

JB Bonds and Bond Funds Tracker Notes (Actively Managed Notional Basket)

THE PRODUCT RISK AND COMPLEXITY RATINGS ASSIGNED BY THE BANK ARE DEFINED BELOW:

The Product Risk assigned by the Bank is defined below:

Product Risk Rating	1 (Low)	2 (Moderate)	3 (Considerable)	4 (High)
				▲
Product Complexity	Non-Complex		Complex	
			▲	
Time Horizon	Less than 1 year	1-3 years	3-5 years	Over 5 years
				▲

Acknowledgement

The Bank is acting as principal in the sale of this security to you. You bear the credit risk of the issuer and the guarantor (as applicable) of this security. By purchasing this security, you are relying upon the creditworthiness of the issuer and the guarantor (as applicable) and no other person. If the issuer or the guarantor (as applicable) becomes insolvent or defaults on its obligations under this security, you can only claim as an unsecured creditor and may lose the total amount invested.

By entering into a transaction to purchase this security from the Bank, you hereby acknowledge that (a) you have read and fully understood the terms of this transaction and its inherent risks and (b) you have made your own assessment and relied on your own judgment in relation to such transaction and fully accept any and all risks associated therewith and any losses suffered as a result thereof.

Please confirm that the foregoing correctly sets forth the terms of this transaction by executing a copy of this document and returning it to the Bank within fourteen (14) days from the date hereof, failing which you shall be taken conclusively to have approved and accepted the terms and conditions as set out above as true and accurate in all respects.

Name(s)

Signature(s)

August 5, 2015

PRIVATE PLACEMENT – Distribution only to Qualified Investors

Key Information

SSPA Swiss Derivative Map©/ EUSIPA Derivative Map© Tracker Certificate (1300)

JB Bonds and Bond Funds Tracker Notes (Actively Managed Notional Basket)

(the "Notes" / "Products")

100% Participation on Notional Basket – Cash Settlement

This document is for information purposes only and only available in English.

The complete and legally binding terms and conditions of the Notes are set forth in the base prospectus for the issuance of Participation Products of Bank Julius Baer & Co. Ltd. (the "Bank"), dated 15 July 2015, as supplemented from time to time (the "Base Prospectus") and the relevant final terms prepared in relation to the Notes (the "Final Terms"). The Base Prospectus and the Final Terms may be obtained free of charge from Bank Julius Baer & Co. Ltd., Bahnhofstrasse 36, 8001 Zurich, Switzerland.

A Note does not constitute a collective investment scheme within the meaning of the Swiss Federal Act on Collective Investment Schemes ("CISA"). Therefore, it is not subject to authorisation by the Swiss Financial Market Supervisory Authority FINMA ("FINMA") and potential investors do not benefit from the specific investor protection provided under the CISA and are exposed to the credit risk of the Issuer. Under Singapore law, the Products are considered securities under the Securities and Futures Act, Chapter 289 of Singapore ("SFA") and its subsidiary legislation. They are not intended to be, and do not constitute, a collective investment scheme under the SFA.

The Notes are linked to the performance of a dynamic, discretionary managed notional basket.

The Notes may not be offered, sold or otherwise distributed, directly or indirectly, in, into or from Switzerland, except to qualified investors as defined in article 10 of the Swiss Federal Act on Collective Investment Schemes.

This document is designated for distribution and use in Switzerland, Hong Kong and Singapore. Neither the Issuer nor any other person assumes any responsibility for the compliance of this document with any applicable law and regulations in any other jurisdiction than Switzerland, Hong Kong and Singapore.

THIS IS AN UNLISTED STRUCTURED INVESTMENT PRODUCT AND NOT PROTECTED UNDER ANY DEPOSIT PROTECTION SCHEME OR ELIGIBLE FOR ANY DEPOSIT INSURANCE COVERAGE.

WARNING:

THIS IS A STRUCTURED PRODUCT WHICH INVOLVES DERIVATIVES. DO NOT INVEST IN IT UNLESS YOU FULLY UNDERSTAND AND ARE WILLING TO ASSUME THE RISKS ASSOCIATED WITH IT. IF YOU ARE IN ANY DOUBT ABOUT THE RISKS INVOLVED IN THE PRODUCT, YOU MAY CLARIFY WITH THE INTERMEDIARY OR SEEK INDEPENDENT PROFESSIONAL ADVICE.

THE NOTES ARE NOT EQUIVALENT TO BANK DEPOSITS AND ARE NOT PROTECTED UNDER ANY DEPOSIT PROTECTION SCHEME OR ELIGIBLE FOR ANY DEPOSIT INSURANCE COVERAGE. THE NOTES DO NOT GUARANTEE THE RETURN OF THE PRINCIPAL AMOUNT INVESTED AT MATURITY. IN THE WORST CASE, YOU MAY LOSE THE ENTIRE AMOUNT INVESTED.

THE CONTENTS OF THIS DOCUMENT HAVE NOT BEEN REVIEWED BY ANY REGULATORY AUTHORITY IN ANY JURISDICTION. YOU ARE ADVISED TO EXERCISE CAUTION BEFORE INVESTING IN THIS PRODUCT. YOU SHOULD NOT INVEST IN THIS PRODUCT BASED ON THIS DOCUMENT ALONE. IF YOU ARE IN DOUBT ABOUT ANY OF THE CONTENTS OF THIS DOCUMENT, YOU SHOULD OBTAIN INDEPENDENT PROFESSIONAL ADVICE.

