The directors of the Issuer, **Backed Assets (JE) Limited**, First Floor, La Chasse Chambers, Ten La Chasse, St. Helier, JE2 4UE, Jersey have taken all reasonable care to ensure that the facts stated in this Registration Document are true and accurate in all material respects, and that there are no other facts the omission of which would make misleading any statement in the document, whether of facts or of opinion. The directors of the Issuer declare that to the best of their knowledge, the information contained in this document, the Securities Note and Final Terms is in accordance with the facts and makes no omissions likely to affect its import (or the Securities Note and Final Terms). All the directors accept responsibility accordingly.

For further information on the Issuer see section 4 of this Registration Document.

### 1.3 Auditors

The Issuer's new auditors are Bracken Rothwell Limited of 2<sup>nd</sup> Floor, The Le Gallais Building, 54 Bath Street, St Helier, Jersey, JE1 1FW (the "**Auditors**").

The Issuer's financial statements will be audited in accordance with the United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice) ("FRS102").

The auditors of Backed Assets GmbH for the financial years 2022 and 2023 were Grant Thornton AG, Claridenstrasse 35, 8027 Zurich, Switzerland, licensed as a state-supervised auditing company by the Swiss Federal Audit Oversight Authority ("**FAOA**") and are a member of the Swiss Expert Association for Audit, Tax and Fiduciary ("**EXPERTsuisse**").

The financial statements of Backed Assets GmbH for the period from 1 January 2022 to 31 December 2022 and for the period from 1 January 2023 to 31 December 2023 have been audited with the standard of a limited statutory examination based on the Swiss Code of Obligations by the Auditors (the "**Financial Reports of Backed Assets GmbH**").

The securities note for the issuance of tokenized securities dated 9 May 2023 ("**Securities Note**"), this Registration Document and any Supplement thereto (together the "**Base Prospectus**") have not been audited or reviewed by the Auditors.

The Financial Reports of Backed Assets GmbH have been produced by Grant Thornton AG (acting as advisors only) at the request of Backed Assets GmbH and have been included by way of incorporation of the documents into this Registration Document (see section 13 of this Registration Document) with the consent of the relevant persons who have authorised the contents of that part of the Registration Document for the purpose of the Base Prospectus.

## **2. Risk Factors**

### **2.1 Preliminary Remarks**

Investors should note that an investment in securities of the Issuer issued under the Base Prospectus from time to time ("**Products**") involves a high degree of risk, including the risk of a total loss of all capital invested, as the Products and the underlying collateral corresponding to the requirements under Art. 70 Para. 2 Swiss Financial Services Act ("**FinSA**") in respect of each Product ("**Collateral**") are highly speculative.

The material risk factors inherent in the Issuer are set out below. The most significant risk factors are prefixed to each section.

Additionally, investors should carefully read and consider the risk factors described in the relevant Securities Note. Furthermore, they should consider all other information contained in this Registration Document, the relevant Securities Note and any Supplements thereto, *i.e.* the Base Prospectus, as well as the respective specification of the detailed terms applicable to each Product ("**Final Terms**"). Investors should also take into account that all of the risks described may interact and thereby exacerbate each other.

In case one or more of the described risks or further factors (which appeared not material at the time of drafting this Registration Document or any facts of which the Issuer is currently not aware) occur, the investors may suffer a partial or even a total loss of their investment.

The risks described below may also occur cumulatively and thus be mutually reinforcing. In that case, the Issuer's ability to meet its payment or delivery obligations under such Products to investors may be adversely affected.

The Issuer strongly recommends to interested investors to conduct an individual examination of their personal risk situation by a competent advisor prior to the acquisition of any Products.

### **2.2 Risks relating to the Issuer**

The Issuer is exposed to a variety of risks that could adversely affect its results of operations and financial condition, including, among others, those described below:

#### **2.2.1 Risks related to the Financial Situation of the Issuer**

##### **2.2.1.1 Liquidity Risk**

The Issuer may not have sufficient funds for making payments at any point in time, meaning that the Issuer may have difficulties meeting financial obligations. In the event of insufficient liquid funds, in particular due to the inability to liquidate Collateral with respect to a specific Product,



there is a risk that the Issuer will not be able to, fully or partially, fulfil its payment obligations on time or at all.

Risk rating: low

#### 2.2.1.2 Counterparty Risk

The Issuer is exposed to the credit risk of a number of counterparties with whom the Issuer transacts, including, but not limited to:

- a. the Jersey corporate administrator to the Issuer (the "**Administrator**") with regard to the administration and company secretarial services it provides;
- b. any person administering the accounts to which the Underlyings (as defined in the relevant Securities Notes) purchased by the Issuer are credited ("**Custodian**");
- c. any person that administers the accounts to which the Underlyings (as defined in the relevant Securities Notes) are credited as Collateral according to the Collateral procedures described in the relevant Securities Notes;
- d. any person accepting or dispatching payments on behalf of the Issuer of the Products and by accepting or distributing the funds from/to the investors ("**Paying Account Provider**");
- e. a regulated securities broker regarding brokerage services in connection with buying/selling the Underlyings ("**Broker**");
- f. any person that provides market making services including bid and offer of market prices for the Products, next to adequate liquidity with regard to all Products ("**Market Maker**");
- g. any person/legal entity providing tokenization services, i.e. creating the ledger-based securities for the Products, activating them and handling the issuance and redemption transactions on behalf of the Issuer ("**Tokenizer**");
- h. any person or legal entity which is (i) a licensed bank according to the Swiss Banking Act ("**BA**"), (ii) a securities firm according to the Swiss Financial Institutions Act ("**FinIA**"), (iii) an insurance company according to the Swiss Insurance Supervision Act ("**ISA**"), or (iv) a non-Swiss institution being supervised in an equivalent manner, approved by the Issuer (in its absolute sole discretion), that file requests that securities are created or redeemed for the Products under the Base Prospectus ("**Authorized Participants**"); and
- i. any party to any arrangements in place in respect of the Underlyings (as defined in the relevant Securities Notes) held as Collateral.

Therefore, the Issuer is exposed to the risks of such parties, including, but not limited to, liquidity risk, reputational risk and settlement risk, arising from the failure of any of its counterparties to fulfil their respective obligations. If any such risk occurs, it may have material detrimental effects on the Issuer's business and financial position.

