

## Purpose

This document provides you with key information about this investment product. It is neither marketing material, nor investment advice, or an offer to buy the product. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

## Product

<b>Product name:</b>	JB Call Warrant on Stock
<b>Product manufacturer:</b>	Bank Julius Baer & Co. Ltd., Switzerland
<b>Website:</b>	<a href="https://derivatives.juliusbaer.com/en/home">https://derivatives.juliusbaer.com/en/home</a>
<b>Phone number:</b>	+41 58 888 87 58
<b>Competent authority:</b>	The manufacturer is supervised by the Swiss Financial Market Supervisory Authority (FINMA). FINMA is not considered a competent supervisory authority under EU Regulation 1286/2014 on Key Information Documents for packaged investment products (PRIIPs) in the technical sense, as Switzerland is not a member of the EU.
<b>Date and time of production</b>	6 <sup>th</sup> March 2018, 5:14 p.m. CET

**You are about to purchase a complex product that may be difficult to understand.**

## 1. What is this product?

**Type** Swiss law governed notes

### Objectives

The Products are leveraged products with physical settlement and allow the Holder thereof to benefit, with leverage, from an increase in the value of the Underlying. Due to the leveraged nature of the Products, a small amount invested can generate higher returns but also higher losses than will be reflected in the gains and losses respectively in the value of the Underlying.

The Products grant the investor the right to purchase upon exercise a specified number of Underlyings from the Issuer for an amount in cash equal to the Exercise Price/Strike with delivery on the Settlement Date. Therefore, if the value of the Underlying is above the Exercise Price/Strike upon exercise, the investor will benefit, with leverage, from an increase in the value of the Underlying because the investor will be able to purchase the Underlying at the lower Exercise Price/Strike. Alternatively, if the Products have not previously been exercised and the value of the Underlying is at or below the Exercise Price/Strike upon expiration, investors will suffer a total loss of their investment.

### Intended retail investor

The product is intended to be offered to retail investors who fulfil all of the criteria below:

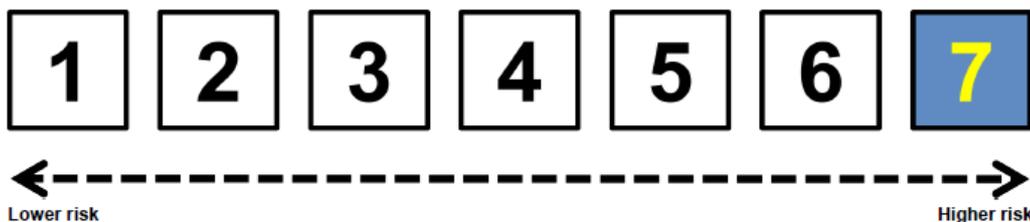
1. they have advanced knowledge and a comprehensive understanding of the product, its market and its specific risks and rewards, with relevant financial industry experience including either frequent trading or large holdings in products of a similar nature, risk and complexity, either independently or through professional advice;
2. they seek income, expect the movement in the underlying to perform in a way that generates a favourable return and have an investment horizon of the illustrative holding period specified below;
3. they accept the risk that the issuer could fail to pay or perform its obligations under the product and they are able to bear a total loss of their investment; and
4. they are willing to accept a level of risk to achieve potential returns that is consistent with the summary risk indicator shown below.

The product is not intended to be offered to retail clients who do not fulfill these criteria.

## 2. What are the risks and what could I get in return?

### Risk indicator

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you. We have classified this product as 7 out of 7, which is the highest risk class. This rates the potential losses from future performance at a very high level. This product does not protect you from future market developments, so you may lose all or part of your investment.



**This risk indicator is based on the assumption that you will hold the product until the end of the term. If you close the investment early, the actual risk may differ significantly and you may get back less. You may not be able to sell your product or sell it at a price that will significantly reduce the amount you receive.**

Be aware of currency risk. You may receive payments in a different currency, so the final return you get will depend on the exchange rate between the two currencies. This risk is not considered in the indicator shown above.

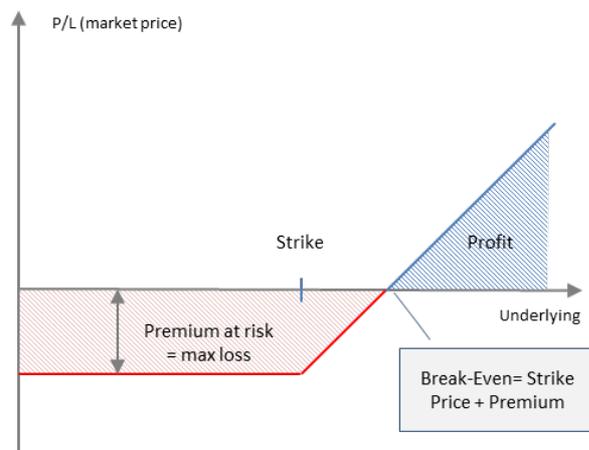
## Profit and Loss Prospects

Your maximum profit is not limited, and increases as much as the market value of the underlying asset exceeds the sum of the strike price plus the Warrant issue price multiplied by the Ratio (Issue price x Ratio = Warrant premium). Your maximum loss is the Warrant premium.