I. Product Description

The Notes are financial instruments which allow the investor to participate in the positive performance of the Underlying, but which also reflect the development of the Underlying if its performance is negative. The Underlying is a non-static notional basket only used for referential purposes to determine the Strategy Value, as described below under section "Underlying".

On the Final Redemption Date, the Notes are redeemed at the Final Redemption Amount, which will be dependent upon the performance of the Underlying, and will also be adjusted for the applicable Fees and liquidation / unwinding costs.

The Notes enable the holder thereof to benefit from an unlimited participation in any positive performance of the Underlying. Therefore, if the Underlying performs positively, an investment in the Notes directly reflects the positive performance of the Underlying. Likewise, if the Underlying performs negatively, an investment in the Notes directly reflects the negative performance of the Underlying. Therefore, the risk associated with an investment in the Notes is comparable to the risk associated with a direct investment in the Underlying, and a total loss of the amount invested in the Notes is possible, although any such loss is limited to the amount invested.

The Notes provide for an investor a termination right (Holder Put Option) and for the Issuer an Issuer termination right (Issuer Call Option) subject to a one-month written notice

It should be noted that the Underlying is a "notional" portfolio and there is no actual portfolio of assets to which any person is entitled or in which any person has an ownership interest. Investors in the Product should accordingly be aware that given the nature of the Product, the Underlying (or any hedges or investments made in connection therewith ("Hedge")) cannot and will not in any way be held by the Issuer for the benefit of the investors of the Product. For the avoidance of any doubt, the investors of the Product will not obtain any right, title, interest or benefit whatsoever to the Underlying (or its Hedge) and will not have any voting or other rights (including in any (notional) assets included in the Underlying (or its Hedge)). The Issuer is not obligated to buy, hold, manage or sell the Underlying or any securities referenced thereunder or to have any right, title, interest or benefit in relation to any of the foregoing. However, the Issuer may, at its sole discretion, buy, sell and/or hold assets, which may or may not be identical to the Underlying, for itself solely for hedging its risks in relation to the Certificates.

Terms

Issuer	Bank Julius Baer & Co. Ltd., Guernsey Branch (Rating: Moody's A2) (Prudential Supervision: by the Swiss Financial Market Supervisory Authority FINMA)
Lead Manager	Bank Julius Baer & Co. Ltd., Zurich
Valor	26388873
ISIN	CH0263888734
Issue Size	100 Notes, subject to further issues (USD 10,000,000)
Issue Currency	USD
Issue Price	100% of the Denomination
Denomination	USD 100,000
Initial Fixing Date	05 August 2015, being the date on which the Initial Value of the Underlying is fixed.
Issue Date/Payment Date	12 August 2015, being the date on which the Notes are issued and the Issue Price is paid.
Final Fixing Date	04 August 2025, or the Call Date or the Put Date, as applicable.
Final Redemption Date (Maturity Date)	The date that is five Business Days after the earlier of (x) the Final Fixing Date (y), in respect to all Products, the Call Date on which the Issuer has exercised its Issuer Call Option or (z), in respect to a particular Product, the Put Date on which the Holder of such Product has exercised its Holder Put Option.

Issuer Call Option

Unless previously redeemed, repurchased or cancelled, on any Call Date the Issuer may exercise its right to redeem the Notes, subject to a one-month notice on the last trading day of the month, in whole but not in part, on the applicable Final Redemption Date at the Final Redemption Amount per Note by notifying the Holders of such exercise on or prior to such Call Date; provided, however, that any outstanding Products that are subject to a Holder Put Option exercised prior to such Call Date shall be excluded.

Holder Put Option

Unless previously redeemed, repurchased or cancelled, on any Put Date the Holder of the Note may exercise, subject to a one-month notice on the last trading day of the month, its right to require the Issuer to redeem such Product on the applicable Final Redemption Date at the Final Redemption Amount by delivering an Exercise Notice to the Paying Agent on or prior to such Put Date.

Call Date(s)

Any Business Day on or after the Issue Date, subject to a one-month notice on the last trading day of the month, being the dates on which the Issuer may exercise its right to redeem each Note on the applicable Final Redemption Date at the Final Redemption Amount.

Put Date(s)

Any Business Day on or after the Issue Date and prior to the Call Date on which the Issuer exercises the Issuer Call Option, subject to a one-month notice on the last trading day of the month, being the dates on which any Holder may exercise its right to require the Issuer to redeem any Product held by such Holder on the applicable Final Redemption Date at the Final Redemption Amount.

Exercise Notice

With respect to any Note(s), a notice in a form satisfactory to the Paying Agent exercising the Holder Put Option with respect to such Note(s).

Underlying

Julius Baer Portfolio of Bonds and Bond Funds

Sponsor	Bank Julius Baer & Co. Ltd., Zurich
Advisor	Bank Julius Baer, ISG (Investment Solutions Group) Singapore
Underlying Description	The Underlying is a basket representing a non-static notional basket containing Bonds, Mutual Funds and ETFs invested in Bonds, structured products issued by Bank Julius Baer & Co. Ltd. ("Julius Baer Structured Products") and cash. The objective is to generate excess return over cash by investing in selected global Bonds and money market securities, including but not limited to US, European and Asian issuers, Mutual Funds and ETFs invested in Bonds as well as Julius Baer Structured Products.
Investment Strategy:	The Advisor's investment approach is based on fundamental, technical and market specific data, using top-down analysis complemented with bottom-up selection, subject to the Investment Guidelines and the Investment Universe.

