

## SECURITIES NOTE

dated 26 January 2023

for the offer, continued offer, increase of the issue size or, as the case may be, of the aggregate nominal amount or, as the case may be, the listing on a regulated or another equivalent market

of

### SECURITIES

of

### UBS AG

*(a corporation limited by shares established under the laws of Switzerland)*

which may also be acting through its Jersey branch:

#### **UBS AG, Jersey Branch**

*(the Jersey branch of UBS AG)*

or through its London branch:

#### **UBS AG, London Branch**

*(the London branch of UBS AG)*



This document - including any supplements approved by the Swedish Financial Supervisory Authority (*Finansinspektionen* - the "**SFSA**") in respect hereof and published by UBS AG - constitutes a securities note (the "**Securities Note**") and, together with the registration document of UBS AG dated 14 September 2022, as supplemented from time to time, (as approved by the Federal Financial Services Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht* - "**BaFin**")), the "**Registration Document**", constitutes a base prospectus (the "**Base Prospectus**" or the "**Prospectus**") according to Article 8 (1) and Article 10 (1) of the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (the "**Prospectus Regulation**").

This Securities Note contains information relating to structured securities governed by German law (the "**Securities**", and each a "**Security**"), from time to time, to be issued by UBS AG (the "**Issuer**" or "**UBS AG**"), which may also be acting through its Jersey branch ("**UBS AG, Jersey Branch**") or its London branch ("**UBS AG, London Branch**").

In the Base Prospectus, unless otherwise specified, references to a “**Member State**” are references to a Member State of the European Economic Area (“**EEA**”), references to “**EUR**” or “**euro**” are to the currency introduced at the start of the third stage of European economic and monetary union, and as defined in Article 2 of Council Regulation (EC) No 974/98 of 3 May 1998 on the introduction of the euro, as amended, references to “**CHF**” are to Swiss francs and references to “**U.S. dollars**” are to United States dollars.

**IMPORTANT – EEA RETAIL INVESTORS** - If the Final Terms in respect of any Securities includes a legend entitled “Prohibition of Sales to EEA Retail Investors”, the Securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“**EEA**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); (ii) a customer within the meaning of Directive (EU) 2016/97 (the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129. Consequently no key information document required by Regulation (EU) No 1286/2014 (the “**PRIIPs Regulation**”) for offering or selling the Securities or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Securities or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

**THE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION IN THE UNITED STATES OR ANY OTHER U.S. REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THE OFFERING OF THE SECURITIES OR THE ACCURACY OR THE ADEQUACY OF THE BASE PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.**

**THE SECURITIES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND ARE BEING SOLD PURSUANT TO AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. THE SECURITIES MAY INCLUDE SECURITIES IN BEARER FORM THAT ARE SUBJECT TO U.S. TAX LAW REQUIREMENTS. TRADING IN THE SECURITIES HAS NOT BEEN APPROVED BY THE U.S. COMMODITY FUTURES TRADING COMMISSION UNDER THE U.S. COMMODITY EXCHANGE ACT OF 1936, AS AMENDED (THE “COMMODITY EXCHANGE ACT”) OR BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION. SUBJECT TO CERTAIN EXCEPTIONS, THE SECURITIES MAY NOT BE OFFERED, SOLD OR, IN THE CASE OF BEARER SECURITIES, DELIVERED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT (“REGULATION S”). SEE “SUBSCRIPTION AND SALE”.**

Potential investors in the Securities are explicitly reminded that an investment in Securities entails financial risks. Holders of Securities run the risk of losing all or part of the amount invested by them in the Securities. All potential investors in Securities are, therefore, advised to study the full contents of the Base Prospectus, including all information incorporated by reference and the relevant Final Terms, in particular the risk factors.

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## **A. GENERAL DESCRIPTION OF THE PROGRAMME**

### **1. General Description of the Base Prospectus**

This Securities Note has been approved by the Swedish Financial Supervisory Authority (*Finansinspektionen* – “**SFSA**”) as competent authority under the Prospectus Regulation.

The SFSA only approves this Securities Note as meeting the standards of completeness, comprehensibility and consistency imposed by Prospectus Regulation and such approval should not be considered as an endorsement of the issuer that is the subject of this Securities Note. Investors should make their own assessment as to the suitability of investing in the Securities.

This Securities Note together with the registration document of UBS AG dated 14 September 2022, as supplemented from time to time, (as approved by the Federal Financial Services Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht* – “**BaFin**”), the “**Registration Document**”), constitutes a base prospectus (the “**Base Prospectus**” or the “**Prospectus**”) according to Article 8 (1) and Article 10 (1) of the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (the “**Prospectus Regulation**”).

The validity of this Securities Note will expire on 26 January 2024. Whilst the Issuer will supplement this Securities Note in accordance with Article 23 of the Prospectus Regulation, such obligation to supplement the Securities Note in the event of significant new factors, material mistakes or material inaccuracies does not apply when the Securities Note is no longer valid.

Under the Base Prospectus UBS AG (the “**Issuer**” or “**UBS AG**”), which may also be acting through its Jersey branch (“**UBS AG, Jersey Branch**”) or its London branch (“**UBS AG, London Branch**”), may, from time to time, issue structured Securities governed by German law.

The Issuer intends to offer the Securities described in this Base Prospectus for sale to the public and/or to apply for admission to trading of the Securities in Sweden, Norway, Finland, Denmark and/or Luxembourg (each a “**Public Offer Jurisdiction**”), as specified in the applicable Final Terms. For this purpose, the Issuer has prepared and published this Base Prospectus comprising the Securities Note dated 26 January 2023 and the Registration Document of UBS AG dated 14 September 2022, as supplemented from time to time.

The Base Prospectus contains all information which was known at the time the Base Prospectus has been approved and contains placeholders and optional elements (options and additional options). This relates to information which will only be specified by the Issuer upon issuance of the Securities.

For this purpose, the Issuer will in each case prepare final terms for the Securities (the “**Final Terms**”) which will contain the information that can only be specified at the time of the issuance of the Securities under this Base Prospectus. The Final Terms will be prepared by completing the form of the Final Terms set out in section “F. Form of Final Terms” on page 199 et seq. of this Base Prospectus with the information that applies specifically to the relevant Securities. In particular, this includes stating which of the optional elements with regard to the Securities apply. In addition, the relevant placeholders contained in the Base Prospectus will be filled in with specific values (e.g. dates, prices, rates).

### **2. General Description of the Securities**

#### *Types of Securities*

The following Securities are described in the Base Prospectus:

- principal protected securities which (i) either provide for interest payments and a repayment at maturity of at least 100 per cent. of their specified denomination or their nominal amount or relevant calculation amount per Security or (ii) provide for derivative and structured payment components, but are at maturity subject to a (re-)payment of at least 100 per cent. of their

specified denomination or their nominal amount or relevant calculation amount per Security (the "**Capital Protected Securities**"), and

- securities, including securities without a denomination which provide for a structured payment component and which are only partly (the "**Partly Capital Protected Securities**" or not capital protected (the "**Not Capital Protected Securities**").

The Securities offered and/or listed on a regulated or another equivalent market may, as specified in the relevant Final Terms, be based on the performance of a share (including a certificate representing shares), an index, a currency exchange rate, a precious metal, a commodity, an interest rate, a non-equity security, an exchange traded fund unit, a not exchange traded fund unit, a futures contract, or, as the case may be, and as specified in the relevant Final Terms, a reference rate (including, but not limited to, interest rate swap (IRS) rates, currency swap rates or, as the case may be, credit default swap levels), as well as a basket or portfolio comprising the aforementioned assets (each an "**Underlying**").

There are no restrictions on the free transferability of the Securities.

### *Law governing the Securities*

The Securities issued by the Issuer are, save for the legal effects of the registration of the Securities with the relevant Clearing System, governed by German law. In case of Swedish Securities, Finnish Securities, Norwegian Securities and Danish Securities, the legal effects of the registration of the Securities with the relevant Clearing System will be governed by the laws of the Kingdom of Sweden, Republic of Finland, the Kingdom of Norway and the Kingdom of Denmark respectively.

### *Maturity of the Securities*

Unless the applicable Product Terms of the Securities in the definition of "Securities" specify the product feature "**No predefined term**" to be applicable, the Securities expire – provided that the Securities are not terminated or expired early in accordance with the Conditions of the Securities – on the Maturity Date or, as the case may be, and as specified in the relevant Final Terms on the Expiration Date. Unless already redeemed, repurchased and/or declared void, any rights conferred by the Securities shall be deemed exercised for the purpose of Article 2 (m) ii) of the Prospectus Regulation on the Maturity Date or, as the case may be, and as specified in the relevant Final Terms, on the Expiration Date without requiring any exercise notice, transfer of the Securities or the fulfilment of any other prerequisites.

In the case that in the definition of "Securities" contained in the section "Product Terms" of the relevant Final Terms the product feature "**No predefined term**" is specified to be applicable, the Securities have - in contrast to securities with a fixed term - no predetermined maturity date, and thus no defined term. As a result, the Securityholder's right vested in those Securities must be exercised by the respective Securityholder on a specific Exercise Date in accordance with the exercise procedure described in the Conditions of the Securities, if the Security Right is to be asserted.

### *Taxation*

Generally, income from the Securities is taxable for the Securityholders. Potential investors should therefore read the notices regarding the taxation of the Securities in the section "I. Impact of Tax Legislation on income received from the Securities" on page 219 of this Base Prospectus.

*Further information on the Securities can be found in the section "D. General Information on the Securities" on page 50 et seq. of this Base Prospectus.*

## **3. General Description of the offer of the Securities**

It has been agreed that, on or after the respective Issue Date of the Securities, as specified in the relevant Final Terms the Manager(s) shall underwrite the Securities by means of an underwriting agreement and shall place them for sale under terms subject to change in the Public Offer Jurisdiction and during the period, if any, specified for these purposes in the applicable Final Terms.

Further details of the offer and sale of the Securities, in particular the relevant issue price, the initial payment date, the aggregate amount of the issue, the relevant issue size or aggregate nominal amount, as the case may be, the relevant subscription period, if any, the relevant minimum investment amount, if any, information with regard to the manner and date, in which the result of the offer are to be made public, if required, the relevant name and address of the co-ordinator(s) of the offer, and the relevant conditions, if any, to which the offer of the Securities is subject, with regard to each issue of Securities under the Base Prospectus will be specified in the applicable Final Terms.

*Further information on the offer of the Securities can be found in the section "D. General Information on the Securities – 8. Offering of the Securities" on page 55 et seq. of this Base Prospectus and in the section "H. Subscription and Sale" on page 216 et seq. of this Base Prospectus.*

#### **4. General Description of the Admission of the Securities to Trading**

Application may be made for admission of the Securities to trading on one or more stock exchanges or multilateral trading facilities or markets, including but not limited to the Frankfurt Stock Exchange, the Luxembourg Stock Exchange, the Nasdaq Stockholm, the Nasdaq Helsinki and the Nordic Growth Market NGM AB – NDX (Nordic Derivatives Exchange). Securities which are neither admitted to trading nor listed on any market may also be issued. The applicable Final Terms will state whether or not the relevant Securities are to be admitted to trading and/or listed and, if so, on which stock exchange(s) and/or multilateral trading facility(ies) and/or markets.

*Further information on the offer of the Securities can be found in the section "D. General Information on the Securities – 7. Listing or Trading of the Securities" on page 54 et seq. of this Base Prospectus.*

## **B. RISK FACTORS**

The specific risk factors related to the Securities (see section "1 Material Risks relating to the Securities", cf. pages 8 et seq. of this Base Prospectus) and the Underlyings (see section "2 Material Risks relating to the Underlying", cf. pages 27 et seq. of this Base Prospectus), which are material for an informed investment decision in the Securities, are outlined below. Which of these are relevant to the Securities offered and/or listed on a regulated or another equivalent market under the Base Prospectus depends upon a number of interrelated factors, especially the type of Security and of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, of the Basket Components.

**In each category, the most material risk factors, in the assessment of the Issuer as of the date of this Base Prospectus, are presented first. The Issuer has assessed materiality on a qualitative basis considering potential magnitude of the negative effects on the Issuer from the occurrence of a risk and the probability of occurrence of that risk. The magnitude of the negative impact of each of the risk factors described below on the relevant Securities is described by reference to the magnitude of potential losses of the invested capital (including a potential total loss), the incurrence of additional costs in relation to the Securities or limitations of returns on the Securities. An assessment of the probability of the occurrence of risks and the magnitude of the negative impact also depends on the Underlying, if any, or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, of the Basket Components, if any, the relevant parameters and product feature(s) with regard to the type of Securities specified in the relevant Final Terms and the circumstances existing as of the date of the relevant Final Terms.**

### **1. Material risks relating to the Securities**

Investing in the Securities involves certain specific material risks. Among others, these risks may be related to equity markets, commodity markets, bond markets, foreign exchanges, interest rates, market volatility and economic and political risks and any combination of these and other risks. The material specific risks relating to the Securities are presented below.

The value of the Securities and, hence, any amount, if any, payable in accordance with the relevant Product Terms comprised in the Final Terms in conjunction with the General Conditions comprised in this Base Prospectus, together constituting the "**Conditions**", of the relevant Securities or, in case that in the definition of "Securities" contained in the section "Product Terms" of the relevant Final Terms the product feature "**Physical Delivery**" is specified to be applicable, the value of the Physical Underlying to be delivered in an appropriate number will be dependent, *inter alia*, upon potential future changes in the value of the Underlying or, as the case may be, of the Basket Components. More than one risk factor may have simultaneous effects with regard to the Securities, so that the effect of a particular risk factor is not predictable. In addition, more than one risk factor may have a compounding effect which may not be predictable. There is the risk that any combination of risk factors may have a significantly negative effect on the value of the Securities.

**The Securities constitute a risk investment which can lead to a total loss of the investment in the Securities made by the Securityholders. Securityholders will incur a loss, if the amounts or, in case that in the definition of "Securities" contained in the section "Product Terms" of the relevant Final Terms, the product feature "Physical Delivery" is specified to be applicable, the value of the Physical Underlying received in accordance with the Conditions of the Securities is below the purchase price of the Securities (including the transaction costs). Even when the Securities are capital protected at maturity to the extent of the Minimum Amount and, hence, the risk of a loss is initially limited to the Minimum Amount, the investor bears the risk of the Issuer's financial situation worsening and the potential subsequent inability of the Issuer to pay its obligations under the Securities. Potential investors must therefore be prepared and able to sustain a partial or even a total loss of the invested capital.**

#### **1.1 Material risks related to the rank and characteristic of the Securities in the case of a failure of the Issuer**

In the following risk category, the specific material risks related to the rank and characteristics of the Securities in the case of a failure of the Issuer are presented, where the most material risk factors, in the assessment of the Issuer as of the date of this Base Prospectus, are presented first: These are "1.1(a) Securityholders are exposed to the risk of a bail-in" and "1.1(b) No statutory or voluntary deposit guarantee scheme".



**(a) Securityholders are exposed to the risk of a bail-in**

Issuer and the Securities are subject to the Swiss Banking Act and the Swiss Financial Market Supervisory Authority's ("FINMA") bank insolvency ordinance, which empowers FINMA as the competent resolution authority to in particular apply under certain circumstances certain resolution tools to credit institutions. These measures include in particular the write-down or conversion of securities into common equity of such credit institution (the so called bail-in). A write-down or conversion would have the effect that the Issuer would insofar be released from its obligations under the Securities. Securityholders would have no further claim against the Issuer under the Securities. The resolution tools may, hence, have a significant negative impact on the Securityholders' rights by suspending, modifying and wholly or partially extinguishing claims under the Securities. In the worst case, this can lead to a **total loss of the Securityholders' investment in the Securities**.

Such legal provisions and/or regulatory measures may severely affect the rights of the Securityholders and may reduce the value of the Securities even prior to any non-viability or resolution in relation to the Issuer.

**(b) No statutory or voluntary deposit guarantee scheme**

The Securities are not bank deposits and an investment in the Securities carries risks which are very different from the risk profile of a bank deposit placed with the Issuer or its affiliates. The Securities may have different yield, liquidity and risk profiles. Therefore, the Issuer's obligations relating to the Securities are not protected by any statutory or voluntary deposit guarantee system or compensation scheme. **In the event of insolvency of the Issuer, investors may thus experience a total loss of their investment in the Securities.**

**1.2 Material risks related to the Terms and Conditions of the Securities**

In the following risk category, the specific material risks related to the Terms and Conditions of the Securities and, in particular, the specific features of the structure of the Securities are presented, where the most material risk factors, in the assessment of the Issuer as of the date of this Base Prospectus, are presented first: These are "1.2(a) *Material risks related to the specific features of the structure of the Securities*", "1.2(b) *Specific risks related to no further participation in the performance Underlying or, as the case may be, Basket Components, following the termination and early redemption of the Securities*", "1.2(c) *Specific risks related to reinvestment following the termination and early redemption of the Securities*" and "1.2(d) *Specific risks related to adjustments of the Security Right*".

**(a) Material risks related to the specific features of the structure of the Securities**

Prior to investing in the Securities, potential investors should note that the following special features of the Securities, if specified to be applicable in the relevant Final Terms, may reduce the value of the Securities or, as the case may be, any amount payable according to the Conditions of the Securities or, as the case may be, the delivery of the Physical Underlying in an appropriate number and that the Securities accordingly have special risk profiles:

**(i) Securities linked to an Underlying**

In the case of Securities linked to an **Underlying** as specified in the section "Product Terms" of the relevant Final Terms,

the amount of the Redemption Amount and of the Coupon Amount or, as the case may be, the Interest Amount, if specified to be applicable in the Final Terms, and any other amounts payable in accordance with the Conditions of the Securities depends on the performance of the Underlying or, as the case may be, the Basket Components. In case of an unfavourable development of the price of the Underlying or, as the case may be, the Basket Components, any amount received under the Securities may be lower than expected by the investors and may even be equal to zero. In such case the Securityholders will incur **a total loss of the invested capital**.

In case of a termination of the Securities pursuant to the Conditions of the Securities, the risk of price losses of the price of the Underlying or, as the case may be, the Basket Components is borne by

Securityholders following such termination until the relevant the Valuation Date or the Final Valuation Date relevant for determining the Reference Price or the Settlement Price, as specified in the Final Terms, for the calculation of the then payable relevant Termination Amount or, if in the applicable Product Terms in the definition of "Securities" the product feature "**Securityholder's Termination Right**" is specified to be applicable, Securityholder Termination Amount. In case of an unfavourable development of the price of the Underlying or, as the case may be, the Basket Components, following such termination of the Securities, the relevant Termination Amount or, as the case may be, Securityholder Termination Amount may, consequently, be lower than expected by the Securityholder and may even be equal to zero. In such case the Securityholders will incur **a total loss of the invested capital**.

**(ii) Product feature "Participation Factor", "Leverage Factor", "Multiplication Factor" or, as the case may be, "Multiplier"**

In the case that in the definition of "Securities" contained in the section "Product Terms" of the relevant Final Terms the product feature "**Participation Factor**", "**Leverage Factor**", "**Multiplication Factor**" or, as the case may be, "**Multiplier**" is specified to be applicable,

the application of the Participation Factor, Leverage Factor, Multiplication Factor or of the Multiplier, as specified to be applicable in the Final Terms, within the determination of the Security Right results in the Securities being in economic terms similar to a direct investment in the Underlying or, as the case may be, in the Basket Components, but being nonetheless not fully comparable with such a direct investment, in particular because the Securityholders do, if so specified in the relevant Final Terms, not participate in the relevant performance of the Underlying or, as the case may be, Basket Components by a 1:1 ratio, but by the proportion of the Participation Factor, the Leverage Factor, the Multiplication Factor or of the Multiplier.

**(iii) Product feature "Leverage"**

In the case that in the definition of "Securities" contained in the section "Product Terms" of the relevant Final Terms the product feature "**Leverage**" is specified to be applicable,

the so-called "**Leverage**" Effect is one of the key features of the Securities. Any change in the value of the Underlying or, as the case may be, the Basket Components may result in a disproportionate change in the value of the Securities. **The Securities, consequently, also involve disproportionate loss exposure**, if the price of the Underlying or, as the case may be, the Basket Components, develops unfavourably.

It should be noted that the higher the leverage effect of a Security, the higher the loss exposure involved. In addition, it should be noted that, typically, the shorter the (remaining) maturity of the Security, the higher the leverage effect.

**(iv) Product feature "Reverse Structure"**

In the case that in the definition of "Securities" contained in the section "Product Terms" of the relevant Final Terms the product feature "**Reverse Structure**" is specified to be applicable,

the Securities provide for a so-called reverse structure and that, hence, the Securities (irrespective of the other features attached to the Securities or of any other factors, which may be relevant for the value of the Securities) **depreciate in value**, if the price of the Underlying or, as the case may be, in the Basket Components, increases, or the Securities **increase in value**, if the price of the Underlying or, as the case may be, in the Basket Components, decreases. Therefore, potential investors in the Securities bear the risk that the price of the Underlying or, as the case may be, Basket Components increases (which constitutes an unfavourable development of the price of the Underlying).

Accordingly, potential investors in the Securities should also be aware that the Redemption Amount payable to the Securityholders is limited by the Reverse Level or, as the case may be, another level or percentage specified in the applicable Product Terms. Securityholders would therefore benefit from a decrease in price of the Underlying or, as the case may be, the Basket Components only up to the difference between the Reverse Level or, as the case may be, such other level or percentage and e.g. the performance of the Underlying or, as the case may be, the Basket Components, as specified in the

relevant Final Terms. The potential profit of the Securities is, therefore, limited by the Reverse Level or, as the case may be, such other level or percentage.

**(v) Product feature “Express Structure”**

In the case that in the definition of “Securities” contained in the section “Product Terms” of the relevant Final Terms the product feature “**Express Structure**” is specified to be applicable,

the term of the Securities may according to the Conditions of the Securities under certain circumstances e.g. following the occurrence of an Early Redemption Event, be terminated automatically prior to the Maturity Date, so-called express structure. In such case, the Securityholders bear the risks described in sections “1.2(b) *Specific risks related to no further participation in the performance of the Underlying or, as the case may be, Basket Components, following the termination and early redemption of the Securities*” and “1.2(c) *Specific risks related to reinvestment following the termination and early redemption of the Securities*” below.

**(vi) Product feature “Thresholds, Barriers or Levels”**

In the case that in the definition of “Securities” contained in the section “Product Terms” of the relevant Final Terms the product feature “**Thresholds, Barriers or Levels**” is specified to be applicable,

the Redemption Amount or, as the case may be, and as specified in the relevant Final Terms, the value of the Physical Underlying to be delivered in an appropriate number, if any, under the Securities depends on whether the price of the Underlying or, as the case may be, the Basket Components equals, and/or falls below respectively exceeds a certain threshold, barrier or level as specified in the relevant Final Terms, at a given time or, as the case may be, within a given period as determined by the Conditions of the Securities.

Only provided that the relevant threshold, barrier or, as the case may be, level has not been reached and/or fallen below respectively exceeded at the time or period as determined by the Conditions of the Securities, the Securityholder receives an amount, predetermined in the Conditions of the Securities as Redemption Amount. If so specified in the relevant Final Terms, the application of thresholds, barriers or levels as specified in the relevant Final Terms may in accordance with the Conditions of the Securities even result in a Redemption Amount of zero (0). Otherwise the Securityholder participates in the performance of the Underlying or, as the case may be, the Basket Components and, therefore, bears the risks of **a total loss of the invested capital**.

**(vii) Product feature “Maximum Amount”**

In the case that in the definition of “Securities” contained in the section “Product Terms” of the relevant Final Terms the product feature “**Maximum Amount**” is specified to be applicable,

the Redemption Amount or, as the case may be, and as specified in the relevant Final Terms, the value of the Physical Underlying to be delivered in an appropriate number, if any, under the Securities is limited to the Maximum Amount multiplied, if so specified in the relevant Final Terms, by the Participation Factor, the Leverage Factor, the Multiplication Factor or the Multiplier, as specified to be applicable in the Final Terms. In contrast to a direct investment in the Underlying or, as the case may be, the Basket Components, the Securityholder does not participate in the performance of the Underlying or, as the case may be, the Basket Components beyond the Maximum Amount and the potential profit of the Securities is, therefore, limited to the Maximum Amount multiplied, if so specified in the relevant Final Terms, by the Participation Factor, the Leverage Factor, the Multiplication Factor or the Multiplier, as specified to be applicable in the Final Terms.

**(viii) Product feature “Relevant Underlying”**

In the case that in the definition of “Securities” contained in the section “Product Terms” of the relevant Final Terms the product feature “**Relevant Underlying**” is specified to be applicable,

the calculation of the level of the Redemption Amount or, as the case may be, and as specified in the relevant Final Terms, the value of the Physical Underlying to be delivered in an appropriate number, if

any, in respect of Securities linked to a portfolio of Underlyings solely refers to the performance of a single Underlying from such portfolio of Underlyings, as specified in the applicable Final Terms (the “**Relevant Underlying**”). Such Relevant Underlying is the Underlying from the portfolio of Underlyings which shows a certain pre-determined performance, e.g. the **worst** performance during an observation period.

Potential investors should, consequently, be aware that compared to Securities which refer to only one underlying, these Securities linked to a portfolio of Underlyings show a higher exposure to loss. This risk may not be reduced by a positive or, as the case may be, negative performance of the remaining Underlyings, because the remaining Underlyings are not taken into account when calculating the level of the Redemption Amount or, as the case may be, and as specified in the relevant Final Terms, the value of the Physical Underlying to be delivered in an appropriate number.

#### (ix) Product feature “Physical Delivery”

In the case that in the definition of “Securities” contained in the section “Product Terms” of the relevant Final Terms the product feature “**Physical Delivery**” is specified to be applicable,

Securityholders may, upon maturity of the Securities, not receive any payment of a Redemption Amount, but the delivery, if any, of the Physical Underlying as described in the Conditions of the Securities in the appropriate number. In case of a redemption of the Securities by physical delivery of the Physical Underlying in the appropriate number, investors do not receive any cash amount, but a right to the relevant security, which is transferable according to the conditions of the relevant depository system. If so specified in the relevant Final Terms, the price or value of the Physical Underlying to be delivered to the Securityholder might be determined on (securities) exchanges or in other trading systems in currencies other than the Redemption Currency of the Securities.

In case of delivery of a Physical Underlying, the Securityholders are exposed to the issuer- and security-specific risks related to such Physical Underlying. The equivalent value of the Physical Underlying to be delivered in the appropriate number, is subject to considerable fluctuations and Securityholders bear the risk of price losses of the Physical Underlying. Under certain circumstances, the value of the Physical Underlying to be delivered in the appropriate number may be very low and may even be zero (0). In such case the Securityholders bear the risk of a total loss of the capital invested for purchasing the Securities (including the transaction costs).

Potential investors in the Securities do also bear the risk of price losses of the Physical Underlying between the end of the term of the Securities and the actual delivery of the Physical Underlying on the Maturity Date. Any decrease in value of the Physical Underlying after the end of the term of the Securities might, consequently, result in the value of the Physical Underlying being very low or even be zero (0) when being actually delivered to the Securityholder.

The risk of price losses of the Physical Underlying does not end with its delivery to the Securityholder, but only with its (subsequent) sale by the Securityholder. In this context, investors might not be able to sell the Physical Underlying after redemption of the Securities at a certain price, in particular not at a price, which corresponds to the capital invested for the acquisition of the Securities. If the value of the Physical Underlying continues to fall between the time of delivery to the Securityholder and the (subsequent) sale by the Securityholder, the loss of the Securityholder increases accordingly. As a rule, if the value of the Physical Underlying delivered, less all costs in connection with its holding and disposal, is less than the capital invested by the Securityholder for purchasing the Securities (including the transaction costs), the Securityholder suffers a loss on sale.

Further, potential investors should be aware that the holding or sale of the delivered quantity of the Physical Underlying may result in fees or other costs which reduce the potential return or increase the loss of the Securityholder. Ongoing costs (for example, custody fees) have a higher impact the longer the delivered quantity of the Physical Underlying is held by the Securityholder after its delivery. As a rule, if the value of the Physical Underlying delivered, less all costs in connection with its holding and disposal, is less than the capital invested by the Securityholder for purchasing the Securities (including the transaction costs), the Securityholder may even suffer **a total loss of the invested capital**.

Additionally, Securityholders should be aware that they would become entitled to certain rights arising out of or in connection with the Physical Underlying only when such Physical Underlying is actually

delivered to them. For example, where the Physical Underlying is a share, all rights and entitlements of the Issuer in its capacity as shareholder of such share would remain with the Issuer until such time that the Issuer actually delivers such share to the relevant Securityholder's securities account. Such rights and entitlements include, without limitation, voting rights and the rights to receive dividends or any other distributions in respect of such share. The Issuer is not obliged to account to or, as the case may be, compensate the Securityholders for any such rights and entitlements. That is also the case where such rights and entitlements give rise to a benefit for the Issuer between the end of the term of the Securities and the actual delivery of the Physical Underlying on the Maturity Date. If the issuer of a share as the Physical Underlying pays any dividends between the end of the term of the Securities and the actual delivery of such share on the Maturity Date, the Issuer is entitled to retain such dividends for its own account. In such case, the Securityholders would receive actual delivery of the relevant share, but not of any dividends paid in respect of such share prior to such actual delivery.

**(x) Product feature "Final Lock-In"**

In the case that in the definition of "Securities" contained in the section "Product Terms" of the relevant Final Terms the product feature "**Final Lock-In**" is specified to be applicable,

certain amounts or performances, as specified in the Product Terms, will in the case of the occurrence of a predetermined lock-in event be "locked-in" to an extent that the participation of the Securityholders in the future performance of the Underlying or, as the case may be, the Basket Components is limited or even excluded.

Securityholder do in this case, not, or only to a limited extent, participate in any future performance of the Underlying or, as the case may be, the Basket Components.

**(xi) Product feature "Currency Conversion"**

In the case that in the definition of "Securities" contained in the section "Product Terms" of the relevant Final Terms the product feature "**Currency Conversion**" is specified to be applicable,

the Securityholder's right vested in the Securities as well as the value of the Underlying or, as the case may be, the Basket Components are determined on the basis of a currency other than the Redemption Currency. Accordingly, any value of the Underlying or, as the case may be, the Basket Components determined on the basis of a currency other than the Redemption Currency needs to be converted into the Redemption Currency by using a currency exchange rate prevailing at the time of such conversion. However, currency exchange rates are at times subject to considerable fluctuations and can change significantly over time. Any unfavourable developments in the value of the currency in which the value of the Underlying or, as the case may be, the Basket Components against the Redemption Currency is determined may therefore reduce the value of the Securities and may even result in **total loss of invested capital** even in case of a favourable performance of the Underlying or, as the case may be, the Basket Component.

**(xii) Product feature "Dual Currency"**

In the case that in the definition of "Securities" contained in the section "Product Terms" of the relevant Final Terms the product feature "**Dual Currency**" is specified to be applicable,

the Issuer is – although the Securityholders are entitled to receive payments in the predetermined currency specified in the applicable Product Terms as the Redemption Currency – in accordance with the Terms and Conditions entitled to replace, either during the life of the Securities or at the final redemption, this predetermined currency by another currency specified for that purposes in the applicable Product Terms. All following payments to the Securityholder will then be made in such other currency.

Investments in these Securities could, consequently, entail specific risks due to fluctuating exchange rates between the predetermined Redemption Currency specified in the applicable Product Terms and the alternative currency. Consequently, the risk of loss does not depend solely on the performance of the Underlying or, as the case may be, the Basket Components, but also on unfavourable developments in the value of the predetermined Redemption Currency and the alternative currency. In case of extreme

fluctuations between the value of the predetermined Redemption Currency and the alternative currency, Securityholders may even suffer **a total loss of the invested capital**.

**(xiii) Product feature “Capital Protection”**

In the case that in the definition of “Securities” contained in the section “Product Terms” of the relevant Final Terms the product feature “**Capital Protection**” is specified to be applicable,

the Securities are as at the end of their term only capital protected to the extent of a Minimum Amount (without consideration of the offering premium), *i.e.* the investor receives at the end of the term, in case of Securities linked to the performance of an Underlying even disregarding the actual performance of the Underlying or, as the case may be, the Basket Components, in any case the capital protected Minimum Amount specified in the relevant Final Terms. If an investor acquires the Securities at a price, which is higher than the Minimum Amount, the prospective investor should be aware that the (proportional) capital protection only refers to the lower Minimum Amount. In this context, it has to be considered that the capital protection only applies at the end of the term, *i.e.* provided that the Securities have not been terminated or, if so specified in the applicable Final Terms, expired early. The cash amount to be paid or, as the case may be and as specified in the applicable Final Terms, the value of the Physical Underlying to be delivered in an appropriate number, if any, in the case of an early redemption of the Securities can be considerably below the amount, which would be payable as a minimum at the end of the term of the Securities, where the capital protection applies to the extent of the Minimum Amount, and may even be equal to zero. In such case the Securityholders will incur **a total loss of the invested capital**.

Potential investors of the Securities should furthermore recognise that despite the capital protection to the extent of the Minimum Amount, the investor bears the risk of the Issuer's financial ability worsening and the potential subsequent inability of the Issuer to pay its obligations under the Securities. In case of an insolvency of the Issuer, Securityholders may suffer **a total loss of the invested capital**. Potential investors must therefore be prepared and able to sustain a partial or even a total loss of the capital invested. Purchasers of the Securities should in any case assess their financial situation, to ensure that they are in a position to bear the risks of loss connected with the Securities.

**(xiv) Product feature “No predefined term”**

In the case that in the definition of “Securities” contained in the section “Product Terms” of the relevant Final Terms the product feature “**No predefined term**” is specified to be applicable,

the Securities have - in contrast to securities with a fixed term - no predetermined expiration date, and thus no defined term. As a result, the Securityholder's right vested in those Securities, must be exercised by the respective Securityholder on a specific Exercise Date in accordance with the exercise procedure described in the Conditions of the Securities, if the Security Right is to be asserted. In the event that the required Exercise Notice is not duly received on the relevant Exercise Date, the Securities cannot be exercised until the next exercise date stated in the Conditions of the Securities.

In such case and prior to the next exercise date stated in the Conditions of the Securities, the realisation of the economic value of the Securities (or parts thereof) is only possible by way of selling the Securities.

Selling the Securities requires that market participants are willing to acquire the Securities at a certain price. In case that no market participants are readily available, the value of the Securities may not be realised. Securityholders should be aware that there may not be a liquid market for trading in the Securities at any time, as described in section “1.3(b) *Specific risks related to the trading in the Securities / Illiquidity*” below. The issuance of the Securities does not result in an obligation of the Issuer towards the Securityholders to compensate for this or to repurchase the Securities.

If the price at which a Securityholder is able to sell the Securities to market participants is lower than the capital invested by such Securityholder when purchasing the Securities (including the transaction costs), the Securityholder will not only be unable to realise the (full) value of the Securities, but may even suffer a total loss of the invested capital.

**(xv) Product feature "Time-lagged Valuation"**

In the case that in the definition of "Securities" contained in the section "Product Terms" of the relevant Final Terms the product feature "**Time-lagged Valuation**" is specified to be applicable,

the Valuation Date or the Final Valuation Date relevant for determining the Reference Price or the Settlement Price, as specified in the Final Terms, may in accordance with the Conditions of the Securities be a day following a significant period after the relevant Issuer Exercise Date or, as the case may be, the relevant automatic termination date, as specified to be applicable in the Product Terms. In such circumstances, Securityholders are exposed to any adverse fluctuations in the Price of the Underlying or, as the case may be, of the Basket Components between such date and the Valuation Date or the Final Valuation Date, as specified in the Final Terms, without being able to bring forward the Valuation Date or, as the case may be, the Final Valuation Date and generally without being able to dispose of the Securities.

**(xvi) Product feature "Automatic Termination"**

In the case that in the definition of "Securities" contained in the section "Product Terms" of the relevant Final Terms the product feature "**Automatic Termination**" is specified to be applicable,

the term of all outstanding Securities is in case of the occurrence of an automatic termination event (including, but not limited to, a Stop Loss Event or Knock Out Event) in accordance with the Conditions of the Securities automatically terminated. In such case, the Securityholders bear the risks described in sections "1.2(b) *Specific risks related to no further participation in the performance Underlying or, as the case may be, Basket Components, following the termination and early redemption of the Securities*" and "1.2(c) *Specific risks related to reinvestment following the termination and early redemption of the Securities*" below.

**(xvii) Product feature "Minimum Exercise Size"**

In the case that in the definition of "Securities" contained in the section "Product Terms" of the relevant Final Terms the product feature "**Minimum Exercise Size**" is specified to be applicable,

any Securityholder must in accordance with the Conditions of the Securities tender a specified minimum number of the Securities, in order to exercise the Security Right vested in the Securities, the so-called Minimum Exercise Size. Securityholders with fewer than the specified Minimum Exercise Size of Securities will, therefore, either have to sell their Securities or purchase additional Securities (incurring transaction costs in each case). The risks associated with selling the Securities are described under section "1.2(a)(xiv) *Product feature "No predefined term"*" above.

**(xviii) Product feature "Securityholder's Termination Right"**

In the case that in the definition of "Securities" contained in the section "Product Terms" of the relevant Final Terms the product feature "**Securityholder's Termination Right**" is specified to be **not** applicable,

Securityholders do not have a termination right and the Securities may, hence, not be terminated by the Securityholders during their term. Prior to the maturity of the Securities the realisation of the economic value of the Securities (or parts thereof), is, unless the Securities have been subject to early redemption or termination by the Issuer in accordance with the Conditions of the Securities or, if so specified in the relevant Final Terms, an exercise of the Security Right by the Securityholders in accordance with the Conditions of the Securities, only possible by way of selling the Securities. The risks associated with selling the Securities are described under section "1.2(a)(xiv) *Product feature "No predefined term"*" above.

**(xix) Product feature "Quanto"**

In the case that in the definition of "Securities" contained in the section "Product Terms" of the relevant Final Terms the product feature "**Quanto**" is specified to be applicable,

the Securityholder's right vested in the Securities as well as the value of the Underlying or, as the case may be, the Basket Components are determined on the basis of a currency other than the Redemption Currency. Accordingly, any value of the Underlying or, as the case may be, the Basket Components determined on the basis of a currency other than the Redemption Currency needs to be converted into the Redemption Currency by using a currency exchange rate fixed at the time of issuance of the Securities (so-called "quanto"-feature). Potential investors should be aware that there may be favourable developments in the value of the currency in which the value of the Underlying or, as the case may be, the Basket Components is determined against the Redemption Currency. Therefore, the "quanto"-feature of the Securities may preclude the investors from participating in such favourable developments (i.e., because the fixed currency exchange rate used for the purposes of valuing the Underlying or, as the case may be, the Basket Component in the Redemption Currency is less favourable than the currency exchange rate prevailing in the market at the time of valuation) and, therefore, reduce the value of the Securities.

**(xx) Product feature "Price Dividend Adjustment"**

In the case that in the definition of "Securities" contained in the section "Product Terms" of the relevant Final Terms the product feature "**Price Dividend Adjustment**" is specified to be applicable,

potential investors should be aware that the Price, the Reference Price, or, if applicable, the Settlement Price of the Underlying, or, as the case may be, the Basket Components would be adjusted on an ongoing basis during the term of the Securities.

In particular, the Price, the Reference Price, or, if applicable, the Settlement Price of the Underlying, or, as the case may be, any Basket Component would be increased to take into account any dividend payments in respect of the Underlying or, as the case may be, the Basket Components which are declared from time to time by the relevant issuer of such Underlying or, as the case may be, Basket Component. Conversely, the Price, the Reference Price, or, if applicable, the Settlement Price of the Underlying, or, as the case may be, any Basket Component would be decreased at a fixed daily rate specified in the Final Terms.

In addition, potential investors should be aware that the product feature "**Price Dividend Adjustment**" also has the effect that once the Price, the Reference Price, or, if applicable, the Settlement Price of the Underlying or, as the case may be, the Basket Component reaches zero, such Price, Reference Price, or, if applicable, Settlement Price would remain at zero for the remaining term of the Securities.

Potential investors should be aware that the Price, the Reference Price, or, if applicable, the Settlement Price of the Underlying, or, as the case may be, the Basket Components determines whether certain events occur with respect of the Securities, such as, for example, an Early Redemption Event or a Coupon Amount Default Event, as specified in the Final Terms.

Therefore, by investing in Securities with the product feature "**Price Dividend Adjustment**", potential investors bear the risk that the Price, the Reference Price, or, if applicable, the Settlement Price of the Underlying, or, as the case may be, the Basket Components increases or decreases at a greater rate than anticipated at the time when investors purchased the Securities (compared to the equivalent Price, Reference Price or, as the case may be, Settlement Price if the Securities did not have such product feature). For example, the deduction of a fixed rate from the Price, the Reference Price, or, if applicable, the Settlement Price of the Underlying, or, as the case may be, the Basket Components could result in the Price, the Reference Price or, if applicable, the Settlement Price of the Underlying or, as the case may be, the Basket Components staying constant or decreasing even as the market price of the Underlying or, as the case may be, any Basket Component increases.

Accordingly, potential investors bear the risk that, due to the operation of the "**Price Dividend Adjustment**" feature, an Early Redemption Event could occur earlier with respect to the Securities and/or investors could receive lower amounts under the Securities, in each case, when compared to other securities without such feature but with otherwise identical terms.



Finally, potential investors bear the risk that, if the Price, the Reference Price, or, if applicable, the Settlement Price of the Underlying or, as the case may be, the Basket Component reaches zero, the effect of the operation of the "**Price Dividend Adjustment**" feature nonetheless means that investors would no longer participate in any future positive developments of the Underlying. Similarly, in case of the occurrence of a Coupon Amount Default Event, the operation of the "**Price Dividend Adjustment**" feature could mean that a Coupon Amount Catch up Event cannot occur because the Price, the Reference Price, or, if applicable, the Settlement Price of the Underlying or, as the case may be, the Basket Component would remain at zero and Securityholders **may even suffer a total loss of the invested capital**.

**(b) Specific risks related to no further participation in the performance of the Underlying or, as the case may be, Basket Components, following the termination and early redemption of the Securities**

Potential investors should be aware that the Securities may in accordance with the Conditions of the Securities be terminated and redeemed early in a number of circumstances. In particular, the term of the Securities may be terminated automatically according to the Conditions of the Securities under certain circumstances, e.g. following the occurrence of an Early Redemption Event, (so-called express structure) or following the occurrence of an automatic termination event (including, but not limited to a Stop Loss Event or a Knock Out Event), if applicable, as specified in the relevant Final Terms. Further, the Issuer may terminate and early redeem the Securities in full on certain dates, as specified in the applicable Final Terms. Additionally, in accordance with the Conditions of the Securities, the Issuer is entitled to terminate and redeem the Securities in full prior to the scheduled Maturity Date under certain circumstances, e.g. in case that (i) the determination and/or publication of the price of the Underlying or, as the case may be, a Basket Component is discontinued permanently or (ii) that due to the coming into effect of changes in laws or regulations (including but not limited to tax laws) or a change in relevant case law or administrative practice (including but not limited to the administrative practice of the tax authorities, e.g., the administrative practice of the U.S. Internal Revenue Service as to whether Section 871(m) should apply to the Securities (see the risks described in section "1.3(k) *Specific risks related to U.S. withholdings*" below)) at the reasonable discretion of the Issuer the holding, acquisition or sale of the Underlying or, as the case may be, a Basket Component is or becomes wholly or partially illegal.

In case of a **share as the Underlying or a Basket Component**, as the case may be, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms, the Issuer is pursuant to the Conditions of the Securities also entitled to termination, if the liquidity of the shares of the affected company is, in the Issuer's opinion, significantly affected by a take-over of the relevant shares, even without the occurrence of a delisting of the stock company. If so specified in the section "Product Terms" of the relevant Final Terms, the Issuer is, pursuant to the Conditions of the Securities, even entitled to terminate and redeem the Securities in total prior to the scheduled maturity of the Securities in case that it obtains knowledge about the intention of the underlying company to distribute a dividend in relation to the share as the Underlying or a Basket Component, as the case may be, where the ex dividend day of this distribution falls within the term of the Securities.

In case of a termination and early redemption of the Securities prior to the Maturity Date, the Securityholder is in accordance with the Conditions of the Securities entitled to demand the payment of a redemption amount or, if so specified in the applicable Final Terms, the delivery of the Physical Underlying in an appropriate number in relation to this termination and early redemption. However, the cash amount, if any, payable or, as the case may be, and if specified in the relevant Final Terms, the value of the Physical Underlying to be delivered in an appropriate number in the case of a termination and early redemption of the Securities can be considerably below the amount, which would be payable, or, as the case may be, the value of the Physical Underlying which would be deliverable at the scheduled end of the term of the Securities.

In certain circumstances, as specified in the Conditions of the Securities, such amount payable or or, as the case may be, and if so specified in the relevant Final Terms, the value of the Physical Underlying to be delivered in the case of a termination and early redemption of the Securities, is determined by the Calculation Agent at its reasonable discretion and, if applicable, considering the then prevailing Price of the Underlying or, as the case may be, the Basket Components and the expenses of the Issuer caused by the termination, as the fair market price of a Security at the occurrence of the termination. When determining a fair market price of a Security, the Calculation Agent is entitled to consider all factors, including any adjustments of option contracts on the Underlying or, as the case may be, the Basket

Components, without being bound to any third party measures or assessments, in particular any measures or assessments of any futures or options exchange. Due to the fact that the Calculation Agent may take into consideration the market factors it considers to be relevant at its reasonable discretion without being bound to third party measures or assessments, there is the risk that the amount determined by the Calculation Agent at its reasonable discretion as the fair market price of the Security at the occurrence of the termination – and, hence, the cash amount payable or, as the case may be, the number of Physical Underlying deliverable - may differ from the market price of comparable Securities relating to the Underlying or, as the case may be, the Basket Components, as determined by a third party.

Finally, the Securityholder is not entitled to request any further payments on the Securities or, as the case may be, and if specified in the relevant Final Terms, the delivery of the Physical Underlying after the relevant termination and early redemption date of the Securities. In particular, the Securityholder is not entitled to request payments of any further Interest Amounts or Coupon Amounts, or other proceeds, as the case may be, which would have otherwise been due under the Securities, if so specified in the relevant Final Terms, in accordance with the Conditions of the Securities during the scheduled term of the Securities. The Securityholder, therefore, bears the risk of not participating in the performance of the Underlying or, as the case may be, the Basket Components, to the expected extent and during the expected period.

**(c) Specific risks related to reinvestment following the termination and early redemption of the Securities**

In the case of a termination and early redemption of the Securities, the Securityholder bears the risk of a reinvestment. The reinvestment risk is the risk that the cash amount received by the Securityholder following such expiration or termination and early redemption (if any) can only be reinvested by such Securityholder for a term comparable with the scheduled term of the Securities only at market conditions, which are less favourable (such as a lower return or an increased risk) than those prevailing at the time of the acquisition of the Securities.

As a result, the yield achieved by this re-investment, *i.e.* new investment, over the respective term may be significantly lower than the return expected by the Securityholder with the purchase of the Securities. Moreover and depending on market conditions prevailing at the time of the new investment, the likelihood of a loss of such amounts re-invested may have increased significantly.

**(d) Specific risks related to the adjustments of the Security Right**

There is the risk that certain events occur or certain measures are taken (by parties other than the Issuer) in relation to the Underlying or, as the case may be, the Basket Components, which potentially lead to changes to the Underlying or, as the case may be, the Basket Components or result in the underlying concept of the Underlying or, as the case may be, the Basket Components being changed, so-called Potential Adjustment Events and Replacement Events. In the case of the occurrence of a Potential Adjustment Event, the Issuer shall be entitled to adjust the Conditions of the Securities to account for these events or measures and shall, in the case of the occurrence of a Replacement Event, even be entitled to replace the Underlying or, as the case may be, the Basket Component, of the Securities. These adjustments might have a negative impact on the value of the Securities.

Further, there is the risk that any other variable whose price, amount or level is used to determine any amount payable under these Conditions or the value of the Securities is no longer displayed or is discontinued permanently without an official legal successor or, as the case may be, the administrator of such variable fails to obtain or maintain any necessary approvals or registrations. In such circumstances, the Issuer shall be entitled to replace such variable. Such adjustment might also have a negative impact on the value of the Securities.

In case of such replacement, Securityholders bear the risk that the return on or, as the case may be, increase in value of the successor Underlying, or as the case may be, any successor Basket Component may be significantly lower than the return on or, as the case may be, increase in value of the original underlying or, as the case may be, basket component. Conversely, Securityholders bear the risk that the increase in value of the original variable may be significantly higher than the increase in value of the successor variable. In each such case, the return realised over the respective term of the Securities may be significantly lower than the return expected by the Securityholders with the purchase of the Securities.

It is also possible that the successor Underlying, or as the case may be, any successor Basket Component even decreases in value. This could reduce the value of the Securities and of any amounts payable under the Securities to the Securityholders.

**(e) Specific risks related to the substitution of the Issuer**

**A substitution of the Issuer in accordance with the Terms and Conditions of the Securities may affect any existing admission of the Securities to trading on any stock exchange and, therefore, may have an adverse effect on the liquidity and/or trading of the Securities which, in turn, could make it more difficult for Securityholders to dispose of the Securities and realise their investment.**

Under the Terms and Conditions of the Securities, the Issuer is entitled to substitute another company within the UBS Group as issuer (the “**Substitute Issuer**”) with respect to all obligations under or in connection with the Securities. Such Substitute Issuer will assume all obligations of the Issuer under or in connection with the Securities, including the obligation to pay any Redemption Amount or, as the case may be, deliver the Physical Underlying in an appropriate number. The Securityholder would therefore be exposed to the credit risk of the Substitute Issuer. As a consequence, a substitution of the Issuer by the Substitute Issuer may reduce the value of the Securities and the amounts payable to the Securityholders under the Terms and Conditions of the Securities.

A substitution of the Issuer may affect any existing admission of the Securities to trading on any stock exchange. The Substitute Issuer may be required to reapply for such admission. A substitution of the Issuer may therefore also have an adverse effect on the liquidity and/or trading of the Securities which, in turn, could make it more difficult for Securityholders to dispose of the Securities and realise their investment.

**(f) Specific risks related to a potential restructuring of the Issuer's business**

**UBS has made certain structural changes in light of regulatory trends and requirements and the Conditions of the Securities do not contain any restrictions on the Issuer's or UBS's ability to restructure its business. Such restructuring of the Issuer's or UBS's business could adversely affect the credit rating of the Issuer and/or increase the likelihood of the occurrence of an Event of Default. An Issuer default could result in Securityholders losing some or all of the invested capital.**

In 2014, UBS began adapting its legal entity structure in response to too-big-to-fail requirements and other regulatory initiatives. First, UBS Group AG was established as the ultimate parent holding company for the Group. In 2015, UBS AG transferred its personal & corporate banking and Swiss-booked wealth management businesses to the newly established UBS Switzerland AG, a banking subsidiary of UBS AG in Switzerland. That same year, UBS Business Solutions AG, a wholly owned subsidiary of UBS Group AG, was established and acts as the Group service company. In 2016, UBS Americas Holding LLC became the intermediate holding company for UBS's US subsidiaries and UBS's wealth management subsidiaries across Europe were merged into UBS Europe SE, UBS's German-headquartered European subsidiary. In 2019, UBS Limited, UBS's UK headquartered subsidiary, was merged into UBS Europe SE.

The Conditions of the Securities contain no restrictions on change of control events or structural changes, such as consolidations or mergers or demergers of the Issuer or the sale, assignment, spin-off, contribution, distribution, transfer or other disposal of all or any portion of the Issuer's or its subsidiaries' properties or assets in connection with changes to its legal structure or otherwise and no event of default, requirement to repurchase the Securities or other event will be triggered under the Conditions of the Securities as a result of such changes. There is the risk that such changes, should they occur, would adversely affect the credit rating of the Issuer and/or increase the likelihood of the occurrence of an event of default. Such changes, should they occur, may adversely affect the Issuer's ability to redeem or pay interest on the Securities (or otherwise fulfil its obligations with respect to the Securities) and/or lead to circumstances in which the Issuer may elect to cancel such interest (if applicable).

**(g) Specific risks related to determinations by the Calculation Agent**

**Any exercise of discretion by the Calculation Agent in accordance with the Terms and Conditions of the Securities need not take into account the interests of the Securityholders**

**and, therefore, may be detrimental to the value of the Securities. Securityholders generally cannot challenge such exercise of discretion save in the case of manifest error. This could diminish the economic returns of an investment in the Securities and, in extreme circumstances, even result in a partial loss of the invested capital.**

The Calculation Agent has certain discretion under the Conditions of the Securities (i) to determine whether certain events have occurred (in particular, the occurrence of a Potential Adjustment Event or a Market Disruption in accordance with the Conditions of the Securities), (ii) to determine any resulting adjustments and calculations, (iii) also to make adjustments to the Underlying or, as the case may be, the Basket Components and (iv) to postpone valuations or payments under the Securities. The Calculation Agent will make any such determination at its reasonable discretion and in a commercially reasonable manner. However, where the Calculation Agent is required to make a determination it may do so without taking into account the interests of the Securityholders. Potential investors should be aware that any determination made by the Calculation Agent may have an impact on the value and financial return of the Securities. Any such discretion exercised by, or any determination made by, the Calculation Agent shall (save in the case of manifest error) be final, conclusive and binding on the Issuer and the Securityholders and may, as a consequence, have an adverse impact on the value of the Securities and the amounts payable to the Securityholders under the Terms and Conditions of the Securities.

### **1.3 Material risks in connection with investment in, holding and selling of the Securities**

In the following risk category, the specific material risks in connection with investing in, holding and selling the Securities are presented, where the most material risk factors, in the assessment of the Issuer as of the date of this Base Prospectus, are presented first: These are "1.3(a) *Specific risks related to the pricing of the Securities*" and "1.3(b) *Specific risks related to the trading in the Securities / Illiquidity*".

