

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

**AMENDED AND RESTATED PROSPECTUS DATED SEPTEMBER 18, 2026
AMENDING AND RESTATING THE PROSPECTUS DATED JUNE 10, 2025**

Continuous Offering

September 18, 2026



3iQ XRP ETF

3iQ XRP ETF invests in the digital asset XRP. Given the speculative nature of XRP and the volatility of the digital asset markets, there is considerable risk that the 3iQ XRP ETF will not be able to meet its investment objectives. An investment in the 3iQ XRP ETF is not intended as a complete investment program and is appropriate only for investors who have the capacity to absorb a loss of some or all of their investment. An investment in the 3iQ XRP ETF is considered high risk.

This amended and restated prospectus qualifies the distribution of units (“**Units**”) of the 3iQ XRP ETF, which is an alternative mutual fund trust within the meaning of National Instrument 81-102 – *Investment Funds* (“**NI 81-102**”) created under the laws of the Province of Ontario. The 3iQ XRP ETF has the ability to invest in asset classes and use investment strategies that are not permitted for conventional mutual funds. While these strategies will be used in accordance with the 3iQ XRP ETF’s investment objective and strategies, during certain market conditions, they may accelerate the pace at which your investment decreases in value. The 3iQ XRP ETF is subject to restrictions and practices contained in Canadian securities legislation applicable to alternative mutual funds, including NI 81-102, and is managed in accordance with these restrictions, except as otherwise permitted by exemptions provided by Canadian securities regulatory authorities. The Units are purchased and sold in Canadian dollars and U.S. dollars.

3iQ Corp. (the “**Manager**”) is the trustee and manager of the 3iQ XRP ETF and is responsible for providing certain general management and administrative services to the 3iQ XRP ETF. See “Organization and Management Details – The Trustee, Manager and Promoter”.

The 3iQ XRP ETF’s investment objectives are to seek to provide holders of Units (“**Unitholders**”) of the 3iQ XRP ETF with: (a) exposure to the digital asset XRP (“**XRP**”) and the daily price movements of the U.S. dollar price of XRP; and (b) the opportunity for long-term capital appreciation. See “Investment Objectives - 3iQ XRP ETF”.

To achieve its investment objectives, the 3iQ XRP ETF will invest in long-term holdings of XRP, purchased from reputable digital asset trading platforms and OTC counterparties, in order to provide investors with a convenient, safer alternative to a direct investment in XRP. See “Investment Strategies”.

The 3iQ XRP ETF will not speculate with regard to short-term changes in XRP prices. See “Investment Strategies”.

The Manager believes an investment in XRP provides investors with a low-correlated asset class which complements traditional investment strategies.

Purchase and Listing of Units

The Units of the 3iQ XRP ETF have been conditionally approved for listing on the Toronto Stock Exchange (the “**TSX**”).

Subject to satisfying the TSX's original listing requirements, the Units shall be listed on the TSX and investors will be able to buy or sell such Units of the 3iQ XRP ETF on the TSX on a continuous basis through registered brokers and dealers in the province or territory where the investor resides. Investors may incur customary brokerage commissions in buying or selling Units of the 3iQ XRP ETF.

The TSX ticker symbol for the Units of the 3iQ XRP ETF is "XRPQ" (in Canadian dollars) and "XRPQ.U" (in U.S. dollars). Investors may incur customary brokerage commissions in buying and selling the Units. See "Purchases of Units – Buying and Selling Units".

Additional Considerations

No underwriter has been involved in the preparation of this prospectus or has performed any review of the contents of this prospectus. The Manager has received an exemption from the Canadian securities regulators from requirement to include a certificate of an underwriter in this prospectus. The Designated Broker (as defined herein) and Dealers (as defined herein) are not underwriters of the 3iQ XRP ETF in connection with the distribution of Units under this prospectus.

The Manager, on behalf of the 3iQ XRP ETF, has entered, or will enter, as the case may be, into agreements with the Designated Broker and Dealers, which amongst other things enables the Designated Broker and Dealers to purchase and redeem Units directly from the 3iQ XRP ETF. The 3iQ XRP ETF will issue Units directly to the Designated Broker and Dealers. Unitholders will be able to redeem Units for cash at a redemption price equal to the lesser of 95% of (a) the closing price for the Units on the TSX on the effective day of the redemption and (b) the net asset value per Unit.

The Units of the 3iQ XRP ETF are highly speculative and involve a high degree of risk. You may lose a substantial portion or even all of the money you place in the 3iQ XRP ETF. The risk of loss in buying, holding and selling XRP can be substantial. In considering whether to invest in the 3iQ XRP ETF, you should be aware that an investment in XRP can quickly lead to large losses as well as gains. Such investment losses can sharply reduce the net asset value of the 3iQ XRP ETF and consequently the value of your interest in the 3iQ XRP ETF. Also, market conditions may make it difficult or impossible for the 3iQ XRP ETF to liquidate a position.

For a discussion of the risks associated with an investment in Units of the 3iQ XRP ETF, see "Risk Factors".

Provided that the 3iQ XRP ETF qualifies as a mutual fund trust within the meaning of the *Income Tax Act* (Canada) (the "**Tax Act**"), or the Units of the 3iQ XRP ETF are listed on a "designated stock exchange" within the meaning of the Tax Act (which currently includes the TSX), such Units will be qualified investments for trusts governed by Registered Plans (as defined herein). See "Income tax considerations – Status of the 3iQ XRP ETF".

Registration of interests in, and transfer of, the Units will generally be made only through CDS Clearing and Depository Services Inc. Beneficial owners will not have the right to receive physical certificates evidencing their ownership.

Additional information about the 3iQ XRP ETF is or will generally be available in the most recently-filed annual financial statements, any interim financial statements filed after the most recent annual financial statements, the most recently-filed annual management report of fund performance ("**MRFP**"), any interim MRFP filed after the most recently-filed annual MRFP and the most recently-filed ETF Facts for the 3iQ XRP ETF. These documents are incorporated by reference into, and legally form an integral part of, this prospectus. See "Documents Incorporated by Reference".

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GLOSSARY OF TERMS

Unless otherwise indicated, all references to dollar amounts in this prospectus are to U.S. dollars and all references to times in this prospectus are to Toronto time.

3iQ Corp. – 3iQ Corp., a corporation established under the laws of Canada and registered as an investment fund manager, commodity trading manager, exempt market dealer and portfolio manager with the Ontario Securities Commission.

Administrator – the company appointed from time to time by the Manager to calculate the NAV and the NAV per Unit, currently CIBC Mellon Trust Company.

AML Regulation – statutes, regulations and other laws enacted by the government of the applicable jurisdiction aimed at the prevention and detection of money laundering and terrorist financing activities.

Anchorage – Anchorage Digital Bank, National Association, a national banking association chartered by the United States Office of the Comptroller of the Currency.

Anchorage Sub-Custodian Agreement – the sub-custody agreement dated March 31, 2026, between the Manager, in its capacity as manager of the 3iQ Bitcoin ETF, the 3iQ Ether Staking ETF, the 3iQ Solana Staking ETF, the 3iQ XRP ETF, The Bitcoin Fund, and The Ether Fund, the Custodian and Anchorage, as it may be amended from time to time.

ATR Rule – has the meaning given to it under “Redemption and Exchange of Units – Allocations of Capital Gains to Redeeming or Exchanging Unitholders”.

Canadian securities legislation – the applicable securities legislation in force in each province and territory of Canada, all regulations, rules, orders and policies made thereunder and all multilateral and national instruments adopted by the securities regulatory authorities.

CDS – CDS Clearing and Depository Services Inc.

CDS Participant – a participant in CDS that holds Units on behalf of beneficial owners of Units.

CRA – Canada Revenue Agency.

CRS Rules – has the meaning given to it under “International Information Reporting”.

CFTC – U.S. Commodity Futures Trading Commission.

CME – Chicago Mercantile Exchange.

Coinbase – Coinbase Custody Trust Company, LLC.

Coinbase Global – Coinbase Global, Inc., the parent company of Coinbase.

Coinbase Group – has the meaning given to it under “Risk Factors – Risks Associated with Investing in XRP – Limited Insurance”.

Coinbase Sub-Custodian Agreement – the sub-custody agreement dated October 11, 2022 and amended as of February 6, 2025 between the Manager, in its capacity as manager of the 3iQ Bitcoin ETF, the 3iQ Ether Staking ETF, the 3iQ Solana Staking ETF, the 3iQ XRP ETF, The Bitcoin Fund, and The Ether Fund, the Custodian and Coinbase, as it may be amended from time to time.

CSA – means the Canadian Securities Administrators.

Custodian – Tetra Trust Company in its capacity as custodian under the Custodian Agreement.

Custodian Agreement – the amended and restated custodianship agreement dated January 30, 2025 between the Manager, in its capacity as manager of the 3iQ Bitcoin ETF, the 3iQ Ether Staking ETF, the 3iQ Solana Staking ETF, the 3iQ XRP ETF, The Bitcoin Fund, and The Ether Fund, and the Custodian, as it may be amended from time to time.

dApps – has the meaning given to it under “Overview of the Sector in which the 3iQ XRP ETF Invests”.

Dealer – a registered dealer (that may or may not be the Designated Broker) that has entered into a Dealer Agreement with the Manager, on behalf of the 3iQ XRP ETF, pursuant to which the Dealer may subscribe for Units of the 3iQ XRP ETF as described under “Purchases of Units – Issuance of Units”.

Dealer Agreement – an agreement between the Manager, on behalf of the 3iQ XRP ETF, and a Dealer, as amended from time to time.

Declaration of Trust – the amended and restated master declaration of trust dated April 19, 2021, as it may be amended and restated from time to time, governing the 3iQ XRP ETF.

Designated Broker – a registered dealer that has entered into a Designated Broker Agreement with the Manager, on behalf of the 3iQ XRP ETF pursuant to which the Designated Broker agrees to perform certain duties in relation to the 3iQ XRP ETF.

Designated Broker Agreement – an agreement between the Manager, on behalf of the 3iQ XRP ETF, and a Designated Broker, as amended from time to time.

Digital Asset Source – has the meaning given to it under “Overview of the Sector in which the 3iQ XRP ETF Invests – Purchasing Digital Assets for the 3iQ XRP ETF’s Portfolio”.

DPSPs – deferred profit sharing plans as defined in the Tax Act.

Ethereum Network – the online, end-user-to-end-user computer network hosting a public transaction ledger, known as the blockchain, and the source algorithmic protocols governing such network.

EIFEL – has the meaning given to it under “Canadian Federal Income Tax Considerations – Taxation of 3iQ XRP ETF”.

Equity Repurchase Rules – has the meaning given to it under “Risk Factors – Tax Risk”.

ETF – an exchange traded fund.

FATF – the Financial Action Task Force, an inter-governmental body established to set standards and promote effective implementation of legal, regulatory and operational measures for combating money laundering, terrorist financing and other related threats to the integrity of the international financial system.

FHSAs – first home savings accounts as defined in the Tax Act.

FinCEN – has the meaning given to it under “Organization and Management Details – Sub-Custodians”.

Fund Costs – has the meaning given to it under “Fees and Expenses – Fees and Expenses Payable by the 3iQ XRP ETF – Operating Expenses”.

futures contracts – standardized contracts entered into on domestic or foreign exchanges that call for the future delivery of specified quantities of various assets, such as stocks, bonds, agricultural commodities, industrial commodities (including XRP), currencies, financial instruments, energy products or metals at a specified time and place. The terms and conditions of a futures contract with respect to a particular asset are standardized and, as such, are not subject to negotiation between the buyer and the seller of the contract. Contractual obligations under the contract may be satisfied either by taking (in the case of the buyer) or making (in the case of the seller) physical delivery of an approved quantity or grade of the asset or commodity or by making an offsetting sale (in the case of the

buyer) or purchase (in the case of the seller) of an equivalent but opposite futures contract on the same exchange prior to the designated date of delivery. The difference between the price at which the futures contract is sold or purchased and the price paid for brokerage commissions constitutes the profit or loss to the trader.

GST – the goods and services tax imposed under the *Excise Tax Act, Part IX* (Canada) that is applicable in certain provinces of Canada.

HSMs – has the meaning given to it under “Organization and Management Details – Sub-Custodians”.

HST – the harmonized sales tax imposed under the *Excise Tax Act, Part IX* (Canada) that is applicable in certain provinces of Canada.

IFE – has the meaning given to it under “Canadian Federal Income Tax Considerations – Taxation of 3iQ XRP ETF”.

IFRS – International Financial Reporting Standards.

IRC – the Independent Review Committee of the 3iQ XRP ETF.

KYC – identity verification and recordkeeping procedures under AML Regulation and applicable securities laws.

Manager – 3iQ Corp.

Management Fee – has the meaning given to it under “Fees and Expenses – Fees and Expenses Payable by the 3iQ XRP ETF – Management Fees and Additional Fees”.

Management Fee Distributions – has the meaning given to it under “Fees and Expenses – Fees and Expenses Payable by the 3iQ XRP ETF – Management Fees and Additional Fees”.

MER – management expense ratio.

MRFP – management report of fund performance.

NAV and **NAV per Unit** – the net asset value of the 3iQ XRP ETF and the net asset value per Unit of the 3iQ XRP ETF, calculated by the Administrator as described under “Calculation of Net Asset Value”.

NI 81-102 – National Instrument 81-102 *Investment Funds*.

NI 81-107 – National Instrument 81-107 *Independent Review Committee for Investment Funds*.

Operating Expenses – has the meaning given to it under “Fees and Expenses – Fees and Expenses Payable by the 3iQ XRP ETF – Operating Expenses”.

OTC – “over the counter”.

Permitted Merger – has the meaning given to it under “Unitholder Matters – Matters Requiring Unitholder Approval”.

Prescribed Number of Units – the number of Units determined by the Manager from time to time for the purpose of subscription orders, exchanges, redemptions or for other purposes.

RDSPs – registered disability savings plans as defined in the Tax Act.

Registered Plans – collectively, RRSPs, RRIFs, DPSPs, RDSPs, RESPs, FHSAs and TFSAs.

Registrar and Transfer Agent – means TSX Trust Company.

Relevant Pair – has the meaning given to it under “Calculation of Net Asset Value – CME CF XRP-Dollar Reference Rate – New York Variant”.

Relevant Transactions – has the meaning given to it under “Calculation of Net Asset Value – CME CF XRP-Dollar Reference Rate – New York Variant”.

Reportable Jurisdictions – has the meaning given to it under “International Information Reporting”.

Ripple – means Ripple Labs Inc.

RESPs – registered education savings plans as defined in the Tax Act.

RRIFs – registered retirement income funds as defined in the Tax Act.

RRSPs – registered retirement savings plans as defined in the Tax Act.

securities regulatory authorities – the securities commission or similar regulatory authority in each province and territory of Canada that is responsible for administering the Canadian securities legislation in force in such province or territory.

SEC – means the U.S. Securities and Exchange Commission.

SEDAR+ – System for Electronic Document Analysis and Retrieval Plus.

SIFT Rules – has the meaning given to it under “Risk Factors – Risk Factors Relating to an Investment in the 3iQ XRP ETF – Tax Risk”.

SIFT Trust – has the meaning given to it under “Risk Factors – Risk Factors Relating to an Investment in the 3iQ XRP ETF – Tax Risk”.

Sub-Custodians – Coinbase in its capacity as sub-custodian under the Coinbase Sub-Custodian Agreement and Anchorage in its capacity as sub-custodian under the Anchorage Sub-Custodian Agreement.

substituted property – has the meaning given to it under “Income Tax Considerations – Taxation of the 3iQ XRP ETF”.

Tax Act – *Income Tax Act* (Canada) and the regulations thereunder, as amended from time to time.

Tax Proposals – has the meaning given to it under “Income Tax Considerations”.

TER – trading expense ratio.

TFSAs – tax-free savings accounts as defined in the Tax Act.

Trading Day – a day on which: (i) a regular session of the TSX is held; and (ii) the primary market or exchange for the majority of the assets held by the 3iQ XRP ETF is open for trading.

TSX – means the Toronto Stock Exchange.

Unit – a redeemable, transferable Unit of the 3iQ XRP ETF, which represents an equal, undivided interest in the net assets of the 3iQ XRP ETF.

Unitholder – a holder of Units of the 3iQ XRP ETF.

Valuation Date – each Trading Day and any other day designated by the Manager on which the NAV and NAV per Unit of the 3iQ XRP ETF is calculated. If the 3iQ XRP ETF elects to have a December 15 year-end for tax purposes as permitted by the Tax Act, the NAV per Unit will be calculated on December 15.

Valuation Time – 4:00 p.m. (Toronto time) or such other time the Manager deems appropriate on each Valuation Date.

XRP – refers to the digital asset XRP that is the native unit of account within the XRPL.

XRPL – has the meaning given to it under “Investment Overview”.

XRPL Network – is the online, end-user-to-end-user computer network hosting a public transaction ledger, known as the XRPL, and the source algorithmic protocols governing such network.

XRPL Protocol Consensus Algorithm – has the meaning given to it under “Investment Overview – The XRPL Protocol Consensus Algorithm.”

XRP Source – has the meaning given to it under “Investment Overview – Purchasing XRP for the Fund’s Portfolio”.

XRP Wallet – has the meaning given to it under “Investment Overview – Part I: Introduction to the XRPL”.

XRPU\$D_NY – means the CME CF XRP-Dollar Reference Rate – New York Variant, whose description, methodology and governance policies are available at [https://www.cfbenchmarks.com/data/indices/XRPU\\$D_NY](https://www.cfbenchmarks.com/data/indices/XRPU$D_NY).

PROSPECTUS SUMMARY

The following is a summary of the principal features of the Units of the 3iQ XRP ETF offered hereby and should be read together with the more detailed information and statements contained elsewhere in this prospectus or incorporated by reference in this prospectus.

Certain general information contained in this prospectus regarding XRP, digital asset trading platforms and the XRPL has been obtained from publicly available information from third party sources. While the Manager believes such sources are reliable, the Manager has not verified the accuracy or completeness of any information contained in such publicly available information. In addition, the Manager has not determined if there has been any omission by any such third party to disclose any facts, information or events which may have occurred prior to or subsequent to the date as of which any such information became publicly available or which may affect the significance or accuracy of any information contained in any such information and summarized herein.

Issuer: 3iQ XRP ETF

The 3iQ XRP ETF is an alternative mutual fund trust within the meaning of National Instrument 81-102 – *Investment Funds* (“**NI 81-102**”) created under the laws of the Province of Ontario. While the 3iQ XRP ETF is a mutual fund under the securities legislation of certain Provinces and Territories of Canada, certain provisions of Canadian securities legislation applicable to conventional mutual funds do not apply to the 3iQ XRP ETF because the 3iQ XRP ETF is an “alternative mutual fund” within the meaning of NI 81-102. The 3iQ XRP ETF is subject to restrictions and practices contained in Canadian securities legislation applicable to alternative mutual funds, including NI 81-102, and is managed in accordance with these restrictions, except as otherwise permitted by exemptions provided by Canadian securities regulatory authorities.

3iQ Corp. is the trustee, manager, portfolio manager and promoter of the 3iQ XRP ETF. See “Overview of the Legal Structure of the 3iQ XRP ETF”.

Offering: The 3iQ XRP ETF is offering one class of units (the “**Units**”). The Units are purchased and sold in Canadian dollars and U.S. dollars.

Continuous Distribution: The Units of the 3iQ XRP ETF have been conditionally approved for listing on the TSX.

Subject to satisfying the TSX’s original listing requirements, the Units shall be listed on the TSX and investors will be able to buy or sell such Units of the 3iQ XRP ETF on the TSX on a continuous basis through registered brokers and dealers in the province or territory where the investor resides. Investors may incur customary brokerage commissions in buying or selling Units of the 3iQ XRP ETF.

The TSX ticker symbol for the Units of the 3iQ XRP ETF is “XRPQ” (in Canadian dollars) and “XRPQ.U” (in U.S. dollars). Investors may incur customary brokerage commissions in buying and selling the Units. See “Purchases of Units – Buying and Selling Units”.

The 3iQ XRP ETF issues Units directly to its Designated Broker (as defined herein) and Dealers (as defined herein). See “Purchases of Units – Offerings and Continuous Distribution” and “Purchases of Units – Buying and Selling Units”.

Investment Objectives: The 3iQ XRP ETF’s investment objectives are to seek to provide Unitholders of the 3iQ XRP ETF with: (a) exposure to the digital asset XRP (“**XRP**”) and the daily price movements of the U.S. dollar price of XRP; and (b) the opportunity for long-term capital appreciation. See “Investment Objectives - 3iQ XRP ETF”.

Investment Strategies:

To achieve its investment objectives, the 3iQ XRP ETF will invest in long-term holdings of XRP, purchased from reputable digital asset trading platforms and OTC counterparties, in order to provide investors with a convenient, safer alternative to a direct investment in XRP.

Digital asset trading platforms are spot markets in which XRP can be exchanged for U.S. dollars. Digital asset trading platforms are not regulated as securities exchanges or commodity futures exchanges under the securities or commodity futures laws of Canada, the United States or other global jurisdictions. The Manager will seek to ensure that the digital asset trading platforms on which the 3iQ XRP ETF transacts are reputable, stable and in compliance with AML Regulation. See “Overview of the Sector in which the 3iQ XRP ETF Invests”.

The 3iQ XRP ETF will not speculate with regard to short-term changes in XRP prices.

The 3iQ XRP ETF does not and will not hedge any U.S. dollar currency exposure back to the Canadian dollar. See “Investment Strategies”.

For a description of how the 3iQ XRP ETF will purchase digital assets for its portfolio see “Overview of the Sector in which the 3iQ XRP ETF Invests”.

Generally, the 3iQ XRP ETF does not intend to borrow money or employ other forms of leverage for investment purposes. The 3iQ XRP ETF may however borrow money on a temporary short-term basis to acquire XRP in connection with a subscription for Units by a Dealer or as a temporary measure to accommodate redemption requests. Any borrowing by the 3iQ XRP ETF will be made in accordance with the borrowing restrictions applicable to an alternative mutual fund under NI 81-102.

See “Investment Strategies”.

Special Considerations for Purchasers:

The provisions of the so-called “early warning” requirements set out in Canadian securities legislation do not apply in connection with the acquisition of Units. In addition, the Manager, on behalf of the 3iQ XRP ETF, has received exemptive relief from the securities regulatory authorities to permit Unitholders to acquire more than 20% of the Units of the 3iQ XRP ETF through purchases on the TSX without regard to the take-over bid requirements of Canadian securities legislation, provided that any such Unitholder, and any person acting jointly or in concert with the Unitholder, undertakes to the Manager not to vote more than 20% of the Units of the 3iQ XRP ETF at any meeting of Unitholders.

See “Purchases of Units – Special Considerations for Unitholders”.

Distributions:

On an annual basis, the 3iQ XRP ETF will ensure that its income and net realized capital gains, if any, have been distributed to Unitholders to such an extent that the 3iQ XRP ETF will not be liable for ordinary income tax thereon. To the extent that the 3iQ XRP ETF has not distributed the full amount of its net income or capital gains in any year, the difference between such amount and the amount actually distributed by the 3iQ XRP ETF will be paid as a “reinvested distribution”. Reinvested distributions by the 3iQ XRP ETF, net of any required withholding taxes, will be reinvested automatically in additional Units of the 3iQ XRP ETF at a price equal to the NAV per Unit and the Units will be immediately consolidated such that the number of outstanding Units of the 3iQ XRP ETF following the distribution will equal the number of Units of the 3iQ XRP ETF outstanding prior to the distribution.

In addition to the distributions described above, the 3iQ XRP ETF may from time to time pay additional distributions on its Units, including without restriction in connection with a special distribution or in connection with returns of capital.

See “Distribution Policy”.

Exchanges and Redemptions:	Unitholders of the 3iQ XRP ETF may redeem Units of the 3iQ XRP ETF for cash, subject to a redemption discount. Unitholders of the 3iQ XRP ETF may also exchange a Prescribed Number of Units (or integral multiple thereof) for cash, or if agreed to by the Manager, for cash and portfolio assets held by the 3iQ XRP ETF. See “Redemption and Exchange of Units”.
Termination:	The 3iQ XRP ETF does not have a fixed termination date but may be terminated by the Manager upon not less than 60 days’ written notice to Unitholders. See “Termination of the 3iQ XRP ETF”.
Documents Incorporated by Reference:	Additional information about the 3iQ XRP ETF is or will be available in the most recently-filed annual financial statements, any interim financial statements filed after the most recent annual financial statements, the most recently-filed annual MRFP, any interim MRFP filed after the most recently-filed annual MRFP and the most recently-filed ETF Facts for the 3iQ XRP ETF. These documents are or will be incorporated by reference into, and legally form an integral part of, this prospectus. These documents are or will be publicly available on the Manager’s website at www.3iQ.io and may be obtained upon request, at no cost, by calling (416) 639-2130 or by contacting a registered dealer. These documents and other information about the 3iQ XRP ETF are or will be publicly available at www.sedarplus.ca . See “Documents Incorporated by Reference”.
Risk Factors:	The following are certain risks relating to an investment in Units of the 3iQ XRP ETF which prospective investors should consider before purchasing such securities.

Risk Factors Relating to an Investment in the 3iQ XRP ETF

- (a) No Assurance in Achieving Investment Objectives
- (b) Trading Price of Units
- (c) Loss of Investment
- (d) Fluctuations in NAV, NAV per Unit and the Value of Digital Assets
- (e) Concentration Risk
- (f) Use of Leverage
- (g) Reliance on the Manager
- (h) Use of Derivatives
- (i) No Ownership Interest in the Portfolio
- (j) Changes in Legislation
- (k) Conflicts of Interest
- (l) Valuation of the 3iQ XRP ETF
- (m) Manager, Custodian and Sub-Custodians Standard of Care
- (n) SOC 2 Type 2 Report of the Sub-Custodian
- (o) Potential Conflicts of Interest
- (p) Risk of No Active Market for the Units
- (q) Not a Trust Company
- (r) U.S. Currency Exposure
- (s) Cyber Security Risk
- (t) Tax Risk
- (u) Large Investor Risk

Risks Associated with Investing in XRP

- (a) Cryptocurrency Risk
- (b) Short History Risk
- (c) Limited History of the XRP Market
- (d) Volatility in the Price of XRP
- (e) Potential Decrease in Global Demand for XRP
- (f) Financial Institutions may refuse to Support Transactions involving XRP
- (g) Limited Insurance
- (h) Residency of the Sub-Custodians
- (i) Liability of Unitholders

- (j) Underlying Value Risk
- (k) Top XRP Holders Control a Significant Percentage of the Outstanding XRP
- (l) Regulation of XRP
- (m) Loss of “Private Keys”
- (n) Scaling Obstacles
- (o) 3iQ XRP ETF’s Holdings May Become Illiquid
- (p) Irrevocable Nature of Transactions and Improper Transfers
- (q) Uncertain Regulatory Framework

Risks Associated with the XRPL

- (a) Dependence on XRPL Network Developers
- (b) Issues with Decentralization
- (c) Short History Risk for Proof-of-Association Blockchain Networks
- (d) Issues with the Cryptography Underlying the XRPL
- (e) Significant Increase in Usage of XRP or the XRPL Could Affect the Ability of the XRPL to Accommodate Demand
- (f) Decentralized Governance of the XRPL
- (g) The XRPL may Temporarily or Permanently Fork and/or Split
- (h) Airdrops
- (i) Dependence on the Internet
- (j) Threat of Percentage-Based Attacks on XRPL Validators
- (k) Gateway Protocol Hijackings
- (l) Malicious Attacks on the Network
- (m) Faulty Code
- (n) Intellectual Property
- (o) Risks of Political or Economic Crises
- (p) Banking Services
- (q) Technological Change
- (r) Effects of Blockchain Analytics
- (s) Risks Related to Sidechains
- (t) Service Outages and Attacks
- (u) Competitors to XRP
- (v) Risk that the XRPL Will be Used to Facilitate Illicit Activities

Risks Associated with Digital Asset Trading Platforms

- (a) Regulation of Digital Asset Trading Platforms
- (b) Hacking of Digital Asset Trading Platforms May Have a Negative Impact on Perception of the Security of the Networks
- (c) Different Prices of Digital Assets on the Digital Asset Trading Platforms May Adversely Affect the NAV of the Units
- (d) Closure of Digital Asset Trading Platform(s)
- (e) Liquidity Constraints on Digital Asset Markets may Impact the 3iQ XRP ETF’s Holdings
- (f) Risk of Manipulation on Digital Asset Trading Platforms
- (g) Settlement of Transactions on the Networks

See “Risk Factors”.

