

FOR QUALIFIED  
INVESTORS ONLY

# Actively Managed Certificate

Underlying asset: Best 70 US Tech and Health Stocks

Redemption: Open-end

This product is not a collective investment within the meaning of the Swiss Federal Investment Fund Act and is not subject to the authorization or supervision of the Swiss Financial Market Supervisory Authority (FINMA). Investors are also exposed to the risk of insolvency of the issuer. This certificate is actively managed on a discretionary basis and has a dynamic structure.

This product is reserved for qualified investors who have entered into a paid, written management mandate (excluding opt-out) or advisory contract (with opt-in) with a financial intermediary subject to supervision, as defined in Article 10.3a of the Swiss Federal Investment Act (LPCC), or with an independent asset manager, as defined in Article 3.2c of the LPCC.

Open for subscription

## 1. PRODUCT DESCRIPTION

### Certificate details

Sec. No. / ISIN / Symbol	57 663 263 / CH0576632639 / No listing planned
Issuer and Lead Manager	Banque Cantonale Vaudoise, Lausanne, Switzerland (S&P AA/stable)
Prudential supervision	BCV, Lausanne, Switzerland is subject to prudential supervision by the Swiss Financial Market Supervisory Authority (FINMA).
Paying and calculation agent	Banque Cantonale Vaudoise, Lausanne
Investment Manager	Alena Finance SA, Rue Robert-de-Traz 14, 1206 Genève, Alena Finance SA is affiliated to the OAR-G (Organisme d'Autorégulation des Gérants de Patrimoine)
Underlying asset	Equities basket « Best 70 US Tech and Health Stocks »
Management method	Discretionary and dynamic
Conversion ratio	1 Certificate = 1 basket
Issue volume	TBD Certificates (includes an increase and reopening clause)
Minimum investment	1 Certificate
Base currency	USD
Issue price	USD 100.00
Reference price	USD 100.00
Initial fixing date	TBD
Payment date	TBD
Effective termination date/Final fixing	Open-ended
Redemption date	The sixth working day following the termination date set by either the investor or the Issuer (barring extraordinary market situations and emergencies).
Product description	<p>This USD-denominated Certificate comprises a selection of at least 5 stocks together with a cash component (see definition below).</p> <p>The selection reflects the Investment Manager's investment strategy.</p> <p>The Certificate is open-ended, which means that the maturity date is not fixed at issue. The Certificate matures when either the issuer or the investor exercises his/her termination rights ("effective termination date"), subject to the notice periods set out herein.</p>
Definition of the cash component	<p>The cash component is an integral part of the underlying basket.</p> <p>The cash component does not pay out interest, but it could generate negative interest.</p> <p>The following currencies may be represented: USD.</p>
SSPA category	Investment Product - Tracker Certificate (1300), according to the Swiss Derivative Map available at <a href="http://www.svsp-verband.ch">www.svsp-verband.ch</a> .

Management fees

0.90% p.a. (0.60% p.a. for the Investment Manager and 0.30% p.a. for the Issuer) on the value of the product to be deducted on a pro rata basis from the cash component. If the amount available in the cash component is insufficient to cover the management fee, the weightings of the securities will be adjusted in order to cover this fee. Adjusting the weighting of a security, either up or down, counts as a rebalancing.

Transaction costs at rebalancing

0.05% of the notional amount traded with a minimum of USD 50.- per line.

Stock-exchange fees and duties

When the underlying stocks are traded on an exchange that levies fees, transaction fees, and/or duties for purchase and sale transactions, these fees and/or duties will be factored into the execution prices and will thereby affect the Certificate's return. These fees and/or duties could include a federal stamp duty or financial transaction tax.

Transparency on fees on underlying assets

Some securities in the basket may be subject to fees, such as sales and marketing commissions on funds or structured products. These fees are detailed in the corresponding securities' prospectus, simplified prospectus, KIID, and/or fund agreement.

Commissions on underlying assets

Any retrocessions that the Investment Manager receives from investment funds, structured products, or other investments will be reinvested in the Certificate (after converting into USD) and held in the cash component. These retrocessions may carry a risk of non-payment, which will be borne exclusively by investors. The Issuer is not responsible for mitigating this risk.

