

Structured Products

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SVSP Swiss Derivative Map™

Tracker-Certificates (1300)

Term Sheet and Final Terms

Julius Baer Certificate on iBoxx® Euro Liquid Corporates Index

Terms

| | |
|-----------------------|-----------------------------------|
| Issuer | Julius Baer & Co. Ltd., Guernsey |
| Lead Manager | Julius Baer & Co. Ltd., Zurich |
| Rating of the Issuer | Moody's Aa3 |
| Valor / ISIN / Symbol | 11.848.109 / CH0118481099 / JFAIE |

| | |
|------------|---|
| Underlying | iBoxx® Euro Liquid Corporates Index Bloomberg Symbol: IB8A Index |
|------------|---|

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|-----------------|----------------------|
| Currency | EUR |
| Issue Price | EUR 101.00 |
| Nominal | EUR 100.00 |
| Reference Level | 170.61 Points (100%) |
| Participation | 100% |
| Management Fee | 0.50% p.a. |

| | |
|-----------------|--|
| Fixind Date | 21.10.2010 |
| Issue Date | 21.10.2010 |
| Payment Date | 28.10.2010 |
| Maturity Date | Open end. Maturity Date is the Termination Date |
| Redemption Date | Fifth business day following the Termination Date. |

Product Description

Julius Baer Index Certificates („Certificates“/„Products“) are financial instruments which allow the investor to fully participate in the positive performance of the Underlying, but which also reflect the development of the Underlying if its performance is negative. This Product is aimed at investors who expect a positive performance of the Underlying.

Investor's Termination Right

During the trading times, the investor can sell the Certificate at any time. Additionally, he has the right to redeem the Certificate subject to a one-month written notice at the last trading day of the month (Termination Date).

Issuer's Termination Right

The Issuer has the right to terminate the Certificate subject to a one-month notice without stating any reasons at the last trading day of the month (Termination Date).

Redemption

Each holder of a Certificate qualifies for redemption on the Redemption Date by the Issuer of an amount in the Currency of the Certificate that is calculated as follows:

$$\text{Redemption amount} = \text{Closing level} / \text{Reference level} \times \text{Nominal} \times (1 - \text{Management Fee})$$

whereas,

t Number of years since Payment Date (30/360)

Closing Level Closing Level of the Underlying at Maturity Date as calculated and published by the Index Sponsor.

Taxation

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|-----------------|--|
| Stamp duties | No stamp duty at issuance. No federal turnover tax on secondary market transactions. |
| Withholding tax | No Swiss withholding tax. |
| Income tax | For private investors (individuals) with tax residence in Switzerland, the difference between the redemption and the purchase price is subject to income tax ("reine Differenzbesteuerung"). |
| EU Savings tax | For Swiss paying agents, this Product is not subject to the EU Savings tax. (TK 9) |

The aforementioned taxes are valid at the time of launch of this issue. The relevant tax laws or regulations of the tax authorities may change at any time. Furthermore the tax treatment may depend on the personal situation of the investor and may be subject to change in the future. This information is not purposed to be a complete description of all potential tax effects. Potential investors are advised to consult their tax advisors to determine the special tax consequences of the purchase, ownership or disposition of this Product.

Details

| | |
|-------------------------------|--|
| Calculation Agent | Bank Julius Baer & Co. Ltd., Zurich |
| Paying Agent | Bank Julius Baer & Co. Ltd., Zurich |
| Minimum Trading Size | 1 Certificate |
| Exercise | The Product matures automatically on the Maturity Date |
| Issue Size | 200'000 Certificates (EUR 20'200'000) (can be increased at any time) |
| Central Securities Depository | SIX SIS AG |
| Settlement | cash |
| Listing / Secondary Trading | Will be applied for the SIX Swiss Exchange / Reuters JBSTP |
| Reuters RIC | CH11848109=BJBZ |
| Title | Book-entry Security. No certificate. No printing of individual or Permanent Global Certificate. |
| Governing Law / Jurisdiction | Swiss Law / Zurich 1, Switzerland |
| Price Information | The prices will be published on Reuters and Bloomberg. Trading hours 09.15 a.m. - 05.15 p.m. (Zurich time) |

Risk Factors

1. Product Risks

Index Certificates: The risks of an investment in the Certificates are comparable to the risks of a direct investment in the values covered by the Underlying as the typical risks with respect to the components of the Underlying are reflected by the Certificate (see, however, "3. Issuer Risk" below). The value of the Product during its term and the Product's total yield depend, in particular, on the performance of the values covered by the Underlying. As past performance is no guarantee of future development, the performance cannot be predicted at the time of the investment decision. A total loss occurs if the values covered by the Underlying have no value on the Maturity Date (if their price is zero).