Income Tax Considerations:

This summary of Canadian federal income tax considerations for the 3iQ XRP ETF and for Canadian resident Unitholders of the 3iQ XRP ETF is subject in its entirety to the qualifications, limitations and assumptions set out under “Income Tax Considerations”.

A Unitholder of the 3iQ XRP ETF who is an individual (other than a trust) resident in Canada and who holds Units of the 3iQ XRP ETF as capital property (all within the meaning of the Tax Act) will generally be required to include in the Unitholder’s income for tax purposes for any year the amount of net income and net taxable capital gains of the 3iQ XRP ETF paid or payable

to the Unitholder (including any reinvested distributions) in the year and deducted by the 3iQ XRP ETF in computing its income. Any non-taxable distributions from the 3iQ XRP ETF (other than the non-taxable portion of any net realized capital gains of the 3iQ XRP ETF) paid or payable to a Unitholder of the 3iQ XRP ETF in a taxation year, such as a return of capital, will reduce the adjusted cost base of the Unitholder's Units of the 3iQ XRP ETF. To the extent that a Unitholder's adjusted cost base would otherwise be a negative amount, the negative amount is deemed to be a capital gain realized by the Unitholder and the adjusted cost base of the Unit of the 3iQ XRP ETF to the Unitholder is nil immediately thereafter. Any loss of the 3iQ XRP ETF cannot be allocated to, and cannot be treated as a loss of, the Unitholders of the 3iQ XRP ETF. Upon the actual or deemed disposition of a Unit of the 3iQ XRP ETF, including the exchange or redemption of a Unit, a capital gain (or a capital loss) will generally be realized by the Unitholder of the 3iQ XRP ETF to the extent that the proceeds of disposition of the Unit exceeds (or is less than) the aggregate of the adjusted cost base to the Unitholder of the Unit and any reasonable costs of disposition.

The Declaration of Trust requires that the 3iQ XRP ETF distribute its net income and net realized capital gains, if any, for each taxation year to its Unitholders to such an extent that the 3iQ XRP ETF will not be liable in respect of the taxation year for ordinary income tax.

Each investor should satisfy himself or herself as to the tax consequences of an investment in Units by obtaining advice from his or her own tax advisor. See "Income Tax Considerations".

Taxation of Registered Plans:

Provided that the 3iQ XRP ETF qualifies as a "mutual fund trust" within the meaning of the Tax Act, or the Units of the 3iQ XRP ETF are listed on a "designated stock exchange" within the meaning of the Tax Act, such Units will be qualified investments for trusts governed by registered retirement savings plans, registered retirement income funds, deferred profit sharing plans, registered disability savings plans, registered education savings plans, first home savings accounts and tax-free savings accounts (collectively, "**Registered Plans**"). Holders of tax-free savings accounts, first home savings accounts and registered disability savings plans, annuitants under registered retirement savings plans and registered retirement income funds, and subscribers under registered education savings plans should consult their own tax advisors to ensure Units of the 3iQ XRP ETF would not be a "prohibited investment" for the purposes of the Tax Act in their particular circumstances. See "Income Tax Considerations – Status of the 3iQ XRP ETF".

Organization and Management Details

Trustee, Manager and Promoter:

3iQ Corp. will act as the trustee, manager, portfolio manager and promoter of the 3iQ XRP ETF. The Manager operates as the manager of investment funds in Canada. The head office and principal place of business of the 3iQ XRP ETF is located at 161 Bay Street, Suite 2700, Toronto, Ontario M5J 2S1.

The Manager may be considered a promoter of the 3iQ XRP ETF within the meaning of applicable securities legislation by reason of its initiative in organizing the 3iQ XRP ETF. See "Organization and Management Details – The Trustee, Manager and Promoter".

Custodian:

Tetra Trust Company will act the custodian of the assets of the 3iQ XRP ETF and has been given the authority to appoint sub-custodians. The address of the Custodian is Suite 425 - 441 5th Avenue SW, Calgary, Alberta T2P 2V1. The Custodian is entitled to receive fees from the Manager as described under "Fees and Expenses – Fees and Expenses Payable by the 3iQ XRP ETF – Operating Expenses" and to be reimbursed for all expenses and liabilities that are properly incurred by the Custodian in connection with the activities of the 3iQ XRP ETF. See "Organization and Management Details – Custodian".

Sub-Custodians:	Coinbase will act as a sub-custodian of the 3iQ XRP ETF. The address of Coinbase is 200 Park Avenue South, Suite 1208, New York, New York 10003. Anchorage will act as a sub-custodian of the 3iQ XRP ETF. The address of Anchorage is 101 S. Reid Street, Suite 329, Sioux Falls, South Dakota, 57103. See “Organization and Management Details – Sub-Custodians”.
Administrator:	CIBC Mellon Trust Company will be appointed the administrator of the 3iQ XRP ETF at its principal offices in Toronto, Ontario. The administrator will be responsible for providing certain fund accounting and valuation services to the 3iQ XRP ETF including, without limitation, calculating the NAV, NAV per Unit, net income and net realized capital gains of the 3iQ XRP ETF. See “Organization and Management Details – Administrator”.
Registrar and Transfer Agent:	TSX Trust Company, at its principal offices in Toronto, Ontario, will be appointed the registrar and transfer agent for the Units of the 3iQ XRP ETF. The register of each of the 3iQ XRP ETF is kept in Toronto. See “Organization and Management Details – Registrar and Transfer Agent”.
Auditor:	The auditor of the 3iQ XRP ETF is PricewaterhouseCoopers LLP. The address of the auditor is PwC Tower, 18 York Street, Suite 2500, Toronto, Ontario M5J 0B2. See “Organization and Management Details – Auditor”.

SUMMARY OF FEES AND EXPENSES

This table lists the fees and expenses that you may have to pay if you invest in the 3iQ XRP ETF. You may have to pay some of these fees and expenses directly. The 3iQ XRP ETF may have to pay some of these fees and expenses, which will therefore reduce the value of your investment in the 3iQ XRP ETF. For further particulars, see “Fees and Expenses”.

Fees and Expenses Payable by the 3iQ XRP ETF

Management Fees and Additional Fees:	The 3iQ XRP ETF will pay an annual management fee (the “Management Fee”) to the Manager for acting as trustee, manager and portfolio manager of the 3iQ XRP ETF equal to 0.59% of the NAV of the 3iQ XRP ETF, calculated daily and payable monthly in arrears, plus applicable taxes. The Manager may, at its discretion, agree to charge a reduced Management Fee (or reimburse all or a portion of such Management Fee) for some Unitholders as compared to the Management Fee that the Manager would otherwise be entitled to receive from the 3iQ XRP ETF, provided that the difference between the fee otherwise chargeable and the reduced fee is distributed periodically by the 3iQ XRP ETF to the applicable Unitholders as a management fee distribution (the “Management Fee Distributions”). Any reduction will depend on a number of factors, including the amount invested, the NAV of the 3iQ XRP ETF and the expected amount of account activity. Management Fee Distributions are paid first out of net income of the 3iQ XRP ETF then out of capital gains of the 3iQ XRP ETF and thereafter out of capital. See “Fees and Expenses – Fees and Expenses Payable by the 3iQ XRP ETF – Management Fees and Additional Fees”.
Operating Expenses:	In addition to the Management Fee, and any debt servicing costs, the 3iQ XRP ETF will bear and pay all of its costs, expenses and liabilities (“ Operating Expenses ”) including all of its administrative and operating expenses as well as those incurred by the Manager in the performance of its duties as manager of the 3iQ XRP ETF. Such fees and expenses include, without limitation: fees and expenses payable to the independent review committee (“ IRC ”) of the 3iQ XRP ETF; brokerage and trading commissions and other fees and expenses associated with the execution of transactions in respect of the 3iQ XRP ETF’s investment in XRP; fees payable to the Registrar and Transfer Agent; fees payable to any custodians and/or sub-custodians for the assets of the 3iQ XRP ETF as well as the fees of the Administrator and other service providers; licensing fee payable to CF Benchmarks to license the XRPUSD_NY; expenses

relating to the monitoring of the relationships with the Custodian, Sub-Custodians, the Registrar and Transfer Agent and other organizations serving the 3iQ XRP ETF; legal, audit, and valuation fees and expenses; fees payable for listings, the maintenance of listings and filings or other requirements of stock exchanges on which any of the Units of the 3iQ XRP ETF may become listed or quoted; the preparation and supervision costs relating to the calculation and publication of the NAV; costs and expenses of preparing, printing, and mailing financial and other reports to Unitholders, material for Unitholders' meetings and securities regulatory filings; costs and expenses of communication with Unitholders; costs and expenses arising as a result of complying with all applicable securities legislation and other applicable laws, regulations and policies; all taxes (including income, capital, federal GST or HST, and Provincial/Territorial sales taxes); and costs associated with the provision of such other managerial and administrative services as may be reasonably required for the ongoing business and administration of the 3iQ XRP ETF.

The Manager may, from time to time, in its sole discretion, pay all or a portion of any Operating Expenses which would otherwise be payable by the 3iQ XRP ETF.

See "Fees and Expenses – Fees and Expenses Payable by the 3iQ XRP ETF – Operating Expenses" and "Organization and Management Details – The Trustee, Manager and Promoter".

Fees and Expenses Payable Directly by the Unitholders

**Administrative
Fee:**

An amount as may be agreed to between the Manager and the Designated Broker or a Dealer that may be charged to offset certain transaction costs associated with an issue, exchange or redemption of Units. This charge does not apply to Unitholders who buy and sell their Units through the facilities of a stock exchange.

See "Fees and Expenses – Fees and Expenses Payable Directly by the Unitholders – Administrative Fee".

OVERVIEW OF THE LEGAL STRUCTURE OF THE 3iQ XRP ETF

The 3iQ XRP ETF is an alternative mutual fund within the meaning of NI 81-102 established as a trust under the laws of the Province of Ontario. The 3iQ XRP ETF has been established pursuant to the Declaration of Trust.

While the 3iQ XRP ETF is a mutual fund under the securities legislation of certain provinces and territories of Canada, certain provisions of Canadian securities legislation applicable to conventional mutual funds do not apply to the 3iQ XRP ETF because the 3iQ XRP ETF is an “alternative mutual fund” within the meaning of NI 81-102. The 3iQ XRP ETF is subject to the restrictions and practices contained in Canadian securities legislation applicable to alternative mutual funds, including NI 81-102, and is managed in accordance with these restrictions, except as otherwise permitted by exemptions provided by Canadian securities regulatory authorities.

The 3iQ XRP ETF is offering one class of units. The Units are purchased and sold in Canadian dollars and U.S. dollars.

Subject to satisfying the TSX’s original listing requirements, the Units shall be listed on the TSX. The Units of the 3iQ XRP ETF are offered on a continuous basis and an investor is able to buy or sell Units of the 3iQ XRP ETF through registered brokers and dealers in the province or territory where the investor resides. Investors may incur customary brokerage commissions in buying and selling the Units of the 3iQ XRP ETF.

The head and registered office of the 3iQ XRP ETF and the Manager is located at 161 Bay Street, Suite 2700, Toronto, Ontario M5J 2S1.

The following table sets out the full legal name as well as the TSX ticker symbols for the 3iQ XRP ETF:

Legal Name	Ticker Symbol
3iQ XRP ETF	XRPQ / XRPQ.U

INVESTMENT OBJECTIVES

The 3iQ XRP ETF’s investment objectives are to seek to provide Unitholders of the 3iQ XRP ETF with: (a) exposure to the digital asset XRP and the daily price movements of the U.S. dollar price of XRP; and (b) the opportunity for long-term capital appreciation.

INVESTMENT STRATEGIES

To achieve its investment objectives, the 3iQ XRP ETF will invest in long-term holdings of XRP, purchased from reputable digital asset trading platforms and OTC counterparties, in order to provide investors with a convenient, safer alternative to a direct investment in XRP, as applicable.

Digital asset trading platforms are spot markets on which XRP can be exchanged for U.S. dollars. Digital asset trading platforms are not regulated as securities exchanges or commodity futures exchanges under the securities or commodity futures laws of Canada, the United States or other global jurisdictions. The Manager will seek to ensure that the digital asset trading platforms on which the 3iQ XRP ETF transacts are reputable, stable and in compliance with AML Regulation. See “Overview of the Sector in which the 3iQ XRP ETF Invests – Purchasing Digital Assets for the 3iQ XRP ETF’s Portfolio”.

The 3iQ XRP ETF will not speculate with regard to short-term changes in XRP prices. The 3iQ XRP ETF provide investors with the ability to effectively invest in XRP, without the inconvenience and additional transaction and storage costs associated with a direct investment in XRP.

The 3iQ XRP ETF does not and will not hedge any U.S. dollar currency exposure back to the Canadian dollar.

For a description of how the 3iQ XRP ETF purchases XRP for its portfolio see “Overview of the Sector in which the 3iQ XRP ETF Invests – Purchasing Digital Assets for the 3iQ XRP ETF’s Portfolio”.

The Manager may also indirectly invest in XRP, as applicable, through the use of futures contracts, the underlying interest of which is XRP, as applicable, for non-hedging purposes consistent with the 3iQ XRP ETF’s investment objectives and investment strategies to gain exposure to XRP, subject to its investment restrictions. For example, the 3iQ XRP ETF may trade in XRP futures listed on the CME and other commodity futures exchanges regulated by the CFTC. Any trading in futures by the 3iQ XRP ETF will be incidental to the 3iQ XRP ETF’s core investment strategy of investing in XRP. The 3iQ XRP ETF will not transact in any futures contract if, as a result of such transaction, the 3iQ XRP ETF’s aggregate exposure to derivatives would exceed 5% of the NAV of the 3iQ XRP ETF.

Generally, the 3iQ XRP ETF does not intend to borrow money or employ other forms of leverage for investment purposes. The 3iQ XRP ETF may however borrow money on a temporary short-term basis to acquire XRP in connection with a subscription for Units by a Dealer or as a temporary measure to accommodate redemption requests. Any borrowing by the 3iQ XRP ETF will be made in accordance with the borrowing restrictions applicable to an alternative mutual fund under NI 81-102.

OVERVIEW OF THE SECTOR IN WHICH THE 3iQ XRP ETF INVESTS

The 3iQ XRP ETF will invest substantially all of its assets in XRP. XRP is the native digital asset of the XRPL Network – a decentralized, open-source computer network where all transactions are recorded on a decentralized public ledger, known as a “blockchain” (the “XRPL”). The open-source XRPL software code includes the protocol that governs the creation of XRP and the cryptographic operations that verify and secure XRP transactions.

The XRPL’s primary use case is facilitating and settling cross-currency transactions. Participants on the XRPL use XRP to pay the transactional fees on the XRPL and to move value across geographies. Validators support the XRPL’s operation by verifying transactions and contributing to the consensus mechanism. Additionally, XRP can be converted into fiat currencies at rates based on either digital asset trading platforms or transactions between end-users.

The Manager believes that investing in Units of the 3iQ XRP ETF to obtain exposure to XRP will be advantageous for the following reasons:

1. *Convenient way to own XRP.* The 3iQ XRP ETF will provide investors with the ability to gain exposure to XRP and the XRP market as well as having the ability to buy and sell Units on the TSX. The 3iQ XRP ETF will be eligible for registered accounts in Canada for a tax-efficient, long-term investment horizon.
2. *Lower transaction costs.* The Manager expects that, for many investors, the costs associated with buying, holding and selling the Units in the secondary market and the payment of the 3iQ XRP ETF’s ongoing expenses will be lower than the costs associated with buying, holding and selling XRP on a regulated digital asset trading platform or through opening an individual digital asset wallet that supports XRP.
3. *Cold Storage at Sub-Custodians.* Coinbase is a regulated and licensed custodian of XRP. Storage of XRP is in “cold storage” where private keys have no contact with the internet and are created, stored and managed on hardware security modules located in access-guarded facilities that are geographically distributed.

Anchorage is a regulated and licensed custodian of SOL. Storage of SOL by Anchorage is in “cold storage”. Asset-holding private keys are generated by Anchorage and securely processed within air-gapped hardware security modules.

The 3iQ XRP ETF’s XRP will be held in the Sub-Custodians’ cold storage system, protected in accordance with the industry-leading protocols described under “Organization and Management Details of the 3iQ XRP ETF – Sub-Custodians”.

PART I: Introduction to the XRPL

History and Progression of the XRPL

The concept for the XRPL was introduced by David Schwartz, Jed McCaleb and Arthur Britto over the course of 2011 and 2012. The XRPL is designed to enable secure, instant and nearly free global financial transactions of any size with no chargebacks. Ripple, a technology company whose solutions use XRP and the XRPL, has played a key role in the development of the XRPL.

The XRPL officially launched in 2012, along with its native digital asset XRP. The XRPL is the decentralized, publicly distributed ledger that allows people to exchange XRP. All transactions on the XRPL Network are recorded on its blockchain. Like other blockchains, the XRPL is downloaded and stored, in whole or in part, on the computers of each node operator of the XRPL. Computers which maintain a full copy of the ledger are referred to as “nodes”. Nodes can submit transactions, serve as a source of historical ledger data, and ensure redundancy in the XRPL Network by helping distribute the ledger’s state.

The XRPL is public and accessible to all, and includes a record of every historical XRP transaction and every public address on the blockchain. Associated software programs such as block explorers can view the XRPL to determine the exact balance, if any, of XRP associated with any public address listed on the XRPL.

Transaction data is permanently recorded on the XRPL in data files called “blocks,” which reflect transactions that have been recorded and authenticated by XRPL participants. Each newly recorded block of transactions refers back to and “connects” with the immediately preceding recorded block in the ledger. Each new block records outstanding XRP transactions, and outstanding transactions are settled and validated through such recording. Although there are size limits to each block, the XRPL is designed to represent a complete, transparent, secure and unbroken history of all the transactions that have occurred on the XRPL Network.

The XRP Token

The XRP token is the native token of the XRPL. It is a digital asset that is issued by, and transmitted through, the operations of the XRPL. The XRPL uses consensus protocol technology to ensure the secure transfer and authenticity of each XRP and hosts the public transaction ledger on which all XRP is recorded (see “The XRPL Protocol Consensus Algorithm” below). As of August 31, 2026, XRP was in the top 5 digital currencies ranked by US dollar value (Source: CoinMarketCap.com).

XRP is mainly used for the functional mechanisms of the XRPL, such as fees for transactions and reserve requirements. Similar to bitcoin, there is a maximum amount of XRP that may be outstanding. The maximum amount is 100 billion units of XRP.

In 2017, Ripple locked 55 billion units of XRP (55% of the total supply) into a series of escrows. These escrows are on the XRPL itself, and the ledger mechanics, enforced by consensus, control the release of the XRP. The original escrow schedule was designed to make up to 1 billion units of XRP available to Ripple each month, with any XRP not used by Ripple typically placed back into new on-ledger escrows rather than remaining freely available. As of August 31, 2026, approximately 32.3 billion units of XRP remained held in on-ledger escrow on the XRP Ledger. See “Risk Factors – Risks Associated with Investing in XRP – Top XRP Holders May Control a Significant Percentage of the Outstanding XRP”.

XRP is “stored” on a blockchain and is linked to a unique digital address, or wallet, that is associated with a public key and a private key. The public key is used to generate the address that is available to other users of the XRPL. The address serves as the location to which XRP can be transferred and from which XRP can be sent. The private key authorizes the transfer or “spending” of XRP from its associated public address. Ownership of XRP is established by recording the unique address and the amount of XRP held on the XRPL. The wallet thus holds the cryptographic keys associated with XRP, rather than the XRP itself. XRP cannot be transferred by a holder unless that holder provides the private key.

The Price of XRP

The price of XRP, as with other digital assets, is influenced by several factors, including the supply of and

demand for XRP, transaction fees, the number of competing digital assets, trading patterns, regulations governing its sale and trade, and the protocol itself in addition to a host of macroeconomic factors. Due to the dynamic nature of these factors as well as others, the price of XRP is difficult to determine, and the price of XRP can fluctuate. Demand for XRP can also be influenced by the applications that are built on the XRPL Network. A common means of determining the value of XRP is by reviewing price data on one or more digital asset trading platforms where XRP is traded publicly and transparently.

The XRPL Protocol Consensus Algorithm

A core innovation of the XRPL lies in its unique consensus mechanism, known as the “**XRPL Protocol Consensus Algorithm**”. Unlike other blockchain networks that rely on proof-of-work (PoW) or proof-of-stake (PoS) mechanisms, XRPL’s consensus mechanism is a proof-of-association (PoA) system. It is designed to facilitate faster, more energy-efficient transactions without the need for mining or staking. This approach enables the XRPL to achieve consensus more efficiently and to process transactions quickly, securely and in a more cost-effective manner.

The XRPL’s consensus mechanism operates on a set of unique nodes called validators. Validators are specialized nodes that participate in the consensus process. They validate transactions and propose which transactions should be included in the next ledger version. Instead of competing to solve cryptographic puzzles as in PoW or relying on the staked value of tokens as in PoS, XRPL’s validators work together to achieve consensus through a process of voting and agreement.

In the XRPL, a transaction is considered validated when it is approved by a supermajority (at least 80%) of the validators. This voting process occurs every few seconds, ensuring that the network can handle a high throughput of transactions. The consensus process on the XRPL does not involve any form of reward system for validators.

One of the key differences between the XRPL Protocol Consensus Algorithm and other consensus mechanisms is its focus on trust and reputation among participating validators. Validators in the XRPL are often operated by institutions such as banks, financial service providers, universities and other trusted entities. This network of trusted validators enhances the security and reliability of the XRPL while enabling it to maintain high levels of performance and scalability. By leveraging a network of trusted validators and eliminating the need for mining or staking, the XRPL can offer a scalable and reliable blockchain solution tailored for financial services and cross-border payments.

Governance of the XRPL

The infrastructure of the XRPL is managed as an open-source project that is maintained by the XRPL’s user base without the need for any intermediaries. The XRPL and the source code comprises the basis for the cryptography and digital protocols governing the XRPL Network.

The XRPL’s governance model is distinct from many other blockchain networks due to its hybridized design, combining elements of trusting intermediaries (e.g., validators) with decentralized decision-making. The XRPL’s governance structure is designed to ensure stability, security and trust, particularly given its focus on serving financial institutions and facilitating cross-border payments.

Ripple, a company supporting the development of the XRPL, historically played a significant role in the development and maintenance of the XRPL. Ripple oversaw the initial development and continues to contribute to the evolution of the XRPL, and with other community members, helps to ensure that the network remains secure, scalable and efficient.

The XRPL employs a consensus model for its governance, where a unique set of validators, known as the Unique Node List (“UNL”), participates in the decision-making process. Validators on the UNL are trusted nodes selected based on their reliability and performance. While Ripple initially provided a recommended UNL, network participants can choose their own list of validators, fostering a degree of decentralization. Validators on the UNL are responsible for validating transactions and maintaining the integrity of the ledger. Decisions regarding protocol changes or upgrades require a supermajority (at least 80%) among these validators, ensuring that changes are broadly supported and thoroughly vetted.

XRPL Specifications, or XLS's, are proposals or specifications for new features, improvements or changes to the XRPL. These proposals outline technical changes, new functionalities or modifications to the existing system and are part of the broader process of evolving the XRPL. XLS's can be proposed by anyone in the XRPL Network, including users, developers, organizations or validators. Proposals are typically submitted as pull requests or discussions on the XRPL's GitHub repository, where the community can review and provide feedback. An amendment generally requires a supermajority (greater than 80%) of validators to vote in favor of it for two consecutive weeks to be adopted and activated on the XRPL.

While Ripple has influence, the broader XRPL Network community, including financial institutions, developers and end-users, can contribute to discussions and propose changes through various forums and channels. This participatory approach helps align the interests of different stakeholders and promotes a collaborative environment for the network's growth. See "Risk Factors – Risks Associated with the XRPL – Decentralized Governance of the XRPL" below.

The XRPL's governance model is also designed to avoid the risks associated with hard forks, which can disrupt the network and create competing chains (see "Risk Factors – Risks Associated with the XRPL – The XRPL May Temporarily or Permanently Fork and/or Split" below). While eliminating the risk of a hard fork is not possible, because the UNL helps facilitate some default level of coordination among nodes, the XRPL Network can implement upgrades and changes in a coordinated manner, thereby reducing the risk of contentious splits. This stability is particularly important for financial institutions that require consistent and reliable network performance.

Transacting on the XRPL

The network is designed to achieve three main characteristics: (1) only the owner of XRP can send XRP; (2) only the intended recipient of XRP can unlock the XRP received from that sender; and (3) XRP transactions and XRP ownership can be validated and verified by any third party anywhere and at any time.

Users require a digital asset wallet that supports XRP ("**XRP Wallet**") to use or hold XRP on the XRPL. A digital asset wallet that supports XRP will have a XRPL address defined by a public key and associated private key(s). The public key is used to derive an address for others to send a user XRP, while the private key is used to unlock balances of the user's XRP to send to others. Effectively, a compatible wallet address' private key controls the transfer and use of XRP from its associated public XRP address. The XRPL, and applications subsequently built on it, can interpret its blockchain to determine the exact XRP balance of any public XRP Wallet address. To complete a transaction directly on the XRPL, users must have sufficient XRP in their public key. Notably, however, not all transactions occur directly on the XRPL. These transactions are known as "off-blockchain transactions". Information and data from off-blockchain transactions is not recorded in the public ledger of the XRPL. Without the blockchain validation and protection of the XRPL, these transactions are exposed to greater risk.

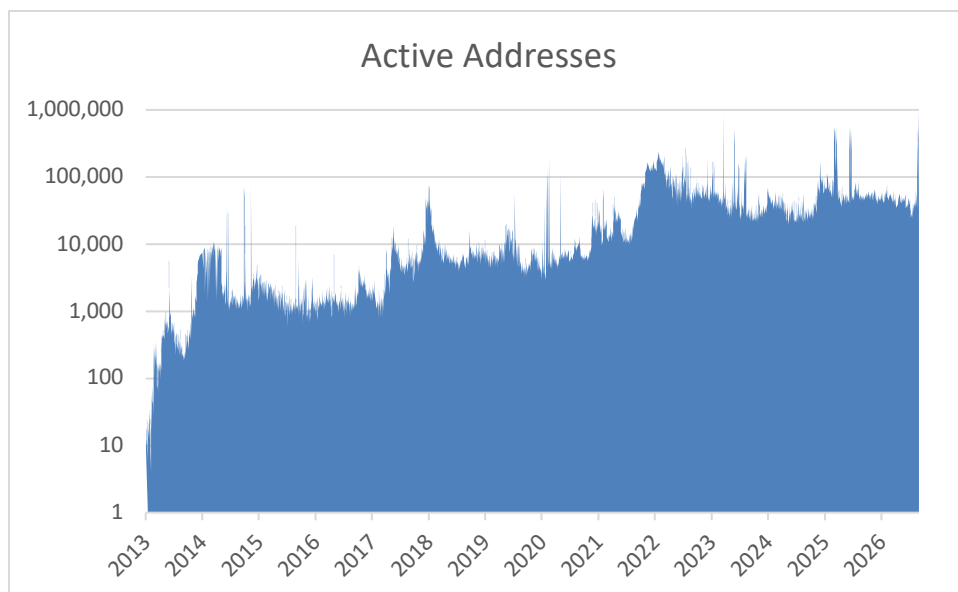
An XRP Wallet can be a desktop client, which is a software application running on a computer, or a hardware wallet provided by a company offering such products. With either a desktop client or hardware wallet, a user is in control of the private keys which are required to initiate transfers of XRP from the user's wallet. Alternatively, users may obtain a hosted XRP Wallet where a provider protects the user's private keys, and the user is able to access their accounts through a web browser or mobile application. Generally, those who are new to XRP and the XRPL make their initial purchases through a hosted XRP Wallet.