Investment Guidelines	<p>Only investments in securities (each, a “Component”) contained in the Investment Universe (see below) are permitted. The Advisor is permitted to change the notional composition of the Underlying (“Portfolio Turnover”) on a daily basis, subject to a maximum of 25 Portfolio Turnovers per year. At any time, the Underlying can contain a minimum of 10 and maximum of 25 Components. At least 80% of the Underlying value must be invested in USD denominated Components. In addition:</p> <ul style="list-style-type: none"> (i) Bonds At any time, each of the values of (a) a Component and (b) the Components issued by the same issuer (or related issuers) cannot exceed 10% of the aggregate value of the Underlying. (ii) Mutual Funds and ETFs At any time, each of the values of a Component cannot exceed 20% of the aggregate value of the Underlying. <p>Notional short selling and borrowing are not permitted. At the time of a Portfolio Turnover and dependent on the current market environment as well as on a possible lack of favourable investment opportunities, cash component in the Note’s currency may add up to 100% of the Note’s value but will not exceed 50% of the portfolio value in the annual average. No interest is paid on this cash component. A negative interest rate may be applied due to market conditions.</p> <p>The Advisor has the possibility but not the obligation to hedge the FX exposure due to non USD denominated Components in the Underlying (see Foreign Exchange (if FX hedged)).</p>
Diversification Rules	<ul style="list-style-type: none"> ▪ Minimum rating of direct Bonds (when rated) has to be BBB- The following credit rating agencies are considered for the issue-rating of the underlying bonds: S&P, Moody’s & Fitch. The best issue-rating of the mentioned credit rating agencies will be used where available. If no issue-rating is available the bond will be classified automatically as junk bond (highest risk class). ▪ No more than 20% of the Underlying value can be invested in Bonds with no rating ▪ At least 80% of the Underlying value must be invested in USD denominated Components ▪ Minimum number of Components in the Underlying: 10 ▪ Maximum number of Components in Underlying: 25 ▪ Maximum exposure per Bond: 10% ▪ Maximum exposure per Mutual Fund / ETF: 20%
Investment Universe	<p>The Investment universe includes global Bonds and money market securities, Mutual Funds and ETFs invested in Bonds, cash as well as Julius Baer Structured Products.</p>
Change of Underlying Composition	<p>The Sponsor will communicate with the Advisor on the viability of implementation of the Advisor’s investment decisions (see “Right of Objection” below) as soon as practicable. No assurance can be given that all investment decisions will be implemented as intended by the Advisor. The Sponsor implements the Portfolio Turnover on a discretionary basis by reference to the respective net ask and bid prices realised on the market or, if it considers this necessary due to the market constellation, the Sponsor implements it on a discretionary basis by reference to the respective average net ask and bid prices of the assets. Upon every Portfolio Turnover, charges may be levied on the Product.</p> <p>The Advisor shall adhere to the Investment Guidelines and the Investment Universe upon fixing of the Underlying and upon each Portfolio Turnover. The Advisor is free to correct infringements of the Investment Guidelines and the Investment Universe which might possibly occur. No liabilities are assumed by the Advisor or any of the parties related to the issue, management or administration of the Product (including the Issuer, the Sponsor, the Calculation Agent and the Paying Agent) due to such corrections.</p>
Right of Objection	<p>The Sponsor has the right to reject Components selected by the Advisor should any situation whatsoever arise whereby the Sponsor due to (a) applicable rules, regulations and internal or external restrictions or (b) constraints or (c) any other reasons, it is not possible to buy, hold or sell the Components (as if the Basket is not notional).</p>
Notional Reinvestment of the Returns	<p>The Sponsor may, (but is not obliged) at its sole discretion, reinvest on a notional basis any returns into the corresponding Component(s). Should the new notional investment contradict the Investment Guidelines, the Advisor decides on the reinvestment. If the Advisor cannot be reached by the Sponsor within useful time, the Sponsor decides at its sole discretion on the notional reinvestment.</p>
Adjustments	<p>The Sponsor decides according to the terms outlined in the Base Prospectus how the Underlying is adjusted when dilution and concentration effects notionally affecting the Components occur, investors’ rights change as well as in comparable situations. The adjustments are implemented on or around the respective trading day. No liabilities are assumed by the Sponsor due to possible infringements of the Investment Guidelines or Investment Universe which might occur as a consequence of such adjustments. The value of the Product is not retroactively adjusted.</p>

Responsibility	Subject to the Investment Guidelines and the Investment Universe, the Advisor is responsible for the composition of the Underlying and the weighting of the Underlying components. The performance of the Underlying - and therefore of the Product - depends, among other things, on the quality of the Advisor's investment decisions. The Sponsor is only responsible for the administration of the Product. Neither the Issuer nor the Sponsor assume responsibility whatsoever for the composition of the Underlying, any Portfolio Turnover and its impact on the performance of the Products.
Transaction Costs upon Portfolio Turnover	0.00% p.a.
Information about the Investment Strategy	Further information about the Investment Strategy is available from the Advisor upon request.
Composition of the Underlying	Information about the current composition of the Underlying (including its components) is available from the Issuer upon request. For the initial composition of the Liquid Portfolio please see Annex 1.
Foreign Exchange (if FX hedged)	Currency risk is hedged by holding a short position in the currency of the Underlying with the size of the market value of the underlying and by holding a corresponding long position in the denomination currency of the Product. The FX hedge will be rebalanced at the Advisor's sole discretion. The investors achieve a maximum possible participation in the actual performance of the price of the respective underlying for investors, without any financial impairment were the exchange rates to decline but also without any additional opportunities for gains were the exchange rates to rise. The FX Hedging Effect comprises the following two items: Firstly, the hedge costs incurred through the interest rate differential between the involved currencies (underlying currency and denomination currency). Secondly, the imperfectness of the hedges due to the fact that the hedge-rebalancing frequency is not continuous. Only deliverable and free convertible currencies can be hedged.
Foreign Exchange (if not FX hedged)	The individual Components are valued in the currency of the Product. The actual foreign exchange rates are used as exchange rates at the time of valuation.