This risk disclosure is not exhaustive. It cannot identify all Product specific risks. The investor is advised to consult its client advisor as to the Product specific risks and to peruse the "Risk Factors" section of the Program Documentation.

Structured Products: Owning this Product is not the same as owning the Underlying or values covered by the Underlying. Accordingly, changes in the market value of the Underlying or the values covered by the Underlying may not result in a comparable change in the market value of the Product. Further, commissions, fees and other remunerations may reduce the actual market value. The trading market may be volatile and adversely impacted by many events which may include, but are not limited to, political events, corporate actions and macro economic factors.

Secondary Market: Trading of the Product may be limited despite a possible listing. Investors must also be aware of the spread risk. This means that during the term of the Product, bid and offer prices may possibly differ to a greater or lower extent. Although the Lead Manager intends to provide market making subject to normal market conditions, he is not obliged to do so. Further the investor may only be able to sell its Product in the secondary market at a lower price than the original purchase price.

Early Redemption: The investors must be aware of a possible early redemption of the Product. The Issuer has the right in the case of an extraordinary event to call the Products for settlement, provided that the Issuer will use such efforts as it reasonably deems practical to preserve the value of, or provide reasonable value for, the Product.

Currency Risk: The investor may be exposed to a currency risk, if the Underlyings are denominated in other currencies than the nominal of the Product or the Product is denominated in another currency than that of the country in which the investor is resident. The investment is therefore exposed to currency fluctuations and may increase or decrease in value.

Further Information: For further details on Product related risks please consult the risk disclosure brochure "Special Risks in Securities Trading" (Edition 2008) which is available on the Swiss Bankers Association's website: www.swissbanking.org/en/home/shop.htm or may be obtained from your client advisor upon request.

2. Risks of Derivative Products

Derivative products are complex financial instruments, may therefore involve a high degree of risk and are intended for use only by sophisticated investors who are capable of understanding and assuming the risks involved. Before entering into any transaction, an investor should determine if this Product is suitable with regards to the particular circumstances and should independently assess (together with the client advisor) the specific risks as described under "Product Risks" and any other legal, regulatory or credit consequences. The Issuer makes no representation as to the suitability or appropriateness of this Product for any particular investor. This document does not replace a personal discussion with your client advisor, which is tailored to your requirements, investment objectives, experience, knowledge and circumstances and which is recommended by the Issuer before the investment decision. Please ask your client advisor about supporting information regarding this Product such as the Programme Documentation.

3. Issuer Risk

Unlike in a collective investment scheme, investors in structured products are not protected by a segregated pool of assets upon the Issuer's bankruptcy. Accordingly, the investment instrument's value is not only dependent on the development of the Underlying or values covered by the Underlying, but also on the creditworthiness of the Issuer, which may vary over the term of the structured product. In case of the issuer's insolvency or bankruptcy the investors in structured products may lose their entire investment. This Product is a direct, unconditional and unsecured obligation of the Issuer and ranks equally with all other direct, unconditional and unsecured obligations of the Issuer.

General Information

1. Document

This document constitutes marketing material. It does not constitute an offer or invitation to enter into any type of financial transaction and is not the result of a financial analysis and therefore not subject to the "Directives on the Independence of Financial Research" from the Swiss Bankers Associations. The content of this document does therefore not fulfill the legal requirements for the independence of financial analyses and there is no restriction on trading in this regard.

This document is a Simplified Prospectus as stated in art. 5 of the Swiss Federal Act on Collective Investment Schemes (CISA; SR 951.31). The information contained herein is of summary nature and constitutes, along with the **Annex**, the **Final Terms** according to article 21 of the Additional Rules for the Listing of Derivatives of the SIX Swiss Exchange. The Final Terms supplement the Program Documentation of the Issuer dated 11 September 2009, published in German, as in force as of the date of this issue. The Final Terms and the Programme Documentation together constitute the listing prospectus for this issue (the "Listing Prospectus"). If the information or the provisions in this document are inconsistent with those described in the Programme Documentation, the information or the provisions in this document prevail. Until the Fixing Date the terms are indicative and may be amended. The Issuer has no obligation to issue this Product. This document together with the relevant Programme Documentation may be obtained free of charge directly from Bank Julius Baer & Co. Ltd. (see Additional Notes).

This Product does not constitute a participation in a collective investment scheme pursuant to art. 7 et seq. CISA. Therefore it is not supervised by the Swiss Financial Market Supervisory Authority FINMA and the investor does not benefit from the specific investor protection provided under the CISA.