Once the appropriate address information is exchanged between the spending user and the receiving user, the data from the transaction is distributed across the XRPL, to be included in the XRPL.

Some wallet providers require customers to establish their identity, just as they would if opening an account at a Canadian chartered bank in compliance with applicable AML Regulation and KYC procedures. When a user converts fiat currency into XRP, they also need to connect a bank account or credit card to their wallet therefore providing additional connections to the user's identity. Once a user has accurately completed these steps, the wallet provider will know the user's identity. However, if these steps are not accurately completed, the user's identity remains pseudonymous, represented by an alphanumeric string of characters. Since the XRPL is transparent, the actions of pseudonymous users can be tracked.

The graph in Exhibit 1 below shows the number of active addresses on the XRPL.

Exhibit 1



Note:

(1) Data as of August 31, 2026.

(2) Data expressed in logarithmic scale.

Source: 3iQ Corp., data sourced from CoinMetrics.

Specific Use Cases for XRP

Smart Contract-like Functionality

The XRPL Network allows for the use of XRP as a means of exchange and has been expanding its capabilities to include financial protocols and decentralized finance (“**DeFi**”) applications. Protocols are built into XRPL itself to facilitate specific functionality and can be combined to enable use cases. This means that protocols are native capabilities of the blockchain and allow developers to build on top of them, but within the confines of their design. While the XRPL does not include turing complete smart contracts, these protocols act like “pre-built smart contracts” to facilitate common DeFi applications and allow independent developers to create user facing applications.

Additionally, the XRPL EVM (Ethereum Virtual Machine) sidechain is designed to allow developers to leverage the complete flexibility of smart contracts while settling transactions on the XRPL Network. A sidechain is an independent ledger with its own consensus algorithm, transaction types, rules and nodes. The XRPL EVM sidechain exists as a standalone layer-1 blockchain with its own consensus, and is connected to the XRPL Network via a cross-chain bridge. Developers and users have the option to utilize this sidechain to perform actions they may not otherwise be able to do on the XRPL Network alone, including the ability to create and execute smart contracts. See “Risk Factors – Risks Associated with the XRPL – Risks Related to Sidechains”.

Decentralized Applications

Developers are able to program decentralized applications (“**DApps**”) which run on the XRPL. Many DApps are listed and ranked at <https://www.dappradar.com/>.

Decentralized Finance (DeFi)

DeFi is a system of finance that uses protocols, digital assets, smart contracts and decentralized applications on the XRPL to build a financial platform available to the public. DeFi applications differ from traditional financial systems as they are typically open source, permissionless, transparent and devoid of any central authority in the areas of savings, loans, trading, insurance, etc. The digital, internet-enabled applications are accessible to anyone in the world with a smartphone and an internet connection.

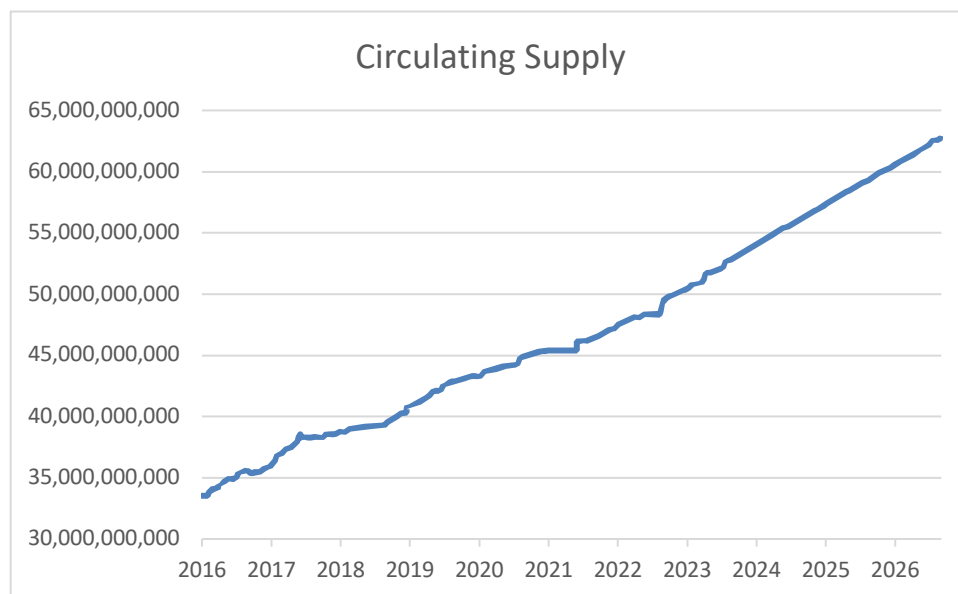
Three major areas of study and development in DeFi on the XRPL include:

1. *Stable coins*, such as Stably USD. Stablecoins may be backed by fiat currency deposits or other commodities or may be algorithmic in nature.
2. *Lending and borrowing protocols*. XLS-66d is a proposed amendment to the XRPL that introduces a new feature for lending and borrowing directly on the XRPL. The amendment is part of the broader effort to enhance the capabilities of the XRPL, allowing it to support DeFi activities such as lending and borrowing without the need for third-party platforms.
3. *DEX (Decentralized Exchanges)*. The XRPL itself has a built-in decentralized exchange (DEX) that has been a part of the ledger since its inception. This DEX allows users to trade issued currencies (IOUs) and XRP directly on the ledger without needing an intermediary. In addition, other third-party DEXs are available to users. The DEX includes two components: order books and an automated market maker (AMM). These capabilities are built directly into the XRPL.

Supply Characteristics

XRP’s maximum supply is fixed at 100 billion XRP. No additional XRP can be created under the XRPL protocol, and XRP used to pay transaction fees are burned. Ripple’s escrow arrangements govern the scheduled release of previously created XRP and do not themselves create new XRP. The graph in Exhibit 2 below shows the growth of the circulating supply of XRP.

Exhibit 2



Note:

(1) Data as of August 31, 2026.

Source: 3iQ Corp., data sourced from CoinMarketCap.

The Manager believes, based on basic economic theory of supply and demand, that if demand for XRP as a means of exchange, store of value or network access payment were to increase, then the price of XRP, the velocity of XRP, or both, may increase in order to facilitate such increased demand.

Security of the Network

The Manager believes that the following are key metrics that determine the security of the XRPL. First, there is the network of trusted validators that participate in the consensus process, particularly those on a node's UNL. A "node" in this context refers to a computer connected directly to the XRPL, which may act as a validator or simply maintain a copy of the ledger. Validators play a crucial role in ensuring the integrity of the network by verifying transactions and reaching consensus on the state of the ledger. If the validators detect that a proposed ledger version contains an invalid transaction or otherwise violates the consensus rules, they will reject it, preventing it from being appended to the XRPL. The presence of a trusted, global set of validators, particularly those on the recommended UNL, is central to the security and stability of the XRPL. As of August 31, 2026, there were approximately 799 nodes connected to the XRPL. See "Risk Factors – Risks Associated with the XRPL – Issues with Decentralization", "Risk Factors – Risks Associated with the XRPL – Threat of Percentage-Based Attacks on XRPL Validators" and "Risk Factors – Risks Associated with the XRPL – Service Outages and Attacks".

Validators on the default UNL are typically trusted parties, such as financial institutions, universities and other reputable organizations. These entities are chosen because they are seen as reliable and have a vested interest in maintaining the integrity and stability of the network. It is important to note that a node can customize its own UNL to include validators on the default UNL or other validators. There is no direct economic incentive for validators on the XRPL. Validators do not receive rewards for their work, which is a significant difference from other networks. Instead, validators are motivated by their interest in the network's stability and their reputation. To be part of the consensus process, a validator needs to be trusted and included in the UNLs of other nodes. While anyone can operate a validator and any node can add any validator to its UNL, being added to the default UNL generally requires demonstrating reliability, stability and trustworthiness over time.

As of August 31, 2026, there were 142 validators on the XRPL, and 35 of which can be selected to be on a node's UNL (see <https://livenet.xrpl.org/network/validators> for the full list). Ripple, the company which supports development on the XRPL, maintains only 1 of the 35 validators on the UNL.

PART II: XRP's Price Characteristics

Volatility

The price of XRP is volatile and fluctuations are expected to have a direct impact on the Net Asset Value per Unit. However, movements in the price of XRP in the past may not be a reliable indicator of future movements. Movements may be influenced by various factors including supply and demand, service outages, geo-political uncertainties, macroeconomic concerns such as inflation and speculative investor interest.

Pricing and Digital Asset Trading Platforms

Digital asset trading platforms are spot markets in which XRP can be exchanged for various government-issued or fiat currencies, including the U.S. dollar, the Euro and the Chinese Yuan and for other crypto currencies, such as bitcoin.

Activity on digital asset trading platforms should not be confused with the process of users sending XRP from one address to another XRP address. The latter is an activity that uses XRP as a means of exchange and is largely conducted directly using the XRPL, whereas the former is mostly an activity around XRP as a store of value and largely occurs within the trade books of digital asset trading platforms (i.e., off-blockchain).

Digital asset trading platforms generally report the bid and ask prices for the purchase or sale of XRP publicly via their websites. Although each digital asset trading platform has its own market price, it is expected that most digital asset trading platforms' market prices should be relatively consistent with the digital asset trading platform market average since market participants can choose the digital asset trading platform on which to buy or sell XRP. Price differentials across digital asset trading platforms enable arbitrage between XRP prices on the various exchanges and occur most notably between geographies.

It is the stated position of the CSA that digital asset trading platforms must be licensed to operate in Canada and, absent exemptive relief or the execution of pre-registration undertakings (known as a “**PRU**”), must be licensed as a securities dealer (known as a CTP) with the CIRO. The Manager will seek to ensure that the digital asset trading platforms through which the 3iQ XRP ETF transacts in Canada are in compliance with the applicable securities law framework and that any platforms through which it may transact in the United States or other global jurisdictions are reputable and in compliance with AML Regulation. See “Investment Overview – Purchasing XRP for the 3iQ XRP ETF’s Portfolio”.

Purchasing XRP for the 3iQ XRP ETF’s Portfolio

The Manager expects that XRP will be purchased for the 3iQ XRP ETF from regulated digital asset trading platforms and OTC counterparties (each, a “**XRP Source**”) and, once available, possibly through derivatives such as XRP-settled futures on regulated exchanges. The Manager will conduct due diligence on each proposed XRP Source prior to transacting with such XRP Source in order to confirm its reputation, stability and the regulatory regime applicable to the XRP Source. The Manager will also confirm that each XRP Source maintains appropriate KYC policies and procedures and will not transact with any person or entity that is on a list of designated persons or entities established and maintained under applicable AML Regulation in the jurisdiction of the XRP Source. The Manager will ensure that each XRP Source has its head office in a jurisdiction which is a member of the FATF or its global network of FATF-style regional bodies.

The Manager will determine where to place the 3iQ XRP ETF’s XRP orders based on the prices and volumes available through each XRP Source with a view to achieving quality execution for the 3iQ XRP ETF. Once a XRP order has been executed and allocated to the 3iQ XRP ETF, the Manager reviews and approves the transaction. Upon approval, the Sub-Custodians are notified and payment for the trade is settled. Once the Sub-Custodians receive the XRP on behalf of the 3iQ XRP ETF, the Sub-Custodians immediately places the XRP in cold storage, ensuring that such XRP is allocated to the 3iQ XRP ETF’s account on a segregated basis.

The Sub-Custodians have adopted anti-money laundering policies described under “Organization and Management Details of the 3iQ XRP ETF – Sub-Custodians”. To date, the Sub-Custodians have never experienced a loss due to unauthorized access from their hot wallets or the cold storage vaults where the 3iQ XRP ETF’s XRP will be custodied.

INVESTMENT RESTRICTIONS

The 3iQ XRP ETF is subject to certain restrictions and practices contained in Canadian securities legislation applicable to alternative mutual funds, including NI 81-102. Additionally, the 3iQ XRP ETF is subject to certain investment restrictions that, among other things, limit the assets that the 3iQ XRP ETF may acquire for its portfolio. Specifically, the 3iQ XRP ETF is restricted to primarily investing in the digital asset XRP. The 3iQ XRP ETF is managed in accordance with these restrictions and practices, except as otherwise permitted by exemptions provided by Canadian securities regulatory authorities. See “Exemptions and Approvals”. A change to the fundamental investment objective of the 3iQ XRP ETF would require the approval of the Unitholders of the 3iQ XRP ETF. See “Unitholder Matters – Matters Requiring Unitholder Approval”.

FEES AND EXPENSES

Fees and Expenses Payable by the 3iQ XRP ETF

Management Fees and Additional Fees

The 3iQ XRP ETF will pay an annual management fee (the “**Management Fee**”) to the Manager for acting as trustee, manager and portfolio manager of the 3iQ XRP ETF equal to 0.59% of the NAV of the 3iQ XRP ETF, calculated daily and payable monthly in arrears, plus applicable taxes. See “Organization and Management Details – The Trustee, Manager and Promoter”.

The Manager may, at its discretion, agree to charge a reduced Management Fee (or reimburse all or a portion of such Management Fee) for some Unitholders as compared to the Management Fee that the Manager would otherwise be entitled to receive from 3iQ XRP ETF, provided that the difference between the fee otherwise chargeable and the reduced fee is distributed periodically by the 3iQ XRP ETF to the applicable Unitholders as a management fee distribution (the “**Management Fee Distributions**”). Any reduction will depend on a number of factors, including the amount invested, the NAV of the 3iQ XRP ETF and the expected amount of account activity. Management Fee Distributions are paid first out of net income of the 3iQ XRP ETF then out of capital gains of the 3iQ XRP ETF and thereafter out of capital.

Operating Expenses

In addition to the Management Fee, and any debt servicing costs, the 3iQ XRP ETF will bears and pay all of its costs, expenses and liabilities (“**Operating Expenses**”) including all of its administrative and operating expenses as well as those incurred by the Manager in the performance of its duties as manager of the 3iQ XRP ETF. Such fees and expenses include, without limitation: fees and expenses payable to the independent review committee (“**IRC**”) of the 3iQ XRP ETF; brokerage and trading commissions and other fees and expenses associated with the execution of transactions in respect of the 3iQ XRP ETF’s investment in XRP; fees payable to the Registrar and Transfer Agent; fees payable to any custodians and/or sub-custodians for the assets of the 3iQ XRP ETF as well as the fees of the Administrator and other service providers; licensing fee payable to CF Benchmarks to license the XRPUSD_NY; expenses relating to the monitoring of the relationships with the Custodian, Sub-Custodians, the Registrar and Transfer Agent and other organizations serving the 3iQ XRP ETF; legal, audit, and valuation fees and expenses; fees payable for listings, the maintenance of listings and filings or other requirements of stock exchanges on which any of the Units of the 3iQ XRP ETF may become listed or quoted; the preparation and supervision costs relating to the calculation and publication of the NAV; costs and expenses of preparing, printing, and mailing financial and other reports to Unitholders, material for Unitholders’ meetings and securities regulatory filings; costs and expenses of communication with Unitholders; costs and expenses arising as a result of complying with all applicable securities legislation and other applicable laws, regulations and policies; all taxes (including income, capital, federal GST or HST, and Provincial/Territorial sales taxes); and costs associated with the provision of such other managerial and administrative services as may be reasonably required for the ongoing business and administration of the 3iQ XRP ETF.

The Manager may, from time to time, in its sole discretion, pay all or a portion of any Operating Expenses which would otherwise be payable by the 3iQ XRP ETF.

Fees and Expenses Payable Directly by the Unitholders

Administrative Fee

An amount as may be agreed to between the Manager and the Designated Broker or a Dealer that may be charged to offset certain transaction costs associated with an issue, exchange or redemption of Units. This charge does not apply to Unitholders who buy and sell their Units through the facilities of a stock exchange.

RISK FACTORS

In addition to the considerations set out elsewhere in this prospectus, the following are risks relating to an investment in Units that prospective investors should consider before purchasing such Units.

Risks Factors Relating to an Investment in the 3iQ XRP ETF

No Assurance in Achieving Investment Objectives

There is no assurance that the 3iQ XRP ETF will achieve its investment objectives.

Trading Price of Units

Units of the 3iQ XRP ETF may trade in the market at a premium or discount to the NAV per Unit. There can be no assurance that Units will trade at prices that reflect their NAV. The trading price of the Units of the 3iQ XRP ETF will fluctuate in accordance with changes in the 3iQ XRP ETF's NAV, as well as market supply and demand on the TSX. However, given that generally only a Prescribed Number of Units are issued to the Designated Broker and Dealers, and that holders of a Prescribed Number of Units (or an integral multiple thereof) may redeem such Units at their NAV, the Manager believes that large discounts or premiums to the NAV of the Units should not be sustained.

Loss of Investment

An investment in the 3iQ XRP ETF is appropriate only for investors who have the capacity to absorb a loss on their investment.

Fluctuations in NAV, NAV per Unit and the Value of Digital Assets

The NAV of the Units of the 3iQ XRP ETF will vary according to, among other things, the value of the XRP included in the 3iQ XRP ETF's portfolio. The value of the XRP will be influenced by factors which are not within the control of the 3iQ XRP ETF or the Manager, including factors that affect the cryptocurrency markets generally such as general economic and political conditions, fluctuations in interest rates and factors unique to XRP.

Concentration Risk

The 3iQ XRP ETF was created to invest in XRP and is not expected to have exposure to any other investments or assets. Other than cash or cash equivalents, the 3iQ XRP ETF invests substantially all of its assets in XRP. The NAV per Unit of the 3iQ XRP ETF may be more volatile than the value of a more broadly diversified portfolio and may fluctuate substantially over short periods of time. This may have a negative impact on the NAV of the Units of the 3iQ XRP ETF.

Use of Leverage

The 3iQ XRP ETF may borrow money on a temporary short-term basis to acquire XRP in connection with a subscription for Units of the 3iQ XRP ETF by a Dealer or to satisfy Unitholder redemptions. Any borrowing by the 3iQ XRP ETF will be made in accordance with the borrowing restrictions applicable to an alternative mutual fund under NI 81-102.

Reliance on the Manager

Unitholders depend on the abilities of the Manager to effectively administer the affairs of the 3iQ XRP ETF. The Manager depends, to a great extent, on a very limited number of individuals in the administration of its activities as manager of the 3iQ XRP ETF. The loss of the services of any one of these individuals for any reason could impair the ability of the Manager to perform its duties as manager on behalf of the 3iQ XRP ETF.

Use of Derivatives

The 3iQ XRP ETF may use derivative instruments from time to time as described under “Investment Strategies”. The use of derivative instruments involves risks different from, and possibly greater than, the risks associated with investing directly in securities and other traditional investments. Risks associated with the use of derivatives include: (a) there is no guarantee that hedging to reduce risk will not result in a loss or that there will be a gain; (b) there is no guarantee that a market will exist when the 3iQ XRP ETF wants to complete or settle the derivative contract, which could prevent the 3iQ XRP ETF from reducing a loss or making a profit; (c) securities exchanges may impose trading limits on options and futures contracts, and these limits may prevent the 3iQ XRP ETF from completing or settling the derivative contract; (d) the 3iQ XRP ETF could experience a loss if the other party to the derivative contract is unable to fulfill its obligations; (e) if the 3iQ XRP ETF has an open position in an option, a futures contract or a forward contract with a dealer who goes bankrupt, the 3iQ XRP ETF could experience a loss and, for an open futures or forward contract, a loss of margin deposited with that dealer; and (f) if a derivative is based on a market index and trading is halted or disrupted on a substantial number of stocks or bonds in the index or there is a change in the composition of the index, there could be an adverse effect on the derivative.

No Ownership Interest in the Portfolio

An investment in Units of the 3iQ XRP ETF does not constitute an investment by Unitholders in the XRP or cash and cash equivalents included in the 3iQ XRP ETF’s portfolio. Unitholders do not own the XRP or cash or cash equivalents held by the 3iQ XRP ETF.

Changes in Legislation

There can be no assurance that certain laws applicable to the 3iQ XRP ETF, including income tax laws, government incentive programs and the treatment of mutual fund trusts under the Tax Act, will not be changed in a manner which adversely affects the 3iQ XRP ETF or its Unitholders.

Conflicts of Interest

The Manager and its directors and officers engage in the promotion, management or investment management of one or more funds or trusts with similar investment objectives to those of the 3iQ XRP ETF. Although none of the directors or officers of the Manager devotes his or her full time to the business and affairs of the 3iQ XRP ETF, each director and officer of the Manager will devote as much time as is necessary to supervise the management of (in the case of the directors) or to manage the business and affairs of (in the case of officers) the 3iQ XRP ETF and the Manager.

Valuation of the 3iQ XRP ETF

Valuation of the 3iQ XRP ETF may involve uncertainties and judgement determinations, and, if such valuations should prove to be incorrect, the NAV of the 3iQ XRP ETF could be adversely affected. The Manager may face a conflict of interest in valuing the XRP held by the 3iQ XRP ETF because the values assigned will affect the calculation of the Management Fee payable by the 3iQ XRP ETF to it. This risk is mitigated by the fact that the XRP held by the 3iQ XRP ETF is valued based on the XRPUSD_NY, as described in “Calculation of Net Asset Value”.

Manager, Custodian and Sub-Custodians Standard of Care

Each of the Manager, the Custodian and the Sub-Custodians are subject to a contractual standard of care in carrying out its duties concerning the 3iQ XRP ETF (See “Organization and Management Details – Details of the Declaration of Trust”, “Organization and Management Details – Custodian” and “Organization and Management Details – Sub-Custodians”). In the case that the 3iQ XRP ETF suffers a loss of its XRP, and each of the Manager, the Custodian and the Sub-Custodians satisfied its respective standard of care, the 3iQ XRP ETF bears the risk of loss as with respect to these parties.

Under the terms of the Custodian Agreement, the Custodian is required to exercise the standard of care required by NI 81-102. However, the Custodian will not be liable to the 3iQ XRP ETF for any loss of the 3iQ XRP

ETF's XRP held by the Sub-Custodians unless such loss is directly caused by the Custodian's gross negligence, fraud, wilful default, or the breach of its standard of care. In the event of such loss, the Custodian is required to take reasonable steps to enforce such rights as it may have against the Sub-Custodians pursuant to the terms of the Coinbase Sub-Custodian Agreement and Anchorage Sub-Custodian Agreement and applicable law.

SOC 2 Type 2 Report of the Sub-Custodian

Each of the Sub-Custodians have advised the Manager that a SOC 2 Type 2 Report of its internal controls is available for review by the auditor of the 3iQ XRP ETF in connection with the audit of the annual financial statements of the 3iQ XRP ETF. However, there is a risk that such SOC 2 Type 2 Report of the Sub-Custodian will not be available. In the event that the SOC 2 Type 2 Report is not available, the Manager will request confirmation from the Sub-Custodians in writing to permit the auditor of the 3iQ XRP ETF to test its internal controls. Although the Manager has received reasonable assurances from the Custodian and the Sub-Custodians that such written confirmation will be provided in the event that a SOC 2 – Type 2 report of the Sub-Custodians is not available, there is a risk that such written confirmation will not be provided and/or that the auditor will not be able to test the internal controls of the Custodian and the Sub-Custodians directly. The 3iQ XRP ETF filed an undertaking with applicable securities regulatory authorities that provides that while it remains a reporting issuer, the 3iQ XRP ETF will obtain from the Sub-Custodians of the 3iQ XRP ETF's XRP a SOC 2 – Type 2 report or written confirmation from the Sub-Custodians to permit the auditor of the 3iQ XRP ETF to test its controls.

In the event that the auditor of the 3iQ XRP ETF cannot: (i) review a SOC 2 – Type 2 Report of the Sub-Custodians; or (ii) test the internal controls of the Sub-Custodians directly in connection with its audit of the 3iQ XRP ETF's annual financial statements, the auditor would not be able to complete its audit of the annual financial statements of the 3iQ XRP ETF in accordance with the current guidance of the Canadian Public Accountability Board.

Potential Conflicts of Interest

The Manager and its directors, officers, affiliates and associates may engage in the promotion, management or investment management of other accounts, funds or trusts that invest primarily in the assets or securities held by the 3iQ XRP ETF or that have similar investment objectives to the 3iQ XRP ETF.

Although officers, directors and professional staff of the Manager devote as much time to the 3iQ XRP ETF as is deemed appropriate to perform their duties, the staff of the Manager may have conflicts in allocating their time and services among the 3iQ XRP ETF and the other funds managed by the Manager.

Risk of No Active Market for the Units

Although the 3iQ XRP ETF will be listed on the TSX, there can be no assurance that an active public market for the Units will continue to develop or be sustained.

Not a Trust Company

The 3iQ XRP ETF is not a trust company and, accordingly, is not registered under the trust company legislation of any jurisdiction. Units are not "deposits" within the meaning of the *Canada Deposit Insurance Corporation Act* (Canada) and are not insured under provisions of that statute or any other legislation.

U.S. Currency Exposure

The 3iQ XRP ETF's functional and presentation currency is and the investor's investment is made in U.S. dollars. The 3iQ XRP ETF purchases XRP, which is currently denominated in U.S. dollars.

Canadian investors should be aware that the 3iQ XRP ETF does not hedge the investor's investment in the 3iQ XRP ETF against Canadian currency exposure. Fluctuations in the value of the Canadian dollar relative to the U.S. dollar will impact the relative value of an investor's investment in Canadian dollars. If the value of the Canadian dollar has increased relative to the U.S. dollar, the return on the XRP converted into Canadian dollars may be reduced, eliminated or made negative. The opposite can also occur and if it does occur, a Canadian investor and the value of

such investor's investment converted into Canadian dollars may benefit from an increase in the value of the U.S. dollar relative to the Canadian dollar.

Cyber Security Risk

As the use of technology has become more prevalent in the course of business, investment funds like the 3iQ XRP ETF have become potentially more susceptible to operational risks through breaches in cyber security. A breach in cyber security refers to both intentional and unintentional events that may cause the 3iQ XRP ETF to lose proprietary information or other information subject to privacy laws, suffer data corruption, or lose operational capacity. This in turn could cause the 3iQ XRP ETF to incur regulatory penalties, reputational damage, additional compliance costs associated with corrective measures and/or financial loss. Cyber security breaches may involve unauthorized access to the 3iQ XRP ETF's digital information systems (e.g., through "hacking" or malicious software coding), but may also result from outside attacks such as denial-of-service attacks (i.e., efforts to make network services unavailable to intended users). In addition, cyber security breaches of the 3iQ XRP ETF's third-party service providers (e.g., the Registrar and Transfer Agent, the Custodian and the Sub-Custodians) can also subject the 3iQ XRP ETF to many of the same risks associated with direct cyber security breaches. Like with operational risk in general, the 3iQ XRP ETF has established risk management systems designed to reduce the risks associated with cyber security.

Tax Risk

"Mutual fund trust" status - In order to qualify as a mutual fund trust under the Tax Act, the 3iQ XRP ETF must comply with various requirements contained in the Tax Act, including to restrict its undertaking to the investment of its funds in property. If the 3iQ XRP ETF were to cease to qualify as a mutual fund trust (whether as a result of a change in law or administrative practice, or due to its failure to comply with the current Canadian requirements for qualification as a mutual fund trust), it may experience various potential adverse consequences, including: becoming subject to a requirement to withhold tax on distributions made to non-resident Unitholders of any taxable capital gains; Units not qualifying for investment by Registered Plans; and Units ceasing to qualify as "Canadian securities" for the purposes of the election provided in subsection 39(4) of the Tax Act.

