

# **IBO** Initial Bottle Offering Term Sheet



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Wine Exchange

## **THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

This Initial Bottle Offering Term Sheet comprises the relevant information for the issue of the wine tokens representing each a bottle of Quinta do Vallado - Sociedade Agrícola, Lda., Reg.nr. 504594745, Vilarinho dos Freires, 5050-364 Peso da Régua, Portugal (the “Wine Producer”). Alti Exchange Group Ltd, Liechtenstein, shall act as issuer and as listing authority and enable the issue and the trading of the Tokens among the members of its online trading platform.

This document does not constitute a prospectus and does not offer to subscribe for, buy or sell any securities. The Tokens do not represent securities on the meaning of the applicable securities act. The Tokens have not been and will not be registered under any law, governmental agent or other official body. The Tokens are only offered to qualified investors in the meaning of the applicable securities act of Liechtenstein.





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This IBO Offering memorandum relates to the offer (the “Offer”) of 150 bottles of Quinta doVallado Port Wine ABF 1888 for investment through an Initial Bottle Offering (“IBO”) as new tokens (the “New Tokens”) of the Issuer: ▲





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## Quinta do Vallado ABF 1888

Number of bottles produced : **933**

Number of bottles in retail market : **500**

Number of bottles reserved for IBO : **150**

Average retail price: **3450 euros** (Incl. VAT & taxes acc. to country)

IBO launch price: **2650 euros** (No taxes apply while in bond)

Bottles numbered from: **410 to 559** and tokenized accordingly.



After the placement of this Offer, dealings in the Offer Tokens are expected to commence on the Alti Exchange Group on June 8th, 2019.





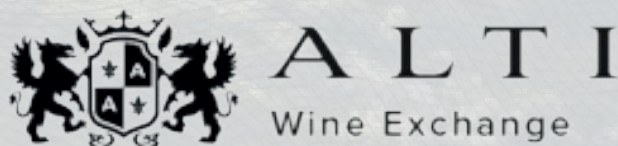
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## Subscription Period

Prospective investors may subscribe for the Offer Tokens during the period which is expected to commence on April 29th, 2019 and is expected to end at 5 p.m. Central European Time on or about May 31th 2019 (the “Subscription Period”).







## **The Tokens are designed to track the performance of the listed wine** (as defined below).

The Quinta do Vallado Port Wine ABF 1888 was aged for over 120 years and bottled in 2016 to celebrate the 300th anniversary of Quinta do Vallado. ABF is a tribute to the ancestor of the present owners of the farm, António Bernardo Ferreira I, who purchased Quinta do Vallado in 1818. Only 933 bottles were produced and from those 150 have been allocated for investment purpose at Alti Wine Exchange. Each bottle is numbered and packaged in a unique case of solid walnut wood created specifically for this wine by the design company Woodscience. Each of the bottles includes a crystal decanter, manually glass blown by Atlantis, Portugal.

The decanter is an exact replica of the decanter used by Founder António Bernardo Ferreira for the reception at Quinta do Vallado of the German Prince Frederick of Hesse-Cassel in 1830. This magnificent Port Wine was produced in a small vineyard in Baixo Corgo, a neighbour to Quinta do Vallado, who kept it with great care and affection since 1888 in his wine caves in three hulls of 650 litres. Due to natural evaporation for more than a century, the wine was eventually reduced to approximately 700 litres. This Port Wine originates from pre-phylloxera vineyards and was traditionally produced by walking the grapes. The wine is a blend of typical grape varieties of the Douro region's Vinhas Velhas, which is a mix of Tinta Roriz, Tinta Amarela, Touriga Franca, Tinta Barroca, Touriga Nacional and many more. This extraordinary Port Wine presents an extremely seductive colour reminding you of mahogany and with greenish glints when shaken, which is a clear and evident sign of the advanced age of wine. The aroma is very complex and rich with numerous nuances of nuts, figs, plums, iodine and spices, with an unusual fresh and harmonious finish. The Quinta do Vallado ABF 1888 is an extremely rare wine with exceptional qualities to be kept for many decades by collectors and investors. This is the reason Alti Wine Exchange chose this wine for his first IBO, as professional wine connoisseurs will not miss the opportunity to own this special port wine for investment with substantial future profit.

**This is an Offer of 150 Tokens at an Offer Price of EUR 2,650 per Token with admission to the Official List of Alti Wine Exchange on June 8th, 2019.**





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The Issuer will receive net proceeds only from the offer and issue of the New Tokens. The Offer Tokens are being offered, as specified in this IBO memorandum, subject to cancellation or modification of the Offer and subject to certain other conditions. This IBO memorandum does not constitute an offer to sell, or the solicitation of an offer to buy, in any jurisdiction the Offer Tokens in which such offer or solicitation is unlawful. The Tokens have not been and will not be registered under the United States Securities Act of 1933, (the "Securities Act"). Subject to certain exceptions, the Tokens may not be offered or sold within the United States, Canada, Japan, Australia or South Africa to any national, resident or citizen of the United States, Australia, Canada, Japan or South Africa. Accordingly, the Offer is being made (i) within the United States only to qualified institutional buyers ("QIBs") as defined in Rule 144A under the Securities Act ("Rule 144A") in transactions exempt from the registration requirements of the Securities Act and (ii) outside the United States in reliance on Regulation S under the Securities Act ("Regulation S").

The timetable for the Offer may be accelerated or extended. Any such acceleration will be announced in a press release at least three hours before the proposed expiration of the accelerated Subscription Period. Any extension of the timetable for the Offer will be announced in a press release at least three hours before the expiration of the accelerated Subscription Period or original Subscription Period, as the case may be, provided that any extension will be for a minimum of one full business day. The Subscription Period will be no less than sixteen business days.

The Offer Tokens will be accepted for settlement through Blockchain contracts, and the wine will be deposit at Bordeaux City Bond. Bordeaux City Bond has been approved as DEPOSITARY pursuant to the agreement with Alti Wine Exchange.

Delivery of the Wine at any time is to be made through the facilities of Bordeaux City Bond, and is expected to occur through settlement of VAT and due taxes.

In connection with the Offer, the Managers and any of their respective affiliates acting as an investor for their own accounts may subscribe for and/or acquire Offer Tokens and, in that capacity, may retain, purchase, sell, offer to sell or otherwise deal for their own accounts in the Offer Tokens. Accordingly, references in this IBO memorandum to the Offer Token being offered, subscribed, acquired or otherwise dealt with should be read as including any offer to, or subscription, acquisition or dealing by, the Managers and any of their respective affiliates acting as an investor for their own accounts. The Managers do not intend to disclose the extent of any such investment or transaction otherwise than in accordance with any legal or regulatory obligation to do so.