Final Redemption

Final Redemption	Unless previously redeemed, repurchased or cancelled, the Issuer shall redeem each Note on the Final Redemption Date by payment of the Final Redemption Amount divided by the number of outstanding Notes in the Issue Currency to the Holder thereof. Conversely, unless previously redeemed, repurchased or cancelled, the Holder of any Product may exercise its right to require the Issuer to redeem such Product on the applicable Final Redemption Date at the Final Redemption Amount. For the avoidance of doubt, there is no and will not be any pooling of contributions from holders of the Product and notional profits, income, payments or returns of the Underlying for the benefit of all holders of the Product. Payments under a Product will essentially be in the nature of a debt due from the Issuer to the redeeming holder of a Note separate and distinct from payments under any other Note.
Final Redemption Amount	A cash amount equal to the Strategy Value minus the Fees and the incurred FX hedging costs (if any), calculated by the Calculation Agent on the Final Fixing Date in accordance with the following formula: <i>Strategy Value_t – Fees – FX Hedging Effect_t</i>
Settlement Type	Cash settlement
Strategy Value_t	The value of the Underlying, determined by the sum of the value of each of the Components notionally contained in the Underlying at a point in time t (including the cash component expressed in the Issue Currency), converted to the Issue Currency at the then prevailing exchange rate(s), as determined by the Calculation Agent.
Initial Value	USD 100,000 per Note times the number of outstanding Notes, being the value of the Underlying on the Initial Fixing Date
Fees	The Administration and Management Fee, and the Amortization Fee (the "Fees") The Administration and Management Fee will be deducted from the Strategy Value on each day and will be calculated by the Calculation Agent. All expenses and charges incurred by the Issuer in connection with any hedge in relation to the Products (including buying, holding or selling assets, whether or not the Issuer replicates the Underlying or buys, holds or sells the Components) (e.g. brokerage fees, sales taxes, etc.) will be deducted from the Strategy Value.
Administration and Management Fee	1.00% p.a. of the Strategy Value

Amortization Fee	0.01667% per month on the Outstanding Issue Size for the first 60 months of the term of the Notes commencing on the Issue Date; The Amortization Fee will be retained by Bank Julius Baer & Co. Ltd., Zurich, acting in its capacity as Sponsor
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Swiss Taxation

Stamp duty	No stamp duty upon issuance. Federal turnover tax is due on secondary market transactions if they are made by or through the intermediary of a Swiss bank or Swiss securities dealer and if no exemption applies.
Withholding tax	No Swiss Federal withholding tax
Income tax	Investors are asked to consult their tax advisor about the tax implications of the Notes.
EU Savings tax	For Swiss paying agents, the Note is not subject to EU Savings tax (TK 10).

The aforementioned tax description is based on the relevant tax laws and regulations of the tax authorities valid at the time of launch of this issue. These laws and regulations may change at any time, possibly with retroactive effect. 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 purported 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 the Note.

Details

Risk Category	Complex Note
Product Category	Participation
Product Type	Tracker Certificate
SSPA Code	1300
Calculation Agent	Bank Julius Baer & Co. Ltd., Zurich and any agents or other persons acting on behalf of such Calculation Agent and any successor appointed by the Issuer
Paying Agent	Bank Julius Baer & Co. Ltd., Zurich and any agents or other persons acting on behalf of such Paying Agent and any successor appointed by the Issuer
Quotation	The Notes are traded in percentage of the Denomination at a dirty price, i.e., the trading price includes the accrued interest (if any)
Listing and Admission to Trading/Secondary Market Trading	None
Minimum Investment Lot	USD 100,000
Clearing System	SIX SIS AG
Form	Uncertificated Securities
Governing Law / Jurisdiction	Swiss Law / Zurich 1, Switzerland
Tenor	10 years
Principal Protection at Maturity / Redemption	None. The Holder of any Product may lose the entire original amount invested
Embedded Derivatives	As described in the Investment Universe

II. Profit and Loss Prospects

Maximum Potential Gain

This Note is aimed at investors who expect a positive performance of the Underlying. The potential return on a Note is not limited, but dependent on the value of the Underlying, *i.e.* the investor benefits from an increase in the value of the Underlying over the term of the Note, and, in particular, on the quality of the investment decisions of the Advisor.

Maximum Potential Loss

The potential loss associated with an investment in the Notes is also dependent on the value of the Underlying. A total loss may occur if the Underlying and the securities notionally comprised in the non-static basket, respectively, have no value on the Final Fixing Date.

Investor Description

Investor's Risk Profile The typical investor of this Product wants to participate in the performance of the Underlying. At the same time, the investor trusts the Advisor to make investment decisions which will result in a positive appreciation in the Strategy Value of the Underlying. The typical investor Risk profile is High.

Investor's Market View The investor expects a general positive appreciation of the securities contained in the Investment Universe.

Investor's Suitability This Product is **NOT** a suitable investment if:

- (i) the investor has a Low, Moderate or Considerable risk profile;
- (ii) the investor does not have sufficient knowledge or experience in investing in derivative products and/or securities contained in the Investment Universe;
- (iii) the investor does not want to risk any part of his / her initial investment; or
- (iv) the investor may need to liquidate his / her investment for short-term funding requirements

Scenario Analysis

Assuming that the Underlying is completely invested in securities contained in the Investment Universe and the cash component constitutes zero (or close to zero) percent of the Note value,

Worst Case Scenario If the Strategy Value falls to zero, the investor will lose his or her original investment amount and will not receive any Final Redemption Amount.