Concerning the Custodians, the Issuer is exposed to the credit risk of depository institutions with whom it holds cash, crypto and securities. This credit risk includes the possibility that the depository institution holding a financial instrument (cash, crypto or securities) will fail to fulfil an obligation or commitment to the Issuer. The Issuer's Products are maintained by the Custodian accounts for the Products, which are intended to be protected in the event of insolvency of the Custodian. Any insolvency of the Custodian may result in delayed or impossible access to the Products serving as Underlying (as defined in the relevant Securities Note), including those serving as Collateral for any Product. In such an event, the investors may face a partial or total loss of their invested capital.

No party involved, including the Custodian or the Issuer is liable for partial or total loss of the market value of the Underlying (as defined in the relevant Securities Note).

Concerning the Paying Account Provider for the Products, the Issuer is exposed to the credit risk of the Paying Account Provider. In the event of insolvency of the Paying Account Provider during the interim period, the Issuer may be considered a general unsecured creditor.

In general, the Issuer relies on third parties providing trading on both the Products and any Underlying (as defined in the relevant Securities Note). Any dysfunction of such third parties or disruption at the exchanges and other platforms may result in a loss of value of the Products, which may, in turn negatively impact the Issuer and/or the investors.

Risk rating: medium

#### 2.2.1.3 Credit Risk

Investors are exposed to the credit risk of the Issuer, the Custodian and other parties. An investor's ability to obtain payment in accordance with the relevant Terms and Conditions (as defined in the relevant Securities Note) is dependent on the Issuer's ability to meet these obligations. The Products are not, either directly or indirectly, an obligation of any other party. As a result, irrespective of providing the Collateral for the benefit of the investors to secure its payment obligations under the Base Prospectus and the relevant Final Terms ("**Collateralization**"), the creditworthiness of the Issuer may affect the market value of any Products, and in the event of default, insolvency or bankruptcy, investors may not receive the amount owed to them under the relevant Terms and Conditions (as defined in the relevant Securities Note). Next to direct credit risks, the investors are indirectly exposed to any indirect credit risks that the Issuer is exposed to, for example the credit risks of other affiliated parties of the offer. Furthermore, the Issuer may incur losses and/or fail to obtain delivery under any arrangements in place in respect of any Underlying (as defined in the relevant Securities Note) held as Collateral.

Risk rating: medium

#### 2.2.1.4 Risk of no Rating

The Issuer is subject to the risk of no credit rating. A non-rated Issuer has less confidence of investors in the Issuer and could, in particular reduce its access to capital markets, materially increase the refinancing costs and decrease the number of investors and counterparties that are willing or permitted to do business with the Issuer. Therefore, a non-rated Issuer could have a material adverse effect on the Issuer's profitability and results of operations.

Risk rating: high

#### 2.2.1.5 General Insolvency Risk

Each Investor bears the general risk that the financial situation of the Issuer could deteriorate. Unless specified otherwise, Investors are exposed to the credit risk of the Issuer of the Products.

Collateralization reduces the credit risk of the Issuer for Investors as each Investor has a sole claim to the Collateral allocated to the specific Product they are holding. Investors have no further claim to any Collateral allocated to other Products. Further, following the realisation of the Underlying held by way of Collateral for the Products issued to an Investor, an Investor has no residual claim against the assets of the Issuer in the event that an Investor suffers any loss. Accordingly, Investors bear the risk, among others, that the liquidation of the Collateral may result in insufficient liquidation proceeds due to fees and costs incurred in the liquidation process.

Risk rating: low

### 2.2.2 Risks related to the Business Activities and Industry of the Issuer

#### 2.2.2.1 Issuer as Special Purpose Vehicle

The Issuer has been established on 19 January 2024 and is a special purpose vehicle ("**SPV**"). The Issuer's sole business purpose is the issuance of financial instruments. Thus, the Issuer is currently not profitable and depends on capital and financing from its Parent and the Parent's investors. The reserves to maintain the company operations are limited, which may result in the inability of the Issuer to continue as a going concern.

Risk rating: medium

#### 2.2.2.2 Short Business History and Limited Financial Information of the Issuer

Due to the fact that the Issuer has been incorporated on 19 January 2024, no significant "track-record" on its activity and/or performance can be provided. However, the financial information and historical financial information on the Issuer is to be assessed in view of the financial information and historical financial information of Backed Assets GmbH, which has been absorbed via merger by the Issuer as of 23 February 2024. Investors are advised to consult the Financial Reports of Backed Assets GmbH covering the periods between January 2022 and December 2023 and sections 10 and 13 of this Registration Document and make their own independent decision on the financial standing of the Issuer and risks implied. For that purpose, they may also consult with their own independent advisors.

Risk rating: high

#### 2.2.2.3 Operational Risk

There are a number of risks related to external and internal circumstances or events which may harm the operating business of the Issuer. These are related to losses due to incorrect or insufficient controls, errors caused by humans or systems; and/or legal risks, among others. In particular, the

Issuer depends on reputable and reliable ledger systems, on which the smart contracts in the blockchain will be conducted. Should their service or operation among others be constrained or a disruption occurs, the Issuer may be unable to issue additional securities. Any of these risks may be detrimental and can adversely impact to the Issuer's reputation, creditworthiness and operating results.

Risk rating: medium

#### 2.2.2.4 Market Risk

Market risk refers to the potential losses through changes in the valuation of the Issuer's assets and liabilities because of changes in market prices, volatilities, correlations and other valuation-relevant factors.

Risk rating: medium

#### 2.2.2.5 Dependence on Service Providers

The Issuer is dependent on a number of service providers to maintain the issuances and the Collateral. These include, but are not limited to, the Tokenizer, the Administrator, the Custodian(s), the Paying Account Provider(s), the Authorized Participant(s), the Market Maker(s), the Broker(s), trading desks, parties to any arrangements in place in respect of any asset held as Collateral, lending desks, and wallet providers. Should there be a material adverse change with any existing partner and a suitable alternative be unavailable or impracticable, it may be impossible for the Issuer to continue to list and service the Products.

Service providers may act in other capacities in respect of a particular Product, including, but not limited to, the role of Security Agent(s) and/or index sponsor(s) specified in the relevant Final Terms (as defined in the relevant Securities Note). Accordingly, the role of a provider may give rise to conflicts of interest, which are adverse to the interests of holders of Products.

Risk rating: high

#### 2.2.2.6 Competition

There are a number of other issuers for products similar to the Products of the Issuer, and other competitors may enter the market at any time. The effect of new or additional competition on the Products or their market prices cannot be predicted or quantified. Indirect competing products are offered by several exchanges such as Swarm Markets in the form of purchase of depository certificates, although these services do not allow the permissionless transferability of the purchased assets in the form of freely transferable tokens. Another indirect competition is in the form of purely synthetic asset tracking tokens. A third variant of competitors, allow accumulating fixed-income yields, for example Ondo Finance. Some of the competitors have significantly greater financial and legal resources than the Issuer and there is no guarantee that the Issuer will be able to compete successfully, or at all, with such competitors. Moreover, increased competition may severely impact the profitability and creditworthiness of the Issuer.

