

## **AIX BOND**

### **FREQUENTLY ASKED QUESTIONS**

#### **Product Brief**

What we are offering is a publicly listed corporate BOND, with a 4.5% quarterly coupon pay out and a maturity period of 36 months, allowing you to earn 54% in 3 years - or calculated for the remaining tenure of the Bond. BOND also comes with a buy back guarantee at original value.

Each BOND can be purchased at 100,000 EUR and you subscribe for multiple BONDS within the first 6 months of issuance, provided they are not subscribed fully. The BOND has its independent BOND Issuer, Trustee Bank, Auditor and Fund Administrator to act on your interest and AIX is merely the trader facilitating the BOND and allowing you to enjoy the 18% Annual returns on the BOND.

#### **What is AIX Bond?**

AIX BOND is a structured note that has a fixed coupon rate of return and a fixed tenure. The funds raised from subscription are deployed in three asset classes including Commodities, Foreign Currencies and Digital Assets.

The BOND is a secured debt security which is interest bearing and the value varies according to the value of the underlying assets being traded and their corresponding value.

#### **What kind of returns can I expect from AIX Bond?**

AIX BOND has a fixed coupon rate payout, and it yields 4.5% per quarter, generating an annual return of 18% per annum. (54% in 3 years)

#### **Are my returns subject to change, depending on the Market conditions or guaranteed?**

The returns paid in the form of Coupon rates for the AIX BOND is a guaranteed return and fixed, irrelevant of the market conditions.

#### **What is the term of Investment?**

The term of investment for subscribing for the AIX BOND is a fixed period of 36 months (3 years), from the listing date of October 2022, expiring September 2025. Depending on the subscription date, the remaining tenure would be the term of the Investment.

### **Is there an option to exit early?**

AIX Bond does not allow early redemption and is fixed for 36 months (3 years) or the remaining tenure until September 2025, from the date of subscription.

### **Is the BOND resalable in the Secondary market?**

Owing to the fact, that AIX BOND is a newly issued BOND, there would be no Secondary market. Therefore, the BOND is not resalable.

### **Who is issuing the BOND?**

The BONDS are issued by a Special Purpose Vehicle (SPV) incorporated in Ireland whose sole purpose is to issue the said Notes under its approved Program. The SPV is a multi-issuance vehicle designed to issue segregated Series of Notes. It can also be referred to as a "Securitization vehicle".

### **Why is Ireland chosen as the jurisdiction for the issuance?**

Ireland is at the forefront of securitization and the principal center in Europe for securitization vehicle. The main reasons for Ireland's popularity include:

- ♦ Extensive double taxation treaty network under EU jurisdiction.
- ♦ Effective tax neutrality of SPVs under the Section 110 regime.
- ♦ Zero withholding tax on interest under the quoted Eurobond exemption.
- ♦ No Irish stamp duty on the issue or transfer of securities issued by SPVs.
- ♦ No thin capitalization restrictions.
- ♦ Common law legal system, similar in many respects to the US and UK.
- ♦ Competitive and sophisticated legal market.
- ♦ AIFMD certainty for debt issuance.
- ♦ Leading jurisdiction for listing SPVs.

### **Is the BOND recognized in the international capital markets?**

Yes, the BOND is recognized in the international capital markets via an ISIN number: CH1217701429 and is further publicly listed on the MTF at the Wiener Börse AG (Vienna Stock Exchange) and on the Bloomberg terminal under the Bloomberg ID BZ8115843.

All public information about the BOND can be found in the following links

<https://www.aixinvestment.com/our-products/aix-bond/>

<https://aixbond.com/>

<https://www.wienerborse.at/en/market-data/bonds/search/>

**Who are the other Third Parties that have worked with AIX to issue the BOND?**

BOND ISSUER: Independent Issue Capital Structure DAC, Ireland

BOND ARRANGER: Bond Central Ltd, Cayman Islands

<https://www.bond-central.com/node/3>

BOND TRUSTEE: Waystone Corporate Services Ltd, Ireland

<https://www.waystone.com/services/corporate-services-solutions/structured-finance-and-capital-markets/>

PAYING AND SETTLEMENT AGENT: ISP Securities AG, Switzerland

<https://ispgroup.com/>

LEGAL ADVISERS TO THE ISSUER AS TO IRISH LAW: Dillon Eustace, Ireland

<https://www.dilloneustace.com/expertise/practice-areas/banking-and-capital-markets/securitisation-and-structured-finance>

LEGAL ADVISERS ONSHORE: Karawani & Co, United Arab Emirates

<https://karawanico.com/>

FUND ADMINISTRATOR: Amicorp, Cayman Islands

<https://www.amicorp.com/services/fund-services>

FUND AUDITOR: Russell Bedford, Cayman Islands

<https://www.russellbedford.com/services/audit-and-assurance/>

**Can I view the BOND's prospectus?**

Yes, you can view the BOND's prospectus. This can be requested to your respective Financial Advisor, and they would be able to provide this to you.

