

Actively Managed Certificate (“AMC”)

on Multi-Asset Conservative

End of subscription 30 August 2022
Open End | Vienna Listed | Private Placement

ISIN CH1181262671

Protected Cell CH1181262671, a Cell of CV Capital Markets Issuer PCC Ltd.
Registration No. 69492
(as “Issuer”)

BRIEF DESCRIPTION

Actively Managed Certificates do not constitute collective investment schemes within the meaning of the Swiss Federal Act on Collective Investment Schemes ("CISA") and are therefore neither governed by the CISA nor subject to the supervision by the Swiss Financial Market Supervisory Authority ("FINMA"). Accordingly, holders of this product (the "Product") do not have the benefit of the specific investor protection provided under the CISA. Holders of the Product bear the issuer's credit risk. Furthermore, investors should be aware that AMCs have a dynamic, discretionary structure, which may result in changes to the Product terms and/or the Strategy-Components. The Issuer was incorporated on 22 July 2021 as a Protected Cell company limited by shares under the laws of Guernsey under registration number 69492. The registered office of the Issuer is at Suite 6, Provident House, Havilland Street, St. Peter Port, Guernsey GY1 2QE.

29 June 2022

PARTIES

Issuer/Calculation Agent

CV Capital Markets Issuer PCC Ltd. (a Protected Cell company incorporated with limited liability under the laws of Guernsey) CV Capital Markets Issuer PCC Ltd. is not licensed or registered in Guernsey by the Guernsey Financial Services Commission (“GFSC”) or registered or authorized by GFSC as a collective investment scheme and GFSC has not and will not approve the content or dissemination of this AMC or of any other document relating to or in connection with this AMC.

CH1181262671 Cell is a protected cell of CV Capital Markets Issuer PCC Ltd., was created for the specific purpose of issuing the AMC, and is operated and controlled by the Directors of CV Capital Markets Issuer PCC Ltd.. As a matter of Guernsey law, each cell of the Issuer is a protected cell of assets and liabilities, wholly separate and distinct from any assets or liabilities of any other protected cell(s) of the Issuer or any assets or liabilities of the Issuer which are not attributable to any protected cell of the Issuer.

Paying Agent

ISP Securities AG, Switzerland

Custodian/Broker

EFG International

Strategy-Manager

Ephelia Capital Sagl (the "Strategy-Manager"). The Strategy Manager is a portfolio manager licensed by FINMA and monitored by a supervisory organisation.

PRODUCT INFORMATION

Description

This Product (hereinafter, also "Certificate", "Note" or "AMC") is an Actively Managed Certificate. The Product allows for participation in the performance of the Underlying (the "Strategy"). The Strategy reflects a notional actively managed portfolio of assets and cash, maintained by the manager (the "Strategy-Manager"). The performance of the Strategy is tracked via the calculation of the Strategy Level.

The holders of the Product (hereinafter, "Holders of the Product", "Holders of the Certificate" or "Note Holders") have exposure to the same performance a real portfolio would have, if it was actually managed according to the Strategy. However, the Holders of the Product will not be entitled to real assets in a real portfolio and have only a claim against the Issuer on the payment of the Redemption Amount based on the Strategy-Level at the Final Valuation Date.

Underlying

The Underlying is a basket representing a notional, actively managed portfolio (the "Reference Portfolio") of assets including cash in the Currency of the Product (the "Strategy-Components"). The basket is selected and managed by the Strategy Manager in accordance with this termsheet ("Termsheet"), the "Investment Strategy" referred to here below as well as the investment universe (the "Investment Universe"), the guidelines (the "Strategy-Guidelines") and the investment restrictions (the "Investment Restrictions"), as per Annex 1.

Investment Strategy

The Investment Strategy is based on Modern Portfolio Theory (MPT), whereby one looks at achieving maximum diversification, and on a semi-strong form of the Efficient Markets Hypothesis (EMH). The diversification requirement leads to adopt a multi-asset portfolio. The semi-strong form of the EMH leads to a search for inefficiency pockets, i.e. EM debt/equity, Small Cap Equity, and Real Estate related investments. We also believe inefficiency exist due to occasional mispricing of different asset classes as compared to one another, and thus also adopt a tactical asset allocation overlay.

As there is no risk premium associated to investments in foreign currency, our "normal portfolio" (NP) is hedged into the base

currency. However, we can opportunistically invest in currencies through a currency overlay, i.e. for volatility capturing purposes. The strategy is "top-down", qualitative and based on a forecast of the prevailing stage in the economic cycle: in an expansion phase, risky assets are overweighted, in a recession phase the portfolio will have a defensive stance. Tactical adjustments should occur via futures. Discretionary volatility selling (by selling short term, OTM options) is also used for return enhancement.