Base Case Scenario If the Strategy Value does not deviate from the Initial Value, the investor will receive the Strategy Value less of any Fees accrued and less FX hedging costs (if any)

Best Case Scenario If the Strategy Value rises above the Initial Value, the investor will enjoy the upside gain in Strategy Value less of any Fees accrued and less FX hedging costs (if any)

The above described scenarios serve exclusively to illustrate the profit and loss prospects and are based on hypothetical price/level developments and calculated based on the value of the notional Underlying at the Final Fixing Date. These figures are neither an indicator nor a warranty of future price/level developments of the Underlying and the market value of the Product.

III. Significant Risks for Investors

The following risk disclosure cannot disclose all the risks associated with an investment in the Notes. Therefore, potential investors in Notes should consult the Base Prospectus and the Final Terms and their client advisor as to the Note specific risks before making an investment decision.

1. Issuer Risk

Investors bear the credit risk of the Issuer. The Notes' retention of value is dependent not only on the development of the value of the Underlying, but also on the creditworthiness of the Issuer, which may change over the term of the Note. The credit rating of the Issuer is not a guarantee of credit quality. In case of the Issuer's insolvency or bankruptcy the investors in the Notes may lose their entire investment.

The Notes are direct, unconditional, unsecured and unsubordinated obligations of the Issuer. If the Issuer were to become insolvent, claims of investors in Notes will rank equally in right of payment with all other unsecured and unsubordinated obligations of the Issuer, except such obligations given priority by law. In such a case, investors in Notes may suffer a loss of all or a portion of their investment therein, irrespective of any favourable development of the other value determining factors, such as the performance of the Underlying(s).

The Notes do not constitute bank accounts or deposits at Bank Julius Baer & Co. Ltd. The Notes are less liquid than bank accounts or deposits and bear higher risks. An investment in Notes will not be covered by any compensation or insurance scheme (such as a bank deposit protection scheme) of any government agency of Switzerland or any other jurisdiction and Notes do not have the benefit of any government guarantee. Notes are the obligations of the Issuer only and holders of Notes must look solely to the Issuer for the performance of the Issuer's obligations under such Notes. In the event of the insolvency of the Issuer, an investor in Notes may lose all or some of its investment therein.

Bank Julius Baer & Co. Ltd. is a bank pursuant to the Federal Banking Act (BA; SR 952.0) and 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 (Laupenstrasse 27, CH-3003 Berne; <http://www.finma.ch>).

2. Product Risks

An investment in Notes entails certain risks, which vary depending on the specific type and structure of the relevant Notes and the relevant Underlying(s).

An investment in Notes requires a thorough understanding of the nature of Notes. Potential investors in Notes should be experienced with respect to an investment in complex financial instruments and be aware of the related risks. A potential investor in Notes should determine the suitability of such an investment in light of such investor's particular circumstances. In particular, a potential investor in Notes should:

- have sufficient knowledge and experience to make a meaningful evaluation of Notes, the merits and risks of investing in Notes and the information contained in the Base Prospectus and the applicable Terms and Conditions;

- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of such investor's particular financial situation, an investment in Notes and the impact the relevant Notes will have on such investor's overall investment portfolio;
- have sufficient financial resources to bear all the risks of an investment in the relevant Notes;
- understand thoroughly the Terms and Conditions applicable to the relevant Notes and be familiar with the behaviour of the relevant Underlying(s) and financial markets;
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic and other factors that may affect such investor's investment and ability to bear the applicable risks of an investment in Notes until their redemption; and
- recognise that it may not be possible to dispose of Notes for a substantial period of time, if at all, before their redemption.

The trading market for securities, such as Notes, may be volatile and may be adversely impacted by many events.

Notes are complex financial instruments. Investors generally purchase complex financial instruments as a way to enhance yield with an understood, measured, appropriate addition of risk to their overall investment portfolios. A potential investor should not invest in Notes unless such investor has the expertise (either alone or with the help of a financial adviser) to evaluate how the relevant Notes will perform under changing conditions, the resulting effects on the market value of the relevant Notes and the impact such an investment will have on such investor's overall investment portfolio.

Risk of total loss

Notes involve a high degree of risk, and prospective investors in the Notes should recognise that, under certain circumstances, Notes may have a redemption value of zero. Prospective investors should therefore be prepared to sustain a partial or total loss of the amount of their investment therein.

Derivative Risk, not Protected Investment

This Product may contain embedded derivatives and involves a high degree of risk. It is not the same nor should it be treated as a substitute for traditional deposits. Hence it is not a protected investment.

Secondary Market

Products may have no established trading market when issued and one may never develop. If a market does develop, it may not be liquid. Therefore, investors may not be able to sell their Products easily or at prices reasonably acceptable to them.

Under normal market circumstances, the Issuer will endeavour to provide a secondary market for Products, but is under no obligation to do so. Upon investor demand, the Issuer will endeavour to provide bid/offer prices for Products, based on actual market conditions. Depending on the composition of the Underlying, investors must also be aware of an increased spread risk. This means that during the term of the Product, bid and offer prices may differ to a considerable extent. It is important to note that in the secondary market, if a market does develop, the Issuer cannot guarantee to repurchase/sell unlimited volumes of the

Product at the prices provided by the Lead Manager. For large sale/purchase orders (compared to the issued volume of the Product) the Issuer may charge a fee of 0.25% (based on the net price). Such orders may not be executed at once and investors may have to bear considerable delays. The Issuer has at no time an obligation to repurchase/sell the Product.

