

Barrier Reverse Convertible Callable

Underlyings: SMI® - Euro Stoxx 50® - S&P 500®

Coupon: 3,70% p.a. - Quanto CHF

Barrier Cont. 55,00% - Maturity: 13 June 2022

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	47 997 307 / ISIN CH0479973072 / 0406BC
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	6 000 Barrier Reverse Convertible Callable (includes an increase and reopening clause)
Minimum investment	CHF 1 000
Issue price	99,67%
Base currency	CHF
Distribution fees	No distribution fees
Initial fixing date	03 June 2019 (closing price of the underlying share(s) on the reference stock exchange)
Payment date	13 June 2019
Final fixing date	03 June 2022 (closing price of the underlying share(s) on the reference stock exchange)
Payout date	13 June 2022
Definition	The Callable Barrier Reverse Convertible is a structured product. It pays a guaranteed coupon throughout the product's lifetime (up to Maturity or the call date). This structured product is callable, which means that the issuer is entitled to redeem the product prior to maturity.
SVSP-Classification	Yield enhancement – Barrier Reverse Convertible (1230), according to the Swiss Derivative Map available at www.svsp-verband.ch

Underlying

Name	ISIN Code	Reference Exchange	Initial Fixing (Si,0)	Barrier
SMI® Index	CH0009980894	SIX Swiss Ex	9 602,73	5 281,5015
Euro Stoxx 50® Index	EU0009658145	STOXX	3 300,22	1 815,1210
S&P 500® Index	US78378X1072	S&P	2 744,45	1 509,4475

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 www.bcv.ch/invest .
Strike level (K)	100,00% of the initial fixing
Barrier (B)	55,00% of the initial fixing
Type of Barrier	American (the price of each underlying asset on the reference stock exchange is observed continuously)
Coupon	3,70% p.a. The coupons will be paid in two tranches : 0,00% p.a. in interest 3,70% p.a. capital gain resulting from the option premium.
Coupon-Frequency	Every three months (0,925% per Period)
Coupon payment dates	Coupons payments will occur on the following dates : 13 September 2019 - 13 December 2019 - 13 March 2020 - 15 June 2020 - 14 September 2020 - 14 December 2020 - 15 March 2021 - 14 June 2021 - 13 September 2021 - 13 December 2021 - 14 March 2022 - 13 June 2022
Coupon calculation method	30/360, Modified following, unadjusted
Early redemption	The issuer is entitled (but not obliged) to call the product, i.e., redeem it early, on specific predetermined dates. If the issuer calls in the product, the investor receives 100% of the nominal amount plus the coupon for the period. However, no subsequent coupons will be paid.
Call observation date	08 June 2020 - 07 September 2020 - 07 December 2020 - 08 March 2021 - 07 June 2021 - 06 September 2021 - 06 December 2021 - 07 March 2022
Early redemption dates	15 June 2020 - 14 September 2020 - 14 December 2020 - 15 March 2021 - 14 June 2021 - 13 September 2021 - 13 December 2021 - 14 March 2022
Payout	13 June 2022 <ol style="list-style-type: none"> 1. If none of the underlying assets touches or crosses its barrier (B) between the initial and final fixing dates, the amount redeemed per Barrier Reverse Convertible Callable will be 100% of the nominal value. 2. If the price of one of the underlying assets touches or crosses its barrier (B) between the initial and final fixing dates, one of the following situations shall apply: <ol style="list-style-type: none"> 1. If the final fixing of all underlying assets is above to their strike level ($K \times S_{i,0}$), the amount redeemed per Barrier Reverse Convertible Callable will be 100% of the nominal value. 2. If the final fixing of one of the underlying assets is below or equal to the strike level ($K \times S_{i,0}$), The investor will receive per Barrier Reverse Convertible Callable an amount in CHF calculated on the basis of the worst performing underlying asset as follows: $\text{Nominal} * \left[\text{Min}_i \left(\frac{S_{i,T}}{S_{i,0}} \right) \right]$ $S_{i,T} = \text{Price of the underlying (i) on the Final Fixing Date (t = T)}$ $S_{i,0} = \text{Price of the underlying (i) on the Initial Fixing Date (t = 0)}$

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 03 June 2022 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	<p>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.</p> <p>Investors should always consult with their tax advisor for a specific evaluation of their profile before carrying out any transaction.</p>
Switzerland	<p>This product is regarded as transparent.</p> <p>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.</p> <p>Secondary market transactions are subject to Swiss federal stamp duty (Telekurs Code 22).</p>
Negative Interest	<p>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.</p>

Legal Information

Jurisdiction and applicable law	Lausanne, Swiss law
Prospectus	<p>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.</p>

2. PROFIT AND LOSS EXPECTATIONS

Market forecast	<p>This product is suitable for investors who expect the following :</p> <ul style="list-style-type: none">• The performance of the underlying asset(s) to be neutral to slightly positive• The underlying asset(s) will not reach or cross the barrier during the product's lifetime
Potential profit	<p>The potential profit is limited to the payment of the coupon(s).</p>
Potential loss	<p>The potential loss is equal to a direct investment in the underlying asset.</p> <p>If the product is called, the investor will not receive any subsequent coupon payments.</p>
Scenarios	

Performance of the worst-performing underlying	Nominal reimbursement
25%	CHF 1 000,00
10%	CHF 1 000,00
0%	CHF 1 000,00
-40%	CHF 1 000,00
-45%	CHF 550,00
-65%	CHF 350,00

Above are the redemption scenarios applicable at maturity if the barrier is neither reached nor crossed during the product's lifetime.

3. SIGNIFICANT RISKS INCURRED BY THE INVESTOR

Risk tolerance

The value of this Barrier Reverse Convertible Callable 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).

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

Past performance is no guarantee of present or future performance.

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Euro Stoxx® Index
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