#### **(a) Specific risks related to the pricing of Securities**

**Potential investors bear the risk that the market price of the Securities may fluctuate during the term of the Securities, including, without limitation, as a result of the performance of the Underlying or, as the case may be, one or more Basket Components. Accordingly, Securityholders bear the risk that if they sell any Securities prior to their maturity, the sale proceeds may fall below (including significantly below) the purchase price of the Securities (including the transaction costs) initially invested in the Securities and investors would then lose some or all of the invested capital.**

The price of the Underlying or, as the case may be, any one or more Basket Components and, therefore, of the price of the Securities during the term of the Securities may be subject to severe fluctuations. This may result in the value of the Securities falling below the purchase price of the Securities (including the transaction costs) which Securityholders initially invest in the Securities. Accordingly, in the event of any Securityholders sell their Securities prior to their maturity, the proceeds generated from the sale may fall well below the purchase price of the Securities (including the transaction costs) initially invested in the Securities. This would result in the Securityholders incurring a loss.

The following factors may have an effect on the market price for the Securities:

- the remaining term of the Securities,
- any changes in the value of the Underlying or, as the case may be, any one or more Basket Components (including, without limitation, following any declaration or payment of any distribution or dividend by the issuer of the Underlying or, as the case may be, any one or more Basket Components),
- any changes in the volatility of the Underlying or, as the case may be, any one or more Basket Components (including, without limitation, and in case of a share as the Underlying or a Basket Component, as the case may be, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms, following any take-over bid in relation to these shares),

- any changes in the creditworthiness of, or credit rating for, the Issuer or
- any changes in the market interest rate.

Several individual market factors may also arise at the same time and no assurance can be given with regard to the effect that any combination of market factors may have on the value of the Securities.

The value of the Securities may fall even in the event that the price of the Underlying or, as the case may be, any one or more Basket Components remains constant or rises slightly. Conversely, the value of the Securities may remain constant or rises slightly even if the price of the Underlying or, as the case may be, any one or more Basket Components increases.

Further, the Issuer, acting as market maker, may determine the buying and selling prices for the Securities ("Market Making") on a regular basis under normal market conditions. A market maker may also be one of the Issuer's affiliates or another financial institution. The market maker does not, however, provide any guarantee that the prices specified by it are appropriate. Nor does the market maker guarantee that prices for the Securities will be available at all times during their term.

The market maker is also entitled to change the method it uses for determining prices at any time and at its own discretion. This means, for instance, that the market maker can change its calculation models and/or increase or reduce the spread between the bid and the offer price. It is also the case that the availability of the relevant electronic trading platforms may become limited, or that such platforms may become completely unavailable, in the event of a Market Disruption or technical difficulties. The market maker tends not to determine any bid or offer prices in the event of exceptional market conditions or extreme price fluctuations. Securityholders therefore bear the risk that in certain circumstances they will not be provided with a price for the Securities. This means that Securityholders would not always be in a position to sell their Securities on the market at an appropriate price. If potential investors sell their Securities at an undervalue, they may suffer a partial loss of the invested capital.

The opening times for a market for the Securities are often different to the opening times for the market for the Underlying or, as the case may be, any one or more Basket Components. This means that the market maker may be required to estimate the price for the Underlying or, as the case may be, such one or more Basket Components in order to be able to determine the price for the Securities. These estimates may turn out to be inaccurate. They may also have adverse effects for the Securityholders.

Investors should also be aware that the Issue Size for the Securities which is specified in the Terms and Conditions of the Securities does not provide any reliable indication of the volume of the Securities actually issued or outstanding. This means that it is not possible to draw any conclusions from the Issue Size in terms of the liquidity of the Securities in the context of potential trading.

In connection with Market Making, some costs will be deducted over the term of the Securities when the market maker determines the price of the Securities. However, such deductions would not always be evenly distributed over the term of the Securities. Costs may be deducted in full from the fair value of the Securities at an early date to be stipulated by the market maker. The prices determined by the market maker can therefore vary considerably from the fair value of the Securities or their expected value based on economic considerations. In addition, the market maker can change the methods used for determining the price of the Securities at any time after pricing. For instance, the market maker can increase or decrease the bid/offer spread.

In the case that in the definition of "Securities" contained in the section "Product Terms" of the relevant Final Terms the product feature "**Minimum Amount**" is specified **not** to be applicable,

potential investors should be aware that the Securities are not capital-protected and do not provide for any minimum repayment value. This means that Securityholders are exposed to a significant risk of loss as a result of fluctuations in the market price of the Securities. In extreme circumstances, the total loss of the amount of capital which Securityholders initially invest in the Securities is also possible.

**(b) Specific risks related to the trading in the Securities / Illiquidity**

**Potential investors bear the risk that there is no liquid market for trading in the Securities. This means that they may not be able to sell the Securities at a time of their own choosing. This**

**could, in turn, result in potential investors receiving a lower sale price than they would have received had a liquid market existed.**

It is not possible to predict if and to what extent a secondary market may develop in the Securities or at what price the Securities will trade in the secondary market or whether such market will be liquid or illiquid.

If so specified in the relevant Final Terms, applications will be or have been made to the Security Exchange(s) specified for admission or listing of the Securities. If the Securities are admitted or listed, there is the risk that any such admission or listing will not be maintained. The fact that the Securities are admitted to trading or listed does not necessarily denote greater liquidity than if this were not the case. If the Securities are not listed or traded on any exchange, pricing information for the Securities may be more difficult to obtain and the liquidity of the Securities, if any, may be adversely affected. The liquidity of the Securities, if any, may also be affected by restrictions on the purchase and sale of the Securities in some jurisdictions. Additionally, the Issuer has the right (but no obligation) to purchase Securities at any time and at any price in the open market or by tender or private agreement. Any Securities so purchased may be held or resold or surrendered for cancellation.

In addition, there is the risk that the number of Securities actually issued and purchased by investors is less than the intended Issue Size or, as the case may be, the intended Aggregate Nominal Amount of the Securities. Consequently, there is the risk that due to the low volume of Securities actually issued the liquidity of the Securities is lower than if all Securities were issued and purchased by investors.

The Manager(s) intend(s), under normal market conditions, to provide bid and offer prices for the Securities of an issue on a regular basis. However, the Manager(s) make(s) no firm commitment to the Issuer to provide liquidity by means of bid and offer prices for the Securities, and assume(s) no legal obligation to quote any such prices or with respect to the level or determination of such prices. The Manager(s) determine(s) any bid and offer prices of the Securities by using common pricing models taking into account the changes in parameters that determine market prices. Unlike stock exchange trading prices (of shares, for example) these prices are not directly determined by the principle of offer and demand in relation to Securities. In case of extraordinary market conditions or technical problems, it may be temporarily complicated or impossible to purchase or sell the Securities. In such case of illiquidity of the Securities, a Securityholder will not be able to sell the Securities held by it at a specific time or at a specific price.

**(c) Specific risks related to hedging transactions entered into by the Securityholder**

**Because of the structured nature of the Securities, potential investors bear the risk that they may not be able to fully hedge the risks arising from the Securities. If any of the risks which potential investors have not been able to fully hedge materialise, potential investors could suffer a loss of some or all of the invested capital.**

Because of the structured nature of the Securities, potential investors cannot rely on being able to enter into transactions to fully hedge the risks arising from the Securities. If any of the risks which potential investors have not been able to fully hedge materialise, potential investors could suffer a loss of some or all of the invested capital. Whether or not potential investors are able to enter into hedging transactions depends on the Underlying or, as the case may be, the Basket Components, the market situation and the prevailing conditions. Transactions designed to offset or limit risks might only be possible at an unfavourable market price that will entail a loss for investors. Potential investors should further be aware that hedging transactions generate additional costs and may lead to significant losses.

**(d) Specific risks related to hedging transactions entered into by the Issuer**

**If the Issuer enters into hedging transactions in connection with the Securities and such hedging transactions are unwound, this could have an impact on the price of the Underlying or, as the case may be, any one or more Basket Components and, therefore, on any cash amount payable or, as the case may be, the value of the Physical Underlying deliverable in respect of the Securities. In such cases, Securityholders could even suffer a partial loss of the invested capital.**

The Issuer may use all or some of the proceeds received from the sale of the Securities to enter into hedging transactions relating to the risks incurred in issuing the Securities. If the Securities are terminated and redeemed early, such hedging transactions would be generally closed out or terminated. The number of hedging transactions to be closed out or terminated depends on the number of Securities to be redeemed. If a large number of hedging transactions are closed out or terminated, this could have an impact on the price of the Underlying or, as the case may be, any one or more Basket Components and, therefore, on any cash amount payable or, as the case may be, the value of the Physical Underlying deliverable in an appropriate number in respect of the Securities. In such cases, Securityholders could even suffer a partial loss of the invested capital.

For example, the Underlying in respect of the Securities may comprise a certain share. The Issuer may hedge its future payment obligations in respect of the Securities by purchasing such share (i.e., a hedging transaction). Prior to the Maturity Date in respect of the Securities, the Issuer may sell such share on the Relevant Exchange (i.e., a termination of the hedging transaction). This sale would take place on the relevant Valuation Date, Observation Date or any other pre-defined date specified for these purposes in the relevant Final Terms. If a large number of shares are sold, because a large number of Securities are due to be terminated and redeemed on the relevant Valuation Date, Observation Date or any other pre-defined date specified for these purposes in the relevant Final Terms, such sale could put downward pressure on the price of the relevant share on the Relevant Exchange. However, since the final cash amount payable in respect of the Securities depends on the price of such share on the relevant Valuation Date, Observation Date or any other pre-defined date specified for these purposes in the relevant Final Terms, the termination of the hedging transaction may have an adverse effect on the final cash amount payable in respect of the Securities.

**(e) Risks related to taxation in relation to the Securities**

**Potential investors bear the risk that the tax treatment of the Securities may change. This could reduce the gains potential investors realise in respect of their holding of the Securities.**

Tax law and practices are subject to changes, including changes with retroactive effect. Any changes to tax law and practices may reduce the value of the Securities and/or the market price of the Securities. In particular, the tax treatment of the Securities may change after a Securityholder invests in the Securities. Any potential investor therefore bears the risk that the tax treatment of the Securities differs from the tax treatment anticipated at the time when such potential investor decides to invest in the Securities and/or that the tax treatment of the Securities becomes disadvantageous to the Securityholder. Changes in the tax treatment may reduce the value of the Securities and may also significantly reduce any yield achieved under the Securities. Securityholders may even suffer a partial loss of the amounts invested.

Neither the Issuer nor the Managers assumes any responsibility vis-à-vis the Securityholders for the tax consequences of an investment in the Securities.

**(f) Specific risks related to U.S. withholding tax**

**Since the Underlying or, as the case may be, one or more Basket Components could comprise one or more dividend-paying U.S. equity securities, potential investors bear the risk that payments under the Securities are subject to U.S. tax on dividend-equivalent payments. This could reduce the gains potential investors realise in respect of their holding of the Securities.**

**Payments under the Securities may be subject to U.S. withholding under the U.S. Internal Revenue Code**

A 30 per cent. withholding tax is imposed on certain "dividend equivalents" paid or deemed paid to a non-U.S. Securityholder with respect to a "specified equity-linked instrument" that references one or more dividend-paying U.S. equity securities. The withholding tax can apply even if the instrument does not provide for payments that reference dividends. U.S. Treasury Department regulations provide that the withholding tax applies to all dividend equivalents paid or deemed paid on specified equity-linked instruments that have a delta of one ("**Delta-One Securities**") issued after 2016 and to all dividend equivalents paid or deemed paid on all other specified equity-linked instruments issued after 2018.

The Issuer will determine whether dividend equivalents on the Securities are subject to withholding as of the close of the relevant market(s) on the Fixing Date. If withholding is required, the Issuer (or the

applicable paying agent) will withhold 30 per cent. in respect of dividend equivalents paid or deemed paid on the Securities and will not pay any additional amounts to the Securityholders with respect to any such taxes withheld. If the Conditions of the Securities provide that all or a portion of the dividends on U.S. underlying equity securities are reinvested in the underlyings during the term of the Security, the Conditions of the Securities may also provide that only 70 per cent. of a deemed dividend equivalent will be reinvested. The remaining 30 per cent. of such deemed dividend equivalent will be treated, solely for U.S. federal income tax purposes, as having been withheld from a gross dividend equivalent payment due to the investor and remitted to the U.S. Internal Revenue Service on behalf of the investor. The Issuer will withhold this amount regardless of whether an investor is a United States person for U.S. federal income tax purposes or a non-United States person that may otherwise be entitled to an exemption of reduction of tax on U.S. source dividend payments pursuant to an income tax treaty.

Even if the Issuer determines that a Securityholder's Securities are not specified equity-linked instruments that are subject to withholding on dividend equivalents, it is possible that a Securityholder's Securities could be deemed to be reissued for tax purposes upon the occurrence of certain events affecting the relevant Underlying or Basket Component or a Securityholder's Securities, and following such occurrence a Securityholder's Securities could be treated as specified equity-linked instruments that are subject to withholding on dividend equivalent payments. It is also possible that withholding tax or other tax under Section 871(m) of the U.S. Internal Revenue Code of 1986, as amended, ("**Section 871(m)**") could apply to the Securities under these rules if a non-U.S. Securityholder enters, or has entered, into certain other transactions in respect of the relevant Underlying or Basket Component. As described above, if withholding is required, the Issuer will withhold 30 per cent. in respect of dividend equivalents paid or deemed paid on the Securities and will not pay any additional amounts to the Securityholders with respect to any such taxes withheld.

Additionally, in the event that withholding is required, the Issuer hereby notifies each Securityholder that for purposes of Section 871(m), that the Issuer will withhold in respect of dividend equivalents paid or deemed paid on the Securities on the dividend payment date as described in U.S. Treasury Department regulations section 1.1441-2(e)(4) and section 3.03(B) of the form of Qualified Intermediary Agreement contained in Revenue Procedure 2017-15, as applicable, regardless of whether such investor would otherwise be entitled to an exemption from or reduction of withholding on such payments (e.g., a United States person for U.S. federal income tax purposes or a non-United States person eligible for an exemption from or reduction in withholding pursuant to an income tax treaty). **There is the risk that a Securityholder will not be able to successfully claim a refund of the tax withheld in excess of the tax rate that would otherwise apply to such payments.**

Each Securityholder acknowledges and agrees that in the event that a Security references an index as the Underlying or Basket Component, as the case may be, then regardless of whether the relevant Underlying or Basket Component is a net price return, a price return or a total return index, the payments on the Securities (including any amounts deemed reinvested in the Security) will reflect the gross dividend payments paid by the issuers of the securities comprising the index less applicable withholding tax amounts in respect of such gross dividends, which in the case of U.S. source dividends, will be paid by or on behalf of the Issuer to the U.S. Internal Revenue Service in accordance with the U.S. withholding tax rules under Section 871(m).

**Payments under the Securities may be subject to U.S. withholding under FATCA**

The Foreign Account Tax Compliance Act ("**FATCA**") generally imposes a 30% U.S. withholding tax on payments of certain U.S. source interest, dividends and certain other fixed or determinable annual or periodical income, on the gross proceeds from the sale, maturity, or other disposition of certain assets after 31 December 2018 and on certain "foreign passthru payments" made after 31 December 2018 (or, if later, the date that final regulations defining the term "foreign passthru payments" are published) made to certain foreign financial institutions (including most foreign hedge funds, private equity funds and other investment vehicles) unless the payee foreign financial institution agrees to disclose the identity of any U.S. individuals and certain U.S. entities that directly or indirectly maintain an account with, or hold debt or equity interests in, such institution (or the relevant affiliate) and to annually report certain information about such account or interest directly, or indirectly, to the IRS (or to a non-U.S. governmental authority under a relevant Intergovernmental Agreement entered into between such non-U.S. governmental authority and the United States, which would then provide this information to the IRS). FATCA also requires withholding agents making certain payments to certain non-financial foreign



entities that fail to disclose the name, address, and taxpayer identification number of any substantial direct or indirect U.S. owners of such entity to withhold a 30% tax on such payments.

Accordingly, the Issuer and other foreign financial institutions may be required under FATCA to report certain account information about holders of the Securities directly to the IRS (or to a non-U.S. governmental authority as described above). Moreover, the Issuer may be required to withhold on a portion of payments made on the Securities to (i) holders who do not provide any information requested to enable the Issuer to comply with FATCA, or (ii) foreign financial institutions who fail to comply with FATCA.

Securityholders holding their Securities through a foreign financial institution or other foreign entity should be aware that any payments under the Securities may be subject to 30% withholding tax under FATCA. If an amount in respect of such withholding tax under FATCA were to be deducted or withheld from payments on the Securities, none of the Issuer, any paying agent or any other person would, pursuant to the Conditions of the Securities, be required to pay additional amounts as a result of the deduction or withholding of such tax. **Securityholders should, consequently, be aware that payments under the Securities may under certain circumstances be subject to U.S. withholding under FATCA, which will reduce any amounts received by the Securityholders under the Conditions under the Securities.**

**(g) Specific risks related to potential conflicts of interest of the Issuer and its affiliates**

The Issuer and its affiliates may have commercial interests that conflict with those of the Securityholders and that may impact the value and/or trading of the Securities. In turn, this could result in Securityholders receiving less when selling any Securities they hold than they would have received but for such conflicts of interest and/or even suffering a partial loss of the invested capital. Such conflicts of interest may arise in connection with the Issuer's involvement in other transactions, the Issuer's existing business relationship with the issuer of the Underlying or, as the case may be, any one or more Basket Components or with the Issuer acting in any other capacity.

Specific risks related to other transactions entered into by the Issuer

The Issuer operates on the domestic and international securities, forex, credit derivatives and commodity markets on a daily basis. It may therefore enter into transactions directly or indirectly related to the Securities for its own account or for the account of customers. Moreover, the Issuer may also enter into transactions relating to the Underlying or, as the case may be, any one or more Basket Components. These may have an adverse effect on the performance of the Underlying or, as the case may be, any one or more Basket Components. Therefore, they can also have an adverse effect on the value and/or trading of the Securities. In this context, the Issuer may pursue commercial interests that conflict with those of the Securityholders.

The value of the Securities may also be impaired by the termination of some or all of these transactions.

The Issuer can buy and sell Securities for its own account or for the account of third parties. It can also issue further Securities. Such transactions in the Securities may reduce the value of the Securities. Further, the launch of other rival products by the Issuer can impair the value of the Securities.

Specific risks related to the Issuer's business relationships

The Issuer and its affiliates may have business relationships with the issuers of the Underlying or, as the case may be, any one or more Basket Components. Such business relationships can involve advisory or trading activities. In this context, the Issuer may take steps that it considers necessary to safeguard its interests in respect of these business relationships. In doing so, the Issuer is not obliged to consider the impact of such steps on the Securities and on Securityholders.

The Issuer may perform, enter into and participate in transactions influencing the value of the Underlying or, as the case may be, any one or more Basket Components. Such business relationships to issuers of the Underlying or, as the case may be, any one or more Basket Components may have an adverse effect on the value of the Securities. This may lead to a conflict of interests for the Issuer.

Specific risks related to receipt of information relating to the Underlying or, as the case may be, any one or more Basket Components

The Issuer and its affiliates may have or obtain significant confidential information about the Underlying or, as the case may be, any one or more Basket Components. The Issuer and its affiliates are under no obligation to disclose such information to the Securityholders. Securityholders may therefore make incorrect decisions relating to the Securities as a result of missing, incomplete or incorrect information with respect to the Underlying or, as the case may be, any one or more Basket Components. In the worst case scenario, this can lead to the loss of the Securityholders' entire investment in the Securities.

Specific risks related to acquisition, holding or sale of the Underlying or, as the case may be, any one or more Basket Components by the Issuer

It is possible that the Issuer or any of its affiliates hold shares comprising the Underlying or, as the case may be, any one or more Basket Components from time to time which may result in conflicts of interest. The Issuer and any of its affiliates may also decide not to hold any shares comprising the Underlying or, as the case may be, any one or more Basket Components, or not to conclude any derivative contracts linked to such shares. Neither the Issuer nor any of its affiliates are limited in selling, pledging or otherwise assigning rights, claims and holdings regarding any shares comprising the Underlying or, as the case may be, any one or more Basket Components from time to time or any derivative contracts relating to such shares. This could lead to a worse performance of the Underlying or, as the case may be, any one or more Basket Components overall and, therefore, to lower returns realised by Securityholders.

Specific risks related to pricing of the Underlying or, as the case may be, any one or more Basket Components

The Issuer and its affiliates can also act as market maker in respect of the Underlying or, as the case may be, any one or more Basket Components. Such Market Making may have a decisive impact on the price of the Underlying or, as the case may be, any one or more Basket Components and, therefore, to lower returns realised by Securityholders.

**(h) Specific risks related to the Offer Period or the Subscription Period**

**Potential investors bear the risk that the Issuer cancels or withdraws the invitation to investors to make offers during the Offer Period or, as the case may be, Subscription Period. In such case, there may be a time lag between the cancellation or withdrawal and the return of any amounts already paid by investors to any Authorised Offeror. No compensation will be payable to investors in respect of such cancellation or withdrawals and investors may be exposed to a reinvestment risk in respect of any amounts so received.**

The Issuer reserves the right to refrain from commencing the invitation to make offers regarding the Securities prior to the commencement of the Offer Period or, as the case may be and as specified in the relevant Final Terms, the Subscription Period or withdrawing the invitation to make offers regarding the Securities at any time during the Offer Period or, as the case may be and as specified in the relevant Final Terms, the Subscription Period. If the invitation to make offers regarding such Securities is withdrawn, no such purchase offers regarding the Securities will be accepted. In such case, any amounts paid by an investor to the Authorised Offeror in relation to the purchase of any Securities will be returned to such investor by the Authorised Offeror but, depending on the agreement(s) in place between the investor and the Authorised Offeror and/or the Authorised Offeror's distribution policies, interest may or may not accrue on such amounts. There may also be a time lag between the cancellation or withdrawal of the invitation to make offers as applicable, and the return of any such amounts and, unless otherwise agreed with, and paid by, the Authorised Offeror, no amount will be payable to investors as compensation in respect thereof and investors may be subject to reinvestment risk. The reinvestment risk is as described under "1.2(c) *Specific risks related to reinvestment following the termination and early redemption of the Securities*" above.

In addition, the Issuer may close the Offer Period or, as the case may be and as specified in the relevant Final Terms, the Subscription Period early, whether or not subscriptions have reached the maximum size of the offer, by immediately suspending the acceptance of further subscription requests and by giving notice thereof. In such circumstances, the early closing of the Offer Period or, as the case may be and as

specified in the relevant Final Terms, the Subscription Period will have an impact on the Issue Size of the Securities issued and therefore may have a negative effect on the liquidity of the Securities.

Furthermore, in certain circumstances, the Issuer may have the right to postpone the originally scheduled Issue Date of the Securities. In the event that the Issue Date is so delayed, no compensation or other amount in respect of interest shall accrue and be payable in relation to the Securities, unless otherwise agreed with the Authorised Offeror and/or specified in its distribution policies, and paid by the Authorised Offeror. Investors will have the right, within a prescribed time period, to withdraw their offer as a result of such postponement.

**(i) Specific risks in connection with ESG Classification**

**Potential investors bear the risk that any change in the ESG Classification of a Security or, as the case may be, the development of a market consensus as to the ESG Classification of a Security which is different from the Issuer's assessment at the time of issuance may adversely affect the value of the Security.**

When issuing the Securities, the Issuer could classify them into certain sustainability-related categories ("**ESG Classification**") as specified in the applicable Final Terms.

The ESG Classification depends on how the Securities reflect certain environmental and/or social criteria, as well as issues of good corporate governance. Examples of environmental criteria which could be factored into the ESG Classification of the Securities include the mitigation of climate change, the protection of biodiversity and the transition to a circular economy, the avoidance of waste and the increase of recycling. Examples of social criteria which could have an impact on the ESG Classification of the Securities include promoting compliance with recognised labour standards (e.g. no child labour, forced labour or discrimination), ensuring compliance with employment safety and health protection and providing appropriate remuneration and fair working conditions. Finally, examples of issues of good corporate governance which could drive the ESG Classification of the Securities include facilitating whistle blowing, implementing anti-corruption measures and encouraging sustainability management by the boards of directors of companies.

In connection with this, potential investors in the Securities should be aware that the ESG Classification assigned to the Securities and any change thereto during the term of the Securities may have a significant impact on the value of the Securities both at the time of issuance and during their term.

Furthermore, there are currently neither consistent definitions nor coherent market approach on how the Securities should be valued by reference to their ESG Classification. In particular, there may be significant differences in the sustainability ratings assigned by different sources, e.g. because of different weightings assigned to certain sustainability criteria (such as measures to mitigate climate change) or a different allocation to a specific sustainability objective. However, market consensus with respect to sustainability criteria may emerge over time. Within the European Union, such market consensus – and the resulting future valuation and classification of the Securities on the basis of sustainability criteria – is likely to be shaped to a large extent by ongoing legislative and regulatory developments.

Therefore, potential investors should be aware that the ESG Classification of a Security may change after such Security is issued due to material changes in the sustainability criteria or legal or regulatory developments. This could also be the case if a market consensus on the ESG Classification of a Security emerges after such Security is issued and such consensus differs from the Issuer's (original) assessment at the time of issuance. The ESG Classification may also change, in particular, if the Issuer loses its status of a sustainable entity which has a knock-on effect to the ESG Classification of the Securities. Potential investors should be aware that such developments could both run contrary to any sustainability-related expectations or objectives of such investors and lead to a corresponding loss in the market value of the Securities.

## **2. Material risks relating to the Underlying**

The Securities offered and/or listed on a regulated or another equivalent market under the Base Prospectus may be linked to a share, a certificate representing shares, a non-equity security, a precious metal, a commodity, an index, an exchange traded fund unit, a not exchange traded fund unit, a futures contract, a currency exchange

rate, an interest rate or a reference rate. The Securities may relate to one or more of these Underlyings or a combination of them.

Some or all of the amounts payable or the Physical Underlying to be delivered on exercise, redemption or periodically under the Securities will be determined by reference to the price or value of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, of the Basket Components. Accordingly, investing in the Securities also involves certain specific material risks that are related to the Underlying and investors should review carefully the Base Prospectus and the applicable Final Terms in order to understand the effect on the Securities of such linkage to the Underlying.

## **2.1 Material risks which apply to all Underlyings**

Investors should be aware that some risks are related to the Underlying or, as the case may be, the Basket Components in general:

In the following risk category, the specific material risks related to all Underlyings are presented, where the most material risk factors, in the assessment of the Issuer as of the date of this Base Prospectus, are presented first: These are "2.1(a) *Risk of fluctuations in the value of the Underlying*", "2.1(b) *Uncertainty about future performance of the Underlying*", "2.1(c) *Currency risk contained in the Underlying*", "2.1(d) *Risks associated with the regulation and reform of benchmarks*" and "2.1(e) *Issuer's conflicts of interest with regard to the Underlying*".

### **(a) Risk of fluctuations in the value of the Underlying**

By investing in Securities linked to an Underlying, Securityholders are subject to the risks related to such Underlying. The performance of the Underlying or, as the case may be, the Basket Components is subject to fluctuations. Therefore, Securityholders cannot foresee what consideration they can expect to receive for the Securities on a certain day in the future. When the Securities are redeemed, exercised or otherwise disposed of on a certain day, substantial losses in value might occur in comparison to a disposal at a later or earlier point in time. The more volatile the Underlying or, as the case may be, the Basket Components are, the less predictable the amount to be received by the Securityholders following redemption or disposal of the Securities would be. In case of an unfavourable development of the Price of the Underlying or, as the case may be, the Basket Components, the amount received by the Securityholders in connection with such redemption or disposal may be very low or even be equal to zero.

### **(b) Uncertainty about future performance of the Underlying**

The value of the Underlying or, as the case may be, the Basket Components may vary over time and may increase or decrease by reference to a variety of factors, e.g. corporate actions, macroeconomic factors and speculation. Potential investors should note that an investment in Securities linked to an Underlying may be subject to similar risks than a direct investment in the Underlying or, as the case may be, the Basket Components.

It is not possible to reliably predict the future performance of the Underlying or, as the case may be, the Basket Components. Likewise, the historical data of the Underlying or, as the case may be, the Basket Components does not allow for any conclusions to be drawn about the future performance of the Underlying or, as the case may be, the Basket Components and the Securities. The Underlying or Basket Components may have only a short operating history or may have been in existence only for a short period of time and may deliver results over the longer term that may be lower than originally expected.

### **(c) Currency risk contained in the Underlying**

The assets or investments reflected in an Underlying or, as the case may be, Basket Component may be traded or calculated in a currency other than the Underlying itself. This is the case in particular with cross-border indices and funds where the fund units are used as the Underlying or, as the case may be, Basket Component. A company whose shares are used as the Underlying or, as the case may be, a Basket Component might also have a significant portion of its assets denominated in currencies other than the currency in which the share value is calculated.

For the purpose of determining the price of the Underlying or, as the case may be, the Basket Component (e.g. the relevant share value), the currency of the relevant assets is converted into the currency of the

Underlying or, as the case may be, the Basket Component. This is usually done on the basis of an currency exchange rate. Currency exchange rates are at times subject to considerable fluctuations and can change significantly over time. Consequently, the price of the Underlying or, as the case may be, the Basket Component may rise or fall even if the value of the relevant assets contained in the Underlying remains stable.

Any unfavourable developments in the value of the currency in which the assets or investments reflected in an Underlying or, as the case may be, Basket Component are traded or calculated against the currency of the Underlying or, as the case may be, the Basket Component may reduce the value of the Securities and may even result in partial loss of invested capital even in case of a favourable performance of the Underlying or, as the case may be, the Basket Component.

**(d) Risks associated with the regulation and reform of benchmarks**

Indices, reference rates, interests rates used as Underlying or, as the case may be, a Basket Component generally constitute benchmarks and as such may be subject to supervisory law regulations and reform proposals; the same applies to certain other Underlyings or, as the case may be, Basket Components used for the purposes of the Securities, e.g. currency exchange rates or certain baskets (such Underlying or, as the case may be, Basket Component is also referred to as "**Benchmark**").

Innovations such as the ones introduced by IOSCO's Principles for Financial Benchmarks (the "**IOSCO Principles**") and the Regulation (EU) 2016/1011 on indices used as benchmarks in certain financial instruments and financial contracts or to measure the performance of investment funds (the "**EU Benchmarks Regulation**") may result in the different performance of the relevant Benchmarks. It may exclude Benchmarks from being used as Underlying or, as the case may be, Basket Component for example, because the indices may incur higher costs if regulatory requirements for the administrator are tightened or because certain uses by EU supervised entities of Benchmarks provided by administrators that are not authorised or registered (or, if located outside the EU, deemed equivalent or recognised or endorsed) is prohibited by the EU Benchmarks Regulation.

*Specific risks related to the discontinuation of Benchmarks*

Benchmarks such as indices, reference rates or interest rates used as Underlying, a Basket Component or, as the case may be, for the purposes of determining e.g. an Interest Rate applicable to the Securities, as specified in the relevant Final Terms, may also be affected by regulatory guidance and reform or changes in policy at national, as well as at international level. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. For example, on 5 March 2021, the UK Financial Conduct Authority and ICE Benchmark Administration Limited (IBA) as the administrator of the London Interbank Offered Rate ("**LIBOR**") both announced the future cessation or loss of representativeness of 35 LIBOR benchmark settings currently published, with effect from between 31 December 2021 and 30 June 2023. This may, in particular, lead to a substitution of LIBOR as Underlying or, as the case may be, Basket Component in accordance with the Conditions of the Securities. Further national or international regulatory reforms may have other effects which are not foreseeable at present.

More generally, any of the above changes or any other consequential changes to LIBOR, EURIBOR, or any other Benchmark as a result of international, national, or other proposals for reform or other initiatives or investigations, or any further uncertainty in relation to the timing and manner of implementation of such changes, may have the effect of discouraging market participants from continuing to administer or participate in certain Benchmarks, trigger changes in the rules or methodologies used in certain Benchmarks or lead to the disappearance of certain Benchmarks. The disappearance of a Benchmark or changes in the manner of administration of a Benchmark could result in adjustments to the Conditions of the Securities, early redemption or termination, subject to discretionary valuation by the Calculation Agent, delisting or other consequences in relation to Securities linked to such Benchmark. In addition, fallback provisions specified in the Conditions of the Securities may apply or the Issuer may adjust the Conditions of the Securities in the event a Benchmark materially changes or ceases to be provided in order to comply with the provisions of the EU Benchmarks Regulation. Any such consequence could have a material adverse effect on the value, volatility of and return on any Securities based on or linked to a Benchmark. Each of these changes may have a material

adverse effect on the level or availability of the Benchmark and consequently on the value of the Securities.

*Specific risks related to the substitution of term rates with risk-free rates*

Potential investors should be aware that LIBOR (or any other term rate used as Underlying or which constitutes a Basket Component) may be substituted with a risk-free rate – such as the Sterling Overnight Index Average ("SONIA"), the Secured Overnight Financing Rate ("SOFR") and the euro short-term rate ("€STR").

Risk-free rates may differ from LIBOR and other term rates in a number of material respects. These include (without limitation) being backwards-looking, in most cases, calculated on a compounded or weighted average basis, risk-free, overnight rates and, in the case of SOFR, secured, whereas such interbank offered rates are generally expressed on the basis of a forward-looking term, are unsecured and include a risk-element based on interbank lending. As such, investors should be aware that risk-free rates may behave materially differently to interbank offered rates as interest reference rates for the Notes. Furthermore, SOFR is a secured rate that represents overnight secured funding transactions, and therefore will perform differently over time to an unsecured rate. For example, since publication of SOFR began on 3 April 2018, daily changes in SOFR have, on occasion, been more volatile than daily changes in comparable benchmarks or other market rates.

Risk-free rates offered as alternatives to term rates also have a limited history. For that reason, future performance of such rates may be difficult to predict based on their limited historical performance. The level of such rates during the term of the Securities may bear little or no relation to historical levels. Prior observed patterns, if any, in the behaviour of market variables and their relation to such rates such as correlations, may change in the future. Investors should not rely on historical performance data as an indicator of the future performance of such risk-free rates nor should they rely on any hypothetical data.

Furthermore, any amounts payable under the Securities which reference a backwards-looking risk-free rate are only capable of being determined immediately prior to the relevant payment date. It may be difficult for investors in the Securities with risk-free rates as Underlying or, as the case may be, Basket Component reliably to estimate the amounts payable on the Securities, which could adversely impact the liquidity of the Securities. Further, in contrast to Securities with term rates as Underlying or, as the case may be, Basket Component if Securities with backwards-looking rates as Underlying or, as the case may be, Basket Component become due and payable prior to their scheduled maturity or are otherwise redeemed early on a date which is not a scheduled payment date, the final amount payable in respect of the Securities shall be determined by reference to a shortened period ending immediately prior to the date on which such final amount becomes due and payable.

**(e) Issuer's conflicts of interest with regard to the Underlying**

The Issuer and its affiliates can, in the context of the interests followed in the course of their normal business activities (e.g. investment advisor or asset manager), enter into transactions (e.g. derivative transactions) in relation to an Underlying or, as the case may be, a Basket Component used for the purposes of the Securities. It is, e.g. possible that the Issuer or any of its affiliates holds shares in the company which has issued the Underlying or, as the case may be, the Basket Component.

Potential investors should be aware that the Issuer and its affiliates are not obligated, when dealing in the Underlying or, as the case may be, the Basket Component to take the interests of the Securityholders into account. As a consequence, conflicts of interest may arise for the Issuer or any of its affiliates in connection with any decision to acquire, hold, or, as the case may be, dispose of the Underlying or, as the case may be, the Basket Component. In particular, at a certain point in time, it may be economically beneficial for the Issuer or any of its affiliates to dispose of the Underlying or, as the case may be, the Basket Component, whilst such disposal may adversely affect the price of the Underlying or, as the case may be, Basket Component and, consequently, the value of the Securities.

**(f) Risks associated with a limited information basis regarding the Underlying and a possible information advantage of the Issuer**

Information regarding the Underlying or the Basket Components, as the case may be may not be publicly available for Securityholders or only available to a certain extent. The relevant Underlying or, as the case

may be, the Basket Components will not be held by the Issuer for the benefit of the Securityholders, and Securityholders will not obtain any ownership or direct information rights with respect to any Underlying or, as the case may be, Basket Component to which the Securities are related. Therefore, investors may have no or only limited access to detailed information regarding the relevant Underlying or the Basket Components, as the case may be, in particular on its current price or value, on its past and future performance and on its volatility.

In contrast, the Issuer may have access to information which is not publicly available and may thereby generate an information advantage. Neither the Issuer nor any of its affiliates undertakes to make this information available to Securityholders. In addition, one or more of the Issuer's affiliates may publish research reports on the Underlying(s) or, as the case may be, the Basket Components. In addition, any publicly available information may be published with delay and may not have been published or published in full at the time the investors seeks the information or at the time the amounts payable or the Physical Underlying to be delivered on exercise, redemption or periodically under the Securities will be determined by reference to the price or value of the Underlying or the Basket Components, as the case may be.

**(g) Risks associated with Underlyings, which are subject to emerging market jurisdictions**

An Underlying or, as the case may be, a Basket Component may be subject to the jurisdiction of an emerging market. Investing in Securities with such an Underlyings or, as the case may be, Basket Component involves additional legal, political (e.g. rapid political upheavals) or economical (e.g. economic crises) risks.

Countries that fall into this category are usually considered to be "emerging" because of their developments and reforms and their economy being in the process of changing from those of a moderately developed country to an industrial country. In emerging markets, expropriation, taxation equivalent to confiscation, political or social instability or diplomatic incidents may have a negative impact on an investment in the Securities. The amount of publicly available information with respect to the Underlying or any components thereof may be less than that normally made available to Securityholders. Transparency requirements, accounting, auditing and financial reporting standards as well as regulatory standards are in many ways less stringent than standards in industrial countries.

Although they generally record rising volumes, some emerging financial markets have much lower trading volumes than developed markets and the securities of many companies are less liquid and their prices are subject to stronger fluctuations than those of similar companies in developed markets.

**(h) Consequence of the linkage to a basket as Underlying or, as the case may be, a portfolio of Underlying**

In case of a basket or a portfolio used as the Underlying, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms, the level of the Redemption Amount depends on the performance of the Basket comprising the Basket Components or, as the case may be, a portfolio comprising the Underlyings.

As a result, fluctuations in the value of one Basket Component or, as the case may be, one Underlying may be offset or intensified by fluctuations in the value of other Basket Components comprised in the Basket or, as the case may be, Underlyings comprised in the portfolio. Even in the case of a positive performance of one or more Basket Components comprised in the Basket or Underlyings comprised in the portfolio, the performance of the Basket or the portfolio, respectively, as a whole may be negative if the performance of the other Basket Components or, as the case may be, Underlyings is negative to a greater extent. There can be a significant adverse effect on the calculation or specification of the redemption amount if the performance of one or more Basket Components comprised in the Basket or, as the case may be, Underlyings comprised in the portfolio, on which the calculation or specification of the redemption amount is based, has deteriorated significantly.

Furthermore, also the degree of the Basket Components' or the Underlyings' dependency from each other, so-called correlation, is of importance when calculating the level of the Redemption Amount. If all of the Basket Components or the Underlyings derive from the same economy sector or, as the case may be, the same country the development of the Basket Components or the Underlyings therefore depends on the development of a single economy sector or a single country. That implies that in the

case of an unfavourable development of a single economy sector or a single country, which is represented by the Basket comprising the Basket Components or, as the case may be, the portfolio comprising the Underlyings, the Basket or the portfolio may be affected over proportionally by this unfavourable development.

In the case of an Underlying consisting of different shares (except those of the Issuer or of any of its affiliates), indices, currency exchange rates, precious metals, commodities, interest rates, non-equity securities, exchange traded fund units, not exchange traded fund units, futures contracts or reference rates (each a "**Basket**"), the Issuer may have the right, in certain circumstances as specified in the Final Terms, to subsequently adjust the Basket (i.e. remove a component of the Basket without replacing it or replace the component of the Basket in whole or in part by another basket component and/or if necessary by adjusting the weighting of the Basket). The Securityholder may not assume that the composition of a Basket will remain constant during the life of the Securities.

Depending on the features of the relevant Securities, there can be a significant adverse effect on the calculation or specification of the redemption amount or interest amounts if the performance of one or more basket components, on which the calculation or specification of the redemption amount or interest amounts is based, has deteriorated significantly.

**(i) Relative performance of the Underlying to another Underlying used as benchmark**

In case of a determination of a relative performance of the Underlying or, as the case may be, the Underlyings to another Underlying or, as the case may be, the Underlyings, as specified in the section "Product Terms" of the relevant Final Terms, investors should also note that the value of the Securities will even in case of a positive performance of the relevant Underlying or, as the case may be, Underlyings remain constant, if the other Underlying or, as the case may be, Underlyings perform(s) in parallel. In such case of parallel performance of both, the Underlying and the benchmark Underlying, the Redemption Amount payable under the Securities to the Securityholders will be equal to zero and Securityholders will suffer a total loss of their investment in the Securities.

**2.2 Material risks which apply to a specific type of Underlying**

In addition, the following risks are specifically related to the Underlying or a Basket Component, as the case may be.

In the following risk category, the specific material risks related to a specific type of Underlying presented, where the most material risk factors, in the assessment of the Issuer as of the date of this Base Prospectus, are presented first.

**(a) Material risks related to shares**

In case of a **share as the Underlying or a Basket Component**, as the case may be, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms,

the following **risks specifically related to shares as the Underlying or a Basket Component**, apply:

**Specific risks related to the performance of shares**

The performance of a share used as the Underlying or, as the case may be, a Basket Component depends on the performance of the company issuing the shares. But even regardless of the financial position, cash flows, liquidity and results of operations of the company issuing the shares, the price of a share can be subject to fluctuations or adverse changes in value. In particular, the development of the share price can be influenced by the general economic situation and market sentiment.

The market price of Securities with a share as the Underlying or, as the case may be, a Basket Component depends on (even if it does not directly correlate to) the performance of such share. The performance of a share may be subject to factors like the dividend or distribution policy, financial prospects, market position, corporate actions, shareholder structure and risk situation of the issuer of the share, short selling activities and low market liquidity as well as to political influences. Consequently, any risks related to a direct investment in shares may also have an impact on the Securities and reduce the value of the



Securities and of any amounts payable under the Securities to the Securityholders. In the worst case, this can lead to a total loss of the Securityholders' investment in the Securities.

The performance of a share may be subject to factors outside the Issuer's sphere of influence, such as the risk of the relevant company becoming insolvent, insolvency proceedings being opened over the company's assets or similar proceedings under the laws applicable to the company being commenced or similar events taking place with regard to the company, which may result in a total loss for the Securityholder, or the risk that the share price is highly volatile. The issuer's dividend or distribution policy, its financial prospects, market position, any capitalisation measures, shareholder structure and risk situation may also affect the share price.

In addition, the performance of a share depends particularly on the development of the capital markets, which in turn are dependent on the global situation and the specific economic and political environment. Shares in companies with low or average market capitalisation may be subject to even higher risks (e.g. with regard to volatility or insolvency) than shares in larger companies. Furthermore, shares in companies with a low market capitalisation may be extremely illiquid due to smaller trading volumes. Shares in companies having their seat or exerting their relevant operations in countries with a high legal uncertainty are subject to additional risks, such as the risk of governmental measures being taken or nationalisation taking place. This may result in the partial or total loss of the share's value. The realisation of these risks may result in investors in Securities relating to such shares losing all or parts of the capital invested.

### **Investors in the Securities have no shareholder rights**

The Securities constitute no interest in a share as the Underlying or, as the case may be, a Basket Component including any voting rights or rights to receive dividends, interest or other distributions, as applicable, or any other rights with respect to the share. The Issuer and any of its affiliates may choose not to hold the shares or any derivatives contracts linked to the shares used as Underlying or, as the case may be, a Basket Component. Neither the Issuer nor any of its affiliates is restricted from selling, pledging or otherwise conveying all right, title and interest in any shares or any derivatives contracts linked to the shares by virtue solely of it having issued the Securities. Further, in connection with all payments in respect of the Securities, the Securityholders are exposed solely to the credit risk of the Issuer and have no recourse to any underlying assets.

### **No registration in the register of members in the case of physical delivery of Registered Shares**

If the share used as the Underlying or, as the case may be, a Basket Component is a share that is registered in the name of the holder or if the shares contained in an Underlying (e.g. in an index or a Basket) are registered in the name of the holder (each a "**Registered Share**"), and if the Issuer is obliged, as specified in the applicable Conditions of the Securities, to physically deliver these shares to the investor in accordance with the Conditions of the Securities, the rights under the shares (e.g. participation in the annual general meeting and exercise of voting rights) may only be exercised by shareholders that are registered in the register of members or a comparable official shareholder register of the issuer of such Registered Shares. In the case of Registered Shares, any obligation incumbent upon the Issuer to deliver the shares is limited solely to the provision of the shares in a form and with features that allow for stock-exchange delivery and does not cover entry into the register of members. In such cases, any claims due to non-performance, in particular reversal of the transaction or damages, are excluded.

### **Currency risks**

In case of investments of the company, the shares of which are used as the Underlying or, as the case may be, Basket Component, being denominated in currencies other than the currency in which the share value is calculated, certain additional correlation risks may apply. These correlation risks depend on the degree of dependency of currency fluctuations of the relevant foreign currency to the currency in which the share value is calculated. Hedging transactions, if any, of the company may not exclude these risks.

### **Issuer's conflicts of interest with regard to the shares**

It is possible that the Issuer or any of its affiliates hold shares in the company which has issued the shares which comprise the Underlying or, as the case may be, a Basket Component, which may result in conflicts

of interest. The Issuer and any of its affiliates may also decide not to hold the shares which comprise the Underlying or, as the case may be, the Basket Component, or not to conclude any derivative contracts linked to the shares. Neither the Issuer nor any of its affiliates are limited in selling, pledging or otherwise assigning rights, claims and holdings regarding the shares which comprise the Underlying or, as the case may be, the Basket Component, or any derivative contracts relating thereto solely based on the fact that the Securities were issued.

**(b) Material risks related to certificates representing shares**

In case of a **certificate representing shares as the Underlying or a Basket Component**, as the case may be, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms,

the actual amount of the Redemption Amount and of other payments specified in the Conditions of the Securities are determined by reference to the price of the certificate representing shares used as the Underlying or, as the case may be, a Basket Component. A certificate representing shares represents shares of a stock corporation (each a "**Underlying Share**") and, as such, mirrors the performance of these Underlying Shares. Consequently, any investment in the Securities is, to a certain extent, subject to market risks similar to a direct investment in the relevant certificate representing shares and the Underlying Share respectively. Any realisation of these risks related to the Underlying or, as the case may be, a Basket Component may reduce the value of the Securities and of any amounts payable under the Securities to the Securityholders. **In the worst case, this can lead to a total loss of the Securityholders' investment in the Securities.**

As a result, also the **risks specifically related to shares as Underlying or a Basket Component**, as the case may be, related to the Underlying Shares when investing in the Securities apply.

**(c) Material risks related to non-equity securities**

In case of a **non-equity security as the Underlying or a Basket Component**, as the case may be, as specified in the applicable Product Terms in the definition of "Underlying",

the actual amount of the Redemption Amount and of other payments specified in the Conditions of the Securities are determined by reference to the price of the non-equity security used as the Underlying or, as the case may be, a Basket Component. Consequently, any investment in the Securities is, to a certain extent, subject to market risks similar to a direct investment in the relevant non-equity security. Any realisation of these risks related to the Underlying or, as the case may be, a Basket Component may reduce the value of the Securities and of any amounts payable under the Securities to the Securityholders. **In the worst case, this can lead to a total loss of the Securityholders' investment in the Securities.** Therefore, the following risks specifically related to non-equity securities as Underlying or a Basket Component, as the case may be, apply:

**Market Price Developments**

The market price development of Securities using non-equity securities as the Underlying or, as the case may be, a Basket Component depends on the development of the non-equity securities which are subject to influences outside of the Issuer's sphere of influence, such as the risk that the issuer of the non-equity securities becoming insolvent or that the market price is subject to considerable fluctuations.

**No endorsement of the issuer**

Securities with non-equity securities used as the Underlying or, as the case may be, a Basket Component are not in any way sponsored, endorsed, sold or promoted by the issuer of the underlying non-equity securities and such issuer makes no warranty or representation whatsoever, express or implied, as to the future performance of the non-equity securities. Furthermore, the issuer of the non-equity securities used as the Underlying or, as the case may be, a Basket Component does not assume any obligations to take the interest of the Issuer of the Securities or those of the Securityholders into consideration for any reason. None of the issuers of the underlying non-equity securities are responsible for, and have participated in, the determination of the timing of, prices for or quantities of, the Securities.

#### (d) Material risks related to precious metals and commodities

In case of a **precious metal or commodity as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms,

the actual amount of the Redemption Amount and of other payments specified in the Conditions of the Securities are determined by reference to the price of the precious metal or commodity used as the Underlying or, as the case may be, a Basket Component. Consequently, any investment in the Securities is, to a certain extent, subject to market risks similar to a direct investment in the relevant precious metal or commodity. Commodities (e.g. oil, gas, wheat, corn) and precious metals (e.g. gold, silver) are traded mainly on specialised exchanges or directly among market participants (over the counter). An investment in commodities and precious metals is associated with a greater risk than investments in e.g. bonds, currencies or stocks as prices in this asset category are subject to greater fluctuations (volatility) as trading in commodities and precious metals serves speculative reasons and may be less liquid than e.g. stock markets. Any realisation of these risks related to the Underlying or, as the case may be, a Basket Component may reduce the value of the Securities and of any amounts payable under the Securities to the Securityholders. **In the worst case, this can lead to a total loss of the Securityholders' investment in the Securities.** Therefore, the following risks specifically related to precious metals and commodities as Underlying or a Basket Component, as the case may be, apply:

##### **Dependence on the value of the precious metals or commodities**

The following factors (which is a non-exhaustive list) may influence commodity and precious metal prices: supply and demand; speculations in the financial markets; production bottlenecks; delivery difficulties; few market participants; production in emerging markets (political disturbances, economic crises); political risks (war, terrorist actions); unfavourable weather conditions; natural disasters.

In cases of precious metals or commodities used as the Underlying, it should be noted that the values are traded 24 hours a day through the time zones of Australia, Asia, Europe and America. This may lead to a determination of different values of the relevant Underlying in different places. **Potential investors of the Securities should, therefore, be aware that a relevant limit, barrier or, as the case may be, threshold, if applicable, described in the Conditions of the Securities, may be reached, exceeded or fallen short at any time and even outside of local or the business hours of the Issuer, the Calculation Agent or the Managers.**

##### **Cartels and regulatory changes**

A number of companies or countries producing commodities and precious metals have formed organisations or cartels to control the offer and thus influence prices. On the other hand, the commodities and precious metals trade is subject to regulatory supervision or market rules the application of which may also have negative impacts on the pricing of the precious metals concerned.

##### **Limited liquidity**

Many commodities and precious metals markets are not particularly liquid and may therefore not be able to react swiftly and in a sufficient manner to changes to the offer or demand side. In case of a low liquidity, speculative investments of individual market participants may result in distorted prices.

##### **Political risks**

Precious metals are often extracted in emerging markets and acquired by industrialised nations. The political and economic situation of emerging markets, however, is less stable than in the industrialised nations. They are more likely to face risks of quick political change or cyclical downturns. Political crises may unsettle the confidence of Securityholders which, in turn, may affect the prices of the goods. Acts of war or conflicts may change the offer and demand sides of specific precious metals. It is also possible that industrialised nations lay an embargo on the import or export of precious metals and services which may directly or indirectly affect the price of a precious metal used as the Underlying or, as the case may be, a Basket Component.

**(e) Material risks related to indices**

In case of an **index as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms,

the actual amount of the Redemption Amount and of other payments specified in the Conditions of the Securities are determined by reference to the level of the index used as the Underlying or, as the case may be, a Basket Component. Consequently, any investment in the Securities is, to a certain extent, subject to market risks similar to a direct investment in the relevant index and its components. Consequently, any investment in the Securities is, to a certain extent, subject to market risks similar to a direct investment in the relevant index and its components. Any realisation of these risks related to the Underlying or, as the case may be, a Basket Component may reduce the value of the Securities and of any amounts payable under the Securities to the Securityholders. **In the worst case, this can lead to a total loss of the Securityholders' investment in the Securities.** Therefore, the following risks specifically related to an index as Underlying or a Basket Component, as the case may be, apply:

**Dependence on the value of the index components**

The value of the index will be calculated on the basis of the value of its components. Changes to the prices of the index components, the composition of the index as well as other factors which (may) affect the value of the index components, will also affect the value of the Securities which are linked to the relevant index and may thus affect the return on any investment in such Securities. Fluctuations in the value of an index component may be set-off or enhanced by fluctuations in the value of other index components. The historic performance of the index does not constitute a guarantee of its future performance. An index used as the Underlying or, as the case may be, a Basket Component might not be available during the full term of the Securities, might be exchanged or continued to be calculated by the Issuer itself. In such or other cases as mentioned in the Conditions of the Securities, the Issuer is in accordance with the Conditions entitled to terminate and redeem the Securities in total prior to the scheduled maturity of the Securities. In such case, the Securityholders would be exposed to the risks in connection with such early termination and redemption as described in section "1.2(b) *Specific risks related to no further participation in the performance of the Underlying or, as the case may be, Basket Components, following the termination and early redemption of the Securities*" above.

Securityholders should be aware that selecting an index is not based on the expectations or evaluations of the Issuer or the Calculation Agent with regard to the future performance of the selected index. Securityholders should therefore assess the future performance of an index based on their own knowledge and the information available to them.

**Influence of the Issuer or the index sponsor on the index**

If the Issuer or any of its affiliates is not the index sponsor, the index composition of the respective index as well as the method of calculating the index is determined by the index sponsor alone or in cooperation with other entities. In this case, the Issuer has no influence on the composition or method of calculating the index. An amendment of the index composition may have an adverse impact on its performance. If, after an amendment by the index sponsor, the index is no longer comparable to the original index the Issuer has the right to adjust or terminate the Securities, if so specified in the Final Terms. Such an adjustment or termination may lead to total or partial loss of the invested capital.

