



Product Notice 2020-0186

Date: September 18, 2020

Re: Barclays ETN+ S&P 500 Dynamic VEQTOR ETNs

MEMX LLC ("MEMX or the "Exchange") was approved by the Securities and Exchange Commission as a registered national securities exchange on May 4, 2020. MEMX intends to commence trading and other operations in September of 2020. This Product Notice is being issued to advise you that the following securities have been approved for trading pursuant to unlisted trading privileges ("UTP") on MEMX as UTP Derivative Securities pursuant to MEMX Rule 14.1.

<u>Security (the "Notes" or the "ETNs")</u>	<u>Symbol</u>
Barclays ETN+ S&P 500 Dynamic VEQTOR ETNs	VQT

Issuer/Trust: Barclays Bank PLC

Issuer Website: <http://www.barx-is.com>

Primary Listing Exchange: NYSE Arca

Primary Exchange Circular: RB-10-105 (September 1, 2010)

Registration Statement: No. 333-145845

The purpose of this Product Notice is to outline various rules and policies that will be applicable to trading in these new products pursuant to the Exchange's unlisted trading privileges, as well as to provide certain characteristics and features of the Notes.

Background Information on the Notes

Barclays Bank PLC (the "Issuer") has issued Exchange Traded Notes ("Notes") linked to the performance of the S&P 500 Dynamic VEQTOR (Volatility EQuity Target Return) Total Return Index (the "Index"). The Notes were priced at \$100 each and mature in 2020.

The Notes are medium-term notes that are uncollateralized debt securities and are linked to the performance of the Index. The Index seeks to provide investors with broad equity market exposure with an implied volatility hedge by dynamically allocating its notional investments among three components: equity, volatility and cash. The so-called "volatility hedge" component of the Index is premised on the observation that historically (1) volatility in the equity markets tends to correlate negatively to the performance of U.S. equity markets (i.e., volatility increases in periods of negative market returns, and vice versa) and (2) rapid declines in the performance of the U.S. equity markets generally tend to be associated with particularly high volatility in such markets. The Index, therefore, seeks to reflect such historically-observed trends by allocating a greater proportion of its notional value to investments in the U.S. equity markets during periods of low market volatility with the ability to allocate a greater proportion of its notional value to investments in a reference asset that tracks implied volatility during periods of high market volatility (but in no case will the weighting of the volatility component exceed a 40% allocation of the Index). The Index also incorporates a "stop loss" mechanic that shifts the entire value of the Index to a cash investment under certain exceptional circumstances as described in the prospectus for the Notes.

The Index seeks to provide investors with broad equity market exposure with an implied volatility hedge by dynamically allocating its notional investments among three components: equity, volatility and cash. The equity component of the Index is represented by the S&P 500 Total Return Index™ (the “S&P 500 TR”) and the volatility component of the Index is represented by the S&P 500 VIX Short-Term Futures Index TR (the “Short-Term VIX TR” and together with the S&P 500 TR, the “Constituent Indices”). The S&P 500 TR is intended to provide a performance benchmark for the U.S. equity markets, and the Short-Term VIX TR seeks to model the return from a daily rolling long position in the first and second month CBOE Volatility Index (the “VIX Index”) futures contracts. The Index is calculated, maintained and published by Standard & Poor’s Financial Services LLC (“S&P” or the “index sponsor”).

The Notes do not guarantee any return of principal at maturity and do not pay any interest during their term. Instead, you will receive a cash payment at maturity or upon early redemption based on the performance of the Index less an investor fee.

If held to maturity, investors will receive a cash payment per Note equal to the closing indicative note value on the final valuation date. The closing indicative value for each Note on any given calendar day will be calculated in the following manner. The closing indicative value on the initial valuation date will equal \$100. On each subsequent calendar day until maturity or early redemption, the closing indicative value will equal (1) the closing indicative value on the immediately preceding calendar day times (2) the daily index factor on such calendar day (or, if such day is not an index business day, one) minus (3) the investor fee on such calendar day. An “index business day” is any day on which both the S&P 500 TR and the Short-Term VIX TR are calculated.

The daily index factor on any index business day will equal (1) the closing level of the Index on such index business day divided by (2) the closing level of the Index on the immediately preceding index business day.

The investor fee on the initial valuation date is equal zero. On each subsequent calendar day until maturity or early redemption, the investor fee will be equal to (1) 0.95% times (2) the closing indicative value on the immediately preceding calendar day times (3) the daily index factor on that day (or, if such day is not an index business day, one) divided by (4) 365. Because the investor fee is calculated and subtracted from the closing indicative value on a daily basis, the net effect of the fee accumulates over time and is subtracted at the rate of 0.95% per year.

Please see the prospectus for the Notes for more details regarding the calculations and details regarding the Index.

It is expected that the market value of the Notes will depend substantially on the value of the Index and may be affected by a number of other interrelated factors including, among other things: the general level of interest rates, the volatility of the Index, the time remaining to maturity, the dividend yield of the stocks comprising the Index, and the credit ratings of the Issuer.

Exchange Rules Applicable to Trading in the Notes

Trading in the Shares on MEMX is subject to MEMX trading rules.

Trading Hours

The Shares will trade on MEMX between 7:00 a.m. and 8:00 p.m. Please note that trading in the Shares during the Exchange's Pre-Market and Post-Market Sessions ("Extended Market Sessions") may result in additional trading risks which include: (1) that the current underlying indicative value may not be updated during the Extended Market Sessions, (2) lower liquidity in the Extended Market Sessions may impact pricing, higher volatility in the Extended Market Sessions may impact pricing, (4) wider spreads may occur in the Extended Markets Sessions, and (5) because the indicative value is not calculated or widely disseminated during the Extended Market Sessions, an investor who is unable to calculate an implied value for the Shares in those sessions may be at a disadvantage to market professionals.

Suitability

Trading in the securities on the Exchange will be subject to the provisions of MEMX Rule 3.7 and other applicable suitability rules. Members recommending transactions in the securities to customers should make a determination that the recommendation is suitable for the customer.

Trading Halts

Exchange will halt trading in the shares of a security in accordance with Exchange Rules. The grounds for a halt under Exchange Rules include a halt by the primary market because the intraday indicative value of the security and/or the value of its underlying index are not being disseminated as required, or a halt for other regulatory reasons. In addition, Exchange will stop trading the shares of a security if the primary market de-lists the security.

This Product Notice is not a statutory prospectus. Members should consult the Prospectus for a security and the security's website for relevant information.

Please contact MEMX Regulation at regulation@memx.com with any inquiries regarding this Product Notice.