Risk rating: medium

#### 2.2.2.7 Reputational Risk

The Issuer is exposed to reputational risk. Reputational risk describes the risk that the reputation the Issuer has with its stakeholders (including regulators, shareholders, clients, investors, employees and the general public) deteriorates and the trust in its brand value is negatively influenced. The Issuer's reputation may deteriorate due to cases in which stakeholders' perception of the Issuer differs negatively from the Issuer's actual conduct performance and business practice. Negative sentiment relating the Issuers' business practices can involve any aspect of its operations, but usually relates to topics of business ethics and integrity, regulations or quality of Products and services.

Risk rating: medium

### 2.2.3 Legal and Regulatory Risks

#### 2.2.3.1 Changes of the Regulatory Environment

The Issuer issues financial products whose regulatory environment appears to be unclear because it is constantly developing and adapting to new technologies. This applies particularly to the business with tokenized securities. Regulatory changes are to be expected here at national and international level. This may lead to significant cost increases in the operating business and may have a material adverse effect on the Issuer's net assets, financial position and results of operations and thus negatively affect its ability to fulfil claims arising from the Products. Therefore, it cannot be ruled out that negative effects of a change in the regulatory environment will result in the Issuer no longer being able to operate its business operations economically and having to discontinue them as whole or partially. This includes a risk of total loss for the investors.

Risk rating: high

#### 2.2.3.2 Risk of a Data Breach

The Issuer maintains significant amounts of data surrounding trades, trade execution, as well as customer data. A significant data breach may have wide reaching adverse effects, including trading losses and loss of reputation, which may negatively impact the Issuer's core business.

Risk rating: medium

### 2.2.4 Internal Control and Governance Risks

#### 2.2.4.1 Personnel Interdependence / Conflicts of Interest

Certain directors of the Issuer (as described in section 8.1) are also members of the Board of Directors of its parent company Backed Finance AG. Other directors of the Issuer are employed by the Administrator.

Furthermore, in accordance with the relevant applicable law, the directors may hold securities, other financial instruments and digital assets on their personal name and account. They are under no

obligation to disclose their holdings, changes in the value of their holdings, any trading activity in those holdings. These interests may deviate or conflict with interests of investors of the Products.

The Issuer may issue other products relating to the Underlying. The introduction of such competing products may affect the market value of the Products. The Issuer may also receive non-public information relating to the Underlying that the Issuer may not make available to investors.

The Issuer, has entered into a contract with its parent company, the Tokenizer, namely Backed Finance AG, in order to receive tokenization services. Thus, the Tokenizer is contractually bound with the Issuer but at the same time also holds all of the shares of the Issuer and controls the company. Therefore, the investors are informed that a potential conflict of interest may arise, in which situation the interests of the parent company may prevail and the activity of the Issuer may be terminated and/or the investors may endure a loss of their investment.

Risk rating: low

## **2.2.5 Further Risks**

### **2.2.5.1 Environmental and Social Risks**

Depending on the specific technology, the applied technology of smart contracts on blockchains by the Issuer and the Tokenizer are energy intensive systems and thus might be susceptible to existing and potential regulation and/or costs with the goal to limit energy consumption and might not be in line with the sustainability expectations in the market. Therefore, to the extent the Issuer's and Tokenizer's products using such energy intensive systems, demand in such products could decline or regulatory burdens may make the use of such energy intensive technologies unattractive for the Issuer causing the Issuer either to restructure the specific products by substituting the energy intensive technologies through similar, but more energy efficient technologies, or to terminate such products.

Risk rating: low

### **2.2.5.2 Cybersecurity related Risks**

The Issuer deals with tokenized securities registered online and therefore is susceptible to operational, information security and related "cyber" risks. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyber incidents include, but are not limited to, gaining unauthorized access to digital systems (e.g., through "hacking" or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data, or causing operational disruption. Cyberattacks may also be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on websites (i.e., efforts to make network services unavailable to intended users).

Cybersecurity failures by, or breaches of, the systems have the ability to cause disruptions and impact business operations, potentially resulting in: financial losses, interference with the business activity, disclosure of confidential information, impediments to trading, submission of erroneous trades or erroneous creation or redemption orders, the inability of the company or its service providers to transact business, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs.

The investors may lose their investment as direct or indirect consequence of such cybersecurity related risks.

Risk rating: medium

#### 2.2.5.3 Software related Risks

Tokenized securities may be susceptible to bugs and smart contract related risks, that might lead to investors losing control over their assets, or a breach that might cause an unintended minting of the asset, that ultimately lead to the dilution of the investors' holdings. Other risks include Issuer's back-office software bugs which may lead to mishandling of the Collateral or a loss of significant tokens reserve, which may cause turbulence in the secondary market. By nature, attacks on blockchain infrastructure can cause much more damage than for a centralized service, as the blockchain is an objective layer, and cannot be stopped or rolled back.

Risk rating: high

### 3. Information about the Issuer

#### 3.1 History and Development

The Issuer was incorporated as a limited liability company in Jersey on 19 January 2024 and thus only a limited history on the Issuer exists, which can be disclosed.

On 23 February 2024 the Jersey Financial Services Commission issued a Certificate of Merger recording the completion of a merger between the Issuer and Backed Assets GmbH (the "**Merger**"). The Merger was carried out in accordance with Part 18B of the Companies (Jersey) Law 1991 in Jersey and, in Switzerland, article 3 para. 1 lit. a and article 4 para. 1 lit. of the Swiss Merger Act in combination with article 163b et seqq. 2.1. As Backed Finance AG held all of the quota capital of Backed Assets GmbH and Backed Finance AG is also the sole shareholder of the Issuer, the simplified merger provisions pursuant to article 23 para. 1 lit. b and article 24 para. 1 of the Swiss Merger Act were applicable.

The Issuer was the survivor body, and so all the assets, properties and rights, criminal and civil liabilities or actions or other legal proceedings, together with all contracts, debts and other liabilities or obligations of Backed Assets GmbH were absorbed into and became part of the Issuer's assets and liabilities. As such, all existing contracts between Backed Assets GmbH and its service providers were automatically transferred to the Issuer. Backed Assets GmbH is due to be deleted from the commercial registry of the Canton of Zug shortly.