In accordance with the relevant index rules, the index sponsor may be entitled to make changes to the composition or calculation of the index, which may have a negative effect on the performance of the Securities, or to permanently discontinue the calculation and publication of the index used as the Underlying or, as the case may be, a Basket Component without issuing a successor index.

If the Issuer or any of its affiliates is not the index sponsor, Securities with the index as the Underlying or, as the case may be, a Basket Component are not in any way sponsored, endorsed, sold or promoted by the index sponsor. Such index sponsor makes no warranty or representation whatsoever, express or implied, either as to the results to be obtained from the use of the index or the value at which the index stands at any particular time. Such an index is determined, composed and calculated by its respective index sponsor, without regard to the Issuer or the Securities. Such an index sponsor is not responsible or liable for the Securities to be issued, the administration, marketing or trading of the Securities. Therefore, any decisions regarding the index used as the Underlying or, as the case may be, a Basket Component

taken by the index sponsor could go directly against the interests of the Securityholders and adversely affect the value of the Securities.

If the Issuer or any of its affiliates acts as index sponsor or as index calculation agent, conflicts of interests may arise, since any calculation and/or determination of the index sponsor or as index calculation agent has immediate impact on the amount payable under the Securities.

Potential investors in the Securities should furthermore be aware that the Issuer is in case that the calculation and/or publication of the index used as the Underlying is permanently discontinued, pursuant to the Conditions of the Securities, entitled to terminate and redeem the Securities in total prior to the scheduled maturity of the Securities. In such case, the Securityholders would be exposed to the risks in connection with such early termination and redemption as described in section "1.2(b) *Specific risks related to no further participation in the performance of the Underlying or, as the case may be, Basket Components, following the termination and early redemption of the Securities* " above.

#### **Risks associated with new or not customary indices**

Using a not customary or new index as Underlying or, as the case may be, Basket Component may involve a lower level of transparency as regards the composition, continuation and calculation of the index than using a customary index accepted in the financial markets would. Information concerning a not customary index may be less readily available and the composition of such an index may depend much more on subjective criteria than the composition of a customary index would.

Each of these risks may have a material adverse effect on the level or availability of the index and consequently on the value of the Securities.

#### **Adverse effect of fees on the index**

An index used as the Underlying or, as the case may be, a Basket Component may in accordance with its index rules include fees (e.g. calculation fees or fees related to changes in the composition of the Index), which are taken into account when calculating the level of the Index. As a result, any of these index fees reduce the level of the index and have an adverse effect on the index and on any amounts to be paid under the Securities. In certain cases, this could even lead to a partial or total loss of the invested capital.

#### **Dividends are not taken into account / price index**

If the index used as the Underlying or, as the case may be, a Basket Component is calculated as a so-called price index, dividends or other distributions, if any, that are paid out from the index components are not taken into account when calculating the level of the index and may have a negative impact on the price of the index, because the index components will be traded at a discount after the pay-out of dividends or distributions. Thus, Securityholders generally do not participate in any dividends or other distributions paid out or made on components contained in the index used as an Underlying or, as the case may be, as a Basket Component.

#### **Risks in relation to the comparison of the performance of a price index and a performance or total return index**

If, for the calculation or specification of amounts payable under the Securities, the performance of a price index is compared with the performance of a total return index potential investors should note that the calculation of the price index does – in contrast to a total return index – not take into account dividends or other distributions, if any, that are paid out from the index components. As a result, the performance of a total return index will - compared to the performance of a price index – always look more positive than the performance of the price index.

### **The basis of calculating the price of the Underlying or, as the case may be, the Basket Component may change during the term of the Security**

The basis of calculating the price of the index used as the Underlying or, as the case may be, a Basket Component or of the index components may vary during the term of the Securities and may negatively affect the market value of the Securities.

### **Risk of country or sector related indices**

If an index used as the Underlying or, as the case may be, a Basket Component reflects the performance only of assets in some countries or industries, the Securityholders are facing concentration risks. In case of unfavourable economic developments in a country or with regard to one industry sector such development may have negative impacts for the Securityholder. If several countries or sectors are represented in one index, it is possible that these are weighted in an uneven manner. This means that an unfavourable development in a country or one industry sector with high weighting in the index will affect the value of the index in an disproportionately negative manner. Such negative development could lead to a partial or total loss of the invested capital.

### **Currency exchange risk contained in the index**

Index components may be listed in a different currency and therefore be exposed to different currency influences (this applies particularly for country or sector related indices). Also, it is possible that index components are converted first from one currency to the currency which is relevant for the calculation of the index only to then have to be converted again in order to calculate or specify an amount payable under the Securities. In such cases, Securityholders bear several currency risks, which may not be clearly recognisable for Securityholders.

### **Publication of the index composition not constantly updated**

Some index sponsors publish the composition of the relevant indices not completely or only after a time lag on a website or in other media specified in the Final Terms. In this case the composition shown might not always be the current composition of the respective index used for calculating amounts payable under the Securities. The delay may be substantial, may under certain circumstances last several months and the calculation of amounts under the Securities may be negatively affected.

### **(f) Material risks related to fund units (other than exchange traded fund)**

In case of a **not exchange traded fund unit as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms,

the actual amount of the Redemption Amount and of other payments specified in the Conditions of the Securities are determined by reference to the price of the fund units used as the Underlying or, as the case may be, a Basket Component. Consequently, any investment in the Securities is, to a certain extent, subject to market risks similar to a direct investment in the relevant fund units. Any realisation of these risks related to the Underlying or, as the case may be, a Basket Component may reduce the value of the Securities and of any amounts payable under the Securities to the Securityholders. **In the worst case, this can lead to a total loss of the Securityholders' investment in the Securities.** Therefore, the following risks specifically related to fund units as Underlying or a Basket Component, as the case may be, apply:

#### **Market risk**

Given that reduced market prices or losses in value incurred by the securities or other investments held by the fund used as the Underlying or, as the case may be, a Basket Component, will be reflected in the price of individual fund units, there is a principal risk of a decrease in the unit prices. Even a broad variation and diversification of the fund's investments cannot avoid the risk that a decreasing overall development at certain markets or stock exchanges results in a decrease of fund unit prices.

### **Illiquid investments**

The fund whose fund units comprise the Underlying or, as the case may be, a Basket Component may invest in assets that are illiquid or subject to a minimum holding period. It may therefore be difficult for the fund to sell these assets at a reasonable price or at all if it is forced to do so in order to generate liquidity. The fund may suffer considerable losses if it needs to sell illiquid assets in order to redeem units and selling the illiquid assets is only possible at a very low price. This may negatively affect the value of the fund units used as the Underlying or, as the case may be, a Basket Component and thus of the Securities and could even lead to partial or total loss of the invested capital.

Investments in illiquid assets may also result in difficulties when calculating the net asset value of the fund and thus delay distributions in connection with the Securities.

### **Delayed publication of the net asset value**

It may be possible in certain situations that the publication of the net asset value by a fund whose fund units are used as the Underlying or, as the case may be, a Basket Component is delayed. This may result in a delay of the redemption of the Securities and have a disadvantageous effect on the value of the securities, for instance, in case of a negative market development, potentially even leading to partial or total loss of the invested capital. In addition, Securityholders face the risk that in case of a delayed redemption of the Securities they will be able to reinvest the relevant return only at a later point in time and maybe at less favourable terms.

### **Liquidation of a fund**

There is the risk that a fund whose fund units are used as the Underlying or, as the case may be, a Basket Component is liquidated during the term of the Securities. In such case, the Issuer shall be entitled to modify the relevant Conditions of the Securities accordingly. Such modifications may, in particular, consist of one fund being replaced by another fund. In addition, there is also the possibility of a premature termination of the Securities by the Issuer.

### **Concentration risks**

The fund whose fund units are used as the Underlying or, as the case may be, a Basket Component may in accordance with its fund rules concentrate its assets with a focus on certain countries, regions or industry sectors. This can result in the fund being subject to a higher volatility as compared to funds with a broader diversification as regards countries, regions or industry sectors. The value of investments in certain sectors, countries or regions may be subject to strong volatility within short periods of time. This also applies to funds focusing their investments on certain asset classes such as commodities. Funds investing their assets in less regulated, small and exotic markets, are subject to certain further risks. Such risks may include the risk of government interventions resulting in a total or partial loss of assets or of the ability to acquire or sell them at the fund's discretion. Such markets may not be regulated in a manner typically expected from more developed markets. If a fund concentrates its assets in emerging markets, this may involve a higher degree of risk as exchanges and markets in these emerging market countries or certain Asian countries such as Indonesia may be subject to stronger volatility than exchanges and markets in more developed countries. Political changes, foreign currency exchange restrictions, foreign exchange controls, taxes, restrictions on foreign investments and repatriation of invested capital can have a negative impact on the investment result and therefore the value of the fund units used as the Underlying or, as the case may be, a Basket Component.

### **Currency risks**

In case of the investments of the fund whose fund units are used as the Underlying or, as the case may be, a Basket Component being denominated in different currencies or in case of the investment and the fund units used as the Underlying or, as the case may be, a Basket Component being denominated in a currency other than the currency in which the net asset value of the fund is calculated, certain additional correlation risks may apply. These correlation risks depend on the degree of dependency of currency fluctuations of the relevant foreign currency to the currency in which the net asset value is calculated. Hedging transactions, if any, of the fund may not exclude these risks.

### Markets with limited legal certainty

The fund whose fund units are used as the Underlying or, as the case may be, a Basket Component may invest in markets with a low legal certainty and will then be subject to additional risks, such as the risk of reliable governmental measures, which may entail a loss in the fund's value.

### Dependence on investment manager

The performance of the fund whose fund units are used as the Underlying or, as the case may be, a Basket Component depends on the performance of the investments chosen by the investment manager in order to implement the applicable investment strategy. In practice, the fund's performance strongly depends on the expertise of the investment manager responsible for making the investment decisions. If such investment manager leaves the fund or is replaced, this may result in losses and/or a liquidation of the fund concerned.

The investment strategies, the investment restrictions and investment objectives of a fund may allow for considerable room for an investment manager's discretionary decision when investing the relevant assets and no warranty can be given that the investment manager's investment decisions will result in profits or that these constitute an effective hedging against market or other risks. No warranty can be given that the fund will be able to successfully implement its investment strategy as outlined in its documentation. It is therefore possible that, despite funds with a similar investment strategy experiencing a positive performance, the performance of the fund underlying the Securities (and thus the Securities) undergo a negative development.

### Risks related to the fund management; Conflicts of interest

There is the risk that the fund manager or the investment advisor of the fund whose fund units are used as the Underlying or, as the case may be, a Basket Component will make wrong decisions in connection with investments by the fund. There even is a risk that the fund manager or the investment advisor of the fund whose fund units are used as the Underlying or, as the case may be, a Basket Component will make decisions to the detriment of the fund. There is furthermore the risk that the fund manager or the investment advisor violates the law or agreed investment strategies. Moreover, the fund manager or the investment advisor can act illegally, for example, by embezzling assets of the investment fund or violating provisions on market abuse. This can have a substantial, adverse impact on the value of the fund whose fund units are used as the Underlying or, as the case may be, a Basket Component. In the operation of the fund whose fund units are used as the Underlying or, as the case may be, a Basket Component certain conflicts of interest may arise that can have negative impact on the fund's performance. For example, persons involved in the fund management or advisory activities in relation to the may also act at the same time for companies, which they recommend for investment by the fund. **Any of these risks related to the fund management may have a material adverse effect on the value of the fund whose fund units are used as the Underlying or, as the case may be, a Basket Component and, consequently, also on the value of the Securities.**

### Fees on different levels

Fees charged by the fund whose fund units are used as the Underlying or, as the case may be, a Basket Component may have a significant negative impact on the value of such fund units and the net asset value of the fund. Fees charged in relation to a fund can be incurred on different levels. Usually fees, e.g. management fees, are incurred at fund level. In addition, expenses and cost may be incurred when the services of third parties are commissioned in connection with the fund administration. With respect to investments made by the fund, such as investments in other funds or other collective investment vehicles, further charges might be incurred. This may have a negative impact on these investments and, consequently, in the fund's performance.

Performance fees may be agreed upon on the level of the fund. Such fee arrangements can create an inducement to invest assets in a more risk oriented or speculative manner than would be the case if no performance fee arrangement existed. Performance fees may even be incurred where the overall fund performance is negative. Consequently performance fees can be incurred on the level of the fund even if an investment in the Securities results in a loss to the investor. This could exacerbate partial losses of the invested capital and, in extreme circumstances, even result in total loss of the invested capital.



### Limited Supervision

Funds may not be regulated or may invest in investment vehicles that are not subject to supervision. If unregulated funds become subject to supervision, this may negatively impact the value of the fund units used as the Underlying or, as the case may be, a Basket Component, and, consequently, of the Securities.

#### (g) Material risks related to exchange traded fund units

In case of an **exchange traded fund unit as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms,

the actual amount of the Redemption Amount and of other payments specified in the Conditions of the Securities are determined by reference to the price of exchange traded fund units in an exchange traded fund used as the Underlying or, as the case may be, a Basket Component. Consequently, any investment in the Securities is, to a certain extent, subject to market risks similar to a direct investment in the relevant fund units. Any realisation of these risks related to the Underlying or, as the case may be, a Basket Component may reduce the value of the Securities and of any amounts payable under the Securities to the Securityholders. **In the worst case, this can lead to a total loss of the Securityholders' investment in the Securities.** Therefore, the following risks specifically related to exchange traded fund units in an exchange traded fund as Underlying or a Basket Component, as the case may be, apply:

#### Concept of an Exchange Traded Fund; Listing

An exchange traded fund ("**ETF**" or the "**Fund**") is a fund managed by a domestic or non-domestic management company or, as the case may be, an estate organised as a corporate fund, whose fund units ("**Fund Units**") are listed on a securities exchange. There is the risk that such admission or listing will not be maintained during the whole life of the Securities. In addition, a listing does not imply that the Fund Units are liquid at any time and, hence, may be sold via the securities exchange at any time, since trading in the securities exchange may be suspended in accordance with the relevant trading rules. Investors should be aware that, if a Fund Unit is delisted or becomes illiquid, this could have an adverse effect on the value of the Securities and could lead to partial or total loss of the invested capital

#### Pricing Factors; Use of Estimates

The price of any Fund Units used as the Underlying or, as the case may be, a Basket Component mainly depends in the price per unit of the ETF and, consequently, on the aggregate value of assets held by the ETF less any liabilities, so-called net asset value. Any negative performance or losses of the securities or other investments made by the ETF for the purposes of replicating the performance of a benchmark (*cf.* below "Replication of the performance of a benchmark; tracking error") will result in a loss of the ETF and a decline in the value of the Fund Units used as the Underlying or, as the case may be, a Basket Component. Even a broad spread of its investments and a strong diversification of the ETF's investments cannot exclude the risk that any negative development on certain markets or exchanges will lead to a decline in the price per unit of the ETF.

As ETFs generally calculate their net asset value on a daily basis only, the price of the ETF as continuously published by the securities exchange is usually based on the estimated net asset values. These estimates may differ from the final net asset value as subsequently published by the Funds. Therefore, the general risks during trading hours exists that the performance of the ETF and of its actual Net Asset Value may deviate.

#### Replication of the performance of a benchmark; tracking error

ETFs are designed to replicate as closely as possible the performance of an index, basket or specific single assets (each an "**ETF-Benchmark**"). However, the ETF conditions can allow an ETF-Benchmark to be substituted. Therefore, an ETF might not always replicate the original ETF-Benchmark.

For the purpose of tracking an ETF-Benchmark, ETFs can use full replication and invest directly in all components comprised in the ETF-Benchmark, synthetic replication using for example a swap, or other tracking techniques such as sampling. The value of the ETFs is therefore in particular based on the

performance of the holdings used to replicate the ETF-Benchmark. There is the risk that the performance of the ETF differs from the performance of the ETF-Benchmark (tracking error).

Unlike other collective investment schemes, ETFs are usually not actively managed by the management company of the ETF. In fact, investment decisions are determined by the relevant ETF-Benchmark and its components. In case that the underlying ETF-Benchmark shows a negative performance, ETFs are subject to an unlimited performance risk in particular when they are using full replication or synthetic replication techniques. This can have a negative impact on the performance of any Fund Units used as the Underlying or, as the case may be, a Basket Component and, therefore, the performance of the Securities.

Tracking an ETF-Benchmark typically entails further risks:

- An ETF using a full replication technique for tracking the performance of the ETF-Benchmark may not be able to acquire all components of that ETF-Benchmark or sell them at reasonable prices. This can affect the ETF's ability to replicate the ETF-Benchmark and may have a negative effect on the ETF's overall performance.
- ETFs using swaps for synthetic replication of the ETF-Benchmark may be exposed to the risk of a default of their swap counterparties. ETFs might retain substituting contractual rights in case of default of the swap counterparty. However, there is the risk that the ETF does not receive or not receive the full amount due to it if the Swap counterparty were not in default.
- ETFs replicating the ETF-Benchmark using sampling techniques (i.e. not using full replication and without using swaps) may create portfolios of assets which are not ETF-Benchmark components at all or do only comprise some components of the ETF-Benchmark. Therefore, the risk profile of such ETF is not necessarily consistent with the risk profile of the ETF-Benchmark.
- If ETFs use derivatives to replicate or to hedge its positions, this may result in losses which are significantly higher than any losses of the ETF-Benchmark (leverage effect).

Therefore, potential investors should be aware that the Fund Units in the ETF may not perfectly track the relevant ETF-Benchmark. Accordingly, even if the value of the relevant ETF-Benchmark increases, it is possible that the value of the corresponding Fund Unit used as the Underlying or, as the case may be, a Basket Component decreases. This could lead to an overall decrease in the value of the Securities and to partial or total loss of the invested capital.

### **Concentration risks**

An ETF whose Fund Units are used as the Underlying or, as the case may be, a Basket Component may in accordance with its fund rules concentrate its assets with a focus on certain countries, regions or industry sectors while replicating the ETF-Benchmark. This can result in the ETFs being subject to a higher volatility as compared to funds with a broader diversification as regards countries, regions or industry sectors. The value of investments in certain sectors, countries or regions may be subject to strong volatility within short periods of time. This also applies to ETFs focusing their investments on certain asset classes such as commodities. ETFs investing their assets in less regulated, small and exotic markets, are subject to certain further risks. Such risks may include the risk of government interventions resulting in a total or partial loss of assets or of the ability to acquire or sell them at the fund's discretion. Such markets may not be regulated in a manner typically expected from more developed markets. If an ETF concentrates its assets in emerging markets, this may involve a higher degree of risk as exchanges and markets in these emerging market countries or certain Asian countries such as Indonesia may be subject to stronger volatility than exchanges and markets in more developed countries. Political changes, foreign currency exchange restrictions, foreign exchange controls, taxes, restrictions on foreign investments and repatriation of invested capital can have a negative impact on the investment result and therefore the value of the Fund Units in the ETF.

Potential investors should be aware that, if any concentration risks in respect of a Fund Unit used as the Underlying or, as the case may be, a Basket Component materialise, this could have an adverse effect

on the value of the corresponding Fund Unit. This could lead to an overall decrease in the value of the Securities and to partial or total loss of the invested capital.

### **Currency risks**

In case of the investments of the ETF whose Fund Units are used as the Underlying or, as the case may be, a Basket Component being denominated in different currencies or in case of the investment and the Fund Units being denominated in a currency other than the currency in which the net asset value is calculated, certain additional correlation risks may apply. These correlation risks depend on the degree of dependency of currency fluctuations of the relevant foreign currency to the currency in which the net asset value is calculated. Hedging transactions, if any, of the ETF may not exclude these risks. Furthermore, it should be noted that the ETF-Benchmark may not be denominated in the fund's base currency. If the ETF-Benchmark is converted into the ETF currency in particular for determining fees and costs, currency exchange rate fluctuations may have a negative impact on the value of the Fund Units in the ETF.

### **Conflicts of interest**

In the operation of the ETF certain conflicts of interest may arise that can have negative impact on the ETF's performance. For persons involved in the fund management or advisory activities in relation to the ETF conflicts of interest can arise from retrocessions or other inducements. In addition, persons involved in the fund management or advisory activities to the ETF or their employees may provide services such as management, trading or advisory services for third parties at the same time. Although they will usually aim to distribute the investment opportunities equally to their clients, the fund portfolio and portfolios of other clients may differ even if their investment objectives are similar. Any of these persons might be induced to allocate lucrative assets first to a portfolio involving the highest fees. Persons providing management, trading or advisory services to the ETF may make recommendations or enter into transactions which are different to those of the ETF or may even compete with the ETF.

### **Fees on different levels**

Fees charged by the ETF may have a significant negative impact on the value of the Fund Units used as the Underlying or, as the case may be, a Basket Component and the net asset value of the ETF. Fees charged in relation to an ETF can be incurred on different levels. Usually fees, e.g. management fees, are incurred at fund level. In addition, expenses and cost may be incurred when the services of third parties are commissioned in connection with the fund administration. With respect to investments made by the ETF, such as investments in other funds or other collective investment vehicles, further charges might be incurred. This may have a negative impact on these investments and, consequently, on the value of the corresponding Fund Units used as the Underlying or, as the case may be, a Basket Component. This could lead to an overall decrease in the value of the Securities and to partial or total loss of the invested capital.

Performance fees may be agreed upon on the level of the ETF. Such fee arrangements can create an inducement to invest assets in a more risk oriented or speculative manner than would be the case if no performance fee arrangement existed. Performance fees may even be incurred where the ETF underperforms the ETF-Benchmark. Even if the ETF outperforms its ETF-Benchmark, performance fees might be triggered even though the overall fund performance is negative (for example where the ETF-Benchmark's performance is negative). Consequently, performance fees can be incurred on the level of the ETF even if an investment in the Securities results in a partial or total loss of the invested capital. Such fees could therefore increase the loss suffered by an investor in the Securities.

### **Limited Supervision**

ETFs may not be regulated or may invest in investment vehicles that are not subject to supervision. If unregulated funds become subject to supervision, this may negatively impact the value of any Fund Units used as the Underlying or, as the case may be, a Basket Component, and, consequently, of the Securities.

### **Liquidity risks**

ETFs and Fund Units may be less liquid than the individual components of the relevant ETF-Benchmark. Consequently, in case of an early termination of the ETF, any Fund Units used as the Underlying or, as

the case may be, a Basket Component at such time may be more difficult to realise than if the Securities were linked directly to such individual components. In certain circumstances, it may only be possible to realise such Fund Units used as the Underlying or, as the case may be, a Basket Component at a loss. This could lead to an overall decrease in the value of the Securities and to partial or total loss of the invested capital.

#### (h) Material risks related to futures contracts

In case of a **futures contract as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms,

the actual amount of the Redemption Amount and of other payments specified in the Conditions of the Securities are determined by reference to the price of the futures contract used as the Underlying or, as the case may be, a Basket Component. Consequently, any investment in the Securities is, to a certain extent, subject to market risks similar to a direct investment in the relevant futures contract. Any realisation of these risks related to the Underlying or, as the case may be, a Basket Component may reduce the value of the Securities and of any amounts payable under the Securities to the Securityholders. **In the worst case, this can lead to a total loss of the Securityholders' investment in the Securities.** Therefore, the following risks specifically related to futures contracts as Underlying or a Basket Component, as the case may be, apply:

##### **Difference between spot price and price of a futures contract used as Underlying**

Futures contracts used as the Underlying or, as the case may be, a Basket Component are standardised transactions relating to financial instruments (e.g. shares, indices, interest rates, currencies) - so-called financial futures- or to commodities and precious metals (e.g. oil, wheat, sugar, gold, silver) - so-called commodities futures.

A futures contract represents a contractual obligation to buy or sell a fixed amount of the underlying commodities, precious metals or financial instruments on a fixed date at an agreed price. Futures contracts are traded on futures exchanges and are standardised with respect to contract amount, type, and quality of the underlying, as well as to delivery locations and dates (where applicable). Futures, however, are normally traded at a discount or premium to the spot prices of their underlying.

Futures prices can differ substantially from the spot price of the underlying financial instrument (e.g. shares, indices, interest rates, currencies) or underlying commodity and precious metal (e.g. oil, wheat, sugar, gold, silver). Moreover, the investor in Securities linked to the futures price of a certain underlying (e.g. financial instrument, commodity or precious metal) must be aware of the fact that the futures price and, accordingly, the value of the Securities does not always move in the same direction or at the same rate as the spot price of such underlying. Therefore, the value of the Securities can fall substantially even if the spot price of the relevant underlying of the futures contract remains stable or rises. In such case, investors could suffer partial or total loss of the invested capital.

##### **Contango and backwardation**

For the purpose of trading on an exchange, futures contracts are standardised with respect to their term (e.g. 3, 6, 9 months). Futures contracts used as the Underlying or, as the case may be, a Basket Component may have an expiration date different from the term of the Securities. In such a case, the Issuer will replace any expired futures contracts used as the Underlying or, as the case may be, a Basket Component by futures contracts which - except for its expiration date, which will occur on a later date - has the same contract specifications as the initial futures contracts used as the Underlying or, as the case may be, a Basket Component (the "**Roll-over**"). Such a Roll-over can be repeated several times.

For these purposes, the Issuer shall be entitled to make at its reasonable discretion and considering the prices determined for the purpose of the Roll Over adjustments to the Conditions to account for the Roll Over, to the extent as the Issuer considers such adjustment necessary when replacing the expiring future contract by the new a futures contract. Any such adjustments may reduce the value of the Securities and of any amounts payable under the Securities to the Securityholders.

Further, the prices of the longer-term and the shorter-term futures contract used as the Underlying or, as the case may be, a Basket Component can differ even if all other contract specifications are the same. If the prices of longer-term futures contracts are higher than the price of the shorter-term futures contract to be exchanged (so-called contango), the number of futures contracts held is reduced with the Roll-over. Conversely, if the prices of short-term futures are higher (so-called backwardation), the number of futures contracts held is increased with the Roll-over (without taking into account roll-over expenses). In addition, expenses for the roll-over itself are incurred. This may result in a negative effect for the value of the Securities and reduce any amounts payable under the Securities to the Securityholders.

### Replacement or termination

If it is impossible to replace an expiring futures contract with a futures contract with identical features (except for the term to maturity), the Final Terms may provide for replacement with another, potentially less advantageous, futures contract or for termination of the Securities by the Issuer. Therefore, the Securityholder cannot rely on participating in the performance of the original futures contract used as the Underlying or, as the case may be, a Basket Component throughout the entire term of the Securities. Moreover, any replacement or termination of such original futures contract may reduce the value of the Securities and of any amounts payable under the Securities to the Securityholders.

#### (i) Material risks related to interest rates and reference rates

In case of an **interest rate and a reference rate as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms,

the actual amount of the Redemption Amount and of other payments specified in the Conditions of the Securities are determined by reference to the price of the interest rate or, as the case may be, reference rate used as the Underlying or, as the case may be, a Basket Component. Consequently, any risks related to a direct investment in the interest rate or, as the case may be, the reference rate used as the Underlying or, as the case may be, a Basket Component may also have an impact on the Securities and reduce the value of the Securities and of any amounts payable under the Securities to the Securityholders.

Interest rates and reference rates used as the Underlying or, as the case may be, a Basket Component are determined by offer and demand on the international money and capital markets, which in turn are influenced by economic factors, speculation and interventions by central banks and governments as well as other political factors. The interest rate level on the money and capital markets is often highly volatile. Securityholders are subject to the risk of changing interest rates, because an investment in the Securities linked to an interest rate as the Underlying or, as the case may be, a Basket Component may bear similar market risks to a direct investment in an interest rate. Any realisation of these risks related to the Underlying or, as the case may be, a Basket Component may reduce the value of the Securities and of any amounts payable under the Securities to the Securityholders. **In the worst case, this can lead to a total loss of the Securityholders' investment in the Securities.**

#### (j) Material risks related to currency exchange rates

In case of an **currency exchange rate as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms,

the actual amount of the Redemption Amount and of other payments specified in the Conditions of the Securities are determined by reference to the price of the currency exchange rates used as the Underlying or, as the case may be, a Basket Component. Consequently, any investment in the Securities is, to a certain extent, subject to market risks similar to a direct investment in the relevant currency exchange rates used. In particular, this will apply if the relevant underlying currency is the currency of an emerging market jurisdiction. Relevant currencies may be subject to legal restrictions on the free exchangeability. Any realisation of these risks related to the Underlying or, as the case may be, a Basket Component may reduce the value of the Securities and of any amounts payable under the Securities to the Securityholders. **In the worst case, this can lead to a total loss of the Securityholders' investment in the Securities.**

In cases of currency exchange rates used as the Underlying or, as the case may be, a Basket Component, it should be noted that the values are traded 24 hours a day through the time zones of Australia, Asia, Europe and America. **As a consequence of this ongoing trading, any relevant limit or, as the case may be, threshold, if applicable, described in the Conditions of the Securities, may be reached, exceeded or fallen short at any time and even outside of local or the business hours of the Issuer, the Calculation Agent or the Manager.**

## **C. GENERAL INFORMATION ON THE BASE PROSPECTUS**

### **1. Important Notice**

The Base Prospectus should be read and construed in conjunction with any supplement thereto and with any other documents incorporated by reference the Base Prospectus and must be interpreted accordingly.

No person has been authorised to give any information or to make any representation not contained in or not consistent with the Base Prospectus or any other document entered into in relation to the Base Prospectus or any information supplied by the Issuer or such other information as is in the public domain and, if given or made, such information or representation should not be relied upon as having been authorised by the Issuer or any Manager.

Neither the delivery of the Base Prospectus or any Final Terms nor the offering, sale or delivery of any Security shall, in any circumstances, create any implication that the information contained in the Base Prospectus is true subsequent to the date hereof or the date upon which the Base Prospectus has been most recently amended or supplemented or that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the prospects or financial or trading position of the Issuer since the date thereof or, if later, the date upon which the Base Prospectus has been most recently amended or supplemented or that any other information supplied in connection with the Base Prospectus is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same. The contents of the Base Prospectus will be updated in accordance with the provisions of the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (the "**Prospectus Regulation**").

The distribution of the Base Prospectus and any Final Terms, and any offering material relating to the Securities and the offering, sale and delivery of the Securities in certain jurisdictions may be restricted by law. Nobody may use the Base Prospectus or any Final Terms for the purpose of an offer or solicitation if in any jurisdiction such use would be unlawful. Persons into whose possession the Base Prospectus or any Final Terms comes are required by the Issuer and the Manager to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Securities and on the distribution of the Base Prospectus or any Final Terms and other offering material relating to the Securities, see "*Subscription and Sale*". In particular, Securities issued under the Base Prospectus will not be registered under the United States Securities Act of 1933, as amended, and will include Securities in bearer form that are subject to U.S. tax law requirements. Therefore, subject to certain exceptions, Securities may not be offered, sold or delivered within the United States or to U.S. persons.

Neither the Base Prospectus nor any Final Terms constitute an offer or a solicitation of an offer to purchase any Securities and should not be considered as a recommendation by the Issuer or the Managers that any recipient of the Base Prospectus or any Final Terms should subscribe for or purchase any Securities.

### **2. Responsibility Statement**

UBS AG, having its registered offices at Bahnhofstrasse 45, 8001 Zurich, Switzerland, and Aeschenvorstadt 1, 4051 Basel, Switzerland as Issuer accepts responsibility for the content of the Base Prospectus and declares that, the information contained in the Base Prospectus is, to the best of its knowledge, in accordance with the facts and makes no omission likely to affect its import.

The Issuer is liable for the Summary including any translation thereof, but only where the Summary is misleading, inaccurate or inconsistent when read together with the other parts of the Base Prospectus or where 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 such Securities

The Issuer will publish significant new factors, material mistakes or important new circumstances or material inaccuracies with regard to the information contained in the Base Prospectus. The publication will only be made in a supplement to this Base Prospectus in accordance with Article 23 of the Prospectus Regulation.

### 3. Third Party Information

Where this Base Prospectus contains information obtained from third parties, the Issuer confirms that such information has been reproduced accurately, and that - as far as the Issuer is aware and is able to ascertain from information published by that third party - no facts have been omitted which would render the reproduced information inaccurate or misleading.

### 4. Consent to use the Prospectus

In the context of any offer of Securities that is not made within an exemption from the requirement to publish a prospectus under the Prospectus Regulation (a "**Public Offer**"), the Issuer has requested the Swedish Financial Supervisory Authority (*Finansinspektionen*) – "**SFSA**" to provide a certificate of approval in accordance with Article 25 of the Prospectus Regulation (the "**EEA Passport**") in relation to the passporting of the Base Prospectus to the competent authorities of Norway, Finland, Denmark and Luxembourg (the "**Host Member States**"). Even though the Issuer has elected to passport the Base Prospectus into the Host Member States, it does not mean that they will choose to make any Public Offer in the Host Member States. Investors should refer to the Final Terms for any issue of Securities to see whether the Issuer has elected to make a public offer of the Securities in either Sweden or a Host Member State (each a "**Public Offer Jurisdiction**").

The Issuer accepts responsibility in the Public Offer Jurisdictions for which it has given consent referred to herein for the content of the Base Prospectus together with the relevant Final Terms in relation to any person (an "**Investor**") in a Public Offer Jurisdiction to whom an offer of any Securities is made by any financial intermediary to whom the Issuer has given its consent to use the Base Prospectus together with the relevant Final Terms (an "**Authorised Offeror**"), where the offer is made during the period for which that consent is given and is in compliance with all other conditions attached to the giving of the consent, all as mentioned in this Base Prospectus. However, neither the Issuer nor any Manager has any responsibility for any of the actions of any Authorised Offeror, including compliance by an Authorised Offeror with applicable conduct of business rules or other local regulatory requirements or other securities law requirements in relation to such offer.

The applicable Final Terms in respect of any Series of Securities will specify whether the Issuer consents to the use of the Base Prospectus together with the relevant Final Terms in connection with a Public Offer.

If so specified in the applicable Final Terms in respect of any Series of Securities, the Issuer consents to the use of the Base Prospectus together with the relevant Final Terms in connection with a Public Offer of any relevant Securities by either **(1)** any financial intermediary which is authorised to make such offers under the Markets in Financial Instruments Directive (Directive 2014/65/EU) or **(2)** the financial intermediaries specified in the relevant Final Terms, in either case on the following basis:

- (a) the relevant Public Offer must occur during the Offer Period specified in the relevant Final Terms (the "**Offer Period**");
- (b) the relevant Public Offer may only be made in a Public Offer Jurisdiction specified in the relevant Final Terms;
- (c) the relevant Authorised Offeror must be authorised to make such offers in the relevant Public Offer Jurisdiction under the Markets in Financial Instruments Directive (Directive 2014/65/EU) and if any Authorised Offeror ceases to be so authorised then the above consent of the Issuer shall thereupon terminate;
- (d) the relevant Authorised Offeror, if so specified in the relevant Final Terms, other than the Manager, must satisfy the conditions (if any) specified in the relevant Final Terms; and
- (e) any Authorised Offeror which is not a Manager must comply with the restrictions set out in "Subscription and Sale" as if it were a Manager.

The Issuer reserves the right to withdraw its consent to the use of the Base Prospectus together with the relevant Final Terms in relation to certain dealers and/or each financial intermediaries. The Issuer may give consent to additional financial intermediaries after the date of the relevant Final Terms and, if they do so, the Issuer will publish the above information in relation to them on the website [www.ubs.com/keyinvest](http://www.ubs.com/keyinvest) or a successor address thereto.



The consent referred to above relates to Public Offers occurring as long as the Base Prospectus is valid in accordance with Article 12 of the Prospectus Regulation.

**Any Authorised Offeror who wishes to use the Base Prospectus in connection with a Public Offer as set out in (1) above is required, for the duration of the relevant Offer Period, to publish on its website that it is using the Base Prospectus for such Public Offer in accordance with the consent of the Issuer and the conditions attached thereto.**

To the extent specified in the relevant Final Terms, an offer may be made during the relevant Offer Period by any of the Issuer, the Manager or any relevant Authorised Offeror in any relevant Member State and subject to any relevant conditions, in each case all as specified in the relevant Final Terms.

Neither the Issuer nor any of the Manager has authorised the making of any Public Offer of any Securities by any person in any circumstances and such person is not permitted to use the Base Prospectus in connection with its offer of any Securities unless (1) the offer is made by an Authorised Offeror as described above or (2) the offer is otherwise made in circumstances falling within an exemption from the requirement to publish a prospectus under the Prospectus Regulation. Any such unauthorised offers are not made by or on behalf of the Issuer, any Manager or any Authorised Offeror and none of the Issuer, any Manager or any Authorised Offeror has any responsibility or liability for the actions of any person making such offers.

**An Investor intending to acquire or acquiring any Securities from an Authorised Offeror will do so, and offers and sales of the Securities to an Investor by an Authorised Offeror will be made, in accordance with any terms and other arrangements in place between such Authorised Offeror and such Investor including as to price, allocation, settlement arrangements and any expenses or taxes to be charged to the Investor (the "Terms and Conditions of the Public Offer"). The Issuer will not be a party to any such arrangements with Investors (other than the Managers) in connection with the offer or sale of the Securities and, accordingly, the Base Prospectus and any Final Terms will not contain such information. The Terms and Conditions of the Public Offer shall be provided to Investors by that Authorised Offeror at the relevant time. None of the Issuer, any of the Managers or other Authorised Offerors has any responsibility or liability for such information.**

## **D. GENERAL INFORMATION ON THE SECURITIES**

### **1. Types of Securities**

The following Securities are described in the Base Prospectus:

- principal protected securities which (i) either provide for interest payments and a repayment at maturity of at least 100 per cent. of their specified denomination or their nominal amount or relevant calculation amount per Security or (ii) provide for derivative and structured payment components, but are at maturity subject to a (re-)payment of at least 100 per cent. of their specified denomination or their nominal amount or relevant calculation amount per Security (the "**Capital Protected Securities**"), and
- securities, including securities without a denomination which provide for a structured payment component and which are only partly (the "**Partly Capital Protected Securities**" or not capital protected (the "**Not Capital Protected Securities**").

The Securities may, as specified in the relevant Final Terms, be based on the performance of a share (including a certificate representing shares), an index, a currency exchange rate, a precious metal, a commodity, an interest rate, a non-equity security, an exchange traded fund unit, a not exchange traded fund unit, a futures contract, or, as the case may be, and as specified in the relevant Final Terms, a reference rate (including, but not limited to, interest rate swap (IRS) rates, currency swap rates or, as the case may be, credit default swap levels), as well as a basket or portfolio comprising the aforementioned assets.

Securities may be issued in series (each a "**Series**") and Securities of each Series will all be subject to identical terms (except, inter alia, for Issue Price, Issue Date, Issue Size and interest commencement date, which may or may not be identical) whether as to currency, denomination, interest or maturity or otherwise.

There are no restrictions on the free transferability of the Securities.

### **2. Law governing the Securities**

The Securities issued by the Issuer are, save for the legal effects of the registration of the Securities with the relevant Clearing System as described below, governed by German law ("**German law governed Securities**").

In case of Swedish Securities, Finnish Securities, Norwegian Securities and Danish Securities, the legal effects of the registration of the Securities with the relevant Clearing System will be governed by the laws of the Kingdom of Sweden, Republic of Finland, the Kingdom of Norway and the Kingdom of Denmark respectively.

### **3. Status of the Securities**

The Securities constitute direct, unsecured and unsubordinated obligations of the Issuer, ranking *pari passu* among themselves and with all other present and future unsecured and unsubordinated obligations of the Issuer, other than obligations preferred by mandatory provisions of law.

If insolvency proceedings are instituted against the Issuer, Securityholders can only assert their claims in accordance with the legal provisions of the Swiss Banking Act. Such Securityholders will then receive a cash amount that is measured according to the so-called collocation plan (*Kollokationsplan*) established by the Swiss Financial Market Supervisory Authority ("**FINMA**") or a FINMA imposed liquidator and the distribution list (*Verteilungsliste*) by the amount of the so-called insolvency rate. This amount will usually not be even close to the amount paid by the Securityholders for the purchase of the relevant securities of the Issuer. In case of an insolvency of the Issuer, Securityholders may, consequently, even suffer a total loss of their amounts paid for the purchase of the Securities (total loss).

#### 4. Form of the Securities

The Securities may, as the case may be, and as specified in the relevant Final Terms, be issued as bearer securities or in dematerialised book-entry form:

##### *German law governed Securities represented by a Global Security*

German law governed Securities issued in bearer form will be represented on issue by either one or more permanent global bearer security/ies (each a "**Global Security**") or, as specified in the relevant Final Terms, by a temporary global bearer security (each a "**Temporary Global Security**" exchangeable upon certification of non-U.S. beneficial ownership for a permanent global bearer security (each a "**Permanent Global Security**", and together with the Temporary Global Security, a "**Global Security**"). No bearer Securities will be issued in or exchangeable into bearer definitive form, whether pursuant to the request of any Securityholder or otherwise.

Global Securities are deposited with Clearstream Banking AG ("**Clearstream, Germany**"), Clearstream Banking S.A. ("**Clearstream, Luxembourg**"), and/or Euroclear Bank S.A./ N.V. ("**Euroclear**"), as specified as Clearing System in the relevant Final Terms, or a depository for such Clearing System. The depository on behalf of Euroclear and Clearstream Luxembourg, shall be a common depository.

##### *Securities cleared through Euroclear Sweden AB*

Securities cleared through Euroclear Sweden AB ("**Euroclear Sweden**") as the relevant Clearing System (also the "**Swedish Securities**") are issued in uncertificated and dematerialised book-entry form, and registered at Euroclear Sweden AB in accordance with the *Swedish Central Securities Depositories and Financial Instruments Accounts Act (lag (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument)*. No physical securities, such as global temporary or permanent securities or definitive securities will be issued in respect of Swedish Securities.

Swedish Securities are governed by German law, except for the legal effects of the registration of Swedish Securities with Euroclear Sweden.

##### *Securities cleared through Euroclear Finland Ltd*

Securities cleared through Euroclear Finland Ltd ("**Euroclear Finland**") as the relevant Clearing System (also the "**Finnish Securities**") are issued in uncertificated and dematerialised book-entry form, and registered at Euroclear Finland Ltd in accordance with the Finnish Act on the Book-Entry System and Clearing and Settlement (348/2017) (*laki arvo-osuusjärjestelmästä ja selvitystoiminnasta*) and the Finnish Act on Book-Entry Accounts (827/1991) (*laki arvo-osuustileistä*). No physical securities, such as global temporary or permanent securities or definitive securities will be issued in respect of Finnish Securities.

Finnish Securities are governed by German law, except for the legal effects of the registration of the Finnish Securities with the Euroclear Finland.

##### *Securities cleared through VPS ASA*

Securities registered with Verdipapirsentralen ASA ("**VPS**") as the relevant Clearing System (also the "**Norwegian Securities**") are issued in uncertificated and dematerialised book-entry form, and registered with VPS in accordance with the Norwegian Securities Register Act (*Lov av 5. juli 2002 nr. 64 om registrering av finansielle instrumenter*). No physical securities, such as global temporary or permanent securities or definitive securities will be issued in respect of Norwegian Securities.

Norwegian Securities are governed by German law, except for the legal effects of the registration of Norwegian Securities with VPS.

##### *Securities cleared through VP Securities A/S*

Securities cleared through VP Securities A/S ("**VP**") as the relevant Clearing System (also the "**Danish Securities**") are issued in uncertificated and dematerialised book-entry form, and registered at VP in accordance with the Danish Capital Markets Act (*Lov om kapitalmarkeder*), as amended and supplemented from time to time, and the Executive Order on Book Entry of Dematerialised Securities in a Central Securities Depository

(*Bekendtgørelse om registrering af fondsaktiver i en værdipapircentral (CSD)*), as amended from time to time, issued pursuant thereto. No physical securities, such as global temporary or permanent securities or definitive securities will be issued in respect of the Danish Securities.

Danish Securities are governed by German law, except for the legal effects of the registration of Danish Securities with VP.

## 5. Clearing and Settlement of the Securities

*The information set out below is subject to changes in or reinterpretation of the rules, regulations and procedures of UBS AG, Clearstream Banking AG, Clearstream Banking S.A., Euroclear Bank S.A./N.V., Euroclear Sweden AB, Euroclear Finland Ltd, VPS ASA and VP Securities AIS, or other Clearing System as specified as "Clearing System" in the applicable Product Terms in the relevant Final Terms from time to time. Investors wishing to use the facilities of any Clearing System must check the rules, regulations and procedures of the relevant Clearing System which are in effect at the relevant time.*

### General

The Securities will be cleared through UBS AG, Clearstream, Germany, Clearstream, Luxembourg, and/or Euroclear, or other Clearing System specified in relevant Final Terms, or, in the case of Swedish Securities, Euroclear Sweden or, in the case of Finnish Securities, Euroclear Finland, or, in the case of Norwegian Securities, VPS or, in the case of Danish Securities, VP, each as defined below.

The Common Code, the International Securities Identification Number (ISIN) and/or identification number for any clearing system will be specified in the relevant Final Terms.

### Clearstream Banking AG

Clearstream Banking AG ("**Clearstream, Germany**"), is a wholly owned subsidiary of Clearstream International S.A., Luxembourg and is established and incorporated in Germany as a stock corporation. Clearstream, Germany is a licensed central securities depository in accordance with the provisions of the Securities Deposit Act (*Depotgesetz*) and is supervised by the Federal Financial Services Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht – "BaFin"*).

Clearstream, Germany, holds securities for its customers and facilitates the clearance and settlement of securities transactions by book entry transfers between their accounts. Clearstream, Germany provides various services, including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Indirect access to Clearstream, Germany, is available to other institutions which clear through or maintain a custodial relationship with an account holder of Clearstream, Germany.

The address of Clearstream, Germany, is Clearstream Banking AG, Mergenthalerallee 61, 65760 Eschborn, Federal Republic of Germany.

### Clearstream Banking S.A., Luxembourg

Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**"), located at 42 Avenue JF Kennedy, L-1855 Luxembourg was incorporated in 1970 as a limited company under Luxembourg law. It is registered as a bank in Luxembourg, and as such is subject to regulation by the CSSF, which supervises Luxembourg banks.

Clearstream, Luxembourg, holds securities for its customers and facilitates the clearance and settlement of securities transactions by book entry transfers between their accounts. Clearstream, Luxembourg provides various services, including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Clearstream, Luxembourg also deals with domestic securities markets in several countries through established depository and custodial relationships. Over 300,000 domestic and internationally traded bonds, equities and investment funds are currently deposited with Clearstream. Currently, Clearstream, Luxembourg has approximately 2,500 customers in over 110 countries. Indirect access to Clearstream, Luxembourg is available to other institutions which clear through or maintain a custodial relationship with an account holder of Clearstream, Luxembourg.

The address of Clearstream, Luxembourg is Clearstream Banking, 42 Avenue JF Kennedy, L-1855 Luxembourg.

### **Euroclear Bank S.A./ N.V., Brussels**

The Euroclear System was created in 1968 to hold securities for participants in Euroclear ("**Euroclear Participants**") and to effect transactions between Euroclear Participants through simultaneous book entry delivery against payment, thereby eliminating the need for physical movement of certificates and any risk from lack of simultaneous transfer of securities and cash. Euroclear Participants include banks (including central banks), securities brokers and dealers and other professional financial intermediaries. Indirect access to Euroclear is also available to other firms that clear through or maintain a custodial relationship with a Euroclear Participant, either directly or indirectly.

The Euroclear group reshaped its corporate structure in 2000 and 2001, transforming the Belgian company Euroclear Clearance System (*Société Coopérative*) into Euroclear Bank SA/NV, which now operates the Euroclear System. In 2005, a new Belgian holding company, Euroclear SA/NV ("**Euroclear**") was created as the owner of all the shared technology and services supplied to each of the Euroclear CSDs and the ICSD. Euroclear SA/NV is owned by Euroclear plc, a company organised under the laws of England and Wales, which is owned by market participants using Euroclear services as members.

As an ICSD, Euroclear provides settlement and related securities services for cross-border transactions involving domestic and international bonds, equities, derivatives and investment funds, and offers clients a single access point to post-trade services in over 40 markets.

Distributions with respect to interests in Bearer Global Securities held through Euroclear will be credited to the Euroclear cash accounts of Euroclear Participants to the extent received by Euroclear's depository, in accordance with the Euroclear terms and conditions. Euroclear will take any other action permitted to be taken by a holder of any such Bearer Global Securities on behalf of a Euroclear Participant only in accordance with the Euroclear terms and conditions.

The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels.

### **Euroclear Sweden AB**

Euroclear Sweden AB ("**Euroclear Sweden**") is a Swedish private company which operates under the supervision of the Swedish Financial Supervisory Authority and is authorised as a central securities depository and clearinghouse.

Settlement of sale and purchase transactions in respect of the Securities in Euroclear Sweden (also the "**Swedish Securities**") will take place two Stockholm business days after the date of the relevant transaction. Swedish Securities may be transferred between accountholders at Euroclear Sweden in accordance with the procedures and regulations, for the time being, of Euroclear Sweden. A transfer of Swedish Securities which are held in Euroclear Sweden through Clearstream, Germany, Euroclear or Clearstream, Luxembourg, is only possible by using an account operator linked to Euroclear Sweden.

The address of Euroclear Sweden is Swedish Central Securities Depository, Euroclear Sweden AB, P.O. Box 191, SE-101 23, Sweden.

### **Euroclear Finland Ltd**

Euroclear Finland Ltd ("**Euroclear Finland**") is a Finnish private company which operates under the supervision of the Finnish Financial Supervisory Authority and is authorised as a central securities depository and clearinghouse.

Settlement of sale and purchase transactions in respect of the Securities in Euroclear Finland (also the "**Finnish Securities**") will take place two Helsinki business days after the date of the relevant transaction. Finnish Securities may be transferred between accountholders at Euroclear Finland in accordance with the procedures and regulations, for the time being, of Euroclear Finland. A transfer of Finnish Securities which are held in Euroclear Finland through Clearstream, Germany, Euroclear or Clearstream, Luxembourg, is only possible by using an account operator linked to Euroclear Finland.

The address of Euroclear Finland is Euroclear Finland Ltd, Urho Kekkosen katu 5 C, FI-00101 Helsinki, Finland.

## Verdipapirsentralen ASA

Verdipapirsentralen ASA (“**VPS**”) is a Norwegian public limited company authorised to register rights to financial instruments subject to the legal effects laid down in the Norwegian Securities Register Act. VPS maintains the shareholder register and records trades in the Norwegian securities market, and provides services relating to stock issues, distribution of dividends and other corporate actions for companies registered in VPS.

Settlement of sale and purchase transactions effected by or through members of the Norwegian Securities Settlement System (which is operated by VPS and the Central Bank of Norway) in respect of Securities in the VPS (also the “**Norwegian Securities**”) will take place two Oslo business days after the date of the relevant transaction. Norwegian Securities may be transferred between accountholders at the VPS in accordance with the procedures and regulations, for the time being, of the VPS. A transfer of Norwegian Securities which are held in the VPS through Clearstream, Germany, Euroclear or Clearstream, Luxembourg is only possible by using an account operator linked to the VPS.

The address of VPS is Norwegian Central Securities Depository, Verdipapirsentralen ASA, P.O. Box 1174 Sentrum, 0107 Oslo, Norway.

## VP Securities A/S

VP Securities A/S (“**VP**”) is a Danish limited liability company licensed as a central securities depository (CSD) pursuant to Regulation (EU) No. 909/2014 of the European Parliament and of the Council of 23 July 2014, as amended and supplemented from time to time, and subject to the supervision of the Danish Financial Supervisory Authority. VP is the central organisation for registering, clearing and settlement of securities in Denmark.

Settlement of sale and purchase transactions in respect of Securities in the VP (also the “**Danish Securities**”) will take place in accordance with market practice at the time of the transaction. Transfers of interests in Danish Securities will take place in accordance with the VP Rules. Secondary market clearance and settlement through Euroclear is possible through depository links established between the VP and Euroclear. Transfers of Danish Securities held in the VP through Clearstream, Germany or Clearstream, Luxembourg are only possible by using an account holding institute linked to the VP.

The address of VP is VP Securities A/S, Weidekampsgade 14, P.O. Box 4040, 2300 Koebenhavn S, Denmark.

*Further or alternative clearing systems may be specified as "Clearing System" in the applicable Product Terms in the relevant Final Terms from time to time.*

## 6. Further Information relating to the Securities

The details regarding a specific issue of Securities, in particular the relevant issue date, calculations regarding the redemption amount, the redemption currency, minimum trading size, securities identification codes with regard to each issue of Securities under the Base Prospectus as well as any interests, including conflicting ones, of natural and legal persons involved that is material to the issue/offer of the Securities will be specified in the applicable Final Terms.

The Issuer does not intend to provide any post-issuance information.

## 7. Listing or Trading of the Securities

Application may be made for admission of the Securities to trading on one or more stock exchanges or multilateral trading facilities or markets, including but not limited to the Frankfurt Stock Exchange, the Luxembourg Stock Exchange, the Nasdaq Stockholm, the Nasdaq Helsinki and the Nordic Growth Market NGM AB – NDX (Nordic Derivatives Exchange). Securities which are neither admitted to trading nor listed on any market may also be issued.

The applicable Final Terms will state whether or not the relevant Securities are to be admitted to trading and/or listed and, if so, on which stock exchange(s) and/or multilateral trading facility(ies) and/or markets. In addition, and where applicable, the applicable Final Terms may also state the First Exchange Trading Day, the Last Exchange Trading Day and the Last Exchange Trading Time, as the case may be, as well as, where applicable, the estimated total expenses related to the admission of the Securities to trading. Where applicable, the applicable Final Terms

will also state all the regulated markets or equivalent markets on which, to the knowledge of the Issuer, securities of the same class of the Securities to be offered or admitted to trading are already admitted to trading.

