

Julius Bär

17 February 2020

Dear Client,

Notice to Investors of Actively Managed Certificate on the Arbutus Strategy

Swiss Security Number / ISIN: 35084805 / CH0350848054

As of July 24, 2018, the conditions of the above-mentioned structured product change as follows with effect from 31 July 2018:

Administration Fee – Old

0.65% p.a. of the Strategy Value

Administration Fee – New

0.60% p.a. of the Strategy Value

As of August 06, 2018, the conditions of the above-mentioned structured product change as follows with effect from 31 July 2018:

Advisory Fee – Old

1.05% p.a. of the Strategy Value

Advisory Fee – New

0.85% p.a. of the Strategy Value

As of July 02, 2019, the conditions of the above-mentioned structured product change as follows with effect from 02 July 2019:

Diversification Rules – Old

The limits below are in percent of the total portfolio's value:

-Single Position: max. 20%

-Structured products combined limit: max. 40%

-Foreign currency risk will be managed on a discretionary basis by the Advisor

Julius Bär

Diversification Rules – New

The limits below are in percent of the total portfolio's value:

- Single Position: max. 20%
 - Structured products combined limit: max. 40%
 - Foreign currency risk will be managed on a discretionary basis by the Advisor
- Short futures must be used only for hedging purposes:

- Minimum net equity exposure: 0

Whereas:

Equity exposure consists of shares, ADRs, GDRs, Equity ETFs, Equity Funds, ETDs as specified in the Investment Universe.

Any underlying needed to cover short call options shall be excluded.

Investment Universe – Old

The portfolio can include global individual exchange traded stocks, ADRs and GDRs which represent equity rights according to the range of global individual ex-change traded stocks, short covered call options, short put options (fully funded), long call and long put options, structured products listed at the SIX Swiss Exchange or issued by Bank Julius Baer & Co. Ltd. itself (listed or unlisted), ETF's and mutual funds, that are tradable at least weekly.

The liquidity of potential components must be sufficient with respect to the issued volume of the Certificates. Therefore the Sponsor has the right to reject components which form part of the Investment Universe (see „Right of Objection“ below).

Besides the aforementioned assets, the Underlying may contain a cash component in the Product's currency (EUR, USD, GBP, JPY, CAD, NOK, AUD, SGD, SEK or NZD are also allowed). No interest is paid on this cash component. A negative interest rate may be applied due to market conditions. This cash component may reach up to 100% but the proportion of cash and debt securities (including funds and ETFs which themselves do fulfil the 50% criteria) will not exceed 50% of the portfolio value in the annual average.

The Advisor has the possibility, but not the obligation to hedge the foreign currencies (see FX Hedging Effect_t). 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.

Julius Bär

Investment Universe – New

The portfolio can include global individual exchange traded stocks, ADRs and GDRs which represent equity rights according to the range of global individual ex-change traded stocks, short covered call options, short put options (fully funded), long call and long put options, structured products listed at the SIX Swiss Ex-change or issued by Bank Julius Baer & Co. Ltd. itself (listed or unlisted), ETF's and mutual funds, that are tradable at least weekly.

The liquidity of potential components must be sufficient with respect to the issued volume of the Certificates. Therefore the Sponsor has the right to reject components which form part of the Investment Universe (see „Right of Objection“ below).

Besides the aforementioned assets, the Underlying may contain a cash component in the Product's currency (EUR, USD, GBP, JPY, CAD, NOK, AUD, SGD, SEK or NZD are also allowed). No interest is paid on this cash component. A negative interest rate may be applied due to market conditions. This cash component may reach up to 100% but the proportion of cash and debt securities (including funds and ETFs which themselves do fulfil the 50% criteria) will not exceed 50% of the portfolio value in the annual average.

The Advisor has the possibility, but not the obligation to hedge the foreign currencies (see FX Hedging Effect_t). 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.

Futures (long-short) of the following Index Futures: Euro STOXX 50, FTSE 100, CAC 40, DAX, IBEX, SMI, NASDAQ and S&P 500. Futures are permitted (leverage is not permitted).

The Sponsor has the right to unwind Futures positions due to avoid unnecessary risk or due to any other reason.

Long futures in the portfolio would be treated like active positions and must be notionally fully funded.

At the time of a potential purchase of the futures, the cash component in the certificate's currency (or in the currency of the future, if available) would be reduced by the total contract value of the new acquired future (at acquisition price). The Advisor has therefore to be aware that if the product's denomination currency does not correspond to the certificate's currency, the notional total futures contract value would be exposed to FX risk.

