

Issue of Series 2020-5 USD 3,000,000 Share Linked Notes (Autocall Standard Notes with Snowball Digital Coupon) due March 2025

Summary of the Issuer

INTRODUCTION AND WARNINGS

Name and international securities identifier number (ISIN) of the Notes:

Series 2020-5 USD 3,000,000 Share Linked Notes (Autocall Standard Notes with Snowball Digital Coupon) due March 2025 (the “**Notes**”) under the EUR 20,000,000,000 Euro Medium Term Note Programme (the “**Programme**”).

ISIN Code: XS2128023012

Issue Date: 3 March 2020

The identity and contact details of the issuer, including its legal entity identifier (LEI):

BrokerCreditService plc (the “**Issuer**”) is a public limited company incorporated in the Republic of Cyprus. Its registered office is at Agia Zoni Street, 12, AGIA ZONI CENTER, Flat/Office 103, 3027 Limassol, Cyprus and its telephone number is +357 257 74044. The Issuer’s LEI is 213800W4XQFCUX7HFM81.

Identity and contact details of the competent authority approving the Base Prospectus:

The Base Prospectus has been approved by the Central Bank of Ireland (the “**Central Bank**”) as competent authority, with its head office at Central Bank of Ireland, PO Box 559, New Wapping Street, Dublin 2 and telephone number: +353 1 2244000, in accordance with Regulation (EU) 2017/1129.

Date of approval of the Base Prospectus:

The Base Prospectus was approved on 20 December 2019.

Warning:

This summary has been prepared in accordance with Article 7 of Regulation (EU) 2017/1129 and should be read as an introduction to the base prospectus (the “**Base Prospectus**”). Any decision to invest in the Notes should be based on consideration of the Base Prospectus as a whole by the investor. Any investor could lose all or part of their invested capital and, where any investor's liability is not limited to the amount of the investment, it could lose more than the invested capital. Where a claim relating to the information contained in the Base Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the member states of the European Economic Area, have to bear the costs of translating the Base Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary, including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Base Prospectus or if it does not provide, when read together with the other parts of the Base Prospectus, key information in order to aid investors when considering whether to invest in the Notes.

KEY INFORMATION ON THE ISSUER

Who is the issuer of the Notes?

Domicile, legal form, LEI, jurisdiction of incorporation and country of operation:

The Issuer was incorporated in the Republic of Cyprus as a limited liability company under the Cyprus Companies Law, Cap. 113. The Issuer was converted to a public limited company under section 31 of the Cyprus Companies Law on 14 May 2015.

The Issuer's registered office is at Agia Zoni Street, 12, AGIA ZONI CENTER, Flat/Office 103, 3027 Limassol, Cyprus .Its LEI is 213800W4XQFCUX7HFM81.

Principal activities:

The Issuer is a special purpose vehicle which acts as an investment and financing company for the Group (being FG BCS Ltd. together with its consolidated subsidiaries, the "Group") and issues Notes under the Programme.

The Issuer conducts trading operations in the international securities markets, which include entering into transactions with market counterparties and related parties that are members of the Group. These transactions include, but are not limited to, repo transactions, loans and transactions in securities in the international capital markets including exchanges and OTC markets. The Issuer also conducts investment activities in different types of bonds of both Russian and international issuers.

Major Shareholders:

The Issuer is a subsidiary of FG BCS LTD, which holds 99.96% of the issued shares of the Issuer. FG BCS Ltd is incorporated and domiciled in Cyprus. The ultimate shareholder owning and controlling the Issuer is Oleg Mikhasenko, who is the sole ultimate beneficial owner of the Group.

Key managing directors:

Dimitra Karkalli and Evgenios Bagiazidis.

Statutory auditors:

Yiallourides & Partners Ltd, chartered accountants of 16 Spyrou Kyprianou Str., Divine Clock Tower 1st Floor, Office 101, 3070 Limassol, Cyprus

What is the key financial information regarding the Issuer?

The summary information in the tables below is extracted from each of: (i) the audited and consolidated financial statements of the Issuer as at and for the year ended 31 December 2017, (ii) the audited and consolidated financial statements of the Issuer as at and for the year ended 31 December 2018, (iii) the unaudited and consolidated interim financial statements of the Issuer for the period ended 30 June 2018 and (iv) the unaudited and consolidated interim financial statements of the Issuer for the period ended 30 June 2019.