## 8. Issue Price; Offering of the Securities

### Issue Price of the Securities

The relevant issue price at which the Securities will first be offered for purchase ("**Issue Price**") with regard to each issue of Securities under the Base Prospectus will be specified in the applicable Final Terms. In case the Issue Price per Security is not yet determined at the time of the issuance of the Securities or cannot be specified in the Final Terms for any other reason, the issue price per Security will be determined by the Issuer based on relevant product parameters and prevailing market conditions (in particular the price of the Underlying, the implied volatility, interest rates, dividend expectations and lending fees).

### Costs and expenses charged to the subscriber or purchaser of the Securities

The Issue Price includes product specific costs. In addition, an offering premium may be added to the Issue Price. These costs and the offering premium, if any, will be specified in the applicable Final Terms.

The Issuer may grant sales and recurring commissions to distributors related to the amount/number of placed or sold Securities. Sales commissions are paid out of the issue proceeds as a one-off payment; alternatively the Issuer may grant an agio on the issue price (excl. the offering premium) to the distributor. Recurring commissions are paid regularly depending on the respective securities volume. If UBS acts as Issuer and distributor the relevant commissions are internally booked in favour of the distributing organisational unit. The applicable Final Terms will state the commissions paid by the Issuer, if any.

Information on costs and expenses associated with the purchase of the Securities which are charged to the subscriber or the purchaser of the Securities by a third party, e.g. by its depositary bank or a stock exchange, shall be requested from such third party.

### Additional information on the offer of the Securities

Further details of the offer and sale of the Securities, in particular the relevant initial payment date, the aggregate amount of the issue, the relevant issue size or aggregate nominal amount, as the case may be, the relevant subscription period, if any, the relevant minimum investment amount, if any, information with regard to the manner and date, in which the result of the offer are to be made public, if required, the relevant name and address of the co-ordinator(s) of the offer, and the relevant conditions, if any, to which the offer of the Securities is subject, with regard to each issue of Securities under the Base Prospectus will be specified in the applicable Final Terms.

Unless otherwise specified in the applicable Final Terms, the Securities will be offered to the category of qualified investors as defined in the Prospectus Regulation as well as non-qualified investors.

In case that the Securities are offered without a subscription period, as specified in the applicable Final Terms, any Securities purchased are booked to the securities account at the depositary bank of the purchaser; there is no plan of allotment and a process by the Issuer for notifying subscribers of the amount allotted is not necessary. In case of a subscription period, as specified in the applicable Final Terms, subscribers will be notified about the amount allotted by booking of the allocated Securities to their securities account at their depositary bank. There will be no separate notification by the Issuer in addition to the booking. That means, subscribers will not be expressly informed by the Issuer about the allocation. Dealing in the Securities may begin prior to the notification of the allocation.

## 9. Rating of the Securities

Securities to be issued under the Base Prospectus may be rated or unrated. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency. The applicable Final Terms will state whether the Securities are rated or not and, if rated, specify the rating.

## 10. Maturity of the Securities

Unless the applicable Product Terms of the Securities in the definition of “Securities” specify the product feature “**No predefined term**” to be applicable, the Securities expire – provided that the Securities are not terminated or expired early in accordance with the Conditions of the Securities – on the Maturity Date or, as the case may be, and as specified in the relevant Final Terms on the Expiration Date. Unless already redeemed, repurchased and/or declared void, any rights conferred by the Securities shall be deemed exercised for the purpose of Article 2 (m) ii) of the Prospectus Regulation on the Maturity Date or, as the case may be, and as specified in the relevant Final Terms, on the Expiration Date without requiring any exercise notice, transfer of the Securities or the fulfilment of any other prerequisites.

In the case that in the definition of “Securities” contained in the section “Product Terms” of the relevant Final Terms the product feature “**No predefined term**” is specified to be applicable, the Securities have - in contrast to securities with a fixed term - no predetermined maturity date, and thus no defined term. As a result, the Securityholder's right vested in those Securities must be exercised by the respective Securityholder on a specific Exercise Date in accordance with the exercise procedure described in the Conditions of the Securities, if the Security Right is to be asserted.

## 11. Termination Rights of the Issuer and the Securityholders

The following termination rights are, in accordance with the Conditions of the Securities, attached to the Securities:

### Termination and Early Redemption at the option of the Issuer

The Issuer is in accordance with the Conditions of the Securities, under certain circumstances, e.g. in case that (i) the determination and/or publication of the price of the Underlying or, if in the applicable Product Terms in the definition of “Underlying” a “Basket” is specified to be applicable, of a Basket Component is discontinued permanently or (ii) that due to the coming into effect of changes in laws or regulations (including but not limited to tax laws) at the reasonable discretion of the Issuer the holding, acquisition or sale of the Underlying or, if in the applicable Product Terms in the definition of “Underlying” a “Basket” is specified to be applicable, of a Basket Component is or becomes wholly or partially illegal, entitled to terminate and redeem the Securities in total prior to the Maturity Date. In such case, each Securityholder is entitled to demand the payment of a redemption amount in relation to this early redemption. However, the Securityholder is not entitled to request any further payments on the Securities after the relevant termination date.

### Termination Right of the Securityholders

In the case that in the definition of “Securities” contained in the section “Product Terms” of the relevant Final Terms the product feature “**Securityholder's Termination Right**” is specified to be not applicable, Securityholders do not have a termination right and the Securities may, hence, not be terminated by the Securityholders during their term.

Otherwise, any Securityholder may, if any of the following events (each an “**Event of Default**”) occurs, by written notice to the Issuer declare such Security to be forthwith due and payable, whereupon the Securityholder Termination Amount as specified to be applicable in the relevant Product Terms together with accrued interest to the date of payment, if any, shall become immediately due and payable against transfer of the relevant Securities to the Principal Paying Agent in accordance with the Conditions of the Securities, unless such Event of Default shall have been remedied prior to the receipt of such notice by the Issuer:

- (a) there is a default for more than 30 days in the payment of any principal or interest due in respect of the Security; or
- (b) there is a default in the performance by the Issuer of any other obligation under the Securities which is incapable of remedy or which, being a default capable of remedy, continues for 60 days after written notice of such default has been given by any Securityholder to the Issuer; or
- (c) any order shall be made by any competent court or other authority in any jurisdiction or any resolution passed by the Issuer for (a) the dissolution or winding-up of the Issuer, or (b) for the appointment of a liquidator, receiver or administrator of the Issuer or of all or a substantial part of the Issuer's assets, or (c) with analogous effect for the Issuer, it is understood that anything



in connection with a solvent reorganisation, reconstruction, amalgamation or merger shall not constitute an event of default; or

- (d) the Issuer shall stop payment or shall be unable to, or shall admit to creditors generally its inability to, pay its debts as they fall due, or shall be adjudicated or found bankrupt or insolvent, or shall enter into any composition or other arrangements with its creditors generally.

### General Early Redemption Right

The Issuer and the Securityholders will only have a general early redemption right in relation to the Securities prior to the Maturity Date, if so specified in the applicable Product Terms.

#### Issuer's Call Right

If so specified in the applicable Product Terms, the Issuer has a right to call the Securities for early redemption by giving notice to that effect on certain predefined dates. The redemption value can either be predefined or dependent on the Underlying(s) level, certain dates or other parameters.

#### Securityholder's Put Right

If so specified in the applicable Product Terms, the Securityholder has the right to put the Securities for early redemption. The redemption value can either be predefined or dependent on the Underlying(s) level, certain dates or other parameters.

## 12. Dependency on the Underlying in general

The following features describe the dependency of the value of the Securities from the Underlying, if any:

In the case that in the definition of "Securities" contained in the section "Product Terms" of the relevant Final Terms the product feature "**Participation Factor**", "**Leverage Factor**", "**Multiplication Factor**" or, as the case may be, "**Multiplier**" is specified to be applicable,

the application of the Participation Factor, Leverage Factor, Multiplication Factor or of the Multiplier, as specified to be applicable in the Final Terms, as well as of any other proportion factor within the determination of the Security Right results in the Securities being in economic terms similar to a direct investment in the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, in the Basket Components, but being nonetheless not fully comparable with such a direct investment, in particular because the Securityholders do, if so specified in the relevant Final Terms, not participate in the relevant performance of the Underlying or, as the case may be, Basket Components by a 1:1 ratio, but by the proportion of the Participation Factor, the Leverage Factor, Multiplication Factor or of the Multiplier.

In the case that in the definition of "Securities" contained in the section "Product Terms" of the relevant Final Terms the product feature "**Leverage**" is specified to be applicable,

the so-called "**Leverage**" Effect is one of the key features of the Securities. Any change in the value of the Underlying or, as the case may be, the Basket Components may result in a disproportionate change in the value of the Securities. **The Securities, consequently, also involve disproportionate loss exposure**, if the price of the Underlying or, as the case may be, the Basket Components, develops unfavourably.

It should be noted that the higher the leverage effect of a Security, the higher the loss exposure involved. In addition, it should be noted that, typically, the shorter the (remaining) maturity of the Security, the higher the leverage effect.

In the case that in the definition of "Securities" contained in the section "Product Terms" of the relevant Final Terms the product feature "**Reverse Structure**" is specified to be applicable,

the Securities provide for a so-called reverse structure and that, hence, the Securities (irrespective of the other features attached to the Securities or of any other factors, which may be relevant for the value of

the Securities) **depreciate in value**, if the price of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, in the Basket Components, increases, or the Securities **increase in value**, if the price of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, in the Basket Components, decreases. Consequently, there is the risk of a loss of the invested capital, if the price of the Underlying or, as the case may be, Basket Components increases correlatively. In addition, the potential return under each Security is, as a principle rule, limited, since the negative performance of the Underlying or, as the case may be, Basket Components may not exceed 100 %.

In the case that in the definition of "Securities" contained in the section "Product Terms" of the relevant Final Terms the product feature "**Express Structure**" or "**Automatic Termination**" is specified to be applicable,

the term of the Securities may according to the Conditions of the Securities under certain circumstances e.g. following the occurrence of an Early Redemption Event, a Stop Loss Event or a Knock Out Event, be terminated automatically prior to the Maturity Date, so-called express structure. In case the Securities expire prior to the Maturity Date, the Securityholder is entitled to demand the payment of a cash amount or, if specified in the applicable Final Terms, the delivery of the Physical Underlying in an appropriate number in relation to the automatic termination. However, the Securityholder is not entitled to request any further payments on the Securities or, as the case may be, and if specified in the relevant Final Terms, the delivery of the Physical Underlying after such automatic termination.

In the case that in the definition of "Securities" contained in the section "Product Terms" of the relevant Final Terms the product feature "**Thresholds, Barriers or Levels**" is specified to be applicable,

the Redemption Amount or, as the case may be, and as specified in the relevant Final Terms, the value of the Physical Underlying to be delivered in an appropriate number, if any, under the Securities depends on whether the price of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, of the Basket Components equals, and/or falls below respectively exceeds a certain threshold, barrier, level or rating as specified in the relevant Final Terms, at a given time or, as the case may be, within a given period as determined by the Conditions of the Securities.

Only provided that the relevant threshold, barrier or level has not been reached and/or fallen below respectively exceeded at the time or period as determined by the Conditions of the Securities, the Securityholder receives an amount, predetermined in the Conditions of the Securities as Redemption Amount. If so specified in the relevant Final Terms, the application of thresholds, barriers or levels as specified in the relevant Final Terms may in accordance with the Conditions of the Securities even result in a Redemption Amount of zero (0). Otherwise the Securityholder participates in the performance of the Underlying or, as the case may be, the Basket Components and, therefore, bears the risks of a total loss of the invested capital.

In the case that in the definition of "Securities" contained in the section "Product Terms" of the relevant Final Terms the product feature "**Maximum Amount**" is specified to be applicable,

the Redemption Amount or, as the case may be, and as specified in the relevant Final Terms, the value of the Physical Underlying to be delivered in an appropriate number, if any, under the Securities is limited to the Maximum Amount multiplied, if so specified in the relevant Final Terms, by the Participation Factor, the Leverage Factor or the Multiplier, as specified to be applicable in the Final Terms. In contrast to a direct investment in the Underlying or, as the case may be, the Basket Components the potential profit of the Securities is, therefore, limited to the Maximum Amount multiplied, if so specified in the relevant Final Terms, by the Participation Factor, the Leverage Factor, the Multiplication Factor or the Multiplier, as specified to be applicable in the Final Terms.

In the case that in the definition of "Securities" contained in the section "Product Terms" of the relevant Final Terms the product feature "**Final Lock-In**" is specified to be applicable,

potential investors should be aware that, as far as the Conditions of the Securities provide for a "Final Lock-In" feature, certain amounts or performances, as specified in the Product Terms, will in the case of the occurrence of a predetermined lock-in event be "locked-in" to an extent that the participation of

the Securityholders in the future performance of the Underlying or, as the case may be, the Basket Components is limited or even excluded.

Securityholder do in this case, not, or only to a limited extent, participate in any future performance of the Underlying or, as the case may be, the Basket Components.

In the case that in the definition of "Securities" contained in the section "Product Terms" of the relevant Final Terms the product feature "**Relevant Underlying**" is specified to be applicable,

the calculation of the level of the Redemption Amount or, as the case may be, and as specified in the relevant Final Terms, the value of the Physical Underlying to be delivered in an appropriate number, if any, in respect of Securities linked to a portfolio of Underlyings solely refers to the performance of a single Underlying from such portfolio of Underlyings, as specified in the applicable Final Terms (the "**Relevant Underlying**"). Such Relevant Underlying is the Underlying from the portfolio of Underlyings which shows a certain pre-determined performance, e.g. the **worst** performance during an observation period.

Potential investors should, consequently, be aware that compared to Securities, which refer to only one underlying, these Securities linked to a portfolio of Underlyings show a higher exposure to loss. This risk may not be reduced by a positive or, as the case may be, negative performance of the remaining Underlyings, because the remaining Underlyings are not taken into account when calculating the level of the Redemption Amount or, as the case may be, and as specified in the relevant Final Terms, the value of the Physical Underlying to be delivered in an appropriate number.

### 13. Functioning of the Securities

The following description of the Securities includes a description of the entitlement and further features of the Securities, as provided for in the Conditions of the Securities, and terms and expressions defined in other parts of the Base Prospectus and not otherwise defined in this "General information on the Securities" shall have the same meanings in this part of the Base Prospectus.

For the purposes the following, it should be noted that any reference to "Underlying" shall not only refer to single assets (e.g. a share, an index, a non-equity security or a fund unit), but also to baskets or portfolios of assets. In the context of baskets and portfolios, and as specified in the applicable Product Terms, reference may be made to the Relevant Underlying only, i.e. to the Underlying, showing a certain predetermined performance, e.g. the worst performance during an observation period.

In the case of fixed rate Securities, the Final Terms will specify the yield and include a description of the method for calculating the yield.

All payments relating to the Securities are made in the Redemption Currency specified in the relevant Final Terms.

**The following features are examples describing the dependency of the value of the Securities from the Underlying, if any:**

#### **Autocallable/Express Securities**

Autocallable/Express Securities are suitable for Securityholders expecting the price of the Underlying(s) to reach certain level(s), as specified in the applicable Product Terms, so that the product can early redeem.

In case the price of the Underlying(s) reaches certain level(s), either on specific observation dates or during a specific observation period, as specified in the applicable Product Terms, the Securities will expire early on the respective Early Expiration Date. Otherwise, the Autocallable/Express Securities will be redeemed at the end of their term, as specified in the applicable Product Terms.

The Redemption Amount in the Redemption Currency depends on the individual product structure, as specified in the applicable Product Terms.

The Redemption Amount may be determined by reference to the performance of one or more Underlying(s), as specified in the relevant Product Terms.

In addition, the Securityholder may, as specified in the relevant Product Terms, be entitled to receive on the relevant Interest/Coupon Payment Date or on such other date, as specified in the relevant Product Terms, payment of an Interest Amount/a Coupon Amount or other proceeds, as specified in the relevant Product Terms. Such payment of an Interest Amount/a Coupon Amount or other proceeds can either be unconditional (i.e. disregarding the performance of the Underlying(s)) or conditional, all as specified in the applicable Product Terms.

### **Gearing Securities**

Gearing Securities allow Securityholders to participate disproportionately (with leverage) in the positive development of the Underlying(s). Conversely, Securityholders in Gearing Securities may also participate disproportionately (with leverage) in the negative development of the Underlying(s), as the Gearing Securities may provide downside risk potential as specified in the applicable Product Terms. Gearing Securities may also allow Securityholders to participate disproportionately (with leverage) in the positive development of the Underlying relative to another Underlying. Conversely, Securityholders in Gearing Securities may participate disproportionately (with leverage) in the negative development of the Underlying relative to another Underlying.

Gearing Securities also exist in a so-called "Put" version. In such case Securityholders positively participate disproportionately (with leverage) in the negative development of the Underlying(s). Conversely, Securityholders in Gearing Securities (Put) may also participate disproportionately (with leverage) in the positive development of the Underlying(s), as the Gearing Securities (Put) may provide upside risk potential as specified in the applicable Product Terms. Gearing Securities (Put) may also allow Securityholders to participate disproportionately (with leverage) in the negative development of the Underlying relative to another Underlying. Conversely, Securityholders in Gearing Securities (Put) may participate disproportionately (with leverage) in the positive development of the Underlying relative to another Underlying.

Gearing Securities may expire worthless upon the unfavourable development of the Underlying(s) beyond a certain value, as specified in the applicable Product Terms.

Securityholders receive on the Maturity Date a Redemption Amount in the Redemption Currency, the amount of which depends on the Reference Price or the Settlement Price of the Underlying(s), as specified in the relevant Product Terms. The Redemption Amount is typically calculated by multiplying the Nominal Amount, or, as the case may be, the Calculation Amount or such other amount as specified in the applicable Product Terms with the relevant performance of the Underlying(s), thereafter multiplied by the Participation Factor, the Leverage Factor or the Multiplier, but may also take other factors into account, as specified in the applicable Product Terms.

The Redemption Amount may be determined by reference to the performance of one or more Underlying(s), as specified in the relevant Product Terms.

In addition, the Securityholder may, as specified in the relevant Product Terms, be entitled to receive on the relevant Interest/Coupon Payment Date or on such other date, as specified in the relevant Product Terms, payment of an Interest Amount/a Coupon Amount or other proceeds, as specified in the relevant Product Terms. Such payment of an Interest Amount/a Coupon Amount or other proceeds can either be unconditional (i.e. disregarding the performance of the Underlying(s)) or conditional, all as specified in the applicable Product Terms.

### **Warrants**

Call Warrants allow Securityholders to participate disproportionately (with leverage) in the positive development of the Underlying. Conversely, Securityholders in Call Warrants also participate disproportionately (with leverage) in the negative development of the Underlying. Securityholders bear the risk of the Call Warrants expiring worthless, if the Reference Price or the Settlement Price of the Underlying, as specified in the relevant Product Terms of the Call Warrants, is equal to or below the Strike.

Put Warrants allow Securityholders to positively participate disproportionately (with leverage) in the negative development of the Underlying(s). Conversely, Securityholders in Put Warrants also participate disproportionately (with leverage) in the positive development of the Underlying(s). Securityholders bear the risk of the Put Warrants expiring worthless, if the Reference Price or the Settlement Price of the Underlying(s), as specified in the relevant Product Terms of the Put Warrants, is equal to or above the Strike.

The Redemption Amount may be determined by reference to the performance of one or more Underlying(s), as specified in the relevant Product Terms.

### Capital Protected Securities/Partially Capital Protected Securities

Capital Protected Securities/Partially Capital Protected Securities have full or partial capital protection at maturity and at the same time offer the earning potential that can arise from the capital markets (potentially only up to a predefined cap). To this end, Capital Protected Securities/Partially Capital Protected Securities (at least partly) participate in the price movements of selected Underlying(s). The structure offers participation in the performance of the selected Underlying(s). The predetermined participation rate can vary, as specified in the relevant Product Terms. Depending on the product features, it can be proportional (either negative or positive) to the performance of the Underlying(s).

With a capital protection level below the issue price, the amount equivalent to the issue price is not fully secured at maturity. For the difference between the level of capital protection and the issue price to be bridged, certain conditions, dependent on the Underlying(s) asset's price movements, will have to be met to avoid losses at maturity. Irrespective of the product structure, the issuer risk of AG must be taken into consideration.

The Redemption Amount may be determined by reference to the performance of one or more Underlying(s), as specified in the relevant Product Terms.

In addition, the Securityholder may, as specified in the relevant Product Terms, be entitled to receive on the relevant Interest/Coupon Payment Date or on such other date, as specified in the relevant Product Terms, payment of an Interest Amount/a Coupon Amount or other proceeds, as specified in the relevant Product Terms. Such payment of an Interest Amount/a Coupon Amount or other proceeds can either be unconditional (i.e. disregarding the performance of the Underlying(s)) or conditional, all as specified in the applicable Product Terms. The issue price of Capital Protected Securities/Partially Capital Protected Securities can also be above as well as below 100 per cent.

### Sprint Securities

Sprint Securities allow Securityholders to participate in the positive development of the Underlying(s) multiplied by a sprint factor or participation, as specified in the relevant Product Terms. Conversely, Securityholders in Sprint Securities may also participate in the negative development of the Underlying(s). Sprint Securities also exist with limited upside potential, i.e. with a Cap or a Maximum Amount.

The Redemption Amount may be determined by reference to the performance of one or more Underlying(s), as specified in the relevant Product Terms.

In addition, the Securityholder may, as specified in the relevant Product Terms, be entitled to receive on the relevant Interest/Coupon Payment Date or on such other date, as specified in the relevant Product Terms, payment of an Interest Amount/a Coupon Amount or other proceeds, as specified in the relevant Product Terms. Such payment of an Interest Amount/a Coupon Amount or other proceeds can either be unconditional (i.e. disregarding the performance of the Underlying(s)) or conditional, all as specified in the applicable Product Terms.

### Bonus Securities

Bonus Securities allow Securityholders to participate in the positive development of the Underlying(s). Conversely, Securityholders in Bonus Securities may also participate in the negative development of the Underlying(s). Depending on the occurrence of a Kick Out/Kick in Event during the term of the Securities or any period or day during the term of the Securities, as specified in the applicable Product Terms, the Securityholder is entitled to receive at the Maturity Date the Redemption Amount in the Redemption Currency, as specified in the applicable Product Terms.

The Redemption Amount may be determined by reference to the performance of one or more Underlying(s), as specified in the relevant Product Terms.

In addition, the Securityholder may, as specified in the relevant Product Terms, be entitled to receive on the relevant Interest/Coupon Payment Date or on such other date, as specified in the relevant Product Terms, payment of an Interest Amount/a Coupon Amount or other proceeds, as specified in the relevant Product Terms. Such payment of an Interest Amount/a Coupon Amount or other proceeds can either be unconditional (i.e. disregarding the performance of the Underlying(s)) or conditional, all as specified in the applicable Product Terms.

### Buy on Dips Securities

Buy on Dips Securities allow Securityholders to participate in the positive development of the Underlying(s). Conversely, Securityholders in Buy on Dips Securities also participate in the negative development of the Underlying(s).

Buy on Dips Securities may provide exposure to the Underlying(s) and a cash component. The degree of participation in the development of the Underlying(s) depends upon the occurrence of certain predefined Barrier Events/Kick In Events. Such Barrier Events/Kick In Events will shift the exposure from the cash component into the Underlying(s) by increasing the participation in the development of the Underlying(s) and decreasing the exposure to the cash component accordingly.

Initially, and if so specified in the relevant Product Terms, investors may participate with a certain initial/protected participation in the development of the Underlying(s), as specified in the relevant Product Terms.

The Redemption Amount may be determined by reference to the performance of one or more Underlying(s), as specified in the relevant Product Terms.

In addition, the Securityholder may, as specified in the relevant Product Terms, be entitled to receive on the relevant Interest/Coupon Payment Date or on such other date, as specified in the relevant Product Terms, payment of an Interest Amount/a Coupon Amount or other proceeds, as specified in the relevant Product Terms. Such payment of an Interest Amount/a Coupon Amount or other proceeds can either be unconditional (i.e. disregarding the performance of the Underlying(s)) or conditional, all as specified in the applicable Product Terms. Typically, for Buy on Dips Securities, unless specified otherwise in the relevant Product Terms, the cash component, i.e. the percentage value not invested in the Underlying(s), is the relevant reference value for determining the relevant Interest Amount/Coupon Amount or other proceeds, as specified in the relevant Product Terms.

### Outperformance Securities

Outperformance Securities allow Securityholders to participate in the positive development of the Underlying relative to another Underlying. Conversely, Securityholders in Outperformance Securities may also participate in the negative development of the Underlying relative to another Underlying. Depending, if the Reference Price or the Settlement Price of the Underlying, as specified in the relevant Product Terms, is higher than or equal to or lower than the Strike, the Securityholder is entitled to receive on the Maturity Date the Redemption Amount in the Redemption Currency, as specified in the applicable Product Terms.

The Redemption Amount may be determined by reference to the performance of one or more Underlying(s), as specified in the relevant Product Terms.

In addition, the Securityholder may, as specified in the relevant Product Terms, be entitled to receive on the relevant Interest/Coupon Payment Date or on such other date, as specified in the relevant Product Terms, payment of an Interest Amount/a Coupon Amount or other proceeds, as specified in the relevant Product Terms. Such payment of an Interest Amount/a Coupon Amount or other proceeds can either be unconditional (i.e. disregarding the performance of the Underlying(s)) or conditional, all as specified in the applicable Product Terms.

### Reverse Convertible Securities

Depending on whether the Reference Price or the Settlement Price of the Underlying(s), as specified in the relevant Product Terms, is higher than the Strike or lower than or equal to the Strike, the Securityholder either receives the Nominal Amount or, as the case may be, the Calculation Amount or such other amount as specified in the applicable Product Terms or and depending on the structure of the product structure either the Physical Underlying in the appropriate number either expressed by the Multiplication Factor or, as the case may be, and as specified in the relevant Product Terms, equal to the number of Reference Shares per Denomination or a cash payment depending on the then current value of the Underlying(s) or the performance of the Underlying(s) (if applicable, adjusted by the respective ratio), as specified in the relevant Product Terms.

The Redemption Amount may be determined by reference to the performance of one or more Underlying(s), as specified in the relevant Product Terms.

In addition, the Securityholder may, as specified in the relevant Product Terms, be entitled to receive on the relevant Interest/Coupon Payment Date or on such other date, as specified in the relevant Product Terms, payment of an Interest Amount/a Coupon Amount or other proceeds, as specified in the relevant Product Terms. Such payment of an Interest Amount/a Coupon Amount or other proceeds can either be unconditional (i.e. disregarding the performance of the Underlying(s)) or conditional, all as specified in the applicable Product Terms.

### **Barrier Reverse Convertible Securities**

The Barrier Reverse Convertible Securities offers a safety buffer that aims to provide protection from the Underlying(s) reaching certain predefined or variable levels. If the Underlying(s) do not breach a predefined barrier, as specified in the relevant Product Terms, Securityholders are entitled to receive on the Maturity Date the Redemption Amount in the Redemption Currency equal to the Nominal Amount or, as the case may be, the Calculation Amount or such other amount as specified in the applicable Product Terms.

If the barrier is breached, the repayment at maturity is aligned to the level of the Underlying(s), as specified in the relevant Product Terms. If the Underlying(s) close(s) above a predefined level on a certain day as specified in the relevant Product Terms, Securityholders are entitled to receive on the Maturity Date the Redemption Amount in the Redemption Currency equal to the Nominal Amount or, as the case may be, the Calculation Amount or such other amount as specified in the applicable Product Terms. If the price of the Underlying(s), however, closes at or below a predefined level on a certain day as specified in the relevant Product Terms, Securityholders are entitled to receive on the Maturity Date, depending on the structure of the product, either the Physical Underlying in the appropriate number either expressed by the Multiplication Factor or, as the case may be, and as specified in the relevant Product Terms, equal to the number of Reference Shares per Denomination or a cash payment depending on the then current value of the Underlying(s) or the performance of the Underlying(s) (if applicable, adjusted by the respective ratio), as specified in the relevant Product Terms. The barrier can be observed either continuously or on predefined dates, as specified in the relevant Product Terms.

The Redemption Amount may be determined by reference to the performance of one or more Underlying(s), as specified in the relevant Product Terms.

In addition, the Securityholder may, as specified in the relevant Product Terms, be entitled to receive on the relevant Interest/Coupon Payment Date or on such other date, as specified in the relevant Product Terms, payment of an Interest Amount/a Coupon Amount or other proceeds, as specified in the relevant Product Terms. Such payment of an Interest Amount/a Coupon Amount or other proceeds can either be unconditional (i.e. disregarding the performance of the Underlying(s)) or conditional, all as specified in the applicable Product Terms.

### **Performance Securities**

Performance Securities allow investors to participate - if the applicable Product Terms specify a Management Fee to be applicable, considering the Management Fee - in the positive development of the Underlying(s). Conversely, investors in Performance Securities also participate in the negative development of the Underlying(s).

Performance Securities can be issued either as open end securities with no predefined Maturity Date or with a predefined Maturity Date. They may have an Issuer and/or Securityholder's right vested in the Securities that could be exercised and cause the Securities to redeem/expire at any time, as specified in the relevant Product Terms.

The Redemption Amount may be determined by reference to the performance of one or more Underlying(s), as specified in the relevant Product Terms.

In addition, the Securityholder may, as specified in the relevant Product Terms, be entitled to receive on the relevant Interest/Coupon Payment Date or on such other date, as specified in the relevant Product Terms, payment of an Interest Amount/a Coupon Amount or other proceeds, as specified in the relevant Product Terms. Such payment of an Interest Amount/a Coupon Amount or other proceeds can either be unconditional (i.e. disregarding the performance of the Underlying(s)) or conditional, all as specified in the applicable Product Terms.

### **Leveraged Securities**

With Leveraged Securities, Securityholders can apply leverage, since Leveraged Securities offer Securityholders the chance to participate disproportionately and without restriction in rising prices of the Underlying(s). This means that as of a predefined price level, as specified in the relevant Product Terms, participation in a potentially

rising price performance is higher than 100%. The exact performance rate varies depending on the product features and is fixed per issue, as specified in the relevant Product Terms.

If the purchase price of a Leveraged Security is at the price level of the Underlying(s), the effect of the leverage effect does not come to fruition yet. In this case, the disproportionate chance of a gain is counteracted by a loss risk that is equivalent to a direct, or as the case may be leveraged, investment and Securityholders participate in potential negative price development. In the described case (without agio) there is thus no disproportionate participation in potential losses.

To minimize the loss risk, Leveraged Securities may have conditional partial protection. As long as an additionally included safety threshold, as specified in the relevant Product Terms, is not reached during the term, Securityholders recoup at least the capital invested on the due date. The partial protection only ceases to apply if a threshold is breached and the product behaves like a Leveraged Security without conditional partial protection.

The Redemption Amount may be determined by reference to the performance of one or more Underlying(s), as specified in the relevant Product Terms.

In addition, the Securityholder may, as specified in the relevant Product Terms, be entitled to receive on the relevant Interest/Coupon Payment Date or on such other date, as specified in the relevant Product Terms, payment of an Interest Amount/a Coupon Amount or other proceeds, as specified in the relevant Product Terms. Such payment of an Interest Amount/a Coupon Amount or other proceeds can either be unconditional (i.e. disregarding the performance of the Underlying(s)) or conditional, all as specified in the applicable Product Terms.

### **Zero Coupon Securities**

Zero Coupon Securities are not linked to an Underlying. They entitle their Securityholders to receive on the Maturity Date the payment of the Nominal Amount per Security. As result, Zero Coupon Securities are 100% capital-protected at maturity. Such payment is not guaranteed by a third party, but promised by the Issuer and is therefore dependent on the Issuer's ability to meet its payment obligations.

The initial Issue Price of a Zero Coupon Security is below its Nominal Amount. During the term of the Zero Coupon Securities, the Securityholder is not entitled to receive any payments of interest.

### **Fixed Rate Securities**

Fixed Rate Securities are not linked to an Underlying. They entitle their Securityholders to receive on the Maturity Date the payment of the Nominal Amount per Security. As result, Fixed Rate Securities are 100% capital-protected at maturity. Such payment is not guaranteed by a third party, but promised by the Issuer and is therefore dependent on the Issuer's ability to meet its payment obligations.

During the term of the Fixed Rate Securities, the Securityholder is entitled to receive on the relevant Interest/Coupon Payment Date the payment of the Interest Amount/the Coupon Amount in relation to the preceding Interest/Coupon Calculation Period. The Interest Amount/the Coupon Amount is calculated by applying the Interest Rate and the Day Count Fraction to the Nominal Amount per Security. The Interest Rate is fix for the whole term of the Fixed Rate Securities.

### **Floating Rate Securities**

Floating Rate Securities are not linked to an Underlying. They entitle their Securityholders to receive on the Maturity Date the payment of the Nominal Amount per Security. As result, Floating Rate Securities are 100% capital-protected at maturity. Such payment is not guaranteed by a third party, but promised by the Issuer and is therefore dependent on the Issuer's ability to meet its payment obligations.

During the term of the Floating Rate Securities, the Securityholder is entitled to receive on the relevant Interest/Coupon Payment Date the payment of the Interest Amount/the Coupon Amount in relation to the preceding Interest/Coupon Calculation Period. The Interest Amount/the Coupon Amount is calculated by applying the Interest Rate and the Day Count Fraction to the Nominal Amount per Security.



The Interest Rate in relation to each Interest Calculation Period equals the Price of the Underlying, if so specified, either (i) plus or, as the case may be, (ii) minus a certain margin percentage, as specified in the relevant Product Terms.

**The following descriptions of several performance structures or features might be used for the Securities described in the section above, if applicable and as specified in the relevant Product Terms:**

#### Underlyings

Securities can either depend on one single Underlying, a basket of Underlyings, the best/highest performing Underlying(s), the worst/lowest performing Underlying(s) or a combination of those. Basket performances are calculated as the weighted average of the performances of the individual Underlying(s).

The weightings can either be predefined or be defined during the life of the product depending on certain conditions. Weights can for example depend on the relative performance of the Underlyings or the realised volatility of the Underlying(s).

#### Performances and "Reverse" structure

In principle, the value of the Securities (disregarding any special features of the Securities) is likely to increase, in case the Price of the Underlying(s) or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, in the Basket Components, increases. In case the Price of the Underlying(s) or Basket Components decreases, also the value of the Securities (disregarding any special features of the Securities) is likely to decrease.

In contrast thereto, Securities may, if so specified in the relevant Product Terms, provide for a so-called "Reverse" structure. In this case the Securities (irrespective of the other features attached to the Securities or of any other factors, which may be relevant for the value of the Securities) **depreciate in value**, if the Price of the Underlying(s) or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, in the Basket Components, increases, or the Securities **increase in value**, if the Price of the Underlying(s) or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, in the Basket Components, decreases.

The performance or levels of the Underlying(s) can be measured in various ways.

Usually the performance is measured as the final level of the Underlying(s) as a percentage of the initial level of the Underlying(s). However the final level and / or the initial level can also either be defined as the average / maximum / minimum level of the Underlying(s) observed within a certain period. The initial level does not necessarily need to be observed on the fixing date of the product but can also be observed during the life of the product.

Performance can also be measured as the relative performance of one or more Underlying(s) relative to the performance of one or more different Underlying(s).

Performances can also have a predefined or a variable and/or conditional cap. This means Securityholders accept a limitation of earning potential (e.g. a "Cap" or "Maximum Amount") and may only participate in possible price increases (or decreases) of the Underlying(s) until a certain level is reached and no further. Additionally, performances can also have a predefined or a variable and/or conditional floor. This means Securityholders will have a minimum of earning potential ("Floor") and may only negatively participate in possible price decreases (or increases) of the Underlying(s) until a certain level is reached and no further.

#### Barriers, Thresholds, Levels

Products can have barriers, thresholds or levels that are activated as soon as certain conditions are met. Usually these barriers, thresholds or levels represent certain levels to be reached by the Underlying(s) on certain dates or during a certain period, as specified in the relevant Product Terms.

Barriers, thresholds or levels can either be triggered by Underlying(s), performances or other measures reaching certain predefined levels. Some barriers, thresholds or levels are only triggered if more than one condition is met.

Barriers, thresholds or levels can e.g. have an impact on the determination of how the redemption amount is calculated or how the securities are settled (i.e. cash or physical) or they can lead to the removal (e.g. Kick-Out) or addition (e.g. Kick-In) of certain features of the Securities (for example coupons, participations or Underlying(s)).

### Lock-In and Final Lock-In

The relevant Product Terms may provide for a "Lock-In" feature, which means that certain amounts or performances, as specified in the Product Terms, will in the case of the occurrence of a predetermined lock-in event be "locked-in", i.e. fixed, set aside or otherwise economically preserved, as specified in the Product Terms. To the extent and under the conditions of applicable other features described in this section 13 of the Base Prospectus and as further specified in the applicable Product Terms, Securityholders do still participate in the future performance of the Underlying or, as the case may be, the Basket Components.

If the relevant Product Terms specify that a "Final Lock-In" feature applies, certain amounts or performances, as specified in the Product Terms, will in the case of the occurrence of a predetermined lock-in event be "locked-in" to an extent that the participation of the Securityholders in the future performance of the Underlying or, as the case may be, the Basket Components is limited or even excluded.

### Automatic Termination Feature

If the relevant Product Terms specify that the Automatic Termination feature applies, then the Securities may be terminated and redeemed early upon the occurrence of an automatic termination event (including, but not limited to, a Stop Loss Event or Knock Out Event).

### Time-lagged Valuation

If the relevant Product Terms specify that the Time-lagged Valuation feature applies, the Valuation Date or the Final Valuation Date relevant for determining the Price of the Underlying or, as the case may be, of the Basket Components by reference to which the Redemption Amount is calculated may be a day following a significant period after the relevant Issuer Exercise Date, or, as the case may be, the relevant automatic termination date, as specified to be applicable in the Product Terms.

### Investment Strategies

Performance can be defined as the hypothetical performance of a certain predefined investment strategy, as specified in the relevant Product Terms. This can for example be a strategy that invests into the Underlying(s) only on certain predefined dates. Another example would be a strategy that invests into the Underlying(s) dependent on the realised volatility, performance, momentum or other metric of the Underlying(s) level over the life of the Securities.

### Bearish/Bullish/Variable Participation Rate

Participation is usually proportional with a certain rate (which can itself be dependent on certain pre-conditions for example the performance of one or more Underlying(s)) and can be either negative or positive.

### Currency Conversion and Quanto feature

The Securityholder's right vested in the Securities may be determined on the basis of a currency other than the Redemption Currency, currency unit or calculation unit, and also the value of the Underlying(s) or, as the case may be, the Basket Components may be determined in such a currency other than the Redemption Currency, currency unit or calculation unit. If the relevant Product Terms specify a Currency Conversion to apply, the redemption of the Securities is subject to a currency exchange rate, as specified in the relevant Product Terms.

If the relevant Product Terms specify the Quanto feature to apply, the redemption of the Securities is not subject to the currency exchange rate between the underlying currency of the Underlying(s) or, as the case may be, the Basket Components.

### Dual Currency

The Securityholders are entitled to receive payments in the pre-determined currency specified in the applicable Product Terms as the Redemption Currency. If the relevant Product Terms, however, specify the product feature "Dual Currency" to be applicable, the Issuer is entitled to replace, either during the life of the Securities or at the final redemption, this pre-determined currency by another currency specified for that purposes in the applicable Product Terms. All following payments to the Securityholder will then be made in such other currency. The Securityholder may be exposed to currency risk in such event.

### Coupon Amounts/Interest Amounts/Other Proceeds

If the relevant Product Terms specify a Coupon Amount, Interest Amount or other proceeds to apply, the Securityholder is entitled to receive payment of the relevant Coupon Amount, Interest Amount or other proceeds, as specified in the applicable Product Terms. The Securityholder's entitlement to receive payment of the relevant Coupon Amount, Interest Amount or other proceeds, may either be unconditional or conditional, i.e. provided that the relevant conditions are met, as specified in the applicable Product Terms. If, in case of a conditional

Coupon Amount, Interest Amount or other proceeds, these requirements are not met, the Securityholder is not entitled to receive the relevant Coupon Amount, Interest Amount or other proceeds.

Such Coupon Amount, Interest Amount or other proceeds may be payable on the relevant Interest/Coupon Payment Date or on any other date (e.g. the Maturity Date), as specified in the relevant Product Terms.

During their term products can therefore generate regular income. However, most products do not generate unconditional income, e.g. dividends or interest.

#### Capital Protection

Only if the product feature "Capital Protection" is specified to be applicable in the relevant Product Terms, the Redemption Amount is, in any case, at least equal to the capital protected Minimum Amount.

#### Maximum Amount

If the product feature "Maximum Amount" is specified to be applicable in the relevant Product Terms, the Redemption Amount is capped to the Maximum Amount multiplied, if so specified in the relevant Product Terms, by the Participation Factor, the Leverage Factor, the Multiplication Factor or the Multiplier, as specified to be applicable in the Product Terms.

#### Physical or Cash Settlement

Only if the product feature "Physical Settlement" is specified to be applicable in the relevant Product Terms, the Product is possibly settled physically. Otherwise the settlement occurs in cash payment. The settlement can depend on the performance of the Underlying(s).

#### Price Dividend Adjustment

If the product feature "Price Dividend Adjustment" is specified to be applicable in the relevant Product Terms, the Price, the Reference Price, or, if applicable, the Settlement Price of the Underlying, or, as the case may be, the Basket Components, as specified in the relevant Product Terms, is adjusted on an ongoing basis during the term of the Securities. In particular, the Price, the Reference Price, or, if applicable, the Settlement Price of the Underlying, or, as the case may be, any Basket Component would be increased to take into account any dividend payments in respect of the Underlying or, as the case may be, the Basket Components which are declared from time to time by the relevant issuer of such Underlying or, as the case may be, Basket Component. Conversely, the Price, the Reference Price, or, if applicable, the Settlement Price of the Underlying, or, as the case may be, any Basket Component would be decreased at a fixed daily rate specified in the applicable Product Terms.

#### General Early Redemption Right

The Issuer and the Securityholders will only have a general early redemption right in relation to the Securities prior to the Maturity Date, if so specified in the applicable Product Terms.

#### *Issuer's Call Right*

If so specified in the applicable Product Terms, the Issuer has a right to call the Securities for early redemption by giving notice to that effect on certain predefined dates. The redemption value can either be predefined or dependent on the Underlying(s) level, certain dates or other parameters.

#### *Securityholder's Put Right*

If so specified in the applicable Product Terms, the Securityholder has the right to put the Securities for early redemption. The redemption value can either be predefined or dependent on the Underlying(s) level, certain dates or other parameters.

## **E. CONDITIONS OF THE SECURITIES**

The Securities offered and/or listed on a regulated or another equivalent market under this Base Prospectus are issued either (i) under the Conditions of the Securities as contained on pages 157 to 241 of the Base Prospectus dated 23 June 2014 of UBS AG, (ii) under the Conditions of the Securities as contained on pages 212 to 318 of the Base Prospectus dated 17 April 2015 of UBS AG, (iii) under the Conditions of the Securities as contained on pages 192 to 289 of the Base Prospectus dated 8 January 2016 of UBS AG, (iv) under the Conditions of the Securities as contained on pages 187 to 286 of the Base Prospectus dated 27 September 2016 of UBS AG, (v) under the Conditions of the Securities as contained on pages 147 to 246 of the Base Prospectus dated 21 June 2017 of UBS AG, (vi) under the Conditions of the Securities as contained on pages 149 to 252 of the Base Prospectus dated 1 March 2018 of UBS AG, (vii) under the Conditions of the Securities as contained on pages 149 to 252 of the Base Prospectus dated 12 October 2018 of UBS AG, (viii) under the Conditions of the Securities as contained on pages 149 to 252 of the Base Prospectus dated 13 May 2019 of UBS AG, (ix) under the Conditions of the Securities as contained on pages 62 to 178 of the Securities Note dated 26 February 2020 of UBS AG, (x) under the Conditions of the Securities as contained on pages 64 to 182 of the Securities Note dated 3 November 2020 of UBS AG, (xi) under the Conditions of the Securities as contained on pages 66 to 187 of the Securities Note dated 11 August 2021 of UBS AG, (xii) under the Conditions of the Securities as contained on pages 68 to 195 of the Securities Note dated 13 May 2022 of UBS AG, (each a “**Preceding Base Prospectus**”), each as filed with SFSA and incorporated by reference in this Base Prospectus (Option (1)) or (xii) under the Conditions of the Securities as contained in this Base Prospectus (Option (2)).

Option (1) applies in case of a continued offer of Securities to the public beyond the validity of the Preceding Base Prospectus and of an increase of the Issue Size or, as the case may be, the Aggregate Nominal Amount of Securities issued on the basis of a Preceding Base Prospectus. Option (2) applies to Securities issued under this Base Prospectus and offered to the public and/or listed on a regulated or another equivalent market.

The applicable Final Terms will state in Part A, which of the options (1) or (2) applies to the relevant Securities.

### **1. Structure of the Conditions of the Securities**

Securities offered and/or listed on a regulated or another equivalent market under the Base Prospectus will be issued (i) on the basis of the General Conditions of the Securities as set out under “**General Conditions**” in the Base Prospectus, (ii) as completed by the Security specific Product Terms for the relevant series of Securities as set out under “**Product Terms**” in the Base Prospectus.

The Product Terms shall in the relevant Final Terms amend and put in concrete terms the General Conditions of the Securities for the purposes of the relevant Securities.

The Product Terms and the General Conditions together constitute the “**Conditions**” of the relevant Securities. **Full information on the Conditions is only available on the basis of the combination of the Final Terms and the Base Prospectus.**

### **Summarised Contents of the Conditions**

	<b>Product Terms</b>	<b>Page</b>
<b>Part 1:</b>	<i>Key Terms and Definitions of the Securities</i>	[•]
<b>Part 2: § 1 - 3</b>	<i>Special Conditions of the Securities</i>	[•]
<b>General Conditions</b>		
<b>§ 4</b>	<i>Form of Securities; Title and Transfer; Status</i>	[•]
<b>§ 5</b>	<i>Settlement</i>	[•]
<b>§ 6 (a) - (n)</b>	<i>Adjustments for Securities on Baskets; Adjustments in connection with Shares, Certificates representing Shares, Non-Equity Securities, Commodities, Precious</i>	[•]

*Metals, Indices, exchange traded Fund Units, not exchange traded Fund Units, Futures Contracts, Interest Rates, Currency Exchange Rates and Reference Rates; Benchmark Adjustments*

<b>§ 7</b>	<i>Adjustments due to the European Economic and Monetary Union</i>	[•]
<b>§ 8</b>	<i>Extraordinary Termination Right of the Issuer</i>	[•]
<b>§ 9</b>	<i>Termination Right of the Securityholders</i>	[•]
<b>§ 10</b>	<i>Taxes</i>	[•]
<b>§ 11</b>	<i>Market Disruptions</i>	[•]
<b>§ 12</b>	<i>Security Agents</i>	[•]
<b>§ 13</b>	<i>Substitution of the Issuer</i>	[•]
<b>§ 14</b>	<i>Publications</i>	[•]
<b>§ 15</b>	<i>Issue of further Securities; Purchase of Securities; Cancellation</i>	[•]
<b>§ 16</b>	<i>Governing Law; Jurisdiction</i>	[•]
<b>§ 17</b>	<i>Corrections; Severability</i>	[•]

## 2. Product Terms

The following “**Product Terms**” of the Securities shall, for the relevant Securities, amend and put in concrete terms the General Conditions for the purposes of such Securities. A version of these Product Terms as amended and completed for the specific issue will be contained in the applicable Final Terms and must be read in conjunction with the General Conditions.

The Product Terms are composed of

**Part 1: Key Terms and Definitions of the Securities** and

**Part 2: Special Conditions of the Securities** (for the individual types of Securities)

Product Terms and General Conditions together constitute the “**Conditions**” of the relevant Securities.

In the event of any inconsistency between these Product Terms and the General Conditions, these Product Terms shall prevail for the purposes of the Securities.

## Part 1: Product Terms: Key Terms and Definitions of the Securities

The Securities use the following definitions and have, subject to an adjustment according to the Conditions of the Securities, the following key terms, both as described below in alphabetical order. The following does not represent a comprehensive description of the Securities, and should be read in conjunction with the Special Conditions of the Securities. The following use of the symbol “\*” in the Key Terms and Definitions of the Securities indicates that the relevant determination will be made by the Calculation Agent or the Issuer, as the case may be, and will be published without undue delay thereafter in accordance with the applicable legal requirements of the relevant jurisdiction.

### A.

**[Accumulated Borrowing Fee<sub>(t)</sub>]:** The Accumulated Borrowing Fee<sub>(t)</sub> [means [•]] [(i) on any [Fund Business Day] [•]'t' which is not immediately following a Borrowing Rebalancing Date, (A) the sum of the Borrowing Fees calculated in respect of each [Fund Business Day] [•] in the period from but excluding the immediately preceding Borrowing Rebalancing Date or, if none, the [Fixing Date] [•] to but excluding the relevant [Fund Business Day] [•] 't' plus (B) the Borrowing Fee in respect of [Fund Business Day] [•] 't'; and (ii) on any [Fund Business Day] [•] 't' which is immediately following a Borrowing Rebalancing Date, the Borrowing Fee in respect of [Fund Business Day] [•] 't'.

The Accumulated Borrowing Fee and the Rate shall be reset on each [quarterly] [monthly] [•] Borrowing Rebalancing Date.]]

### [Additional Amount:

The Additional Amount<sub>(((•)) ((•)=1))</sub>

[equals [•].]

[in relation to [the Early Redemption Observation Date<sub>(((•))</sub>] [•], equals [•].]

[in relation to [the Early Redemption Observation Date<sub>(((•)=1))</sub>] [•], equals [•], [•] and

the Additional Amount<sub>(((•)=n[•])</sub> in relation to [the Early Redemption Observation Date<sub>(((•)=n[•])</sub>] [•], equals [•].]

[The term “Additional Amount” shall also refer to all Additional Amounts<sub>(((•)=1) to ((•)=n[•]).</sub>]

[indicative. The [respective] Additional Amount will be fixed on the Fixing Date [at the Fixing Time].\*]] ]

### [Additional Termination Event:

[Not applicable] [Additional Termination Event [means [the occurrence of [a Change in Law] [and/or] [a Hedging Disruption] [and/or] [an Increased Cost of Hedging]] [•]] [and]

[, in relation to a currency exchange rate used as [the Underlying] [the Basket Component] means any of the following events:

(i) The determination and/or publication of the price of a currency used in relation to the currency exchange rate is discontinued permanently, or the Issuer or the Calculation Agent obtains knowledge about the intention to do so.

[(ii) The currency used in connection with the currency exchange rate is, in its function as legal tender, in the country or jurisdiction, or countries or jurisdictions, maintaining the authority, institution or

other body which issues such currency, replaced by another currency, or merged with another currency to become a common currency, or the Issuer or the Calculation Agent obtains knowledge about the intention to do so.】

- 【(iii) A Relevant Country (aa) imposes any controls or announces its intention to impose any controls or (bb) (i) implements or announces its intention to implement or (ii) changes or announces its intention to change the interpretation or administration of any laws or regulations, in each case which the Calculation Agent determines is likely to affect the Issuer's and/or any of its affiliates' ability to acquire, hold, transfer or realise the currency used in connection with the currency exchange rate or otherwise to effect transactions in relation to such currency.】
- 【(iv) The occurrence at any time of an event, which the Calculation Agent determines would have the effect of preventing, restricting or delaying the Issuer and/or any of its affiliates from:
  - (aa) converting the currency used in connection with the currency exchange rate into the Redemption Currency or into another currency through customary legal channels or transferring within or from any Relevant Country any of these currencies, due to the imposition by such Relevant Country of any controls restricting or prohibiting such conversion or transfer, as the case may be;
  - (bb) converting the currency used in connection with the currency exchange rate into the Redemption Currency or into another currency at a rate at least as favourable as the rate for domestic institutions located in any Relevant Country;
  - (cc) delivering the currency used in connection with the currency exchange rate from accounts inside any Relevant Country to accounts outside such Relevant Country; or
  - (dd) transferring the currency used in connection with the currency exchange rate between accounts inside any Relevant Country or to a party that is a non-resident of such Relevant Country.】

[and] 【, in relation to a share used as 【the Underlying】 【the Basket Component】 means any of the following events:

- 【(i) The Issuer obtains knowledge about the intention of the Company to distribute a dividend, where the ex dividend day of such distribution falls within the term of the Securities.】
- 【(i)【(ii) The Issuer obtains knowledge about the intention to discontinue permanently the quotation of the shares of the Company [in the Relevant Trading System] [or] [on the Relevant Exchange] [, as the case may be,] due to a merger or a new company formation, due to a transformation of the Company into a legal form without shares, or due to any other comparable reason, in particular as a result of a delisting of the Company.
- 【(ii)【(iii) An insolvency proceeding or any other similar proceeding under the jurisdiction applicable to and governing the Company is initiated with respect to the assets of the Company.



((iii)[iv]) Take-over of the shares of the Company, which in the Issuer's opinion, results in a significant impact on the liquidity of such shares in the market.

(iv) [v]) Offer to the shareholders of the Company pursuant to the German Stock Corporation Act (*Aktiengesetz*), the German Law regulating the Transformation of Companies (*Umwandlungsgesetz*) or any other similar proceeding under the jurisdiction applicable to and governing the Company to convert existing shares of the Company to cash settlement, to Securities other than shares or rights, which are not quoted on a stock exchange and/or in a trading system.]

[and] [, in relation to a certificate representing shares used as [the Underlying] [the Basket Component] means any of the following events:

(i) The Issuer obtains knowledge about the intention of the company which has issued the certificate representing shares to distribute a dividend, where the ex dividend day of such distribution falls within the term of the Securities.]

((i)[ii]) The Issuer obtains knowledge about the intention to discontinue permanently the quotation of the certificate representing shares on the Relevant Exchange.

((ii)[iii]) An insolvency proceeding or any other similar proceeding under the jurisdiction applicable to and governing the company, which has issued the Underlying Shares is initiated with respect to the assets of such company.]