This document cannot disclose all of the risks and other significant aspects of this Product and investment decisions should not be made solely on the basis of these risk factors.

2. Conflicts of Interest

Bank Julius Baer & Co. Ltd. and affiliated companies may from time to time enter into transactions for their own account or for the account of a client that are related to the Product. These transactions may not be intended for the benefit of the investor and may have positive or negative effects on the Underlying(s) or values covered by the Underlying and thus on the value of the Product. Companies affiliated to the Issuer may also become counterparties in hedging transactions. Accordingly, conflicts of interest may therefore arise with regard to obligations relating to the ascertainment of the values of the Product and other related valuations both among the companies affiliated to the Issuer and between these companies and the investors. In such events, Bank Julius Baer & Co. Ltd. will devote its best efforts to provide fair treatment of such conflicts.

3. No Material Change

Except as disclosed in this document and the above-mentioned Programme Documentation there has been no material change in the assets and liabilities, the financial position and profits and losses of the Issuer since the latest annual or semi-annual report of the Issuer. The current annual and semi-annual reports of the Issuer can be obtained free of charge from Bank Julius Baer & Co. Ltd. (see Additional Notes).

4. Amendments to the Product Conditions

Information regarding unforeseen changes to the conditions of this Product not subject to this document but which may arise during the lifetime of the Product may be obtained from your client advisor upon request and will be published on: derivatives.juliusbaer.com; corporate actions and/or http://www.six-swiss-exchange.com/marketpulse/news/official_notices_en.html. Term Sheets will not be amended.

5. Issuer

The Issuer, Bank Julius Baer & Co. Ltd., Guernsey Branch (a branch of Bank Julius Baer & Co. Ltd., Zurich, incorporated in Switzerland and under the supervision of the Swiss Federal Banking Commission), is licensed in Guernsey under the Banking Supervision (Bailiwick of Guernsey) Law 1994 and The Protection of Investors (Bailiwick of Guernsey) Law 1987. Consent under the Control of Borrowing (Bailiwick of Guernsey) Ordinances has been obtained for the Issue. Neither the Guernsey Financial Services Commission (P.O. Box 128, La Plaiderie Chambers, La Plaiderie, St. Peter Port, Guernsey, Channel Islands, GY1 3HQ) nor the States of Guernsey Policy Council takes any responsibility for the financial soundness of the Issue or for the correctness of any of the statements made or opinions expressed with regard to it.

6. Prudential Supervision

Bank Julius Baer & Co. Ltd. is, as a bank pursuant to the Federal Banking Act (BA; SR 952.0) and as a securities dealer pursuant to the Federal Act on Stock Exchanges and Securities Trading (SESTA; SR 954.1), subject to the prudential supervision by the Swiss Financial Market Supervisory Authority FINMA in Berne (Schwanengasse 12, CH-3003 Berne; <http://www.finma.ch>).

7. Sales Restrictions

The Securities may not be offered in any jurisdiction in circumstances that would result in the Issuer being obliged to register any further prospectus relating to the Securities in that jurisdiction. Potential purchasers of the Securities are advised to read the detailed selling restrictions in the Programme Documentation. The restrictions listed below must not be taken as conclusive guidance as to whether the Securities can be sold in a jurisdiction. Potential purchasers of the Securities should seek specific advice before purchasing or selling-on a Security.

European Economic Area (EEA): The Securities may not be offered publicly pursuant to Directive 2003/71/EC (the "Prospectus Directive") and to applicable national law, to persons or legal entities or under circumstances which would require the publication of a prospectus for the purpose of the Prospectus Directive.

United Kingdom: The Lead Manager represents and agrees that it has complied and will comply with all applicable provisions of the Financial Services and Markets Act 2000 ("FSMA") with regard to the issue of the Securities to the extent that the United Kingdom is involved. The distribution of this document (which term shall include any form of communication) is restricted pursuant to Section 21 (*restrictions on financial promotion*) of the FSMA.

USA: The Securities are and will not be registered under the United States Securities Act of 1933 and correspondingly may neither be offered nor sold, resold, delivered or traded in the United States or to U.S. persons as defined in Regulation S of the United States Securities Act of 1933.

Hongkong: The Prospectus has not been approved by the Securities and Futures Commission in Hong Kong, nor has a copy of the Prospectus been registered by the Registrar of Companies of Hong Kong. The Securities have not been offered or sold in Hong Kong, and each purchaser represents and agrees that it will not offer or sell any of these Securities in Hong Kong other than (i) to persons whose ordinary business is to buy or sell shares or debentures, whether as principal or agent, (ii) to professional investors within the meaning of the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "SFO"), or (iii) in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap. 32) of Hong Kong ("CO"), or (iv) in other circumstances which do not result in the document being a "prospectus" within the meaning of the CO.