##### 3.1.1 Legal and Commercial Name

The legal and commercial name of the Issuer is **Backed Assets (JE) Limited**.

##### 3.1.2 Registration

The Issuer is registered in Jersey, under the registration number 152608 . The Issuer's legal entity identifier ("**LEI**") is 984500001AB7C6C7F577.

On 23 February 2024 the Issuer merged with Backed Assets GmbH, with the Issuer being the survivor body. The Jersey Registrar of Companies issued a merger certificate recording completion of the Merger on that date.

### **3.1.3 Incorporation of the Issuer**

The Issuer was incorporated on 19 January 2024 in Jersey for an indefinite time period.

Backed Assets GmbH was established in Switzerland on 20 April 2021. Following completion of the Merger between the Issuer and Backed Assets GmbH on 23 February 2024 (as set out at Section 3.1 above), the Issuer is the survivor body. Backed Assets GmbH will be deleted from the commercial registry of the Canton of Zug shortly.

### **3.1.4 Domicile, Legal Form and other Information**

The Issuer was incorporated in the form of a company with limited liability pursuant to the Companies (Jersey) Law 1991. Its registered office and address is First Floor, La Chasse Chambers, Ten La Chasse, St. Helier, JE2 4UE, Jersey. Its telephone number is +44 1534 888860"

The Issuer's website is available at: [www.backedassets.fi](http://www.backedassets.fi). This website and the information contained on the website does not form part of this Registration Document.

Backed Assets GmbH was established in Switzerland with limited liability pursuant to the Swiss Code of Obligations. Following completion of the Merger between the Issuer and Backed Assets GmbH on 23 February 2024 (as set out at Section 3.1 above), the Issuer is the survivor body. Backed Assets GmbH will be deleted from the commercial registry of the Canton of Zug shortly.

### **3.1.5 Recent Events of Particular Significance**

In the view of the Issuer, there have been no recent events of particular significance since its incorporation which would be of high importance to the evaluation of the Issuer's solvency.

The completion of the Merger between the Issuer and Backed Assets GmbH on 23 February 2024 (further details of which are set out at Section 3.1 above) will not, in the view of the Issuer have an impact on the evaluation of the Issuer's solvency.

### **3.1.6 Ratings**

As of the date of this Registration Document the Issuer is not rated.

### **3.1.7 Material Changes**

Save as disclosed above in relation to the Merger between the Issuer and Backed Assets GmbH, there have been no material changes in the Issuer's borrowing and funding structure.



### **3.1.8 Financing of the Issuer's Activities**

In general, the Issuer finances its business operations particularly by a surcharge on the issue and redemption price of the Products, which each shall not exceed 5%. The Issuer can and will hold in its own name and its own account securities. Therefore, it is the Issuer's right to make a profit by selling and purchasing securities.

In a first step, the Issuer will be financed by its parent company, Backed Finance AG (incorporated in Zug, Switzerland) ("**Parent**"). In a second stage, the fees earned by the sale of the Products should cover the operational costs.

For the incorporation of Backed Assets GmbH, which has been absorbed via merger by the Issuer as of 23 February 2024, the necessary share capital of CHF 20,000 was provided through a contribution in kind of 25,000 USD Coins ("**USDC**"). As of 25 February 2022, the share capital was increased by CHF 230,000 up to CHF 250,000 through (a) CHF 6,235.83 by offsetting of clearable claims, (b) USD 156,559.43 by offsetting of clearable claims, and (c) USD 95,000 by contribution in kind of USDC 115,000. Further capital contributions by the Parent were made to the capital reserves of Backed Assets GmbH, one in the amount of CHF 500,000 as per 5 May 2022, second in the amount of CHF 250,000 on 27 December 2022, third in the amount of CHF 100,000 as per 24 November 2023 and forth in the amount of CHF 140,000 as per 28 December 2024. For the incorporation of the Issuer share capital of £100 was provided. In addition to the available capital of Backed Assets GmbH, which would be available, it is expected that the parent would maintain a free capital of at least 100,000 GBP at all times.

The Parent as lender also provided a subordinated loan agreement which allowed Backed Assets GmbH, which has been absorbed by the Issuer via the Merger, as borrower, to draw advances in the amount of up to CHF 1,000,000. On the date of this Registration Document, all drawn advances have been repaid.

## **4. Business Overview**

### **4.1 Principal Activities**

The Issuer's principal activity is the issuance of its Products in the form of blockchain based cryptographic tokens worldwide. The Products are issued as structured products according to art. 3 lit. a No. 4 FinSA, i.e. certificates in the form of cryptographic tokens and track highly demanded, liquid and listed and not listed Underlyings in the form of book-entry securities in order to make them easily accessible to investors (tracker certificates according to the derivative map of the Swiss Structured Products Association SSPA). For that purpose, the Issuer researches, identifies and designs Products fully backed by the Underlying (as defined in the relevant Securities Notes) in the form of highly demanded, liquid and listed stocks and other securities. The Products are tokenized in accordance with Swiss law and digitally accessible to investors.

### **4.2 Principal Markets**

Initially, Backed Assets GmbH offered its Products mainly in Switzerland and Liechtenstein and for the European Union ("**EU**") in Austria, Belgium, Czech Republic, Denmark, France, Germany, Ireland, Luxembourg, Malta, Norway, Spain and the Netherlands. The Issuer will extend the offer ad-

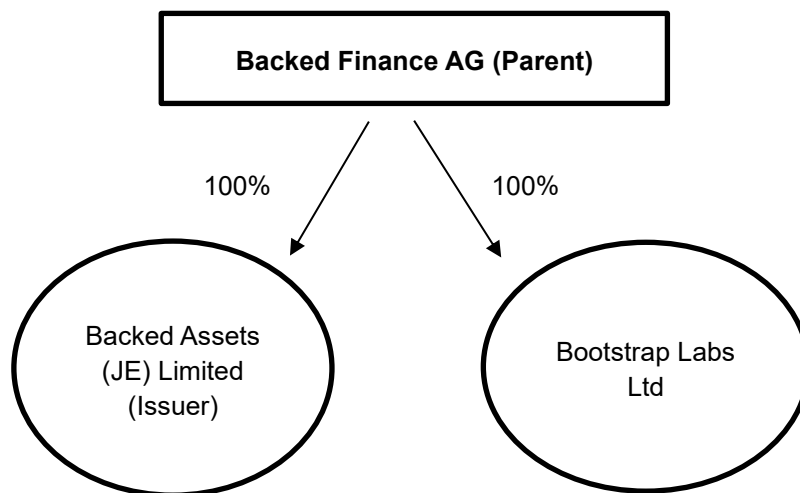
ditionally to Bulgaria, Croatia, Cyprus, Greece, Hungary, Iceland, Estonia, Finland, Italy, Latvia, Lithuania, Poland, Portugal, Romania, Slovak Republic, Slovenia and Sweden. The Issuer reserves the right to extend the offer to other countries in a later stage.