"SIFT Rules" - The SIFT Rules apply to trusts that are resident in Canada for the purposes of the Tax Act and that hold one or more "non-portfolio properties" (as defined in the Tax Act) and the units of which are listed or traded on a stock exchange or other public market ("**SIFT Trust**"). Under the SIFT Rules, if the 3iQ XRP ETF were a SIFT Trust it will generally be subject to tax at rates applicable to a Canadian corporation on income from a non-portfolio property (other than a taxable dividend) and net taxable capital gains realized on the disposition of a non-portfolio property (generally, "non-portfolio earnings" under the Tax Act). Unitholders who receive distributions from the 3iQ XRP ETF of this income and gain are deemed to receive an eligible dividend from a Canadian corporation for tax purposes. The total of the tax payable by the 3iQ XRP ETF on its non-portfolio earnings and the tax payable by a Unitholder on the distribution of those earnings will generally be more than the tax that would have been payable in the absence of the tax rules that apply to a SIFT trust. Even if Units of the 3iQ XRP ETF are listed or traded on a stock exchange or other public market, provided the 3iQ XRP ETF only invests in XRP, the 3iQ XRP ETF should not be a SIFT trust; however, no assurance can be given in this regard. Further, pursuant to recent amendments to the Tax Act (the "**Equity Repurchase Rules**"), a trust that is a "SIFT trust" or that is otherwise a "covered entity" as described in the Equity Repurchase Rules is subject to a 2% tax on the value of the trust's equity repurchases (i.e., redemptions) in a taxation year (net of cash subscriptions received by the trust in that taxation year). If 3iQ XRP ETF is subject to tax under the Equity Repurchase Rules, the after-tax return to its Unitholders could be reduced.

Treatment of gains and losses on dispositions of XRP and treatment of forks and/or splits - The 3iQ XRP ETF generally will treat gains (or losses) as a result of any disposition of XRP as capital gains (or capital losses). Generally, the determination of whether or not an event, transaction or transfer related to cryptocurrencies such as XRP, including the transfer of same to a centralized crypto asset exchange and lending platform, constitutes a disposition will be made by the CRA in light of all the facts, the relevant clauses of the contract and the applicable private law. The CRA has taken the administrative position that virtual currencies, such as XRP, are treated as a commodity for income tax purposes. The CRA has also expressed the opinion that gains (or losses) of mutual fund trusts resulting from transactions in commodities should generally be treated for income tax purposes as ordinary income rather than as capital gains, although the treatment in each particular case remains a question of fact to be determined having regard to all the circumstances. In addition, the XRPL may become subject to network forks and/or

certain related occurrences, the tax treatment of which is subject to considerable uncertainty, and the CRA may disagree with positions taken by the 3iQ XRP ETF in this respect. If any transactions of the 3iQ XRP ETF are reported by it on capital account, but are subsequently determined by the CRA to be on income account, or if the CRA were to disagree with positions taken by the 3iQ XRP ETF in relation to forks or other occurrences affecting XRP, there may be an increase in the net income of the 3iQ XRP ETF, which is automatically distributed by the 3iQ XRP ETF to its Unitholders under the terms of the Declaration of Trust at the 3iQ XRP ETF's taxation year end; with the result that Canadian-resident Unitholders could be reassessed by the CRA to increase their taxable income by the amount of such increase, and non-resident Unitholders potentially could be assessed directly by the CRA for Canadian withholding tax on the amount of net gains on such transactions that were treated by the CRA as having been distributed to them. The CRA could assess the 3iQ XRP ETF for a failure of the 3iQ XRP ETF to withhold tax on distributions made by it to non-resident Unitholders that are subject to withholding tax, and typically would do so rather than assessing the non-resident Unitholders directly. Accordingly, any such re-determination by the CRA may result in the 3iQ XRP ETF being liable for unremitted withholding taxes on prior distributions made to Unitholders who were not resident in Canada for the purposes of the Tax Act at the time of the distribution. As the 3iQ XRP ETF may not be able to recover such withholding taxes from the non-resident Unitholders whose Units are redeemed, payment of any such amounts by the 3iQ XRP ETF would reduce the NAV of the 3iQ XRP ETF.

“Loss restriction event” - If the 3iQ XRP ETF experiences a “loss restriction event”, it will: (i) be deemed to have a year-end for tax purposes (which would result in an allocation of the 3iQ XRP ETF's taxable income at such time to Unitholders so that the 3iQ XRP ETF is not liable for income tax on such amounts); and (ii) become subject to the loss restriction rules generally applicable to corporations that experience an acquisition of control, including a deemed realization of any unrealized capital losses and restrictions on their ability to carry forward losses. Generally, the 3iQ XRP ETF is subject to a loss restriction event when a person becomes a “majority-interest beneficiary” of the 3iQ XRP ETF, or a group of persons becomes a “majority-interest group of beneficiaries” of the 3iQ XRP ETF, as those terms are defined in the affiliated persons rules contained in the Tax Act, with appropriate modifications. Generally, a majority-interest beneficiary of the 3iQ XRP ETF is a beneficiary who, together with the beneficial interests of persons and partnerships with whom the beneficiary is affiliated, has a fair market value that is greater than 50% of the fair market value of all the interests in the income or capital, respectively, in the 3iQ XRP ETF. Trusts that qualify as “investment funds” as defined in the rules in the Tax Act relating to loss restriction events are generally excepted from the application of such rules. An “investment fund” for this purpose includes a trust that meets certain conditions, including satisfying certain of the conditions necessary to qualify as a “mutual fund trust” for purposes of the Tax Act, not holding any property that it uses in the course of carrying on a business and complying with certain asset diversification requirements. The Manager does not take the position that the 3iQ XRP ETF is an “investment fund”, and as such, it could potentially have a loss restriction event and hereby become subject to the related tax consequences described above.

“ATR Rule” - Under the ATR Rule, the 3iQ XRP ETF that qualifies as a mutual fund trust through a taxation year could be limited in its ability to claim a deduction in computing its income for amounts of capital gains that are allocated to redeeming or exchanging Unitholders such that the taxable component of distributions to non-redeeming or exchanging Unitholders in the 3iQ XRP ETF may be higher than it would be in the absence of the ATR Rule. See “Redemption and Exchange of Units – Allocations of Capital Gains to Redeeming or Exchanging Unitholders”.

“EIFEL” – Generally, under the EIFEL rules, the deductible amount of IFE for certain trusts may be restricted. IFE include, among other things, certain amounts that are economically equivalent to interest or that can reasonably be considered part of the cost of funding and various expenses incurred in obtaining financing. The EIFEL rule does not apply to certain “excluded entities”, which include certain standalone Canadian-resident corporations and trusts, and groups consisting exclusively of Canadian-resident corporations and trusts, that carry on substantially all of the businesses, undertakings and activities in Canada. This exclusion applies only if, in general terms, no non-resident is a material foreign affiliate of, or holds a significant interest in, any group member, and no group member has any significant amount of interest and financing expenses payable to a non-arm's length “tax-indifferent investor”. If the EIFEL rules were to apply to the 3iQ XRP ETF, the net income of the 3iQ XRP ETF for tax purposes and the taxable component of distributions to its unitholders could increase.

Large Investor Risk

A significant portion of the Units of the 3iQ XRP ETF may be held by a single investor. If a significant

investor were to buy or sell a substantial portion of Units of the 3iQ XRP ETF, the market value of the Units might temporarily decline or increase, as the case may be, resulting in the Units being bought or sold at a discount or premium to the NAV per Unit. However, given that Unitholders may subscribe for or exchange a Prescribed Number of Units at the NAV per Unit, the Manager believes that large discounts to the NAV per Unit of the 3iQ XRP ETF should not be sustained. If a Unitholder purchases Units of the 3iQ XRP ETF at a time when the market price of a Unit of the 3iQ XRP ETF is at a premium to the NAV per Unit or sells Units of the 3iQ XRP ETF at a time when the market price of a Unit is at a discount to the NAV per Unit, the Unitholder may sustain a loss.

Risks Associated with Investing in XRP

Cryptocurrency Risk

Cryptocurrency (notably, XRP), often referred to as “virtual currency” or “digital currency”, operates as a decentralized, peer-to-peer financial exchange and value storage that is used like money. Cryptocurrency operates without the oversight of a central authority or the banks and is not backed by any government. Even indirectly, cryptocurrencies (i.e., XRP) may experience high volatility and related investment vehicles may be affected by such volatility. Funds holding cryptocurrency may also trade at a significant premium or discount to net asset value. Cryptocurrency is not legal tender. Federal, provincial, territorial or foreign governments may restrict the use and exchange of cryptocurrency, and regulation is still developing. Cryptocurrency exchanges may stop operating or permanently shut down due to fraud, technical glitches, hackers or malware which could have an adverse impact on the Net Asset Value per Unit.

Short History Risk

The XRPL, and XRP as a digital asset or token, were created in 2012, and therefore have a limited history. Due to this short history, it is not clear how all elements of XRP will unfold over time, specifically with regard to governance between developers, validators, users, and other participants in the XRPL Network. Since the XRPL Network has successfully navigated a considerable number of technical and political challenges since its inception, the Manager believes that it will continue to engineer its way around future challenges. The history of open-source software development would indicate that vibrant communities are able to change the software under development at a pace sufficient to stay relevant. The continuation of such vibrant communities is not guaranteed, and insufficient software development or any other unforeseen challenges that the community is not able to navigate could have an adverse impact on the 3iQ XRP ETF’s portfolio.

Limited History of the XRP Market

XRP (and the XRPL) is a new technological innovation with a limited history. There is no assurance that usage of XRP or the XRPL will continue to grow. The Net Asset Value per Unit is dependent on the development and widespread acceptance of XRP and the XRPL. A contraction in use of XRP or the XRPL may result in increased volatility or a reduction in the price of XRP, which could adversely impact the Net Asset Value per Unit.

Volatility in the Price of XRP

The XRP markets are sensitive to new developments, and since volumes are still maturing, any significant changes in market sentiment (by way of sensationalism in the media or otherwise) can induce large swings in volume and subsequent price changes. Such volatility can adversely affect the Net Asset Value per Unit.

The price of XRP on public digital asset trading platforms has a limited history. XRP prices on the digital asset trading platforms as a whole have been volatile and subject to influence by many factors including the levels of liquidity on digital asset trading platforms. Even the largest digital asset trading platforms have been subject to operational interruption, limiting the liquidity of XRP on the digital asset trading platform market and resulting in volatile prices and a reduction in confidence in XRP and the digital asset market generally. Purchasing activity on the digital asset trading platforms by the 3iQ XRP ETF may adversely affect the XRPUSD_NY price and Unit trading prices, given the limited number of digital asset trading platforms.

Momentum pricing typically is associated with growth stocks and other assets whose valuation, as determined by the public, accounts for anticipated future appreciation in value. The Manager believes that momentum pricing of

XRP has resulted, and may continue to result, in speculation regarding future appreciation in the value of XRP, increasing price volatility of XRP. As a result, XRP may be more likely to fluctuate in price due to changing investor confidence in future appreciation, which could adversely affect an investment in the Units.

Despite the advantages of the XRPL over other digital protocols, it is possible that another digital protocol could become materially popular due to either a perceived or exposed shortcoming of the XRPL that is not immediately addressed by the XRP contributor community or a perceived advantage of an alternative digital token or “altcoin” that includes features not incorporated into XRP. If a digital asset obtains significant market share (either in market capitalization or use as a payment technology), this could reduce XRP’s market share and have a negative impact on the demand for, and price of, XRP and thereby adversely affect the Net Asset Value per Unit.

Potential Decrease in Global Demand for XRP

As an asset, XRP can serve as a means of exchange, store of value, and unit of account. Many people using XRP as money-over-internet-protocol (MoIP) do so with it as an international means of exchange. Speculators and investors using XRP as a store of value then layer on top of means of exchange users, creating further demand. If consumers stop using XRP as a means of exchange, or its adoption therein slows, then XRP’s price may suffer, adversely affecting the 3iQ XRP ETF.

Investors should be aware that there is no assurance that XRP will maintain its long-term value in terms of purchasing power in the future or that the acceptance of XRP for payments will continue to grow. In the event that the price of XRP declines, the Manager expects the Net Asset Value per Unit to decline proportionately. As relatively new products and technologies, XRP and the XRPL have yet to become widely accepted as a means of payment for goods and services by major retail and commercial outlets, and use of XRP by consumers to pay such retail and commercial outlets remains limited. Banks and other established financial institutions may refuse to process funds for XRPL based transactions, process wire transfers to or from digital asset trading platforms, XRP-related companies or service providers, or maintain accounts for persons or entities transacting in XRP. Conversely, a portion of XRP demand is generated by speculators and investors seeking to profit from the short- or long-term holding of XRP. The Manager believes that, like any tradeable asset, XRP will fluctuate in price, but over time will gain a level of acceptance as a store of value, medium of exchange or token of utility.

Financial Institutions May Refuse to Support Transactions Involving XRP

In the uncertain regulatory climate for digital assets, including XRP, Canadian regulated financial institutions may cease to support transactions involving digital assets, including the receipt of cash proceeds from sales of digital asset.

Limited Insurance

Neither the 3iQ XRP ETF nor the Custodian maintain insurance against risk of loss of XRP held by the 3iQ XRP ETF.

The 3iQ XRP ETF’s XRP is held by the Sub-Custodians offline in “cold storage”. Digital assets held in cold storage are protected by the Sub-Custodians’ security measures, which reflect best practices in the digital asset custody space. The 3iQ XRP ETF’s XRP may also be temporarily held online in a “hot wallet”.

Coinbase Global maintains commercial crime insurance. The commercial crime insurance program covers both cold and hot storage assets held by Coinbase Global and all its subsidiaries, including Coinbase (collectively, the “Coinbase Group”).

Anchor Labs, Inc., the parent company of Anchorage, maintains a comprehensive crime insurance policy which covers losses of assets in custody at Anchorage.

See “Organization and Management Details of the 3iQ XRP ETF – Sub-Custodians – Insurance”.

Residency of the Sub-Custodians

The Sub-Custodians are resident outside Canada and all or a substantial portion of its assets are located outside Canada. As a result, anyone seeking to enforce legal rights against it in Canada may find it difficult to do so.

Liability of Unitholders

The 3iQ XRP ETF is a unit trust and as such its Unitholders do not receive the protection of statutorily mandated limited liability in some provinces and territories as in the case of shareholders of most Canadian corporations. There is no guarantee, therefore, that Unitholders could not be made party to legal action in connection with the 3iQ XRP ETF. However, the Declaration of Trust provides that no Unitholder, in its capacity as such, will be subject to any liability whatsoever, in tort, contract or otherwise, to any person in connection with the 3iQ XRP ETF's property or the obligations or the affairs of the 3iQ XRP ETF and all such persons are to look solely to the 3iQ XRP ETF's property for satisfaction of claims of any nature arising out of or in connection therewith and only the 3iQ XRP ETF's property will be subject to levy or execution. Pursuant to the Declaration of Trust, the 3iQ XRP ETF will indemnify and hold harmless each Unitholder from any costs, damages, liabilities, expenses, charges and losses suffered by a Unitholder resulting from or arising out of such Unitholder not having limited liability. The Declaration of Trust also provides that the Manager shall use reasonable efforts to cause to be inserted in each material written agreement, undertaking and obligation signed by or on behalf of the 3iQ XRP ETF a provision to the effect that such agreement, undertaking or obligation will not be binding upon Unitholders personally.

As a result of the foregoing, it is considered that the risk of any personal liability of Unitholders is minimal in view of the nature of its activities. In the event that a Unitholder should be required to satisfy any obligation of the 3iQ XRP ETF, such Unitholder will be entitled to reimbursement from any available assets of the 3iQ XRP ETF.

Underlying Value Risk

XRP represents a new form of digital value that is still being digested by society. Its underlying value is driven by its utility as a store of value, means of exchange, and unit of account, and the demand for XRP within those use cases. Just as oil is priced by the supply and demand of global markets, as a function of its utility to, for instance, power machines and create plastics, so too is XRP priced by the supply and demand of global markets for its own utility within remittances, B2B payments, time-stamping, etc.

Top XRP Holders May Control a Significant Percentage of the Outstanding XRP

Ripple and its founders own large amounts of XRP. In 2017, Ripple placed most of its XRP into escrow. At the beginning of each month, 1 billion XRP is made available to Ripple. At the start of the next unlock (i.e., at the beginning of the next month), any unspent XRP is placed back into escrow rather than rolling over. As of March 31, 2025, 37,130,000,000 units of XRP remained in such escrow. As of April 30, 2025, the top 100 XRP addresses held approximately 70% of the XRP outstanding, and some holders may have their XRP spread across multiple addresses. Their ownership does not confer them special privileges over XRP or the XRPL. However, if one of these top holders were to exit their XRP position it could cause volatility that may adversely affect the Net Asset Value per Unit of the 3iQ XRP ETF.

Regulation of XRP

The regulation of XRP continues to evolve in North America and within foreign jurisdictions, which may impact the demand for XRP. See "Risk Factors – Risks Associated with Investing in XRP – Uncertain Regulatory Framework" below.

Loss of "Private Keys"

The loss or destruction of certain "private keys" (numerical codes required by the 3iQ XRP ETF to access its XRP) could prevent the 3iQ XRP ETF from accessing its XRP. Loss of these private keys may be irreversible and could result in the loss of all or substantially all the XRP held by the 3iQ XRP ETF. This risk is mitigated by the services provided by the Sub-Custodians to maintain the safety of the private keys, as described in "Organization and Management Details of the 3iQ XRP ETF – Sub-Custodians – XRP Storage, Security Policies and Practices".

Scaling Obstacles

Many digital asset networks face significant scaling challenges. As the use of digital asset networks increases without a corresponding increase in throughput of the networks, average fees and settlement times can increase significantly. Increased fees and decreased settlement speeds could preclude certain use cases for XRP and can reduce demand and price and there is no guarantee that any of the mechanisms in place or being explored for increasing the scale of settlement of transactions in XRP will be effective, which could adversely impact the Net Asset Value of the 3iQ XRP ETF and an investment in the Units.

3iQ XRP ETF's Holdings May Become Illiquid

The 3iQ XRP ETF may not always be able to liquidate its XRP at a desired price. It may become difficult to execute a trade at a specific price when there is a relatively small volume of buy and sell orders in the marketplace, including on digital asset trading platforms such as CTPs or through the futures markets (should one be established). In addition, the large size of XRP that the 3iQ XRP ETF may acquire increases the risks of illiquidity by both making its XRP difficult to liquidate and in liquidating, the 3iQ XRP ETF may affect XRP's price significantly. Unexpected market illiquidity may cause major losses to the holders of XRP.

Irrevocable Nature of Transactions and Improper Transfers

Once a transaction has been verified and recorded in a block that is added to the blockchain, an incorrect transfer of XRP or a theft of XRP generally will not be reversible, and the 3iQ XRP ETF may not be capable of seeking compensation for any such transfer or theft. It is possible that, through computer or human error, or through theft or criminal action, the 3iQ XRP ETF's XRP could be transferred from custody accounts in incorrect quantities, to unauthorized third parties or to a wallet that no one can access. To the extent that the Manager is unable to seek a corrective transaction with such third-party or is incapable of identifying the third-party that has received the 3iQ XRP ETF's XRP through error or theft, the 3iQ XRP ETF will be unable to revert or otherwise recover incorrectly transferred XRP, which could adversely affect an investment in the Units.

Uncertain Regulatory Framework

Due to XRP's short history and its emergence as a new asset class, regulation of XRP, both in Canada and globally, is still a work in progress and is evolving constantly. The CSA have not made a formal statement regarding its classification of XRP. Notably, on December 22, 2020, the SEC filed a civil enforcement action against Ripple, Chris Larsen and Brad Garlinghouse (collectively, the "**Defendants**") in the U.S. District Court for the Southern District of New York. The SEC alleges that the Defendants violated federal securities laws by selling or otherwise distributing XRP without registering those sales with the SEC in accordance with applicable registration requirements. On July 13, 2023, the court granted the Defendants' motion for summary judgment, finding that the Defendants did not violate securities laws with respect to sales on exchanges by any Defendant, other distributions of XRP (including distributions to developers, to charities, and to employees) and denied the Defendants' motion as to institutional sales; the court granted the SEC's motion for summary judgment as to institutional sales, and otherwise denied its motion. In its summary judgment order, the court ruled that XRP is not itself a security as a matter of law. The court found a triable issue of fact as to the SEC's aiding and abetting claim against the individual Defendants. On October 19, 2023, the SEC voluntarily dismissed with prejudice the remaining aiding and abetting claim against the individual Defendants, thereby obviating the need for trial which had been scheduled for April 23, 2024. On August 7, 2024, the court issued a ruling regarding the remedies that will be imposed upon Ripple on the single claim that the court found in favour of the SEC. The court ordered that Ripple would not be subject to any disgorgement of profits but it would be subject to a \$125,000,000 penalty for the institutional sales for which the court found in favor of the SEC at summary judgment. The court also imposed an injunction against Ripple requiring it to obey Section 5 of the *United States Securities Act of 1933*, as amended (the "**1933 Act**") going forward.

If a Canadian court determines that XRP is a security, or there are other material developments affecting the treatment of XRP under securities laws in Canada, the U.S. or other foreign jurisdictions, the market for XRP and the Net Asset Value per Unit may be adversely affected. Although the Manager believes that the XRP regulatory situation will continue to evolve to allow for innovation while also protecting consumers, if a hostile regulatory environment were to emerge against XRP, it could have an adverse impact on the Net Asset Value per Unit.

Many marketplaces and OTC counterparties that trade or facilitate trading exclusively in digital assets are

not subject to registration or licensing requirements with any financial services regulatory body and, therefore, are not directly subject to prescribed KYC, reporting and recordkeeping requirements which apply financial services firms and other “reporting entities” under AML Regulation. The Manager will use all reasonable efforts to confirm that each exchange and institutional liquidity provider from which the 3iQ XRP ETF may purchase XRP has adopted KYC procedures which reflect industry best practices to seek to ensure compliance with AML Regulation requirements which apply generally in the jurisdictions where they carry on business. In addition, Coinbase complies with federal and state anti-money laundering laws, as well as Federal trade and economic sanctions. As a Money Services Business registered with the Financial Crimes Enforcement Network, Coinbase must comply with applicable provisions of the Bank Secrecy Act, as amended by the USA PATRIOT Act of 2001, the laws, regulations and Executive Orders administered by the US Office of Foreign Assets Control as well as state regulations enforced by the New York State Department of Financial Services and other state regulators.

Risks Related to Legal and Regulatory Proceedings Involving Ripple

Ripple is currently involved in legal and regulatory proceedings in the United States, including a civil enforcement action brought by the U.S. Securities and Exchange Commission (“SEC”) and a consolidated class action lawsuit. These proceedings generally relate to allegations that XRP constitutes an unregistered security under U.S. law. While certain matters have progressed toward resolution, others remain pending before the courts or are subject to potential appeal or settlement.

The outcome of these proceedings remains uncertain and may result in legal, financial, or regulatory consequences for Ripple. Any adverse developments or prolonged uncertainty may negatively affect market confidence in XRP, regulatory treatment of XRP in other jurisdictions, or the availability and liquidity of XRP on trading platforms.

Such developments could materially adversely affect the price of XRP, and by extension, may have a material adverse effect on the Net Asset Value per Unit, price, and performance of the 3iQ XRP ETF.

Risks Associated with the XRPL

Dependence on XRPL Network Developers

While many contributors to the XRPL Network’s open-source software are employed by companies in the industry, most of them are not directly compensated for helping to maintain the protocol. As a result, there are no contracts or guarantees that they will continue to contribute to XRPL Network’s software (<https://xrpl.org/community>, <https://github.com/XRPLF/rippled>, and <https://github.com/XRPLF/XRPL-Standards>).

Issues with Decentralization

There are hardware requirements to run a node or validator on the XRPL. While such requirements are modest in comparison to some other networks, these requirements can create a barrier to entry to new validators and nodes on the XRPL Network. As of April 30, 2025, there were 175 validators on the XRPL Network. Among the validators, there are 35 validators on the UNL. The UNL validators are the validators with the ability to vote on changes to the XRP core ledger software, but more than 80% of such UNL validators are required to approve any such change. In the context of digital assets, centralization concerns arise when a small number of nodes or entities have a disproportionate amount of control over the network’s decision making, rules and governance. There are many risks associated with centralization in the context of digital assets, including risks relating to security, control, fairness, manipulation and double spending.

In connection with the XRPL Network’s proof-of-association consensus model, centralization becomes a particular concern because a small number of nodes can slow down or halt the XRPL Network.

Short History Risk for Proof-of-Association Blockchain Networks

The XRPL Network operates on a proof-of-association consensus model. Proof-of-association blockchain networks are newer and generally not as widely used as proof-of-work blockchain networks and may be untested at scale. As a result, proof-of-association blockchain networks may not work as intended. If proof-of-association

blockchain networks do not function as intended or fail to gain adoption, the value of digital assets relying on proof-of-association mechanisms (such as XRP) may be negatively affected, which could adversely affect the Net Asset Value per Unit.

Issues with the Cryptography Underlying the XRPL

The XRPL and other cryptographic and algorithmic protocols governing the use of digital assets represent a new and rapidly evolving industry that is subject to a variety of factors that are difficult to evaluate. In the past, flaws in the source code for digital assets have been exposed and exploited, including flaws that disabled some functionality for users, exposed users' personal information and/or resulted in the theft of users' digital assets. The cryptography underlying XRP could prove to be flawed or ineffective, or developments in mathematics and/or technology, including advances in digital computing, algebraic geometry, and quantum computing, could result in such cryptography becoming ineffective. In any of these circumstances, a malicious actor may be able to take the 3iQ XRP ETF's XRP, which would adversely affect an investment in the Units. Moreover, functionality of the XRPL may be negatively affected such that it is no longer attractive to users, thereby dampening demand for XRP. Even if another digital asset other than XRP were affected by similar circumstances, any reduction in confidence in the source code or cryptography underlying digital assets generally could negatively affect the demand for digital assets and therefore adversely affect an investment in the Units.

Significant Increase in Usage of XRP or the XRPL Could Affect the Ability of the XRPL to Accommodate Demand

There may in the future be congestion issues on the XRPL caused by significant surges in traffic on the XRPL Network. If these congestion issues arise and persist and the XRPL community is not able to develop the XRPL at a pace that meets the demand for transacting on the XRPL Network, users may become frustrated and lose faith in the network, which may adversely affect the Net Asset Value per Unit.

Decentralized Governance of the XRPL

Governance of decentralized networks, such as the XRPL, is achieved through voluntary consensus and open competition. In other words, the XRPL has no central decision-making body or clear manner in which participants can come to an agreement other than through overwhelming consensus. The lack of clarity on governance may adversely affect the XRPL's utility and ability to grow and face challenges. Lack of clarity in governance of the XRPL may lead to ineffective decision-making that slows development and growth, which may adversely affect the Net Asset Value per Unit.

The XRPL May Temporarily or Permanently Fork and/or Split

The XRPL's software and protocol are open source. When a modification is released by the developers and more than 80% of validators (assuming all trusted validators are equally trusted) consent to the modification, the change is implemented and the XRPL continues uninterrupted. However, it is possible for different participants in the XRPL Network to select different trusted validators (i.e., to use a different UNL), and disagree as to whether to accept such modification. Therefore, it is possible for some XRPL Network participants to accept the modification and other XRPL Network participants to reject the modification. Such eventuality is called a "hard fork" (i.e., a split) of the XRPL. One blockchain would be maintained by the pre-modified software and the other by the post-modification software. The effect is that both blockchain algorithms would be running parallel to one another using different UNLs, but each would be building an independent blockchain with independent native assets. After a hard fork, it is conceivable that both resulting blockchains could claim to be a continuation of the XRPL.

Although forks are likely to be addressed by a community-led effort to merge the two groups, such a fork could adversely affect XRP's viability.

In the event that a fork in the XRPL results in: (i) issuance to the 3iQ XRP ETF of an additional digital asset alongside the XRP held by the 3iQ XRP ETF; or (ii) a choice to keep the existing XRP or exchange or replace it with a different digital asset, the Manager will make the investment decision that it believes is in the best interest of the 3iQ XRP ETF and the Unitholders at the time.

The Coinbase Sub-Custodian Agreement provides that Coinbase may, in its discretion, choose to not support

a forked network.

It is ultimately an investment decision of the Manager to determine how the 3iQ XRP ETF will deal with a fork in the XRPL. There will likely be many factors relevant to such decision, including the value and liquidity of the new/replacement asset (the “**Forked Asset**”) and whether a disposition of such Forked Asset would trigger a taxable event for the 3iQ XRP ETF. As such, if it was in the best interest of the 3iQ XRP ETF to receive a Forked Asset or otherwise participate in a fork in the XRPL that is not supported by the Sub-Custodians, the Manager could instruct the Custodian to move the 3iQ XRP ETF’s XRP from the Sub-Custodians to an account with another sub-custodian which would support such fork.