Singapore: The Prospectus has not been and will not be registered as a "prospectus" with the Monetary Authority of Singapore under the Securities and Futures Act (Cap. 289) of Singapore ("SFA"). No document or material in connection with the offer of the Securities may be circulated or distributed, nor may the Securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to the public in Singapore other than (i) to an institutional investor pursuant to Section 274 SFA, (ii) to a relevant person, or to any person pursuant to Section 275 (1A) of the SFA and in accordance with the conditions specified in Section 275 of the SFA, or (iii) in accordance with the conditions of any applicable provision of the SFA.

8. Additional Notes

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|-----------------|---|
| Contact address | Bank Julius Baer & Co. Ltd., Hohlstrasse 604/606, CH-8010 Zurich, Switzerland |
| Phone | +41 (0)58 888 8181 |
| E-Mail | derivatives@juliusbaer.com |
| Internet | derivatives.juliusbaer.com |

Investors must be aware that conversations on trading lines are recorded. No objection is assumed.

Investors are asked to read the Programme Documentation for definitions related to this document.

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Annex

1. Additional Terms

Listing

The Certificates are provisionally admitted to trading on the SIX Swiss Exchange as of 28.10.2010; the listing on the main segment of the SIX Swiss Exchange will be applied for.

Last Trading Date and Time

On the Maturity Date at the close of trading on the SIX Swiss Exchange

2. Information on the Underlying

Description:

The Markit iBoxx EUR Liquid Corporates Index contains the 40 most liquid Euro corporate bonds with investment rank, which means they have a rating of BBB- or better. To increase the liquidity of the index, the eligibility rules select larger, more recently issued bonds. The Markit iBoxx EUR Liquid Corporates Index is designed to provide a basis for financial products.

ISIN: DE0007200321

Disclaimer:

The iBoxx® Euro Liquid Corporates Index (the "Index") referenced herein is the property of Markit Indices Limited ("Index Sponsor") and has been licensed for use in connection with this Product. Bank Julius Baer & Co. Ltd., Zurich acknowledges and agrees that this Product is not sponsored, endorsed or promoted by the Index Sponsor. The Index Sponsor makes no representation whatsoever, whether express or implied, and hereby expressly disclaim all warranties (including, without limitation, those of merchantability or fitness for a particular purpose or use), with respect to the Index or any data included therein or relating thereto, and in particular disclaim any warranty either as to the quality, accuracy and/or completeness of the Index or any data included therein, the results obtained from the use of the Index and/or the composition of the Index at any particular time on any particular date or otherwise and/or the creditworthiness of any entity, or the likelihood of the occurrence of a credit event or similar event (however defined) with respect to an obligation, in the Index at any particular time on any particular date or otherwise. The Index Sponsor shall not be liable (whether in negligence or otherwise) to the parties or any other person for any error in the Index, and the Index Sponsor is under no obligation to advise the parties or any person of any error therein.

The Index Sponsor makes no representation whatsoever, whether express or implied, as to the advisability of purchasing or selling this Product, the ability of the Index to track relevant markets' performances, or otherwise relating to the Index or any transaction or product with respect thereto, or of assuming any risks in connection therewith. The Index Sponsor has no obligation to take the needs of any party into consideration in determining, composing or calculating the Index. No party purchasing or selling this Product, nor the Index Sponsor, shall have any liability to any party for any act or failure to act by the Index Sponsor in connection with the determination, adjustment, calculation or maintenance of the Index. The Index Sponsor and its affiliates may deal in any obligations that compose the Index, and may, where permitted, accept deposits from, make loans or otherwise extend credit to, and generally engage in any kind of commercial or investment banking or other business with the issuers of such obligations or their affiliates, and may act with respect to such business as if the Index did not exist, regardless of whether such action might adversely affect the Index or this Product"

Development of the Underlying:

The price history of the Underlying is available on the following website:

<http://www.dax-indices.com/EN/index.aspx?pageID=25&ISIN=DE0007200321>

3. Responsibility for the Final Terms

Bank Julius Baer & Co. Ltd. assumes responsibility for the content of those Final Terms and confirms that to the best of its knowledge the information given in those Final Terms are correct and that no material information is omitted

St. Peter Port, 04. October.2010

Bank Julius Baer & Co. Ltd., Guernsey Branch

Zurich, 04. October.2010

Bank Julius Baer & Co. Ltd., Zurich