Reinvestment of Returns

Any amounts reflecting net dividends and/or interest rates in a real portfolio consisting of the Strategy-Components will be added to the cash component of the Underlying. Any withholding taxes or similar taxes that might be charged on any of the Strategy-Components by tax authorities will not be reclaimed and will not be added to the cash component of the Underlying.

Initial Weighting of the Strategy-Components

The Strategy-Manager starts to implement the Strategy at the first possible trading day after Payment Date according to this Termsheet, the Investment Strategy, the Investment Universe, the Strategy-Guidelines and the Investment Restrictions. The Initial Strategy Components will depend on the market conditions at the time the Strategy-Manager starts to implement the Strategy.

Strategy-Level (t)

Sum of the value of each of the Strategy-Components on any trading day t, converted to the Currency of the Product at the prevailing exchange rate(s), less all costs linked to the management of the Strategy including (but not limited to) fees, expenses, hedging and transaction costs, custody fees and taxes (if any), and divided by the sum of outstanding Certificates on such trading day t, as calculated by the Calculation Agent.

Coupon Amount

On Coupon Payment Dates, the Notes will pay a variable cash amount, at the Issuer's discretion.

Coupon Valuation Dates

Ten business days before every Coupon Payment Date

Coupon Payment Dates

15th December in each year, from and excluding the Issue Date to and including the Maturity Date, adjusted as per the Business Day Convention.

Price of the Certificate

The price of one unit of this Product on a specific trading day t is equal to Strategy-Level(t).

Selection / Adjustments / Rebalancing of the Strategy Components

Adjustments of the Strategy-Components are actively made by the Strategy-Manager.

Termination Event

The Issuer and the Strategy Manager have the right to terminate the Product at any time ("the Termination Date") without a specific reason, by notifying the Holders of the Certificate on the earliest possible date.

Consequences of a Termination Event

Following a Termination Event, the Certificates will redeem a cash amount in the Currency of the Product equal to the Strategy-Level on the Termination Date (“the Termination Amount”) as calculated by the Calculation Agent.

Investors should be aware that the Termination Amount may be, due to unfavourable market conditions, considerably lower than the Issue Price or the last valuation of the Product before the Termination Event.

The Issuer has the right to reduce the Termination Amount considerably (including to zero) in certain situations This may include, but is not limited to illiquidity or insolvency of an underlying asset(s) distressed situations related to or impacting an underlying asset.

GENERAL TERMS

Structured Product Type per Swiss Derivative Map

Dynamic Tracker-Certificate (Code 1300)

Total Amount

USD 30'000'000

Issue Size

30'000 Certificates (with reopening clause)

Issue Price

USD 1'000

Currency

USD

Denomination

- 1 Unit

Fees

The following fees will be deducted daily from the Strategy-Level:

- Management fee: 1.50% p.a.

The following fees will be deducted from the Strategy-Level on Issue Date:

- Set up fees: a fixed cost of USD 8'000

Performance Fee	<ul style="list-style-type: none">• 30.00% above Hurdle Rate with High Watermark• Hurdle Rate: 2% per year, calculated and observed as a 0.5% per quarter according to the Performance Fee Calculation <p>See Annex 2 for more details on Performance Fee Entitlement, Performance Fee Calculation and Performance Fee Observation Dates.</p>
Broker Fee Schedule	See Annex 2.
Payment Date / Issue Date	8 September 2022, being the date on which the Products are issued, and the Issue Price is paid.
Final Valuation Date	Termination Date
Redemption Date	The Redemption Amount shall be due to Noteholders on the tenth business day after the Final Valuation Date.
Settlement	Cash settlement.
Exchange Rate	Applicable Exchange Rates (if any) for conversion of any amount into the relevant settlement currency for the purposes of determining the Strategy-Level or the Redemption Amount, may be sourced from the Custodian (if applicable), or from public sources like Bloomberg (BFIX), Reuters, Telekurs, etc. Relevant is the rate at the time or near the time of the determination of the Strategy-Level or the Redemption Amount.
Minimum Trade Size	10 Certificate(s) and multiples of 1 Certificate(s) thereafter
Valoren	118126267
ISIN	CH1181262671
Listing	Will be applied for MTF (Dritter Markt) at Vienna Stock Exchange
Business Day Convention	Following
Secondary Market	Daily secondary market trading orders are received and processed on a best effort basis, with a bid offer spread of 1% under normal market conditions. Acceptance of an order cannot be guaranteed and is subject to, amongst other things, sufficient liquidity. Orders must be placed with the Paying Agent before 16:30 for same day trading. Orders after 16:30 will be executed on the next trading day. On Secondary Market transactions, additional transaction fees may apply and are charged to the Strategy-Level.
Clearance Institution / Clearing Code	SIX SIS AG / ISP 116441

MISCELLENEOUS

Selling Restrictions

Russian Federation, Belarus, Canada, Guernsey, United States of America, US Persons.