**Is the BOND regulated and if yes, by who?**

AIX BOND is owned by AIX FUND SPC, which is a regulated fund under the CIMA regulation (Cayman Islands Monetary Authority) with registration number 390715 and the public information of the Segregated Portfolio Company can be found in the following link:

<https://cima.ky/search-entities-cima/>

**Is there any Nationality restriction on who can subscribe for the BOND?**

There are no restrictions on any Nationality, except if you are a US passport holder. US Citizens cannot subscribe for the bonds, as per the limitations of the Issuer.

**What does this structure and regulation mean to me as an Investor?**

With a regulatory body like CIMA overlooking the fund, we must comply with the below requirements:

1. We are obliged to establish and prove, that the FUNDS raised from the BOND subscription is only utilized for the purpose of trading the financial instruments / asset classes as pre-defined – which is further monitored by our BOND Trustee, Waystone Corporate Services and BOND Arranger, Bond Central.
2. We are obliged to establish and prove, that the FUNDS raised from the BOND subscription are only traded in pre-established regulated exchanges limited to NOOR Capital and BINANCE – which is further monitored by our BOND Trustee, Waystone Corporate Services and BOND Arranger, Bond Central.
3. We are obliged to allow our funds to be annually audited by a recognized auditor within CIMA regulations and AIX BOND would be audited and reported by Russell Bedford.
4. We are obliged to ensure all coupon payouts are calculated and Client payouts are executed by our Paying Agent, ISP Securities AG, allowing no delays whatsoever on the pre agreed coupon payout dates.
5. We are obliged to allow our FUND administrator, AMICORP to calculate and declare Net Asset Value (NAV) reports on a periodic basis to all our BOND subscribers, ensuring everyone is well informed throughout the BOND subscription tenure.

**How can I get access to NAV reports and AUDIT reports?**

Net Asset Value reports will be generated by our FUND Administrator, periodically to coincide with your coupon payout.

Audit reports will be generated annually by our AUDITOR.

**Can I purchase the bond in other currencies other than EUR?**

Yes, you can purchase in other currencies that are not in EUR.

Other currencies such as, but not limited to USD, GBP, AED, CHF, QAR, SAR, etc.

### **What is the BOND value and is there a minimum subscription value?**

AIX BOND is issued only for professional investors as regulated by CIMA. As per CIMA, an investor qualifies as a professional investor, only if they are able to invest 100,000 EUR and above.

In tandem with the regulation, AIX BOND value has been fixed at the price of 100,000 EUR per bond and all investors with 100,000 EUR and above can invest and avail the benefits of AIX BOND.

### **Can I subscribe for more than one AIX BOND and is there any limitation?**

Investors can subscribe to multiple AIX BOND's by investing in multiples of 100,000 EUR per Bond. (100k EUR or 200k EUR or 300k EUR and so on)

There is no limitation on subscription, as far as the BOND is not fully subscribed. As reference, the first tranche of AIX BOND will have only 150 Bonds issued. As far as, all the 150 Bonds are not subscribed, so an Investor can go on to purchase any number as per availability.

Another point to be considered, from the issuance date, subscription is allowed for only 180 days from the date. Irrelevant of availability of the BONDS, post 180 days, the BOND subscription would be closed.

### **Is there any process I must be aware of while subscribing for the BOND?**

FUND Administrator would administer all the Clients' onboarding process as per the CIMA regulatory requirements. This means there would be a standard KYC process and AML process that all investors would have to comply with.

### **Can I invest by giving cash or pay in the other formats such as Digital Assets or by giving a real estate asset?**

The only allowed method of subscribing to the BOND is via your banking channel. So, all other modes of payments have to be converted to funds available in your Bank account allowing you to subscribe further for the BONDS.

### **How frequently will I be paid my coupon rate? Will it always be Quarterly?**

AIX BOND is structured to payout 4.5% Coupon rate every quarter.

### **At the Maturity date, will the BOND be bought back at the original par value?**

Yes, the BOND would be bought back at its original sale value of 100,000 EUR per BOND.



**Are there any associated fees involved in the subscription of the BOND?**

Yes, there is a placement fee of 10% that would be part of the subscription fee. However, this does not affect you both in terms of Coupon payout as well as buyback value.

18% Payout annually is calculated at the 100% of the subscription value and the buyback value at the maturity date is also calculated at the 100% of the original subscription value.

In addition, there is no management fee, no exit fee, or any associated annual fees.

**Does this mean AIX is trading back the 10% placement fee during the subscription tenure?**

Yes, AIX is trading back the 10% placement fee and is ensuring the investor does not get affected.

**Is the BOND rated by any Rating agency?**

Being the first tranche that is issued, the BOND could not be rated owing to a lack of market presence. However, the BOND would be rated soon once it has had a presence for an acceptable period of time.

**Will the BOND be insured?**

Similar to the reasons being the BOND not being rated at the moment, once the BOND has had a bit of a market run, the BOND would be insured and as an end investor, your interest will be well protected via the insurance wrap.

**Will there be new series of BONDS issued in the future once the current series is fully subscribed?**

Yes, there will be a follow up tranche for every round of subscription completed.