

# Barrier Reverse Convertible Autocallable

Underlyings: Muenchener Re - Nestlé - Swiss Re - UBS  
 Coupon: 5,00% p.a. - Autocall 100,00% - Quanto CHF  
 Barrier In Fine 58,40% - Maturity: 21 May 2021

**This structured product is not a collective investment within the meaning of the Swiss Federal Investment Fund Act. It does not require approval from the Swiss Financial Market Supervisory Authority (FINMA) and is not subject to FINMA supervision. Investors are also exposed to the risk of insolvency of the issuer.**

## 1. PRODUCT DESCRIPTION

### Issue details

Sec. No. / ISIN / Symbol	47 971 781 / ISIN CH0479717818 / 0405BC
Issuer	Banque Cantonale Vaudoise, Lausanne Switzerland (S&P AA/stable)
Lead manager / Calculation agent / Paying agent	Banque Cantonale Vaudoise, Lausanne
Prudential supervision	BCV Lausanne, Switzerland, is subject to prudential supervision by Swiss Financial Market Supervisory Authority (FINMA).
Nominal amount	CHF 1 000
Issue size	1 200 Barrier Reverse Convertible Autocallable (includes an increase and reopening clause)
Minimum investment	CHF 1 000
Issue price	100,00%
Base currency	CHF
Distribution fees	Max. 0,25% p.a. of the Nominal amount
Initial fixing date	14 May 2019 (closing price of the underlying share(s) on the reference stock exchange)
Payment date	21 May 2019
Final fixing date	14 May 2021 (closing price of the underlying share(s) on the reference stock exchange)
Payout date	21 May 2021
Definition	The Autocallable Barrier Reverse Convertible is a structured product. It pays a guaranteed coupon throughout the product's lifetime (up to maturity or early redemption). This particular product will be redeemed before maturity under certain conditions. For early redemption to occur, each of the product's underlying assets must be above its Autocall Level.
SVSP-Classification	Yield enhancement – Barrier Reverse Convertible (1230), according to the Swiss Derivative Map available at <a href="http://www.svsp-verband.ch">www.svsp-verband.ch</a>

## Underlying

i	Name	ISIN Code	Reference Exchange	Initial Fixing (Si,0)
1	Muenchener Rueckversicherungs AG	DE0008430026	Xetra	211,800
2	Nestlé SA	CH0038863350	SIX Swiss Ex	97,400
3	Swiss Re AG	CH0126881561	SIX Swiss Ex	90,140
4	UBS Group AG	CH0244767585	SIX Swiss Ex	11,935

i	Barrier	Early redemption level
1	123,692	211,800
2	56,882	97,400
3	52,642	90,140
4	6,970	11,935

## Product terms and conditions

Changes that are unplanned or not agreed	Information about any changes that are unplanned or not agreed contractually (e.g., capital transactions that affect the underlying assets such as splits, par-value reimbursements or conversions) shall be provided at <a href="http://www.bcv.ch/invest">www.bcv.ch/invest</a> .
Strike level (K)	100,00% of the initial fixing
Barrier (B)	58,40% of the initial fixing
Type of Barrier	European (the official closing price of each underlying asset on the reference stock exchange is observed only once, at maturity)
Early redemption level (autocall)	100,00% of the initial fixing
Worst-performing underlying asset	The worst-performing underlying asset is determined according to the following formula: $\text{Min}_i \left( \frac{S_{i,T}}{S_{i,0}} \right)$ where $S_{i,0}$ is the initial fixing for underlying i $S_{i,t}$ is the closing price of underlying i on the observation date
Coupon	5,00% p.a. The coupons will be paid in two tranches : 0,00% p.a. in interest 5,00% p.a. capital gain resulting from the option premium.
Coupon-Frequency	Every three months (1,25% per Period)
Coupon payment dates	Coupons payments will occur on the following dates : 21 August 2019 - 21 November 2019 - 21 February 2020 - 22 May 2020 - 21 August 2020 - 23 November 2020 - 22 February 2021 - 21 May 2021
Coupon calculation method	30/360, Modified following, unadjusted
Early redemption	If the worst-performing underlying asset is above its early redemption level on the observation date, the product expires immediately and the nominal amount is redeemed at 100%.
Early redemption observation dates	14 May 2020 - 14 August 2020 - 16 November 2020 - 15 February 2021
Early redemption dates	21 May 2020 - 21 August 2020 - 23 November 2020 - 22 February 2021

Payout

21 May 2021

1. If the final fixing of all underlying assets is above their barrier (B), the amount redeemed per Barrier Reverse Convertible Autocallable will be 100% of the nominal value.
2. If the final fixing of one of the underlying assets is equal or below its barrier (B), the investor will have to take delivery of the ratio of the lowest-performing underlying asset (1) per Barrier Reverse Convertible Autocallable, on which Swiss federal stamp duty will be payable. Share fractions will be paid in cash.

(1) Number of assets = 1,000 CHF / (K<sub>i</sub> \* Exchange Rate) with

K<sub>i</sub> = Strike level of the worst-performing asset

The worst performing asset is determined according the following formula :  $\text{Min}_i \left( \frac{S_{i,T}}{S_{i,0}} \right)$

S<sub>i,T</sub> = Price of the underlying (i) on the Final Fixing Date (t = T)

S<sub>i,0</sub> = Price of the underlying (i) on the Initial Fixing Date (t = 0)

Share fractions will be paid in cash in the product's base currency.