[and] [, in relation to a Fund Unit used as [the Underlying] [the Basket Component] means [the occurrence of a Fund Change in Law (§ 6 (i) (2) (n) of the Conditions of the Securities)] [the occurrence of a Potential Adjustment Event (as defined in § 6 [•] of the Conditions of the Securities)].]

**[Aggregate Nominal Amount:** The Aggregate Nominal Amount equals [•]. [Indicative. The Aggregate Nominal Amount will be fixed on [the Fixing Date [at Fixing Time]] [the end of the Subscription Period depending on the demand for the Securities during the Subscription Period].\*]]

**[American Depositary Receipt:** American Depositary Receipt means a negotiable instrument issued by a United States commercial bank acting as a depositary that represents a specified number of Underlying Shares issued by an entity organised outside the United States and held in a safekeeping account with the depositary's custodian.]

**[Automatic Termination Event:** The Automatic Termination Event means [•].]

## B.

**Banking Day:** The Banking Day means [•] [each day on which [the banks in [Frankfurt am Main, Federal Republic of Germany,] [and] [•] are open for business,] [the Trans-European Automated Real-time Gross settlement Express Transfer System ("TARGET2") is open] and the Clearing System settles securities dealings.]

**[Barrier:** The Barrier<sub>[(•)] [(•)=1]</sub> [of the Underlying<sub>[(•)]</sub>] [of the Basket Component<sub>[(•)]</sub>] [equals [•].]

[of the [Underlying<sub>(t=1)</sub>] [Basket Component<sub>(t=1)</sub>] equals [•], [•] and the Barrier<sub>(t=[n][•])</sub> of the [Underlying<sub>(t=[n][•])</sub>] [Basket Component<sub>(t=[n][•])</sub>] equals [•].]

[One (1) unit of the Underlying Currency equals one (1) unit [•], “**Quanto [•]**”).]

[The term “Barrier” shall also refer to all Barriers<sub>(t=1)</sub> to <sub>(t=[n][•])</sub>.]

[[indicative.] The [respective] Barrier [of the [respective] [Underlying<sub>(t=1)</sub>] [Basket Component<sub>(t=1)</sub>]] will be fixed on the Fixing Date [at the Fixing Time]. \* ] ]

**[Barrier Date:**

The Barrier Date means [•] [the [Underlying Calculation Date] [•] [during [the Barrier Observation Period] [•]] on which the [relevant] Barrier Event occurs].]

**[Barrier Event:**

A Barrier Event<sub>(t=1)</sub> [means [•]] [occurs, [•] ]

**[in case of a record day related observation, add the following text:**

if [the Reference Price] [the Settlement Price] [the Price] of [the Underlying] **[at least one [Underlying<sub>(t=1)</sub>][Basket Component<sub>(t=1)</sub>]]** **[all [Underlyings][Basket Components]]** *[if appropriate, insert different point of reference to an Underlying comprised in the Base Prospectus: [•]]* is [at the Valuation Time] **[equal to or] [higher] [lower] than the [respective] Barrier<sub>(t=1)</sub>.**

**[in case of a period related observation, add the following text:**

if the Price of [the Underlying] **[at least one [Underlying<sub>(t=1)</sub>][Basket Component<sub>(t=1)</sub>]]** **[all [Underlyings][Basket Components]]** *[if appropriate, insert different point of reference to an Underlying comprised in the Base Prospectus: [•]]* is [on any of the Barrier Observation Dates [prior to the [Final] Valuation Date]] [during the [Barrier] Observation Period<sub>(t=1)</sub> at least once] [at the Valuation Time] **[equal to or] [higher] [lower] than the [respective] Barrier<sub>(t=1)</sub>].]**

[The term “Barrier Event” shall also refer to all Barrier Events<sub>(t=1)</sub> to <sub>(t=[n][•])</sub>.]

[For the avoidance of doubt, more than one Barrier Event may occur on the same date, but in total, there can be a maximum of [•] Barrier Events, i.e. for each [Barrier<sub>(t=1)</sub>] [•] a Barrier Event<sub>(t=1)</sub> can be triggered only once.]]

**[Barrier Observation Date[s]:**

[The Barrier Observation Date means [•].]

[The Barrier Observation Dates mean [•].]

[The Barrier Observation Date<sub>(t=1)</sub> means [•], [•] and

the Barrier Observation Date<sub>(t=[n][•])</sub> means [•].]

[The term “Barrier Observation Date” shall also refer to all Barrier Observation Dates<sub>(t=1)</sub> to <sub>(t=[n][•])</sub>.]

If [this day] [any of these days] is not [a Fund Business Day] [[an Underlying] [a Basket Component] Calculation Date] [•] in relation to [the

Underlying] [an Underlying<sub>(t+1)</sub>] [a Basket Component<sub>(t+1)</sub>], [•] [the immediately [preceding] [succeeding] [Fund Business Day] [[Underlying] [Basket Component] Calculation Date] [•] is the relevant Barrier Observation Date in relation to

[the Underlying]

[the affected [Underlying<sub>(t+1)</sub>] [Basket Component<sub>(t+1)</sub>]]

[all [Underlyings] [Basket Components]].]

**[Barrier Observation Period:**

[The Barrier Observation Period means [•] [the period, commencing on the [Issue Date] [Fixing Date] [•] [at [•] hrs local time [Frankfurt am Main, Federal Republic of Germany] [London, United Kingdom] [Zurich, Switzerland]] [•]] and ending [at [•] hrs local time [Frankfurt am Main, Federal Republic of Germany] [London, United Kingdom] [Zurich, Switzerland] [•]] on the [Expiration Date] [Valuation Date] [Final Valuation Date] [or] [latest of the Valuation Averaging Dates]] [at the Valuation Time]].]

[The Barrier Observation Period<sub>(t+1)</sub> means the period commencing [at [•] hrs local time [•] [Frankfurt am Main, Federal Republic of Germany] [London, United Kingdom] [Zurich, Switzerland] [•]] on [•] and ending [at [•] hrs local time [•] [Frankfurt am Main, Federal Republic of Germany] [London, United Kingdom] [Zurich, Switzerland] [•]] on [•] [the Barrier Observation Date<sub>(t+1)</sub>] [(inclusive) [(exclusive)], [•] and the Barrier Observation Period<sub>(t+1)</sub> means the period commencing [at [•] hrs local time [•] [Frankfurt am Main, Federal Republic of Germany] [London, United Kingdom] [Zurich, Switzerland] [•]] on [•] [the Barrier Observation Date<sub>(t+1)</sub>] [(inclusive) [(exclusive)]] and ending [at [•] hrs local time [•] [Frankfurt am Main, Federal Republic of Germany] [London, United Kingdom] [Zurich, Switzerland] [•]] on [•] [the Barrier Observation Date<sub>(t+1)</sub>] [(inclusive) [(exclusive)]]].]

**[Basket Business Day:**

The Basket Business Day means [•].]

**[Basket Component:**

The Basket Component<sub>(t+1)</sub> equals [•], subject to a Roll Over in accordance with § 6 (j) of the Conditions of the Securities,] [*Description of [the share or of the American Depositary Receipt, the Global Depositary Receipt or other depositary receipt on the share] [the Index] [the currency exchange rate] [the precious metal] [the commodity] [the interest rate] [the non-equity security] [the exchange traded fund unit] [the not exchange traded fund unit] [the futures contract (if applicable, including determination of the relevant expiration months)] [the reference rate]: [•]] [in the case of an Index as the Basket Component insert, if appropriate, the following text: (the "Index<sub>(t+1)</sub>")*, [as maintained, calculated and published by [•] (the "Index Sponsor<sub>(t+1)</sub>") [as maintained by [•] (the "Index Sponsor<sub>(t+1)</sub>") and calculated and published by [•] (the "Index Calculator<sub>(t+1)</sub>")]] [*in the case of a fund unit as the Basket Component insert, if appropriate, the following text: (the "Fund Unit<sub>(t+1)</sub>") in the [•] (the "Fund<sub>(t+1)</sub>") [in the case of a certificate representing shares as the Underlying insert, if appropriate, the following text: [(also "ADR<sub>(t+1)</sub>") [also "GDR<sub>(t+1)</sub>") [also "DR<sub>(t+1)</sub>"] (In such context, the Share<sub>(t+1)</sub> underlying [the ADR<sub>(t+1)</sub>] [the GDR<sub>(t+1)</sub>] [the DR<sub>(t+1)</sub>] is also referred to as the "Underlying Share<sub>(t+1)</sub>"); [•] and*

the Basket Component<sub>(t+1)</sub> equals [•], subject to a Roll Over in accordance with § 6 (j) of the Conditions of the Securities,] [*Description of [the share or of the American Depositary Receipt, the Global Depositary Receipt or other depositary receipt on the share] [the Index]*

*[the currency exchange rate] [the precious metal] [the commodity] [the interest rate] [the non-equity security] [the exchange traded fund unit] [the not exchange traded fund unit] [the futures contract (if applicable, including determination of the relevant expiration months)] [the reference rate]: [●] [in the case of an Index as the Basket Component insert, if appropriate, the following text: (the “Index<sub>([●]=[n][●])</sub>”), [as maintained, calculated and published by [●] (the “Index Sponsor<sub>([●]=[n][●])</sub>”) [as maintained by [●] (the “Index Sponsor<sub>([●]=[n][●])</sub>”) and calculated and published by [●] (the “Index Calculator<sub>([●]=[n][●])</sub>”)] [in the case of a fund unit as the Basket Component insert, if appropriate, the following text: (the “Fund Unit<sub>([●]=[n][●])</sub>”) in the [●] (the “Fund<sub>([●]=[n][●])</sub>”)] [in the case of a certificate representing shares as the Underlying insert, if appropriate, the following text: [(also “ADR<sub>([●]=[n][●])</sub>”) [also “GDR<sub>([●]=[n][●])</sub>”) [(also “DR<sub>([●]=[n][●])</sub>”) (In such context, the Share<sub>([●]=[n][●])</sub> underlying [the ADR<sub>([●]=[n][●])</sub>] [the GDR<sub>([●]=[n][●])</sub>] [the DR<sub>([●]=[n][●])</sub>] is also referred to as the “Underlying Share<sub>([●]=[n][●])</sub>”].*

[The Basket Components are [expressed in] [converted into] [related to] [the Underlying Currency] [●].]

[In this context, the individual underlying values or components of a Basket Component are referred to as a “Component” or, as the case may be, the “Components”.]

The term “Basket Component” [or “Index”[, “Index Calculator”] and “Index Sponsor”, as the case may be,] [or “Fund Unit” and “Fund”, as the case may be] [●] shall also refer to all Basket Components<sub>([●]=1)</sub> to <sub>([●]=[n][●])</sub> [and to all Indices<sub>([●]=1)</sub> to <sub>([●]=[n][●])</sub>], all Index Calculators<sub>([●]=1)</sub> to <sub>([●]=[n][●])</sub> and all Index Sponsors<sub>([●]=1)</sub> to <sub>([●]=[n][●])</sub>, as the case may be] [and to all Fund Units<sub>([●]=1)</sub> to <sub>([●]=[n][●])</sub> and all Funds<sub>([●]=1)</sub> to <sub>([●]=[n][●])</sub>, as the case may be] [●].]

[In this context, [each] [the] [Index Sponsor][●] has control over the provision of the Index (*administrator*) within the meaning of the EU Benchmarks Regulation] [●].]

#### **[Basket Component Calculation Date:**

The Basket Component Calculation Date means

[●]

[each day, on which [the Relevant Trading System] [,] [and] [the Relevant Exchange] [,] [and] [the Relevant Exchange Market] [and] [the Relevant Reference Market] [is] [are] open for trading [and] [the Price of the Basket Component is determined in accordance with the relevant rules]]

*[in the case of an Index as the Basket Component insert, if applicable, the following text: [(or, as the case may be,) in relation to the Index] each day, on which [(i)] [the Index Sponsor] [the Index Calculator] determines, calculates and publishes the official price of the Index, [and (ii) the Components, which are comprised in the Index are [, to the extent of at least [●] [80 %] [90 %] of the market capitalisation of all Components, which are comprised in the Index, or of the overall value of the Index,] available for trading and quotation [in the Relevant Trading System] [or] [on the Relevant Exchange]]*

*[in the case of a fund unit as the Basket Component insert, if applicable, the following text: [(or, as the case may be,) in relation to a Fund Unit] each day [which is a Fund Business Day] [on which [(i)] the [respective] administrator of the Fund publishes the Net Asset Value for such Fund in accordance with the relevant prospectus and constitutional documents*

of the Fund [and (ii) a Notional Investor in the Fund Units of the Fund could subscribe and redeem the Fund Units].]

*[in the case of a reference rate as the Basket Component insert, if applicable, the following text: [[or, as the case may be,] in relation to a reference rate] each day on which the [respective] Relevant Reference Agent determines the Price of the Basket Component in accordance with the relevant rules].]*

**[Basket Performance:**

The Basket Performance [means [•]] [is calculated in accordance with the following formula: [•].]

**[Bonus:**

The Bonus<sub>[(•)]</sub> <sub>[(•)=1]</sub> [in relation to [the Observation Date<sub>[(•)]</sub> <sub>[(•)=1]</sub>]] [•][equals [•] [%].] [is calculated in accordance with the following formula: [•].]

[and the Bonus<sub>[(•)]</sub> <sub>[(•)=n]] [in relation to [the Observation Date<sub>[(•)]</sub> <sub>[(•)=n]]]] [•][equals [•] [%].]</sub></sub>

[The term “Bonus” shall also refer to all Bonuses<sub>(•=1)</sub> to <sub>(•=n)]].]</sub>

[[indicative.] The [respective] Bonus will be fixed on the Fixing Date [at the Fixing Time].\* ]

**[Bonus Barrier Event:**

A Bonus Barrier Event [means [•]] [occurs, [•] [

*[in case of a record day related observation, add the following text:*

if [the Reference Price] [the Settlement Price] [the Price] of [the Underlying<sub>(•=1)</sub>] **[if appropriate, insert different point of reference to an Underlying comprised in the Base Prospectus: [•]]** is [at the Valuation Time] **[equal to or] [lower] than the Barrier<sub>[(•)=1]</sub>** and [the Reference Price] [the Settlement Price] [the Price] of [the Underlying<sub>(•=2)</sub>] **[if appropriate, insert different point of reference to an Underlying comprised in the Base Prospectus: [•]]** is [at the Valuation Time] **[equal to or] higher than the Barrier<sub>[(•)=2]</sub>**].]

*[in case of a period related observation, add the following text:*

if the Price of [the Underlying<sub>(•=1)</sub>] **[if appropriate, insert different point of reference to an Underlying comprised in the Base Prospectus: [•]]** [on any of the Barrier Observation Dates [prior to the [Final] Valuation Date]] [•] [during the [Barrier] Observation Period<sub>(•)</sub> at least once] [at the Valuation Time] **[equal to or] lower than the Barrier<sub>[(•)=1]</sub>** and the Price of [the Underlying<sub>(•=2)</sub>] **[if appropriate, insert different point of reference to an Underlying comprised in the Base Prospectus: [•]]** is [on any of the Barrier Observation Dates [prior to the [Final] Valuation Date]] [•] [during the [Barrier] Observation Period<sub>(•)</sub> at least once] [at the Valuation Time] **[equal to or] higher than the Barrier<sub>[(•)=2]</sub>**]. [•] ]]

**[Bonus Level:**

The Bonus Level<sub>[(•)]</sub> <sub>[(•)=1]</sub> [of the Underlying<sub>[(•)]</sub>] [of the Basket Component<sub>[(•)]</sub>]

[equals [•][%].]

[of the [Underlying<sub>(•=1)</sub>] [Basket Component<sub>(•=1)</sub>] equals [•], [•] and

the Bonus Level<sub>[(•)=n]]</sub> of the [Underlying<sub>[(•)=n]]] [Basket Component<sub>(•=n)] equals [•].]</sub></sub>

[One (1) unit of the Underlying Currency equals one (1) unit [•], “**Quanto [•]**”).]

[The term “Bonus Level” shall also refer to all Bonus Levels<sub>((•)=1)</sub> to <sub>((•)=n)[•]</sub>.]

[[indicative.] The [respective] Bonus Level [of the [respective] [Underlying<sub>((•))</sub>] [Basket Component<sub>((•))</sub>] will be fixed on the Fixing Date [at the Fixing Time]. \* ]

**[Borrowing Fee:** The Borrowing Fee [means [•]] [Day Count Fraction x Rate x [•%][•]]

**[Borrowing Rebalancing Date:** The Borrowing Rebalancing Date [means [•]] [[•] in each year commencing on [•] to and including [•], or if any such day is not a [Fund Business Day] [•], the immediately following [Fund Business Day][•]]

**[Business Day:** The Business Day means [•] [each day on which the banks in [Frankfurt am Main, Federal Republic of Germany,] [and] [[•]] are open for business.]]

### C.

**[Calculation Agent:** The Calculation Agent means [•] [UBS Europe SE, Bockenheimer Landstrasse 2 - 4, 60306 Frankfurt am Main, Federal Republic of Germany] [UBS AG, Bahnhofstrasse 45, 8001 Zurich, Switzerland, and Aeschenvorstadt 1, 4051 Basel, Switzerland [, acting through its [London Branch, 5 Broadgate, London EC2M 2QS, United Kingdom] [Jersey Branch, 24 Union Street, Saint Helier, Jersey JE4 8UJ]]].]

**[Calculation Amount:** The Calculation Amount per Security equals [•].]

**[Cap:** The Cap<sub>((•))</sub> <sub>((•)=1)</sub> [of the Underlying<sub>((•))</sub>] [of the Basket Component<sub>((•))</sub>] [equals [•].]

[of the [Underlying<sub>((•)=1)</sub>] [Basket Component<sub>((•)=1)</sub>] equals [•], [•] and

the Cap<sub>((•)=n)[•]</sub> of the [Underlying<sub>((•)=n)[•]</sub>] [Basket Component<sub>((•)=n)[•]</sub>] equals [•].]

[One (1) unit of the Underlying Currency equals one (1) unit [•], “**Quanto [•]**”).]

[The term “Cap” shall also refer to all Caps<sub>((•)=1)</sub> to <sub>((•)=n)[•]</sub>.]

[[indicative.] The [respective] Cap [of the [respective] [Underlying<sub>((•))</sub>] [Basket Component<sub>((•))</sub>] will be fixed on the Fixing Date [at the Fixing Time]. \* ]

**[Cap Level:** The Cap Level<sub>((•))</sub> <sub>((•)=1)</sub> [of the Underlying<sub>((•))</sub>] [of the Basket Component<sub>((•))</sub>]

[equals [•].]

[of the [Underlying<sub>((•)=1)</sub>] [Basket Component<sub>((•)=1)</sub>] equals [•], [•] and

the Cap Level<sub>((•)=n)[•]</sub> of the [Underlying<sub>((•)=n)[•]</sub>] [Basket Component<sub>((•)=n)[•]</sub>] equals [•].]

[One (1) unit of the Underlying Currency equals one (1) unit [•], “**Quanto [•]**”).]

[The term "Cap Level" shall also refer to all Cap Levels<sub>([•]=1)</sub> to <sub>([•]=[n][•])</sub>.]

[[indicative.] The [respective] Cap Level [of the [respective] [Underlying<sub>([•])</sub>] [Basket Component<sub>([•])</sub>] will be fixed on the Fixing Date [at the Fixing Time]. \* ] ]

**[Capital Protection Factor:**

The Capital Protection Factor equals [•]. [indicative. The Capital Protection Factor will be fixed on the Fixing Date [at the Fixing Time]. \* ] ]

**CA Rules:**

CA Rules means [[•]

[the Swedish Central Securities Depositories and Financial Instruments Accounts Act (*lag (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument*)]

[the Finnish Act on the Book-Entry System and Clearing and Settlement (348/2017) (*laki arvo-osuusjärjestelmästä ja selvitystoiminnasta*) and the Finnish Act on Book-Entry Accounts (827/1991) (*laki arvo-osuustileistä*)]

[the Norwegian Securities Register Act (*Lov av 5. Juli 2002 nr. 64 om registrering av finansielle instrumenter*)]

[the Danish Capital Markets Act (*Lov om kapitalmarkeder*) as amended and supplemented from time to time and the Executive Order on Book Entry of Dematerialised Securities in a Central Securities Depository (*Bekendtgørelse om registrering af fondsaktiver i en værdipapircentral (CSD)*), as amended and supplemented from time to time, issued pursuant thereto]

as well as] any regulation and operating procedure applicable to and/or issued by the Clearing System.

**[Certificate Value<sub>(t)</sub>:**

The Certificate Value<sub>(t)</sub> equals [•] [on [Fund Business Day][•] 't', and Certificate Value(0) is equal to [100%][•].]

**[Change in Law:**

Change in Law means that at the reasonable discretion of the Issuer due to

- (i) the coming into effect of changes in laws or regulations (including but not limited to tax laws) or
- (ii) a change in relevant case law or administrative practice (including but not limited to the administrative practice of the tax authorities),
- (A) the holding, acquisition or sale of the Underlying [or a Basket Component respectively] is or becomes wholly or partially illegal [or]
- (B) the costs associated with the obligations under the Securities have increased substantially (including but not limited to an increase in tax obligations, the reduction of tax benefits or negative consequences with regard to tax treatment),

if such changes become effective on or after the Issue Date of the Securities.]

**Clearing System:**

Clearing System means

[•]

[UBS AG, Bahnhofstrasse 45, 8001 Zurich, Switzerland, and Aeschenvorstadt 1, 4051 Basel, Switzerland (For the avoidance of doubt: The Securities can only be held in a securities account with UBS AG, Bahnhofstrasse 45, 8001 Zurich, Switzerland, and Aeschenvorstadt 1, 4051 Basel, Switzerland)]

[Clearstream Banking AG, Mergenthalerallee 61, 65760 Eschborn, Federal Republic of Germany]

[Clearstream Banking S.A., Luxembourg (42 Avenue JF Kennedy, L-1855 Luxembourg, Luxembourg)]

[Euroclear Bank S.A./ N.V., Brussels, as operator of the Euroclear System (1 Boulevard du Roi Albert II, B - 1210 Brussels, Belgium)]

[Euroclear Sweden AB, P.O. Box 191, SE-101 23 Stockholm, Sweden, in its capacity as central securities depository under the Swedish Central Securities Depositories and Financial Instruments Accounts Act (*Sw. lag (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument*)]

[Euroclear Finland Ltd., Urho Kekkosen katu 5 C, FI-00101 Helsinki, Finland, in its capacity as central securities depository under the Finnish Act on the Book-Entry System and Clearing and Settlement (348/2017) (*laki arvo-osuusjärjestelmästä ja selvitystoiminnasta*) and the Finnish Act on Book-Entry Accounts (827/1991) (*laki arvo-osuustileistä*)]

[Verdipapirsentralen ASA, P.O. Box 1174 Sentrum, 0107 Oslo, Norway, in its capacity as central securities depository under the Norwegian Securities Register Act (*Lov av 5. Juli 2002 nr. 64 om registrering av finansielle instrumenter*)]

[VP Securities A/S, Weidekampsgade 14, P.O. Box 4040, 2300 Koebenhavn S, Denmark, in its capacity as central securities depository under Regulation (EU) No. 909/2014 of the European Parliament and of the Council of 23 July 2014, as amended and supplemented from time to time]

or any successor in this capacity. [The term "Clearing System" shall refer to all Clearing Systems.]

**[Contingent Factor:**

**Participation**

The Contingent Participation Factor<sub>(((•))((•)=1))</sub> [of the Underlying<sub>(((•)))</sub>] [of the Basket Component<sub>(((•)))</sub>] [equals [•].]

[of the [Underlying<sub>(((•)=1))</sub>] [Basket Component<sub>(((•)=1))</sub>] equals [•], [•] and

the Contingent Participation Factor<sub>(((•)=n)•)</sub> [of the Underlying<sub>(((•)=n)•)</sub>] [of the Basket Component<sub>(((•)=n)•)</sub>] equals [•].]

[The term "Contingent Participation Factor" shall also refer to all Contingent Participation Factors<sub>S((•)=1) to ((•)=n)•)</sub>.]

[[indicative.] The [respective] Contingent Participation Factor [of the [respective] [Underlying<sub>(((•)))</sub>] [Basket Component<sub>(((•)))</sub>] will be fixed on the Fixing Date [at the Fixing Time]. \* ]

**[Coupon Allocation Period:**

The Coupon Allocation Period<sub>(((•))((•),•))</sub> means [•] [in relation to a Coupon [Payment] [Observation] Date<sub>(((•)))</sub>] [and] [, in respect of [each] Contingent Participation Factor<sub>(((•)),</sub>] the period (expressed in number of calendar days) from [(and including)] [(but excluding)] the [Fixing Date] [Issue Date] [•] to [(and including)] [(but excluding)] the earlier of (i) [the next succeeding



[Coupon [Payment] [Observation] Date] [•] or (ii) [the date (if any) on which a [Barrier Event<sub>([•])</sub>] [Kick In Event<sub>([•])</sub>] occurs] [•].

[The term "Coupon Allocation Period" shall also refer to all Coupon Allocation Periods<sub>([•]=1) to ([•]=n[•]).</sub> ]

**[Coupon Amount:**

[The Coupon Amount<sub>([•])</sub> [per Security] [per Nominal Amount] [per Calculation Amount] [•] [in relation to the [relevant] Coupon Period<sub>([•])</sub>] [in relation to the [relevant] Coupon Observation Date<sub>([•])</sub>] equals [•] [indicative. The [respective] Coupon Amount<sub>([•])</sub> will be fixed on the Fixing Date [at the Fixing Time].\*] [is calculated by applying the Interest Rate [and the Day Count Fraction] to [the Nominal Amount] [the Calculation Amount] [•] per Security, if applicable, commercially rounded to [two] [four] [•] decimal places [the [Nominal Amount] [Calculation Amount] [•] multiplied by the Coupon [Amount] Factor, afterwards commercially rounded to [two] [four] [•] decimal places.]]

[The Coupon Amount<sub>([•]=1) to ([•]=n[•])</sub> in relation to the [relevant] [Coupon Period<sub>([•]=1) to ([•]=n[•])</sub>] [Coupon Observation Date<sub>([•]=1) to ([•]=n[•])</sub>] equals [•] [converted into the Redemption Currency] [commercially rounded to [two] [four] [•] decimal places]. [indicative. The Coupon Amount<sub>([•]=1) to ([•]=n[•])</sub> in relation to the [Coupon Period<sub>([•]=1) to ([•]=n[•])</sub>] [Coupon Observation Date<sub>([•]=1) to ([•]=n[•])</sub>] will be fixed on the [relevant] Fixing Date [at the Fixing Time] [•]

[and the Coupon Amount<sub>([•]=n[•])</sub> in relation to the [Coupon Period<sub>([•]=n[•])</sub>] [Coupon Observation Date<sub>([•]=n[•])</sub>] equals [•] [converted into the Redemption Currency] [commercially rounded to [two] [four] [•] decimal places]. [indicative. The Coupon Amount<sub>([•]=n[•])</sub> in relation to [the Coupon Period<sub>([•]=n[•])</sub>] [Coupon Observation Date<sub>([•]=n[•])</sub>] will be fixed on the Fixing Date [at the Fixing Time].]

[The Coupon Amount<sub>([•])</sub> [per Security] [per Nominal Amount] [per Calculation Amount] [•] in relation to the [relevant] [Coupon Period<sub>([•]=1) to ([•]=n[•])</sub>] [Coupon Observation Date<sub>([•]=1) to ([•]=n[•])</sub>] [•] is calculated in accordance with the following formula: [•]

[The term "Coupon Amount" shall also refer to all Coupon Amounts<sub>([•]=1) to ([•]=n[•]).</sub>

[indicative.] The [respective] Coupon Amount will be fixed on the Fixing Date [at the Fixing Time].\*]

[The calculation of the Coupon Amount ends at the end of the day preceding the Coupon Payment Date [, even if under § 193 of the German Civil Code ("BGB") payment is made later than the due calendar date].]

**[Coupon Amount Catch-up Event:**

[A Coupon Amount Catch-up Event does not apply in relation to Coupon Period<sub>([•]=1) to ([•]=n[•]).</sub>]

[A Coupon Amount Catch-up Event<sub>([•])</sub> in relation to [a] [the] Coupon Period<sub>([•])</sub> [means [•]] [occurs, [•] ]

[in case of a **record day related observation**, add the following text:

if the [arithmetic] [volume weighted] [average of the] [aggregate of the] [aggregate] Percentage Increase<sub>([•])</sub> of the [Price] [Reference Price] [•] of

[the Underlying] **[at least one]** [Underlying<sub>(•)</sub>] [Basket Component<sub>(•)</sub>]  
 [the Relevant [Underlying<sub>(•)</sub>] [all Underlyings<sub>(•)</sub>] *[if appropriate, insert different point of reference to an Underlying comprised in the Base Prospectus: [•]]* is on [the relevant Coupon Observation Date<sub>(•)</sub>] [•] [at the Valuation Time] **[equal to or] [lower] [higher] than the [respective] Coupon Amount Catch-up Level<sub>(•)</sub>.**

**[in case of a period related observation, add the following text:**

if the [arithmetic] [volume weighted] [average of the] [aggregate of the] [[aggregate] Percentage Increase<sub>(•)</sub> of the] [Price] [Reference Price] [•] of [the Underlying] **[at least one]** [Underlying<sub>(•)</sub>] [Basket Component<sub>(•)</sub>]  
 [the Relevant [Underlying<sub>(•)</sub>] [all Underlyings<sub>(•)</sub>] *[if appropriate, insert different point of reference to an Underlying comprised in the Base Prospectus: [•]]* is [on any of the Coupon Observation Dates [prior to the [Final] Valuation Date]] [during the Coupon Observation Period<sub>(•)</sub>] [at least once] [always] [at the Valuation Time] **[equal to or] [lower] [higher] than the [respective] Coupon Amount Catch-up Level<sub>(•)</sub>.**

[A Coupon Amount Catch-up Event<sub>(•)=[n](•)</sub> in relation to the Coupon Period<sub>(•)=[n](•)</sub> [means] [occurs] [•].]

[The term "Coupon Amount Catch-up Event" shall also refer to all Coupon Amount Catch-up Events<sub>(•)=1</sub> to <sub>(•)=[n](•)</sub>.]

**[Coupon Amount Catch-up Level:**

The Coupon Amount Catch-up Level<sub>(•)</sub> [of the Underlying<sub>(•)</sub>] [of the Basket Component<sub>(•)</sub>][in relation to [the Coupon Observation Date] [•]<sub>(•)</sub>]

[equals [•].]

[of the [Underlying<sub>(•)=1</sub>] [Basket Component<sub>(•)=1</sub>] [in relation to [the Coupon Observation Date] [•] <sub>(•)=1</sub>] equals [•], [•] and the Coupon Amount Catch-up Level<sub>(•)=[n](•)</sub> of the [Underlying<sub>(•)=[n](•)</sub>] [Basket Component<sub>(•)=[n](•)</sub>] [in relation to [the Coupon Observation Date] [•] <sub>(•)=[n](•)</sub>] equals [•].]

[One (1) unit of the Underlying Currency equals one (1) unit [•], "Quanto [•]".]

[The term "Coupon Amount Catch-up Level" shall also refer to all Coupon Amount Catch-up Levels<sub>(•)=1</sub> to <sub>(•)=[n](•)</sub>.]

[Indicative.] The [respective] Coupon Amount Catch-up Level [of the [respective] [Underlying<sub>(•)</sub>] [Basket Component<sub>(•)</sub>] will be fixed on the Fixing Date [at the Fixing Time]. \* ]

**[Coupon Amount Default Event:**

[A Coupon Amount Default Event does not apply in relation to Coupon Period<sub>(•)=1</sub> to Coupon Period<sub>(•)=[n](•)</sub>.]

[A Coupon Amount Default Event<sub>(•)</sub> [of the] [Underlying<sub>(•)</sub>] [Basket Component<sub>(•)</sub>] in relation to [a] [the] Coupon Period<sub>(•)</sub> [of the] [Underlying<sub>(•)</sub>] [Basket Component<sub>(•)</sub>] [means] [•] [occurs, [•] ]

**[in case of a record day related observation, add, if appropriate, the following text:**

[if the [arithmetic] [volume weighted] [average of the] [aggregate of the] [[aggregate] Percentage Increase<sub>(•)</sub> of the] [Price] [Reference Price] [•] of [the Underlying] **[at least one]** [Underlying<sub>(•)</sub>] [Basket Component<sub>(•)</sub>]  
 [the Relevant Underlying<sub>(•)</sub>] [all Underlyings] *[if appropriate, insert*

*different point of reference to an Underlying comprised in the Base Prospectus: [•]] is on [the relevant Coupon Observation Date<sub>(t+1)</sub>] [•] [at the Valuation Time] [equal to or] [lower] [higher] than the [respective] Coupon Default Level<sub>(t+1)</sub>.] [or]*

*[if on the [relevant] Coupon Observation Date<sub>(t+1)</sub>] [at the Valuation Time] either the [arithmetic] [volume weighted] [average of the] [aggregate of the] [[aggregate] Percentage Increase<sub>(t+1)</sub>] of the [Price] [Reference Price] [•] of [the Underlying] [at least one] [Underlying<sub>(t+1)</sub>] [Basket Component<sub>(t+1)</sub>]] [the Relevant Underlying<sub>(t+1)</sub>] [all Underlyings] [if appropriate, insert different point of reference to an Underlying comprised in the Base Prospectus: [•]] is [equal to or] [lower] [higher] than the [respective] [Coupon Default Level<sub>(t+1)</sub>] [•] or the [arithmetic] [volume weighted] [average of the] [aggregate of the] [[aggregate] Percentage Increase<sub>(t+1)</sub>] of the [Price] [Reference Price] [•] of [the Underlying] [all] [Underlyings<sub>(t+1)</sub>] [Basket Components<sub>(t+1)</sub>]] [the Relevant Underlying<sub>(t+1)</sub>] [all Underlyings] is [equal to or] [lower] [higher] than the [respective] [Early Redemption Level<sub>(t+1)</sub>] [•] [or,] [as the case may be,] [if the relevant Coupon Observation Date<sub>(t+1)</sub> is equal to the Valuation Date,] [the] [respective] Redemption Level<sub>(t+1)</sub>.]*

**[for any Coupon Observation Date<sub>(t+1)</sub> which is not equal to an Early Redemption Observation Date<sub>(t+1)</sub> or the Valuation Date:** if the [arithmetic] [volume weighted] [average of the] [aggregate of the] [[aggregate] Percentage Increase<sub>(t+1)</sub>] of the [Price] [Reference Price] [•] of [the Underlying] [at least one] [Underlying<sub>(t+1)</sub>] [Basket Component<sub>(t+1)</sub>]] [the Relevant Underlying<sub>(t+1)</sub>] [all Underlyings] [if appropriate, insert different point of reference to an Underlying comprised in the Base Prospectus: [•]] is on [the relevant Coupon Observation Date<sub>(t+1)</sub>] [•] [at the Valuation Time] [equal to or] [lower] [higher] than the [respective] [Coupon Default Level<sub>(t+1)</sub>] [Early Redemption Level<sub>(t+1)</sub>] [or] [the [respective] Redemption Level<sub>(t+1)</sub>] [, as the case may be] ] [and]

**[for any Coupon Observation Date<sub>(t+1)</sub> which is equal to an Early Redemption Observation Date<sub>(t+1)</sub> or the Valuation Date:** if the [arithmetic] [volume weighted] [average of the] [aggregate of the] [[aggregate] Percentage Increase<sub>(t+1)</sub>] of the [Price] [Reference Price] [•] of [the Underlying] [at least one] [Underlying<sub>(t+1)</sub>] [Basket Component<sub>(t+1)</sub>]] [all] [Underlyings<sub>(t+1)</sub>] [Basket Components<sub>(t+1)</sub>]] [the Relevant Underlying<sub>(t+1)</sub>] [all Underlyings] [if appropriate, insert different point of reference to an Underlying comprised in the Base Prospectus: [•]] is on [the relevant Coupon Observation Date<sub>(t+1)</sub>] [•] [at the Valuation Time] [equal to or] [lower] [higher] than the [respective] [Coupon Default Level<sub>(t+1)</sub>] [Early Redemption Level<sub>(t+1)</sub>] [or] [the [respective] Redemption Level<sub>(t+1)</sub>] [, as the case may be] .]]

*[in case of a period related observation, add, if appropriate, the following text:*

*if the [arithmetic] [volume weighted] [average of the] [aggregate of the] [[aggregate] Percentage Increase<sub>(t+1)</sub>] of the [Price] [Reference Price] [•] of [the Underlying] [at least one] [Underlying<sub>(t+1)</sub>] [Basket Component<sub>(t+1)</sub>]] [the Relevant Underlying<sub>(t+1)</sub>] [all Underlyings] [if appropriate, insert different point of reference to an Underlying comprised in the Base Prospectus: [•]] is [on any of the Coupon Observation Dates [prior to the [Final] Valuation Date]] [during the Coupon Observation Period<sub>(t+1)</sub>] [at*

least once] [always] [at the Valuation Time] [equal to or] [lower] [higher] than the [respective] ] Coupon Default Level<sub>((•))</sub>.]]

[A Coupon Amount Default Event<sub>((•)=n)(•)</sub> in relation to the Coupon Period<sub>((•)=n)(•)</sub> [means] [occurs] [•].]

[The term "Coupon Amount Default Event" shall also refer to all Coupon Amount Default Events<sub>((•)=1)</sub> to <sub>((•)=n)(•)</sub>.]]

**[Coupon Amount Factor:**

The Coupon Amount Factor equals [•] [indicative. The Coupon Amount Factor will be fixed on the Fixing Date [at the Fixing Time]. \*]]

**[Coupon Barrier:**

The Coupon Barrier<sub>((•))</sub> <sub>((•)=1)</sub> [of the Underlying<sub>((•))</sub>] [of the Basket Component<sub>((•))</sub>] [in relation to [the Coupon Observation Date] [•]<sub>((•))</sub>]

[equals [•].]

[of the [Underlying<sub>((•)=1)</sub>] [Basket Component<sub>((•)=1)</sub>] [in relation to [the Coupon Observation Date] [•] <sub>((•)=1)</sub>] equals [•], [•] and

the Coupon Barrier<sub>((•)=n)(•)</sub> of the [Underlying<sub>((•)=n)(•)</sub>] [Basket Component<sub>((•)=n)(•)</sub>] [in relation to [the Coupon Observation Date] [•]<sub>((•)=n)(•)</sub>] equals [•].]

[One (1) unit of the Underlying Currency equals one (1) unit [•], "Quanto [•]".]

[The term "Coupon Barrier" shall also refer to all Coupon Barriers<sub>((•)=1)</sub> to <sub>((•)=n)(•)</sub>.]

[[indicative.] The [respective] Coupon Barrier [of the [respective] [Underlying<sub>((•))</sub>] [Basket Component<sub>((•))</sub>] will be fixed on the Fixing Date [at the Fixing Time]. \*]]

**[Coupon Default Level:**

The Coupon Default Level<sub>((•))</sub> <sub>((•)=1)</sub> [of the Underlying<sub>((•))</sub>] [of the Basket Component<sub>((•))</sub>] [in relation to [the Coupon Observation Date] [•]<sub>((•))</sub>]

[equals [•].]

[of the [Underlying<sub>((•)=1)</sub>] [Basket Component<sub>((•)=1)</sub>] [in relation to [the Coupon Observation Date] [•] <sub>((•)=1)</sub>] equals [•], [•] and

the Coupon Default Level<sub>((•)=n)(•)</sub> of the [Underlying<sub>((•)=n)(•)</sub>] [Basket Component<sub>((•)=n)(•)</sub>] [in relation to [the Coupon Observation Date] [•]<sub>((•)=n)(•)</sub>] equals [•].]

[One (1) unit of the Underlying Currency equals one (1) unit [•], "Quanto [•]".]

[The term "Coupon Default Level" shall also refer to all Coupon Default Levels<sub>((•)=1)</sub> to <sub>((•)=n)(•)</sub>.]

[[indicative.] The [respective] Coupon Default Level [of the [respective] [Underlying<sub>((•))</sub>] [Basket Component<sub>((•))</sub>] will be fixed on the Fixing Date [at the Fixing Time]. \*]]

**[Coupon Determination Date:**

The Coupon Determination Date means [•] [the [•] [Banking Day] [Fund Business Day] [[Underlying] [Basket Component] Calculation Date] [•] before the start of the relevant Coupon Period].]

<b>[Coupon Factor:</b>	The Coupon Factor equals [•] [indicative. The Coupon Factor will be fixed on the Fixing Date [at the Fixing Time].*]
<b>[Coupon Observation Date[s]:</b>	<p>[The Coupon Observation Date means [•].]</p> <p>[The Coupon Observation Dates mean [•].]</p> <p>[The Coupon Observation Date<sub>([•]=1)</sub> means [•] and the Coupon Observation Date<sub>([•]=[n][•])</sub> means [•].]</p> <p>[The term “Coupon Observation Date” shall also refer to all Coupon Observation Dates<sub>([•]=1)</sub> to <sub>([•]=[n][•])</sub>.]</p> <p>If [this day] [any of these days] is not [a Fund Business Day] [[an Underlying] [a Basket Component] Calculation Date] [•] in relation to [the Underlying] [an Underlying<sub>([•])</sub>] [a Basket Component<sub>([•])</sub>], [•] [the immediately [preceding] [succeeding] [Fund Business Day] [[Underlying] [Basket Component] Calculation Date] [•] is the relevant Coupon Observation Date in relation to</p> <p>[the Underlying]</p> <p>[the affected [Underlying<sub>([•])</sub>] [Basket Component<sub>([•])</sub>]]</p> <p>[all [Underlyings] [Basket Components]] ].]</p>
<b>[Coupon Observation Period[s]:</b>	<p>[The Coupon Observation Period means [•] [the period, commencing on the [Issue Date] [Fixing Date] [•] [at [•] hrs local time [Frankfurt am Main, Federal Republic of Germany] [London, United Kingdom] [Zurich, Switzerland]] [•]] and ending [at [•] hrs local time [Frankfurt am Main, Federal Republic of Germany] [London, United Kingdom] [Zurich, Switzerland] [•]] on the [Expiration Date] [Valuation Date] [Final Valuation Date] [or] [latest of the Valuation Averaging Dates].]</p> <p>[The Coupon Observation Period<sub>([•]=1)</sub> means the period commencing [at [•] hrs local time [•] [Frankfurt am Main, Federal Republic of Germany] [London, United Kingdom] [Zurich, Switzerland] [•]] on [•] and ending [at [•] hrs local time [•] [Frankfurt am Main, Federal Republic of Germany] [London, United Kingdom] [Zurich, Switzerland] [•]] on [•] [the Coupon Observation Date<sub>([•]=1)</sub>] [(inclusive)] [(exclusive)] [•] and the Coupon Observation Period<sub>([•]=[n][•])</sub> means the period commencing [at [•] hrs local time [•] [Frankfurt am Main, Federal Republic of Germany] [London, United Kingdom] [Zurich, Switzerland] [•]] on [•] [the Coupon Observation Date<sub>([•]=[n][•]-1)</sub>] [(inclusive)] [(exclusive)] and ending [at [•] hrs local time [•] [Frankfurt am Main, Federal Republic of Germany] [London, United Kingdom] [Zurich, Switzerland] [•]] on [•] [the Coupon Observation Date<sub>([•]=[n][•])</sub>] [(inclusive)] [(exclusive)].]</p> <p>[The term “Coupon Observation Period” shall also refer to all Coupon Observation Periods<sub>([•]=1)</sub> to <sub>([•]=[n][•])</sub>. ]</p>
<b>[Coupon Payment Date:</b>	<p>The Coupon Payment Date means [•] [the [•] Banking Day after [the [relevant] [Coupon] Observation Date] [•]].</p> <p>[The Coupon Payment Date<sub>([•]=1)</sub> means [•], [•] and</p> <p>the Coupon Payment Date<sub>([•]=[n][•])</sub> means [•].]</p> <p>[The term “Coupon Payment Date” shall also refer to all Coupon Payment Dates<sub>([•]=1)</sub> to <sub>([•]=[n][•])</sub>.]</p>

[If [any] [the] Coupon Payment Date would fall on a day which is not a [Banking Day] [•], the payment date shall be:

*[if Modified Following Business Day Convention insert:* postponed to the next day which is a [Banking Day] [•] unless it would thereby fall into the next calendar month, in which event the Coupon Payment Date shall be the immediately preceding [Banking Day] [•]]

*[if Following Business Day Convention insert:* postponed to the next day which is a [Banking Day] [•]]

*[if Preceding Business Day Convention insert:* the immediately preceding [Banking Day] [•]]

(the “**Business Day Convention**”).] ]

**[Coupon Period:**

[The Coupon Period means [•] [the period, commencing on the [Issue Date] [Fixing Date] [•] [at [•] hrs local time [Frankfurt am Main, Federal Republic of Germany] [London, United Kingdom] [Zurich, Switzerland] [•]] and ending [at [•] hrs local time [Frankfurt am Main, Federal Republic of Germany] [London, United Kingdom] [Zurich, Switzerland], [•]] on the [Expiration Date] [Valuation Date] [Final Valuation Date] [or] [latest of the Valuation Averaging Dates].]

[The Coupon Period<sub>((•)=1)</sub> means the period commencing at [•] hrs local time [•] [Frankfurt am Main, Federal Republic of Germany] [London, United Kingdom] [Zurich, Switzerland], on [•] and ending at [•] hrs local time [•] [Frankfurt am Main, Federal Republic of Germany] [London, United Kingdom] [Zurich, Switzerland] on [•] [Observation Date<sub>((•)=1)</sub>] (including) [•] and the Coupon Period<sub>((•)=n][•)</sub> means the period commencing at [•] hrs local time [•] [Frankfurt am Main, Federal Republic of Germany] [London, United Kingdom] [Zurich, Switzerland], on [•] [Observation Date<sub>((•)=n][•-1)</sub>] (excluding) and ending at [•] hrs local time [•] [Frankfurt am Main, Federal Republic of Germany] [London, United Kingdom] [Zurich, Switzerland], on [•] [Observation Date<sub>((•)=n][•)</sub>] (including).]

[The Coupon Period means [•] [the period from [(including)] [(excluding)] [one] [the] [Coupon Payment Date] [Initial Payment Date] [Issue Date] [•] to [(including)] [(excluding)] the [next succeeding] [Coupon Payment Date] [•]. [The initial Coupon Period will be the period from the [Issue Date] [Initial Payment Date] [•] [(including)] [(excluding)] to the first [Coupon Payment Date] [•] [(including)] [(excluding)].]

[The term “Coupon Period” shall also refer to all Coupon Periods<sub>((•)=1)</sub> to <sub>((•)=n][•)</sub>.]

**[Coupon Rate:**

The Coupon Rate equals [•] [indicative. The Coupon Rate will be fixed on the Fixing Date [at the Fixing Time].\*]]

**[Cumulated Coupon [Amount]:**

[The Cumulated Coupon [Amount]<sub>(([•]))</sub> <sub>(([•]=1))</sub> <sub>(([•]=1))</sub> <sub>(([•]=n][•))</sub> [per Security] [per Nominal Amount] [per Calculation Amount] [•] in relation to the [relevant] [Coupon Period<sub>(([•]))</sub> <sub>(([•]=1))</sub>] [Coupon Periods<sub>(([•]=1)</sub> to <sub>(([•]=n][•))</sub>] [Coupon Observation Date<sub>(([•]))</sub> <sub>(([•]=1))</sub>] [Coupon Observation Dates<sub>(([•]=1)</sub> to <sub>(([•]=n][•))</sub>] [•] [means [•] [is calculated in accordance with the following formula: [•]]

[The term “Cumulated Coupon [Amount]” shall also refer to all Cumulated Coupon[s] [Amounts]<sub>(([•]=1)</sub> to <sub>(([•]=n][•))</sub>.]

[The calculation of the Cumulated Coupon Amount ends at the end of the day preceding the Coupon Payment Date[, even if under § 193 of the German Civil Code ("BGB") payment is made later than the due calendar date].]

**D.**  
**[Day Count Fraction:**

The Day Count Fraction, in respect of the calculation of an amount for any period of time (the "**Calculation Period**") means [•]:

*[in the case of "Actual/Actual (ICMA)":*

Actual/Actual (ICMA):

- (a) where the Calculation Period is equal to or shorter than the Coupon Period during which it falls, the actual number of days in the Calculation Period divided by the product of (i) the actual number of days in such Coupon Period and (ii) the number of Coupon Periods in any calendar year; and
- (b) where the Calculation Period is longer than one Coupon Period, the sum of: (i) the actual number of days in such Calculation Period falling in the Coupon Period in which it begins divided by the product of (x) the actual number of days in such Coupon Period and (y) the number of Coupon Periods in any year; and (ii) the actual number of days in such Calculation Period falling in the next Coupon Period divided by the product of (x) the actual number of days in such Coupon Period and (y) the number of Coupon Periods in any year.]

*[in the case of "30/360":*

30/360:

the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with twelve 30-day months (unless (i) the last day of the Calculation Period is the 31st day of a month but the first day of the Calculation Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (ii) the last day of the Calculation Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month)).]

*[in the case of "30E/360" or "Eurobond Basis":*

[30E/360] [Eurobond Basis]:

the number of days in the Calculation Period divided by 360 ([the number of days to be calculated on the basis of a year of 360 days with 12 30-day months, without regard to the date of the first day or last day of the Calculation Period] unless, in the case of the final Calculation Period, [the Expiration Date] [the Valuation Date] [the Final Valuation Date] [if applicable, insert other relevant date: [•]] is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month).]

*[in the case of "30E/360 (ISDA)":*

30E/360 (ISDA):

the actual number of days in the Calculation Period divided by 360, calculated in accordance with the following formula:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"**Y<sub>1</sub>**" is the year in which the first day of the Calculation Period falls, expressed as a number;

"**Y<sub>2</sub>**" is the year in which the day immediately following the last day of the Calculation Period falls, expressed as a number;

"**M<sub>1</sub>**" is the calendar month in which the first day of the Calculation Period falls, expressed as a number;

"**M<sub>2</sub>**" is the calendar month in which the day immediately following the last day of the Calculation Period falls, expressed as a number;

"**D<sub>1</sub>**" is the first calendar day of the Calculation Period, expressed as a number, where (i) if this day is the last day in February or (ii) if this number is 31, D<sub>1</sub> is changed to 30; and

"**D<sub>2</sub>**" is the calendar day immediately following the last day of the Calculation Period, expressed as a number, where (i) if this day is the last day in February, but not the Settlement Date or (ii) if this number is 31, D<sub>2</sub> is changed to 30.]

*[in the case of "Actual/365" or "Actual/Actual (ISDA)":*

[Actual/365] [Actual/Actual (ISDA)]:

the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (i) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (ii) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365.)]

*[in the case of "Actual/365 (Fixed)":*

Actual/365 (Fixed):

the actual number of days in the Calculation Period divided by 365.]

*[in the case of "Actual/360" or "Actual/360 (ISDA)":*

[Actual/360] [Actual/360 (ISDA)]:

the actual number of days in the Calculation Period divided by 360.]]

**[Delivery Date:**

The Delivery Date means [•][Front Month]

[[•] [in respect of the Price of the Underlying<sub>[(•)]</sub> the First Nearby Month, provided that if the [Expiration Date] [or] [the Kick-In Observation Date] [the relevant Underlying Calculation Date] [•] is the same as or subsequent to the Last Trade Date or the First Notice Date in respect of the Underlying<sub>[(•)]</sub>, then the Delivery Date applicable to the Underlying<sub>[(•)]</sub> shall be the Second Nearby Month.]



[In this context, “**First Nearby Month**” means the first following contract month with respect to the Underlying<sub>((•))</sub> (i.e. the first such futures contract to expire following the relevant Underlying Calculation Date) and the “**Second Nearby Month**” means the second following contract month with respect to the Underlying<sub>((•))</sub> (i.e. the second such futures contract to expire following the relevant Underlying Calculation Date).]] ]

**[Delivery Disruption Amount:**

The Delivery Disruption Amount equals [[the Reference Price] [the Settlement Price] of [the Underlying] [if appropriate, insert different point of reference to an Underlying comprised in the Base Prospectus: [•]] [multiplied by the [respective] [Participation Factor] [Leverage Factor] [Multiplier] [Multiplication Factor] [, expressed as a decimal number,]] [the result converted by the Calculation Agent into the Redemption Currency using [the Relevant Conversion Rate] [•] and] commercially rounded to [two] [four] [•] decimal places.] [•] [an amount as determined by the Calculation Agent at its reasonable discretion.] ]

**[Depository Receipt:**

Depository Receipt means [•] [a negotiable instrument issued by [a commercial bank] [•] acting as a depository that represents a specified number of Underlying Shares issued by an entity organised outside [•] and held in a safekeeping account with the depository's custodian].]

**E.**

**[Early Expiration Date:**

The Early Expiration Date means [•] [the Early Redemption Observation Date<sub>((•))</sub>] [•], on which the Early Redemption Event occurs.]

**[Early Redemption Event:**

[An Early Redemption Event does not apply in relation to the [Early Redemption Observation Date<sub>((•)=[1])</sub>] [to the Early Redemption Observation Date<sub>((•)=[n])</sub>] [Early Redemption Observation Period<sub>((•)=[1])</sub>] [to the Early Redemption Observation Period<sub>((•)=[n])</sub>].]

[An Early Redemption Event<sub>((•))</sub> [in relation to the [Early Redemption Observation Date<sub>((•)=[1])</sub>] [Early Redemption Observation Period<sub>((•)=[1])</sub>]] [means [•]] [occurs, [•]] ]

**[in case of a record day related observation, add the following text:**

if the [arithmetic] [volume weighted] [average of the] [aggregate of the] [[aggregate] Percentage Increase<sub>((•))</sub> of the] [Price] [Reference Price] [•] of [the Underlying] [at least one Underlying] [all [Underlyings<sub>((•))</sub>] [Basket Components<sub>((•))</sub>]] [the Relevant Underlying<sub>((•))</sub>] [if appropriate, insert different point of reference to an Underlying comprised in the Base Prospectus: [•]] is on [the Early Redemption Observation Date] [the Early Redemption Observation Date<sub>((•)=[•])</sub>] [on any of the Early Redemption Observation Date<sub>((•)=[•])</sub> to <sub>((•)=[•])</sub>] [•] [at the Valuation Time] [at least once] [equal to or] [higher] [lower] than the [respective] **Early Redemption Level<sub>((•))</sub>**.]