Performance fee

Outperformance participation rate (TX) = 10%  
 Hurdle rate (S) = 0.00%  
 Performance fee limit (L) = 5%  
 Outperformance measurement date: Last business day of each calendar quarter  
 Ex-date: First business day of the following calendar quarter

Performance fee formula (%)

$$\text{performance} = \frac{C_t - C_0}{C_0} - \text{Max}(S, \text{HW}_{t-1})$$

$$\text{surperformance} = \text{Max}(0, \frac{C_t - C_0}{C_0} - \text{Max}(S, \text{HW}_{t-1})) \times TX$$

Where:

- C<sub>0</sub>: initial Certificate price
- C<sub>t</sub>: theoretical closing price of the Certificate on the last business day of the quarter
- HW<sub>t</sub>: high-water mark for period t, calculated as the maximum value achieved until period t

Example

4 quarters								
Period	Price Certificate	Performance	High Watermark/Hurdle Rate	Out performance	Rate	Performance fees (%)	Performance fees (unit)	Payment capped
Issue	100		0.00%					
Quarter 1 (Q1)	110	10.00%	10.00%	10.00%	10.0%	1.00%	1.10	no
	<small>Q1+1</small> 108.90							
Quarter 2 (Q2)	170	70.00%	70.00%	54.55%	10.0%	5.00%	8.50	yes
	<small>Q2+1</small> 161.50							
Quarter 3 (Q3)	150	50.00%	70.00%	n.a.	10.0%	0.00%	0.00	n.a.
	<small>Q3+1</small> 150.00							
Quarter 4 (Q4)	70	-30.00%	70.00%	n.a.	10.0%	0.00%	0.00	n.a.
	<small>Q4+1</small> 70.00							

High-water mark:

A high-water mark is used to make sure that the Investment Manager receives a performance fee only if the Certificate's value over a given period exceeds the highest value recorded in any previous period. This is to prevent the Investment Manager from being paid a performance fee on gains that do nothing more than recover prior losses.

Roles and responsibilities

The Investment Manager selects the securities in the basket, as well as the weighting of the securities and the cash component, in accordance with the investment universe and rules (see below).

The Certificate's performance therefore depends on the quality of the Investment Manager's investment decisions. The Investment Manager takes full responsibility for the composition of the basket and its impact on the Certificate's performance.

The Issuer shall execute the buy and/or sell orders necessary to issue or rebalance the Certificate on a best effort basis.

Investment universe

The securities that make up the basket may belong to the following asset classes: US Stocks listed on an official Exchange.

Investors can obtain information about the investment strategy free of charge from the Investment Manager.

Management rules

1. The Investment Manager may rebalance the basket at any time, but no more than 52 times per year.
2. The basket shall contain at least 65 but no more than 70 stocks.
3. Securities in the basket must be denominated in USD.
4. The cash component may not exceed 50% of the average total nominal amount invested in the Certificates over a calendar year.
5. 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
6. At the time of a rebalancing, the weight of a new security cannot exceed half of the daily average volume observed during the last 5 days.
7. Should allocation limits be exceeded, adjustments shall be made at the next rebalancing.
8. Secondary-market trading of the Certificate will be suspended during rebalancing periods
9. Any technique intended to create a leverage in the basket is prohibited.

Investment restrictions

If a security cannot be traded for liquidity reasons or if it is impossible to execute a transaction for technical reasons, it may take the Issuer several days to implement the Investment Manager's investment decisions. Based on these factors only, no guarantee can be made as to whether investment decisions will be implemented on the same day that instructions are received.

The Issuer reserves the right to refuse to execute a buy order if the security in question is subject to an investment restriction. Securities with an investment restriction include companies that represent a reputational risk for the Issuer and companies that are not in keeping with the Issuer's code of conduct (for instance, the Issuer does not currently invest in any company involved in cluster munitions).

If a selected security no longer complies with the investment restrictions set by the Issuer, the security must be replaced at the next rebalancing.