This graph illustrates how your investment could perform. You can compare it with the pay-off graphs of other derivatives. The graph presented gives a range of possible outcomes and is not an exact indication of what you might get back.

What you get will vary depending on how the underlying will develop. For each value of the underlying, the graph shows what the profit or loss of the product would be at maturity. The horizontal axis shows the various possible market values of the underlying asset on the expiry date and the vertical axis shows the profit or loss. Entering an Equity Call Warrant position means that you think the underlying asset's market value will increase.

The figures do not take into account your personal tax situation, which may also affect how much you get back. The figures consider the costs of the product itself, but do not include all the costs that you pay to your advisor, distributor or custodian.



## Performance scenarios (Example)

Investment Amount	CHF 10'000.00	Issue price	CHF 0.34
Underlying	ABB AG	Ratio	4:1
Initial price	23.00 (100%)	Tenor	1 Jahr
Strike	23.00 (100%)		

	Underlying Performance	Underlying Price	Potential redemption amount	Potential profit/loss in % of invested capital
Stress-Scenario	-20%	18.40	0	-100%
	-15%	19.55	0	-100%
Unfavourable Scenario	-10%	20.70	0	-100%
	-5%	21.85	0	-100%
	0%	23.00	0	-100%
Moderate Scenario	5%	24.15	8'455.882	-15.40%
	10%	25.30	16'911.76	+69.12%
Favourable Scenario	15%	26.45	25'367.65	+153.68%
	20%	27.60	33'823.53	+238.24%

The above table shows the money you could get back under different scenarios, assuming that you invest CHF 10'000. The scenarios shown illustrate how your investment could perform. You can compare them with the scenarios of other products. The scenarios presented are an estimate of future performance and are not an exact indicator. The exact performance will vary depending on how the market performs. The stress scenario shows what you might get back in extreme market circumstances, and it does not take into account the situation where we are not able to pay you. The figures do not take into account your personal tax situation, which may also affect how much you get back.

### 3. What happens if the manufacturer is unable to pay out?

In the case of insolvency or bankruptcy of the manufacturer, the retail investor is exposed to the risk that the manufacturer might be unable to meet its obligations in connection with the product. This product is not subject to any statutory or other deposit guarantee scheme or any other type of warranty. If the manufacturer is no longer able to meet its payment obligations, you may suffer a partial, full or even your investment amount exceeding loss. In the case of bankruptcy, the competent resolution authority may prescribe a premature termination of the derivative instrument. If, as a result of the termination, a payment claim on the end of the retail investor should arise, the competent authority's termination order may result in it being written down in part or in full or converted into equity (stocks or other company shares).

## 4. What are the costs?

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs. The amounts shown here are the cumulative costs of the product itself, for the illustrative holding period. The figures assume you invest 10,000 in the issue currency. The figures are estimates and may change in the future.

### Cost over time

Total costs	0.10% - 0.50%
Impact on Return (RIY) per year	n/a

### Composition of costs

<b>One-Off costs</b>	<i>Entry costs</i>	0.10% - 0.50%	The impact of the costs you pay when entering into your investment. Spread costs.
	<i>Exit costs</i>	n/a	The impact of the costs of exiting your investment when it matures.
<b>Ongoing costs</b>	<i>Transaction costs</i>	n/a	The impact of the costs of us buying and selling underlying investments for the product.
	<i>Other ongoing costs</i>	n/a	The impact of the costs that we take each year for managing your investments.
<b>Incidental costs</b>	<i>Performance fees</i>	n/a	The impact of the performance fee. We take these from your investment if the product outperforms its benchmark.
	<i>Carried interests</i>	n/a	The impact of carried interests.

## 5. How long should I hold it and can I take money out early?

The product aims to provide you with the income described above under 1. "What is this product?". However, only if you keep it until the end of the agreed term (illustrative holding period).

<b>Exchange Listed</b>	yes	<b>Price quotation</b>	percentage
<b>Smallest tradable unit</b>	1 Product		

In volatile or unusual market conditions, or in the event of technical faults/disruptions, the purchase and/or sale of the product can be temporarily hindered and/or suspended and may not be possible at all.

## 6. How can I complain?

Any complaint regarding the conduct of the persons advising on, or selling, the product can be submitted directly to these persons or their supervisors. Any complaint regarding the product or the conduct of the manufacturer of this product can be addressed in writing to the following address: Bank Julius Baer & Co. Ltd., Hohlstrasse 604/606, P.O. Box, 8010 Zurich, Switzerland, or by email to: [derivatives@juliusbaer.com](mailto:derivatives@juliusbaer.com) or at the following website: <https://derivatives.juliusbaer.com/en/home>.

## 7. Other relevant information

General information on financial instruments can be requested free of charge at <https://derivatives.juliusbaer.com/en/home>. If the preparation of issuance programme documentation is required for a product, please consult also these documents, such as the Termsheet, Prospectus, etc., and request it from your client advisor or free of charge from <https://derivatives.juliusbaer.com/en/home>.

This product may not be offered or sold, directly or indirectly, in the United States of America or to U.S. persons. The term "U.S. person" is defined in Regulation S under the U.S. Securities Act of 1933, as amended.