Unpredictable Market Value for Products

During the term of a Note, the market value of, and the expected return on, such Note may be influenced by many factors, some or all of which may be unpredictable. Many economic and market factors will influence the market value of a Note. The Issuer expects that, generally, the value and volatility of the Underlying(s) on any day will affect the market value of such Note more than any other single factor. However, a potential investor should not expect the market value of a Note in the secondary market to vary in proportion to changes in the value of the Underlying(s). The return on a Note (if any) may bear little relation to, and may be much less than, the return that the investor therein might have achieved if such investor had invested directly in the Underlying(s).

The market value of, and return (if any) on, a Note will be affected by a number of other factors, which may be unpredictable or beyond the Issuer's control, and which may offset or magnify each other, including, without limitation:

- supply and demand for such Note, including inventory positions of any other market maker;
- the expected frequency and magnitude of changes in the market value of the Underlying(s) (volatility);
- economic, financial, political or regulatory events or judicial decisions that affect the Issuer, the Underlying(s) or the financial markets generally;
- interest and yield rates in the market generally;
- the time remaining until the Final Redemption Date;
- if applicable, the difference between the Level or Commodity Reference Price, as applicable, and the relevant threshold specified in the applicable Terms and Conditions;
- the Issuer's creditworthiness, including actual or anticipated downgrades in the Issuer's credit ratings; and
- dividend payments on the Underlying(s), if any.

Some or all of these factors may influence the price of a Note. The impact of any of the factors set forth above may enhance or offset some or all of any change resulting from another factor or factors.

In addition, certain built-in costs are likely to adversely affect the market value of Notes. The price at which the Issuer will be willing to purchase Notes from a holder in secondary market transactions, if at all, will likely be lower than the original Issue Price.

Exposure to the performance of the Underlyings

Each Note will represent an investment linked to the performance of the Underlying(s) and potential investors should note that any amount(s) payable or other benefit to be received under the Notes will generally depend upon the performance of the Underlying(s). The past performance of the Underlyings is not indicative of the future performance.

Exchange Rate Risk

The Underlying(s) may be denominated in a currency other than that of the Issue Currency or, if applicable, the Settlement Currency for such Note or the Underlying(s) may be denominated in a currency other than, or the Issue Currency or, if applicable, the Settlement Currency may not be, the currency of the home jurisdiction of the investor in such Note. Exchange rates between currencies are determined by factors of supply and demand in the international currency markets, which are in particular influenced by macro economic factors, speculation and central bank and government intervention (including the imposition of currency controls and restrictions). Therefore, fluctuations in exchange rates may adversely affect the market value of a Note or the value of the Underlying(s).

Risk Relating to China Yuan Renminbi

The value of China Yuan Renminbi against foreign currencies fluctuates and is affected by changes in the People's Republic Of China, the People's Republic of China government's control (for example the People's Republic of China government continues to regulate conversion between China Yuan Renminbi and foreign currencies), and international political and economic conditions and by many other factors all of which may adversely affect the investor's return under this Product when the investor converts China Yuan Renminbi into his home currency. In addition there can be no assurance that access to China Yuan Renminbi funds for the purposes of making payments under this Product or generally may remain or will become restricted.

Early Redemption

The investors must be aware of a possible early redemption of the Note.

Upon the occurrence of an extraordinary event, the Calculation Agent and the Issuer, acting together, have the right to, among other things, early redeem the relevant Notes. If the Issuer exercises such early redemption right(s), investors should be aware that the early redemption price may be considerably lower than the Issue Price (or, if different, the price the relevant investor paid for such product) and/or the Final Redemption Amount that would otherwise have been paid on the Final Redemption Date.

Issuer Call Option

Investors should be aware that Notes provide for an Issuer Call Option (*i.e.*, the Issuer may, on any Call Date, exercise its right to redeem the Notes, in whole but not in part, on the applicable Final Redemption Date at the Final Redemption Amount). The Issuer may exercise its Issuer Call Option at its own discretion.

Discretion

The Issuer may have discretion to determine whether certain events have occurred and to determine the Strategy Value, or other relevant factors in such cases, or amend or terminate the Notes. Investors should be aware that any such determination may have an adverse effect on the value of the Notes and/or significantly alter the Notes' properties. Neither the Issuer nor the Lead Manager nor the Calculation Agent is liable for any consequences of having applied reasonable discretion.

Not the same as Reference Asset

This Investment Notes is a financial instrument issued by the Issuer and is separate from the Reference Asset. In addition, buying the Notes is not the same as buying the Reference Asset or having a direct investment in the Reference Asset. Unless otherwise indicated in the relevant terms and conditions, you will not be entitled to have voting rights, rights to receive dividends or distributions or any other rights under the Reference Asset.

Unlisted structured product NOT protected deposit

Investment involves risks. This is an unlisted structured investment product which may involve derivatives and is not equivalent to nor should it be treated as a time deposit. The Notes are not a protected deposit for the purposes of the Deposit Protection Scheme.

Further product specific risks

The Notes 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 Note is suitable with regards to the particular circumstances and should independently assess (together with the client advisor) the specific risks as described herein and any other legal, regulatory or credit consequences. The Issuer makes no representation as to the suitability or appropriateness of this Note 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 Note.

The return on the Notes depends on the performance of the Underlying. The performance of the Underlying depends on the quality of the investment decisions of the Advisor. As past performance is no guarantee of future development, the performance cannot be predicted at the time of the investment decision. Further, there is no assurance that all investment decisions intended by the Advisor will be realised and that its expectations regarding the performance of the Notes will be met.