In the event of a fork or split of the XRPL (or the blockchain of another Forked Asset held by the 3iQ XRP ETF), the 3iQ XRP ETF may not be required to reflect ownership of any resulting Forked Asset on its financial statements until such asset is released by the Sub-Custodians (or the relevant Forked Asset custodian) into the 3iQ XRP ETF’s account.

The Manager will ensure that redeeming Unitholders receive the appropriate redemption price for their Units of the 3iQ XRP ETF, including in circumstances where a Forked Asset held by the 3iQ XRP ETF cannot be liquidated due to restrictions imposed by the custodian of the Forked Asset or other market forces. However, the Manager does not guarantee that ultimately the right Forked Asset will be chosen.

Airdrops

Digital assets are also susceptible to “airdrops”, whereby promoters entitle existing holders to claim a certain portion of the new digital asset at no-cost. Since airdrops are both uncertain and unguaranteed, the 3iQ XRP ETF may not derive any benefit from the airdrops as it may or may not choose, or be able, to participate in an airdrop, or may or may not be able to realize the economic benefits of holding the new digital asset. The timing of any such occurrence is uncertain, and the Manager has sole discretion whether to claim a new asset created through an airdrop.

Dependence on the Internet

Users and developers access XRP via the internet. A significant disruption in Internet connectivity could disrupt the operation of the XRPL until the disruption is resolved, and such disruption could have an adverse effect on the price of XRP, the Net Asset Value per Unit and the ability of the XRPL to operate. Thus, the XRPL is dependent upon the continued functioning of the internet.

Threat of Percentage-Based Attacks on XRPL Validators

If a malicious actor or botnet (a volunteer or hacked collection of computers controlled by networked software coordinating the actions of the computers) obtains control of more than certain percentages of the validators (assuming that all trusted validators are equally trusted), such actor or botnet may be able to cause certain undesirable effects on the XRPL:

- Above 20%, such malicious actor or botnet could slow or cease the processing of transactions on the XRPL.
- Above 50%, such malicious actor or botnet could censor the transactions accepted by the XRPL, which means that it could selectively block valid transactions from being reflected in the XRPL.
- Above 80%, such malicious actor or botnet could alter the XRPL by constructing fraudulent blocks or rewriting historical activity, and control, exclude or modify the ordering of transactions. To the extent that such malicious actor or botnet did not yield its control of the processing power on the XRPL or the XRPL Network did not reject the fraudulent blocks as malicious, reversing any changes made to the XRPL may not be possible.

Further, a malicious actor or botnet could create a flood of transactions in order to slow down the XRPL

Although there are no known reports of such control of the XRPL, if groups of coordinating or connected actors managed to achieve such control, they could negatively impact the processing of transactions on the XRPL,

which may adversely affect the Net Asset Value per Unit.

Gateway Protocol Hijackings

Digital assets are also susceptible to border gateway protocol hijacking, or BGP hijacking. Such an attack can be a very effective way for an attacker to intercept traffic on route to a legitimate destination. BGP hijacking impacts the way different nodes and miners are connected to one another to isolate portions of them from the remainder of the network, which could lead to a risk of the network allowing double-spending and other security issues. If BGP hijacking occurs on the XRPL, participants may lose faith in the security of XRP, which could affect XRP's value and consequently the value of the Units. Any future attacks that impact the ability to transfer XRP could have a material adverse effect on the price of XRP and the value of an investment in the Units.

Malicious Attacks on the Network

Digital asset networks, including the XRPL, are subject to control by entities that capture a significant amount of the network's processing power or a significant number of developers important for the operation and maintenance of such digital asset network.

A malicious actor may also obtain control over the XRPL Network through its influence over core or influential developers. For example, this could allow the malicious actor to block legitimate network development efforts or attempt to introduce malicious code to the XRPL Network under the guise of a software improvement proposal by such a developer. Any actual or perceived harm to the XRPL Network as a result of such an attack could result in a loss of confidence in the source code or cryptography underlying the XRPL Network, which could negatively impact the demand for XRP and therefore adversely affect the Net Asset Value of the 3iQ XRP ETF and an investment in the Units.

Faulty Code

In the past, flaws in the source code for digital assets have been exposed and exploited, including those that exposed users' personal information and/or resulted in the theft of users' digital assets. Several errors and defects have been publicly found and corrected, including those that disabled some functionality for users and exposed users' personal information. Discovery of flaws in, or exploitations of, the source code that allow malicious actors to take or create money in contravention of known network rules have occurred. In addition, the cryptography underlying XRP could prove to be flawed or ineffective, or developments in mathematics and/or technology, including advances in digital computing, algebraic geometry and quantum computing, could result in such cryptography becoming ineffective. In any of these circumstances, a malicious actor may be able to steal the 3iQ XRP ETF's XRP, which would adversely affect an investment in the Units. Even if the affected digital asset is not XRP, any reduction in confidence in the source code or cryptography underlying digital assets generally could negatively impact the demand for XRP and therefore adversely affect the Net Asset Value of the 3iQ XRP ETF and an investment in the Units.

Intellectual Property

Code underlying the XRPL is available under open-source licenses and as such the code is generally open to use by the public. Third parties may assert intellectual property claims relating to the holding and transfer of XRP and its source code. Regardless of the merit of any intellectual property or other legal action, any threatened action that reduces confidence in long-term viability or the ability of end-users to hold and transfer XRP may adversely affect the Net Asset Value of the 3iQ XRP ETF and an investment in the Units. Additionally, a meritorious intellectual property claim could prevent the 3iQ XRP ETF and other end-users from accessing, holding, or transferring XRP, which could force the liquidation of the 3iQ XRP ETF's holdings of XRP (if such liquidation is possible). As a result, an intellectual property claim against the 3iQ XRP ETF or other large XRPL Network participants could adversely affect the Net Asset Value of the 3iQ XRP ETF and an investment in the Units.

Risks of Political or Economic Crises

Political or economic crises may motivate large-scale sales of XRP and other cryptocurrencies, which could result in a reduction in the price of XRP and adversely affect the Net Asset Value of the 3iQ XRP ETF and an investment in the Units. As an alternative to fiat currencies that are backed by central governments, cryptocurrencies,

such as XRP, which are relatively new, are subject to supply and demand forces based upon the desirability of an alternative, decentralized means of buying and selling goods and services, and it is unclear how such supply and demand will be affected by geopolitical events. Nevertheless, political or economic crises may motivate large-scale acquisitions or sales of XRP either globally or locally.

Banking Services

Banks may refuse to provide bank accounts and other banking services to XRP-related companies or companies that accept XRP for a number of reasons, such as perceived compliance risks or costs. The difficulty that many businesses that provide such services have and may continue to have in finding banks willing to provide them with bank accounts and other banking services may be currently decreasing the usefulness of XRP as a payment system and harming public perception of XRP or could decrease its usefulness and harm its public perception in the future. Similarly, the usefulness of XRP as a payment system and the public perception of XRP could be damaged if banks were to close the accounts of many or of a few key businesses providing XRP-related services.

Technological Change

Large holders of XRP and XRP trading platforms must adapt to technological change in order to secure and safeguard client accounts. The ability of the Sub-Custodians to safeguard the XRP that the 3iQ XRP ETF holds from theft, loss, destruction or other issues relating to hackers and technological attack is based upon known technology and threats. As technological change occurs, such threats will likely adapt, and previously unknown threats may emerge. Furthermore, the 3iQ XRP ETF may become a more appealing target of security threats as the size of the Fund's XRP holdings grows. If the Manager, the 3iQ XRP ETF, the Custodian or the Sub-Custodians is unable to identify and mitigate or stop new security threats, the 3iQ XRP ETF's XRP may be subject to theft, loss, destruction or other attack, which could have a negative impact on the performance of the Units or result in loss of the 3iQ XRP ETF's assets.

Effects of Blockchain Analytics

XRP utilizes a public blockchain on which all transactions are publicly viewable and contain certain information about the transaction, such as the public wallet addresses and amounts involved. Accordingly, individual XRP can be traced through statistical analysis, big data and by imposing an accounting convention such as "last in, first out" or "first in, first out." These methods are commonly referred to as "blockchain analytics." The fact that blockchain analytics can be performed implies that XRP is not perfectly fungible because prospective purchasers can theoretically discriminate against XRP by making certain assumptions about its particular transaction history in light of any legal risks associated with holding "tainted" currency, as the legal framework protecting fungibility of government-issued currency does not clearly apply to XRP. Potential risks include (i) a holder being exposed to conversion tort liability if XRP were previously stolen or (ii) a digital asset trading platform refusing to exchange the XRP for government-issued currency on anti-money laundering or economic sanctions grounds.

Risks Related to Sidechains

A sidechain is an independent ledger with its own consensus algorithm, transaction types, rules and nodes. It acts as its own blockchain, running parallel to the mainchain (XRPL), enabling value to move between the two without compromising the speed, efficiency and throughput of the mainchain. Sidechains can customize the XRPL protocol to the needs of a specific use case or project and run it as its own blockchain (e.g., the XRPL EVM sidechain). If an XRPL sidechain does not perform to expectations or is compromised in any way, this may reduce confidence in XRP or the XRPL, which may adversely affect the Net Asset Value per Unit.

Service Outages and Attacks

The XRPL is periodically subject to distributed denial of service attacks ("DDoS Attacks") to clog the list of transactions being verified by validators, which can slow the verification of authentic transactions and lead to XRPL Network outages. Due to a mishap early in the XRPL history, blocks 1 through 32569 were lost (this loss represents approximately the first week of ledger history). Thus, XRPL block #32570 is the earliest ledger available anywhere.

XRPL outages and attacks on the XRPL may reduce confidence in XRP, which may adversely affect the Net Asset Value per Unit. If there is an XRPL outage, during such outage, the Manager will not be able to withdraw or liquidate its XRP.

Competitors to XRP

As of April 30, 2025, XRP was the fourth largest digital asset by market capitalization, with CoinMarketCap.com citing over 10,000 alternative digital assets. To the extent a competitor to XRP gains popularity and greater market share, the use and price of XRP could be negatively impacted, which may adversely affect an investment in Units of the 3iQ XRP ETF. Similarly, the price of XRP could be negatively impacted by competition from incumbents in the cross-border payments industry, which may adversely affect the Net Asset Value per Unit.

Risk that the XRPL Will be Used to Facilitate Illicit Activities

Digital asset networks have in the past been, and may continue to be, used to facilitate illicit activities. If the XRPL is used to facilitate illicit activities, businesses that facilitate transactions in XRP could be at increased risk of potential criminal or civil liability, or of having banking or other services cut off, and XRP could be removed from digital asset exchanges as a result of these concerns. Other service providers of such businesses may also cut off services if there is a concern that the XRPL is being used to facilitate crime. Any of the aforementioned occurrences could increase regulatory scrutiny of the XRPL and/or adversely affect the price of XRP, the attractiveness of the XRPL and an investment in the Units.

Risks Associated with Digital Asset Trading Platforms

Regulation of Digital Asset Trading Platforms

Digital asset trading platforms are spot markets in which XRP can be exchanged for various government-issued or fiat currencies, including the U.S. dollar, the Euro and the Chinese Yuan and for other crypto currencies, such as bitcoin. It is the stated position of the CSA that digital asset trading platforms must be licensed to operate in Canada and, absent exemptive relief or the execution of a PRU, must be licensed as a securities dealer (known as a CTP) with the CIRO. The Manager will seek to ensure that the digital asset trading platforms through which the 3iQ XRP ETF transacts in Canada are in compliance with the applicable securities law framework and that any platforms through which it may transact in the United States or other global jurisdictions are reputable and in compliance with AML Regulation. See “Investment Overview – Purchasing XRP for the 3iQ XRP ETF’s Portfolio”.

Hacking of Digital Asset Trading Platforms May Have a Negative Impact on Perception of the Security of the XRPL

Digital asset trading platforms may be hacked. A hack of a trading platform could shake confidence in XRP and its related trading infrastructure and result in a decrease of XRP’s price, which may adversely affect the Net Asset Value per Unit.

Different Prices of XRP on the Digital Asset Trading Platforms May Adversely Affect the Net Asset Value per Unit

Most platforms operate as isolated pools of liquidity, and so when demand spikes for a specific platform the market price for XRP on that platform can also spike, making it trade at a premium (or discount) to other platforms.

Closure of Digital Asset Trading Platform(s)

Digital asset trading platforms have been closed due to fraud, failure, security breaches or distributed denial of service attacks. In many of these instances, the customers of such digital asset trading platforms were not compensated or made whole for the partial or complete losses of their account balances in such digital asset trading platforms. The potential for instability of digital asset trading platforms and the closure or temporary shutdown of exchanges may reduce confidence in XRP, which may adversely affect the Net Asset Value per Unit.

Liquidity Constraints on Digital Asset Trading Platforms May Impact the 3iQ XRP ETF's Holdings

The 3iQ XRP ETF may not always be able to acquire or liquidate its assets at a desired price. It may become difficult to execute a trade at a specific price when there is a relatively small volume of buy and sell orders in the marketplace, including on digital asset trading platforms. When transacting in the XRP markets, the 3iQ XRP ETF will be competing for liquidity with other large investors, including speculators, validators and other investment funds and institutional investors.

Unexpected market illiquidity, and other conditions beyond the Manager's control, may cause major losses to the holders of a digital asset, including XRP. The large positions in XRP that the 3iQ XRP ETF may acquire increases the risks of illiquidity by making its XRP difficult to liquidate. In addition, liquidation of significant amounts of XRP by the 3iQ XRP ETF may impact the market price of XRP.

Risk of Manipulation on Digital Asset Trading Platforms

Some digital asset trading platforms have been known to permit and/or report artificially high order volumes and/or trading volumes. Not all digital asset trading platforms are required to adopt policies and procedures for the purpose detecting and preventing manipulative and deceptive trading activities and, in the event that manipulative and deceptive trading activities are detected, digital asset trading platforms may not have procedures for, or jurisdiction to, sanction or otherwise deter such activities and/or to detect, investigate and prosecute fraud.

It is the stated position of the CSA that digital asset trading platforms must be licensed to operate in Canada and, absent exemptive relief or the execution of a PRU, must be licensed as a securities dealer (known as a CTP) with the CIO. The Manager will seek to ensure that the digital asset trading platforms through which the 3iQ XRP ETF transacts in Canada are in compliance with the applicable securities law framework and that any platforms through which they may transact in the United States or other global jurisdictions are reputable and in compliance with AML Regulation. See "Investment Overview – Purchasing XRP for the 3iQ XRP ETF's Portfolio".

Settlement of Transactions on the Network

There is no central clearing house for cash-to-XRP transactions. Current practice is for the purchaser of XRP to send fiat currency to a bank account designated by the seller, and for the seller to broadcast the transfer of XRP to the purchaser's public XRP address upon receipt of the cash. The purchaser and seller monitor the transfer with a transaction identification number that is available immediately upon transfer and is expected to be included in the next block confirmation. When the 3iQ XRP ETF purchases XRP from a Digital Asset Source, there is a risk that the Digital Asset Source will not initiate the transfer on the XRPL upon receipt of cash from the 3iQ XRP ETF, or that the bank where the Digital Asset Source's account is located will not credit the incoming cash from the 3iQ XRP ETF for the account of the Digital Asset Source. The Manager mitigates this risk by transacting with regulated Digital Asset Sources that have undergone due diligence, as described under "Overview of the Sector in which the 3iQ XRP ETF Invests – Purchasing Digital Assets for the 3iQ XRP ETF's Portfolio" and by confirming the solvency of the Digital Asset Source and the bank designated by each Digital Asset Source based on publicly available information.

Risk Rating of the 3iQ XRP ETF

The Manager assigns a risk rating to the 3iQ XRP ETF as an additional guide to help investors decide whether it is right for them. This information is only a guide. The Manager determines the risk rating for the 3iQ XRP ETF in accordance with NI 81-102. The investment risk level of the 3iQ XRP ETF is required to be determined in accordance with standardized risk classification methodology that is based on the historical volatility of the 3iQ XRP ETF as measured by the 10-year standard deviation of the returns of the 3iQ XRP ETF. Just as historical performance may not be indicative of future returns, the 3iQ XRP ETF's historical volatility may not be indicative of its future volatility. Investors should be aware that other types of risk, both measurable and non-measurable, also exist.

Standard deviation is a statistical measure used to estimate the dispersion of a set of data around the average value of the data. In the context of investment returns, it measures the amount of variability of returns that has historically occurred relative to the average return. The higher the standard deviation, the greater the variability of returns it has experienced in the past.

Using this methodology, the Manager assigns a risk rating to the 3iQ XRP ETF as either low, low to medium, medium, medium to high, or high risk as follows:

- *Low* – for funds with a level of risk typically associated with investments in Canadian fixed income funds and money market funds;
- *Low to medium* – for funds with a level of risk typically associated with investments in balanced funds and global or corporate fixed income funds;
- *Medium* – for funds with a level of risk typically associated with investments in equity portfolios diversified among a number of large-capitalization Canadian or international equity securities;
- *Medium to high* – for funds with a level of risk typically associated with investments in equity funds that may concentrate their investments in specific regions or specific sectors of the economy; and
- *High* – for funds with a level of risk typically associated with investments in equity portfolios that may concentrate their investments in specific regions or specific sectors of the economy where there is a substantial risk of loss (such as emerging markets or precious metals).

The 3iQ XRP ETF's risk rating is determined by calculating its standard deviation for the most recent 10 years using monthly returns and assuming the reinvestment of all income and capital gains distributions in additional Units of the 3iQ XRP ETF. As the 3iQ XRP ETF does not have at least 10 years of performance history, the Manager uses a reference index that is reasonably expected to approximate the standard deviation of the 3iQ XRP ETF as a proxy. There may be times when the Manager believes this methodology produces a result that does not reflect the 3iQ XRP ETF's risk based on other qualitative factors. As a result, the Manager may place the 3iQ XRP ETF in a higher risk rating category, as appropriate. The Manager reviews the risk rating for the 3iQ XRP ETF on an annual basis or if there has been a material change to the 3iQ XRP ETF's investment objectives or investment strategies.

A copy of the methodology used by the Manager to identify the investment risk levels of the 3iQ XRP ETF is available on request, at no cost, by calling (416) 639-2130 or by writing to 3iQ Corp., 161 Bay Street, Suite 2700, Toronto, Ontario, M5J 2S1. The Manager has assigned the 3iQ XRP ETF the risk rating in the table below, such risk rating does not necessarily correspond to an investor's risk tolerance assessment. Investors are advised to consult their financial advisor for advice regarding their personal circumstances.

Legal Name	Risk Rating
3iQ XRP ETF	High

The 3iQ XRP ETF's risk classification is based on the 3iQ XRP ETF's return and the return of the XRPUSD_NY as described under "Calculation of Net Asset Value – The Indices".

DISTRIBUTION POLICY

Distributions

On an annual basis, the 3iQ XRP ETF will ensure that its income and net realized capital gains, if any, have been distributed to Unitholders to such an extent that the 3iQ XRP ETF is not liable for ordinary income tax thereon. To the extent that the 3iQ XRP ETF has not distributed the full amount of its net income or capital gains in any year, the difference between such amount and the amount actually distributed by the 3iQ XRP ETF will be paid as a "reinvested distribution". Reinvested distributions by the 3iQ XRP ETF, net of any required withholding taxes, will be reinvested automatically in additional Units of the 3iQ XRP ETF at a price equal to the NAV per Unit and the Units will be immediately consolidated such that the number of outstanding Units of the 3iQ XRP ETF following the distribution will equal the number of Units of the 3iQ XRP ETF outstanding prior to the distribution.

In addition to the distributions described above, the 3iQ XRP ETF may from time to time pay additional distributions on their Units, including without restriction in connection with a special distribution or in connection with returns of capital.

PURCHASES OF UNITS

Initial Investment

In compliance with NI 81-102, the 3iQ XRP ETF will not issue Units to the public until orders aggregating not less than \$500,000 have been received and accepted by the 3iQ XRP ETF from investors other than the Manager or its directors, officers or securityholders.

Offerings and Continuous Distribution

Units of the 3iQ XRP ETF are issued and sold on a continuous basis and there is no maximum number of Units that may be issued.

Designated Broker

The Manager, on behalf each of the 3iQ XRP ETF, has entered, or will enter, as the case may be, into a Designated Broker Agreement with a Designated Broker pursuant to which the Designated Broker agreed to perform certain duties relating to the 3iQ XRP ETF including, without limitation: (i) to subscribe for a sufficient number of Units of the 3iQ XRP ETF to satisfy the TSX's original listing requirements; (ii) to subscribe for Units of the 3iQ XRP ETF on an ongoing basis in connection with the rebalancing of and adjustments to the 3iQ XRP ETF's portfolio when redemptions of Units occur as described under "Redemption and Exchange of Units – Redemption of Units"; and (iii) to post a liquid two-way market for the trading of Units of the 3iQ XRP ETF on the TSX. The Manager may, in its discretion from time to time, reimburse the Designated Broker for certain expenses incurred by the Designated Broker in performing these duties.

The Designated Broker Agreement provides, or will provide, that the Manager may from time to time and, in any event not more than once quarterly, require the Designated Broker to subscribe for Units of the 3iQ XRP ETF for cash in a dollar amount not to exceed 0.30% of the NAV of the 3iQ XRP ETF. The number of Units of the 3iQ XRP ETF issued will be the subscription amount divided by the NAV per Unit of the 3iQ XRP ETF next determined following the delivery by the Manager of a subscription notice to the Designated Broker. Payment for the Units must be made by the Designated Broker, and the Units will be issued, by no later than the second Trading Day after the subscription notice has been delivered.

Issuance of Units

To the Designated Broker and Dealers

All orders to purchase Units directly from the 3iQ XRP ETF must be placed by the Designated Broker or Dealers. The 3iQ XRP ETF reserves the absolute right to reject any subscription order placed by the Designated Broker or Dealer. No fees will be payable by the 3iQ XRP ETF to the Designated Broker or Dealer in connection with the issuance of Units. On the issuance of Units, the Manager may, in its discretion, charge an administrative fee to the Designated Broker or a Dealer to offset the expenses (including any applicable TSX additional listing fees) incurred in issuing the Units.

On any Trading Day, the Designated Broker or Dealer may place a subscription order for the Prescribed Number of Units (or an integral multiple thereof) of the 3iQ XRP ETF. If a subscription order is received by the 3iQ XRP ETF by 9:00 a.m. (Toronto time) on a Trading Day (or such later time on such Trading Day as the Manager may permit), the 3iQ XRP ETF will issue to the Designated Broker or Dealer the Prescribed Number of Units (or an integral multiple thereof) by no later than the second Trading Day after the date on which the subscription order is accepted, provided that payment for such Units has been received.

The Designated Broker or Dealer must deliver cash or XRP, as applicable, in an amount equal to the NAV of the Units next determined following the receipt of the subscription order.

The Manager may, in its discretion, increase or decrease the Prescribed Number of Units from time to time. The Prescribed Number of Units will be available on the Manager's website at www.3iQ.io.

Buying and Selling Units

Subject to satisfying the TSX's original listing requirements, the Units shall be listed on the TSX and offered on a continuous basis, and an investor is able to buy or sell Units of the 3iQ XRP ETF on the TSX through registered brokers and dealers in the Province or Territory where the investor resides. The TSX ticker symbol for the Units of the 3iQ XRP ETF is "XRPQ" (in Canadian dollars) and "XRPQ.U" (in U.S. dollars). Investors may incur customary brokerage commissions in buying and selling the Units. See "Purchases of Units – Buying and Selling Units". The 3iQ XRP ETF issues Units directly to the Designated Broker and Dealers.

Special Considerations for Unitholders

The provisions of the so-called "early warning" requirements set out in Canadian securities legislation do not apply in connection with the acquisition of Units. In addition, the Manager, on behalf of the 3iQ XRP ETF, has applied for exemptive relief from the securities regulatory authorities to permit Unitholders to acquire more than 20% of the Units of the 3iQ XRP ETF through purchases on the TSX without regard to the take-over bid requirements of Canadian securities legislation, provided that any such Unitholder, and any person acting jointly or in concert with the Unitholder, undertakes to the Manager not to vote more than 20% of the Units of the 3iQ XRP ETF at any meeting of Unitholders.

Registration and Transfer through CDS

Registration of interests in, and transfers of, the Units of the 3iQ XRP ETF will generally be made only through CDS. Units must be purchased, transferred and surrendered for exchange or redemption only through a CDS Participant. All rights of an owner of Units must be exercised through, and all payments or other property to which such owner is entitled will be made or delivered by, CDS or the CDS Participant through which the owner holds such Units. Upon purchase of any Units, the owner will receive only the customary confirmation and physical certificates evidencing ownership will not be issued. References in this prospectus to a Unitholder mean, unless the context otherwise requires, the owner of the beneficial interest in such Units.

Neither the 3iQ XRP ETF nor the Manager have any liability for: (i) records maintained by CDS relating to the beneficial interests in the Units or the book entry accounts maintained by CDS; (ii) maintaining, supervising or reviewing any records relating to such beneficial ownership interests; or (iii) any advice or representation made or given by CDS and made or given with respect to the rules and regulations of CDS or any action taken by CDS or at the direction of the CDS Participants.

The ability of a beneficial owner of Units to pledge such Units or otherwise take action with respect to such owner's interest in such Units (other than through a CDS Participant) may be limited due to the lack of a physical certificate.

The 3iQ XRP ETF has the option to terminate registration of the Units through the book based system in which case certificates for Units in fully registered form may be issued to beneficial owners of such Units or to their nominees.

REDEMPTION AND EXCHANGE OF UNITS

Redemption of Units

On any Trading Day, Unitholders of the 3iQ XRP ETF may redeem Units for cash at a redemption price per Unit equal to the lesser of 95% of (a) the closing price for the Units of the 3iQ XRP ETF on the TSX on the effective

day of the redemption and (b) the NAV per Unit of the 3iQ XRP ETF. Because Unitholders will generally be able to sell Units at the market price on the TSX through a registered broker or dealer subject only to customary brokerage commissions, Unitholders are advised to consult their brokers, dealers or investment advisors before redeeming their Units for cash.

In order for a cash redemption to be effective on a Trading Day, a cash redemption request in the form prescribed by the Manager from time to time must be delivered to the 3iQ XRP ETF at its registered office by 9:00 a.m. (Toronto time) on the Trading Day (or such later time on such Trading Day as the Manager may permit). If a cash redemption request is not received by the delivery deadlines noted immediately above on a Trading Day, the cash redemption request will be effective only on the next Trading Day. Payment of the redemption price will be made by no later than the second Trading Day after the effective day of the redemption. The cash redemption request forms may be obtained from any registered broker or dealer.

Investors that redeem Units prior to the distribution record date for any distribution will not be entitled to receive that distribution.

In connection with the redemption of Units, the 3iQ XRP ETF may dispose of securities or other assets to satisfy the redemption.

Exchange of Units

On any Trading Day, Unitholders of the 3iQ XRP ETF may exchange the Prescribed Number of Units (or an integral multiple thereof) for cash or, if agreed to by the Manager, for cash and/or portfolio assets held by the 3iQ XRP ETF.

To effect an exchange of Units, a Unitholder must submit an exchange request in the form prescribed by the Manager from time to time to the 3iQ XRP ETF at its registered office by 9:00 a.m. (Toronto time) on a Trading Day (or such later time on such Trading Day as the Manager may permit). The exchange price will be equal to the NAV of the Units of the 3iQ XRP ETF on the effective day of the exchange request, payable by delivery of cash or, if applicable, assets. The Units will be redeemed in the exchange.

If an exchange request is not received by the submission deadline noted immediately above on a Trading Day, the exchange order will be effective only on the next Trading Day. Settlement of exchanges will be made by no later than the second Trading Day after the effective day of the exchange request.

Unitholders should be aware that the NAV per Unit of the 3iQ XRP ETF will decline on the date of declaration of any distribution payable in cash on Units of the 3iQ XRP ETF. A Unitholder that is no longer a holder of record on the applicable distribution record date will not be entitled to receive that distribution.