Under no circumstances may the product be distributed to any sanctioned person, entity or country identified by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State, the United Nations Security Council, the European Union, Her Majesty's Treasury of the United Kingdom, Bailiwick of Guernsey sanctions regime, Swiss sanctions framework implemented by SECO or other relevant sanctions authority.

In and from Switzerland the Product can only be sold to institutional and professional clients pursuant to the Swiss Financial Services Act. The Product shall be distributed only by way of private placement; public distribution is not permitted. The Product may not be issued to more than 50 investors. For jurisdiction-specific tax and any regulatory considerations, investors should consult their independent advisors.

Product Representation

Products to be represented by Intermediated Securities (Bucheffekten)

United States IRC Section 871(m)

In scope

Applicable Law / Place of Jurisdiction

Swiss Law under exclusion of the Swiss Private International Law Act and of the CISG / City of Zurich

Risks

Regarding investments in the Product, there are several kinds of risks, inter alia:

- the market, credit and liquidity risk with respect to the Strategy-Components
- the counterparty risk with respect to the Issuer
- the currency risk with respect to the Strategy-Components which are not denominated in the Currency of the Product (if any)
- the risk of sub-optimal adjustments of the Strategy-Components by the Strategy-Manager.

The Holders of the Product need to be aware of an inherent conflict of interest coming from the Strategy-Manager also being the issuer and potentially counterparty of the Strategy-Components.

In a worst-case scenario, Holders of the Product may lose their total investment.

Limitation of Transferability

The Certificate can only be sold back to the Issuer.

Tax Treatment in Switzerland

For individuals holding the Product for private investment purposes with tax domicile in Switzerland the portion of income

realised on the underlying Strategy-Level attributable to their respective portion in the underlying Strategy-Level will be subject to Swiss income taxes on an annual basis (by financial year end) or upon redemption. Gains and losses realised on the Strategy-Level as well as gains and losses derived from the sale of the Product should be considered as income tax-free private capital gains and non-tax-deductible private capital losses respectively.

The Product is not subject to the Swiss withholding tax. The Product may be subject to Swiss stamp duty of up to 0.15% on the primary as well as the secondary market. There is no Swiss stamp duty upon redemption of the Product. For Swiss paying agents, payments under the Product are not subject to the EU savings tax.

Common Depository

SIX SIS AG

ANNEX 1

It is the sole responsibility of the Strategy-Manager to ensure that the Strategy and the Strategy Components as well as the investments correspond to the Investment Universe, the Strategy-Guidelines, and the Investment Restrictions. Neither the Issuer, nor the Paying Agent, nor the Custodian, nor the Calculation Agent, nor any other involved party apart from the Strategy-Manager carries out any supervision in that regard.

The Strategy Manager, acting on behalf of the Issuer, is not obliged to invest according to the Strategy, e.g. it can invest in assets other than the Strategy-Components. However, the investor is still entitled to receive the Redemption Amount as outlined in this Termsheet independent of the returns of the investments of the Issuer.

Investment Universe

The Investment Universe consists of the following asset / asset classes and represents the basis for the selection, adjustment and rebalancing of the Strategy-Components by the Strategy-Manager. The Investment Universe may be amended by the Strategy-Manager at any time and in its sole discretion.

Asset class	Range allocation (% of total portfolio value)	Permitted instruments
Equities	Min 0% - Max 50%	<ul style="list-style-type: none"> • Exchange traded stocks • Derivatives on listed equities and global indices (including Futures , options) • Exchange traded funds (ETFs) • Options on ETFs • Mutual funds, • Structured products
Fixed income	Min 0% - Max 100%	<ul style="list-style-type: none"> • All ratings and maturities • Exchange traded funds (ETFs), mutual funds, structured products • Derivatives on Fixed Income instruments (including futures and options)
FX	Min 0% - Max 50%	<ul style="list-style-type: none"> • Futures, Forwards and options of all currency pairs • Cash in any currency different than the Product Currency
Alternative investments	Min 0% - Max 30%	<ul style="list-style-type: none"> • Structured product and Certificates
Cash	Min 0% - Max 49%	<ul style="list-style-type: none"> • Cash in the Product currency