## 5. Organisational Structure

The Issuer is part of a corporate group and dependent on its sole shareholder, the Parent. The Parent holds and controls 100% of **Backed Assets (JE) Limited**.

The Parent is incorporated under the name Backed Finance AG (CHE-410.125.970) in Zug, Switzerland. The purpose of the Parent is to participate in the convergence of blockchain technologies and conventional financial markets. It provides tokenization services for financial assets and promotes the sale and distribution of tokenized financial assets. It holds participations in other companies and/or establish subsidiaries and branch offices in Switzerland and abroad.

Backed Assets (JE) Limited as Issuer (incorporated in Jersey), Backed Assets GmbH (incorporated in Switzerland) and Bootstrap Labs Ltd (incorporated in Israel) are fully owned subsidiaries of the Parent (altogether the "**Group**"). The Issuer is thus dependent on the business strategy of the Parent for the entire Group.



*Illustration of the Group structure*

The Issuer, has entered into a contract with the Parent in order to receive tokenization services. Thus, the Parent is contractually bound with the Issuer but at the same time also holds all of the shares of the Issuer and controls the Issuer. Therefore, the investors are informed that a potential conflict of interest may arise, in which situation the interests of the Parent may prevail and the activity of the Issuer may be terminated and/or the Investors may endure a loss of their investment.

Please see section 3.1 of this Registration Document for further details of the Merger between the Issuer and Backed Assets GmbH on 23 February 2024. Backed Assets GmbH will be deleted from the commercial registry of the Canton of Zug shortly and following this any references to Backed Assets GmbH in the above description should be ignored.

## **6. Trend Information**

There has been no material adverse change in the prospects of the Issuer since the date of the Financial Reports of Backed Assets GmbH. However, the Issuer has further used its financial resources for setting up its operations, particularly for its legal and financial advisors as well as compliance related services and banking fees.

There has not been any significant change in the financial performance of the Issuer since the end of the last financial period for which an audit report as included in the Financial Reports of Backed Assets GmbH has been produced to the date of this Registration Document.

## **7. Profit Forecasts or Estimates**

The Issuer does not make any profit forecasts or estimates.

## 8. Administrative, Management, and Supervisory Bodies

### 8.1 Directors and company secretary

#### 8.1.1 Directors

Name / entity	Business Address	Business occupations
Roberto Isaac Klein	c/o First Floor, La Chasse Chambers, Ten La Chasse, St. Helier, JE2 4UE, Jersey	Engineer
Erwan Mismaque	c/o First Floor, La Chasse Chambers, Ten La Chasse, St. Helier, JE2 4UE, Jersey	Finance
James Cunningham-Davies	c/o First Floor, La Chasse Chambers, Ten La Chasse, St. Helier, JE2 4UE, Jersey	Director of Cavendish Fiduciary (Jersey) Limited
Lindsay Bracegirdle	c/o First Floor, La Chasse Chambers, Ten La Chasse, St. Helier, JE2 4UE, Jersey	Director of Cavendish Fiduciary (Jersey) Limited

#### 8.1.2 Company Secretary

Name / entity	Business Address	Business occupations
Cavendish Secretaries Limited	First Floor, La Chasse Chambers, Ten La Chasse, St. Helier, JE2 4UE, Jersey	Regulated Trust and company service provider

## 8.2 Supervisory Bodies

A copy of this Registration Document has been delivered to the registrar of companies in Jersey in accordance with Article 5 of the Companies (General Provisions) (Jersey) Order 2002, and it has given, and has not withdrawn, its consent to its circulation.

The Jersey Financial Services Commission (the "JFSC") has given, and has not withdrawn, its consent under Articles 2 and 4 of the Control of Borrowing (Jersey) Order 1958 to the issue of shares, admission of members and issue of securities by the Issuer.

It must be distinctly understood that, in giving these consents, neither the registrar of companies in Jersey nor the Jersey Financial Services Commission takes any responsibility for the financial soundness of the Issuer or for the correctness of any statements made, or opinions expressed, with regard to it.

The Issuer has registered (or will register within any applicable time frame) with the JFSC under the Proceeds of Crime (Supervisory Bodies) (Jersey) Law 2008 for certain specified Schedule 2 activities of the Proceeds of Crime (Jersey) Law 1999. In addition, the Administrator and the Issuer

are subject to applicable anti-money laundering legislation and regulations in Jersey ("**Jersey AML Legislation**"). In order to comply with legislation or regulations aimed at the prevention of money laundering the Issuer is required to adopt and maintain anti-money laundering procedures, and may require prospective investors to provide evidence to verify their identity, the identity of their beneficial owners/controllers (where applicable), source of funds and wealth. Where permitted, and subject to certain conditions, the Issuer may also rely upon a suitable person for the maintenance of its anti-money laundering procedures (including the acquisition of due diligence information) or otherwise delegate the maintenance of such procedures to a suitable person (a "**Relevant AML Person**").

Save as set out above, the Issuer is not required to be licensed, registered or authorised under any current securities commodities or banking laws of its jurisdiction of incorporation and will operate without supervision by any authority in any jurisdiction. However, there can be no assurance that regulatory authorities in one or more jurisdiction(s) will determine that the Issuer is required to be licensed, registered or authorised under any current securities commodities or banking laws of such jurisdiction or that legal or regulatory requirements with respect thereto will not change in the future.

### **8.3 Conflicts of Interests**

Certain directors of the Issuer (as described in section 8.1) are also members of the Board of Directors of its parent company Backed Finance AG. Other directors of the Issuer are employed by the Administrator. The Administrator has a conflicts of interest policy which its employees are required to comply with. Further, under the Companies (Jersey) Law 1991, directors are required to declare the nature and extent of any material conflicts of interest so that other directors are made aware of any conflicts prior to considering whether to approve board resolutions and must also comply with provisions in the Articles of Association relating to conflicts of interest (which may include provisions restricting their ability to vote on certain matters where there is a conflict of interest).

Furthermore, in accordance with the relevant applicable law the directors may hold securities, other financial instruments and digital assets on their personal name and account. They are under no obligation to disclose their holdings, changes in the value of their holdings, any trading activity in those holdings. These interests may deviate or conflict with interests of investors of the Products.