Requests for Exchange and Redemption

A Unitholder submitting an exchange or redemption request is deemed to represent to the 3iQ XRP ETF and the Manager that: (a) it has full legal authority to tender the Units for exchange or redemption and to receive the proceeds of the exchange or redemption; and (b) the Units have not been loaned or pledged and are not the subject of a repurchase agreement, securities lending agreement or a similar arrangement that would preclude the delivery of the Units to the 3iQ XRP ETF. The Manager reserves the right to verify these representations at its discretion. Generally, the Manager will require verification with respect to an exchange or redemption request if there are unusually high levels of exchange or redemption activity or short interest in the 3iQ XRP ETF. If the Unitholder, upon receipt of a verification request, does not provide the Manager with satisfactory evidence of the truth of the representations, the Unitholder's exchange or redemption request will not be considered to have been received in proper form and will be rejected.

Suspension of Exchange and Redemption

The Manager may suspend the redemption of Units or payment of redemption proceeds of the 3iQ XRP ETF:

- (i) during any period when normal trading is suspended on a stock exchange or other market on which securities

owned by the 3iQ XRP ETF are listed and traded, if these securities represent more than 50% by value or underlying market exposure of the total assets of the 3iQ XRP ETF, without allowance for liabilities, and if these securities are not traded on any other exchange that represents a reasonably practical alternative for the 3iQ XRP ETF; or (ii) with the prior permission of the securities regulatory authorities for any period not exceeding 30 days during which the Manager determines that conditions exist that render impractical the sale of assets of the 3iQ XRP ETF or that impair the ability of the Valuation Agent to determine the value of the assets of the 3iQ XRP ETF. The suspension may apply to all requests for redemption received prior to the suspension but as to which payment has not been made, as well as to all requests received while the suspension is in effect. All Unitholders making such requests shall be advised by the Manager of the suspension and that the redemption will be effected at a price determined on the first Valuation Date following the termination of the suspension. All such Unitholders shall have and shall be advised that they have the right to withdraw their requests for redemption. The suspension shall terminate in any event on the first day on which the condition giving rise to the suspension has ceased to exist, provided that no other condition under which a suspension is authorized then exists. To the extent not inconsistent with official rules and regulations promulgated by any government body having jurisdiction over the 3iQ XRP ETF, any declaration of suspension made by the Manager shall be conclusive.

Costs Associated with Exchange and Redemption

Unitholders who buy and sell Units of the 3iQ XRP ETF through the facilities of the TSX on which Units of the 3iQ XRP ETF are traded do not pay a fee directly to the Manager or the 3iQ XRP ETF in respect of those purchases and sales.

An amount as may be agreed to between the Manager and the Designated Broker or a Dealer that may be charged to offset certain transaction costs associated with an issue, exchange or redemption of Units. This charge does not apply to Unitholders who buy and sell their Units through the facilities of a stock exchange.

Allocations of Capital Gains to Redeeming or Exchanging Unitholders

Pursuant to the Declaration of Trust, the 3iQ XRP ETF may allocate and designate as payable any capital gains realized by the 3iQ XRP ETF as a result of any disposition of property of the 3iQ XRP ETF. In addition, the 3iQ XRP ETF has the authority to distribute, allocate and designate any capital gains of the 3iQ XRP ETF to a Unitholder of the 3iQ XRP ETF who has redeemed or exchanged Units during a year in an amount equal to the Unitholder's share, at the time of redemption, of the 3iQ XRP ETF's capital gains for the year. Any such allocations and designations reduce the redemption price otherwise payable to the redeeming Unitholder.

The taxable portion of the capital gain so designated must be included in the income of the redeeming Unitholder (as taxable capital gains). Subsection 132(5.31) together with subsection 132(5.3) of the Tax Act (collectively the "**ATR Rule**"), provide that amounts of taxable capital gains so allocated and designated to redeeming Unitholders will be deductible to the 3iQ XRP ETF to the extent of the redeeming Unitholders' pro rata share (as determined under the ATR Rule) of the net taxable capital gains of the 3iQ XRP ETF for the year. Any taxable capital gains that are not deductible by the 3iQ XRP ETF under the ATR Rule may be made payable to non-redeeming Unitholders so that the 3iQ XRP ETF will not be liable for non-refundable income tax thereon. Accordingly, the amounts and taxable component of distributions to non-redeeming Unitholders of the 3iQ XRP ETF (who will be taxable thereon) may be greater than would have been the case in the absence of the ATR Rule.

Exchange and Redemption of Units through CDS Participants

The exchange and redemption rights described above must be exercised through the CDS Participant through which the owner holds Units. Beneficial owners of Units should ensure that they provide exchange and/or redemption instructions to the CDS Participants through which they hold Units sufficiently in advance of the cut-off times described above to allow such CDS Participants to notify CDS and for CDS to notify the Manager prior to the relevant cut-off time.

Short-Term Trading

At the present time, the Manager is of the view that it is not necessary to impose any short-term trading restrictions on the 3iQ XRP ETF as Units of the 3iQ XRP ETF are generally traded by investors on an exchange in the secondary market in the same way as other listed securities. In the few situations where the 3iQ XRP ETF is not purchased in the secondary market, purchases usually involve the Designated Broker or a Dealer upon whom the Manager may impose a redemption fee, which is intended to compensate the 3iQ XRP ETF for any costs and expenses incurred in relation to the trade.

PRICE RANGE AND TRADING VOLUME OF UNITS

The following tables set forth the market price range and trading volume of the Units of the 3iQ XRP ETF on the TSX for the calendar periods indicated. The greatest volume of trading of the 3iQ XRP ETF generally occurs on the TSX.

3iQ XRP ETF (XRPQ.U)			
	<u>Price Range (US\$)</u>		<u>Volume</u>
	<u>High</u>	<u>Low</u>	
2026			
August	\$6.87	\$4.47	22,673
July	\$5.21	\$4.78	17,062
June	\$5.86	\$4.58	72,865
May	\$6.85	\$5.86	40,945
April	\$6.78	\$5.88	9,048
March	\$6.93	\$5.98	35,851
February	\$7.46	\$5.16	183,177
January	\$10.85	\$7.86	205,832
2025			
December	\$9.97	\$8.17	194,748
November	\$11.61	\$8.77	134,021
October	\$14.08	\$10.30	268,317
September	\$14.24	\$12.30	285,087

3iQ XRP ETF (XRPQ)			
	<u>Price Range (C\$)</u>		<u>Volume</u>
	<u>High</u>	<u>Low</u>	
2026			
August	\$9.49	\$6.21	548,554
July	\$7.40	\$6.66	271,265
June	\$8.15	\$6.51	673,090
May	\$9.59	\$8.05	266,043
April	\$9.30	\$8.06	228,543
March	\$9.55	\$8.28	558,677
February	\$10.26	\$7.07	721,080
January	\$14.96	\$10.64	708,948
2025			
December	\$13.87	\$11.26	487,147
November	\$16.41	\$12.09	606,197
October	\$19.71	\$14.33	627,890
September	\$19.66	\$17.25	640,004

CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following is a summary of the principal Canadian federal income tax considerations under the *Income Tax Act* (Canada) (the “**Tax Act**”) for the 3iQ XRP ETF and for a prospective investor in the 3iQ XRP ETF who, for the purpose of the Tax Act at all relevant times, is an individual (other than a trust), is resident in Canada, holds Units of the 3iQ XRP ETF as capital property, is not affiliated and deals at arm’s length with the 3iQ XRP ETF, and has not entered into a “derivative forward agreement” (as defined in the Tax Act) with respect to Units of the 3iQ XRP ETF. This summary is based upon the current provisions of the Tax Act and regulations thereunder, all specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the “**Tax Proposals**”) and the Manager’s understanding of the current published administrative policies and assessing practices of the Canada Revenue Agency publicly available prior to the date hereof. This summary does not take into account or anticipate any other changes in law whether by legislative, administrative or judicial action and it does not take into account provincial, territorial or foreign income tax legislation or considerations, which may differ from the considerations described below.

This summary is of a general nature only and is not exhaustive of all possible income tax considerations. Prospective investors should therefore consult their own tax advisors about their individual circumstances.

This summary assumes that at no time will 3iQ XRP ETF be a SIFT trust or a “covered entity” for purposes of the Equity Repurchase Rules. Even if Units of 3iQ XRP ETF are listed or traded on a stock exchange or other public market, provided the 3iQ XRP ETF only invests in XRP, the 3iQ XRP ETF should not be a SIFT trust or a “covered entity”; however, no assurance can be given in this regard.

Under the SIFT Rules, trusts or partnerships (defined as “**SIFT trusts**” and “**SIFT partnerships**”, respectively) the securities of which are listed or traded on a stock exchange or other public market, and that hold one or more “non-portfolio properties” (as defined), are effectively taxed on income and taxable capital gains in respect of such non-portfolio properties at combined rates comparable to the rates that apply to income earned and distributed by Canadian corporations. Distributions of such income received by unitholders of SIFT trusts (and allocations of such income made to members of SIFT partnerships) are treated as eligible dividends from a taxable Canadian corporation.

The SIFT Rules could affect the 3iQ XRP ETF and its Unitholders to the extent that the 3iQ XRP ETF is a SIFT trust to which the SIFT Rules apply, and the 3iQ XRP ETF earns income from non-portfolio property or taxable capital gains from the disposition of “non-portfolio property”. The Manager believes that the SIFT Rules were not intended to apply to trusts such as 3iQ XRP ETF and the 3iQ XRP ETF is subject to investment restrictions intended to restrict its ability to hold “non-portfolio property”. If the 3iQ XRP ETF is considered to be a SIFT trust, “non-portfolio earnings” of the 3iQ XRP ETF will be subject to the tax under the SIFT Rules when such amounts are distributed by the 3iQ XRP ETF to its Unitholders and such distributions will be treated in the hands of such Unitholders as eligible dividends from a taxable Canadian corporation.

The 3iQ XRP ETF and Unitholders are required to compute their income and gains for tax purposes in Canadian dollars. Amounts denominated in another currency generally must be converted into Canadian dollars based on the exchange rate quoted by the Bank of Canada on the date such amounts arise or such other rate of exchange as is acceptable to the CRA. Therefore, the amount of income, cost, proceeds of disposition and other amounts in respect of investments that are not Canadian dollar denominated will be affected by fluctuations in the exchange rate of the Canadian dollar against the relevant foreign currency.

Status of the 3iQ XRP ETF

This summary is based on the assumption that the 3iQ XRP ETF will comply at all material times with the conditions prescribed in the Tax Act and otherwise so as to qualify as a “mutual fund trust” as defined in the Tax Act. The 3iQ XRP ETF is expected to qualify as a “mutual fund trust” under the Tax Act at all material times. If the 3iQ XRP ETF were to not qualify as a “mutual fund trust” for the purposes of the Tax Act for any period of time, the tax considerations could be materially different from those described below.

Provided that the 3iQ XRP ETF qualifies as a “mutual fund trust” within the meaning of the Tax Act, or the Units of a class of the 3iQ XRP ETF continue to be listed on a “designated stock exchange” within the meaning of the Tax Act, such Units of the 3iQ XRP ETF will be qualified investments for Registered Plans. However, in the case of

a tax-free savings account, a first home savings account, a registered retirement savings plan, a registered retirement income fund, a registered disability savings plan, and a registered education savings plan, if the holder of such TFSA, FHSA or RDSP, the subscriber of such RESP, or annuitant under such RRSP or RRIF, as the case may be, holds a “significant interest” in the 3iQ XRP ETF, or if such holder, subscriber or annuitant does not deal at arm’s length with the 3iQ XRP ETF for purposes of the Tax Act, the Units of the 3iQ XRP ETF will be a “prohibited investment” for such TFSA, FHSA, RDSP, RESP, RRSP or RRIF. If Units of the 3iQ XRP ETF are a “prohibited investment” for a TFSA, FHSA, RDSP, RESP, RRSP or RRIF that acquires such Units, the holder of the TFSA, FHSA or RDSP, subscriber of the RESP, or annuitant under the RRSP or RRIF will be subject to a penalty tax as set out in the Tax Act. Generally, a holder, subscriber or annuitant will not be considered to have a “significant interest” in the 3iQ XRP ETF unless the holder, subscriber or annuitant owns 10% or more of the value of the outstanding Units of the 3iQ XRP ETF, either alone or together with persons and partnerships with which the holder, subscriber or annuitant does not deal at arm’s length. Holders of TFSAs, FHSAs and RDSPs, subscribers of RESPs, and annuitants under RRSPs and RRIFs should consult their own tax advisors to ensure Units of the 3iQ XRP ETF would not be a “prohibited investment” for purposes of the Tax Act in their particular circumstances.

XRP acquired by a Unitholder in exchange for Units of the 3iQ XRP ETF would not as of the date hereof be qualified for investment by a Registered Plan.

Taxation of the 3iQ XRP ETF

The 3iQ XRP ETF will include in computing its income, taxable distributions received or deemed to be received on assets held by it, the taxable portion of capital gains realized by the 3iQ XRP ETF on the disposition of assets held by it, and other income. The Declaration of Trust requires that the 3iQ XRP ETF distribute its net income and net realized capital gains, if any, for each taxation year of the 3iQ XRP ETF to Unitholders to such an extent that the 3iQ XRP ETF will not be liable in any taxation year for ordinary income tax (after taking into account any applicable losses of the 3iQ XRP ETF and any capital gains refunds to which the 3iQ XRP ETF is entitled). If in a taxation year the income for tax purposes of the 3iQ XRP ETF exceeds the cash available for distribution by the 3iQ XRP ETF, the 3iQ XRP ETF will distribute its income through a payment of reinvested distributions.

The CRA has taken the administrative position that virtual currencies, such as XRP, are generally treated as a commodity for the purposes of the Tax Act. The CRA has expressed the opinion that gains (or losses) of mutual fund trusts resulting from transactions in commodities should generally be treated for tax purposes as ordinary income rather than as capital gains, although the treatment in each particular case remains a question of fact to be determined having regard to all the circumstances. As the 3iQ XRP ETF intends to be a long-term holder of XRP, the Manager anticipates that the 3iQ XRP ETF will generally treat gains (or losses) as a result of any disposition of XRP as capital gains (or capital losses) although, depending on the circumstances, the 3iQ XRP ETF may instead include the full amount in (or deduct the full amount from) income. No assurance can be given that the Canadian tax authorities will agree with the position taken by the 3iQ XRP ETF, in connection with any transactions involving XRP, as to whether there is a disposition and as to whether the resulting gain or loss is on account of income or capital.

Gains or losses on derivatives entered into by the 3iQ XRP ETF as a substitute for direct investment will be treated by the 3iQ XRP ETF on income account. Such gains or losses will be recognized for tax purposes at the time they are realized by the 3iQ XRP ETF.

If the 3iQ XRP ETF realizes capital gains as a result of a transfer or disposition of its property undertaken to permit an exchange or redemption of Units by a Unitholder, all or a portion of the amount received by the Unitholder may be designated and treated for income tax purposes as a distribution to the Unitholder out of such capital gains rather than being treated as proceeds of disposition of the Units. Any such allocations and designations will reduce the redemption price otherwise payable to the redeeming unitholder. The taxable portion of the capital gain in respect of an amount so allocated and designated must be included in the income of the redeeming Unitholder (as taxable capital gains) and may be deductible by the 3iQ XRP ETF in computing its income to the extent of the redeeming Unitholders’ pro rata share (as determined under the ATR Rule) of the net taxable capital gains of the 3iQ XRP ETF for the year. The portion of taxable capital gains that is not deductible by 3iQ XRP ETF under the ATR Rule may be made payable to non-redeeming Unitholders so that the 3iQ XRP ETF will not be liable for non-refundable income tax thereon. Accordingly, the amounts and taxable component of distributions to non-redeeming Unitholders of 3iQ XRP ETF (who will be taxable thereon) may be greater than would have been the case in the absence of the ATR Rule.

Any losses incurred by the 3iQ XRP ETF may not be allocated to Unitholders of the 3iQ XRP ETF, but may generally be carried forward and back and deducted in computing the taxable income of the 3iQ XRP ETF in accordance with the detailed rules and limitations in the Tax Act.

The 3iQ XRP ETF is subject to the suspended loss rules contained in the Tax Act. A loss realized on a disposition of capital property is considered to be a suspended loss when the 3iQ XRP ETF acquires a property (a “substituted property”) that is the same as or identical to the property disposed of, within 30 days before and 30 days after the disposition and the 3iQ XRP ETF own the substituted property 30 days after the original disposition. If a loss is suspended, the 3iQ XRP ETF cannot deduct the loss until the substituted property is sold and is not reacquired within 30 days before and after the sale, which may increase the amount of net realized capital gains of the 3iQ XRP ETF to be made payable to its Unitholders.

Generally, under the excessive interest and financing expense limitation (“EIFEL”) rules, the deductible amount of “interest and financing expenses” (“IFE”) for certain trusts may be restricted. IFE include, among other things, certain amounts that are economically equivalent to interest or that can reasonably be considered part of the cost of funding and various expenses incurred in obtaining financing. The EIFEL rule does not apply to certain “excluded entities”, which include certain standalone Canadian-resident trusts, and groups consisting exclusively of Canadian resident trusts, that carry on substantially all of the businesses, undertakings and activities in Canada. This exclusion applies only if, in general terms, no non-resident is a material foreign affiliate of, or holds a significant interest in, any group member, and no group member has any significant amount of interest and financing expenses payable to a non-arm's length “tax-indifferent investor”. If the EIFEL rules were to apply to the 3iQ XRP ETF, the net income of the 3iQ XRP ETF for tax purposes and the taxable component of distributions to its unitholders could increase.

The 3iQ XRP ETF is required to compute its income and gains for tax purposes in Canadian dollars. Therefore, the amount of income, cost, proceeds of disposition and other amounts in respect of investments that are not Canadian dollar denominated will be affected by fluctuations in the exchange rate of the Canadian dollar against the relevant foreign currency.

The 3iQ XRP ETF is entitled to deduct an amount equal to the reasonable expenses that it incurs in the course of issuing Units to the extent they are incurred to earn income (other than taxable capital gains). Such issue expenses paid by the 3iQ XRP ETF and not reimbursed are deductible by the 3iQ XRP ETF ratably over a five-year period subject to reduction in any taxation year which is less than 365 days. In computing its income under the Tax Act, the ETF may deduct reasonable administrative and other expenses incurred to earn income (other than taxable capital gains). The Manager has taken the position that management expenses paid by the 3iQ XRP ETF to the Manager are deductible for tax purposes, although the CRA could seek to assess or reassess the 3iQ XRP ETF in this regard.

Taxation of Unitholders

Distributions

A Unitholder will be required to include in the Unitholder's income for tax purposes for any year the amount of net income and net taxable capital gains of the 3iQ XRP ETF, if any, paid or payable to the Unitholder in the year and deducted by the 3iQ XRP ETF in computing its income, whether or not such amounts are reinvested in additional Units of the 3iQ XRP ETF. The non-taxable portion of any net realized capital gains of the 3iQ XRP ETF that is paid or payable to a Unitholder in a taxation year will not be included in computing the Unitholder's income for the year and, provided appropriate designations are made by the 3iQ XRP ETF, will not reduce the adjusted cost base of the Unitholder's Units of the 3iQ XRP ETF. If the amounts of such distributions are reinvested in additional Units of the 3iQ XRP ETF, the amounts will be added to the Unitholder's adjusted cost base of its Units. Any additional Units acquired by a Unitholder on the reinvestment of distributions will generally have a cost equal to the amount reinvested. It is the administrative position of the CRA that if, pursuant to a distribution reinvestment plan of a trust, a unitholder acquires a unit from the trust at a price that is less than the then fair market value of the unit, the unitholder must include the difference in income and the cost of the unit will be correspondingly increased.

Any returns of capital will reduce the Unitholder's adjusted cost base. To the extent that a Unitholder's adjusted cost base would otherwise be a negative amount, the negative amount will be deemed to be a capital gain realized by the Unitholder and the Unitholder's adjusted cost base will be nil immediately thereafter. The 3iQ XRP

ETF will designate, to the extent permitted by the Tax Act, the portion of the net income distributed to Unitholders as may reasonably be considered to consist of net taxable capital gains realized or considered to be realized by the 3iQ XRP ETF. Any such designated amount will be deemed for tax purposes to be realized by Unitholders in the year as a taxable capital gain. Capital gains so designated will be subject to the general rules relating to the taxation of capital gains described below. Any loss of the 3iQ XRP ETF for purposes of the Tax Act cannot be allocated to, and cannot be treated as a loss of, the Unitholders of the 3iQ XRP ETF.

Composition of Distributions

Unitholders are informed each year of the composition of the amounts distributed to them, including amounts in respect of both cash and reinvested distributions. This information will indicate whether distributions are to be treated as ordinary income, taxable capital gains and returns of capital, as those items are applicable.

Tax Implications of the 3iQ XRP ETF's Distribution Policy

When a Unitholder acquires Units of the 3iQ XRP ETF, a portion of the price may reflect income and capital gains of the 3iQ XRP ETF that have not accrued and/or have been realized but have not been made payable at the time the Units are acquired. This may particularly be the case near year-end before year-end distributions have been made. When such income and capital gains are distributed by the 3iQ XRP ETF, they must be taken into account by the Unitholder in computing its income for tax purposes even though such amounts may have been reflected in the price paid by the Unitholder.

Disposition of Units

Upon the actual or deemed disposition of a Unit, including the exchange or redemption of a Unit, a capital gain (or a capital loss) will generally be realized by the Unitholder to the extent that the proceeds of disposition of the Unit exceed (or are less than) the aggregate of the adjusted cost base to the Unitholder of the Unit and any reasonable costs of disposition. In general, the adjusted cost base of all Units held by the Unitholder is the total amount paid for the Units (including brokerage commissions paid, reinvested distributions, and the fair market value of any XRP provided in satisfaction of the subscription price for Units), regardless of when the Unitholder bought them, less any returns of capital and less the adjusted cost base of any Units previously disposed of by the Unitholder. For the purpose of determining the adjusted cost base of Units to a Unitholder, when Units are acquired, the cost of the newly acquired Units are averaged with the adjusted cost base of all Units owned by the Unitholder as capital property immediately before that time.

Where Units of the 3iQ XRP ETF are exchanged by the redeeming Unitholder for XRP, the proceeds of disposition to the Unitholder of the Units will be equal to the fair market value of the XRP so received, plus the amount of any cash received on the exchange, and less any capital gain or income realized by the 3iQ XRP ETF as a result of the transfer of the XRP which has been designated by the 3iQ XRP ETF to the Unitholder. If any capital gain realized by the 3iQ XRP ETF as a result of the transfer of XRP on the redemption of Units were designated by the 3iQ XRP ETF to a redeeming Unitholder, the Unitholder would be required to include in income the taxable portion of the capital gain so designated. The cost for tax purposes of XRP acquired by a redeeming Unitholder on the exchange or redemption of Units will generally be the fair market value of the XRP at that time.

Where XRP is accepted as Payment for Units of the 3iQ XRP ETF

Where XRP is accepted as payment for Units acquired by a Unitholder, such Unitholder will generally realize a capital gain (or capital loss) in the taxation year of the Unitholder in which the disposition of such XRP takes place to the extent that the proceeds of disposition for such property, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base of such property to the Unitholder. For this purpose, the proceeds of disposition to the Unitholder will equal the aggregate of the fair market value of the Units received and the amount of any cash received in lieu of fractional Units. The cost to a Unitholder of Units so acquired will be equal to the fair market value of the property disposed of in exchange for such Units at the time of disposition less any cash received in lieu of fractional Units, which sum would generally be equal to or would approximate the fair market value of the Units received as consideration for the XRP. In computing the adjusted cost base of a Unit so acquired by a Unitholder, the cost of such Unit must be averaged with the adjusted cost base of any other Units of the 3iQ XRP ETF then held by

that Unitholder as capital property.

Taxation of Capital Gains and Capital Losses

In general, one-half of any capital gain realized by a Unitholder and the amount of any net taxable capital gains realized or considered to be realized by the 3iQ XRP ETF and designated by the 3iQ XRP ETF in respect of a Unitholder will be included in the Unitholder's income as a taxable capital gain. One-half of a capital loss realized by a Unitholder will be an allowable capital loss that will be deducted from taxable capital gains subject to and in accordance with detailed rules in the Tax Act. Allowable capital losses in excess of taxable capital gains may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains realized by the Unitholder in such years, to the extent and in the circumstances described in the Tax Act.

Alternative Minimum Tax

Amounts designated by the 3iQ XRP ETF to a Unitholder as taxable capital gains, and taxable capital gains realized by a Unitholder on the disposition of Units, may subject the Unitholder to liability for alternative minimum tax under the Tax Act. Unitholders are advised to consult their own tax advisors to determine the impact of the alternative minimum tax.

Taxation of Registered Plans

In general, the amount of a distribution paid or payable to a Registered Plan from the 3iQ XRP ETF and gains realized by a Registered Plan on a disposition of a Unit will not be taxable under the Tax Act. As is the case for all investments held in Registered Plans, amounts withdrawn from a Registered Plan (other than from a TFSA or a return of contributions from an RESP or certain withdrawals from an RDSP and an FHSA) will generally be subject to tax. To the extent Units of the 3iQ XRP ETF are exchanged by the redeeming Unitholder for XRP, or liquidation of the 3iQ XRP ETF's XRP, is not practicable upon termination of the 3iQ XRP ETF, any XRP received by a Unitholder would not be a qualified investment for Registered Plans and could result in adverse tax treatment and penalties under the Tax Act if held in a Registered Plan.

INTERNATIONAL INFORMATION REPORTING

The 3iQ XRP ETF is required to comply with due diligence and reporting obligations in the Tax Act enacted to implement the Canada-United States Enhanced Tax Information Exchange Agreement (the “IGA”). Dealers through which Unitholders hold their Units are subject to due diligence and reporting obligations with respect to financial accounts that they maintain for their clients. Unitholders (and, if applicable, the controlling person(s) of a Unitholder) may be requested to provide information to their dealer to identify U.S. persons holding Units. If a Unitholder, or its controlling person(s), is a “Specified U.S. Person”, as defined under the IGA (including a U.S. citizen who is a resident of Canada), if no such determination has been made but the information provided includes indicia of U.S. status and sufficient evidence to the contrary is not timely provided, or if the Unitholder fails to provide the requested information and indicia of U.S. status are present, then Part XVIII of the Tax Act will generally require information about the Unitholder's investments held in the financial account maintained by the dealer to be reported to the CRA, unless the investments are held within a Registered Plan. The CRA will then provide that information to the U.S. Internal Revenue Service.

In addition, pursuant to Part XIX of the Tax Act implementing the Organization for Economic Co-operation and Development Common Reporting Standard (the “CRS Rules”), Canadian financial institutions are required to have procedures in place to identify accounts held by tax residents of foreign countries other than the U.S. (“Reportable Jurisdictions”) or by certain entities any of whose “controlling persons” are tax residents of Reportable Jurisdictions. The CRS Rules provide that Canadian financial institutions must report certain account information and other personal identifying details of Unitholders (and, if applicable, of the controlling persons of such Unitholders) who are tax residents of Reportable Jurisdictions to the CRA annually. Such information would generally be exchanged on a reciprocal, bilateral basis with Reportable Jurisdictions in which the account holders or such controlling persons are tax resident under the provisions and safeguards of the Multilateral Convention on Mutual Administrative Assistance in Tax Matters or the relevant bilateral tax treaty. Under the CRS Rules, Unitholders will

be required to provide such information regarding their investment in the 3iQ XRP ETF to their dealer for the purpose of such information exchange, unless the investment is held within a Registered Plan.

ORGANIZATION AND MANAGEMENT DETAILS

The Trustee, Manager and Promoter

3iQ Corp. is the trustee, manager, portfolio manager and promoter of the 3iQ XRP ETF and provides, or causes to be provided, all administrative services required by the 3iQ XRP ETF pursuant to the Declaration of Trust. See “Organization and Management Details – Details of the Declaration of Trust”. The Manager may be considered to be a promoter of the 3iQ XRP ETF within the meaning of applicable securities legislation by reason of its initiative in forming and establishing the 3iQ XRP ETF.

The Manager was formed from the amalgamation of 3iQ Corp. and 17489684 Canada Corp. under the *Canada Business Corporations Act* on April 1, 2026. The Manager’s head office is located at 161 Bay Street, Suite 2700, Toronto, Ontario, M5J 2S1.