Investors should be aware that an investment in these Notes generally results in a loss upon redemption if the value of the Underlying decreases. Consequently, the potential loss associated with an investment in such Notes is linked to the negative performance of the Underlying. Investors in the Notes should be prepared to sustain a partial or total loss of their investment.

Investors should be aware that the return on the Products may not reflect the return such investor would realise if he or she actually owned the relevant Bond(s). For example, investors in Products linked to a Bond will not receive any interest payments on such Bond during the term of such Products. Accordingly, an investor in any such Products may receive a lower payment (if any) upon redemption of such Products than such investor would have received if he or she had invested in the Bond(s) directly.

Risks relating to the underlying bonds

Bonds constitute debt obligations of the Bond Issuer. Products linked to Bonds are therefore linked to the default risk of the Bond Issuer.

In addition, the performance of the Bond(s) is dependent upon macroeconomic factors, such as interest and price levels on the capital markets, currency developments, political factors and Bond Issuer-specific factors, such as earnings position, market position, risk situation, shareholder structure and distribution policy.

Products linked to Bond(s) do not represent a claim against the relevant Bond Issuer and investors in such Products will not have any right of recourse under such Products to such Bond(s) or the relevant Bond Issuer. Products linked to Bonds are not in any way sponsored, endorsed, or promoted by the relevant Bond Issuer and the relevant Bond Issuer has no obligation to take into account the consequences of its actions on any investor in such Products. Accordingly, the relevant Bond Issuer may take any actions in respect of the Bond(s) without regard to the interests of the investors in Products linked thereto, and any of these actions could adversely affect the market value of such Products. The relevant Bond Issuer will have no involvement in the offer and sale of Products linked to Bond(s) and will have no obligation to any investor in such Products. An investment in Products linked to Bond(s) does not result in any right to receive information from the relevant Bond Issuer in respect of the Bonds or distributions on the Bond(s).

Risks relating to the underlying funds

A Fund is either (i) an exchange traded fund ("ETF"), which is an open ended or other fund traded like a share on an exchange, or (ii) other fund, in each case, that tracks the performance of a portfolio of assets. As a result, the performance of a Fund is dependent upon the macroeconomic factors affecting the performance of such assets which may include, among other things, interest and price levels on the capital markets, commodity prices, currency developments, political factors and, in the case of shares, company specific factors, such as earnings position, market position, risk situation, shareholder structure and distribution policy.

These factors affecting the performance of the Fund(s) may adversely affect the market value of, and the return (if any) on, the Products linked thereto.

The market price of interests in the Fund that are traded on an exchange may, due to the forces of supply and demand, as well as liquidity and scale of trading spread in the secondary market, diverge from their net asset value, i.e., the market price per interest in the Fund could be higher or lower than its net asset value, and will fluctuate during the trading day.

The Issuer and the Calculation Agent have no influence on the composition or performance of any Fund or any index that such Fund is intended to replicate. The Management Company or the licensor/index sponsor, as applicable, of the underlying index can add, delete or substitute the assets included in such index, respectively, or make methodological changes that could affect the value of such Fund and of such underlying index. The substitution of assets included in the portfolio of a Fund or in an underlying index may affect the value of such Fund, as a newly added asset may perform significantly worse or better than the asset it replaces, which in turn may affect the market value of, or

payments (or other benefits to be received) under, the Products. The Management Company or licensor/index sponsor of any underlying index may also alter, discontinue or suspend calculation or dissemination of such Fund or such underlying index, respectively. The Management Company and licensor/index sponsor of such underlying index are not involved in the offer and sale of the Products and have no obligation to invest therein. The Management Company and licensor/index sponsor of such underlying index may take any actions in respect of such Fund or such underlying index, respectively, without regard to the interests of the investors in Products, and any of these actions could adversely affect the market value of (or amount payable under) such Products. In particular, no assurance can be given that the performance of an ETF will be identical to the performance of the assets which it intends to replicate due to many factors.

Exchange Fluctuations

Fluctuations in the US Dollar exchange rate against the investor's domestic currency are unpredictable and can have a significant impact on the return on investment to each investor. Also,

investments in foreign securities involve the risks of currency fluctuations between the US Dollar and the currency in which such investment is made.

Reliance on the Advisor

All decisions relating to the investment of the Underlying has been delegated to, and will be made by, the Advisor, who will therefore have total trading authority over the Underlying. The loss of the Advisor's services (or that of one of its key personnel) could materially and negatively impact the value of the Underlying as it may lead to the loss of the use of any proprietary investment methodology developed by the Advisor. Investors will have no right or power to take part in the management of the Underlying.

Further Information

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

IV. Important Additional Information

This document does not constitute the simplified prospectus for the Notes pursuant to Article 5 of the Swiss Federal Act on Collective Investment Schemes ("CISA").

This document is intended for information purposes only and does not constitute an offer or invitation to enter into any type of financial transaction and the Issuer has no obligation to issue the Notes. This document is not the result of a financial analysis and therefore, is not subject to the "Directives on the Independence of Financial Research" from the Swiss Bankers Association. 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.

Conflicts of Interest

The Issuer 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 Notes. These transactions may not be for the benefit of the investor and may have positive or negative effects on the value of the Underlying(s) and thus on the value of the Notes. 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 Notes and other related determinations both among affiliated companies of the Issuer and between these companies and the investors. In addition, the Issuer and affiliated companies may exercise a different function, if applicable, in relation to the products, for example as calculation agent, paying agent or administrative office. Further, the Issuer and affiliated companies may have issued, and may in the future issue, documents that contain opinions and comments that are inconsistent with the Investment Strategy, the Investment Guidelines or the Investment Universe.