Basket composition

**The current composition of the basket is on the last page of this document.**

## Terms and conditions

Certificate redemption

The amount redeemed in USD is calculated by multiplying the average sale price for each security by its quantity in the basket, and then adding the cash component.

Liquidity risk at the moment of redemption

If daily liquidity strongly influences the sale of the component stocks of the Certificate, the issuer reserves the right to place sale orders over several days in order to prevent repercussions on the redemption price of the Certificate.

Issuer's right of termination

The issuer has the right to terminate all Tracker Certificates in circulation at any time, but no earlier than 9 months after the issue date. (Please note that if the total number of Certificates in circulation falls below 2,000, the Issuer will automatically undertake redemption of all Certificates.) The termination must be announced at least 1 month prior to the effective termination date. The redemption amount will be calculated on the effective termination date.

If during the product's lifetime the Certificate's price drops to 25% of its issue price or below, the Issuer may also immediately terminate the Tracker Certificates without prior notice. The effective termination date shall be announced as soon as possible.

Investor's right of termination

Investors may sell their Tracker Certificates on the secondary market. They also have the right to terminate any or all of the Certificates they hold provided that the Issuer has not already exercised its right of termination. The investor may do so once per quarter, on the last Tuesday of the quarter, but no earlier than 9 months after the issue date. The notice of termination must be sent to the calculation agent at least 1 month before the effective termination date, in line with the termination procedure set out below. The redemption amount will be calculated on the effective termination date.

Termination procedure for investors

For the investor's termination to be valid, the Issuer must not have already exercised its right of termination, and the termination notice must be received by the calculation agent at least 1 month before the effective termination date. This notice may be made via mail or email to the addresses provided under "Contact information: product redemption."

The investor's custodian bank must include the following information in its message to the calculation agent:

- name, address and clearing number
- the Certificate's security number
- the number of Tracker Certificates involved
- the effective termination date (must be at least one month after the notice is received by the Issuer)

The calculation agent will confirm the termination to the investor's custodian bank, specifying in particular the effective termination date.

## Secondary market, Listing and Clearing

Listing, market segment

No listing on the SIX Swiss Exchange.

Secondary market

Banque Cantonale Vaudoise holds a daily secondary market between 9:15am and 5:15pm (Swiss time, CET). The bid-ask spread will not under any circumstances exceed 3% (usually 1%), and a minimum of USD 50,000 will be offered for sale and purchase. The market price of the Certificate and the time required to execute transactions may be affected by the liquidity of the securities in the basket.

Prices are available from Bloomberg and SIX Telekurs.

The Bank reserves the right to suspend secondary market trading in the Tracker Certificate, defer the execution of buy or sell orders and/or modify the final valuation period, as a result of any extraordinary situations or illiquidity of one of the underlying assets.

Trading on the secondary market may be suspended if the basket is being rebalanced.

Clearing  
Certification

SIX SIS SA

The security takes the form of a book-entry security registered in the SIX SIS SA clearing system. It is not certificated, 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. Tax laws and practices can change with retroactive effect.

Investors should always consult 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 and fees) do constitute taxable income.

This Certificate is neither subject to withholding tax nor federal stamp duty at issue nor on the secondary market.

US tax regulations

Any income that is generated by the Certificates and considered a "dividend equivalent payment" within the meaning of Section 871(m) of the US Internal Revenue Code may be subject to a withholding tax, pursuant in particular to the Qualified Intermediary (QI) Agreement and Foreign Account Tax Compliance Act (FATCA). BCV will levy the tax in accordance with the terms of the legislation. Neither BCV nor any other third party will be required to refund amounts withheld under Section 871(m) of the US Internal Revenue Code. Investors will therefore generate less income than they would have without such deductions.

## Legal information

Applicable law and jurisdiction

Lausanne, Swiss law

Termsheet

This document is neither an issue prospectus within the meaning of Articles 652a and 1156 of the Swiss Code of Obligations, nor a simplified prospectus pursuant to Article 5.2 of the Swiss Federal Investment Fund Act.

Investment Manager

The Investment Manager is not an agent, representative or associate of BCV, BCV is not an agent, representative, associate or guarantor of the Investment Manager, and BCV cannot be held liable to any third party on the basis of the Investment Manager's activities.