The exchange rate will be determined by the paying agent on the final fixing date.

### Secondary market, Listing and Clearing

Listing, market segment

Listing will be requested on the main market of the SIX Swiss Exchange and maintained until closing on the final fixing date (currently 14 May 2021 at 5:15 pm).

Secondary Market

The price on the secondary market is dirty, i.e., accrued interest is included. Prices may be consulted on Bloomberg and SIX Telekurs.

Clearing

SIX SIS AG

Materialisation

The Security takes the form of a book-entry security registered in the SIX SIS SA clearing system. It is dematerialized, and individual securities will not be printed or delivered.

### Taxation

Tax disclaimer

This tax information provides only a general overview of possible tax consequences related to this product on its issue date. Laws and tax practices can change with retroactive effect.

Investors should always consult with their tax advisor for a specific evaluation of their profile before carrying out any transaction.

Switzerland

This product is regarded as transparent.

The coupon's interest component is subject to withholding tax and constitutes taxable income for individuals with tax domicile in Switzerland who hold these investments as part of their private assets. Any coupon payment or gain resulting from the option component represents an untaxed capital gain for these individuals.

Secondary market transactions are subject to Swiss federal stamp duty (Telekurs Code 22).

Negative Interest

If, due to unusual market conditions, the interest component is negative, the interest income shall be deemed to be zero and no expense shall be incurred. The negative interest therefore does not constitute either debit interest, as defined in Article 33 of the Swiss Federal Direct Taxation Act (LIFD), or any other expense and is thus not tax deductible. It may not be offset by credit interest when calculating taxable income or any withholding tax.

### Legal Information

Jurisdiction and applicable law

Lausanne, Swiss law

Prospectus

This document is not an issue prospectus within the meaning of Articles 652a and 1156 of the Swiss Code of Obligations or a simplified prospectus within the meaning of Article 5.2 of the Swiss Federal Investment Fund Act. Only the listing prospectus, which is available from BCV in French, along with any other documents required by the Regulatory Board, shall prevail.

## 2. PROFIT AND LOSS EXPECTATIONS

Market forecast

This product is suitable for investors who expect the following :

- The performance of the underlying asset(s) to be neutral to slightly positive
- The underlying asset(s) will not reach or cross the barrier on the final fixing date

Potential profit

The potential profit is limited to the payment of the coupon(s).

Potential loss

The potential loss is equal to a direct investment in the underlying asset.

Scenarios

Performance of the worst-performing underlying	Nominal reimbursement	
	In cash	Counter value in assets and cash
25%	CHF 1 000,00	
10%	CHF 1 000,00	
0%	CHF 1 000,00	
-37%	CHF 1 000,00	
-41.60%		CHF 584,00
-62%		CHF 380,00

## 3. SIGNIFICANT RISKS INCURRED BY THE INVESTOR

Risk tolerance

The value of this Barrier Reverse Convertible Autocallable at maturity may be lower than the purchase price.

The risks inherent in certain investments, particularly derivatives, may not be suitable for all investors. Before conducting any transaction, investors should evaluate their risk profile and seek information on inherent risks, and are urged to read the SwissBanking brochure "Special Risks in Securities Trading" (available at BCV offices or online at: [http://www.bcv.ch/static/pdf/en/risques\\_particuliers.pdf](http://www.bcv.ch/static/pdf/en/risques_particuliers.pdf)).

Issuer risk: Investors are exposed to the risk of insolvency of the issuer, which could lead to the loss of all or part of the invested capital.

Whether an investment product retains its value does not depend solely on the performance of the underlying asset(s) but also on the solvency of the issuer, which may change during the product's lifetime.

The rating stated in this document for the issuer was valid at the time of issuance and may change during the product's lifetime.

Exchange-rate risk

Investors whose base currency is not the settlement currency for the product should be aware of exchange-rate risk.

Market risk

Investors are exposed to the risks of adjustments in the underlying asset, non-convertibility, extraordinary market situations and emergencies, such as the suspended listing of the underlying asset, trading restrictions, and any other measures that materially restrict the tradability of the underlying asset.

Investors are subject to the legal and contractual obligations of the markets on which the underlying asset is traded and to the legal and contractual obligations provided by or governing the issuer. Such market events could affect the dates and other terms and conditions in this document.

Market liquidity

Under special market conditions, if the issuer is unable to enter into hedging transactions, or if such transactions prove difficult, the spread between bid and ask prices may be temporarily expanded in order to limit the economic risk for the issuer.

## Important information

General information	<p>Past performance is no guarantee of present or future performance.</p> <p>This document is for information purposes only; it is not a financial analysis within the meaning of the Swiss Bankers' Association's "Directives on the Independence of Financial Research," nor is it an offer, invitation or personalized recommendation to buy or sell specific products.</p> <p>The issuer is under no obligation to acquire the underlying asset(s).</p>
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Publication date	<p>15 May 2019</p>

## Contact information

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