

Julius Bär

7 February 2024

Dear Client,

Notice to Investors in the Actively Managed Certificate on Fixed Income Unconstrained Basket

Swiss Security Number / ISIN: 48632287 / CH0486322875

The conditions of the above mentioned structured product have changed as follows:

Diversification Rules OLD:

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

- Cash: max. 90%
- Maximum number of components in the portfolio (excluding cash): 30
- Maximum weight per position: 10%
- Minimum weight per position: 0.50%
- Minimum number of Funds: 3
- Maximum number of Funds: 15
- No bonds with rating below: BB- (Minimum rating)
- Maximum weight for bonds with non-investment grade: 20%

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).

Diversification Rules NEW:

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

- Maximum weight for cash: 90%
- Maximum number of components (excluding cash): 50
- Maximum weight per position: 15%
- Minimum weight per position: 0.50%
- Minimum number of Funds: 0
- Maximum number of Funds: 15
- Minimum rating for bond components: B-
- Maximum weight for Non-Investment Grade Bonds combined limit: 50%

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).

Julius Bär

Investment Universe OLD:

The portfolio can include Exchange traded products (ETF, ETN and ETC), Money market ETFs, Funds, straight bonds, zero bonds, floater bonds, corporate bonds, government bonds, municipal bonds, inflation linked bonds, perpetual bonds, covered bonds, non-rated bonds and subordinated debt/bonds, structured products. Swiss domestic bonds issued by Swiss domiciled debtors are not allowed. Underlyings have to be tradable at least daily.

Geographical and sector focus:

- Worldwide, Developed Markets (DM), Emerging Markets (EM)
- Government bonds DM and EM
- Investment grade DM and EM
- High Yield DM and EM
- Subordinated DM and EM

Structured products will have to meet the following conditions:

- Dirty price quotation only
- Continuous quotation on Bloomberg and Thomson Reuters

The liquidity of potential credit bonds 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 (CHF, USD, GBP, JPY, CAD, NOK, AUD, SGD, SEK and NZD are also allowed). This cash component may reach temporarily up to 90%. No interest is paid on this cash component. A negative interest rate may be applied due to market conditions.

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.

Investment Universe NEW:

The portfolio can include Exchange traded products (ETF, ETN and ETC), Money market ETFs, Funds, straight bonds, zero bonds, floater bonds, corporate bonds, government bonds, municipal bonds, inflation linked bonds, perpetual bonds, covered bonds, non-rated bonds and subordinated debt/bonds, structured products, long futures, short futures. Swiss domestic bonds issued by Swiss domiciled debtors are not allowed. Underlyings have to be tradable at least daily.

Geographical and sector focus:

- Worldwide, Developed Markets (DM), Emerging Markets (EM)
- Government bonds DM and EM
- Investment grade DM and EM
- High Yield DM and EM

Julius Bär

- Subordinated DM and EM

Structured products will have to meet the following conditions:

- Dirty price quotation only
- Continuous quotation on Bloomberg and Thomson Reuters

Futures (long-short) of the following index futures are permitted (leverage is not permitted):

Name	BBG Symbol (Generic)
E-mini S&P	ESA Index
E-mini Nasdaq 100	NQA Index
Euro Stoxx 50	VGA Index
DAX mini	DFWA Index
SMI	SMA Index
US Treasury Bond	WNA Comdty
10 Year T-Notes	TYA Comdty
Euro Bund	RXA Comdty
Euro Bobl	OEA Comdty
Swiss Conf	FBA Comdty
Euro-BTP	IKA Comdty

Short futures in the portfolio can only be used for hedging purpose and are cash-flow neutral.

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

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.

If at maturity the roll-over of the futures positions causes a negative cash component, the Advisor should balance this within the next turnover. The Sponsor has the option to apply funding costs on the negative cash component.

Minimum net exposure: 0

Maximum gross long exposure: 100% of Certificate Value

Maximum gross short exposure: 100% of Certificate Value

Whereas:

Net exposure consists of all positions in Certificate excluding cash.

Gross long exposure consists of all long positions in Certificate excluding cash.

Gross short exposure consists of all short positions in Certificate excluding cash.

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

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

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 Certificate Value reaches 20% of the Denomination or the total futures' loss reaches 10% of the Certificate Value.

The liquidity of potential credit bonds 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 (CHF, USD, GBP, JPY, CAD, NOK, AUD, SGD, SEK and NZD are also allowed). This cash component may reach temporarily up to 90%. No interest is paid on this cash component. A negative interest rate may be applied due to market conditions.

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.

Stamp duty OLD:

No stamp duty upon issuance. Issuance and secondary market transactions are in principle subject to the Federal Turnover Tax (“Umsatzabgabe”) if a securities dealer (“Effekthändler”), as defined in the Swiss Federal Act on Stamp Duties (“Stempelabgabengesetz”), is a party to the transaction or acts as an intermediary thereto.

Stamp duty NEW:

Issuance and secondary market transactions are in principle subject to the Federal Turnover Tax (“Umsatzabgabe”) if a securities dealer (“Effekthändler”), as defined in the Swiss Federal Act on Stamp Duties (“Stempelabgabengesetz”), is a party to the transaction or acts as an intermediary thereto.

Dividend equivalent payments OLD:

n/a

Dividend equivalent payments NEW:

Investors should note that “dividend equivalent” payments made in connection with the Products are subject to a U.S. federal withholding tax under Section 871(m) of the U.S. Internal Revenue Code. The Issuer will always apply a withholding of 30 percent on such dividend equivalent payments linked to stocks of U.S. corporations or certain indices containing U.S. corporations. Accordingly, the investor will receive less than the amount he would have otherwise received in the absence of such withholding.

Julius Bär

For further information on the Julius Baer Certificate, please contact Bank Julius Baer & Co. Ltd., Zurich.

Yours faithfully,
Bank Julius Baer & Co. Ltd.