The 3iQ XRP ETF has retained the Manager to manage and administer the day-to-day business and affairs of the 3iQ XRP ETF. The Manager is responsible for providing managerial, administrative and compliance services to the 3iQ XRP ETF pursuant to the Declaration of Trust, including, without limitation, acquiring or arranging to acquire XRP on behalf of the 3iQ XRP ETF, calculating the NAV of the 3iQ XRP ETF and NAV per Unit of the 3iQ XRP ETF, net income and net realized capital gains of the 3iQ XRP ETF, authorizing the payment of operating expenses incurred on behalf of the 3iQ XRP ETF, preparing financial statements and financial and accounting information as required by the 3iQ XRP ETF, ensuring that Unitholders are provided with financial statements (including interim and annual financial statements) and other reports as are required by applicable law from time to time, ensuring that the 3iQ XRP ETF complies with regulatory requirements and applicable stock exchange listing requirements, preparing reports to Unitholders and the securities regulatory authorities and negotiating contractual agreements with third-party providers of services, including the Custodian, the Sub-Custodians, the Registrar and Transfer Agent, the auditor and printers. The Manager may from time to time employ or retain any other person or entity to perform, or to assist the Manager in the performance of management, administrative and advisory services to all or any portion of the 3iQ XRP ETF’s assets and in performing other duties of the Manager as set out in the Declaration of Trust.

Officers and Directors of the Trustee, Manager and Promoter

The board of directors of the Manager currently consists of three members. The name, municipality of residence and office with the Manager of each director and senior officer is set out below. The directors do not have a fixed term of office.

<u>Name</u>	<u>Municipality of Residence</u>	<u>Office with the Manager</u>	<u>Principal Occupation</u>
Pascal St-Jean	Ottawa, Ontario	Chief Executive Officer and Director	Chief Executive Officer and Director of 3iQ Corp.
John Loeprich	Moffat, Ontario	Director	Director of 3iQ Corp.
Satoshi Hasuo	Tokyo, Japan	Director	Director of 3iQ Corp.
Diana Escobar Bold	Toronto, Ontario	Chief Compliance Officer and Vice-	Chief Compliance Officer and Vice-President, Legal

		President, Legal	of 3iQ Corp.
Vladimir Plessovskikh	Limassol, Cyprus	Chief Financial Officer	Chief Financial Officer of 3iQ Corp.
Tommaso Mancuso	London, United Kingdom	President	President of 3iQ Corp.
Chris Desjardins	Ottawa, Ontario	Chief Technology Officer	Chief Technology Officer of 3iQ Corp.
Matteo Perruccio	Cuneo, Italy	Chief Strategy Officer	Chief Strategy Officer of 3iQ Corp.

A description of the experience and background relevant to the business of the 3iQ XRP ETF and information regarding the principal occupations held by the above noted individuals during the past five years is set out below.

Pascal St-Jean

Pascal St-Jean is the Director and Chief Executive Officer of 3iQ. He is also the President and Chief Executive Officer of Coincheck Group N.V. Throughout his career, Mr. St-Jean has focused on the transformation and disruption of industries via rapid scaling of businesses under his leadership. Having successfully created and grown multiple business ventures, Mr. St-Jean was recognized as one of the youngest recipients of Ottawa's Forty Under 40 award. Mr. St-Jean is the co-founder of STAND Advisors where he served as Strategic Advisor and Fractional Executive to over 5% of the Globe and Mail's 500 fastest growing companies in Canada. He is also a founding partner of Futuring, an executive coaching business, and the Chair of TEC Canada. Mr. St-Jean's experience in open-source technologies and distributed systems led him to invest in cryptocurrency in 2016, and act as an educational resource on digital asset investments to several organizations. Mr. St-Jean has served as a strategic consultant to bitcoin mining start-ups such as Hydra Mining and founded Quasar Strategy, a private multi-strategy bitcoin fund.

John Loeprich

John Loeprich is a Director of the Manager. Mr. Loeprich brings over 40 years of experience in the financial services industry, ranging from public accounting to finance and operations with multi-national corporations to finance and sales and marketing and strategic planning with a number of investment management firms. Mr. Loeprich started his investment industry tenure at Fidelity Investments Canada Ltd. where he became Chief Financial Officer before starting his own business specializing in assisting companies launch themselves into the mutual fund market. Prior to joining 3iQ Corp., Mr. Loeprich was EVP & CFO at Qwest Investment Fund Management, helping grow the business into a profitable IFM/PM platform. Prior to Qwest, Mr. Loeprich was Senior Vice-President, Partner and head of the Private Client Division at Hillsdale Investment Management, responsible for sales and marketing to investment advisors and high net worth individuals. During his time at Hillsdale, the firm's assets grew from C\$12 million to over C\$500 million. Mr. Loeprich is a Chartered Professional Accountant, Certified General Accountant and a graduate of the University of Waterloo (Bachelor of Mathematics).

Satoshi Hasuo

Satoshi Hasuo is a Director of the Manager. Mr. Hasuo is Chief Stakeholder Officer and an Executive Director of Coincheck Group N.V., having previously served as Chief Operating Officer of Coincheck Group until

October 1, 2025. He is also Chairman and Representative Director of Coincheck, Inc., which is Coincheck Group's principal operating subsidiary, and as of July 1, 2026 was appointed Chairman and Representative Director of the Japan Virtual and Crypto Assets Exchange Association (JVCEA), the official self-regulatory organization for Japan's cryptocurrency and digital asset exchange industry. Mr. Hasuo started his career at The Long-Term Credit Bank of Japan in 1993. Then, after working at UBS Securities Japan Co., Ltd. and Mitsubishi Securities Co., Ltd., he joined Monex Group, Inc. in May 2005. He was appointed Chief Financial Officer of Monex Group in October 2017, and served in that position until 2019. In November 2019, Mr. Hasuo joined Coincheck, Inc., becoming its Chairman and Representative Director in June 2024.

Diana Escobar Bold

Ms. Diana Escobar Bold is the Chief Compliance Officer and Vice-President, Legal of the Manager. Ms. Escobar Bold's experience in the Canadian investment industry has focused on compliance with exempt market dealer, investment fund manager and portfolio manager rules and regulations. Ms. Escobar Bold served as the Chief Compliance Officer for Roadmap Capital Inc. for over seven years. Prior to that, Ms. Escobar Bold was Senior Legal Counsel in the Corporate Finance Branch of the Ontario Securities Commission and an associate at a Canadian corporate, securities and business transactions law firm. Ms. Escobar Bold is a member of the Law Society of Ontario and a graduate of Osgoode Hall Law School (Bachelor of Laws).

Vladimir Plessovskikh

Mr. Vladimir Plessovskikh is the Chief Financial Officer of the Manager and is responsible for overseeing all aspects of finance, as well as assisting with strategic planning and M&A. Mr. Plessovskikh brings over 15 years of experience in the technology industry, ranging from public accounting to crypto mining. Prior to joining the Manager, Mr. Plessovskikh was a co-founder and Chief Financial Officer of a large-scale crypto mining company that he helped build and sell to two publicly listed entities. He began his career at EY and subsequently held various senior positions in technology companies in Canada and Europe. Mr. Plessovskikh is a Chartered Professional Accountant, holds a Master of Business Administration and is a graduate of McGill University and Concordia University.

Tommaso Mancuso

Mr. Tommaso Mancuso is the President and Chief Investment Officer of the Manager, with over two decades of experience across hedge funds, multi-asset strategies and alternative investments. Prior to joining the Manager, he co-founded and served as Chief Investment Officer of Shikuma Capital, a London-based global macro hedge fund nominated for Best Macro Fund at the 2021 HFM EuroHedge Emerging Manager Awards. Previously, Mr. Mancuso spent 12 years at Hermes Investment Management as Executive Director and Head of Multi Asset, a division he established in 2014, where he developed innovative strategies including a multi-asset inflation hedging solution, an absolute return strategy and an ESG-integrated multi-asset approach. He also served as Head of Portfolio Management at Hermes BPK, the firm's \$2.5 billion fund of hedge funds platform. Earlier in his career, Mr. Mancuso was Global Head of Credit and Event Driven Strategies at Pioneer Alternative Investments in New York, managing over \$3.5 billion within an \$8 billion program. He holds a degree in International Financial Markets from Bocconi University.

Chris Desjardins

Chris Desjardins is the Chief Technology Officer at Coincheck Group N.V. (CNCK) and 3iQ and is responsible for overseeing technology strategy, engineering, and IT operations across the firms' platforms and infrastructure, including the technical backbone for trading, custody, and fund operations. Mr. Desjardins brings over 20 years of experience building software products, SaaS startups, and regulated financial institutions. Prior to joining 3iQ Corp., Mr. Desjardins co-founded Tungsten Custody Solutions, a fully regulated digital asset custodian in Abu Dhabi funded by Further Ventures, where he obtained financial services permissions from the FSRA and VARA, implemented a rigorous information security program, and grew the firm to serve large institutional clients prior to its acquisition by Zodia Custody, backed by Standard Chartered Bank. Previously, Mr. Desjardins was Head of Products at Brane Inc., an institutional crypto custody provider, where he led the design and development of its custody infrastructure and its security certifications and regulatory licensing. Mr. Desjardins holds a Graduate Certificate in Design and Computation from Concordia University and a Bachelor of Fine Arts in Graphic Design from the University of Quebec. In his spare time, Mr. Desjardins serves as a technical reviewer for O'Reilly Media, contributing

to books on design and technology.

Matteo Perruccio

Matteo Dante Perruccio is the Chief Strategy Officer at 3iQ. Matteo has spent over 35 years in various strategic and leadership roles across the asset management industry, which includes CEO of Pioneer Investments. He was also a non-executive director and Global Head of Key Clients & Strategic Partners at Jupiter Asset Management, a \$80 billion FTSE asset manager based in the UK. Matteo also founded alternative investment advisory boutique Hermes BPK, a joint venture with the British Telecom Pension Scheme. He has extensive experience in the family office space, having served as Chairman of Secofind Multi-family Office. Most recently he was President International at SEC registered Wave Digital Assets.

Details of the Declaration of Trust

The Manager is required to exercise its powers and discharge its duties honestly, in good faith and in the best interests of Unitholders of the 3iQ XRP ETF, and in connection therewith, to exercise the degree of care, diligence and skill that a reasonably prudent trustee and manager would exercise in similar circumstances.

The Manager may resign as trustee and manager of the 3iQ XRP ETF upon 60 days' notice to the Unitholders. If the Manager resigns it may appoint its successor but, unless its successor is an affiliate of the Manager, its successor must be approved by the Unitholders. If the Manager is in material default of its obligations under the Declaration of Trust and such default has not been cured within 30 days after notice of the same has been given to the Manager, the Unitholders may remove the Manager and appoint a successor trustee and/or manager.

The Manager is entitled to fees for its services as manager under the Declaration of Trust as described under "Fees and Expenses – Fees and Expenses Payable by the 3iQ XRP ETF – Management Fees and Additional Fees". In addition, the Manager and its affiliates and each of their directors, officers, employees and agents are indemnified by the 3iQ XRP ETF for all liabilities, costs and expenses incurred in connection with any action, suit or proceeding that is proposed or commenced or other claim that is made against any of them in the exercise of the Manager's duties under the Declaration of Trust, if they do not result from the Manager's wilful misconduct, bad faith, negligence or breach of its obligations thereunder.

The services of the Manager are not exclusive and nothing in the Declaration of Trust or any agreement prevents the Manager from providing similar services to other investment funds and other clients (whether or not their investment objectives and policies are similar to those of the 3iQ XRP ETF) or from engaging in other business activities.

Conflicts of Interest

The Manager and its affiliates may be managers or portfolio advisors of funds that invest in the same securities and/or assets as the 3iQ XRP ETF. Such transactions will only be undertaken where permitted by applicable securities legislation and upon obtaining any required regulatory or IRC approvals.

Independent Review Committee

In accordance with NI 81-107, the Manager has appointed an independent review committee comprised of three members, each of whom is independent of the Manager, entities related to the Manager, and the 3iQ XRP ETF. The IRC has engaged Independent Review Inc. to provide an independent secretariat service to assist the IRC and provide an independent secretariat for IRC members. The mandate of the IRC is to review and provide its decisions to the Manager on conflict of interest matters that the Manager has referred to the Independent Review Committee for review. The Manager is required to identify conflict of interest matters inherent in its management of the 3iQ XRP ETF and request input from the IRC in respect of how it manages those conflicts of interest, as well as its written policies and procedures outlining its management of those conflicts of interest. The IRC has adopted a written charter which it follows when performing its functions and is subject to requirements to conduct regular assessments. In performing their duties, members of the IRC are required to act honestly, in good faith, and in the best interests of the

3iQ XRP ETF and to exercise the degree of care, diligence, and skill that a reasonably prudent person would exercise in comparable circumstances.

The IRC prepares a report, at least annually, of its activities for Unitholders which is available on the Manager's website at www.3iQ.io, or at the Unitholder's request at no cost, by contacting the Manager at (416) 639-2130 or SEDAR+ at www.sedarplus.ca.

The members of the IRC are Gregory Koegl, Eamonn McConnell (Chair) and William Woods.

Compensation for members of the IRC in respect of the investment funds managed by the Manager and subject to NI 81-107 is currently C\$5,000 per member per annum and C\$6,250 per annum for the chair of the committee, plus applicable taxes in each case. The fees and other reasonable expenses of members of the IRC, including fees payable to IRI, as well as premiums for insurance coverage for such members are paid by the 3iQ XRP ETF and other public funds managed by the Manager. In addition, the 3iQ XRP ETF and the Manager have agreed to indemnify the members of the IRC against certain liabilities. All such IRC costs are allocated to the funds on a pro rata basis. The expenses of the officers and directors of the Manager are paid by the Manager.

Custodian

Tetra Trust Company is the custodian of the assets of the 3iQ XRP ETF, pursuant to the Custodian Agreement. The Custodian is a provincially regulated trust company based in Calgary, Alberta and provides services to the 3iQ XRP ETF from its office in Calgary, Alberta. The Custodian is responsible for safekeeping of all the investments and other assets of the 3iQ XRP ETF delivered to it (but not those assets of the 3iQ XRP ETF not directly controlled or held by the Custodian, as the case may be). The Custodian may appoint a sub-custodian from time to time in accordance with NI 81-102.

The Manager, on behalf of the 3iQ XRP ETF, or the Custodian may terminate the Custodian Agreement upon at least 90 days' written notice. The Manager, on behalf of the 3iQ XRP ETF, may terminate the Custodian Agreement immediately if the Custodian ceases to be qualified to act as a custodian of the 3iQ XRP ETF under applicable law. The Custodian may terminate the Custodian Agreement on 60 days' written notice to the 3iQ XRP ETF in the event that the Custodian has delivered a termination notice to the Sub-Custodians, or is entitled to deliver a termination notice to the Sub-Custodians upon the occurrence of certain termination events, pursuant to the terms of the Coinbase Sub-Custodian Agreement and Anchorage Sub-Custodian Agreement. The Custodian is entitled to receive fees from the 3iQ XRP ETF as described under "Fees and Expenses – Fees and Expenses Payable by the 3iQ XRP ETF – Operating Expenses" and to be reimbursed for all expenses and liabilities that are properly incurred by the Custodian in connection with the activities of the 3iQ XRP ETF.

The Custodian, in carrying out its duties concerning the safekeeping of, and dealing with, the portfolio assets of the 3iQ XRP ETF, is required to exercise (a) the degree of care, diligence and skill that a reasonably prudent person would exercise in the circumstances; or (b) at least the same degree of care as they exercise with respect to their own property of a similar kind, if this is a higher degree of care than the degree of care referred to in (a).

Sub-Custodians

Coinbase acts as a sub-custodian of the 3iQ XRP ETF in respect of the 3iQ XRP ETF's holdings of XRP pursuant to the Coinbase Sub-Custodian Agreement.

Coinbase is a trust company licensed and regulated by the New York State Department of Financial Services and is qualified to act as a sub-custodian of the 3iQ XRP ETF for assets held outside of Canada in accordance with NI 81-102. Coinbase operates in the U.S., Canada and certain other international jurisdictions.

As a fiduciary under Section 100 of the New York Banking Law, Coinbase is held to specific capital reserve requirements and banking compliance standards. Coinbase is also subject to the laws, regulations and rules of applicable governmental or regulatory authorities, including: money service business regulations under the Financial Crimes Enforcement Network ("FinCEN"); U.S. state money transmission laws; laws, regulations, and rules of relevant tax authorities; applicable regulations and guidance set forth by FinCEN; the Bank Secrecy Act of 1970; the USA PATRIOT Act of 2001; AML Regulations as mandated by U.S. federal law and any other rules and regulations

regarding anti-money laundering/counter-terrorist financing; issuances from the Office of Foreign Assets Control; the New York Banking Law; and regulations promulgated by the New York State Department of Financial Services from time to time.

Coinbase uses segregated cold storage XRP addresses for the 3iQ XRP ETF which are separate from the XRP addresses that Coinbase uses for its other customers and which are directly verifiable via the XRP blockchain. Coinbase will at all times record and identify in its books and records that such XRP constitute the property of the 3iQ XRP ETF. Coinbase will not loan, hypothecate, pledge or otherwise encumber the 3iQ XRP ETF's XRP without the 3iQ XRP ETF's instruction. Coinbase, in carrying out its duties concerning the safekeeping of, and dealing with, the 3iQ XRP ETF's XRP, is required to exercise (a) the degree of care, diligence and skill that a reasonably prudent person would exercise in the circumstances; or (b) at least the same degree of care as they exercise with respect to their own property of a similar kind, if this is a higher degree of care than the degree of care referred to in (a).

Anchorage acts as a sub-custodian of the 3iQ XRP ETF in respect of the 3iQ XRP ETF's holdings of XRP pursuant to the Anchorage Sub-Custodian Agreement.

Anchorage is a national banking association chartered by the United States Office of the Comptroller of the Currency ("OCC") and is permitted to act as a sub-custodian of the 3iQ XRP ETF for assets held outside of Canada pursuant to exemptions provided by Canadian securities regulatory authorities. Anchorage operates in the U.S.

Anchorage is subject to the laws, regulations and rules of applicable governmental or regulatory authorities, including: money service business regulations under FinCEN; U.S. state money transmission laws; laws, regulations, and rules of relevant tax authorities; applicable regulations and guidance set forth by FinCEN; the Bank Secrecy Act of 1970; the USA PATRIOT Act of 2001; AML Regulations as mandated by U.S. federal law and any other rules and regulations regarding anti-money laundering/counter-terrorist financing; issuances from the Office of Foreign Assets Control; the National Futures Association; the Financial Industry Regulatory Authority; and the Commodity Exchange Act.

As a national trust bank authorized by the OCC to exercise fiduciary powers, Anchorage is required to segregate all assets held in a fiduciary capacity from the general assets of Anchorage, as well as to keep a separate set of books and records showing in proper detail all transactions engaged in. Any bitcoin or ether held by clients of Anchorage must be maintained through segregated accounts and may be further segregated within sub-accounts beneath a client account by multiple vaults. Under U.S. federal banking law, Anchorage ensures dual controls are in place with respect to fiduciary assets pursuant to Title 12 of the Code of Federal Regulations §9.13(a), which requires that a national bank place assets of fiduciary accounts in the joint custody or control of not fewer than two of the fiduciary officers or employees designated for that purpose by Anchorage.

Anchorage periodically reconciles its internal records of client asset balances against data on the blockchain to ensure its internal records have not diverged from the blockchain source of truth. Specifically, a reconciliation script is configured to run at least daily and verify the previous day's transactions recorded are consistent with the blockchain's records.

Anchorage will not loan, hypothecate, pledge or otherwise encumber the 3iQ XRP ETF's XRP without the applicable 3iQ XRP ETF's instruction. Anchorage, in carrying out its duties concerning the safekeeping of, and dealing with, the 3iQ XRP ETF's XRP, is required to exercise (a) the degree of care, diligence and skill that a reasonably prudent person would exercise in the circumstances; or (b) at least the same degree of care as they exercise with respect to their own property of a similar kind, if this is a higher degree of care than the degree of care referred to in (a).

XRP Storage, Security Policies and Practices

XRP private keys are stored in two different forms: "hot wallet" storage, whereby the private keys are online and stored within a high security environment, and "cold" storage, where digital asset private keys are stored completely offline. The XRP that Coinbase holds for the 3iQ XRP ETF is stored offline in cold storage. When under the purview of Coinbase, XRP will only enter "hot" storage in the case of deposits and redemptions, meaning that the XRP will only be in "hot" storage for a temporary period and only when appropriate consensus requirements are met by 3iQ Corp. to initiate such a transaction.

Coinbase has adopted the following security policies and practices with respect to digital assets held in cold storage: keys are generated offline and split into redundant shards. The decryption keys for these shards are stored in secure HSMs. The final shards are stored and managed in geo-redundant, physical secure storage lockers within Coinbase's secure facilities. Multi-signature technology is used to provide both security against attacks and tolerance for losing access to a key, eliminating single points of failure; all final key shards are stored offline in air-gapped environments within a diverse network of guarded, monitored and access-controlled facilities that are geographically distributed; multiple levels of physical security and monitoring controls are implemented to safeguard the private keys within storage facilities; and all fund transfers require the coordinated actions of multiple employees.

Coinbase has adopted the following security policies and practices with respect to digital assets held in its hot wallet: hot private keys are managed online within high security environments; operational redundancy is achieved through geographic disbursement of failover storage facilities and hardware, thus protecting against service disruptions and single points of failure; the secure environment can only be accessed via limited programmatic access from pre-defined environments; all human access to the environment is exceptional and requires going through additional authentication mechanisms; and Coinbase offers additional account level protections such as crypto address allowlisting, which allows customers to restrict withdrawals to addresses only included in the customer's allowlist.

Anchorage employs industry-leading security measures and crypto-native capabilities to ensure the safety and security of assets held in custody. Sensitive operations necessitate a consensus of approvals, and multiple well-defined "quorum" authorizations from both clients and Anchorage personnel are required for the processing of any transaction. Anchorage utilizes advanced biometrics and behavioral analytics to enhance user identification, while clients possess unique cryptographic keys stored in secure client-side hardware.

Asset-holding private keys are generated by Anchorage and processed within air-gapped HSMs. Private keys are securely processed within HSMs, and any attempt to move a private key beyond the HSM's physical boundary triggers immediate encryption, rendering it unusable except by trusted secure execution engine ("SEE") software. Code running on the SEE undergoes rigorous validation and is signed by trusted parties to ensure the absence of malicious code, underscoring Anchorage's stringent control over both hardware and software. Private keys remain safeguarded and accessible only within authorized contexts.

HSMs are equipped with tamper-resistant and tamper-evident features, adhering to industry standards such as FIPS PUB 140-2 Level 3, providing robust protection against physical tampering and unauthorized access. HSMs are isolated from external networks and the public internet, maintaining an air-gap that substantially reduces the risk of cyberattacks and data breaches. Private key operations exclusively occur within the secure confines of the HSM's hardware environment, adding an additional layer of defense against external threats.

Anchorage's technology environment is supported by documented security and control practices, including controls reviewed as part of applicable System and Organization Controls reporting. Anchorage's infrastructure is designed to support secure, resilient access to its systems, including through highly available cloud environments, access controls and incident response procedures.

Anchorage has established business continuity and disaster recovery plans that have been reviewed as part of its SOC 2 Type 2 attestation. Anchorage maintains crisis management and incident response policies that define escalation and response procedures in the event of an emergency. Its systems are designed to operate through resilient and geographically distributed infrastructure, including redundant transaction-processing facilities and highly available cloud computing environments. Anchorage does not store client data at office locations, uses alerting and incident management tools to support production monitoring, and has procedures intended to allow continued servicing of client requests in the event of a hardware or infrastructure disruption.

Sub-Custodian Anti-Money Laundering Policies

Coinbase has adopted anti-money laundering and sanctions policies for its digital asset exchange and custody service in an effort to maintain a risk-based program for compliance with applicable laws and regulations relating to anti-money laundering in the United States and other countries where it conducts business. This program includes robust internal policies, procedures and controls that combat the attempted use of Coinbase for illegal or illicit purposes, including a customer identification program, annual training of all employees and officers in anti-money

laundering obligations and requirements, filing of Suspicious Activity Reports with the U.S. Financial Crimes Enforcement Network and annual independent audits of the Coinbase anti-money laundering program.

Anchorage Digital Bank, N.A. is committed to maintaining compliance with applicable anti-money laundering, anti-terrorist financing and sanctions laws, rules and regulations. Anchorage Digital maintains a risk-based AML program consistent with Anchorage's regulatory obligations pursuant to the Bank Secrecy Act of 1970, as amended by Title III of the USA PATRIOT Act of 2001 and supplemented by the Anti-Money Laundering Act of 2020, which is designed to deter, detect and report the use of its products, services and delivery channels for illegal purposes. The program includes internal policies, procedures and controls, designation of a BSA Officer, ongoing employee training, independent review and testing, and risk-based procedures for customer identification and ongoing customer due diligence.

Anchorage Digital's AML program is supported by a governance model that includes business operations, compliance and risk functions, and internal audit or other independent review functions. Business operations are responsible for client onboarding, screening, escalation and risk acceptance decisions. Compliance and risk functions establish policies and standards, advise on policy interpretation, monitor adherence to the control framework and escalate BSA/AML risks to senior management and the board. Internal audit or independent third parties may review the design and operating effectiveness of Anchorage Digital's BSA/AML controls.

Website Security

The Coinbase Group has implemented certain security policies and practices to enhance security on its website, including through the use of two-factor hardware authentication consensus for certain actions such as withdrawals; a requirement for strong passwords from its users, which are cryptographically hashed using modern standards; encryption of sensitive user information, both in transit and at rest; the application of rate-limiting procedures to certain account operations such as login attempts to thwart brute force attacks; the transmission of website data over encrypted transport layer security connections; the leveraging of content-security policy and HTTP strict transport security features in modern browsers; partnerships with enterprise vendors to mitigate potential distributed denial-of-service attacks; and the use of separate access controls on internal-only sections of Coinbase's website.

Anchorage has implemented certain security policies and practices to enhance security on its website, including through the use of two-factor authentication to the platform as well as for meeting consensus requirements on the platform for certain actions such as withdrawals; a requirement for strong passwords from its users, which are cryptographically hashed using modern standards; encryption of sensitive user information, both in transit and at rest; the application of rate-limiting procedures to certain account operations such as login attempts to thwart brute force attacks; the transmission of website data over encrypted transport layer security connections; the leveraging of content-security policy and HTTP strict transport security features in modern browsers; partnerships with enterprise vendors to mitigate potential distributed denial-of-service attacks; and the use of separate access controls on internal-only sections of the Anchorage website.

Internal Controls

In addition to the security policies and procedures discussed above, Coinbase has also instituted the following internal controls: multiple consensus participants are required to bring a cold storage wallet online to transfer funds out of cold storage; Coinbase's Chief Executive Officer and President are unable to individually or jointly transfer funds out of cold storage; all cold storage private keys are stored offsite in secure facilities; all employees undergo background checks, and certain employees with privileged access undergo enhanced background checks; and all remote-access by employees requires multi-factor authentication.

In addition to the security policies and procedures discussed above, Anchorage has also instituted the following internal controls: each vault must have a minimum of three approvers, as well as a minimum quorum of two users, with the total number of approvers and minimum quorum customizable as needed; clients authenticate directly to Anchorage's HSMs through multi-signature policies; and Anchorage's unique security architecture allows for crypto assets to be stored offline and air-gapped at all times while still permitting quick speed and settlement.

Anchorage Digital maintains change management and access control policies with segregation of duties for critical functions. Anchorage Digital's controls are designed so that no single client-side user or Anchorage Digital employee has unilateral authority to deploy new code or perform certain critical actions. For example, Anchorage Digital employees who hold code-signing smartcards are separate from those who write HSM code, and deployment of updated HSM code requires a full quorum of smartcards.

Insurance

As sub-custodians, each of Coinbase and Anchorage are responsible for securing the XRP owned by the 3iQ XRP ETF.

