

Physical Staked Polkadot

Ticker CDOT ISIN GB00BNRRFW10 WKN A3GVC0

Investment objective

CoinShares Physical Staked Polkadot (Ticker: CDOT) is a physically-backed Exchange Traded Product (ETP). CDOT trades on a regulated exchange and can be bought and sold just like an equity. Designed to provide direct exposure to the price of Polkadot's native asset, DOT, and to enable investors to participate in staking rewards associated with holding DOT in a transparent way.

Key Information

Underlying asset	Polkadot (DOT)
Management Fee	Reduced to 0.0% p.a. ¹
Bloomberg Code	CDOT
Securities Lending	No
Base Currency	USD
Staking rewards	5.0% p.a. ¹
Replication Method	Physical
UCITS Eligible	Yes ²
UCITS Compliant	No

Legal Structure	Debt Security (ETP)
Registrar	Computershare Investor Services (Jersey) Limited
Administrator	JTC Fund Solutions (Jersey) Limited
Trustee	The Law Debenture Trust Corp p.l.c.
Auditor	Baker Tilly Channel Islands Limited
Issuer	CoinShares Digital Securities Limited
Custodian	Komainu (Jersey) Limited

¹The Issuer has announced by RNS that, until further notice, the staking rewards for CDOT will be applied by both a reduction in the Management Fee to 0.0% p.a. and a daily increase to the relevant Coin Entitlement. See the Staking Rewards section on Page 2 for details.

²UCITS Eligibility varies by jurisdiction. Please contact CoinShares if you would like to discuss.

Bitcoin Price Performance (USD)

PERIOD	RETURN
2020*	88.74%
2021	240.70%
2022	-84.28%
2023 (YTD)	1.85%

*since October 2020.
Source: DOT/USD, Compass Financial Technologies. The figures shown relate to past performance. Past performance is not a reliable indicator of future results and should not be a sole factor of consideration when selecting a product. Transaction costs, fees and expenses not included. Figures do not include any Staking Rewards.

The product utilizes the Compass Crypto Reference Indices (CCRI) as a benchmark to determine the daily indicative monetary value for the Coin Entitlement

The Year-on-Year performance of the Product is -31.09%, while the performance of the Index stands at -34.37%.

Pricing information

Coin Entitlement (CE) 1.0 DOT at launch

Price Coin Entitlement × DOT price

Why CDOT?

- Each CDOT Security is 100% physically backed by the underlying asset (DOT)
- Investors have the option to redeem their securities directly for DOT
- Reduced management fee of 0.0% p.a.¹
- Staking Rewards of 5.0% p.a.¹
- Built for investors to enjoy the rewards from staking in a transparent way

Key Risks

- Investors' capital is at risk and investors may lose part or all of their investment
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- CDOT Securities are structured as debt securities, not equity
- The bid/offer prices of the CDOT Securities on an exchange may differ from the trading price of the Polkadot
- Liquidity risk due to restriction on transferability of coins staked

CDOT trading lines

EXCHANGE	TRADING CURRENCY	BLOOMBERG CODE	SEDOL	LISTING DATE
Börse Xetra	USD	CDOU GR	BNRRFW1	26/01/2022
Börse Xetra	EUR	CDOT GR	BNRRFW1	26/01/2022
SIX	CHF	CDOT SW	BNRRFW1	24/02/2022
SIX	USD	CDOTUSD SW	BNRRFW1	24/02/2022

Staking rewards

Proof of stake blockchains like Polkadot work differently to proof of work blockchains like Bitcoin. In simple terms, adding new blocks to the blockchain requires existing holders to 'stake' their cryptocurrency. In return for staking, they are rewarded with cryptocurrency from that same blockchain.

CoinShares' Staked ETPs are built to allow the Issuer to share staking rewards with investors in two ways:

The Issuer can reduce the management fee.

The Issuer can also increase the Coin Entitlement of the ETP each day, as staking awards accrue.

For CoinShares Physical Staked Polkadot, the Issuer will share staking rewards as follows:

PRODUCT	MANAGEMENT FEE	STAKING REWARD
CoinShares Physical Staked Polkadot	Reduced to 0.0% p.a.	5.0% p.a. (accrued daily)

Note that staked coins do not move from the secure custodian where they are stored, and the ETP remains 100% physically backed at all times.

The CoinShares Group earns fees for services performed for the Issuer as well as any extra return earned from staking above the Staking Rewards for investors.

For more information, please see our Staking FAQ at: coinshares.com/etps/physical

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For more information on this product and/or CoinShares, email physical@coinshares.com or you can find details on the website at etp.coinshares.com/physical

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