**[in case of a period related observation, add the following text:**

if the [arithmetic] [volume weighted] [average of the] [aggregate of the] [[aggregate] Percentage Increase<sub>((•))</sub> of the] [Price] [Reference Price] [•] of [the Underlying] [at least one Underlying] [all [Underlyings<sub>((•))</sub>] [Basket Components<sub>((•))</sub>]] [the Relevant Underlying<sub>((•))</sub>] [if appropriate, insert different point of reference to an Underlying comprised in the Base Prospectus: [•]] is [on any of the Early Redemption Observation Dates [prior to the [Final] Valuation Date]] [during the Early Redemption Observation Period<sub>((•))</sub>] [at the Valuation Time] [at least once] **equal to**

**or] [higher] [lower] than the [respective] Early Redemption Level<sub>((•))</sub>.]]**

[An Early Redemption Event<sub>((•)= $n$ )(•)</sub> in relation to [Early Redemption Observation Date<sub>((•)= $n$ )(•)</sub>] **[Early Redemption Observation Period<sub>((•)= $n$ )(•)</sub>]] [means] [occurs] [•].]**

[The term "Early Redemption Event" shall also refer to all Early Redemption Events<sub>((•)=1)</sub> to <sub>((•)= $n$ )(•)</sub>.]]

**[Early Redemption Level:**

The Early Redemption Level<sub>((•))</sub> <sub>((•)=1)</sub> [of the Underlying<sub>((•))</sub>] [of the Basket Component<sub>((•))</sub>] [in relation to the Early Redemption Observation Date<sub>((•))</sub>]

[equals [•].]

[of the [Underlying<sub>((•)=1)</sub>] [Basket Component<sub>((•)=1)</sub>] [in relation to the Early Redemption Observation Date<sub>((•)=1)</sub>] equals [•], [•] and

the Early Redemption Level<sub>((•)= $n$ )(•)</sub> of the [Underlying<sub>((•)= $n$ )(•)</sub>] [Basket Component<sub>((•)= $n$ )(•)</sub>] [in relation to the Early Redemption Observation Date<sub>((•)= $n$ )(•)</sub>] equals [•].]

[One (1) unit of the Underlying Currency equals one (1) unit [•], "Quanto [•]".]

[The term "Early Redemption Level" shall also refer to all Early Redemption Levels<sub>((•)=1)</sub> to <sub>((•)= $n$ )(•)</sub>.]

[[indicative.] The [respective] Early Redemption Level [of the [respective] [Underlying<sub>((•))</sub>] [Basket Component<sub>((•))</sub>] will be fixed on the Fixing Date [at the Fixing Time]. \*] ]

**[Early Redemption Observation Date[s]:**

[The Early Redemption Observation Date means [•].]

[The Early Redemption Observation Dates mean [•].]

[The Early Redemption Observation Date<sub>((•)=1)</sub> means [•] and

the Early Redemption Observation Date<sub>((•)= $n$ )(•)</sub> means [•].]

[The term "Early Redemption Observation Date" shall also refer to all Early Redemption Observation Dates<sub>((•)=1)</sub> to <sub>((•)= $n$ )(•)</sub>.]

If [this day] [any of these days] is not [a Fund Business Day] [[an Underlying] [a Basket Component] Calculation Date] [•] in relation to [the Underlying] [an Underlying<sub>((•))</sub>] [a Basket Component<sub>((•))</sub>], [•] [the immediately [preceding] [succeeding] [Fund Business Day] [[Underlying] [Basket Component] Calculation Date] [•] is the relevant Early Redemption Observation Date in relation to

[the Underlying]

[the affected [Underlying<sub>((•))</sub>] [Basket Component<sub>((•))</sub>]]

[all [Underlyings] [Basket Components]] ].]

**[Early Redemption Observation Period:**

[The Early Redemption Observation Period means [•] [the period, commencing on the [Issue Date] [Fixing Date] [•] [at [•] hrs local time [Frankfurt am Main, Federal Republic of Germany] [London, United Kingdom] [Zurich, Switzerland] [•]] and ending [at [•] hrs local time

[Frankfurt am Main, Federal Republic of Germany] [London, United Kingdom] [Zurich, Switzerland] [•]] on the [Expiration Date] [Valuation Date] [Final Valuation Date] [or] [latest of the Valuation Averaging Dates].]

[The Early Redemption Observation Period<sub>([•]=1)</sub> means the period commencing [at [•] hrs local time [•] [Frankfurt am Main, Federal Republic of Germany] [London, United Kingdom] [Zurich, Switzerland] [•]] on [•] and ending [at [•] hrs local time [•] [Frankfurt am Main, Federal Republic of Germany] [London, United Kingdom] [Zurich, Switzerland] [•]] on [•] [the Early Redemption Observation Date<sub>([•]=1)</sub>] [(inclusive)] [(exclusive)] [•] and the Early Redemption Observation Period<sub>([•]=[n][•])</sub> means the period commencing [at [•] hrs local time [•] [Frankfurt am Main, Federal Republic of Germany] [London, United Kingdom] [Zurich, Switzerland] [•]] on [•] [the Early Redemption Observation Date<sub>([•]=[n][•]-1)</sub>] [(inclusive)] [(exclusive)] and ending [at [•] hrs local time [•] [Frankfurt am Main, Federal Republic of Germany] [London, United Kingdom] [Zurich, Switzerland] [•]] on [•] [the Early Redemption Observation Date<sub>([•]=[n][•])</sub>] [(inclusive)] [(exclusive)].]

**[Early Settlement Amount:**

[The Early Settlement Amount [in the Redemption Currency] [equals [•] [the Nominal Amount] [the Calculation Amount] [•] [plus the Additional Amount<sub>([•])</sub>] in relation to [the Early Expiration Date<sub>([•])</sub>] [the Early Redemption Observation Date<sub>([•])</sub>] [•]].]

[is calculated in accordance with the following formula: [•].]

[The Early Settlement Amount<sub>([•]=1)[•]</sub> in relation to [the Early Expiration Date<sub>([•]=1)[•]</sub>] [the Early Redemption Observation Date<sub>([•]=1)[•]</sub>] [equals [•]] [is calculated in accordance with the following formula: [•].]

The Early Settlement Amount<sub>([•]=[n][•])</sub> in relation to [the Early Expiration Date<sub>([•]=[n][•])</sub>] [the Early Redemption Observation Date<sub>([•]=[n][•])</sub>] [equals [•]] [is calculated in accordance with the following formula: [•].].]

**[EU Benchmarks Regulation:**

The EU Benchmarks Regulation means Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in certain financial instruments and financial contracts or to measure the performance of investment funds.]

**[Exchange Business Day:**

The Exchange Business Day means [•] [each day, on which the Relevant Exchange is open for trading and the Price of the Underlying is determined in accordance with the relevant rules].

**[Exercise Date:**

The Exercise Date means [•].]

**[Exercise Period:**

The Exercise Period [•] [starts on [•] and ends on [•] [at the Exercise Time]].]

**[Exercise Time:**

The Exercise Time equals [•] [hrs. (local time [•] [Frankfurt am Main, Federal Republic of Germany] [London, United Kingdom] [Zurich, Switzerland])] [•].]

**[Expiration Date:**

The Expiration Date means [•]. [If this day is not [a Fund Business Day] [[an Underlying] [a Basket Component] Calculation Date] [•], the immediately [preceding] [succeeding] [Fund Business Day] [[Underlying] [Basket Component] Calculation Date] [•] is the Expiration Date.]

Unless already redeemed, repurchased and/or declared void, any rights conferred by the Securities shall be deemed exercised for the purpose of Article 2 (m) ii) of the Prospectus Regulation on the Expiration Date

without requiring any exercise notice, transfer of the Securities or the fulfilment of any other prerequisites.]]

**[Express Level:**

The Express Level<sub>(((•)))</sub> <sub>(((•)=1))</sub> [of the Underlying<sub>(((•)))</sub>] [of the Basket Component<sub>(((•)))</sub>]

[equals [•].]

[of the [Underlying<sub>(((•)=1))</sub>] [Basket Component<sub>(((•)=1))</sub>] equals [•], [•] and

the Express Level<sub>(((•)=n[•]))</sub> of the [Underlying<sub>(((•)=n[•]))</sub>] [Basket Component<sub>(((•)=n[•]))</sub>] equals [•].]

[One (1) unit of the Underlying Currency equals one (1) unit [•], “**Quanto [•]**”).]

[The term “Express Level” shall also refer to all Express Levels<sub>(((•)=1))</sub> to <sub>(((•)=n[•]))</sub>.]

[[indicative.] The [respective] Express Level [of the [respective] [Underlying<sub>(((•)))</sub>] [Basket Component<sub>(((•)))</sub>] will be fixed on the Fixing Date [at the Fixing Time]. \* ]

**F.**

**[Fee Determination Date:**

The Fee Determination Date means [•] [the date which is [two (2)] [•] [Banking Days] [Business Days] [Fund Business Days] [[Underlying] [Basket Component] Calculation Dates]] [•] prior to the first [Banking Day] [Business Day] [Fund Business Day] [[Underlying] [Basket Component] Calculation Date]] [•] of the respective Roll Period.]]

**[Final Additional Amount:**

The Final Additional Amount equals [•]. [indicative. The Final Additional Amount will be fixed on the Fixing Date [at the Fixing Time]. \* ]

**[Final Valuation Date:**

[The Final Valuation Date means [the Expiration Date] [•].]

[The Final Valuation Date means [[the Expiration Date] [•]] [(i) in the case of an exercise by the Securityholder in accordance with § [•] of the Conditions of the Securities, subject to an effective exercise procedure, [the relevant Exercise Date] [the day immediately succeeding the relevant Exercise Date] [•] [and] [(ii) in the case of an Automatic Exercise in accordance with § [•] of the Conditions of the Securities [the Automatic Exercise Date] [the day immediately succeeding the Automatic Exercise Date] [•]].]

If this day is not [a Fund Business Day] [[an Underlying] [a Basket Component] Calculation Date] [•] in relation to [the Underlying] [an Underlying<sub>(((•)))</sub>] [a Basket Component<sub>(((•)))</sub>], [•] [the immediately [preceding] [succeeding] [Fund Business Day] [[Underlying] [Basket Component] Calculation Date] [•] is the relevant Final Valuation Date in relation to

[the Underlying]

[the affected [Underlying<sub>(((•)))</sub>] [Basket Component<sub>(((•)))</sub>]]

[all [Underlyings] [Basket Components]]].]

**[First Notice Date:**

The First Notice Date means [•] [the first date on which a party to the Underlying<sub>(((•)))</sub> may demand delivery of the underlying commodity, as commonly understood in the market as applying to the Underlying<sub>(((•)))</sub>]

and, in the event of any dispute, shall be the date specified and determined by the Calculation Agent at its reasonable discretion.]]

**[Fixed Performance:**

The Fixed Performance [equals [•]] [is calculated in accordance with the following formula: [•]].

[[indicative.] The Fixed Performance will be fixed on the Fixing Date [at the Fixing Time. \*] ]

**[Fixing Date:**

The Fixing Date means [•].

[the date which is [two (2)] [•] [Banking Days] [Business Days] [Fund Business Days] [[Underlying] [Basket Component] Calculation Dates]] [•] prior to [the start] [the first [Banking Day] [Business Day] [Fund Business Day] [[Underlying] [Basket Component] Calculation Date]] [•]] of the respective [Roll Period] [Interest Calculation Period] [Coupon Period] [•].]

[If this day is not [a Fund Business Day] [[an Underlying] [a Basket Component] Calculation Date] [•] in relation to [the Underlying] [an Underlying<sub>(t+1)</sub>] [a Basket Component<sub>(t+1)</sub>], [•] [the immediately [preceding] [succeeding] [Fund Business Day] [[Underlying] [Basket Component] Calculation Date] [•] is the relevant Fixing Date in relation to

[the Underlying]

[the affected [Underlying<sub>(t+1)</sub>] [Basket Component<sub>(t+1)</sub>]]

[all [Underlyings] [Basket Components]]].]

[The Calculation Agent shall be entitled to expand the Fixing Date to a number of fixing days depending on market liquidity (in relation to the Basket Components) and as determined by the Calculation Agent at its reasonable discretion.]

[In the case of abbreviation or extension of the Subscription Period the Fixing Date may be changed accordingly.]]

**[Fixing Observation Date[s]:**

The Fixing Observation Date means [•].

[The Fixing Observation Date<sub>(t+1)</sub> means [•] and

The Fixing Observation Date<sub>(t+1)</sub> means [•].]

[The term "Fixing Observation Date" shall also refer to all Fixing Observation Dates<sub>(t+1)</sub> to <sub>(t+n)</sub>].]

[If [such day] [one of these days] is not [a Fund Business Day] [[an Underlying] [a Basket Component] Calculation Date in relation to [the Underlying] [an Underlying<sub>(t+1)</sub>] [a Basket Component<sub>(t+1)</sub>], [•] [the immediately [preceding] [succeeding] [Fund Business Day] [[Underlying] [Basket Component] Calculation Date] is the relevant Fixing Observation Date in relation to

[the Underlying]

[the affected [Underlying<sub>(t+1)</sub>] [Basket Component<sub>(t+1)</sub>]]

[all [Underlyings] [Basket Components]]].]

[The Calculation Agent shall be entitled to increase the number of Fixing Observation Date(s) depending on market liquidity (in relation to the Basket Components) and as determined by the Calculation Agent at its reasonable discretion.]

[In the case of abbreviation or extension of the Subscription Period the Fixing Observation Date[s] may be changed accordingly.] ]

**[Fixing Observation Period:**

[The Fixing Observation Period means [•].]

[The Fixing Observation Period means [•] [the period, commencing on the [Issue Date] [Fixing Date] [•] [at [•] hrs local time [Frankfurt am Main, Federal Republic of Germany] [London, United Kingdom] [Zurich, Switzerland]] [•]] and ending [at [•] hrs local time [Frankfurt am Main, Federal Republic of Germany] [London, United Kingdom] [Zurich, Switzerland], [•]] on the [Fixing Date] [and shall include each [Underlying Calculation Date] [Banking Day] [Business Day] [•] during the Fixing Observation Period].]

[In the case of abbreviation or extension of the Subscription Period the Fixing Observation Period may be changed accordingly.] ]

**[Fixing Time:**

The Fixing Time equals [•]

[[•] hrs [(local time [•] [Frankfurt am Main, Federal Republic of Germany] [London, United Kingdom] [Zurich, Switzerland]).]

[[the time of the official determination of the [Price] [[•] price] of the [Underlying] [respective Underlying<sub>(•)</sub>] [by the [relevant] Index Sponsor] [or the [relevant] Index Calculator, as the case may be] [by the Relevant Reference Agent].] [•]]

*[in the case of a Basket as the Underlying insert, if appropriate, the following text: [[•], relevant local time for each Basket Component<sub>(•)</sub>] [the time of the official determination of the [Price] [[•] price] of each Basket Component<sub>(•)</sub>] [by the [relevant] Index Sponsor] [or the [relevant] Index Calculator, as the case may be] [by the Relevant Reference Agent].] [•]]]*

**[Floor:**

The Floor<sub>(•)</sub> [of the Underlying<sub>(•)</sub>] [of the Basket Component<sub>(•)</sub>]

[equals [•].]

[of the [Underlying<sub>(•)</sub>] [Basket Component<sub>(•)</sub>] equals [•], [•] and

the Floor<sub>(•)</sub> of the [Underlying<sub>(•)</sub>] [Basket Component<sub>(•)</sub>] equals [•].]

[One (1) unit of the Underlying Currency equals one (1) unit [•], “**Quanto [•]**”).]

[The term “Floor” shall also refer to all Floors<sub>(•)</sub> to [•].]

[[indicative.] The [respective] Floor [of the [respective] [Underlying<sub>(•)</sub>] [Basket Component<sub>(•)</sub>] will be fixed on the Fixing Date [at the Fixing Time]. \*] ]

**[Floor Level:**

The Floor Level<sub>(•)</sub> [of the Underlying<sub>(•)</sub>] [of the Basket Component<sub>(•)</sub>]

[equals [•].]

[of the [Underlying<sub>(t=1)</sub>] [Basket Component<sub>(t=1)</sub>] equals [•], [•] and

the Floor Level<sub>(t=[n])[•]</sub> of the [Underlying<sub>(t=[n])[•]</sub>] [Basket Component<sub>(t=[n])[•]</sub>] equals [•].]

[One (1) unit of the Underlying Currency equals one (1) unit [•], “**Quanto [•]**”].]

[The term “Floor Level” shall also refer to all Floor Levels<sub>(t=1)</sub> to <sub>(t=[n])[•]</sub>.]

[[indicative.] The [respective] Floor Level [of the [respective] [Underlying<sub>(t=1)</sub>] [Basket Component<sub>(t=1)</sub>] will be fixed on the Fixing Date [at the Fixing Time]. \* ] ]

**[Fraction Amount: Compensation** The Fraction Compensation Amount equals an amount in the Redemption Currency equal to [•] [the relevant fraction per Physical Underlying multiplied by [the Reference Price of the Underlying] [the Settlement Price of the Underlying] [•] [(expressed in the Underlying Currency [(quanto)])] [,multiplied by [the Participation Factor] [the Leverage Factor] [the Multiplier] [, expressed as a decimal number,] [converted by the Calculation Agent into the Redemption Currency using [the Relevant Conversion Rate] [•] and] commercially rounded to [two] [four] [•] decimal places.]

**[Fund Business Day:** The Fund Business Day means [•] [any day in respect of which (i) [the] [a] Fund (or the administrator of [the] [a] Fund) is scheduled, in accordance with the Fund's constitutional documents, to determine a net asset value per Fund Unit and (ii) a Notional Investor could subscribe and redeem Fund Units.] [(i) the administrator of the Fund calculates and publishes the Fund's NAV in accordance with the relevant prospectus and constitutional documents of the Fund and (ii) a Notional Investor in the Fund Units of the Fund could subscribe and redeem the Fund Units].]

**[Fund Value<sub>(t)</sub>:** The Fund Value<sub>(t)</sub> means [•] [the product of (A) the Number of Fund Units with respect to the immediately preceding [Fund Business Day][•] 't-1' or, if none, the [Fixing Date][•] and (B) the NAV on [Fund Business Day][•] 't' divided by the Initial NAV.]]

**[Futures Contract with the next Expiration Date:** Futures Contract with the next Expiration Date means [•] [the futures contract with the Expiration Date, which falls in the chronologically next of the relevant expiration months.]]

**[FX Factor:** The FX Factor equals [•] [the quotient of the [•] (“[•]”) currency exchange rate on the [Observation Date<sub>(t=[n])</sub>] [Valuation Date] [•] (“**FX<sub>End</sub>**”), divided by the [•] currency exchange rate on the [Fixing Date] [•] (“**FX<sub>Start</sub>**”).

[The currency exchange rate is expressed in units [•] per 1 unit [•].]

["**FX<sub>Start</sub>**" and "**FX<sub>End</sub>**" will be determined[, commercially rounded to [•][four] decimal places,] by the Calculation Agent at its reasonable discretion, targeting the [•] currency exchange rate [resulting as the quotient of 1 divided by the [•] (“[•]”) currency exchange rate] as published [as daily fixing] [•] at or about [•] hrs [•] [CET] on [Reuters] [Bloomberg] page “•” (or a substitute page thereof).]

[If a currency exchange rate is not determined or quoted in the manner described above or in case of, in the opinion of the Issuer and the Calculation Agent at their reasonable discretion, a FX Market Disruption (as defined below), the Calculation Agent shall be entitled to identify a

currency exchange rate, determined on the basis of the then prevailing market customs.]

[A “**FX Market Disruption**” means a limitation, suspension or disruption of or a restriction imposed on trading, the latter of which the Issuer and the Calculation Agent consider significant, on the foreign exchange market(s) in which the rates for the determination of the FX Factor are determined.]]

**[FX Rate:**

The FX Rate [in relation to [the Underlying[[(•)] [(•)=[(•)]]] [the Basket Component[[(•)] [(•)=[(•)]]]]] means [•]

[[1 divided by] the [bid] [mean] [ask] [•] rate of the [[•]/[•]] [•] currency exchange rate (expressed in [units of the Underlying Currency per unit of the Redemption Currency] [•]) as published on [the Valuation Date] [•] [at [•]] [on [Reuters] [Bloomberg] on page [•]] [on the [respective] Relevant Screen Page], or a substitute page thereof[, as determined by the Calculation Agent at its reasonable discretion].]

[If the [respective] [currency exchange rate] [FX Rate] is not determined or quoted in the manner described above or if controversial [bid] [mean] [ask] rates are quoted, the Issuer [shall be entitled to specify at its reasonable discretion [as the relevant FX Rate a currency exchange rate determined on the basis of the then prevailing market customs] [the relevant FX Rate by using [a] currency exchange rate[s] determined [in each case]] [shall be entitled to identify [a currency exchange rate] [a FX Rate] determined] on the basis of the then prevailing market customs].]

**G.**

**[Global Depository Receipt:**

Global Depository Receipt means a negotiable instrument issued by a commercial bank acting as a depository that represents a specified number of Underlying Shares issued by an entity and held in a safekeeping account with the depository's custodian.]]

**Governing Law:**

German law governed Securities. Any reference to reasonable discretion in the Conditions shall be construed as references to reasonable discretion in accordance with § 315 BGB or §§ 315, 317 BGB, as the case may be.

**H.**

**[Hedging Disruption:**

Hedging Disruption means that the Issuer is not able to

- (i) close, continue or carry out transactions or acquire, exchange, hold or sell assets (respectively) which at the reasonable discretion of the Issuer are needed by the Issuer in order to provide protection against price risk or other risks with regard to obligations under the Securities, or
- (ii) realise, reclaim or pass on proceeds from such transactions or assets (respectively)

under conditions which are economically substantially equal to those on the Issue Date of the Securities.]]

**I.**

**[Increased Cost of Hedging:**

Increased Cost of Hedging means that the Issuer has to pay a substantially higher amount of taxes, duties, expenditures and fees (with the exception of broker fees) compared to the Issue Date in order to



- (i) close, continue or carry out transactions or acquire, exchange, hold or sell assets (respectively) which at the reasonable discretion of the Issuer are needed in order to provide protection against price risk or other risks with regard to obligations under the Securities, or
- (ii) realise, reclaim or pass on proceeds from such transactions or assets, respectively,

with increased costs due to a deterioration of the creditworthiness of the Issuer not to be considered Increased Cost of Hedging.】

**[Initial Strike:**

The Initial Strike<sub>[(\*)]</sub><sub>[(\*)=1]</sub> [of the Underlying<sub>[(\*)]</sub>] [of the Basket Component<sub>[(\*)]</sub>]

[equals [•].]

[of the [Underlying<sub>[(\*)=1]</sub>] [Basket Component<sub>[(\*)=1]</sub>] equals [•], [•] and

the Initial Strike<sub>[(\*)=n]</sub> of the [Underlying<sub>[(\*)=n]</sub>] [Basket Component<sub>[(\*)=n]</sub>] equals [•].]

[One (1) unit of the Underlying Currency equals one (1) unit [•], “**Quanto [•]**”).]

[The term “Initial Strike” shall also refer to all Initial Strikes<sub>[(\*)=1]</sub> to <sub>[(\*)=n]</sub>.]

[[indicative.] The [respective] Initial Strike [of the [respective] [Underlying<sub>[(\*)]</sub>] [Basket Component<sub>[(\*)]</sub>] will be fixed on the Fixing Date [at the Fixing Time]. \* ] ]

**[Initial Payment Date:**

The Initial Payment Date means [•]. [In the case of abbreviation or extension of the Subscription Period, the Initial Payment Date may be changed accordingly.]]

**[Interest Amount:**

The Interest Amount [means [•]] [is calculated by applying the Interest Rate and the Day Count Fraction to [the Nominal Amount per Security] [•], if applicable, commercially rounded to [two] [•] decimal places.]]

**[Interest Amount Fixing Date:**

The Interest Amount Fixing Date means [•].]

**[Interest Amount Fixing Time:**

The Interest Amount Fixing Time means [•] [[•] hrs [(local time [•] [Frankfurt am Main, Federal Republic of Germany] [London, United Kingdom]).]]

**[Interest Calculation Period:**

The Interest Calculation Period means the period from [(including)] [(excluding)] one [Interest Payment Date] [•] to [(including)] [(excluding)] the next succeeding [Interest Payment Date] [•]. The initial Interest Calculation Period will be the period from the [Issue Date] [Initial Payment Date] [•] [(including)] [(excluding)] to the first [Interest Payment Date] [•] [(including)] [(excluding)].]

**[Interest Payment Date:**

The Interest Payment Date means [•] [[•] of each calendar year [beginning on [•]]. The last Interest Payment Date equals the Maturity Date.]

[[If any Interest Payment Date would fall on a day which is not a [Banking Day] [•], the payment date shall be:

*[in case of Modified Following Business Day Convention insert: postponed to the next day which is a [Banking Day] [•] unless it would*

thereby fall into the next calendar month, in which event the Interest Payment Date shall be the immediately preceding Banking Day [•]]

*[in case of Following Business Day Convention insert: postponed to the next day which is a [Banking Day] [•]]*

*[in case of Preceding Business Day Convention insert: the immediately preceding [Banking Day] [•]]*

(the “**Business Day Convention**”).]

**[Interest Rate:**

The Interest Rate equals [•]

*[in case of fixed rate securities insert, if applicable:*

[•] % [per annum]]

*[in case of step-up or step-down securities insert, if applicable:*

in relation to the Interest Calculation Period<sub>([•]=1)</sub> [•] % [per annum],

in relation to the Interest Calculation Period<sub>([•]=2)</sub> [•] % [per annum], [•]

in relation to the Interest Calculation Period<sub>([•]=[n])[•]</sub> [•] % [per annum]

[, as determined by the Calculation Agent by referring to the Relevant Screen Page (or a substitute page thereof) at or around the Fixing Time on the relevant Fixing Date]. [The Interest Rate is subject to a minimum of [•] [%] [per annum].]

[If the Relevant Screen Page at or around the Fixing Time is not available or if [the relevant interest rate] [•] is not displayed, [•] [[the relevant interest rate] [•] shall be the [[•] rate] [•] [(expressed as a percentage p.a.)] as displayed on the corresponding page of another financial information service. If [the relevant interest rate] [•] is no longer displayed in one of the above forms, the Issuer is entitled to specify at its reasonable discretion an Interest Rate [(expressed as a percentage p.a.)] calculated on the basis of the standard market practices applicable at that time. [In this case the Issuer is entitled but not obliged to request from reference banks selected at its reasonable discretion their respective quotes for [the relevant interest rate] [•] [(expressed as a percentage rate p.a.)] at or around the Fixing Time. If at least [two] [•] of the reference banks have provided a corresponding quote to the Issuer, the Calculation Agent is entitled but not obliged to determine the Interest Rate by using the [arithmetical] average calculated by it (if necessary rounded to the nearest one thousandth of a percent) of the quotes specified by these reference banks.]]]

**[Issue Date:**

The Issue Date means [•]. [In the case of abbreviation or extension of the Subscription Period the Issue Date may be changed accordingly.]]

**[Issue Size:**

The Issue Size equals [•]. [ Indicative. The Issue Size will be fixed on [the Fixing Date [at the Fixing Time]] [the end of the Subscription Period depending on the demand for the Securities during the Subscription Period].\*]]

**Issuer:**

The Issuer means UBS AG, Bahnhofstrasse 45, 8001 Zurich, Switzerland, and Aeschenvorstadt 1, 4051 Basel, Switzerland [, acting through its

[London Branch, 5 Broadgate, London EC2M 2QS, United Kingdom]  
 [Jersey Branch, 24 Union Street, Saint Helier, Jersey JE4 8UJ].

**[Issuer Exercise Date:**

The Issuer Exercise Date means [•]

[The term “Issuer Exercise Date” shall also refer to all Issuer Exercise Dates<sub>([•]=1)</sub> to <sub>([•]=n)</sub>[•].]

If [this day] [any of these days] is not [a Fund Business Day] [[an Underlying] [a Basket Component] Calculation Date] [•] in relation to [the Underlying] [an Underlying<sub>([•])</sub>] [a Basket Component<sub>([•])</sub>], [•] [the immediately [preceding] [succeeding] [Fund Business Day] [[Underlying] [Basket Component] Calculation Date] [•] is the relevant Issuer Exercise Date in relation to

[the Underlying]

[the affected [Underlying<sub>([•])</sub>] [Basket Component<sub>([•])</sub>]]

[all [Underlyings] [Basket Components]] ].]

**[Issuing Agent:**

The Issuing Agent means [•] [Skandinaviska Enskilda Banken AB (publ) (SEB), Kungsträdgårdsgatan 8, S-106 40 Stockholm, Sweden,] [Skandinaviska Enskilda Banken AB (publ) (SEB) Helsinki Branch, Eteläesplanadi 18, 00130 Helsinki, Finland,] [Skandinaviska Enskilda Banken AB (publ) (SEB) Oslofilialen, Filipstad Brygge 1, 0123 Oslo, Norway,] [Skandinaviska Enskilda Banken AB (publ) (SEB) Copenhagen Branch, SEBhuset, Bernstorffsgade 50, 0900 Copenhagen C, Denmark,] or any successor in this capacity. As long as any Security is outstanding, there will at all times be an Issuing Agent duly authorised as such under the CA Rules with regard to the Securities.]

**K.**

**[Kick In Date:**

The Kick In Date means [•] [the [Underlying Calculation Date] [•] [during [the Kick In Observation Period] [•]] on which the [relevant] Kick In Event occurs].]

**[Kick In Event:**

[A Kick In Event<sub>([•])</sub>] [means [•]] [occurs, [•] [

***[in case of a record day related observation, add the following text:***

if [the Reference Price] [the Settlement Price] [the Price] of [the Underlying] [at least one [Underlying<sub>([•])</sub>][Basket Component<sub>([•])</sub>]] [all [Underlyings][Basket Components]] [the Relevant Underlying<sub>([•])</sub>] [if appropriate, insert different point of reference to an Underlying comprised in the Base Prospectus: [•]] is [at the Valuation Time] [equal to or] [higher] [lower] than the [respective] Kick-In Level<sub>([•])</sub>].]

***[in case of a period related observation, add the following text:***

if the Price of [the Underlying] [at least one [Underlying<sub>([•])</sub>][Basket Component<sub>([•])</sub>]] [all [Underlyings][Basket Components]] [the Relevant Underlying<sub>([•])</sub>] [if appropriate, insert different point of reference to an Underlying comprised in the Base Prospectus: [•]] is [on any of the Kick In Observation Dates [prior to the [Final] Valuation Date]] [during the Observation Period<sub>([•])</sub>] at least once] [at the Valuation Time] [equal to or] [higher] [lower] than the [respective] Kick-In Level<sub>([•])</sub>].]

[The term “Kick In Event” shall also refer to all Kick In Events<sub>((•)=1)</sub> to <sub>((•)=n[•]).</sub>]

[For the avoidance of doubt, more than one Kick In Event may occur on the same date, but in total, there can be a maximum of [•] Kick In Events, i.e. for each [Kick In Level<sub>((•))</sub>] [•] a Kick In Event<sub>((•))</sub> can be triggered only once.]

**[Kick In Level:**

The Kick In Level<sub>((•))</sub> <sub>((•)=1)</sub> [of the Underlying<sub>((•))</sub>] [of the Basket Component<sub>((•))</sub>]

[equals [•].]

[of the [Underlying<sub>((•)=1)</sub>] [Basket Component<sub>((•)=1)</sub>] equals [•], [•] and

the Kick In Level<sub>((•)=n[•])</sub> of the [Underlying<sub>((•)=n[•])</sub>] [Basket Component<sub>((•)=n[•])</sub>] equals [•].]

[One (1) unit of the Underlying Currency equals one (1) unit [•], “**Quanto [•]**”).]

[The term “Kick In Level” shall also refer to all Kick In Levels<sub>((•)=1)</sub> to <sub>((•)=n[•]).</sub>]

[[indicative.] The [respective] Kick In Level [of the [respective] [Underlying<sub>((•))</sub>] [Basket Component<sub>((•))</sub>] will be fixed on the Fixing Date [at the Fixing Time]. \* ]

**[Kick In Observation Date[s]:**

[The Kick In Observation Date means [•].]

[The Kick In Observation Dates mean [•].]

[The Kick In Observation Date<sub>((•)=1)</sub> means [•], [•] and

the Kick In Observation Date<sub>((•)=n[•])</sub> means [•].]

[The term “Kick In Observation Dates” shall also refer to all Kick In Observation Dates <sub>((•)=1)</sub> to <sub>((•)=n[•]).</sub>]

If [this day] [any of these days] is not [a Fund Business Day] [[an Underlying] [a Basket Component] Calculation Date] [•] in relation to [the Underlying] [an Underlying<sub>((•))</sub>] [a Basket Component<sub>((•))</sub>], [•] [the immediately [preceding] [succeeding] [Fund Business Day] [[Underlying] [Basket Component] Calculation Date] [•] is the relevant Kick In Observation Date in relation to

[the Underlying]

[the affected [Underlying<sub>((•))</sub>] [Basket Component<sub>((•))</sub>]]

[all [Underlyings] [Basket Components]] ].]

**[Kick In Observation Period:**

[The Kick In Observation Period means [•] [the period, commencing on the [Issue Date] [Fixing Date] [•] [at [•] hrs local time [Frankfurt am Main, Federal Republic of Germany] [London, United Kingdom] [Zurich, Switzerland]] [•]] and ending [at [•] hrs local time [Frankfurt am Main, Federal Republic of Germany] [London, United Kingdom] [Zurich, Switzerland] [•]] on the [Expiration Date] [Valuation Date] [Final Valuation Date] [or] [latest of the Valuation Averaging Dates].]

[The Kick In Observation Period<sub>((•)=1)</sub> means the period commencing [at [•]

hrs local time [•] [Frankfurt am Main, Federal Republic of Germany] [London, United Kingdom] [Zurich, Switzerland] [•] on [•] and ending [at [•] hrs local time [•] [Frankfurt am Main, Federal Republic of Germany] [London, United Kingdom] [Zurich, Switzerland] [•]] on [•] [the Kick In Observation Date<sub>((•)=1)</sub>] [(inclusive)] [(exclusive)] [•] and the Kick In Observation Period<sub>((•)=1)</sub>] means the period commencing [at [•] hrs local time [•] [Frankfurt am Main, Federal Republic of Germany] [London, United Kingdom] [Zurich, Switzerland] [•]] on [•] [the Kick In Observation Date<sub>((•)=1)</sub>] [(inclusive)] [(exclusive)] and ending [at [•] hrs local time [•] [Frankfurt am Main, Federal Republic of Germany] [London, United Kingdom] [Zurich, Switzerland] [•]] on [•] [the Kick In Observation Date<sub>((•)=1)</sub>] [(inclusive)] [(exclusive)]. ]

**[Kick In Strike:**

The Kick In Strike<sub>((•)=1)</sub> [of the Underlying<sub>((•)=1)</sub>] [of the Basket Component<sub>((•)=1)</sub>]

[equals [•].]

[of the [Underlying<sub>((•)=1)</sub>] [Basket Component<sub>((•)=1)</sub>] equals [•], [•] and

the Kick In Strike<sub>((•)=1)</sub> of the [Underlying<sub>((•)=1)</sub>] [Basket Component<sub>((•)=1)</sub>] equals [•].]

[One (1) unit of the Underlying Currency equals one (1) unit [•], “**Quanto [•]**”).]

[The term “Kick In Strike” shall also refer to all Kick In Strikes<sub>((•)=1)</sub> to <sub>((•)=1)</sub>.]

[[indicative.] The [respective] Kick In Strike [of the [respective] [Underlying<sub>((•)=1)</sub>] [Basket Component<sub>((•)=1)</sub>] will be fixed on the Fixing Date [at the Fixing Time]. \* ]

**[Kick In Threshold:**

The Kick In Threshold<sub>((•)=1)</sub> [of the Underlying<sub>((•)=1)</sub>] [of the Basket Component<sub>((•)=1)</sub>]

[equals [•].]

[of the [Underlying<sub>((•)=1)</sub>] [Basket Component<sub>((•)=1)</sub>] equals [•], [•] and

the Kick In Threshold<sub>((•)=1)</sub> of the [Underlying<sub>((•)=1)</sub>] [Basket Component<sub>((•)=1)</sub>] equals [•].]

[One (1) unit of the Underlying Currency equals one (1) unit [•], “**Quanto [•]**”).]

[The term “Kick In Threshold” shall also refer to all Kick In Thresholds<sub>((•)=1)</sub> to <sub>((•)=1)</sub>.]

[[indicative.] The [respective] Kick In Threshold [of the [respective] [Underlying<sub>((•)=1)</sub>] [Basket Component<sub>((•)=1)</sub>] will be fixed on the Fixing Date [at the Fixing Time]. \* ]

**[Kick Out Level:**

The Kick Out Level<sub>((•)=1)</sub> [of the Underlying<sub>((•)=1)</sub>] [of the Basket Component<sub>((•)=1)</sub>]

[equals [•].]

[of the [Underlying<sub>((•)=1)</sub>] [Basket Component<sub>((•)=1)</sub>] equals [•], [•] and

the Kick Out Level<sub>([\*]=[\*])</sub> of the [Underlying<sub>([\*]=[\*])</sub>] [Basket Component<sub>([\*]=[\*])</sub>] equals [•].]

[One (1) unit of the Underlying Currency equals one (1) unit [•], “**Quanto [•]**”).]

[The term “Kick Out Level” shall also refer to all Kick Out Levels<sub>([\*]=1)</sub> to <sub>([\*]=[\*])</sub>.]

[[indicative.] The [respective] Kick Out Level [of the [respective] [Underlying<sub>([\*])</sub>] [Basket Component<sub>([\*])</sub>]] will be fixed on the Fixing Date [at the Fixing Time]. \* ]

**[Knock Out Event:**

[A Knock Out Event [means [•]] [occurs, [•] ]

*[in case of a record day related observation, add the following text:*

if the Price of [the Underlying] [at least one [Underlying<sub>([\*])</sub>][Basket Component<sub>([\*])</sub>]] [all [Underlyings][Basket Components]] [if appropriate, insert different point of reference to an Underlying comprised in the Base Prospectus: [•]] is on [any Knock Out Observation Date] [•] [at the Valuation Time] [equal to or] higher than the [respective] **Knock Out Level<sub>([\*])</sub>**.]

*[in case of a period related observation, add the following text:*

if the Price of [the Underlying] [at least one [Underlying<sub>([\*])</sub>][Basket Component<sub>([\*])</sub>]] [all [Underlyings][Basket Components]] [if appropriate, insert different point of reference to an Underlying comprised in the Base Prospectus: [•]] is on any [Underlying Calculation Date] [Exchange Business Day] [•] during the period from [the Fixing Date] [the Issue Date] [•] ([including] [excluding]) to [the Valuation Date] [•] ([including] [excluding]) [at the Valuation Time] [equal to or] higher than the **[respective] Knock Out Level<sub>([\*])</sub>**. ] ]

**[Knock Out Expiration Date:**

The Knock Out Expiration Date means [•] [[the Kock Out Observation Date<sub>([\*])</sub>] [•], on which the Knock Out Event occurs].]

**[Knock Out Observation Date[s]:**

[The Knock Out Observation Date means [•].]

[The Knock Out Observation Dates mean [•].]

[The Knock Out Observation Date<sub>([\*]=1)</sub> means [•], [•] and

the Knock Out Observation Date<sub>([\*]=[\*])</sub> means [•].]

[The term “Knock Out Observation Dates” shall also refer to all Knock Out Observation Dates <sub>([\*]=1)</sub> to <sub>([\*]=[\*])</sub>.]

If [this day] [any of these days] is not [a Fund Business Day] [[an Underlying] [a Basket Component] Calculation Date] [•] in relation to [the Underlying] [an Underlying<sub>([\*])</sub>] [a Basket Component<sub>([\*])</sub>], [•] [the immediately [preceding] [succeeding] [Fund Business Day] [[Underlying] [Basket Component] Calculation Date] [•] is the relevant Knock Out Observation Date in relation to

[the Underlying]

[the affected [Underlying<sub>([\*])</sub>] [Basket Component<sub>([\*])</sub>]]

	[all [Underlyings] [Basket Components]] ].]
<b>[Knock Out Level:</b>	<p>The Knock Out Level<sub>(((•))</sub> [equals] [means] [•].</p> <p>[The term “Knock Out Level” shall also refer to all Knock Out Levels<sub>(((•)=1)</sub> to <sub>(((•)=n)[•])</sub>.]</p> <p>[[indicative.] The [relevant] Knock Out Level will be fixed on the Fixing Date [at the Fixing Time].*]]</p>
<b>L.</b>	
<b>[Last Trade Date:</b>	<p>The Last Trade Date means [•] [in respect of the Price of the Underlying<sub>(((•))</sub>], the last date on which the Underlying<sub>(((•))</sub> may be traded in accordance with the regulations and procedures of [the Relevant Reference Market] [•]. The Last Trade Date shall be the date commonly understood in the market as applying to the Underlying<sub>(((•))</sub> and, in the event of any dispute, shall be the date specified and determined by the Calculation Agent at its reasonable discretion.]]</p>
<b>[Leverage Factor:</b>	[The Leverage Factor equals [•] [indicative. The Leverage Factor will be fixed on the Fixing Date [at the Fixing Time].*]]
<b>[Leverage Value<sub>(t)</sub>:</b>	<p>The Leverage Value<sub>(t)</sub> [means [•] [represents a notional borrowing by the Issuer to facilitate the allocation to Fund Units over [100%][•] of the Certificate Value<sub>(t)</sub>. On any [Fund Business Day][•] 't' this is equal to [200%][•] (which is the Leverage Factor on Fund Business Day 't' minus [100%][•]).]]</p>
<b>[Lock-In Amount:</b>	The Lock-In Amount equals [•].]
<b>[Lock-In Event:</b>	[A Lock-In Event [means [•]] [occurs, [•] [
	<b><i>[in case of a record day related observation, add the following text:</i></b>
	<p>if the Price of [the Underlying] [at least one [Underlying<sub>(t)</sub>][Basket Component<sub>(•)</sub>]] [all [Underlyings][Basket Components]] [if appropriate, insert different point of reference to an Underlying comprised in the Base Prospectus: [•]] is [on the Lock-In Observation Date] [•] [at the Valuation Time] [equal to or] [higher] [lower] than the [respective] Lock-In Level<sub>(((•))</sub>].]</p>
	<b><i>[in case of a period related observation, add the following text:</i></b>
	<p>if the Price of [the Underlying] [at least one [Underlying<sub>(t)</sub>][Basket Component<sub>(•)</sub>]] [all [Underlyings][Basket Components]] [if appropriate, insert different point of reference to an Underlying comprised in the Base Prospectus: [•]] is [on any Lock-In Observation Date [prior to the [Final] Valuation Date]] [during the Lock-In Observation Period<sub>(t)</sub>] [at least once] [•] [at the Valuation Time] [equal to or] [higher] [lower] than the [respective] Lock-In Level<sub>(((•))</sub>].]</p>
<b>[Lock-In Level:</b>	<p>The Lock-In Level<sub>(((•))</sub> <sub>(((•)=1)</sub> [of the Underlying<sub>(((•))</sub>] [of the Basket Component<sub>(((•))</sub>]</p> <p>[equals [•].]</p> <p>[of the [Underlying<sub>(t)=1)</sub>] [Basket Component<sub>(t)=1)</sub>] equals [•], [•] and</p>

the Lock-In Level<sub>(t=1)</sub> of the [Underlying<sub>(t=1)</sub>] [Basket Component<sub>(t=1)</sub>] equals [•].]

[One (1) unit of the Underlying Currency equals one (1) unit [•], “**Quanto [•]**”).]

[The term “Lock-In Level” shall also refer to all Lock-In Levels<sub>(t=1)</sub> to <sub>(t=n)</sub>.]

[[indicative.] The [respective] Lock-In Level [of the [respective] [Underlying<sub>(t=1)</sub>] [Basket Component<sub>(t=1)</sub>] will be fixed on the Fixing Date [at the Fixing Time]. \* ]]

**[Lock-In Observation Date:**

[The Lock-In Observation Date means [•].]

[The Lock-In Observation Dates mean [•].]

[The Lock-In Observation Date<sub>(t=1)</sub> means [•], [•] and

the Lock-In Observation Date<sub>(t=n)</sub> means [•].]

[The term “Lock-In Observation Dates” shall also refer to all Lock-In Observation Dates <sub>(t=1)</sub> to <sub>(t=n)</sub>.]

If [this day] [any of these days] is not [a Fund Business Day] [[an Underlying] [a Basket Component] Calculation Date] [•] in relation to [the Underlying] [an Underlying<sub>(t=1)</sub>] [a Basket Component<sub>(t=1)</sub>], [•] [the immediately [preceding] [succeeding] [Fund Business Day] [[Underlying] [Basket Component] Calculation Date] [•] is the relevant Lock-In Observation Date in relation to

[the Underlying]

[the affected [Underlying<sub>(t=1)</sub>] [Basket Component<sub>(t=1)</sub>]]

[all [Underlyings] [Basket Components]] ].]

**[Lock-In Observation Period:**

[The Lock-In Observation Period means [•] [the period, commencing on the [Issue Date] [Fixing Date] [•] [at [•] hrs local time [Frankfurt am Main, Federal Republic of Germany] [London, United Kingdom] [Zurich, Switzerland]] [•]] and ending [at [•] hrs local time [Frankfurt am Main, Federal Republic of Germany] [London, United Kingdom] [Zurich, Switzerland], [•]] on [•] [the Expiration Date] [the Valuation Date] [the Final Valuation Date] [or] [latest of the Valuation Averaging Dates].]

[The Lock-In Observation Period<sub>(t=1)</sub> means the period commencing at [•] hrs local time [•] [Frankfurt am Main, Federal Republic of Germany] [London, United Kingdom] [Zurich, Switzerland], on [•] and ending at [•] hrs local time [•] [Frankfurt am Main, Federal Republic of Germany] [London, United Kingdom] [Zurich, Switzerland] on [•] [Observation Date<sub>(t=1)</sub>] [(inclusive)] [(exclusive)] [•] and the Lock-In Observation Period<sub>(t=n)</sub> means the period commencing at [•] hrs local time [•] [Frankfurt am Main, Federal Republic of Germany] [London, United Kingdom] [Zurich, Switzerland], on [•] [Observation Date<sub>(t=n)</sub>] [(inclusive)] [(exclusive)] and ending at [•] hrs local time [•] [Frankfurt am Main, Federal Republic of Germany] [London, United Kingdom] [Zurich, Switzerland], on [•] [Observation Date<sub>(t=n)</sub>] [(inclusive)] [(exclusive)]. ]]

**[Look-Back Level:**

The Look-Back Level of [the Underlying] [an Underlying<sub>(t=1)</sub>] [a Basket Component<sub>(t=1)</sub>] equals [•] [the [lowest] [•] of the [official closing prices] [•] of [the Underlying] [an Underlying<sub>(t=1)</sub>] [a Basket Component<sub>(t=1)</sub>] on



[each of the Look-Back Dates] [•] [within the Look-Back Period] as determined by the Calculation Agent on [the last Look-Back Date] [•.]

**[Look-Back Date[s]:**

The Look-Back Date[s]<sub>[(•)]</sub> mean[s] [•].

[The term “Look-Back Date” shall also refer to all Look-Back Dates<sub>[(•)=1]</sub> to <sub>[(•)=[n](•)].</sub>]

[If [this day] [any of these days] is not [a Fund Business Day] [[an Underlying] [a Basket Component] Calculation Date] [•] in relation to [the Underlying] [an Underlying<sub>[(•)]</sub>] [a Basket Component<sub>[(•)]</sub>], [•] [the immediately [preceding] [succeeding] [Fund Business Day] [[Underlying] [Basket Component] Calculation Date] [•] is the relevant Look-Back Date in relation to

[the Underlying]

[the affected [Underlying<sub>[(•)]</sub>] [Basket Component<sub>[(•)]</sub>]]

[all [Underlyings] [Basket Components]] ].

[For the avoidance of doubt, there will be [insert number: [•]] Look-Back Dates in any case.]

[The Calculation Agent shall be entitled to increase the number of Look-Back Date(s) depending on market liquidity (in relation to the Basket Components) and as determined by the Calculation Agent at its reasonable discretion.]

[In the case of abbreviation or extension of the Subscription Period the Look-Back Date[s] may be changed accordingly.] ]

**[Look Back Period:**

The Look-Back Period means [•] [the period, commencing on the [Issue Date] [Fixing Date] [•] [at [•] hrs local time [Frankfurt am Main, Federal Republic of Germany] [London, United Kingdom] [Zurich, Switzerland]] [•] and ending [at [•] hrs local time [Frankfurt am Main, Federal Republic of Germany] [London, United Kingdom] [Zurich, Switzerland], [•] on the [Expiration Date] [Valuation Date] [Final Valuation Date] [or] [latest of the Valuation Averaging Dates] [•].]

**[Loss Threshold:**

The Loss Threshold<sub>[(•)]</sub> <sub>[(•)=1]</sub> [of the Underlying<sub>[(•)]</sub>] [of the Basket Component<sub>[(•)]</sub>]

[equals [•].]

[of the [Underlying<sub>[(•)=1]</sub>] [Basket Component<sub>[(•)=1]</sub>] equals [•], [•] and

the Loss Threshold<sub>[(•)=[n](•)]</sub> of the [Underlying<sub>[(•)=[n](•)]</sub>] [Basket Component<sub>[(•)=[n](•)]</sub>] equals [•].]

[One (1) unit of the Underlying Currency equals one (1) unit [•], “Quanto [•]”).]

[The term “Loss Threshold” shall also refer to all Loss Thresholds<sub>[(•)=1]</sub> to <sub>[(•)=[n](•)].</sub>]

[[indicative.] The [respective] Loss Threshold [of the [respective] [Underlying<sub>[(•)]</sub>] [Basket Component<sub>[(•)]</sub>] will be fixed on the Fixing Date [at the Fixing Time]. \* ] ]

**M.****[Management Fee:**

The [initial] Management Fee (“**MF**”) [is determined as follows: [•] [equals [•] [%] per [calendar day] [calendar month] [calendar quarter] [calendar year] [•], which is [calculated and] deducted [on a daily basis] [monthly] [quarterly] [semi-annually] [annually] [•] [in arrears].] [It includes a [recurring] [commission] [distribution fee] [•] of [•] [[•] % p.a.]

[The Management Fee will be published on each Fee Determination Date on [•]. The applicable Management Fee of [up to] [•] [%] [per annum] will be charged and deducted on [•] [a daily basis (Act/360)] on the Redemption Amount per Security as of the respective previous Fee Determination Date, as determined by the Calculation Agent.]

[The Management Fee [“(MF”)”] can be adjusted [daily] [monthly] [quarterly] [annually] on and is effective as of the MF Adjustment Date.]

[The Management Fee [“(MF”)”] will be fixed [daily] [monthly] [quarterly] [annually] [•] on the MF Fixing Date becoming effective on the MF Adjustment Date with a maximum of [•] [[•] % p.a.] [It includes a [recurring] [commission] [distribution fee] [•] of [•] [[•] % p.a.]]

[The current Management Fee will be published on [•] [[www.ubs.com/keyinvest](http://www.ubs.com/keyinvest)].]

**Maturity Date:**

The Maturity Date means [, subject to the occurrence of a Market Disruption in accordance with § 11 of the Conditions of the Securities,] [•] [(i) [•]; (ii) in case of the occurrence of an Early Redemption Event in accordance with § [•] of the Conditions of the Securities: [•]; [(ii)][(iii)] in case of a termination by the Issuer in accordance with § 8 [•] of the Conditions of the Securities the [•] Banking Day after the Termination Date.] [the [•] Banking Day (i) after the [relevant Valuation Date] [latest of the Valuation Averaging Dates;] [(ii) in the case of an early expiration in accordance with § [•] of the Conditions of the Securities, after the Early Expiration Date;] [(ii)][(iii)] in the case of the occurrence of an automatic termination event in accordance with § [•] of the Conditions of the Securities, after [the Stop Loss Expiration Date] [the Knock Out Expiration Date] [•];] and ([•]) in the case of a termination by the Issuer in accordance with § 8 [•] of the Conditions of the Securities, after the Termination Date.]

[If the Maturity Date would fall on a day which is not a [Banking Day] [•], the payment date shall be:

*[if Modified Following Business Day Convention insert:* postponed to the next day which is a [Banking Day] [•] unless it would thereby fall into the next calendar month, in which event the Maturity Date shall be the immediately preceding [Banking Day] [•]

*[if Following Business Day Convention insert:* postponed to the next day which is a [Banking Day] [•]

*[if Preceding Business Day Convention insert:* the immediately preceding [Banking Day] [•]

(the “**Business Day Convention**”).

[Unless already redeemed, repurchased and/or declared void, any rights conferred by the Securities shall be deemed exercised for the purpose of Article 2 (m) ii) of the Prospectus Regulation on the Maturity Date without

requiring any exercise notice, transfer of the Securities or the fulfilment of any other prerequisites.]]