In respect of the audited consolidated annual financial statements for the year ended 31 December 2018 (the "**2018 Financial Statements**"), the Issuer has adopted all of the new and revised International Financial Reporting Standards ("**IFRS**") that are relevant to it and are effective for accounting periods beginning on 1 January 2017, including IFRS 9 "Financial Instruments". The Issuer has elected to apply IFRS 9 retrospectively, by adjusting the opening balances as at 31 December 2017. The financial information for the year ended 31 December 2017 in the 2018 Financial Statements is presented accordingly.

	As at 31/12/2018 (audited)	As at 31/12/2017 (audited)
Non-current assets	10,222,583,547	6,301,757,163
Current assets	234,856,737,946	291,823,901,040
TOTAL assets	245,079,321,493	298,125,658,203
TOTAL equity	3,067,839,099	10,690,358,347
Current liabilities	242,011,482,394	287,435,299,856
TOTAL liabilities	242,011,482,394	287,435,299,856

TOTAL equity and liabilities	245,079,321,493	298,125,658,203
	As at 30/06/2019 (unaudited)	As at 30/06/2018 (unaudited)
Non-current assets	13,491,303,955	7,617,148,347
Current assets	286,662,189,368	285,361,441,346
TOTAL assets	300,153,493,323	300,153,493,323
Total equity	5,914,543,771	18,336,605,205
Total liabilities	294,238,949,552	274,641,984,488
TOTAL equity and liabilities	300,153,493,323	292,978,589,693

What are the key risks that are specific to the Issuer?

Credit risk

As part of its trading operations, the Issuer enters into loans, OTC derivatives, securities lending transactions and other financial transactions with a number of counterparties. Credit risk is the risk of loss that the Issuer may incur as a result of borrowers or other counterparties of the Issuer defaulting on their payment obligations in respect of such transactions, including the risks attaching to the Issuer's customers having financial difficulties and risks relating to large exposures, which could impact the Issuer's ability to meet its obligations under the Notes.

Market risk

The Issuer faces market risks as an inherent part of its business. The Issuer's market risk relates to the risk of loss that the Issuer may incur because of adverse developments in market values resulting from fluctuations in interest rates, credit spreads, foreign currency exchange rates and equity and commodity prices. The performance of financial markets may cause changes in the value of the Issuer's investment and trading books which may adversely affect the Issuer's financial position, including reducing its revenue which, in turn, could prevent the Issuer from fulfilling its payment obligations under the Notes.

Liquidity risk

The Issuer is subject to liquidity risk, being the risk that a lack of funding prevents the Issuer from being able to finance its activities (i.e. to ensure the growth of its assets or perform its obligations as they fall due). The Issuer is subject to the following types of liquidity risk:

* physical liquidity risk, being the risk of default by the Issuer on its liabilities to counterparties in any currency because of a shortage of cash or non-cash funds; and

* structural liquidity risk (i.e. concentration risk), being the risk of a significant deterioration of the Issuer's physical or regulatory liquidity due to an imbalance in the Issuer's asset and liability structure, which arises from a mismatch between the maturity of the Issuer's assets and liabilities. Although an unmatched position potentially enhances profitability, it can also increase the risk of losses for the Issuer.

If the Issuer is unable to finance its activities due to a lack of liquidity, this could lead creditors to form a negative view of Issuer's liquidity. This could result in higher borrowing costs and decreased access to various funding sources for the Issuer, which, in turn, could have an adverse effect on the Issuer's business, results of operations, financial position or prospects.

Insolvency risks under Cypriot law

The insolvency proceedings to which the Issuer could be subject to in Cyprus are (i) receivership, (ii) administration and (iii) winding up (a) by the court, (b) voluntarily by its shareholders or creditors or (c) subject to the supervision of the court. As the Notes are unsecured obligations, in the event of the insolvency of the Issuer, Noteholders would be unsecured creditors of the Issuer (and each Noteholder would rank *pari passu* with each other) and, depending on the size of the insolvency proceeds recovered following such insolvency, each Noteholder may receive less than it would have expected to receive under the Notes (and this may be less than its initial investment).