The Issuer may issue other products relating to the Underlying. The introduction of such competing products may affect the market value of the Products. The Issuer may also receive non-public information relating to the Underlying that the Issuer may not make available to investors.

The Issuer, has entered into a contract with its parent company, the Tokenizer, namely Backed Finance AG, in order to receive tokenization services. Thus, the Tokenizer is contractually bound with the Issuer but at the same time also holds all of the shares of the Issuer and controls the company. Therefore, the investors are informed that a potential conflict of interest may arise, in which situation the interests of the parent company may prevail and the activity of the Issuer may be terminated and/or the investors may endure a loss of their investment.

## 9. Major Shareholders

As of the date of this Registration Document the sole shareholder of the Issuer is the Parent with its registered office in Zug, Switzerland. Major shareholders of the Backed Finance AG, Zug, are Adam Levi, Yehonatan Goldman and Roberto Isaac Klein, each holding 19.75% of the shares.

## 10. Financial Information concerning the Issuer's Assets and Liabilities, Financial Position and Profits and Losses

### 10.1 Financial Information

As the Issuer was only recently incorporated on 19 January 2024, no financial statements (balance sheet, income statement and notes) are available. However, as Backed Assets GmbH has been absorbed by the Issuer as of 23 February 2024, the historic financial information of Backed Assets GmbH, as reflected below, is relevant to assess the financial information of the Issuer. See also Annex 1, section 2 with the "Key Financial Information regarding the Issuer".

The Issuer will publish any audit reports and financial statements on its website:

[www.backedassets.fi](http://www.backedassets.fi)

The financial statements will be audited in accordance with The Issuer's financial statements will be audited in accordance with the United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice) ("FRS102")

### 10.2 Historic Financial Information

The financial statements of Backed Assets GmbH (balance sheet, income statement, cash flow statement and notes), covering the periods from 1 January 2022 to 31 December 2022 and from 1 January 2023 to 31 December 2023 have been audited in accordance with the Swiss Standard on the limited statutory examination. This standard requires that the auditor plans and performs a limited statutory examination to identify material misstatements in the financial statements. A limited statutory examination consists primarily of inquiries of company personnel and analytical procedures as well as detailed tests of company documents as considered necessary in the circumstances. However, the testing of operational processes and the internal control system, as well as inquiries and further testing procedures to detect fraud or other legal violations, are not within the scope of this examination. The published Financial Reports of Backed Assets GmbH consist of the financial statements (balance sheet, income statement and notes, including a comparison to the previous year) and the audit report and can be found on the following website: [www.backedassets.fi](http://www.backedassets.fi). They can also be inspected during usual business hours at First Floor, La Chasse Chambers, Ten La Chasse, St. Helier, JE2 4UE, Jersey.

The following audited historical financial information of Backed Assets GmbH is incorporated by reference to this Registration Document:

- The [Financial Report](#) of Backed Assets GmbH for the period of 1 January 2022 to 31 December 2022, including the financial statements and the audit report of Backed Assets GmbH.

- The [Financial Report](#) of Backed Assets GmbH for the period of 1 January 2023 to 31 December 2023, including the financial statements and the audit report of Backed Assets GmbH.

### **10.3 Legal and Arbitration Proceedings**

During the period covering the last 12 months preceding the date of this Registration Document, there have not been any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) which may have, or have had in the recent past, significant effects on the Issuer's financial position or profitability.

## **11. Additional Information**

### **11.1 Share Capital**

As of the date of this Registration Document, the share capital of the Issuer amounts to £100. There is no limit to the number of shares that the Issuer may issue. There is no category of shares that carry preferential rights.

The share capital of the Issuer is held in its entirety by its Parent.

### **11.2 Contribution to the Capital Reserves and Subordinated Shareholder Loan**

The Parent as lender has provided a subordinated loan agreement which allows the Issuer, as borrower, to draw advances in the amount of up to CHF 1,000,000. On the date of this Registration Document, no advance is outstanding.

### **11.3 Articles of Association**

The Issuer is registered in Jersey with the Registrar of Companies, PO Box 267, 14-18 Castle Street, Jersey, JE4 8TP, Channel Islands. The Issuer's Memorandum and Articles of Association (together, the "**Articles of Association**") are available publicly on the Issuer's website: [www.backedassets.fi](http://www.backedassets.fi).

## **12. Material Contracts**

The Issuer has entered into a contract with its Parent in order to receive tokenization services ("**Tokenization Services Agreement**"). The terms and conditions under which the Tokenization Services Agreement has been entered into is not at arm's length. The role of the Tokenizer is, inter alia, to provide the following services to the Issuer:

- Mint the tokens representing the securities for the respective Products in the network as Ledger-Based Securities in accordance with the specifications defined by the Issuer;
- Safeguard the tokenized securities until required by the Authorized Participant, the Parent or the Issuer;
- Deliver the tokenized securities when required and as instructed by the Issuer;

- iv. receive and cancel, i.e. burn the securities in the register in case of redemptions;
- v. develop and deploy smart contracts on different supported blockchains as requested by the Issuer;
- vi. security audits of blockchain smart contracts;
- vii. ongoing support of the blockchain network used for the benefit of the Issuer;
- viii. design and develop a web platform and SDK for issuance and redemption procedures as well as interfacing such web platform and app to the other service providers as described in this Securities Note to the extent required and instructed by the Issuer;
- ix. design and develop administration platform for the Issuer to overview the status of the tokenized securities and the market; and
- x. oversee the security of both the blockchain and the server systems.

Providing tokenization services means providing the technical solution for tokenization to the Issuer as external information technology ("IT") service provider. Therefore, the Tokenizer is neither acting as an issuer nor as an offeror of the Products.

There are no further material contracts that are not entered into in the ordinary course of the Issuer's business, which could result in any member of the Group being under an obligation or entitlement that is material to the Issuer's ability to meet its obligations to investors in respect of the Products being issued.

### **13. Documents Available**

For the term of the Registration Document, copies of the following documents can be inspected during usual business hours at Backed Assets (JE) Limited, First Floor, La Chasse Chambers, Ten La Chasse, St. Helier, JE2 4UE, Jersey or they can be downloaded using the below hyperlinks:

- The [Memorandum and Articles of Association](#) of Backed Assets (JE) Limited.
- The [Financial Report](#) of Backed Assets GmbH for the period of 1 January 2022 to 31 December 2022, including the financial statements and the audit report of Backed Assets GmbH.
- The [Financial Report](#) of Backed Assets GmbH for the period of 1 January 2023 to 31 December 2023, including the financial statements and the audit report of Backed Assets GmbH.