- [Maximum Amount:** The Maximum Amount equals [•] [converted into the Redemption Currency] [multiplied by [the Participation Factor] [the Leverage Factor] [the Multiplication Factor] [the Multiplier] [•]] [and] [commercially rounded to [two] [four] [•] decimal places] [indicative. The Maximum Amount will be fixed on the Fixing Date [at the Fixing Time].\*]]
- [MF Adjustment Date:** The MF Adjustment Date means [•].
- [If this day is not [a Fund Business Day] [[an Underlying] [a Basket Component] Calculation Date] [•] in relation to [the Underlying] [an Underlying<sub>(i+1)</sub>] [a Basket Component<sub>(i+1)</sub>], [•] [the immediately [preceding] [succeeding] [Fund Business Day] [[Underlying] [Basket Component] Calculation Date] [•] is the relevant MF Adjustment Date in relation to [the Underlying] [the affected [Underlying<sub>(i+1)</sub>] [Basket Component<sub>(i+1)</sub>]] [all [Underlyings] [Basket Components]]].]
- [MF Fixing Date:** The MF Fixing Date means [•].
- If this day is not [a Fund Business Day] [[an Underlying] [a Basket Component] Calculation Date] [•] in relation to [the Underlying] [an Underlying<sub>(i+1)</sub>] [a Basket Component<sub>(i+1)</sub>], [•] [the immediately [preceding] [succeeding] [Fund Business Day] [[Underlying] [Basket Component] Calculation Date] [•] is the relevant MF Fixing Date in relation to [the Underlying] [the affected [Underlying<sub>(i+1)</sub>] [Basket Component<sub>(i+1)</sub>]] [all [Underlyings] [Basket Components]]].
- [In the case of abbreviation or extension of the Subscription Period the MF Fixing Date may be changed accordingly.]]
- [Minimum Amount:** The capital protected Minimum Amount equals [•] [converted into the Redemption Currency] [multiplied by [the Participation Factor] [the Leverage Factor] [the Multiplication Factor] [the Multiplier] [•]] [and] [commercially rounded to [two] [four] [•] decimal places] [indicative. The Minimum Amount will be fixed on the Fixing Date [at the Fixing Time].\*]]
- [Minimum Exercise Size:** The Minimum Exercise Size equals [•].]
- [Minimum Settlement Amount:** The Minimum Settlement Amount equals [0.001] [•] in the Redemption Currency per Security.]
- [Minimum Trading Size:** The Minimum Trading Size equals [•].]
- [Minimum Transferable Size:** The Minimum Transferable Size equals [•] [Security] [Securities].]
- [Multiplication Factor:** The Multiplication Factor equals [•] [indicative. The Multiplication Factor will be fixed on the Fixing Date [at the Fixing Time].\*]]
- [Multiplier:** The Multiplier equals [•] [[•], or expressed as a decimal number [•], i.e. [•] [Security relates] [Securities relate] to 1 Underlying [, respectively, 1 Security relates to [•] Underlying[s], as the case may be.]] [indicative. The Multiplier will be fixed on the Fixing Date [at the Fixing Time].\*]]

**N.****[Net Asset Value:**

The Net Asset Value (“NAV”) means [the Fund's net asset value as calculated and published by the Fund's administrator in accordance with the relevant Fund's prospectus and constitutional documents by adding the value of all the assets of the Fund and deducting the total liabilities (including, in particular but not limited to, any fees (including an advisory fee and an incentive fee) payable to the Fund's advisor, the administrator, the bank and the custodian of the Fund, all borrowings, brokerage fees, provisions for taxes (if any), allowances for contingent liabilities and any other costs and expenses reasonably and properly incurred to the bank or the custodian of the Fund in effecting the acquisition or disposal of securities or in administering the Fund) of the Fund.] [the net asset value of the Fund Unit as published by or on behalf of the Fund (or its manager). For the purpose of calculating such value as of [the [Final] Valuation Date] [any Valuation Averaging Date] [•], the Calculation Agent, acting in its reasonable discretion, shall determine such value based on the redemption proceeds that a Notional Investor would have received, if such Notional Investor had, subject to giving the appropriate prior notice, requested redemption of the Fund Unit as of [the [Final] Valuation Date] [such Valuation Averaging Date] [•] [•].]

**[Nominal  
[(Denomination)]:****Amount**

The Nominal Amount [(Denomination)] per Security equals [•].]

**[Notional Investor:**

The Notional Investor means a hypothetical investor [•] [(in the same position as the Issuer) investing in the Fund Units of the Fund].]

**[Number of Fund Units:**

The Number of Fund Units equals [•] [The initial number of Fund Units will correspond to the Leverage Factor. This decreases on a Borrowing Rebalancing Date on the basis that on the [Fund Business Day][•] immediately following a Borrowing Rebalancing Date the Number of Fund Units is reduced by a number of Fund Units equivalent to the Accumulated Borrowing Fee with respect to such immediately preceding Borrowing Rebalancing Date. On any other day the number of Fund Units equals the number of Fund Units on the preceding [Fund Business Day][•].]

**O.****[Observation Date:**

[The Observation Date means [each Kick-In-Observation Date] [,] [and] [each Coupon Observation Date] [,] [and] [each Early Redemption Observation Date] [•].]

[The Observation Dates mean [•].]

[The Observation Date<sub>([•]=1)</sub> means [•] and

the Observation Date<sub>([•]=[n][•])</sub> means [•].]

[The term “Observation Date” shall also refer to all Observation Dates<sub>([•]=1)</sub> to <sub>([•]=[n][•])</sub>.]

If [this day] [any of these days] is not [a Fund Business Day] [[an Underlying] [a Basket Component] Calculation Date] [•] in relation to [the Underlying] [an Underlying<sub>([•])</sub>] [a Basket Component<sub>([•])</sub>], [•] [the immediately [preceding] [succeeding] [Fund Business Day] [[Underlying] [Basket Component] Calculation Date] [•] is the relevant Observation Date in relation to

**[the Underlying]**

**[the affected [Underlying<sub>([•])</sub>] [Basket Component<sub>([•])</sub>]]**

**[all [Underlyings] [Basket Components]].]**

<b>[Observation Period:</b>	<p>[The Observation Period means [•] [the period, commencing on the [Issue Date] [Fixing Date] [•] [at [•] hrs local time [Frankfurt am Main, Federal Republic of Germany] [London, United Kingdom] [Zurich, Switzerland] [•]] and ending [at [•] hrs local time [Frankfurt am Main, Federal Republic of Germany] [London, United Kingdom] [Zurich, Switzerland], [•]] on the [Expiration Date] [Valuation Date] [Final Valuation Date] [or] [latest of the Valuation Averaging Dates] [at the Valuation Time]].]</p> <p>[The Observation Period<sub>(t=1)</sub> means the period commencing at [•] hrs local time [•] [Frankfurt am Main, Federal Republic of Germany] [London, United Kingdom] [Zurich, Switzerland], on [•] and ending at [•] hrs local time [•] [Frankfurt am Main, Federal Republic of Germany] [London, United Kingdom] [Zurich, Switzerland] on [•] [Observation Date<sub>(t=1)</sub>] (including) [•] and the Observation Period<sub>(t=n)</sub> means the period commencing at [•] hrs local time [•] [Frankfurt am Main, Federal Republic of Germany] [London, United Kingdom] [Zurich, Switzerland], on [•] [Observation Date<sub>(t=n)</sub>] (excluding) and ending at [•] hrs local time [•] [Frankfurt am Main, Federal Republic of Germany] [London, United Kingdom] [Zurich, Switzerland], on [•] [Observation Date<sub>(t=n)</sub>] (including).]</p>
<b>[Option Style:</b>	The Option Style is [European][American].]
<b>P. [Participation Factor:</b>	The Participation Factor equals [•] [Indicative. The Participation Factor will be fixed on the Fixing Date [at the Fixing Time].*]]
<b>[Paying Agent:</b>	The Paying Agent means [•] [UBS AG, Bahnhofstrasse 45, 8001 Zurich, Switzerland, and Aeschenvorstadt 1, 4051 Basel, Switzerland [, acting through its [London Branch, 5 Broadgate, London EC2M 2QS, United Kingdom] [Jersey Branch, 24 Union Street, Saint Helier, Jersey JE4 8U]]] [and [•]] [, as well as the paying agents specified for the purposes in the applicable Final Terms under the heading “Part D – Country Specific Information”. [The term “Paying Agent” shall also refer to all Paying Agents [including the Principal Paying Agent].]
<b>[Payout Factor:</b>	<p>The Payout Factor<sub>(t=1)</sub> [equals [•]]</p> <p>[in relation to [the Observation Date<sub>(t=1)</sub>] [•] equals [•]] [(indicative) [•]]</p> <p>[and the Payout Factor<sub>(t=n)</sub> [in relation to [the Observation Date<sub>(t=n)</sub>] [•] equals [•]] [(indicative).]</p> <p>[The term “Payout Factor” shall also refer to all Payout Factors<sub>(t=n)</sub> to <sub>(t=n)</sub>]</p> <p>[The [respective] Payout Factor will be fixed on the Fixing Date [at the Fixing Time].*]]</p>
<b>[Percentage Increase:</b>	<p>The Percentage Increase<sub>(t=1)</sub></p> <p>[equals [•].]</p> <p>[in relation to the [Price] [Reference Price] [•] of [[an] [the] Underlying<sub>(t=1)</sub>] [a Basket Component<sub>(t=1)</sub>] [the Relevant Underlying<sub>(t=1)</sub>] [On the Early Redemption Observation Date<sub>(t=1)</sub>] [during the Early Redemption</p>

Observation Period<sub>(t)</sub> [•] is calculated in accordance with the following formula:

[•]

$$\text{Percentage Increase}_{(t)} = \frac{\text{[Reference] Price of the [Relevant] Underlying}_{(t)[\bullet]}}{\text{[Reference] Price of the [Relevant] Underlying}_{(t-1)[\bullet]}}$$

[

$$\text{Percentage Increase}_{(t)} = \frac{\text{Price of the Basket Component}_{(t)[\bullet]}}{\text{Price of the Basket Component}_{(t-1)[\bullet]}}$$

]

[Where:

**["[Price] [Reference Price] [of the [Relevant] Underlying] [of the Basket Component]<sub>(t)</sub>"]** means the [highest] [lowest] [arithmetic average] [•] [Price] [Reference Price] [•] of [the Underlying<sub>(t)</sub>] [the Relevant Underlying<sub>(t)</sub>] [•] [on the relevant Early Redemption Observation Date<sub>(t)</sub>] [at the Valuation Time] [during the relevant Early Redemption Observation Period<sub>(t)</sub>] [•].]

**["[Price] [Reference Price] [of the [Relevant] Underlying] [of the Basket Component]<sub>(t-1)</sub>"]** means the [highest] [lowest] [arithmetic average] [•] [Price] [Reference Price] [•] of [the Underlying<sub>(t-1)</sub>] [the Relevant Underlying<sub>(t-1)</sub>] [•] [on the immediately preceding Early Redemption Observation Date<sub>(t-1)</sub>] [on the first Early Redemption Observation Date] [on the Fixing Date] [at the Valuation Time] [during the immediately preceding Early Redemption Observation Period<sub>(t-1)</sub>] [•].]

[•] ]]

**[Percentage Weighting:**

The Percentage Weighting<sub>(t)</sub> [in relation to the Underlying<sub>(t)</sub>] [in relation to the Basket Component<sub>(t)</sub>]

[equals [•].]

[in relation to the [Underlying<sub>(t)</sub>] [Basket Component<sub>(t)</sub>] equals [•] , [•] and

the Percentage Weighting in relation to the [Underlying<sub>(t)</sub>] [Basket Component<sub>(t)</sub>] equals [•] ]

[The term "Percentage Weighting" shall also refer to all Percentage Weightings<sub>(t)</sub> to [•].]

[[indicative.] The [respective] Percentage Weighting [of the [respective] [Underlying<sub>(t)</sub>] [Basket Component<sub>(t)</sub>] will be fixed on the Fixing Date [at the Fixing Time]. \* ]]

**[Performance:**

The Performance [means [•]] [is calculated in accordance with the following formula [•].]

**[Physical Underlying:**

The Physical Underlying [relates to the [Relevant] Underlying and] means

*[in the case of shares as the Physical Underlying insert, if appropriate, the following text: the shares of [•] with the ISIN [•]]*

*[in the case of certificates representing shares as the Physical Underlying insert, if appropriate, the following text: the [American Depositary Receipt] [Global Depositary Receipt] [•] of [•] with the ISIN [•]]*

*[in the case of an Index as the Physical Underlying insert, if appropriate, the following text: index securities linked to the performance of the Index with the ISIN [•]]*

*[in the case of a fund unit as the Physical Underlying insert, if appropriate, the following text: Fund Unit in the Fund with the ISIN [•]]*

*[in the case of precious metals or commodities as the Physical Underlying insert the following text: securities linked to the performance of the relevant Underlying with the ISIN [•]]*

[•]

[in a number that considers [the Participation Factor] [the Leverage Factor] [the Multiplication Factor] [the Multiplier], expressed as a decimal number] [•].]

**[Portfolio Performance:**

The Portfolio Performance [means [•]] [is calculated in accordance with the following formula [•]].]

**[Price of the Basket Component:**

The Price of the Basket Component means

[•]

[the [•] price(s) of the respective Basket Component(s) as [continuously] determined [by the Relevant Trading System] [or] [on the Relevant Exchange]] [or]

*[in the case of an Index as the Basket Component insert, if applicable, the following text: the [•] price(s) of the [relevant] Basket Component(s) as calculated and published by [the Index Sponsor] [the Index Calculator]] [or]*

*[in the case of a currency exchange rate as the Basket Component insert, if applicable, the following text: [•] [the [•] [bid] [mean] [ask] [•] price(s) of the [relevant] Basket Component(s) as [[continuously] determined on the Relevant Exchange Market] [and] [published on [[Reuters] [Bloomberg] on page ["EUROFX/1" [•]] [the Relevant Screen Page], or a substitute page thereof.] [or]*

*[in the case of an interest rate as the Basket Component insert, if applicable, the following text: [•] [the [•] price(s) of the [relevant] Basket Component(s) as [[continuously] determined on the Relevant Reference Market] [and] [published on the Relevant Screen Page or a substitute page thereof]] [or]*

*[in the case of a fund unit as the Basket Component insert, if applicable, the following text: [•] [the Net Asset Value of the [relevant] Fund in relation to the Fund Unit, as calculated [and published] by [•] [the [relevant] administrator of the Fund] [or]*

*[in the case of a futures contract as the Basket Component insert, if applicable, the following text: [•] [the [•] price(s) of the [relevant] Basket Component(s) as [[continuously] determined on the Relevant Reference*

Market] [and] [published on the Relevant Screen Page or a substitute page thereof]]] [or]

*[in the case of a reference rate as the Basket Component insert, if applicable, the following text: [•] [the [•]price[s] of the [relevant] Basket Component[s] as [[continuously] determined [on the Relevant Reference Market] [by the Relevant Reference Agent]] [and] [published on the Relevant Screen Page or a substitute page thereof].]] [or]*

[The Price of each Basket Component is [expressed in] [converted into] [related to] [the Underlying Currency] [•].]

[One (1) unit of the Underlying Currency equals one (1) unit [•], “Quanto [•]”).]

*[in the case of a currency exchange rate, interest rate, futures contract or a reference rate as Basket Component, as the case may be, insert, if applicable, the following text: [•] [If the [respective] Relevant Screen Page at the [respective] [Fixing Time] [or, as the case may be,] [Valuation Time] is not available or if the Price for the [respective] Basket Component is not displayed, the relevant Price shall be the [[•]rate] [[•]price] [•] [(expressed as a percentage p.a.)] as displayed on the corresponding page of another financial information service. If the Price of the [respective] Basket Component is no longer displayed in one of the above forms, the Issuer is entitled to specify at its reasonable discretion a [[•]rate] [[•]price] [•] [(expressed as a percentage p.a.)] calculated on the basis of the standard market practices applicable at that time as the relevant price. In this case the Issuer is entitled but not obliged to request from reference banks selected at its reasonable discretion their respective quotes for the [[•]rate] [[•]price] [•] corresponding to the [respective] Basket Component [(expressed as a percentage rate p.a.)] at the [respective] [Fixing Time] [or, as the case may be,] [Valuation Time] on the relevant [Valuation Date] [Final Valuation Date] [Valuation Averaging Date] [•]. If at least [two] [•] of the reference banks have provided a corresponding quote to the Issuer, the Calculation Agent is entitled but not obliged to determine the relevant price by using the [arithmetical] average calculated by it (if necessary rounded to the nearest one thousandth of a percent) of the quotes specified by these reference banks.]]]*

**[Price of the Underlying:**

The Price of the Underlying means

[•]

[[the [•] price of the Underlying as [continuously] determined [in the Relevant Trading System] [or] [on the Relevant Exchange].]

*[in the case of an Index as the Underlying insert, if applicable, the following text: the [•] price of the Underlying as calculated and published by [the Index Sponsor] [the Index Calculator].]*

*[in the case of a currency exchange rate as the Underlying insert, if applicable, the following text: [•] [the [•] [bid] [mean] [ask] [•] price of the Underlying as [[continuously] determined on the Relevant Exchange Market] [and] [published on [[Reuters] [Bloomberg] on page [“EUROFX/1”] [•]] [the Relevant Screen Page], or a substitute page thereof.]*

*[in the case of an interest rate as the Underlying insert, if applicable, the following text: [•] [the [•] price of the Underlying as [[continuously]*



determined on the Relevant Reference Market] [and] [published on the Relevant Screen Page or a substitute page thereof].]

*[in the case of a fund unit as the Underlying insert, if appropriate, the following text: [•] [the Net Asset Value of the Fund in relation to the Fund Unit, as calculated [and published] by the administrator of the Fund.]]*

*[in the case of a futures contract as the Underlying insert, if applicable, the following text: [•] [the [•] price of the Underlying as [[continuously] determined on the Relevant Reference Market] [and] [published on the Relevant Screen Page or a substitute page thereof].]]*

*[in the case of a reference rate as the Underlying insert, if applicable, the following text: [•] [the [•] price of the Underlying as [[continuously] determined [on the Relevant Reference Market] [by the Relevant Reference Agent]] [and] [published on the Relevant Screen Page or a substitute page thereof].]]*

*[in the case of a Basket as the Underlying insert, if applicable, the following text: [•] [the sum of the respective Prices of the Basket Components [each multiplied by the [Percentage] Weighting of the respective Basket Component within the Basket.]]*

*[in the case of a portfolio of Underlyings insert, if applicable, the following text: [•] [the sum of the respective Prices of the Underlyings [each multiplied by the [Percentage] Weighting of the respective Underlying within the portfolio] [, related to the Underlying Currency].]]*

[The Price of the [respective] Underlying is [expressed in] [converted into] [related to] [the Underlying Currency] [•].]

[One (1) unit of the Underlying Currency equals one (1) unit [•], “**Quanto [•]**”).]

*[in the case of a currency exchange rate, interest rate, futures contract or a reference rate as the Underlying, as the case may be, add, if applicable, the following text: [•] [If the [respective] Relevant Screen Page at the [respective] [Fixing Time] [or, as the case may be,] [Valuation Time] is not available or if the Price for the [respective] Underlying is not displayed, the relevant Price shall be the [[•]rate] [[•]price] [•] [(expressed as a percentage p.a.)] as displayed on the corresponding page of another financial information service. If the Price of the [respective] Underlying is no longer displayed in one of the above forms, the Issuer is entitled to specify at its reasonable discretion a [[•]rate] [[•]price] [•] [(expressed as a percentage p.a.)] calculated on the basis of the standard market practices applicable at that time as the relevant price. In this case the Issuer is entitled but not obliged to request from reference banks selected at its reasonable discretion their respective quotes for the [[•]rate] [[•]price] [•] corresponding to the [respective] Underlying [(expressed as a percentage rate p.a.)] at the [respective] [Fixing Time] [or, as the case may be,] [Valuation Time] on the relevant [Valuation Date] [Final Valuation Date] [Valuation Averaging Date] [•]. If at least [two] [•] of the reference banks have provided a corresponding quote to the Issuer, the Calculation Agent is entitled but not obliged to determine the relevant price by using the [arithmetic] average calculated by it (if necessary rounded to the nearest one thousandth of a percent) of the quotes specified by these reference banks.]]*

<b>Principal Paying Agent:</b>	The Principal Paying Agent means [•] [UBS AG, Bahnhofstrasse 45, 8001 Zurich, Switzerland, and Aeschenvorstadt 1, 4051 Basel, Switzerland [ , acting through its [London Branch, 5 Broadgate, London EC2M 2QS, United Kingdom] [Jersey Branch, 24 Union Street, Saint Helier, Jersey JE4 8UJ]].
<b>[Protected Participation Factor:</b>	<p>The Protected [Contingent] Participation Factor<sub>(((•)))</sub> <sub>(((•=1)))</sub> [of the Underlying<sub>(((•)))</sub>] [of the Basket Component<sub>(((•)))</sub>] [equals [•].]</p> <p>[of the [Underlying<sub>(((•=1)))</sub>] [Basket Component<sub>(((•=1)))</sub>] equals [•], [•] and</p> <p>the Protected [Contingent] Participation Factor<sub>(((•=n)))</sub> [of the Underlying<sub>(((•=n)))</sub>] [of the Basket Component<sub>(((•=n)))</sub>] equals [•].]</p> <p>[The term “Protected [Contingent] Participation Factor” shall also refer to all Protected [Contingent] Participation Factors<sub>(((•=1)))</sub> to <sub>(((•=n)))</sub>.]</p> <p>[[indicative.] The [respective] Protected [Contingent] Participation Factor [of the [respective] [Underlying<sub>(((•)))</sub>] [Basket Component<sub>(((•)))</sub>] will be fixed on the Fixing Date [at the Fixing Time]. * ]</p>
<b>[Protected Coupon Allocation Period:</b>	<p>The Protected Coupon Allocation Period<sub>(((•)))</sub> <sub>(((•,•)))</sub> means [•] [the period (expressed in number of calendar days) from [(and including)] [(but excluding)] the [Fixing Date] [Issue Date] [•] to [(and including)] [(but excluding)] [the next succeeding [Coupon Payment Date]] [•]].</p> <p>[The term "Protected Coupon Allocation Period" shall also refer to all Protected Coupon Allocation Periods<sub>(((•=1)))</sub> to <sub>(((•=n)))</sub>.]</p>
<b>R.</b>	
<b>[Rate:</b>	The Rate equals [•] [[•] + [•] [per annum]]
<b>[Rebate Factor:</b>	The Rebate Factor equals [•]. [indicative. The Rebate Factor will be fixed on the Fixing Date [at the Fixing Time]. * ]
<b>[Record Date:</b>	The Record Date means [•].]
<b>Redemption Currency:</b>	<p>The Redemption Currency means [•]. [The product feature “<b>Currency Conversion</b>” applies.]</p> <p>[The Issuer shall [at any time] [on the [Final] Valuation Date] [•] be entitled to replace [by giving notice to the Securityholders in accordance with § 14 of these Conditions] [•] by [•] [the Underlying Currency] and all following payments to the Securityholder will then be made in such other currency as Redemption Currency.][•] [The product feature “<b>Dual Currency</b>” applies.] [The product feature “<b>Currency Conversion</b>” applies.]</p>
<b>[Redemption Level:</b>	<p>The Redemption Level<sub>(((•)))</sub> <sub>(((•=1)))</sub> [of the Underlying<sub>(((•)))</sub>] [of the Basket Component<sub>(((•)))</sub>]</p> <p>[equals [•].]</p> <p>[of the [Underlying<sub>(((•=1)))</sub>] [Basket Component<sub>(((•=1)))</sub>] equals [•], [•] and</p> <p>the Redemption Level<sub>(((•=n)))</sub> of the [Underlying<sub>(((•=n)))</sub>] [Basket Component<sub>(((•=n)))</sub>] equals [•].]</p>

[One (1) unit of the Underlying Currency equals one (1) unit [•], “**Quanto [•]**”).]

[The term “Redemption Level” shall also refer to all Redemption Levels<sub>([•]=1)</sub> to <sub>([•]=[n][•])</sub>.]

[[indicative.] The [respective] Redemption Level [of the [respective] Underlying<sub>([•])</sub>] [Basket Component<sub>([•])</sub>] will be fixed on the Fixing Date [at the Fixing Time]. \* ] ]

**[Reference Level:**

The Reference Level<sub>([•])</sub> <sub>([•]=1)</sub> [of the Underlying<sub>([•])</sub>] [of the Basket Component<sub>([•])</sub>]

[equals [•].]

[of the Underlying<sub>([•]=1)</sub>] [Basket Component<sub>([•]=1)</sub>] equals [•], [•] and

the Reference Level<sub>([•]=[n][•])</sub> of the Underlying<sub>([•]=[n][•])</sub> [Basket Component<sub>([•]=[n][•])</sub>] equals [•].]

[One (1) unit of the Underlying Currency equals one (1) unit [•], “**Quanto [•]**”).]

[The term “Reference Level” shall also refer to all Reference Levels<sub>([•]=1)</sub> to <sub>([•]=[n][•])</sub>.]

*[in the case of Fixing Observation Dates insert, if appropriate, the following text: [the [highest] [lowest] [official closing price] [Price] of [the Underlying] [the Underlying<sub>([•])</sub>] [the relevant Underlying<sub>([•])</sub>] [the Relevant Underlying] [the relevant Basket Component<sub>([•])</sub>] [on a Fixing Observation Date] [•] [at the Fixing Time] as determined by the Calculation Agent [on the Fixing Date] [•].]*

[the arithmetic average of the [official closing prices] [Prices] of [the Underlying] [the Underlying<sub>([•])</sub>] [the relevant Underlying<sub>([•])</sub>] [the Relevant Underlying] [the relevant Basket Component<sub>([•])</sub>] [on the Fixing Observation Dates] [•] [at the Fixing Time] as determined by the Calculation Agent [on the Fixing Date] [•].]

[in the case of a Fixing Observation Period insert, if appropriate, the following text: [the [highest] [lowest] [official closing price] [Price] of [the Underlying] [the Underlying<sub>([•])</sub>] [the relevant Underlying<sub>([•])</sub>] [the Relevant Underlying] [the relevant Basket Component<sub>([•])</sub>] within the Fixing Observation Period, as determined by the Calculation Agent [on the Fixing Date] [•].]

[the arithmetic average of the [official closing prices] [Prices] of [the Underlying] [the Underlying<sub>([•])</sub>] [the relevant Underlying<sub>([•])</sub>] [the Relevant Underlying] [the relevant Basket Component<sub>([•])</sub>] on each [[Underlying] [Basket Component] Calculation Date] [Banking Day] [Business Day] [•] during the Fixing Observation Period as determined by the Calculation Agent [on the Fixing Date] [•].]

[[indicative.] The [respective] Reference Level [of the [respective] Underlying<sub>([•])</sub>] [Basket Component<sub>([•])</sub>] will be fixed on the Fixing Date [at the Fixing Time]. \* ] ]

**[Reference Level of the Basket Component:**

The Reference Level<sub>([•])</sub> <sub>([•]=1)</sub> [of the Basket Component<sub>([•])</sub>]

[equals [•].]

[of the Basket Component<sub>([\*]=1)</sub> equals [•], [•] and

the Reference Level<sub>([\*]=n][\*])</sub> of the Basket Component<sub>([\*]=n][\*])</sub> equals [•].]

[One (1) unit of the Underlying Currency equals one (1) unit [•], “**Quanto [•]**”).]

[The term “Reference Level of the Basket Component” shall also refer to all Reference Levels of the Basket Component<sub>([\*]=1)</sub> to <sub>([\*]=n][\*])</sub>.]

*[in the case of Fixing Observation Dates insert, if appropriate, the following text: [the [highest] [lowest] [official closing price] [Price] of [the relevant Basket Component<sub>([\*])</sub>] [•] [on a Fixing Observation Date] [•] [at the Fixing Time] as determined by the Calculation Agent [on the Fixing Date] [•].]*

[the arithmetic average of the [official closing prices] [Prices] of [the relevant Basket Component<sub>([\*])</sub>] [•] [on the Fixing Observation Dates] [•] [at the Fixing Time] as determined by the Calculation Agent [on the Fixing Date] [•].]

*[in the case of a Fixing Observation Period insert, if appropriate, the following text: [the [highest] [lowest] [official closing price] [Price] of [the relevant Basket Component<sub>([\*])</sub>] [•] within the Fixing Observation Period, as determined by the Calculation Agent [on the Fixing Date] [•].]*

[the arithmetic average of the [official closing prices] [Prices] of [the relevant Basket Component<sub>([\*])</sub>] [•] on each [[Underlying] [Basket Component] Calculation Date] [Banking Day] [Business Day] [•] during the Fixing Observation Period as determined by the Calculation Agent [on the Fixing Date] [•].]

[[indicative.] The [respective] Reference Level [of the [respective] Basket Component<sub>([\*])</sub>] will be fixed on the Fixing Date [at the Fixing Time]. \* ]

**[Reference Price:**

**[The Reference Price [of the Underlying] [in the case of a portfolio of Underlyings insert, if appropriate, the following text: in relation to the relevant Underlying<sub>([\*])</sub>] [in the case of a Basket as the Underlying insert, if appropriate, the following text: in relation to the relevant Basket Component<sub>([\*])</sub>] equals**

**[•]**

**[the Price of the Underlying on [the Valuation Date] [the Final Valuation Date] [at the Valuation Time].]**

**[the [arithmetic] average of the Prices of the Underlying on each of the Valuation Averaging Dates [at the Valuation Time] as determined by the Calculation Agent.]**

***[in the case of a portfolio of Underlyings insert, if appropriate, the following text: the Price of [the relevant Underlying<sub>([\*])</sub>] [the Relevant Underlying] on [the Valuation Date] [the Final Valuation Date] [at the Valuation Time].]***

***[in the case of a portfolio of Underlyings insert, if appropriate, the following text: the [arithmetic] average of the Prices of [the relevant Underlying<sub>([\*])</sub>] [the Relevant Underlying] on each of the Valuation Averaging Dates [at the Valuation Time] as determined by the Calculation Agent.]***

[in the case of a Basket of Underlyings insert, if appropriate, the following text: [the Price of [the relevant Basket Component<sub>(t,•)</sub>] on [the Valuation Date] [the Final Valuation Date] [at the Valuation Time]] [the [arithmetic] average of the Prices of [the respective Basket Component<sub>(t,•)</sub>] on each of the Valuation Averaging Dates [at the Valuation Time] as determined by the Calculation Agent] [the sum of the respective [•] Prices of the Basket Components [each multiplied by the [Percentage] Weighting of the respective Basket Component within the Basket] [, related to the Underlying Currency]].]

[The Reference Price [of the Underlying] [in the case of a portfolio of Underlyings insert, if appropriate, the following text: in relation to the relevant Underlying<sub>(t,•)</sub>] is calculated in accordance with the following formula: [•]

$$\text{Reference Price} = \text{Reference Price}_{(t-1)} \times \left( \frac{\text{Price}_{(t)} + \text{ActualDiv}_{(t)}}{\text{Price}_{(t-1)}} \right) - \frac{\text{Act}_{(t-1,t)}}{[365][\bullet]} \times \text{FixedDiv}$$

[Where:

"**Reference Price<sub>(t-1)</sub>**" means the Reference Price of [the Underlying] [the relevant Underlying<sub>(t,•)</sub>] [•] [on the immediately preceding Underlying Calculation Date] [on the immediately preceding Valuation Date] [on the Final Valuation Date] [at the Valuation Time].

"**Price<sub>(t)</sub>**" means the [Price] [•] of [the Underlying] [the relevant Underlying<sub>(t,•)</sub>] [•] [on the relevant Underlying Calculation Date] [on the relevant Valuation Date] [on the Final Valuation Date] [at the Valuation Time].

"**Price<sub>(t-1)</sub>**" means the [Price] [•] of [the Underlying] [the relevant Underlying<sub>(t,•)</sub>] [•] [on the immediately preceding Underlying Calculation Date] [on the immediately preceding Valuation Date] [at the Valuation Time].

"**Act<sub>(t-1,t)</sub>**" means [•] [the period (expressed in number of calendar days) from [(and including)] [(but excluding)] [•] [the immediately preceding Underlying Calculation Date] [the immediately preceding Valuation Date] [•] to [(and including)] [(but excluding)] [the relevant Underlying Calculation Date] [the relevant Valuation Date] [the Final Valuation Date] [•]].

"**ActualDiv<sub>(t)</sub>**" means the Actual Dividend which has an Ex-Date falling on the [Underlying Calculation Date] [Valuation Date] [Final Valuation Date] [•]. If no Actual Dividend has an Ex-Date falling on the [Underlying Calculation Date] [Valuation Date] [Final Valuation Date] [•], ActualDiv(t) is equal to zero.

"**FixedDiv**" means [•].

For the avoidance of doubt, the Reference Price is floored at zero.

For these purposes:

"**Actual Dividend**" means any Gross Cash Dividend and/or any Gross Cash Equivalent Dividend (in both cases which are not deemed to be an extraordinary dividend as determined and characterized by the Calculation Agent at its reasonable discretion) declared by the issuer of [the Underlying] [the relevant Underlying<sub>(t,•)</sub>] [•] to any holder of record

of a single share of [the Underlying] [the relevant Underlying<sub>(i+1)</sub>] [•] on the relevant record date in respect of such Gross Cash Dividend or Gross Cash Equivalent Dividend.

With respect to any Actual Dividend, the date on which [the Underlying] [the relevant Underlying<sub>(i+1)</sub>] [•] has commenced trading ex-dividend is defined as the Ex-Date for such Actual Dividend.

"**Gross Cash Dividend**" means an amount per share of [the Underlying] [the relevant Underlying<sub>(i+1)</sub>] [•] as declared by the issuer of [the Underlying] [the relevant Underlying<sub>(i+1)</sub>] [•], before the withholding or deduction of taxes at source by or on behalf of any applicable authority having power to tax in respect of such a dividend (an "**Applicable Authority**"), and shall exclude: (a) any imputation or other credits, refunds or deductions granted by an Applicable Authority (together the "**Credits**"); and (b) any taxes, credits, refunds or benefits imposed, withheld, assessed or levied on the Credits referred to in (a) above.

"**Gross Cash Equivalent Dividend**" means an amount per share of [the Underlying] [the relevant Underlying<sub>(i+1)</sub>] [•] being the cash value of any stock dividend (whether or not such stock dividend comprises of shares of [the Underlying] [the relevant Underlying<sub>(i+1)</sub>] [•]) declared by the issuer of [the Underlying] [the relevant Underlying<sub>(i+1)</sub>] [•].

Where the issuer of [the Underlying] [the relevant Underlying<sub>(i+1)</sub>] [•] does not declare a cash value of such dividend, an amount determined by the Calculation Agent on the basis of the price on the Ex-Date (the "**Stock Dividend Closing Price**"). If the Stock Dividend Closing Price is not available for any reason, the Gross Cash Equivalent Dividend shall be determined by the Calculation Agent in its sole and reasonable discretion.

"**Ex-Date**" means the date on which [the Underlying] [the relevant Underlying<sub>(i+1)</sub>] [•] has commenced trading ex-dividend.

If, prior to any payment date, (a) the amount actually paid or delivered by the issuer of [the Underlying] [the relevant Underlying<sub>(i+1)</sub>] [•] to holders of record of [the Underlying] [the relevant Underlying<sub>(i+1)</sub>] [•] in respect of any Gross Cash Dividend and/or Gross Cash Equivalent Dividend (a "**Paid Dividend**") is not equal to the amount declared by the issuer of [the Underlying] [the relevant Underlying<sub>(i+1)</sub>] [•] to holders of record of [the Underlying] [the relevant Underlying<sub>(i+1)</sub>] [•] in respect of any Gross Cash Dividend and/or Gross Cash Equivalent Dividend ("**Declared Dividend**") or (b) the issuer of [the Underlying] [the relevant Underlying<sub>(i+1)</sub>] [•] declares an intention to adjust any Declared Dividend, then the Calculation Agent shall adjust the corresponding Actual Dividend in its sole and reasonable discretion.

Where any Gross Cash Dividend and/or Gross Cash Equivalent Dividend are expressed in a currency (the "**Dividend Currency**") other than the Underlying Currency, then the Calculation Agent shall convert such Gross Cash Dividend and/or Gross Cash Equivalent Dividend into the Underlying Currency using the FX Rate in respect of the Dividend Currency on the relevant Ex-Date.]]

[If on [the relevant Underlying Calculation Date] [the relevant Valuation Date] [the Final Valuation Date], in the opinion of the Calculation Agent at its reasonable discretion, there is not sufficient liquidity in relation to [the Underlying] [the relevant Underlying<sub>(i+1)</sub>] [one or more of the Underlyings] [one or more of the Basket Components] or if the unwinding of any hedging transaction, due to such illiquidity or any other reason, has an inadequate impact on the Price of [the Underlying] [the

relevant Underlying<sub>(i)</sub> [one or more of the Underlyings] [one or more of the Basket Components], the Calculation Agent shall determine the Reference Price based on the [arithmetical] [volume weighted] average of the [•] prices of [the Underlying] [the relevant Underlying<sub>(i)</sub>], as indicated by the unwinding of the related hedging transactions in [the Underlying] [the relevant Underlying<sub>(i)</sub>] [the relevant Basket Component], on [the relevant Underlying Calculation Date] [the relevant Valuation Date] [the Final Valuation Date] [each of the Valuation Averaging Dates]. [The Calculation Agent shall determine [the closing dates on the Fixing Date and] the unwinding dates of the hedging transactions at its reasonable discretion.]]

[One (1) unit of the Underlying Currency equals one (1) unit [•], “**Quanto [•]**”).]

**[Reference Share(s) per Denomination[/Multiplication Factor]:**

Reference Share(s) per Denomination[/Multiplication Factor]<sub>(i)</sub> [means] [equal(s)] [for each Underlying<sub>(i)</sub>] [in relation to Underlying<sub>(i)</sub>] [equal(s)] [•] [the quotient of [the Nominal Amount] [the Calculation Amount] [•] divided by the [respective] Strike<sub>(i)</sub>] [•] [, the result] [in each case] [multiplied by the [respective] [Participation Factor] [Leverage Factor] [Multiplication Factor] [Multiplier] [FX Rate]] [and] [commercially rounded to [two] [four] [•] decimal places].]

[The term “Reference Share(s) per Denomination[/Multiplication Factor]” shall also refer to all Reference Share(s) per Denomination[/Multiplication Factor]<sub>(i)</sub> to <sub>(i)=n</sub> [•].]

[Reference Share(s) per Denomination[/Multiplication Factor] will be fixed [on the Fixing Date [at the Fixing Time]] [on the Valuation Date [at the Valuation Time] [•]] [•]. [\*]]

**[Reinvestment Level:**

The Reinvestment Level<sub>(i)</sub> [of the Underlying<sub>(i)</sub>] [of the Basket Component<sub>(i)</sub>]

[equals [•].]

[of the [Underlying<sub>(i)</sub>] [Basket Component<sub>(i)</sub>] equals [•], [•] and

the Reinvestment Level<sub>(i)</sub> of the [Underlying<sub>(i)</sub>] [Basket Component<sub>(i)</sub>] equals [•].]

[One (1) unit of the Underlying Currency equals one (1) unit [•], “**Quanto [•]**”).]

[The term “Reinvestment Level” shall also refer to all Reinvestment Levels<sub>(i)</sub> to <sub>(i)=n</sub> [•].]

[[indicative.] The [respective] Reinvestment Level [of the [respective] [Underlying<sub>(i)</sub>] [Basket Component<sub>(i)</sub>] will be fixed on the Fixing Date [at the Fixing Time]. \*]]

**[Relevant Conversion Rate:**

The Relevant Conversion Rate means [the relevant [bid] [mean] [ask] rate] [•]

[as determined by the Calculation Agent at its reasonable discretion.] [as published on [•].]

[(i) [the Valuation Date] [the Final Valuation Date] [the latest of the Valuation Averaging Dates] [Observation Date<sub>(i)</sub>] or (ii) in the case of a termination by the Issuer [in accordance with § [•] of the Conditions of the Securities], on the [Termination Date] [day, on which the Termination

Event occurs] [•], [or (iii) in the case of a termination by the Issuer [in accordance with § [2] [•] of the Conditions of the Securities], on [the Issuer Exercise Date] [•] [or [(iii)][(iv)] in the case of a termination by the Securityholders, on [•] [the day, on which the Event of Default occurs]],

[the Banking Day immediately succeeding (i) [the Valuation Date] [the Final Valuation Date] [the latest of the Valuation Averaging Dates] [Observation Date<sub>((•)=[n][•])</sub>] or (ii) in the case of termination by the Issuer [in accordance with § [•] of the Conditions of the Securities], the [Termination Date] [day, on which the Termination Event occurs] [•], [or (iii) in the case of a termination by the Issuer [in accordance with § [2] [•] of the Conditions of the Securities], [the Issuer Exercise Date] [•] [or [(iii)][(iv)] in the case of a termination by the Securityholders, [•] [the day, on which the Event of Default occurs]],

[on [Reuters] [Bloomberg] [•] on page [•] or a substitute page thereof.]

[If the Relevant Conversion Rate is not determined or quoted in the manner described above or if controversial [bid] [mean] [ask] rates are quoted, the Issuer shall be entitled to identify a Relevant Conversion Rate, determined on the basis of the then prevailing market customs.]]

**[Relevant Country:**

The Relevant Country means with respect to the [Underlying] [Basket Component], each of (i) any country (or any political or regulatory authority thereof) in which the currency used as [the Underlying] [the Basket Component] is the legal tender or currency; and (ii) any country (or any political or regulatory authority thereof) with which the currency used as [the Underlying] [the Basket Component] has a material connection and, in determining what is material the Calculation Agent may, without limitation, refer to such factors as it may deem appropriate at its reasonable discretion.]

**[Relevant Exchange:**

The Relevant Exchange<sub>((•))</sub> means

[•]

[[•] in relation to the [Underlying<sub>((•)=1)</sub>] [Basket Component<sub>((•)=1)</sub>] [•], [•] and [•] in relation to the [Underlying<sub>((•)=[n][•])</sub>] [Basket Component<sub>((•)=[n][•])</sub>]. [The term "Relevant Exchange" shall also refer to all Relevant Exchanges<sub>((•)=1)</sub> to <sub>((•)=[n][•])</sub>.]]

*[in the case of an Index as the Underlying or Basket Component, as the case may be, insert, if appropriate, the following text: the stock exchange(s) on which the Components comprised in the Index are traded, as determined by [the Index Sponsor] [or] [the Index Calculator, as the case may be].]]*

**[Relevant Exchange Market:**

The Relevant Exchange Market<sub>((•))</sub> means

[•]

[the foreign exchange market[s], on which the [[Underlying[s]] [Basket Component[s]]] [is] [are] primarily traded.]

[[•] in relation to the [Underlying<sub>((•)=1)</sub>] [Basket Component<sub>((•)=1)</sub>], [•] and [•] in relation to the [Underlying<sub>((•)=[n][•])</sub>] [Basket Component<sub>((•)=[n][•])</sub>]. The term "Relevant Exchange Market" shall also refer to all Relevant Exchange Markets<sub>((•)=1)</sub> to <sub>((•)=[n][•])</sub>.]]



<b>[Relevant Futures and Options Exchange:</b>	<p>The Relevant Futures and Options Exchange<sub>[(*)]</sub> means [•]</p> <p>[[•] in relation to the [Underlying<sub>[(*)=1]</sub>] [Basket Component<sub>[(*)=1]</sub>], [•] and [•] in relation to the [Underlying<sub>[(*)=n][•]</sub>] [Basket Component<sub>[(*)=n][•]</sub>].]</p> <p>[The futures and options exchange[s], on which futures and option contracts on the [[Underlying[s]] [Basket Component[s]] are primarily traded]. [The term “Relevant Futures and Options Exchange” shall also refer to all Relevant Futures and Options Exchanges<sub>[(*)=1]</sub> to <sub>[(*)=n][•]</sub>].]</p>
<b>[Relevant Reference Agent:</b>	<p>The Relevant Reference Agent<sub>[(*)]</sub> means [•]</p> <p>[[•] in relation to the [Underlying<sub>[(*)=1]</sub>] [Basket Component<sub>[(*)=1]</sub>], [•] and [•] in relation to the [Underlying<sub>[(*)=n][•]</sub>] [Basket Component<sub>[(*)=n][•]</sub>]. The term “Relevant Reference Agent” shall also refer to all Relevant Reference Agents<sub>[(*)=1]</sub> to <sub>[(*)=n][•]</sub>].]</p>
<b>[Relevant Reference Market:</b>	<p>The Relevant Reference Market<sub>[(*)]</sub> means [•]</p> <p>[[•] in relation to the [Underlying<sub>[(*)=1]</sub>] [Basket Component<sub>[(*)=1]</sub>], [•] and [•] in relation to the [Underlying<sub>[(*)=n][•]</sub>] [Basket Component<sub>[(*)=n][•]</sub>]. The term “Relevant Reference Market” shall also refer to all Relevant Reference Markets<sub>[(*)=1]</sub> to <sub>[(*)=n][•]</sub>].]</p>
<b>[Relevant Reference Rate:</b>	<p>The Relevant Reference Rate equals <i>[insert description of the reference rate: [•].]</i></p>
<b>[Relevant Screen Page:</b>	<p>The Relevant Screen Page<sub>[(*)]</sub> means [•]</p> <p>[[•] in relation to the [Underlying<sub>[(*)=1]</sub>] [Basket Component<sub>[(*)=1]</sub>], [•] and [•] in relation to the [Underlying<sub>[(*)=n][•]</sub>] [Basket Component<sub>[(*)=n][•]</sub>]. [The term “Relevant Screen Page” shall also refer to all Relevant Screen Pages<sub>[(*)=1]</sub> to <sub>[(*)=n][•]</sub>].]</p>
<b>[Relevant Trading System:</b>	<p>The Relevant Trading System<sub>[(*)]</sub> means [•]</p> <p><i>[in the case of an Index as the Underlying or Basket Component, as the case may be, insert, if appropriate, the following text: The trading system(s) in which the Components comprised in the Index are traded, as determined by the [Index Sponsor] [or] [the Index Calculator, as the case may be].]</i></p> <p><i>[in the case of a Fund Unit as the Underlying or Basket Component, as the case may be, insert, if appropriate, the following text: [the Fund] [•].]</i></p> <p>[[•] in relation to the [Underlying<sub>[(*)=1]</sub>] [Basket Component<sub>[(*)=1]</sub>], [•] and [•] in relation to the [Underlying<sub>[(*)=n][•]</sub>] [Basket Component<sub>[(*)=n][•]</sub>]. The term “Relevant Trading System” shall also refer to all Relevant Trading Systems<sub>[(*)=1]</sub> to <sub>[(*)=n][•]</sub>].]</p>
<b>[Relevant Underlying:</b>	<p>The Relevant Underlying means</p>

[•]

[the Underlying<sub>([•])</sub> with the **[lowest] [highest]** performance with respect to [the Settlement Price] [the Reference Price] [•] in relation to [the Reference Level] [•].]

[the Underlying<sub>([•])</sub>, which has had, in relation to the other Underlyings, the **worst** performance during the Term of the Securities]

[the Underlying<sub>([•])</sub>, which has had, in relation to the other Underlyings, the **best** performance during the Term of the Securities].]

**[Reverse Level:**

The Reverse Level<sub>([•])</sub> <sub>([•]=1)</sub> [of the Underlying<sub>([•])</sub>] [of the Basket Component<sub>([•])</sub>]

[equals [•].]

[of the [Underlying<sub>([•]=1)</sub>] [Basket Component<sub>([•]=1)</sub>] equals [•], [•] and

the Reverse Level<sub>([•]=[n][•])</sub> of the [Underlying<sub>([•]=[n][•])</sub>] [Basket Component<sub>([•]=[n][•])</sub>] equals [•].]

[One (1) unit of the Underlying Currency equals one (1) unit [•], “**Quanto [•]**”).]

[The term “Reverse Level” shall also refer to all Reverse Levels<sub>([•]=1)</sub> to <sub>([•]=[n][•])</sub>.]

[[indicative.] The [respective] Reverse Level [of the [respective] [Underlying<sub>([•])</sub>] [Basket Component<sub>([•])</sub>] will be fixed on the Fixing Date [at the Fixing Time]. \* ]]

**[Roll Over Date:**

Roll Over Date means [the last trading date] [the first trading date after the last trading date] [•] of the futures contract in the Relevant Reference Market. If, at that date, the Issuer determines at its reasonable discretion that there is insufficient liquidity in the futures contract used as [the Underlying] [the Basket Component] in the Relevant Reference Market or that a comparable extraordinarily market situation prevails, the Issuer shall be entitled to determine at its reasonable discretion another day as Roll Over Date.]

**S.  
Securities:**

Securities means the [specify designation of the Securities: [•]] issued by the Issuer in [the Issue Size] [the Aggregate Nominal Amount and with the denomination of the Nominal Amount per Security] [•] with the following product feature:

Participation Factor:	[Applicable] [Not Applicable]
Leverage Factor:	[Applicable] [Not Applicable]
Multiplier:	[Applicable] [Not Applicable]
Multiplication Factor:	[Applicable] [Not Applicable]
Leverage:	[Applicable] [Not Applicable]
Reverse Structure:	[Applicable] [Not Applicable]
Express Structure:	[Applicable] [Not Applicable]
Thresholds, Barriers or Levels:	[Applicable] [Not Applicable]
Maximum Amount:	[Applicable] [Not Applicable]
Relevant Underlying:	[Applicable] [Not Applicable]
Physical Delivery:	[Applicable] [Not Applicable]
Final Lock-In:	[Applicable] [Not Applicable]

Automatic Termination:	[Applicable] [Not Applicable]	
Currency Conversion:	[Applicable] [Not Applicable]	
Dual Currency:	[Applicable] [Not Applicable]	
Capital Protection:	[Applicable] [Not Applicable] [Capital Protected Securities] [Partly Capital Protected Securities]	
No predefined term:	[Applicable] [Not Applicable]	
Time-lagged Valuation:	[Applicable] [Not Applicable]	
Minimum Exercise Size:	[Applicable] [Not Applicable]	
Securityholder's Termination Right:	[Applicable] [Not Applicable]	
Quanto:	[Applicable] [Not Applicable]	
Consideration of Components:	[Applicable] [Not Applicable]	
Individual Determination:	[Applicable] [Not Applicable]	
Collective Determination:	[Applicable] [Not Applicable]	
Benchmark Adjustment:	[Applicable] [Not Applicable]	
Price Dividend Adjustment:	[Applicable] [Not Applicable]	

The Securities are being [issued] [formed as] [in bearer form [as debt securities within the meaning of § 793 German Civil Code] [and will be represented on issue by [one or more permanent global bearer security/ies (each a "Global Security")] [a temporary global bearer security (each a "Temporary Global Security") exchangeable upon certification of non-U.S. beneficial ownership for a permanent global bearer security (each a "Permanent Global Security", and together with the Temporary Global Security, a "Global Security")]] [in uncertificated and dematerialised form to be registered in book-entry form at the Clearing System [(also the "Swedish Securities")] [(also the "Finnish Securities")] [(also the "Norwegian Securities")] [(also the "Danish Securities")] and will not be represented by definitive securities.

**[Security Agent:**

The Security Agent means [UBS Europe SE, Bockenheimer Landstrasse 2 - 4, 60306 Frankfurt am Main, Federal Republic of Germany.] [•] [The term "Security Agent" shall also refer to all Security Agents.]]

**[Securityholder Termination Amount:**

The Securityholder Termination Amount equals [•] [an amount in the Redemption Currency, which is determined by the Calculation Agent at its reasonable discretion and considering [the then prevailing Price of [the Underlying] [the Basket Components]] [if appropriate, insert different point of reference to an Underlying comprised in the Base Prospectus: [•]], as the fair market price of a Security at the occurrence of the termination of the Securities [and which is, in any case, at least equal to the Minimum Amount].]]

**[Settlement Amount:**

The Settlement Amount equals [•].]

**[Settlement Cycle:**

The Settlement Cycle means [•] [the number of [Banking Days] [[Underlying] [Basket Component] Calculation Dates] [•] following a trade in the [Underlying] [Basket Component] [in the Relevant Trading System] [or] [on the Relevant Exchange] in which settlement will customarily occur according to the rules of [the Relevant Trading System] [or] [the Relevant Exchange].]]

**[Settlement Price:**

[The Settlement Price<sub>[(•)]</sub> [of the Underlying] [in the case of a portfolio of Underlyings insert, if appropriate, the following text: in relation to the relevant Underlying<sub>[(•)]</sub> [in the case of a Basket as the Underlying insert,

*if appropriate, the following text:* in relation to the relevant Basket Component<sub>(t,•)</sub> equals

[•]

[the Price of the Underlying on [the Valuation Date] [the Final Valuation Date] [at the Valuation Time].]

*[in the case of a portfolio of Underlyings insert, if appropriate, the following text:* the Price of [the relevant Underlying<sub>(t,•)</sub>] [the Relevant Underlying] on [the Valuation Date] [the Final Valuation Date] [at the Valuation Time].]

*[in the case of a portfolio of Underlyings insert, if appropriate, the following text:* the [arithmetic] average of the Prices of the [relevant] [Underlying<sub>(t,•)</sub>] [Relevant Underlying] on each of the Valuation Averaging Dates [at the Valuation Time] as determined by the Calculation Agent.]

*[in the case of a Basket as the Underlying insert, if appropriate, the following text:* [the Price of [the relevant Basket Component<sub>(t,•)</sub>] on [the Valuation Date] [the Final Valuation Date] [at the Valuation Time]] [the [arithmetic] average of the Prices of [the respective Basket Component<sub>(t,•)</sub>] on each of the Valuation Averaging Dates [at the Valuation Time] as determined by the Calculation Agent] [the sum of the respective [•] Prices of the Basket Components [each multiplied by the [Percentage] Weighting of the respective Basket Component within the Basket] [, related to the Underlying Currency]].]

[The Settlement Price [of the Underlying] [in the case of a portfolio of Underlyings insert, if appropriate, the following text: in relation to the relevant Underlying<sub>(t,•)</sub>] is calculated in accordance with the following formula:

$$\text{Settlement Price} = \text{Settlement Price}_{(t-1)} \times \left( \frac{\text{Price}_{(t)} + \text{ActualDiv}_{(t)}}{\text{Price}_{(t-1)}} \right) - \frac{\text{Act}_{(t-1,t)}}{[365][\bullet]} \times \text{FixedDiv}$$

Where:

"**Settlement Price<sub>(t-1)</sub>**" means the Settlement Price of [the Underlying] [the relevant Underlying<sub>(t,•)</sub>] [•] [on the immediately preceding Underlying Calculation Date] [on the immediately preceding Valuation Date] [on the Final Valuation Date] [at the Valuation Time].