Risk factor relating to the ultimate shareholder of the Issuer

The ultimate shareholder owning and controlling the Issuer is Oleg Mikhasenko, who is the sole ultimate beneficial owner of the Group. The Issuer does not have any specific measures in place to ensure that this position of control is not abused. If such position of control is abused, this could have a material adverse effect on the Issuer’s financial condition, results of operations and future prospects which may, in turn, result in the Issuer being unable to fulfil its obligation to Noteholders under the Notes.

Risks factors relating to the Russian Federation

Economic, political and legal uncertainty in Russia could have a material adverse effect on the Issuer. A significant proportion (roughly 20 per cent.) of the Issuer’s revenue is derived from Russian investors and, as such, a large number of the Issuer’s counterparties are based in Russia. Instability in Russia (as further described in more detail in the risk factors below) could seriously impact Russian counterparties’ ability to invest which could lead to a reduction in the Issuer’s revenue. Any such reduction in revenue could potentially affect the Issuer’s ability to make payments to Noteholders under the Notes in part or in full.

KEY INFORMATION ON THE NOTES

What are the main features of the Notes?

Type, class and ISIN:

The Notes are share linked notes issued as Series number 2020-5, Tranche number 1. The Notes are issued in registered form and have the following ISIN Code: XS2128023012

The Notes are linked to a basket of the following underlying Shares (each a “**Share**” and together the “**Shares**”):

- (i) the common stock of Palo Alto Networks, Inc. (*Bloomberg Code: PANW US Equity; ISIN: US6974351057*);
- (ii) the common stock of Visa, Inc. (*Bloomberg Code: V US Equity; ISIN: US92826C8394*);
- (iii) the common stock of Cummins, Inc. (*Bloomberg Code: CMI US Equity; ISIN: US2310211063*);
- (iv) the common stock of Danaher Corp. (*Bloomberg Code: DHR US Equity; ISIN: US2358511028*); and
- (v) the common stock of Archer Daniels Midland Co. (*Bloomberg Code: ADM US Equity; ISIN: US0394831020*).

The Notes will be cash settled notes (“**Cash Settled Notes**”).

Currency, denomination, par value, number of securities issued and duration:

The Notes are denominated in U.S. dollars (“**USD**”). The Notes have a maturity date of 25 March 2025. As at the Issue Date of the Notes, there will be 2,400 Notes of the Series in issue. The Notes have a denomination of USD 1,250 per Note and an aggregate nominal amount of USD 3,000,000.

Rights attached the Securities:

Status of the Notes

The Notes constitute unsubordinated and unsecured obligations of the Issuer.

The Notes constitute direct, general and unconditional obligations of the Issuer which rank at least *pari passu* with all other present and future unsecured obligations of the Issuer, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

Events of Default

The terms of the Notes will contain events of default including non-payment, non-performance or non-observance of the Issuer's obligations in respect of the Notes and the insolvency or winding up of the Issuer.

Meetings

The terms of the Notes will contain provisions for calling meetings of holders of such Notes to consider matters affecting their interests generally. These provisions permit defined majorities to bind all holders, including holders who did not attend and vote at the relevant meeting and holders who voted in a manner contrary to the majority.

Taxation

All payments in respect of Notes will be made free and clear of withholding taxes of the Republic of Cyprus, as the case may be, unless the withholding is required by any law and/or regulation.

Governing law

The Notes, the Fiscal Agency Agreement (as amended or supplemented from time to time) and the Deed of Covenant (as amended or supplemented from time to time) and any non-contractual obligations arising out of or in connection with the Fiscal Agency Agreement and the Deed of Covenant are governed by, and shall be construed in accordance with English law.

Share Linked Notes

Payments (whether in respect of principal or interest and whether at maturity or otherwise) in respect of the Notes will be calculated by reference to the underlying Shares. Share Linked Notes may be subject to early redemption or adjustment if certain corporate events occur, if certain events occur with respect to the Issuer's or any of its affiliates' hedging arrangements or if insolvency filings are made with respect to a Share.