## 2. PROFIT AND LOSS EXPECTATIONS

Market forecast

This 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 the Certificate can earn a profit if the product's market price is greater than its issue price. The potential return on the Certificate at the final fixing is comparable to the return on the underlying assets and directly depends on the quality of the investment decisions made by the Investment Manager.

Potential loss

A loss may be realized if the product is sold during its lifetime or if it is redeemed at less than the issue price at the final fixing.

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

The Investment Manager assumes full responsibility for selecting the initial composition of the basket and for the subsequent rebalancings. The Issuer is not in any way responsible for the impact that these choices may have on the value of the Certificate or any losses that may affect investors.

## 3. SIGNIFICANT RISKS INCURRED BY THE INVESTOR

Risk tolerance

The risks are comparable to those of a direct investment in the underlying basket of stocks: 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 from their advisor on inherent risks, and are urged to read the Swissbanking brochure "Special Risks in Stocks Trading."

Issuer risk: Investors are exposed to the risk of insolvency of the Issuer, which could lead to a partial or total loss 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.

Secondary market/market liquidity

In the event that a regulated secondary market exists, the issuer endeavours, under normal market conditions, to provide bid and ask prices for the product on a regular basis. However, the issuer makes no firm commitment to provide liquidity by means of bid and ask prices and is under no legal obligation with respect to the provision or determination of these prices.

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 non-convertibility, adjustment of the underlying securities, 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; 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 securities.

Any changes to the initial terms and conditions of the structured product that are unplanned or not agreed contractually will be published on the website [www.bcv.ch/invest](http://www.bcv.ch/invest).

### Subscription period

During the subscription period, the terms and conditions are for information purposes only and may be changed; the issuer is under no obligation to issue this product.

### Conflict of interest relating to actively managed Certificates

In addition to sales and marketing commissions, BCV or an entity within BCV Group may pay or receive from third parties one-time or recurrent compensation relative to this issuance or Certificate. Any retrocessions that the Investment Manager receives from the issuers or distributors of investment funds will be paid into the cash component. The contents of this document may have been used for transactions by BCV Group prior to the document's publication. BCV Group may hold, acquire, and/or dispose of interests or positions in the components of this Certificate. There may also be a conflict of interest for the Investment Manager if it is both the Certificate's distributor and the end-investor's asset manager or advisor.

### Sales restrictions

Distribution of this document and/or the sale of this product may be subject to restrictions (e.g., in the USA, UK, EU, Japan, or for US or Japanese persons) and are only authorized in accordance with applicable law.

In the event of cross-border financial services, BCV confirms that it has conducted no cross-border legal analysis. The product distributor is responsible for complying with the legal provisions prevailing in the country in which the product is to be distributed.

### Publication date

16.11.2020

## Contact information

### Sales team

Structured products sales team / BCV Asset Management & Trading Division

### Telephone

021 212 42 00

Please note that phone calls to this number may be recorded. By calling us, you tacitly agree to this practice.

### Fax

021 212 13 61

### Website/email

[www.bcv.ch/invest](http://www.bcv.ch/invest) / [structures@bcv.ch](mailto:structures@bcv.ch)

### Mailing address

BCV / 276 - 1598 / CP 300 / 1001 Lausanne / Switzerland

## Contact information: product redemption

### Mailing address

BCV, Support Produits Structurés et Emissions, 283-1404, CP 300, 1001 Lausanne, Switzerland

### Email

[spf@bcv.ch](mailto:spf@bcv.ch)

## Basket composition

### Partial basket composition on DD.MM.2020

Security	ISIN	Reference exchange	Currency	Weighting as %	No. of securities
ASTRAZENECA PLC- ADR	US0463531089	New York	USD	2.00%	TBD
ELI LILLY & CO	US5324571083	New York	USD	2.00%	
MERCK & CO. INC.	US58933Y1055	New York	USD	2.00%	
ABBOTT LABORATORIES	US0028241000	New York	USD	2.00%	
THERMO FISHER SCIENTIFIC INC	US8835561023	New York	USD	2.00%	