Short futures in the portfolio are hypothetically used for hedging purpose (mini-mum net exposure 0%) and are cash-flow neutral. A notional cash flow would only take place when a futures position had to be closed. Therefore the performance of potential futures would be exposed to FX risk if the currency would not correspond to the certificate's currency.

Julius Bär

The Sponsor has the option (the right but not the obligation) to execute a stop loss order on such a futures product, in order to unwind it, once the value of the Certificate reaches 20%.

Reinvestment of the Returns – Old

The Sponsor (re-)invests any net returns (after deduction of possible withholding taxes) into the corresponding assets. Should the new investment contradict the Investment Guidelines, the Advisor decides on the (re-) investment. If the Advisor cannot be reached by the Sponsor within useful time, the Sponsor decides on the (re-) investment.

Reinvestment of the Returns – New

The net returns (after deduction of possible withholding taxes) will not be reinvest-ed into the corresponding assets.

Secondary Market – Old

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 (taking into account the liquidity and spread of the constituents) the Issuer may treat the order execution based and might quote a narrower spread of approx. 0.50% (based on 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.

Secondary Market – New

The Issuer cannot provide any assurances as to how the Certificates will trade in the secondary market or whether such market will be liquid or illiquid. Due to the composition of the Underlying and the potentially limited liquidity of its components, investors must also be aware of an increased spread risk compared to other structured products. This means that during the term of the Product, bid and offer prices may differ to a considerable 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 the Product in the secondary market at a lower price than the original

Julius Bär

purchase price. It is important to note that if the Issuer decides to repurchase from the investor or sell to the investor Products on the secondary market, it cannot guarantee to take back/sell unlimited volumes of the Product at the prices provided by the Lead Manager. Purchases of Product units on the secondary market will increase the available cash quota within the Product while diluting, in percentage terms, all other holdings. Sales of Product units on the secondary market will decrease the available cash quota within the Product while increasing, in percentage terms, all other holdings. If a situation arises where the available cash quota within the Product is insufficient to accommodate secondary market selling transactions, then the Advisor will advise the Sponsor about which holding shall be sold or reduced. If the Advisor cannot be reached in due time or doesn't provide any advice to the Sponsor, then the Sponsor has the right to reduce at its sole discretion any holding within the Product or has the right to reject to execute the secondary market selling transactions. The Issuer provides a secondary market with weekly liquidity. Secondary market transaction orders will be collected by the Issuer every day until 16:00 Zurich Time (Cut-Off). If such date does not fall on a Business Day, the Issuer shall be obliged to collect the orders on the Business Day immediately following. Sale and purchase secondary market transaction orders from the investors will be executed at Mid Price - 0.25% and Mid Price +0.25% respectively. The new resulting cash quota will be reflected in the Product the following business day. At no time does the Issuer have an obligation to repurchase/sell Products.

As of January 27, 2020, the conditions of the above-mentioned structured product change as follows with effect from 17 February 2020:

Investment Guidelines – Old

Only investments in investment products contained in the Investment Universe (as defined below) are permitted. Short selling and borrowing are not permitted. The Advisor is permitted to change the composition of the basket on a daily basis. Nevertheless, the Sponsor is entitled to reject changes in the composition of the basket in case of more than 70 changes per year out of which not more than 30 portfolio turnovers can be used for option trading activities. At any time, the basket contains a minimum of 0 and a maximum of 60 components (maximum 30 non-option positions and maximum 30 option positions).

The Investment Guidelines and the Investment Universe must be respected on the initial fixing of the basket and upon any change in the composition of the basket. The Advisor is free to correct infringements of the Investment Guidelines which might possibly occur thereafter. No liabilities are assumed by the Advisor or the Sponsor due to such infringements.

Investment Guidelines – New

Only investments in investment products contained in the Investment Universe (as defined below) are permitted. Short selling and borrowing are not permitted. The Advisor is permitted to change the composition of the basket on a daily basis. Nevertheless, the Sponsor is entitled to reject changes in the composition of the basket in case of more than 170 changes per year out of which not more than 85 portfolio turnovers can be used for option trading activities. At any time, the basket contains a

Julius Bär

minimum of 0 and a maximum of 60 components (maximum 30 non-option positions and maximum 30 option positions).

The Investment Guidelines and the Investment Universe must be respected on the initial fixing of the basket and upon any change in the composition of the basket. The Advisor is free to correct infringements of the Investment Guidelines which might possibly occur thereafter. No liabilities are assumed by the Advisor or the Sponsor due to such infringements.

Yours faithfully,
Bank Julius Baer & Co. Ltd.