Distribution Compensation/Distribution Allowances from and to Third Parties

In connection with the Notes, the Issuer and/or its affiliates may pay to third parties or to each other, or receive from third parties one-time or recurring remunerations (e.g. placement or holding fees). Such remunerations, if any, are included in the Issue Price. Investors may request further information from Bank Julius Baer & Co. Ltd. By receiving payments in connection with the Notes, the interest of the Issuer or such affiliate may be adverse to the interest of the investor in the Notes.

Amendments to the Product Conditions

Information regarding unforeseen changes to the conditions of the Note which may arise during the lifetime of the Notes are not subject to this document but may be obtained from your client advisor (where applicable) or the Issuer upon request and will be published on:

<http://derivatives.juliusbaer.com>; and/or

http://www.six-swiss-exchange.com/news/official_notices/search_en.html.

This document will not be amended throughout the term of the Notes.

Selling Restrictions

The Products were not registered with the local regulator and are not publicly distributable outside of Switzerland. The Products 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 Products in that jurisdiction. Potential purchasers of the Products are advised to read the detailed selling restrictions in the Base Prospectus and the Final Terms. Potential purchasers of the Products should seek specific advice before purchasing or selling-on a Product. Particular attention should be paid to the selling restrictions set out in the Base Prospectus and the Final Terms with respect to the following jurisdictions: European Economic Area (EEA), United States of America, United Kingdom, Guernsey, The Netherlands, Italy, Hong Kong, Singapore, Dubai International Financial Centre, United Arab Emirates, Kingdom of Bahrain, Israel, Uruguay, Panama. These restrictions must not be taken as conclusive guidance as to whether the Notes can be sold in a jurisdiction. For investors located in Panama: Neither these securities, nor their offer, sale or transfer, have been registered with the Superintendence of the Securities Market (formerly the National Securities Commission). The exemption from registration is based on numeral 3 of Article 129 (Institutional Investors) of Decree Law 1 of July 8, 1999 as amended and organized into a single text by Title II of Law 67 of 2011 (the "Securities Law"). In consequence, the tax treatment established in Articles 334 to 336 of the Securities Law, does not apply to them. These securities are not under the supervision of the Superintendence of the Securities Market.

Switzerland

The Notes may not be offered, sold or otherwise distributed, directly or indirectly, in, into or from Switzerland, except to qualified investors as defined in article 10 of the Swiss Federal Act on Collective Investment Schemes and will not be listed on the SIX Swiss Exchange or on any other exchange or regulated trading facility in Switzerland

Hong Kong

This Key Information and the Base Prospectus have not been reviewed or authorized by the Hong Kong Securities and Futures Commission nor have they been reviewed by any other regulatory authority in Hong Kong and, accordingly, this Key Information and the Base Prospectus must not be issued, circulated or distributed in Hong Kong other than (i) in circumstances which do not constitute an offer or sale of securities to the public of Hong Kong and do not contain any invitation to the public of Hong Kong to offer to acquire, dispose of, subscribe for or underwrite the securities, or to participate in or to offer to participate in the securities, or (ii) only to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) and any rules made under that Ordinance. No person may issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, this Key Information, the Base Prospectus or any other advertisement, invitation or document relating to the securities, which is directed at or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the securities which are or are intended to be disposed of only to "professional investors" as

defined in the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) and any rules made under that Ordinance.

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Annex 1

Initial composition of the Underlying on the Initial Fixing Date:

ISIN	Name	Rating	Weight in the Portfolio
XS0431744282	Rabobank Nederland	BBB-	3.5%
US46625HKA76	Jpmorgan Chase & Co	A	3.5%
US037833AJ95	Apple Inc	AA+	3.5%
US20826FAE60	Conocophillips Company	A	3.5%
US931427AA66	Walgreens Boots Alliance	BBB	3.5%
US811065AB74	Scripps Networks Interac	BBB	3.5%
US023135AL05	Amazon.Com Inc	A	3.5%
US38148LAA44	Goldman Sachs Group Inc	A-	3.5%
LU0370790650	Fidelity-Asia Hi Yl-Y	Bond Funds	6.0%
IE00BMMV6280	Parselect Us Mortgage-lusd	Bond Funds	10.0%
LU0630479292	Gs Growth & Emmkt D-Baseh	Bond Funds	5.9%
LU0750223876	Jupiter Jgf Dy Bd Fd-lusd	Bond Funds	4.0%
IE00B96NJX17	Muznich Sd Hy-Hd Us In H	Bond Funds	8.0%
XS0989286850	Wanda Properties Oversea	BBB-	3.0%
XS0611586263	Citic Ltd	BBB+	3.0%
XS1089807025	Sino Ocean Lnd Trs Fin I	BBB-	3.0%
XS1120935918	Korean Reinsurance	BBB+	3.0%
XS0851808435	Li & Fung Ltd	BBB-	3.0%
XS1239407502	Express Bvi 2015 Ltd	BBB+	3.0%
USG8188LAA10	Sinochem Global Capital	BBB	3.0%
USY7145PCN60	Ptt Explor & Product Pcl	BBB-	3.0%
XS1170096454	Haitong Intl Fin 2015	BBB	3.0%
XS125089810	China Life Insurance Co	A-	4.0%
US69033DAB38	Oversea-Chinese Banking	A-	3.1%
XS1165659357	Huarong Finance li	BBB+	4.0%