Coinbase Global maintains commercial crime insurance. The commercial crime insurance program covers both cold and hot storage assets held by the Coinbase Group. To date, Coinbase has never experienced a loss due to unauthorized access from its hot wallet or the cold storage vaults where the 3iQ XRP ETF's XRP is custodied.

Coinbase does not otherwise insure the XRP held by it (e.g. XRP held in "cold storage"), which is consistent with industry practice for many custodians of XRP.

Anchor Labs, Inc., the parent company of Anchorage, maintains a comprehensive crime insurance policy which covers losses of assets in custody at Anchorage. The crime insurance policy covers losses up to USD\$100 million and spans the life cycle of assets under custody, consistent with industry norms in view of Anchorage's security infrastructure and low likelihood of loss. The policy is bound by Endurance Worldwide Insurance Limited (Sompo), one of the world's largest insurance brokers, with Lloyd's of London acting as insurer. To date, Anchorage has never experienced a loss due to unauthorized access from its hot wallet or the cold storage vaults.

Anchorage Digital also maintains other corporate insurance policies in the ordinary course of its business.

Administrator

The Manager has engaged CIBC Mellon Trust Company to provide certain administrative services to the 3iQ XRP ETF including calculation of NAV and NAV per Unit and related fund accounting services. The principal office of the Administrator is located in Toronto, Ontario.

The Administrator is entitled to receive fees from the 3iQ XRP ETF as described under "Fees and Expenses – Operating Expenses" and to be reimbursed for all expenses and liabilities which are properly incurred by the Administrator in connection with the activities of the 3iQ XRP ETF.

Auditor

PricewaterhouseCoopers LLP is the auditor of the 3iQ XRP ETF. The office of the auditor is located in Toronto, Ontario.

Registrar and Transfer Agent

TSX Trust Company, at its principal offices in Toronto, is the registrar and transfer agent for the Units. The register of each of the 3iQ XRP ETF is kept in Toronto.

An investment fund is required to post certain regulatory disclosure documents on a designated website. The designated website(s) of the 3iQ XRP ETF can be found at the following location: www.3iQ.io.

CALCULATION OF NET ASSET VALUE

The NAV and NAV per Unit of the 3iQ XRP ETF are calculated by the Administrator as of the Valuation Time on each Valuation Date. The NAV of the 3iQ XRP ETF on a particular date will be equal to the aggregate value of the assets of the 3iQ XRP ETF less the aggregate value of the liabilities of the 3iQ XRP ETF, expressed in U.S.

dollars at the applicable exchange rate on such date. The NAV will be calculated using the fair value of the 3iQ XRP ETF's assets and liabilities. The NAV per Unit on any day is obtained by dividing the NAV of the 3iQ XRP ETF on such day by the number of Units of the 3iQ XRP ETF then outstanding.

Valuation Policies and Procedures

In determining the NAV of the 3iQ XRP ETF, at any time the Administrator will take into account the following:

- (a) the value of any cash on hand or on deposit, bill, demand note, account receivable, prepaid expense, dividend, or other amount receivable (or declared to holders of record of securities owned on a date before the Valuation Date as of which the value of the assets is being determined, and to be receivable) and interest accrued and not yet received will be deemed to be the full amount thereof provided that if the Manager has determined that any such deposit, bill, demand note, account receivable, prepaid expense, dividend, or other amount receivable (or declared to holders of record of securities owned on a date before the Valuation Date as of which the value of the assets is being determined, and to be receivable) or interest accrued and not yet received is not otherwise worth the full amount thereof, the value thereof will be deemed to be such value as the Manager determines to be the fair value thereof;
- (b) the 3iQ XRP ETF's XRP will be valued based on CME CF XRP-Dollar Reference Rate – New York Variant (“**XRPUSD_NY**”), which is calculated, published and maintained by CF Benchmarks Ltd. (“**CF Benchmarks**”), as described below under “CME CF References Rates” (https://www.cfbenchmarks.com/data/indices/XRPUSD_NY);
- (c) any market price reported in currency other than U.S. dollars will be translated into U.S. currency at the rate of exchange available from the Administrator on the Valuation Date on which the value of the assets is being determined;
- (d) the value of any futures contract or forward contract shall be the gain or loss with respect thereto that would be realized if, at the Valuation Time, the position in the futures contract, or the forward contract, as the case may be, were to be closed out unless daily limits are in effect in which case fair value shall be based on the current market value of the underlying interest;
- (e) estimated operating expenses by the 3iQ XRP ETF shall be accrued to the Valuation Date; and
- (f) the value of any security, property or other assets (including any illiquid investments) to which, in the reasonable opinion of the Manager, the above principles cannot be applied (whether because no price or yield equivalent quotations are available as above provided, no published market exists or for any other reason) shall be the fair market value thereof determined in good faith in such manner as the Manager, in consultation with the Administrator, adopts from time to time.

Each portfolio transaction will be reflected in the calculation of the NAV per Unit of the 3iQ XRP ETF no later than the calculation of NAV per Unit of the 3iQ XRP ETF next made after the date on which the transaction becomes binding. The issue of Units of the 3iQ XRP ETF will be reflected in the calculation of NAV per Unit of the 3iQ XRP ETF next made after the issue date for such Units, which may be up to three Trading Days after the date that the subscription order for such Units is accepted. The exchange or redemption of Units of the 3iQ XRP ETF will be reflected in the calculation of the NAV per Unit of the 3iQ XRP ETF next made after the exchange request or redemption request is accepted.

The NAV per Unit of the 3iQ XRP ETF is calculated in U.S. dollars in accordance with the rules and policies of the Canadian Securities Administrators or in accordance with any exemption therefrom that the 3iQ XRP ETF may obtain. The NAV per Unit of the 3iQ XRP ETF determined in accordance with the principles set out above may differ from the NAV per Unit determined under International Financial Reporting Standards.

CME CF Reference Rates

CME CF XRP-Dollar Reference Rate – New York Variant, provided by CF Benchmarks, is a once-a-day

benchmark index price for XRP that aggregates trade data from multiple XRP-USD markets operated by major digital asset exchanges that conform to CF Benchmarks' regulatory requirements. The XRPUSD_NY price is published daily at 4:00 p.m. (New York Time), and it has been calculated every day since its launch on November 16, 2017. XRPUSD_NY is a source for XRP pricing and is a leading price benchmark for XRP risk settlement. XRPUSD_NY is a registered benchmark under the UK benchmarks regulation, and it has been designed utilizing features that promote replicability, manipulation resistance and index integrity.

The XRP index may be viewed at: https://www.cfbenchmarks.com/data/indices/XRPUSD_NY.

XRPUSD_NY is calculated based on an aggregation of executed trade flow of XRP-USD on digital asset exchanges that are selected to be a pricing source for XRPUSD_NY (the “**Constituent Exchanges**”). A digital asset exchange is eligible to be a Constituent Exchange if it fulfills CF Benchmarks' Constituent Exchange criteria, which is publicly available.

Conformance to the CF Benchmarks Constituent Exchange criteria is established before inclusion and reviewed on an annual basis thereafter under the oversight of the CME CF Cryptocurrency Pricing Products Oversight Committee (the “**Oversight Committee**”). A digital asset exchange is eligible as a Constituent Exchange in any CME CF cryptocurrency pricing product if it offers a market that facilitates the spot trading of the relevant cryptocurrency base asset against the corresponding quote asset, including markets where the quote asset is made fungible with other accepted assets (the “**Relevant Pair**”), and makes trade data and order data available through an API with sufficient reliability, detail and timeliness.

Furthermore, a proposed Constituent Exchange must, in the opinion of the Oversight Committee, fulfill the following criteria:

- (a) The exchange's Relevant Pair spot trading volume for an index must meet the following minimum thresholds for it to be admitted as a Constituent Exchange: the average daily volume the exchange would have contributed during the observation window for the reference rate of the Relevant Pair exceeds 3% for two consecutive calendar quarters.
- (b) The exchange has policies to ensure fair and transparent market conditions at all times and has processes in place to identify and impede illegal, unfair or manipulative trading practices.
- (c) The exchange does not impose undue barriers to entry or restrictions on market participants, and utilizing the exchange does not expose market participants to undue credit risk, operational risk, legal risk or other risks.
- (d) The exchange complies with applicable law and regulation, including, but not limited to, capital markets regulations, money transmission regulations, client money custody regulations, KYC regulations and anti-money-laundering regulations.
- (e) The exchange cooperates with inquiries and investigations of regulators and CF Benchmarks upon request and must execute data sharing agreements with the CME Group Inc.

Once admitted, a Constituent Exchange must demonstrate that it continues to fulfil the criteria # 2 – 5 above. Should the average daily contribution of a Constituent Exchange fall below 3% for any reference rate (such as XRPUSD_NY), then the continued inclusion of the exchange as a Constituent Exchange to the Relevant Pair shall be assessed by the Oversight Committee.

As of August 31, 2026, the Constituent Exchanges included in XRPUSD_NY are Bitstamp, Kraken, Coinbase and LMAX Digital.

The calculation of XRPUSD_NY is regulated by the UK Financial Conduct Authority under the UK benchmarks regulation. The calculation steps for XRPUSD_NY, which are publicly available, are as follows:

1. All XRP transactions between 3:00 p.m. and 4:00 p.m. (New York Time) on all Constituent Exchanges (“**Relevant Transactions**”) are added to a joint list, recording the trade price and size for each

transaction.

2. The list is partitioned into twelve equally-sized time intervals.
3. For each partition separately, the volume-weighted median trade price is calculated from the trade prices and sizes of all Relevant Transactions. A volume-weighted median differs from a standard median in that a weighting factor, in this case trade size, is factored into the calculation.
4. The XRPUSD_NY price is then given by the equally-weighted average of the volume-weighted medians of the twelve partitions.

CF Benchmarks is a digital asset index provider based in London, United Kingdom. CF Benchmarks is authorized by the UK Financial Conduct Authority as a registered Benchmark Administrator (Firm Reference Number: 847100).

CF BENCHMARKS DATA IS USED UNDER LICENSE AS A SOURCE OF INFORMATION FOR CERTAIN 3IQ PRODUCTS. CF BENCHMARKS, ITS LICENSORS AND AGENTS HAVE NO OTHER CONNECTION TO 3IQ PRODUCTS AND SERVICES AND DO NOT SPONSOR, ENDORSE, RECOMMEND OR PROMOTE ANY 3IQ PRODUCTS OR SERVICES. CF BENCHMARKS, ITS LICENSORS AND AGENTS HAVE NO OBLIGATION OR LIABILITY IN CONNECTION WITH THE 3IQ PRODUCTS AND SERVICES. CF BENCHMARKS, ITS LICENSORS AND AGENTS DO NOT GUARANTEE THE ACCURACY AND/OR THE COMPLETENESS OF ANY INDEX LICENSED TO 3IQ AND SHALL NOT HAVE ANY LIABILITY FOR ANY ERRORS, OMISSIONS OR INTERRUPTIONS THEREIN.

Reporting of Net Asset Value

The NAV per Unit of the 3iQ XRP ETF is available to Unitholders at no cost on the Manager's website at www.3iQ.io posted daily and displaying the date upon which it was calculated. The Manager will also provide such information at no cost to the Unitholders who so request by calling the Manager at (416) 639-2130.

ATTRIBUTES OF THE UNITS

Description of the Securities Distributed

The 3iQ XRP ETF is authorized to issue an unlimited number of redeemable, transferable units designated as Units, each of which represents an equal, undivided interest in the net assets of the 3iQ XRP ETF.

On December 16, 2004, the *Trust Beneficiaries' Liability Act, 2004* (Ontario) came into force. This statute provides that holders of units of a trust are not, as beneficiaries, liable for any default, obligation or liability of the trust if, when the default occurs or the liability arises: (i) the trust is a reporting issuer under the *Securities Act* (Ontario); and (ii) the trust is governed by the laws of the Province of Ontario. The 3iQ XRP ETF is governed by the laws of the Province of Ontario by virtue of the provisions of the Declaration of Trust and will be a reporting issuer under the *Securities Act* (Ontario) prior to the initial issuance of Units.

Certain Provisions of the Units

All Units of the 3iQ XRP ETF have equal rights and privileges. Each whole Unit is entitled to one vote at all meetings of Unitholders and is entitled to participate equally with respect to any and all distributions made by 3iQ XRP ETF to Unitholders other than management fee distributions, including distributions of net income and net realized capital gains and distributions upon the termination of the 3iQ XRP ETF. Units are issued only as fully-paid and are non-assessable.

Exchange of Units

On any Trading Day, Unitholders of the 3iQ XRP ETF may exchange the Prescribed Number of Units (or an integral multiple thereof) for cash or, if agreed to by the Manager, for cash and/or portfolio assets. See "Redemption

and Exchange of Units – Exchange of Units”.

Redemption of Units

On any Trading Day, Unitholders of the 3iQ XRP ETF may redeem Units of the 3iQ XRP ETF for cash at a redemption price per Unit of the 3iQ XRP ETF equal to the lesser of 95% of (a) the closing price for the Units of the 3iQ XRP ETF on the TSX on the effective day of the redemption and (b) the NAV per Unit of the 3iQ XRP ETF on the effective day of the redemption. See “Redemption and Exchange of Units – Redemption of Units”.

Modification of Terms

The rights attached to the Units of the 3iQ XRP ETF may only be modified, amended or varied in accordance with the terms of the Declaration of Trust. See “Unitholder Matters – Matters Requiring Unitholder Approval”.

UNITHOLDER MATTERS

Meeting of Unitholders

A meeting of the Unitholders of the 3iQ XRP ETF may be called at any time by the Manager and shall be called by the Manager upon written request of Unitholders of the 3iQ XRP ETF holding in the aggregate not less than 5% of the Units of the 3iQ XRP ETF. Except as otherwise required or permitted by law, meetings of Unitholders of the 3iQ XRP ETF are held if called by the Manager upon written notice of not less than 21 days nor more than 50 days before the meeting. At any meeting of Unitholders of the 3iQ XRP ETF, a quorum shall consist of two or more Unitholders of the 3iQ XRP ETF present in person or by proxy and holding 10% of the Units of the 3iQ XRP ETF. If no quorum is present at such meeting, the meeting, if convened upon the request of Unitholders or for the purpose of considering a change in the manager of the 3iQ XRP ETF, shall be cancelled, but in any other case, the meeting shall stand adjourned and held at the same time and place on the day which is not less than 10 days later. The Manager will give at least three days’ notice by press release to Unitholders of the date of the reconvened meeting, and at the reconvened meeting, Unitholders present in person or represented by proxy constitute a quorum.

Matters Requiring Unitholder Approval

NI 81-102 requires a meeting of Unitholders of the 3iQ XRP ETF to be called to approve certain changes as follows:

- (a) the basis of the calculation of a fee or expense that is charged to the 3iQ XRP ETF is changed in a way that could result in an increase in charges to the 3iQ XRP ETF, except where:
 - (i) the 3iQ XRP ETF is at arm’s length with the person or company charging the fees;
 - (ii) the Unitholders have received at least 60 days’ notice before the effective date of the change; and
 - (iii) the right to notice described in (ii) is disclosed in the prospectus of the 3iQ XRP ETF;
- (b) a fee or expense is introduced that is to be charged to the 3iQ XRP ETF or directly to its Unitholders by the 3iQ XRP ETF or the Manager in connection with the holding of Units of the 3iQ XRP ETF that could result in an increase in charges to the 3iQ XRP ETF or its Unitholders, except where:
 - (i) the 3iQ XRP ETF is at arm’s length with the person or company charging the fees;
 - (ii) the Unitholders have received at least 60 days’ notice before the effective date of the change; and
 - (iii) the right to notice described in (ii) is disclosed in the prospectus of the 3iQ XRP ETF;

- (c) the Manager is changed, unless the new manager of the 3iQ XRP ETF is an affiliate of the Manager;
- (d) any change to the fundamental investment objectives of the 3iQ XRP ETF;
- (e) the 3iQ XRP ETF decreases the frequency of calculating its NAV per Unit;
- (f) any change to the investment restrictions of the 3iQ XRP ETF, unless such change is necessary to ensure compliance with all applicable laws, regulations or other requirements imposed by applicable regulatory authorities from time to time;
- (g) the 3iQ XRP ETF undertakes a reorganization with, or transfers its assets to, another mutual fund, if the 3iQ XRP ETF ceases to continue after the reorganization or transfer of assets and the transaction results in the Unitholders of the 3iQ XRP ETF becoming securityholders in the other mutual fund unless:
 - (i) the IRC of the 3iQ XRP ETF has approved the change;
 - (ii) the 3iQ XRP ETF is being reorganized with, or its assets are being transferred to, another mutual fund that is managed by the Manager, or an affiliate of the Manager;
 - (iii) the Unitholders have received at least 60 days' notice before the effective date of the change;
 - (iv) the right to notice described in (iii) is disclosed in the prospectus of the 3iQ XRP ETF; and
 - (v) the transaction complies with certain other requirements of applicable Canadian securities legislation;
- (h) the 3iQ XRP ETF undertakes a reorganization (other than a Permitted Merger as defined below) with, or acquisition of assets of, a mutual fund trust, if:
 - (i) the 3iQ XRP ETF continues after the reorganization or acquisition of assets;
 - (ii) the transaction results in the securityholders of the mutual fund trust becoming Unitholders of the 3iQ XRP ETF; and
 - (iii) the transaction would be a material change to the 3iQ XRP ETF;
- (i) a reorganization that results in the 3iQ XRP ETF becoming a non-redeemable investment fund or an issuer that is not an investment fund; or
- (j) any matter which is required by the constating documents of the 3iQ XRP ETF or by the laws applicable to the 3iQ XRP ETF or by any agreement to be submitted to a vote of the Unitholders of the 3iQ XRP ETF.

Approval of the foregoing matters is deemed to have been given by a resolution passed by at least a majority of the votes cast at a meeting called and held for such purpose. Unitholders are entitled to one vote per whole Unit held on the record date established for voting at any meeting of Unitholders.

The 3iQ XRP ETF may, without Unitholders' approval, enter into a merger or other similar transaction that has the effect of combining the 3iQ XRP ETF or its assets (a "**Permitted Merger**") with any other investment fund or funds managed by the Manager or an affiliate of the Manager that have investment objectives that are substantially similar to those of the 3iQ XRP ETF, subject to:

- (a) approval of the merger by the IRC;
- (b) compliance with certain merger pre-approval conditions set out in section 5.6 of NI 81-102; and

- (c) written notice to Unitholders at least 60 days before the effective date of the merger.

In connection with a Permitted Merger, the merging funds are valued at their respective net asset values for the purpose of such transaction.

In addition, the auditor of the 3iQ XRP ETF may not be changed unless:

- (a) the IRC has approved the change; and
- (b) Unitholders have received at least 60 days' notice before the effective date of the change.

Amendments to the Declaration of Trust

The Manager may, without the approval of or notice to Unitholders, amend the Declaration of Trust for certain limited purposes specified therein, including to:

- (a) remove any conflicts or other inconsistencies which may exist between any terms of the Declaration of Trust and any provisions of any law or regulation applicable to or affecting the 3iQ XRP ETF;
- (b) make any change or correction in the Declaration of Trust which is of a typographical nature or is required to cure or correct any ambiguity or defective or inconsistent provision, clerical omission, mistake or manifest error contained therein;
- (c) bring the Declaration of Trust into conformity with applicable laws, including the rules and policies of Canadian securities regulators or with current practice within the securities or investment fund industries provided that any such amendment does not adversely affect the rights, privileges or interests of Unitholders;
- (d) maintain, or permit the Manager to take such steps as may be desirable or necessary to maintain, the status of the 3iQ XRP ETF as a "mutual fund trust" and a "unit trust" for the purposes of the Tax Act or to respond to amendments to the Tax Act or to the interpretation or administration thereof; or
- (e) provide added protection to Unitholders.

Except for changes to the Declaration of Trust which require the approval of Unitholders or changes described above which do not require approval of or prior notice to Unitholders, the Declaration of Trust may be amended from time to time by the Manager upon not less than 30 days' prior written notice to Unitholders.

Reporting to Unitholders

The 3iQ XRP ETF's fiscal year is the calendar year. The taxation year will be the calendar year or such other fiscal period permitted under the Tax Act as the 3iQ XRP ETF elects. The annual financial statements of the 3iQ XRP ETF shall be audited by the 3iQ XRP ETF's auditor in accordance with Canadian generally accepted auditing standards. The auditor will be asked to report on the fair presentation of the annual financial statements in accordance with IFRS. The Manager will ensure that the 3iQ XRP ETF complies with all applicable reporting and administrative requirements.

The Manager, on behalf of the 3iQ XRP ETF, will furnish Unitholders of the 3iQ XRP ETF with unaudited interim financial statements, audited annual financial statements, interim MRFPs and the annual MRFPs of the 3iQ XRP ETF, in accordance with applicable laws.

Any tax information necessary for Unitholders to prepare their annual federal income tax returns will be distributed to them within 90 days after the end of each financial year of the 3iQ XRP ETF.

The Manager will keep adequate books and records reflecting the activities of the 3iQ XRP ETF. A Unitholder or his or her duly authorized representative has the right to examine the books and records of the 3iQ XRP

ETF during normal business hours at the registered office of the Manager. Notwithstanding the foregoing, a Unitholder shall not have access to any information that, in the opinion of the Manager, should be kept confidential in the interests of the 3iQ XRP ETF.

TERMINATION OF THE 3iQ XRP ETF

The 3iQ XRP ETF may be terminated by the Manager on at least 60 days' notice to Unitholders of such termination and the Manager will issue a press release in advance thereof. Upon termination of the 3iQ XRP ETF, the cash and other assets remaining after paying or providing for all liabilities and obligations of the 3iQ XRP ETF, determined in accordance with the 3iQ XRP ETF's valuation policies and procedures, shall be distributed *pro rata* among the Unitholders of the 3iQ XRP ETF.

The rights of Unitholders to exchange and redeem Units described under "Redemption and Exchange of Units" will cease as and from the date of termination of the 3iQ XRP ETF.

PRINCIPAL UNITHOLDERS OF THE 3iQ XRP ETF

CDS & Co., the nominee of CDS, will generally be the only registered owner of the Units of the 3iQ XRP ETF, which it holds for various brokers and other persons on behalf of their clients and others. From time to time, the Designated Broker, Dealers, or another investment fund managed by the Manager, and the Manager or an affiliate thereof, may beneficially own, directly or indirectly, more than 10% of the Units of the 3iQ XRP ETF.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

The Manager will receive fees for its services to the 3iQ XRP ETF. See "Fees and Expenses".

Shareholders of the Manager may be shareholders, directors, officers or employees of Digital Asset Sources which trade XRP with the Manager on behalf of the 3iQ XRP ETF. Trade execution on behalf of the 3iQ XRP ETF is conducted on a best price basis and no preference is given to digital asset trading platforms or counterparties in respect of which shareholders of the Manager are shareholders, directors, officers or employees.

Shareholders of the Manager may invest in Units of the 3iQ XRP ETF on their own behalf or on behalf of clients or funds managed by them.

MATERIAL CONTRACTS

The following contracts can reasonably be regarded as material to purchasers of Units:

- (a) the Declaration of Trust – see "Organization and Management Details – The Trustee, Manager and Promoter";
- (b) the Custodian Agreement – see "Organization and Management Details – Custodian"; and
- (c) the Coinbase Sub-Custodian Agreement – see "Organization and Management Details – Sub-Custodians";
- (d) the Anchorage Sub-Custodian Agreement – see "Organization and Management Details – Sub-Custodians"; and
- (e) the index licensing agreement with CF Benchmarks dated September 23, 2024 and amended as of January 23, 2025.

Copies of the agreements referred to above may be inspected on SEDAR+ at www.sedarplus.ca or during business hours at the registered office of the Manager. Certain personal identification information and commercially sensitive information has been redacted in all publicly available material contracts.

LEGAL AND ADMINISTRATIVE PROCEEDINGS

The 3iQ XRP ETF are not involved in any legal proceedings nor is the Manager aware of existing or pending legal or arbitration proceedings involving the 3iQ XRP ETF.

EXPERTS

Mintz LLP, legal counsel to the 3iQ XRP ETF and the Manager, has provided certain legal opinions on the principal Canadian federal income tax considerations that apply to an investment in the Units by an individual resident in Canada. See “Income Tax Considerations” and “Income tax considerations – Status of the 3iQ XRP ETF”. As of the date hereof, partners and associates of Mintz LLP beneficially owned, directly or indirectly, less than 1% of the outstanding Units of the 3iQ XRP ETF.

PricewaterhouseCoopers LLP, Chartered Professional Accountants, Licensed Public Accountants, is the auditor of the 3iQ XRP ETF and has confirmed that it is independent of the 3iQ XRP ETF within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of Ontario.

EXEMPTIONS AND APPROVALS

The Manager, on behalf of the 3iQ XRP ETF, has received exemptive relief from the Canadian securities regulatory authorities to permit the following:

- (a) the purchase by a Unitholder of the 3iQ XRP ETF of more than 20% of the Units of the 3iQ XRP ETF through purchases on the TSX without regard to the take-over bid requirements of Canadian securities legislation;
- (b) the acceptance by the 3iQ XRP ETF of XRP as subscription proceeds for Units of the 3iQ XRP ETF;
- (c) to relieve the 3iQ XRP ETF from the requirement that a prospectus contain a certificate of the underwriters; and
- (d) the appointment of Anchorage, which is not a person or company described in section 6.2 or 6.3 of NI 81-102, as a sub-custodian of the 3iQ XRP ETF to hold the 3iQ XRP ETF’s digital assets, and the appointment of Anchorage as a sub-custodian of the 3iQ XRP ETF to hold the 3iQ XRP ETF’s digital assets outside of Canada.

PURCHASERS’ STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in certain of the provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase ETF securities within 48 hours after the receipt of a confirmation of a purchase of such securities. In several of the provinces and territories, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment contains a misrepresentation, or for non-delivery of the ETF Facts, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser’s province or territory.

The purchaser should refer to the applicable provisions of the securities legislation of the province or territory for the particulars of these rights or consult with a legal advisor.

DOCUMENTS INCORPORATED BY REFERENCE

Additional information about the 3iQ XRP ETF is available in the following documents:

- (a) the 2025 annual comparative financial statements of the 3iQ XRP ETF, together with the

accompanying report of the auditor;

- (b) any interim financial statements of the 3iQ XRP ETF filed after the most recently-filed comparative annual financial statements of the 3iQ XRP ETF;
- (c) the most recently-filed annual MRFP of the 3iQ XRP ETF;
- (d) any interim MRFP of the 3iQ XRP ETF filed after that most recently-filed annual MRFP of the 3iQ XRP ETF; and
- (e) the most recently filed ETF Facts of the 3iQ XRP ETF.

These documents are incorporated by reference in this prospectus, which means that they legally form part of this prospectus. An investor can get a copy of these documents, upon request and at no cost by calling the Manager at (416) 639-2130 or by contacting a registered dealer. These documents are also available on the Manager's website at www.3iQ.ca as well as on SEDAR at www.sedar.com. In addition, any such types of documents, if filed by the 3iQ XRP ETF after the date of this prospectus and before the termination of the distribution of Units, are deemed to be incorporated by reference into this prospectus.

CERTIFICATE OF 3iQ XRP ETF AND THE TRUSTEE, MANAGER AND PROMOTER

Dated: September 18, 2026

This amended and restated prospectus together with the documents incorporated herein by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this amended and restated prospectus as required by the securities legislation of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, Nova Scotia, New Brunswick, Prince Edward Island, Newfoundland and Labrador, Yukon, Northwest Territories and Nunavut.

3iQ CORP.
(as trustee and manager of the 3iQ XRP ETF)

By: "*Pascal St-Jean*"
Pascal St-Jean
President and Chief Executive Officer

By: "*Vladimir Plessovskikh*"
Vladimir Plessovskikh
Chief Financial Officer

On behalf of the Board of Directors of
3iQ CORP.

By: "*Pascal St-Jean*"
Pascal St-Jean
Director

By: "*John Loeprich*"
John Loeprich
Director

By: "*Satoshi Hasuo*"
Satoshi Hasuo
Director

3iQ CORP.
(as promoter of the 3iQ XRP ETF)

By: "*Pascal St-Jean*"
Pascal St-Jean
President and Chief Executive Officer