Interest

The Notes pay interest determined by reference to the Shares. Interest, if any, will be payable on the dates specified in the Final Terms.

The Notes bear or pay interest on the basis of a "Snowball Digital Coupon Condition" but with a memory effect. Any interest not paid in respect of a period may be paid at a later date if certain conditions are met.

In summary, if the Reference Value of the Worst Performing Share in respect of an interest valuation date is greater than or equal to 70%, Noteholders will receive an interest payment in respect of the relevant interest period on the immediately following interest payment date equal to (A) USD 1,250, *multiplied by* (B) 3% in respect of the first interest period or 13.5% in respect of each subsequent interest period *multiplied by* (C) the quotient of (i) the number of calendar days in the relevant interest period *divided by* (ii) 365 (or 366 in a leap year), subject to any minor discrepancies due to rounding. Noteholders will also receive on such interest payment date the sum of all unpaid interest amounts in respect of any previous interest payments. However, if the Reference Value of the Worst Performing Share in respect of such interest valuation date is less than 70%, no interest amount is payable on such interest payment date.

Early Redemption

The Notes may be redeemed early for tax reasons at the early redemption amount calculated in accordance with the terms and conditions of the Notes.

The Notes may be cancelled or redeemed early if the performance of the Issuer's obligations under the Notes has become illegal or by reason of force majeure or act of state it becomes impossible or impracticable for the Issuer to perform its obligations under the Notes.

The Notes may also be cancelled or redeemed early following the occurrence of certain disruption, adjustment, extraordinary or other events in relation to the underlying Shares.

Automatic Early Redemption

If the Reference Value in respect of the Worst Performing Share in respect of an automatic early redemption valuation date is greater than or equal to 100%, the Notes will be automatically redeemed at par.

Final Redemption - Notes

Each Note will be redeemed by the Issuer on the Maturity Date (unless previously redeemed or purchased and cancelled) at the Final Redemption Amount for Autocall Standard Notes.

In summary, if the Reference Value of the Worst Performing Share in respect of the last interest valuation date is greater than or equal to 60%, the Notes will be redeemed at par. If the Reference Value in respect of the Worst Performing Share in respect of the last interest valuation date is less than 60% (representing a decline of more than 60% from the Closing Value of such Worst Performing Share as of the Strike Date), Noteholders will receive a final redemption amount in USD equal to (A) USD 1,250 *multiplied by* (B) the Reference Value in respect of the Worst Performing Share in respect of the last interest valuation date, where the nominal amount invested by a Noteholder will be lost at a rate of 1% for every 1% the Closing Value of such Worst Performing Share in respect of the last interest valuation date is below the Initial Value in respect of such Worst Performing Share.

Where:

“**Closing Value**” means the value of a Share at the close of trading on the relevant exchange in respect of a given trading day.

“**Initial Value**” means the Closing Value in respect of a Share in respect of the Strike Date.

“**Reference Value**” means the Closing Value in respect of a Share in respect of a relevant valuation date *divided by* the Initial Value in respect of such Share, expressed as a percentage.

“**Strike Date**” means 25 March 2020.

“**Worst Performing Share**” means the Share with the lowest Reference Value in respect of a relevant valuation date.

Restrictions on free transferability of the securities:

The Notes will be freely transferable, subject to the offering and selling restrictions in the Russian Federation, the Republic of Cyprus and under the Prospectus Regulation and the laws of any jurisdiction in which the relevant Notes are offered or sold.

Where will the securities be traded?

The Notes have been admitted to the official list (the “**Official List**”) of Euronext Dublin and to trading on its regulated market (the “**Regulated Market of Euronext Dublin**”).

What are the key risks that are specific to the Notes?