All above listed documents are incorporated by reference to this Registration Document and publicly available on the following website: [www.backedassets.fi](http://www.backedassets.fi).



#### **14. Continuation of the Offer of Securities to the Public**

The offer of the Products to the public which first commenced under the Base Prospectus dated 9 May 2022, as amended by any supplements, and which is continuing uninterrupted at the date of approval of this Base Prospectus, will continue on the basis of this and any succeeding base prospectuses in accordance with Article 8 paragraph 11 of the Prospectus Regulation until the end of the offer term of the Products (as defined in the relevant Final Terms) as described below:

For the Products referred to in section 9 of the Securities Note, for which the public offer is continuing, the Registration Document dated 9 May 2022 will continue to be legally binding. Therefore, the Registration Document dated 9 May 2022 is incorporated by reference into this Base Prospectus.

The Products whose public offering is to be continued are identified by listing their international security identification number (ISIN) in section 9 of the Securities Note. The Final Terms and the Products identified therein are published on [www.backedassets.fi](http://www.backedassets.fi) and are available by entering the respective ISIN.

## **Annex 1: Annex pursuant to Art. 26 para. 4 Prospectus Regulation relating to the Registration Document of Backed Assets (JE) Limited dated 9 May, 2023**

### **1. Who is the Issuer of the Products?**

#### Registered seat, legal form, LEI, governing law and country of registration of the Issuer

The Issuer is a private, no par value company incorporated under the laws of Jersey pursuant to the Companies (Jersey) Law 1991, with the liability of its shareholders being limited to the amount unpaid (if any) on their shares. The Issuer's registered office is in Jersey. The registration number of the Issuer is 152608. The Issuer's legal entity identifier ("LEI") is 984500001AB7C6C7F577.

#### Principal activities of the Issuer

The Issuer's principal activity is the issuance of its products in the form of blockchain based cryptographic tokens in the EU, Switzerland and other countries worldwide (tokenized structured products).

#### Major Shareholder

The sole shareholder of the Issuer is Backed Finance AG (CHE-410.125.970) with its registered office in Zug, Switzerland. Major shareholders of the Backed Finance AG, Zug, are Adam Levi, Yehonatan Goldman and Roberto Isaac Klein, each holding 19.75% of the shares.

#### Directors / Secretary

The directors and company secretary of the company are set out at Section 8.1 above.

#### Identity of the statutory Auditors

The Auditor is Bracken Rothwell Limited of 2<sup>nd</sup> Floor, The Le Gallais Building, 54 Bath St, Jersey, JE1 1FW.

### **2. What is the Key Financial Information regarding the Issuer?**

The Issuer is newly incorporated and so does not have any previous financial history. The financial history of Backed Assets GmbH is relevant to assess the financial information of the Issuer, as the Issuer absorbed Backed Assets GmbH via the Merger.

<b>Following key financial information is based on the Financial Statements of Backed Assets GmbH for the period from 01 January 2022 to 31 December 2023.</b>					
<b>Income Statement of 01.01.2022 – 31.12.2022 and 01.01.2023 – 31.12.2023</b>			<b>Balance Sheet as of 31.12.2022 and 31.12.2023</b>		
	<b>01.01.2022- 31.12.2022</b>	<b>01.01.2023- 31.12.2023</b>		<b>31.12.2022</b>	<b>31.12.2023</b>
	<b>CHF</b>	<b>CHF</b>		<b>CHF</b>	<b>CHF</b>
Other operating expenses	-351,604	-385,198.36	Cash and cash equivalents	511,836	338,645.08
<b>Operating result</b>	<b>-351,604</b>	<b>-457'641</b>	Securities	122,924	73,864.29

Financial income	2,362	0	<b>Total current as- sets</b>	<b>634,760</b>	<b>412,509.37</b>
Financial ex- penses	-17,173	-23,145.88	Financial assets	1,464	40,524,158.24
<b>Loss for the pe- riod before taxes</b>	<b>-366,415</b>	<b>-495,237.22</b>	<b>Total non-cur- rent assets</b>	<b>1,464</b>	40,524,158.24
Direct taxes	-727	-353.20	<b>Total assets</b>	<b>636,224</b>	<b>40,936,667.61</b>
<b>Loss for the pe- riod</b>	<b>-367,142</b>	<b>-495,590.42</b>	Trade accounts payable	88,010	<b>53,033.91</b>
<b>Cash Flow Statement of 01.01.2022 – 31.12.2022 and 01.01.2023 – 31.12.2023</b>			Other short-term liabilities	30,658	40,612,596.50
	<b>01.01.2022- 31.12.2022</b>	<b>01.01.2023- 31.12.2023</b>	Short-term provi- sions	1,078	930
	<b>CHF</b>	<b>CHF</b>	Accrued ex- penses and de- ferred income	15,426	24,645
Cash flows from operating activi- ties	-491,657	-420,414.47	<b>Total liabilities</b>	<b>135,172</b>	<b>40,691,205.41</b>
Cash Flows from investing activi- ties	-1,464	-40,522,694.24	Common stock	250,000	250,000
Cash flows from financing activi- ties	1,005,191	40,769,916.92	Reserves from capital contribu- tions	778,190	1,018,189.75
<b>Change in cash and cash equiv- alents</b>	<b>512,070</b>	<b>-173,191.79</b>	Results carried forward	-159,996	-527,137.13
			Loss for the pe- riod	-367,142	-495,590.42
			<b>Total equity</b>	501,052	245,462.20
			<b>Total liabilities and equity</b>	<b>636,224</b>	<b>40,936,667.61</b>

### 3. What are the Key Risks that are Specific to the Issuer?

In the following the most material risks to the Issuer are set out. The realization of these risks could result in adverse effects on the Issuer's business, results of operations, profitability, financial condition or prospects.

**Short Business History, Limited Financial Information and no rating of the Issuer:** Due to the fact that the Issuer has been incorporated on 19 January 2024, no (historical) financial information on the Issuer is available and the Issuer is subject to the risk of no credit rating. This implies the risk

that the business activity of the company is not yet proven by the time of filing the Base Prospectus and additional documents.

**Dependence on Service Providers:** The Issuer is dependent on a number of service providers to maintain the issuances and the Collateral. Should there be a material adverse change with any existing partner and a suitable alternative be unavailable or impracticable, it may be impossible for the Issuer to continue to list and service the products.

