

Tracker Certificate

Underlying: "Recovery Basket Europe"

Maturity : 22 July 2021

This 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

Certificate details

Sec. No. / ISIN / Symbol	55 832 182 / CH0558321821 / 0552BC
Issuer and Lead Manager	Banque Cantonale Vaudoise, Lausanne, Switzerland (S&P AA/stable)
Prudential supervision	BCV, Lausanne, Switzerland is subject to prudential supervision by FINMA.
Paying agent	Banque Cantonale Vaudoise, Lausanne
Underlying asset	Basket of shares "Recovery Basket Europe"
Issue size	20 000 Certificates (includes an increase and reopening clause)
Minimum Investment	1 Certificate
Base currency	CHF
Issue price	CHF 100.00
Reference price	CHF 99.00
Distribution fees	Max. 0.40 CHF
Initial fixing date	15 July 2020
Payment date	22 July 2020
Final fixing date	15 July 2021
Maturity date	22 July 2021

How the Certificate works

Product description	The Tracker Certificate is a structured product that replicates the performance of an underlying basket of securities simply, inexpensively and with high liquidity. Currency swaps transactions will be systematically computed every 3 months and defined for the next 3 months to hedge against exchange-rate risk.
SSPA category	Participation Product – Tracker Certificate (1300), according to the Swiss Derivative Map available at www.svsp-verband.ch .

Basket composition

Composition of the basket on 15 July 2020

Security	ISIN	Reference stock-exchange	Currency	Weighting	Number of shares per basket
AIRBUS SE	NL0000235190	EN Paris	EUR	6.67%	0.08829
SAFRAN SA	FR0000073272	EN Paris	EUR	6.67%	0.06385
ENGIE	FR0010208488	EN Paris	EUR	6.67%	0.54690
ANHEUSER-BUSCH I	BE0974293251	EN Brussels	EUR	6.67%	0.12872
AMADEUS IT GROUP	ES0109067019	Soc.Bol SIBE	EUR	6.67%	0.12374
TELEFONICA	ES0178430E18	Soc.Bol SIBE	EUR	6.67%	1.48485
ENI SPA	IT0003132476	Brsaltaliana	EUR	6.67%	0.69168
INDITEX	ES0148396007	Soc.Bol SIBE	EUR	6.67%	0.26298
AXA	FR0000120628	EN Paris	EUR	6.67%	0.32834
ORANGE	FR0000133308	EN Paris	EUR	6.67%	0.55942
VINCI SA	FR0000125486	EN Paris	EUR	6.67%	0.07288
ESSILORLUXOTTICA	FR0000121667	EN Paris	EUR	6.67%	0.05074
VOLKSWAGEN-PREF	DE0007664039	Xetra	EUR	6.67%	0.04330
TOTAL SA	FR0000120271	EN Paris	EUR	6.67%	0.17803
ALLIANZ SE-VINK	DE0008404005	Xetra	EUR	6.67%	0.03261

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 www.bcv.ch/invest.

Dividends

During the Certificate's lifetime, any dividends, coupons, and other income (net of any taxes and fees) will be reinvested in the respective underlying assets.

Redemption of Certificate

The amount redeemed in CHF is calculated by multiplying the average sale price for each security by its quantity in the basket, and then adding together the resulting figures converted into CHF together with any funds from the final unwinding of the currency swaps.

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 day before the final fixing period.

Secondary market

The Issuer will operate a secondary market between 9:15 am and 5:15 pm on days when the SIX Swiss Exchange is open. The bid-ask spread will not under any circumstances exceed 3% (usually 1%), and a minimum of CHF 50,000 will be offered for sale and purchase.

However, in the case of unusual market conditions or any other unforeseeable event (for example, if an exchange on which one of the stocks in the basket is listed suspends trading), the Issuer reserves the right to suspend quotations.

Prices are also available from Bloomberg and SIX Telekurs.

Clearing

SIX SIS SA

Certification

The security takes the form of a book-entry security registered in the SIX SIS SA clearing system. It is not materialized, and individual securities will therefore 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

For individuals whose tax domicile is in Switzerland and who hold these investments as part of their private assets, any gains resulting from the sale of certificates are considered capital gains. Capital gains do not currently constitute taxable income.

Reinvested dividends (net of any taxes or fees) do constitute taxable income.

The product is not subject to either Swiss withholding tax and nor Swiss federal stamp duty (on secondary market transaction and at issue).

Legal information

Applicable law and jurisdiction

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.

Market forecast

This Tracker Certificate is designed to take advantage of a rise in the valuation of companies included in the basket.

Potential profit

During the product's lifetime, holders of this Tracker Certificate may make a profit if they sell the certificate for more than its purchase price. The potential return on the certificate at the final fixing is comparable to the return on the underlying basket.

Potential loss

The investor will incur a loss if the product is sold for less than its acquisition price during its lifetime or if it is redeemed for less than the purchase price on the final fixing date.

If underlying securities are not denominated in the Certificate's reference currency, an unfavorable movement in exchange rates may decrease the price of the Certificate.

Scenario

Basket Performance in CHF (net of product fees)	Redemption amount (per Certificate)
25.00%	123.75
10.00%	108.90
0.00%	99.00
-5.00%	94.05
-10.00%	89.10
-25.00%	74.25

Risk tolerance

3. SIGNIFICANT RISKS INCURRED BY THE INVESTOR

The risks are comparable to those of a direct investment in the underlying securities: share price movements, holding-period risk, price volatility, etc.

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".

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.

The value of investments 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.

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 risks for the Issuer.
Market risk	Investors are exposed to the risks of underlying adjustment, non-convertibility, extraordinary market situations, and emergencies, such as the suspension of listing of the underlying, trading restrictions, and any other measures materially restricting the tradability of the underlying securities. Investors are subject to the legal and contractual obligations of the markets on which the underlying is traded and on the markets that the Issuer designates or is subject to. Such market events could affect the dates and other terms and conditions contained in this document.
Currency risk	Investors whose reference currency is not the base currency for the product should be aware of the exchange-rate risk.
Adjustments	The Issuer reserves the right to adjust the composition of the Certificate in case of special events affecting one or more of the securities in the basket, including but not limited to a merger, acquisition or severe restriction on tradability. In the interests of investors, adjustments will be made in accordance with current market practices.

Important information

General information	Past performance does not guarantee present or future performance. This document is for information purposes only; unless otherwise stated, it is not 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. The issuer is under no obligation to acquire the underlying asset(s).
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