There are certain factors which are material for the purposes of assessing the market risks associated with the Notes, including that (i) the Notes are unsecured obligations, (ii) the trading market for the Notes may be volatile and may be adversely impacted by many events, (iii) an active secondary market may never be established or may be illiquid and that this may adversely affect the value at which an investor may sell its Notes (investors may suffer a partial or total loss of the amount of their investment), (iv) the trading price of the Notes is affected by a number of factors including, but not limited to, the price of the underlying Shares and volatility and such factors mean that the trading price of the Notes may be below the Final Redemption Amount, (v) exposure to the underlying Shares in many cases will be achieved by the Issuer entering into hedging arrangements and potential investors are exposed to the performance of these hedging arrangements and events that may affect the hedging arrangements and consequently the occurrence of any of these events may affect the value of the Notes, (vi) the occurrence of an additional disruption event or optional additional disruption event may lead to an adjustment to the Notes, or early redemption or may result in the amount payable on scheduled redemption being different from the amount expected to be paid at scheduled redemption and consequently the occurrence of an additional disruption event and/or optional additional disruption event may have an adverse effect on the value or liquidity of the Notes, (vii) the Notes may be redeemed in the case of illegality or impracticability and such cancellation or redemption may result in an investor not realising a return on an investment in the Notes, (viii) the meetings of Noteholders provisions permit defined majorities to bind all Noteholders, and (ix) any judicial decision or change to an administrative practice or change to English law after the date of the Base Prospectus could materially adversely impact the value of any Notes affected by it.

In addition, there are specific risks arising from the fact that the Notes are linked to the underlying Shares and investment in the Notes will entail significant risks not associated with an investment in a conventional debt security. Risk factors in relation to Share linked Notes include: (i) exposure to the Shares, similar market risks to a direct equity investment, potential adjustment events or extraordinary events affecting the Shares and market disruption or failure to open of an exchange which may have an adverse effect on the value and liquidity of the Shares and (ii) that the

Issuer will not provide post-issuance information in relation to the Shares. Investors must note that due to the performance of the Worst Performing Share, Noteholders may lose the entire value of their investment in the Notes.

Furthermore there are specific risks in relation to Notes linked to Shares from an emerging or developing market (including, without limitation, risks associated with political and economic uncertainty, adverse governmental policies, restrictions on foreign investment and currency convertibility, currency exchange rate fluctuations, possible lower levels of disclosure and regulation and uncertainties as to status, interpretation and application of laws, increased custodian costs and administrative difficulties and higher probability of the occurrence of a disruption or adjustment event). Notes traded in emerging or developing countries tend to be less liquid and the prices of such securities more volatile.

KEY INFORMATION ON THE OFFER OF THE NOTES TO THE PUBLIC AND THE ADMISSION TO TRADING ON A REGULATED MARKET

Under which conditions and timetable can I invest in this security?

The Notes are offered by way of private placement. This is not a public offer and the Issuer does not consent to the use of this Final Terms in connection with any public offer of the Notes.

The Issuer has appointed BrokerCreditService (Cyprus) Limited (the “**Dealer**”) as the Dealer for the Programme. The arrangements under which Notes may from time to time be agreed to be sold by the Issuer to, and purchased by, the Dealer is set out in the Dealer Agreement between the Issuer and the Dealer.

No expenses will be chargeable by the Issuer to an investor in connection with the issue of the Notes. Any expenses chargeable by the Dealer to an investor shall be changed in accordance with any relevant contractual arrangements between the Dealer and that investor.

The Notes have been admitted to the Official List of Euronext Dublin and to trading on the Regulated Market of Euronext Dublin.

Who is the offeror and/or the person asking for admission to trading?

BrokerCreditService (Cyprus) Limited (as the Dealer for the Programme). BrokerCreditService (Cyprus) Limited was incorporated in Cyprus on 7 December 2004, Registration Number HE 154856. Its registered office is at Spyrou Kyprianou & 1 Oktovriou, 1 VASHIOTIS KALANDE OFFICES, 2nd floor, Mesa Geitonia, 4004 Limassol, Cyprus.

Why is the prospectus being produced?

The use and estimated net amount of the proceeds:

The net proceeds from the issue of the Notes will be used for the general financing purposes of the Issuer.

Conflicts of interest:

Various entities within the Group (including the Issuer) and Affiliates may undertake different roles in connection with the Notes and may also engage in trading activities (including hedging activities) relating to the underlying Shares and other instruments or derivative products based on or relating to the underlying Shares which may give rise to potential conflicts of interest.

The Calculation Agent is an affiliate of the Issuer. The Calculation Agent has no obligation to act in the best interests of the Noteholders and therefore a conflict of interest may arise between the Calculation Agent and Noteholders.