**Changes of the Regulatory Environment:** The Issuer issues financial products whose regulatory environment appears to be unclear because it is constantly developing and adapting to new technologies. This may lead to significant cost increases in the operating business and may have a material adverse effect on the Issuer's net assets, financial position and results of operations and thus negatively affect its ability to fulfil claims arising from the products.

**Software related Risks:** Tokenized securities may be susceptible to bugs and smart contract related risks, that might lead to investors losing control over their assets, or a breach that might cause an unintended minting of the asset.

**Liquidity Risk:** The Issuer may not have sufficient funds for making payments at any point in time, meaning that the Issuer may have difficulties meeting financial obligations.

**Counterparty Risk:** In general, the Issuer relies on third parties providing trading on both the products and any underlying. Any dysfunction of such third parties or disruption at the exchanges and other platforms may result in a loss of value of the products, which may, in turn negatively impact the Issuer and/or the investors.

**Credit Risk:** Investors are exposed to the credit risk of the Issuer, the Custodian and other parties. An Investor's ability to obtain payment is dependent on the Issuer's ability to meet these obligations. In the event of default, insolvency or bankruptcy, investors may not receive the amount owed to them.

**General Insolvency Risk:** Investors are exposed to the credit risk of the Issuer of the products. The products constitute subordinated obligations of the Issuer and rank *pari passu* with each other and all other current and future subordinated obligations of the Issuer. The insolvency of the Issuer may lead to a partial or total loss of the invested capital.

**Issuer as Special Purpose Vehicle:** The Issuer is a newly established special purpose vehicle ("SPV") with the sole business purpose of the issuance of financial instruments. Thus, the Issuer is currently not profitable and depends on capital and financing from the Parent and the Parent's investors. The reserves to maintain the company operations are limited, which may result in the inability of the Issuer to continue as a going concern.

**Market Risk:** Market risk refers to the potential losses through changes in the valuation of the Issuer's assets and liabilities because of changes in market prices, volatilities, correlations and other valuation-relevant factors.

**Operational Risk:** There are a number of risks related to external and internal circumstances or events which may harm the operating business of the Issuer. Any of these risks may be detrimental to the Issuer's reputation and operating results.

**Risk of Data Breach:** The Issuer maintains significant amounts of data surrounding trades, trade execution, as well as customer data. A significant data breach may have wide reaching adverse effects, including trading losses and loss of reputation, which may negatively impact the Issuer's core business.

**Personnel Interdependence / Conflicts of Interest:** Directors of the Issuer operate also within the Board of Directors of Backed Finance AG, owning 100% of the shares of the Issuer ("**Parent**"), or the respective secretary. At the same time, the Parent is the contractual Tokenizer of the Issuer. These interests may deviate or conflict with interests of investors of the Products. Other directors of the Issuer are employed by the Administrator, which has an agreement to provide certain administration and company secretarial services to the Issuer.

**Cybersecurity related Risks:** The Issuer deals with tokenized securities registered online and therefore is susceptible to operational, information security and related "cyber" risks. Cybersecurity failures by, or breaches of, the systems have the ability to cause disruptions and impact business operations, and may result in e.g. financial losses or disclosure of confidential information. The investors may lose their investment as consequence of such cybersecurity related risks.

## **Annex 2: Jersey Financial Services Commission's Guidance**

### **1. Jersey Treatment of Issuer**

- 1.1** There are currently no existing capital markets regulations in Jersey specifically governing token sales. However, the Jersey Financial Services Commission (the **JFSC**) is aware of the desire of token issuers to use a Jersey incorporated issuer because of Jersey's reputation as a well-regulated and reputable jurisdiction.
- 1.2** Accordingly, the JFSC has established certain conditions that any issuer of tokens registered in Jersey is required to satisfy. These are implemented through a consent (a **COBO Consent**) granted under the Control of Borrowing (Jersey) Order 1958, which any Jersey entity wishing to issue tokens must obtain.
- 1.3** The conditions require the issuer of the tokens to take certain measures to manage, amongst other things, financial crime and investor risks. The conditions reflect the guiding principles pursuant to which the JFSC discharges its functions as the Island's financial services regulator (the **Guiding Principles**) which are to have regard to:
  - 1.3.1** the reduction of the risk to the public of financial loss due to dishonesty, incompetence, malpractice or the financial unsoundness of financial service providers;
  - 1.3.2** the protection and enhancement of Jersey's reputation and integrity in commercial and financial matters;
  - 1.3.3** the best economic interests of Jersey; and
  - 1.3.4** the need to counter financial crime both in Jersey and elsewhere.
- 1.4** However, whilst the JFSC has established certain conditions that issuers of tokens are required to satisfy, it does not regulate or supervise the tokens or the issuers.
- 1.5** The COBO Consent imposes on the issuer certain requirements which reflect the Guiding Principles, including to:
  - 1.5.1** acknowledge that issuing tokens is a "sensitive activity" falling within the JFSC's Sound Business Practice Policy. Accordingly, the issuer must maintain and adopt systems, controls, policies and procedures for the customer take-on, profiling and transaction monitoring at enhanced levels ensuring reporting of suspicions of money-laundering and financing of terrorism activity;
  - 1.5.2** apply relevant AML/CFT/CPF requirements to persons that either purchase tokens from, or sell tokens back to, the issuer of those tokens;
  - 1.5.3** appoint and maintain a TCSP (a trust and company service provider licensed by the JFSC under the Financial Services (Jersey) Law 1998 to carry on trust company business);

- 1.5.4** appoint and maintain a Jersey resident director on the board of the issuer; where the Jersey resident director is a natural person and also a principal person of TCSP appointed by the issuer;
- 1.5.5** obtain the JFSC's prior approval to any change to the TCSP appointed by the issuer, the Jersey resident director of the issuer or additional specified counterparties of the issuer as set out in the COBO consent;
- 1.5.6** prepare and file annual audited accounts with the Jersey Companies Registry;
- 1.5.7** have procedures and processes in place to (i) mitigate and manage the risk of retail investors investing inappropriately in the tokens, and (ii) to ensure retail investors understand the risks involved;
- 1.5.8** prepare and submit to the JFSC an Information Memorandum (which may be in the form of a White Paper) which complies with certain content requirements required of a prospectus issued by a company under the Companies (Jersey) Law 1991; and
- 1.5.9** ensure that any marketing material (including the Information Memorandum) is clear, fair and not misleading.

**Signature Page**  
**Backed Assets (JE) Limited**  
**Registration Document**

---

Roberto Isaac Klein  
**Director**

---

Erwan Mismaque  
**Director**

---

James Nicholas Cunningham -Davis  
**Director**

---

Lindsay Anne Bracegirdle  
**Director**