Strategy Guidelines

The Strategy-Components are selected, adjusted and rebalanced by the Strategy-Manager in accordance with the following guidelines (the "Strategy-Guidelines"):

- Evaluate the economic scenario in the next 3 to 12 months: best, baseline and worst case. Make assumptions about the various asset classes expected returns, risk and correlations in the three scenarios
- Possibly use an optimizer to find optimal allocations and impose a qualitative overlay
- Position the revised portfolio accordingly
- Compare current and post-rebalancing positions and determine the extent of the rebalancing
- Rebalancing also occurs when funds do not deliver as to absolute and relative performance

Investment Restrictions

The following Investment Restrictions are applicable for the Strategy-Manager:

- Maximum Leverage of two times Strategy Level
- The Strategy Manager may allocate up to 30% of the total portfolio to Alternative Investments managed by the Strategy Manager

Performance Fee

High Watermark

Applicable. For the first Performance Fee Observation Date ($t=1$), the High Watermark is equal to the Issue Price less the Distribution Fee (if any). Thereafter, if the Strategy-Level (t) on the Performance Fee Observation Date (t) is higher than the previous High Watermark, the High Watermark is set to that level after deduction of the Performance Fee Amount and any Coupon Amount and/or Partial Redemption Amount paid from and excluding Observation Date ($t-1$) to and including Observation Date (t).

Performance Fee Entitlement

A Performance Fee is paid to the Strategy Manager if the performance of the Certificate with respect to the High Watermark on the relevant Performance Fee Observation Date exceeds the Hurdle Rate, ie

$$\left(\frac{\text{Strategy-Level}(t)}{\text{High Watermark}} - 1 \right) > \text{Hurdle Rate}$$

Performance Fee Calculation

Performance Fee Amount is equal to:

$$\text{High Watermark} \times \left(\left(\frac{\text{Strategy-Level}(t)}{\text{High Watermark}} - 1 \right) - \text{Hurdle Rate} \right) \times \text{Performance Fee}$$

where:

- *Strategy-Level(t)* is the value of the Certificate on the Performance Fee Observation Date (t), before deduction of the Performance Fee
- *High Watermark* is the highest level of the Certificate on any of the previous Performance Fee Observation Dates ($i < t$) after deduction of the Performance Fee Amount and the relevant Coupon and Partial Redemption Amounts.

The Performance Fee Amount cannot be a negative number.

Performance Fee Observation Dates

Quarterly on the last business day of March, June, September and December, from and including the Issue Date to and including the Final Valuation Date.

Indicative Termsheet

DISCLAIMER- IMPORTANT PLEASE READ This termsheet as published by the Issuer is purely for information purpose only and is not intended as an offer or solicitation of the purchase or sale of any securities, funds, structured products or any other investment (“Investment Products”). Nothing herein constitute investment, legal, accounting or tax advice or a representation that any Investment Product is suitable for or appropriate to your investment objectives, financial situation and particular needs, or otherwise constitutes a personal recommendation to you. This termsheet does not purport to identify or suggest all the risks or material considerations which may be associated with any Investment Products. If you are in doubt as to any information in respect of any Investment Product, please consult your own financial, legal and/or tax advisers. Any assumptions, data, projections, forecasts or estimates are forward looking statements and based upon information furnished to the Issuer or publicly available information and reflect subjective estimates and assumptions concerning circumstances and events that have not yet taken place. Accordingly, there can be no assurance or guarantee that any projected or forecasted results will be attained. Actual results may vary from such projections and forecasts. Past performance is not necessarily indicative of future performance, and such variations may be material. While based on the information believed to be reliable, this termsheet and its contents are provided on an “as is” basis. The Issuer does not make any representation or warranty as to the accuracy or completeness of the information in this termsheet. Information in this termsheet is confidential. Distribution of this termsheet to any person other than the original recipient will be strictly prohibited. The Issuer and its affiliates, connected or related corporations, directors and/or employees may have an interest in the Investment Products including without limitation, in relation to the Investment Products, marketing, dealing, holding, acting as market-makers, performing financial or advisory services, acting as a manager or co-manager of private offering. The Issuer and its affiliates, connected or related corporations, directors and/or employees may also have alliances, contractual agreements or broking or investment banking or other relationships for the provision of financial services, with any counterparty mentioned in this termsheet. This termsheet may only be distributed in countries where its distribution is legally permitted and described herein within selling restrictions. This information is not directed to any person in any jurisdiction where by reason of that person’s nationality, residence or net worth otherwise will be prohibited. Furthermore, this termsheet may not be publicly distributed or distributed to persons who are not institutional or professional investors by the Issuer or any other person.