"**Price<sub>(t)</sub>**" means the [Price] [•] of [the Underlying] [the relevant Underlying<sub>(t,•)</sub>] [•] [on the relevant Underlying Calculation Date] [on the relevant Valuation Date] [on the Final Valuation Date] [at the Valuation Time].

"**Price<sub>(t-1)</sub>**" means the [Price] [•] of [the Underlying] [the relevant Underlying<sub>(t,•)</sub>] [•] [on the immediately preceding Underlying Calculation Date] [on the immediately preceding Valuation Date] [at the Valuation Time].

"**Act<sub>(t-1,t)</sub>**" means [•] [the period (expressed in number of calendar days) from [(and including)] [(but excluding)] [•] [the immediately preceding Underlying Calculation Date] [the immediately preceding Valuation Date] [•] to [(and including)] [(but excluding)] [the relevant Underlying Calculation Date] [the relevant Valuation Date] [the Final Valuation Date] [•]].

"**ActualDiv<sub>(t)</sub>**" means the Actual Dividend which has an Ex-Date falling on the [Underlying Calculation Date] [Valuation Date] [Final Valuation Date] [•]. If no Actual Dividend has an Ex-Date falling on the [Underlying Calculation Date] [Valuation Date] [Final Valuation Date] [•], ActualDiv<sub>(t)</sub> is equal to zero.

"**FixedDiv**" means [•].

For the avoidance of doubt, the Settlement Price is floored at zero.

For these purposes:

"**Actual Dividend**" means any Gross Cash Dividend and/or any Gross Cash Equivalent Dividend (in both cases which are not deemed to be an extraordinary dividend as determined and characterized by the Calculation Agent at its reasonable discretion) declared by the issuer of [the Underlying] [the relevant Underlying<sub>(t,•)</sub>] [•] to any holder of record of a single share of [the Underlying] [the relevant Underlying<sub>(t,•)</sub>] [•] on the relevant record date in respect of such Gross Cash Dividend or Gross Cash Equivalent Dividend.

With respect to any Actual Dividend, the date on which [the Underlying] [the relevant Underlying<sub>(t,•)</sub>] [•] has commenced trading ex-dividend is defined as the Ex-Date for such Actual Dividend.

"**Gross Cash Dividend**" means an amount per share of [the Underlying] [the relevant Underlying<sub>(t,•)</sub>] [•] as declared by the issuer of [the Underlying] [the relevant Underlying<sub>(t,•)</sub>] [•], before the withholding or deduction of taxes at source by or on behalf of any applicable authority having power to tax in respect of such a dividend (an "**Applicable Authority**"), and shall exclude: (a) any imputation or other credits, refunds or deductions granted by an Applicable Authority (together the "**Credits**"); and (b) any taxes, credits, refunds or benefits imposed, withheld, assessed or levied on the Credits referred to in (a) above.

"**Gross Cash Equivalent Dividend**" means an amount per share of [the Underlying] [the relevant Underlying<sub>(t,•)</sub>] [•] being the cash value of any stock dividend (whether or not such stock dividend comprises of shares of [the Underlying] [the relevant Underlying<sub>(t,•)</sub>] [•]) declared by the issuer of [the Underlying] [the relevant Underlying<sub>(t,•)</sub>] [•].

Where the issuer of [the Underlying] [the relevant Underlying<sub>(t,•)</sub>] [•] does not declare a cash value of such dividend, an amount determined by the Calculation Agent on the basis of the price on the Ex-Date (the "**Stock Dividend Closing Price**"). If the Stock Dividend Closing Price is not available for any reason, the Gross Cash Equivalent Dividend shall be determined by the Calculation Agent in its sole and reasonable discretion.

"**Ex-Date**" means the date on which [the Underlying] [the relevant Underlying<sub>(t,•)</sub>] [•] has commenced trading ex-dividend.

If, prior to any payment date, (a) the amount actually paid or delivered by the issuer of [the Underlying] [the relevant Underlying<sub>(t,•)</sub>] [•] to holders of record of [the Underlying] [the relevant Underlying<sub>(t,•)</sub>] [•] in respect of any Gross Cash Dividend and/or Gross Cash Equivalent Dividend (a "**Paid Dividend**") is not equal to the amount declared by the issuer of [the Underlying] [the relevant Underlying<sub>(t,•)</sub>] [•] to holders of record of [the Underlying] [the relevant Underlying<sub>(t,•)</sub>] [•] in respect of any Gross Cash Dividend and/or Gross Cash Equivalent Dividend ("**Declared Dividend**") or (b) the issuer of [the Underlying] [the relevant Underlying<sub>(t,•)</sub>] [•] declares an intention to adjust any Declared Dividend, then the

Calculation Agent shall adjust the corresponding Actual Dividend in its sole and reasonable discretion.

Where any Gross Cash Dividend and/or Gross Cash Equivalent Dividend are expressed in a currency (the "**Dividend Currency**") other than the Underlying Currency, then the Calculation Agent shall convert such Gross Cash Dividend and/or Gross Cash Equivalent Dividend into the Underlying Currency using the FX Rate in respect of the Dividend Currency on the relevant Ex-Date.]

[If on [the relevant Underlying Calculation Date] [the relevant Valuation Date] [the Final Valuation Date], in the opinion of the Calculation Agent at its reasonable discretion, there is not sufficient liquidity in relation to [the Underlying] [the relevant Underlying<sub>(i=1)</sub>] [one or more of the Underlyings] [one or more of the Basket Components] or if the unwinding of any hedging transaction, due to such illiquidity or any other reason, has an inadequate impact on the Price of [the Underlying] [the relevant Underlying<sub>(i=1)</sub>] [one or more of the Underlyings] [one or more of the Basket Components], the Calculation Agent shall determine the Reference Price based on the [arithmetical] [volume weighted] average of the [•] prices of [the Underlying] [the relevant Underlying<sub>(i=1)</sub>], as indicated by the unwinding of the related hedging transactions in [the Underlying] [the relevant Underlying<sub>(i=1)</sub>] [the relevant Basket Component], on [the relevant Underlying Calculation Date] [the relevant Valuation Date] [the Final Valuation Date] [each of the Valuation Averaging Dates]. [The Calculation Agent shall determine [the closing dates on the Fixing Date and] the unwinding dates of the hedging transactions at its reasonable discretion.]]

[The term "Settlement Price" shall also refer to all Settlement Prices<sub>(i=1)</sub> to <sub>(i=n)</sub> [•].]

[One (1) unit of the Underlying Currency equals one (1) unit [•], "**Quanto [•]**".]

**[Sprint Factor:**

The Sprint Factor equals [the Price of the Underlying of] [•]. [indicative. The Sprint Factor will be fixed on the Fixing Date [at the Fixing Time].\*]]

**[Start of the public offer of the Securities:**

[•]

[if applicable, insert Start of the public offer of the Securities per country where the offer is being made: [•]]

**[Stop Loss Level:**

The Stop Loss Level<sub>(i=1)</sub> <sub>(i=n)</sub> [of the Underlying<sub>(i=1)</sub>] [of the Basket Component<sub>(i=1)</sub>]

[equals [•].]

[of the [Underlying<sub>(i=1)</sub>] [Basket Component<sub>(i=1)</sub>] equals [•], [•] and

the Stop Loss Level<sub>(i=1)</sub> <sub>(i=n)</sub> of the [Underlying<sub>(i=1)</sub>] [Basket Component<sub>(i=1)</sub>] equals [•].]

[One (1) unit of the Underlying Currency equals one (1) unit [•], "**Quanto [•]**".]

[The term "Stop Loss Level" shall also refer to all Stop Loss Levels<sub>(i=1)</sub> to <sub>(i=n)</sub> [•].]

[[indicative.] The [respective] Stop Loss Level [of the [respective] [Underlying<sub>((•))</sub>] [Basket Component<sub>((•))</sub>] will be fixed on the Fixing Date [at the Fixing Time]. \*]]

**[Stop Loss Event:**

The Stop Loss Event means [•]]

**[Stop Loss Early Redemption Amount:**

The Stop Loss Early Redemption Amount means [•] [an amount in [EUR] [SEK] [•] as solely determined by the Calculation Agent to take into account any fees and charges and costs incurred by the Issuer (or any of its affiliates) of unwinding any underlying related hedging arrangement(s) or transaction(s).]

[For avoidance of doubt, the Stop Loss Early Redemption Amount may not be equal to the Stop Loss Level.]]

**[Stop Loss Early Redemption Payment Date:**

The Stop Loss Early Redemption Payment Date means [•] [the Maturity Date] [[•] Banking Days following the Stop Loss Expiration Date, subject to postponement in the event of a delay in the receipt by a Notional Investor of the full liquidation proceeds for the Fund, as determined by the Issuer in its reasonable discretion.]]

**[Stop Loss Expiration Date:**

The Stop Loss Expiration Date means [•] [the [•], on which the Stop Loss Event occurs].]

**[Strike:**

The Strike<sub>((•))</sub> <sub>((•)=1)</sub> [of the Underlying<sub>((•))</sub>] [of the Basket Component<sub>((•))</sub>]

[equals [•].]

[of the [Underlying<sub>((•)=1)</sub>] [Basket Component<sub>((•)=1)</sub>] equals [•], [•] and

the Strike<sub>((•)=n)</sub> of the [Underlying<sub>((•)=n)</sub>] [Basket Component<sub>((•)=n)</sub>] equals [•].]

*[in the case of a portfolio of Underlyings insert, if appropriate, the following text:* [the Price of [the relevant Underlying<sub>((•))</sub>] [the Relevant Underlying] on the Fixing Date [at the Fixing Time]] [•].]

*[in the case of a Basket as the Underlying insert, if appropriate, the following text:* the sum of the respective Strikes of the Basket Components [each multiplied by the [Percentage] Weighting of the respective Basket Component within the Basket] [, related to the Underlying Currency].]

[One (1) unit of the Underlying Currency equals one (1) unit [•], “**Quanto [•]”**].]

[The term “Strike” shall also refer to all Strikes<sub>((•)=1)</sub> to <sub>((•)=n)</sub>].]

[[indicative.] The [respective] Strike [of the [respective] [Underlying<sub>((•))</sub>] [Basket Component<sub>((•))</sub>] will be fixed on the Fixing Date [at the Fixing Time]. \*]]

**[Strike of the Basket Component:**

The Strike<sub>((•))</sub> <sub>((•)=1)</sub> of the Basket Component<sub>((•))</sub> <sub>((•)=1)</sub> equals [•] [the Price of the Basket Component<sub>((•))</sub> <sub>((•)=1)</sub> on the Fixing Date [at the Fixing Time]]. [•]

[The Strike<sub>((•)=n)</sub> of the Basket Component<sub>((•)=n)</sub> equals [the Price of the Basket Component<sub>((•)=n)</sub> on the Fixing Date [at the Fixing Time]] [•].]

[One (1) unit of the Underlying Currency equals one (1) unit [•], “**Quanto [•]”**].]

[The term "Strike of the Basket Component" shall also refer to all Strikes of the Basket Component<sub>([•]=1)</sub> to <sub>([•]=[n][•])</sub>.]

[[indicative.] The [respective] Strike of the Basket Component will be fixed on the Fixing Date [at the Fixing Time]. \*]]

**T.  
Termination Amount:**

The Termination Amount equals [•] [an amount in the Redemption Currency, which is determined by the Calculation Agent at its reasonable discretion [and considering] [the then prevailing Price of [the Underlying [the Basket Components]] [if appropriate, insert different point of reference to an Underlying comprised in the Base Prospectus: [•]], as the fair market price of a Security at the occurrence of the termination of the Securities [and which is, in any case, at least equal to the [Minimum Amount] [Nominal Amount] [Calculation Amount] [•]].]

**[Term of the Securities:**

The Term of the Securities means [•] [the period, commencing on the [Issue Date] [Fixing Date] [•] [at [•] hrs local time [Frankfurt am Main, Federal Republic of Germany,] [London, United Kingdom,] [Zurich, Switzerland,] [•]] and ending [at [•] hrs local time [Frankfurt am Main, Federal Republic of Germany,] [London, United Kingdom,] [Zurich, Switzerland,] [•]] [with the determination of [the Reference Price] [the Settlement Price]] on [the Maturity Date] [the Expiration Date] [the Valuation Date] [the Final Valuation Date] [the latest of the Valuation Averaging Dates] [•]].]

**[Threshold:**

The Threshold equals [•].]

**U.  
[Underlying[s]:**

[The Underlying means [•], subject to a Roll Over in accordance with § 6 (j) of the Conditions of the Securities,] [insert description of [the share or of the American Depositary Receipt, the Global Depositary Receipt or other depositary receipt on the share] [the Index] [the currency exchange rate] [the precious metal] [the commodity] [the interest rate] [the non-equity security] [the exchange traded fund unit] [the not exchange traded fund unit] [the futures contract (if applicable, including determination of the relevant expiration months)] [the reference rate] [the Basket] [the portfolio]: [•]]

[in the case of an Index as the Underlying add the following text: (the "Index"), [as maintained, calculated and published by [•] (the "Index Sponsor")] [as maintained by [•] (the "Index Sponsor") and calculated and published by [•] (the "Index Calculator").]

[in the case of a certificate representing shares as the Underlying insert, if appropriate, the following text: [also "ADR")] [(also "GDR")] [(also "DR")]. In such context, the share underlying [the ADR] [the GDR] [the DR] is also referred to as the "Underlying Share".]

[in the case of a fund unit as the Underlying insert, if appropriate, the following text: (the "Fund Unit") in the [•] (the "Fund").]

[in the case of a Basket as the Underlying add the following text: (the "Basket"), comprising the Basket Components, as calculated and published by [•] [the Calculation Agent].]



[in the case of a portfolio of Underlyings insert, if appropriate, the following text: The Underlying<sub>([\*]=1)</sub> equals [ , subject to a Roll Over in accordance with § 6 (j) of the Conditions,] [insert description of [the share or of the American Depositary Receipt, the Global Depositary Receipt or other depositary receipt on the share] [the Index] [the currency exchange rate] [the precious metal] [the commodity] [the interest rate] [the non-equity security] [the exchange traded fund unit] [the not exchange traded fund unit] [the futures contract (if applicable, including determination of the relevant expiration months)] [the reference rate]: [•]] [in the case of an Index as the Underlying insert, if appropriate, the following text: (the “**Index<sub>([\*]=1)</sub>**”), [as maintained, calculated and published by [•] (the “**Index Sponsor<sub>([\*]=1)</sub>**”) [as maintained by [•] (the “**Index Sponsor<sub>([\*]=1)</sub>**”) and calculated and published by [•] (the “**Index Calculator<sub>([\*]=1)</sub>**”)]] [in the case of a fund unit as the Underlying insert, if appropriate, the following text: (the “**Fund Unit<sub>([\*]=1)</sub>**”) in the [•] (the “**Fund<sub>([\*]=1)</sub>**”)]] [in the case of a certificate representing shares as the Underlying insert, if appropriate, the following text: [(also “**ADR<sub>([\*]=1)</sub>**”) [(also “**GDR<sub>([\*]=1)</sub>**”) ] [(also “**DR<sub>([\*]=1)</sub>**”) (In such context, the share<sub>([\*]=1)</sub> underlying [the ADR<sub>([\*]=1)</sub>] [the GDR<sub>([\*]=1)</sub>] [the DR<sub>([\*]=1)</sub>] is also referred to as the “**Underlying Share<sub>([\*]=1)</sub>**”); [•] and the Underlying<sub>([\*]=n)</sub> equals [ , subject to a Roll Over in accordance with § 6 (i) of the Conditions of the Securities,] [insert description of [the share or of the American Depositary Receipt, the Global Depositary Receipt or other depositary receipt on the share] [the Index] [the currency exchange rate] [the precious metal] [the commodity] [the interest rate] [the non-equity security] [the exchange traded fund unit] [the not exchange traded fund unit] [the futures contract (if applicable, including determination of the relevant expiration months)] [the reference rate]: [•]] [in the case of an Index as the Underlying insert, if appropriate, the following text: (the “**Index<sub>([\*]=n[\*])</sub>**”), [as maintained, calculated and published by [•] (the “**Index Sponsor<sub>([\*]=n[\*])</sub>**”) [as maintained by [•] (the “**Index Sponsor<sub>([\*]=n[\*])</sub>**”) and calculated and published by [•] (the “**Index Calculator<sub>([\*]=n[\*])</sub>**”)]] [in the case of a fund unit as the Underlying insert, if appropriate, the following text: (the “**Fund Unit<sub>([\*]=n[\*])</sub>**”) in the [•] (the “**Fund<sub>([\*]=n[\*])</sub>**”)]] [in the case of a certificate representing shares as the Underlying insert, if appropriate, the following text: [(also “**ADR<sub>([\*]=n[\*])</sub>**”) [(also “**GDR<sub>([\*]=n[\*])</sub>**”) ] [(also “**DR<sub>([\*]=n[\*])</sub>**”)]. (In such context, the share<sub>([\*]=n[\*])</sub> underlying [the ADR<sub>([\*]=n[\*])</sub>] [the GDR<sub>([\*]=n[\*])</sub>] [the DR<sub>([\*]=n[\*])</sub>] is also referred to as the “**Underlying Share<sub>([\*]=n[\*])</sub>**”).

The term “Underlying” [or “Index” [ , “Index Calculator”] and “Index Sponsor”, as the case may be,] [or “Fund Unit” and “Fund”, as the case may be] [•] shall also refer to all Underlyings<sub>([\*]=1)</sub> to <sub>([\*]=n[\*])</sub> [and to all Indices<sub>([\*]=1)</sub> to <sub>([\*]=n[\*])</sub>], to all Index Calculators<sub>([\*]=1)</sub> to <sub>([\*]=n[\*])</sub> and all Index Sponsors<sub>([\*]=1)</sub> to <sub>([\*]=n[\*])</sub>, as the case may be [and to all Fund Units<sub>([\*]=1)</sub> to <sub>([\*]=n[\*])</sub> and all Funds<sub>([\*]=1)</sub> to <sub>([\*]=n[\*])</sub>, as the case may be] [•].

[[The Underlying is] [The Underlyings are] [expressed in] [converted into] [related to] [the Underlying Currency] [•].]

[To avoid currency fluctuations in relation to the [respective] Underlying<sub>([\*])</sub> that is denominated in a currency other than the Redemption Currency, the Price of the Underlying is expressed on a quanto [•] basis, i.e. the Underlying Currency relating to the Underlying is considered according to amount as a [•] price without conversion in relation to the Price of the Underlying or the Settlement Price (one (1) unit of the Underlying Currency equals one (1) unit [•], “**Quanto [•]**”).]

[In this context, the individual underlying values or components of [the] [an] Underlying<sub>[(•)]</sub> are referred to as a “**Component**” or, as the case may be, the “**Components**”.]

[In this context, [[each] [the] [Index Sponsor] [•] has control over the provision of the Index (*administrator*) within the meaning of the EU Benchmarks Regulation ] [•].]

**[Underlying Calculation Date:** The Underlying Calculation Date means

[•]

[each day, on which [the Relevant Trading System] [,] [and] [the Relevant Exchange] [,] [and] [the Relevant Exchange Market] [and] [the Relevant Reference Market] [is] [are] open for trading [and] [the Price of the Underlying is determined in accordance with the relevant rules]]

*[in the case of an Index as the Underlying insert, if applicable, the following text:* [[or, as the case may be,] in relation to the Index] each day, on which [(i)] [the Index Sponsor] [the Index Calculator] determines, calculates and publishes the official price of the Index, [and (ii) the Components, which are comprised in the Index are [, to the extent of at least [•] [80 %] [90 %] of the market capitalisation of all Components, which are comprised in the Index, or of the overall value of the Index,] available for trading and quotation [in the Relevant Trading System] [or] [on the Relevant Exchange]]

*[in the case of a fund unit as the Underlying insert, if applicable, the following text:* [[or, as the case may be,] in relation to a Fund Unit] each day [which is a Fund Business Day] [on which [(i)] the [respective] administrator of the Fund publishes the Net Asset Value for such Fund in accordance with the relevant prospectus and constitutional documents of the Fund [and (ii) a Notional Investor in the Fund Units of the Fund could subscribe and redeem the Fund Units].]

*[in the case of a reference rate as the Underlying insert, if applicable, the following text:* [[or, as the case may be,] in relation to a reference rate] each day on which the [respective] Relevant Reference Agent determines the Price of the Underlying in accordance with the relevant rules]].]

**[Underlying Currency:**

The Underlying Currency<sub>[(•)]</sub> <sub>[(•)=1]</sub> [of the Underlying<sub>[(•)]</sub>] [of the Basket Component<sub>[(•)]</sub>]

[equals [•].]

[of the [Underlying<sub>[(•)=1]</sub>] [Basket Component<sub>[(•)=1]</sub>] equals [•], [•] and

the Underlying Currency<sub>[(•)=n][•]</sub> of the [Underlying<sub>[(•)=n][•]</sub>] [Basket Component<sub>[(•)=n][•]</sub>] equals [•].]

[The term “Underlying Currency” shall also refer to all Underlying Currencies<sub>[(•)=1]</sub> to <sub>[(•)=n][•]</sub>.]

[One (1) unit of the Underlying Currency equals one (1) unit [•], “**Quanto [•]**”).]

**V.**

**[Valuation Averaging Date:**

[The Valuation Averaging Date means [•].]

[The Valuation Averaging Date<sub>(t+1)</sub> means [the [•]]; and

the Valuation Averaging Date<sub>(t+n)</sub> means [the [•]] [(i) in the case of an exercise by the Securityholder in accordance with § [•] of the Conditions of the Securities, subject to an effective exercise procedure, [the relevant Exercise Date] [the day immediately succeeding the relevant Exercise Date] [•]] [and] [(ii) in the case of an Automatic Exercise in accordance with § [•] of the Conditions of the Securities [the Automatic Exercise Date] [the day immediately succeeding the Automatic Exercise Date] [•].]

[The term “Valuation Averaging Date” shall also refer to all Valuation Averaging Dates<sub>(t+1)</sub> to <sub>(t+n)</sub>.]

If one of these days is not [a Fund Business Day] [an Underlying] [a Basket Component] [Calculation Date] [•] in relation to [the Underlying] [an Underlying<sub>(t+1)</sub>] [a Basket Component<sub>(t+1)</sub>], [•] [the immediately [preceding] [succeeding] [Fund Business Day] [Underlying] [Basket Component] [Calculation Date] [•] is deemed to be the relevant Valuation Averaging Date in relation to

[the Underlying]

[the affected [Underlying<sub>(t+1)</sub>] [Basket Component<sub>(t+1)</sub>]]

[all [Underlyings] [Basket Components]].]

#### **[Valuation Date:**

[The Valuation Date means [•].]

[The Valuation Date means [the [•]] [(i) in the case of an exercise by the Securityholder in accordance with § [•] of the Conditions of the Securities, subject to an effective exercise procedure, [the relevant Exercise Date] [the day immediately succeeding the relevant Exercise Date] [•]] [and] [(ii) in the case of an Automatic Exercise in accordance with § [•] of the Conditions of the Securities [the Automatic Exercise Date] [the day immediately succeeding the Automatic Exercise Date] [•]].]

If this day is not [a Fund Business Day] [[an Underlying] [a Basket Component] Calculation Date] [•] in relation to [the Underlying] [an Underlying<sub>(t+1)</sub>] [a Basket Component<sub>(t+1)</sub>], [•] [the immediately [preceding] [succeeding] [Fund Business Day] [[Underlying] [Basket Component] Calculation Date] [•] is the relevant Valuation Date in relation to

[the Underlying]

[the affected [Underlying<sub>(t+1)</sub>] [Basket Component<sub>(t+1)</sub>]]

[all [Underlyings] [Basket Components]].]

[If on the Valuation Date, in the opinion of the Calculation Agent at its reasonable discretion, there is not sufficient liquidity in relation to [the Underlying] [one or more of the Underlyings] [one or more of the Basket Components], the Valuation Date shall be extended to a period of up to [•] consecutive [[Underlying] [Basket Component] Calculation Dates] [•], as determined by the Calculation Agent at its reasonable discretion.]]

#### **[Valuation Period:**

[The Valuation Period means [•] [the period, commencing on the [Issue Date] [Fixing Date] [•] [at [•] hrs local time [Frankfurt am Main, Federal Republic of Germany] [London, United Kingdom] [Zurich, Switzerland]] [•] and ending [at [•] hrs local time [Frankfurt am Main, Federal Republic of Germany] [London, United Kingdom] [Zurich, Switzerland], [•]] on the

[Expiration Date] [Valuation Date] [Final Valuation Date] [or] [latest of the Valuation Averaging Dates].]

【The Valuation Period<sub>(t=1)</sub> means the period commencing at [•] hrs local time [•] [Frankfurt am Main, Federal Republic of Germany] [London, United Kingdom] [Zurich, Switzerland], on [•] and ending at [•] hrs local time [•] [Frankfurt am Main, Federal Republic of Germany] [London, United Kingdom] [Zurich, Switzerland] on [•] [Observation Date<sub>(t=1)</sub>] (including) [•] and the Valuation Period<sub>(t=n)</sub> means the period commencing at [•] hrs local time [•] [Frankfurt am Main, Federal Republic of Germany] [London, United Kingdom] [Zurich, Switzerland], on [•] [Observation Date<sub>(t=n-1)</sub>] (excluding) and ending at [•] hrs local time [•] [Frankfurt am Main, Federal Republic of Germany] [London, United Kingdom] [Zurich, Switzerland], on [•] [Observation Date<sub>(t=n)</sub>] (including).】

**[Valuation Time:**

The Valuation Time equals [•]

[[•] hrs [(local time [•] [Frankfurt am Main, Federal Republic of Germany] [London, United Kingdom] [Zurich, Switzerland]).]

[[the time of the official determination of the [Price] [[•] price] of the [Underlying] [respective Underlying<sub>(t=1)</sub>] [by the [respective] Index Sponsor<sub>(t=1)</sub>] [or the Index Calculator, as the case may be] [by the Relevant Reference Agent].] [•]]

*[in the case of a Basket as the Underlying insert, if appropriate, the following text: [[•], relevant local time for each Basket Component<sub>(t=1)</sub>] [the time of the official determination of the [Price] [[•]] price of each Basket Component<sub>(t=1)</sub>] [by the [respective] Index Sponsor<sub>(t=1)</sub>] [by the Relevant Reference Agent].] [•]]]*

**W.**

**[Warrant Agent:**

The Warrant Agent means [UBS Europe SE, Bockenheimer Landstrasse 2 - 4, 60306 Frankfurt am Main, Federal Republic of Germany.] [•] [The term “Warrant Agent” shall also refer to all Warrant Agents.]]

**[Weighting:**

The Weighting<sub>(t=1)</sub> [in relation to the Underlying<sub>(t=1)</sub>] [in relation to the Basket Component<sub>(t=1)</sub>]

[equals [•].]

[in relation to the [Underlying<sub>(t=1)</sub>] [Basket Component<sub>(t=1)</sub>] equals [•] , [•] and

the Weighting in relation to the [Underlying<sub>(t=n)</sub>] [Basket Component<sub>(t=n)</sub>] equals [•] ]

【The term “Weighting” shall also refer to all Weightings<sub>(t=1)</sub> to <sub>(t=n)</sub>.】

[[indicative.] The Weighting [of the [respective] [Underlying<sub>(t=1)</sub>] [Basket Component<sub>(t=1)</sub>] will be fixed on the Fixing Date [at the Fixing Time]. \* ] ]

*[if applicable, insert further Key Terms and Definitions of the Securities]*

**Part 2: Product Terms: Special Conditions of the Securities**

*The Special Conditions of the Securities (for the individual types of Securities) consist of Section 1 – 3. The Special Conditions for the specific issue will be contained in the applicable Final Terms and must be read in conjunction with the General Conditions.*

**§ 1 See applicable Final Terms**

**§ 2 See applicable Final Terms**

**§ 3 See applicable Final Terms**

### 3. General Conditions of the Securities

The following (“**General Conditions**”) of the Securities must be read in their entirety together with the section “Product Terms” of the relevant Final Terms (the “**Product Terms**” for the relevant Securities. The Product Terms that shall amend and put in concrete terms the following General Conditions for the purposes of such Securities.

The Product Terms and the General Conditions together constitute the “**Conditions**” of the relevant Securities.

Terms not otherwise defined in these General Conditions shall have the meaning given in the applicable Product Terms.

The Conditions are subject to adjustment in accordance with § 6 (a) – (n) of the Conditions.

**§ 4**  
**Form of Securities; Title and Transfer;**  
**Status**

**(1) Form of Securities**

(a) In case the Securities (i) are as of the Issue Date represented by a **Global Security** as specified in the applicable Product Terms in the definition "**Securities**", and (ii) do not constitute Swedish Securities, Finnish Securities, Norwegian Securities, Danish Securities, the following applies:

The bearer Securities issued by the Issuer are represented by one or more permanent global bearer security/securities (the "**Global Security**") without coupons which shall be signed by two authorised signatories of the Issuer. No definitive securities will be issued. The right to request the delivery of definitive securities is excluded.

The Global Security is deposited with the Clearing System or, if specified in the applicable Product Terms in the definition "**Clearing System**", a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations.

(b) In case the Securities (i) are initially represented by a **Temporary Global Security**, as specified in the applicable Product Terms in the definition "**Securities**", and (ii) do not constitute Swedish Securities, Finnish Securities, Norwegian Securities, Danish Securities, the following applies:

(i) The bearer Securities issued by the Issuer are initially represented by a temporary global bearer security (the "**Temporary Global Security**") without coupons which will be exchangeable for a permanent global bearer security (the "**Permanent Global Security**" and, together with the Temporary Global Security, each a "**Global Security**") without coupons. Each Global Security shall be signed by two authorised signatories of the Issuer. No definitive securities will be issued. The right to request the delivery of definitive securities is excluded.

(ii) The Temporary Global Security shall be exchanged for the Permanent Global Security on a date (the "**Exchange Date**") not earlier than 40 days after the Issue Date. Such exchange and any payment of interest on Securities represented by a Temporary Global Security shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Securities represented by the Temporary Global Security is not a U.S. person as defined by the U.S. Securities Act of 1933. Any such certification received by the Principal Paying Agent on or after the 40th day after the Issue Date will be treated as a request to exchange such Temporary Global Security as described above. Any securities delivered in exchange for the Temporary Global Security shall be delivered only outside of the United States.

Each Global Security is deposited with the Clearing System or, if specified in the applicable Product Terms in the definition "**Clearing System**", a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations.

(c) In case the Securities are specified in the applicable Product Terms in the definition of "Securities" to be **Swedish Securities, Finnish Securities, Norwegian Securities** and **Danish Securities**, the following applies:

The Securities are issued in uncertificated and dematerialised book-entry form, and registered at the Clearing System in accordance with the relevant CA Rules. No physical securities, such as global temporary or permanent securities or definitive securities will be issued in respect of the Securities. The Issuer shall be entitled to obtain from the respective Clearing System information based on the Clearing System's register regarding the Securities for the purpose of performing its obligations pursuant to these Conditions.

**(2) Securityholder; Title and Transfer**

- (a) In case the Securities are not specified in the applicable Product Terms in the definition of "Securities" to be **Swedish Securities, Finnish Securities, Norwegian Securities** or **Danish Securities**, the following applies:

"**Securityholder**" means any holder of a proportionate co-ownership interest or right in the Global Security, acknowledged by German law as legal owner of the Securities. The Securityholder shall, for all purposes, be treated by the Issuer and the Security Agents (§ 12 (1)) as the person entitled to such Securities and the person entitled to receive the benefits of the rights represented by such Securities.

The Securities are transferable as co-ownership interests in the Global Security in accordance with applicable law and the relevant CA Rules and may be transferred within the collective securities settlement procedure in the Minimum Trading Size or an integral multiple thereof only. Such transfer becomes effective upon registration of the transfer in the records of the relevant Clearing System.

- (b) In case the Securities are specified in the applicable Product Terms in the definition of "Securities" to be **Swedish Securities**, the following applies:

"**Securityholder**" means the person in whose name a Security is registered with the Clearing System (including a person duly authorised to act as a nominee and who is registered as such for the relevant Security) or any other person acknowledged as the holder of the Security pursuant to the CA Rules and, accordingly, where the relevant Securities are held through a duly authorised nominee, the nominee shall be the Securityholder. The Securityholder shall, for all purposes, be treated by the Issuer, if in the applicable Product Terms an "**Issuing Agent**" is specified, the Issuing Agent and the Security Agents (§ 12 (1)) as the person entitled to such Securities and the person entitled to receive the benefits of the rights represented by such Securities.

Title to the Securities will pass by transfer between accountholders at the Clearing System perfected in accordance with the relevant CA Rules.

- (c) In case the Securities are specified in the applicable Product Terms in the definition of "Securities" to be **Finnish Securities**, the following applies:

"**Securityholder**" means the person in whose name a Security is registered with the Clearing System (including a person duly authorised to act as a nominee and who is registered as such for the relevant Security) or any other person acknowledged as the holder of the Security pursuant to the CA Rules and, accordingly, where the relevant Securities are held through a duly authorised nominee, the nominee shall be the Securityholder. The Securityholder shall, for all purposes, be treated by the Issuer, if in the applicable Product Terms an "**Issuing Agent**" is specified, the Issuing Agent and the Security Agents (§ 12 (1)) as the person entitled to such Securities and the person entitled to receive the benefits of the rights represented by such Securities.

Title to the Securities will pass by transfer between accountholders at the Clearing System perfected in accordance with the relevant CA Rules.

- (d) In case the Securities are specified in the applicable Product Terms in the definition of "Securities" to be **Norwegian Securities**, the following applies:

"**Securityholder**" means the person in whose name a Security is registered with the Clearing System (including a person duly authorised to act as a nominee and who is registered as such for the relevant Security) or any other person acknowledged as the holder of the Security pursuant to the CA Rules and, accordingly, where the relevant Securities are held through a duly authorised nominee, the nominee shall be the Securityholder. The Securityholder shall, for all purposes, be treated by the Issuer, if in the applicable Product Terms an "**Issuing Agent**" is specified, the Issuing Agent and the Security Agents (§ 12 (1)) as the person entitled to such Securities and the person entitled to receive the benefits of the rights represented by such Securities.

By purchasing Securities registered in the Clearing System, each Securityholder is deemed to consent that the Clearing System may provide the Issuer, the Issuing Agent or the Security Agents upon request,



information registered with the Clearing System relating to the Securities and the Securityholder. Such information shall include, but not be limited to, the identity of the registered Securityholder, the residency of the registered Securityholder, the number of Securities registered with the relevant Securityholder, the address of the relevant Securityholder, the account operator in respect of the relevant VPS account (*Kontofører utsteder*) and whether or not the Securities are registered in the name of a nominee and the identity of any such nominee. The relevant agents and/or the Issuer will only make use of and store such information to the extent this is required or deemed appropriate to fulfil their obligations in relation to the Securities.

Title to the Securities will pass by transfer between accountholders at the Clearing System perfected in accordance with the relevant CA Rules.

(e) In case the Securities are specified in the applicable Product Terms in the definition of "Securities" to be **Danish Securities**, the following applies:

"**Securityholder**" means the person in whose name a Security is registered with the Clearing System (including a person duly authorised to act as a nominee and who is registered as such for the relevant Security) or any other person acknowledged as the holder of the Security pursuant to the CA Rules and, accordingly, where the relevant Securities are held through a duly authorised nominee, the nominee shall be the Securityholder. The Securityholder shall, for all purposes, be treated by the Issuer, if in the applicable Product Terms an "**Issuing Agent**" is specified, the Issuing Agent and the Security Agents (§ 12 (1)) as the person entitled to such Securities and the person entitled to receive the benefits of the rights represented by such Securities.

Title to the Securities will pass by transfer between accountholders at the Clearing System perfected in accordance with the relevant CA Rules.

### (3) Status of the Securities

The Securities constitute direct, unsecured and unsubordinated obligations of the Issuer, ranking *pari passu* among themselves and with all other present and future unsecured and unsubordinated obligations of the Issuer, other than obligations preferred by mandatory provisions of law.

## § 5

**Settlement; Conversion Rate; Impracticability of physical settlement;  
Period of Presentation; Prescription****(1) Settlement of the Securities**

(a) In case the Securities are not specified in the applicable Product Terms in the definition of "Securities" to be **Swedish Securities, Finnish Securities, Norwegian Securities** or **Danish Securities**, the following applies:

The Securities will, subject to a Market Disruption (§ 11), be redeemed on the relevant Maturity Date by payment of the Redemption Amount, of the Termination Amount or, if in the applicable Product Terms in the definition of "Securities" the product feature "**Securityholder's Termination Right**" is specified to be applicable, of the Securityholder Termination Amount, or of any other amount payable under the Conditions in relation to the relevant Maturity Date in the Redemption Currency or, if in §§ 1 – 3 of these Conditions a "**Physical Delivery**" applies, by delivery of the Physical Underlying in the appropriate number.

The Issuer shall, in all cases subject to any applicable fiscal or other laws and regulations in the place of payment or delivery, as the case may be, or other laws and regulations to which the Issuer agree to be subject, provide any performance due under these Conditions to the relevant Clearing System or the relevant intermediary or to its order for credit to the accounts of the relevant account holders of the Clearing System or the relevant intermediary.

The period of presentation as established in § 801 section 1 sentence 1 of the German Civil Code ("**BGB**") is reduced to ten years.

(b) In case the Securities are specified in the applicable Product Terms in the definition of "Securities" to be **Swedish Securities, Finnish Securities**, or **Danish Securities**, the following applies:

The Issuer will, subject to a Market Disruption (§ 11), procure that the payment of the Redemption Amount, of the Termination Amount or, if in the applicable Product Terms in the definition of "Securities" the product feature "**Securityholder's Termination Right**" is specified to be applicable, of the Securityholder Termination Amount, or of any other amount payable under the Conditions in relation to the relevant Maturity Date in the Redemption Currency or, if in §§ 1 – 3 of these Conditions a "**Physical Delivery**" applies, by delivery of the Physical Underlying in the appropriate number occurs on the relevant Maturity Date in accordance with the relevant CA Rules.

Payments and delivery of the Physical Underlying in the appropriate number, as the case may be, shall, in all cases subject to any applicable fiscal or other laws and regulations in the place of payment or delivery, as the case may be, or other laws and regulations to which the Issuer agree to be subject, be made in accordance with the relevant CA Rules to the relevant Clearing System or to its order for credit to the accounts of the relevant account holders of the Clearing System.

The prescription period for claims of a Securityholder against the Issuer for the payment of principal shall be ten (10) years from the due date for such payment.

(c) In case the Securities are specified in the applicable Product Terms in the definition of "Securities" to be **Norwegian Securities**, the following applies:

The Issuer will, subject to a Market Disruption (§ 11), procure that the payment of the Redemption Amount, of the Termination Amount or, if in the applicable Product Terms in the definition of "Securities" the product feature "**Securityholder's Termination Right**" is specified to be applicable, of the Securityholder Termination Amount, or of any other amount payable under the Conditions in relation to the relevant Maturity Date in the Redemption Currency or, if in §§ 1 – 3 of these Conditions a "**Physical Delivery**" applies, by delivery of the Physical Underlying in the appropriate number occurs on the relevant Maturity Date in accordance with the relevant CA Rules.

Payments and delivery of the Physical Underlying in the appropriate number, as the case may be, shall, in all cases subject to any applicable fiscal or other laws and regulations in the place of payment or delivery, as the case may be, or other laws and regulations to which the Issuer agree to be subject,, be made on the due date for such payment or delivery to the Securityholders registered as such on the tenth business day (as defined in the relevant CA Rules prior to the due date), or on such other business day falling closer to the due date as then may be stipulated in the relevant CA Rules.

The prescription period for claims of a Securityholder against the Issuer for the payment of principal shall be ten (10) years from the due date for such payment.

## (2) Conversion into the Redemption Currency

If in the applicable Product Terms in the definition of "Redemption Currency" a "**Currency Conversion**" is specified to be applicable, any conversion of amounts payable under these Conditions into the Redemption Currency is made by the Calculation Agent using the Relevant Conversion Rate.

## (3) Physical Delivery

If in §§ 1 – 3 of these Conditions a "**Physical Delivery**" applies, the delivery of the Physical Underlying is effected with the characteristics and in the form that allows delivery via an exchange. Such transfer becomes effective upon registration of the transfer in the records of the relevant Clearing System pursuant to its applicable rules and regulations. No definitive securities will be issued. The right to request the delivery of definitive Securities is excluded.

Fractions of the Physical Underlying are not delivered, but compensated by payment of the Fraction Compensation Amount, as specified to be applicable in the relevant Product Terms, in the Redemption Currency. A consolidation of such fractions for all Securities of the Securityholder for the delivery of the Physical Underlying shall not take place. The provisions of these Conditions relating to the Redemption Amount shall apply *mutatis mutandis* to such payment.

## (4) Settlement Disruption

Should the delivery of the Physical Underlying be impracticable for economic or factual reasons, the Issuer is entitled to pay to each Securityholder with respect to each Security it holds, the Delivery Disruption Amount as specified to be applicable in the relevant Product Terms in the Redemption Currency instead of the delivery of the Physical Underlying. The provisions of these Conditions relating to the Redemption Amount shall apply *mutatis mutandis* to such payment.

## (5) Discharging effect

The Issuer shall be discharged from its redemption obligations or any other payment or delivery obligations under these Conditions of the Securities by delivery to the Clearing System in the manner described above.

## (6) Taxes, fees or other duties

All present and future taxes, fees or other duties in connection with the Securities shall be borne and paid by the Securityholders. The Issuer and the Paying Agent, as the case may be, are entitled, but not obliged, to withhold from any required performance under these Conditions any such taxes, fees and/or duties payable by the Securityholder in accordance with the preceding sentence (including, for the avoidance of doubt, any withholding or deduction required by Sections 871(m) ("**871(m)**") and 1471 to 1474 ("**FATCA**") of the U.S. Internal Revenue Code of 1986, any treaty, law, regulation or other official guidance implementing FATCA, or any agreement (or related guidance) between the Issuer, the Paying Agent or any other person and the United States, any other jurisdiction, or any authority of any of the foregoing implementing FATCA) and none of the Issuer, the Paying Agent or any other person shall be required to pay any additional amounts with respect to any FATCA or 871(m) withholding or deduction imposed on or with respect to any Securities.

**Only if** in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, the following § 6 (a) of these Conditions applies:

**§ 6 (a)**

**Adjustments for Securities on Baskets; Successor Basket Component**

If in relation to a Basket Component an adjustment (as described in these Conditions) is necessary, the Issuer shall (in addition to the adjustments pursuant to these Conditions in relation to each Basket Component) be entitled, but not obliged, either

- (i) to remove at its reasonable discretion the respective Basket Component without replacement from the Basket (if applicable by adjusting the weighting of the remaining Basket Components), or
- (ii) to replace at its reasonable discretion the Basket Component in whole or in part by a new Basket Component (if applicable by adjusting the weighting of the Basket Components then present) (the "**Successor Basket Component**").

In such case, the Successor Basket Component will be deemed to be the Basket Component and each reference in these Conditions to the Basket Component shall be deemed to refer to the Successor Basket Component.

**Only** in case of a **share as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms, the following § 6 (b) of these Conditions applies:

### § 6 (b)

#### Adjustments in connection with a Share

##### (1) Consequences of the occurrence of a Potential Adjustment Event

In the case of the occurrence of a Potential Adjustment Event (§ 6 (b) (2)), the Issuer shall be entitled to adjust any variable, calculation methodology, valuation, settlement, payment terms or any other terms in these Conditions in a manner and relation corresponding to the relevant adjustments made with regard to option and futures contracts on the share used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, as the Basket Component traded on the Relevant Futures and Options Exchange (the "**Option Contracts**") provided that the Adjustment Record Date (as defined below) is prior to or on the Valuation Date, the Final Valuation Date or a Valuation Averaging Date, as the case may be, and as specified in the applicable Product Terms.

If no such Option Contracts are being traded on the Relevant Futures and Options Exchange, the adjustments may be made by the Issuer in a manner as relevant adjustments would be made by the Relevant Futures and Options Exchange if those Option Contracts were traded on the Relevant Futures and Options Exchange.

The "**Adjustment Record Date**" means the first trading day on the Relevant Futures and Options Exchange on which the adjusted Option Contracts are traded or would be traded if those Option Contracts were traded on the Relevant Futures and Options Exchange.

##### (2) Occurrence of a Potential Adjustment Event

"**Potential Adjustment Event**" means any measure in relation to the share, which gives reason, or would give reason, if the Option Contracts were traded on the Relevant Futures and Options Exchange, as the case may be, to the Relevant Futures and Options Exchange for an adjustment to the strike, the contract volume of the underlying, the ratio of the underlying or to the quotation of the stock exchange, relevant for the calculation and determination of the price of the underlying.

Potential Adjustment Events are, *in particular*, but not limited to, the following measures, whereas, subject to § 6 (b) (3) of these Conditions, the *de facto* or hypothetical decision of the Relevant Futures and Options Exchange that a Potential Adjustment Event has occurred is conclusive:

- (i) The stock corporation, the share(s) of which is/are used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, as the Basket Component (the "**Company**") increases its share capital against deposits/contributions granting a direct or indirect subscription right to its shareholders, capital increase out of the Company's own funds, through the issuance of new shares, directly or indirectly granting a right to its shareholders to subscribe for bonds or other securities with option or conversion rights to shares.
- (ii) The Company decreases its share capital through cancellation or combination of shares of the Company. No Potential Adjustment Event shall occur, if the capital decrease is effected by way of reduction of the nominal amount of the shares of the Company.
- (iii) The Company grants exceptionally high dividends, bonuses or other cash or non-cash distributions ("**Special Distributions**") to its shareholders. The distributions of regular dividends, which do not constitute Special Distributions, do not create any Potential Adjustment Event. With regard to the differentiation between regular dividends and Special Distributions, the differentiation made by the Relevant Futures and Options Exchange shall prevail.
- (iv) In the case of a stock split (reduction of the nominal amount and corresponding increase in the number of shares without a change in the share capital) or a similar measure.
- (v) Offer to the shareholders of the Company pursuant to the German Stock Corporation Act (*Aktiengesetz*), the German Law regulating the Transformation of Companies (*Umwandlungsgesetz*)

or any other similar proceeding under the jurisdiction applicable to and governing the Company to convert existing shares of the Company to new shares or to shares of another stock corporation.

- (vi) Take-over of shares of the Company by a shareholder in the course of a tender offer in accordance with the German Securities Acquisition and Take-over Act or with any other similar provision under the jurisdiction applicable to and governing the Company.
- (vii) The Company spins off any part of the Company so that a new independent enterprise is created or any part of the Company is absorbed by a third company, the Company's shareholders are granted shares in the new company or the absorbing company free of charge or at a price below the market price and therefore a market price or price quotation may be determined for the shares granted to the shareholders.
- (viii) The quotation of or trading in the shares of the Company on the Relevant Exchange is permanently discontinued due to a merger or a new company formation, or for any other comparable reason, in particular as a result of a delisting of the Company. The Issuer's right of termination in accordance with § 8 of these Conditions remains unaffected.

The provisions set out above shall apply *mutatis mutandis* to events other than those mentioned above, if the Issuer and the Calculation Agent, upon exercise of their reasonable discretion, determine that the economic effects of these events are comparable and may have an impact on the calculation value of the shares.

### (3) Deviations by the Issuer from the Relevant Futures and Options Exchange

The Issuer shall be entitled to deviate from the adjustments made by the Relevant Futures and Options Exchange, should the Issuer consider it necessary in order to account for existing differences between the Securities and the Option Contracts traded on the Relevant Futures and Options Exchange. Irrespective of, whether or how adjustments are *de facto* effected by the Relevant Futures and Options Exchange, the Issuer is entitled to make adjustments to these Conditions for the purpose to reconstitute to the extent possible the Securityholders' economic status prior to the measures as described in § 6 (b) (2) of these Conditions.

### (4) Successor Underlying or, as the case may be, Successor Basket Component

In the event that the share ceases to exist and/or is replaced by a successor share (by any parties other than the Issuer) (subject to § 6 (n) of these Conditions, a "**Replacement Event**"), the Issuer and the Calculation Agent shall, provided that the Issuer has not terminated the Securities in accordance with § 8 of these Conditions, determine at their reasonable discretion, after having made appropriate adjustments according to the paragraph above, which underlying, economically equal to the underlying concept of the share used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, as the Basket Component shall be applicable in the future (the "**Successor Underlying**" or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, the "**Successor Basket Component**") and to replace the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, the affected Basket Component by the Successor Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, the Successor Basket Component. The Successor Underlying or, as the case may be, the Successor Basket Component and the date it is applied for the first time shall be published without undue delay in accordance with § 14 of these Conditions.

Any reference in these Conditions to the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, to the Basket Component shall, to the extent appropriate, be deemed to refer to the Successor Underlying or, as the case may be, the Successor Basket Component.

### (5) Determination of a Substitute Exchange

If the quotation of or trading in the share on the Relevant Exchange is permanently discontinued while concurrently a quotation or trading is started up or maintained on another stock exchange, the Issuer shall be entitled to stipulate such other stock exchange as new Relevant Exchange (the "**Substitute Exchange**") through publication in accordance with § 14 of these Conditions, provided that the Issuer has not terminated the Securities in accordance with § 8 of these Conditions. In the case of such a substitution, any

reference in these Conditions to the Relevant Exchange thereafter shall be deemed to refer to the Substitute Exchange. The adjustment described above shall be published in accordance with § 14 of these Conditions upon the expiry of one month following the permanent discontinuation of the quotation of or trading in the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, the Basket Component on the Relevant Exchange, at the latest.

#### **(6) Corrected Price**

In the event that the price of the share used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, as the Basket Component as determined and published by the Relevant Exchange is subsequently corrected and the correction (the "**Corrected Price**") is published by the Relevant Exchange after the original publication, but still within one Settlement Cycle, the Issuer and the Calculation Agent shall be entitled to effect, under consideration of the Corrected Price, adjustments to these Conditions at their reasonable discretion, to account for the correction. The adjustment and the date it is applied for the first time shall be published without undue delay in accordance with § 14 of these Conditions.

#### **(7) Making of Adjustments and Determinations; Publication**

Adjustments and determinations pursuant to the paragraphs above shall be effected by the Issuer or, as the case may be, by the Calculation Agent, at its reasonable discretion, under consideration of the market conditions then prevailing and preserving the value of the Securities. The Issuer reserves the right to determine at its reasonable discretion in cases of doubt (i) the applicability of the adjustment rules of the Relevant Futures and Options Exchange and (ii) the required adjustment. Any adjustment or determination shall be published by the Issuer in accordance with § 14 of these Conditions and shall be final, conclusive and binding on all parties, except where there is a manifest error.

#### **(8) Effectiveness of Adjustments and Determinations**

Any adjustment and determination will become effective as of the time at which the relevant adjustments become effective on the Relevant Futures and Options Exchange or would become effective, if the Option Contracts were traded on the Relevant Futures and Options Exchange, as the case may be.

**Only** in case of a **certificate representing shares as the Underlying or a Basket Component, as the case may be**, as specified in the definition of “Underlying” contained in the section “Product Terms” of the relevant Final Terms, the following § 6 (c) of these Conditions applies:

### § 6 (c)

#### Adjustments in connection with a Certificate representing Shares

##### (1) Consequences of the occurrence of a Potential Adjustment Event

In the case of the occurrence of a Potential Adjustment Event (§ 6 (c) (2)) in relation to the certificate representing shares used as the Underlying or, if in the applicable Product Terms in the definition of “Underlying” a “**Basket**” is specified to be applicable, as the Basket Component, the Issuer shall be entitled to adjust any variable, calculation methodology, valuation, settlement, payment terms or any other terms in these Conditions to account for the effect of such Potential Adjustment Event.

##### (2) Occurrence of a Potential Adjustment Event

“**Potential Adjustment Event**” means any following events or measures in relation to the certificate representing shares used as the Underlying or, if in the applicable Product Terms in the definition of “Underlying” a “**Basket**” is specified to be applicable, as the Basket Component, provided that such event or measure is, at the reasonable discretion the Issuer and the Calculation Agent, material and adversely affects the Underlying or, as the case may be, the Basket Component or the calculation of the Price of the Underlying or, as the case may be, the Basket Component:

- (a) In the opinion of the Calculation Agent at its reasonable discretion, a material change
  - (i) has occurred in relation to the Relevant Exchange relevant for the calculation and determination of the price of the certificate representing shares used as the Underlying or, if in the applicable Product Terms in the definition of “Underlying” a “**Basket**” is specified to be applicable, as the Basket Component, or
  - (ii) has occurred in relation to the relevant terms of either the certificate representing shares used as the Underlying or, as the case may be, the Basket Component or of the Underlying Shares.
- (b) Any measure in relation to the certificate representing shares, which gives reason, or would give reason, if option and futures contracts on the certificate representing shares used as the Underlying or, if in the applicable Product Terms in the definition of “Underlying” a “**Basket**” is specified to be applicable, as the Basket Component traded on the Relevant Futures and Options Exchange (the “**Option Contracts**”) were traded on the Relevant Futures and Options Exchange, as the case may be, to the Relevant Futures and Options Exchange for an adjustment to the strike, the contract volume of the underlying, the ratio of the underlying or to the quotation of the trading system, relevant for the calculation and determination of the price of the underlying.

##### (3) Successor Underlying or, as the case may be, Successor Basket Component

In the event that the certificate representing shares ceases to exist and/or is replaced by a successor certificate representing shares (by any parties other than the Issuer) (subject to § 6 (n) of these Conditions, a “**Replacement Event**”), the Issuer and the Calculation Agent shall, provided that the Issuer has not terminated the Securities in accordance with § 8 of these Conditions, determine at their reasonable discretion, after having made appropriate adjustments according to the paragraph above, which underlying, economically equal to the underlying concept of the certificate representing shares used as the Underlying or, if in the applicable Product Terms in the definition of “Underlying” a “**Basket**” is specified to be applicable, as the Basket Component shall be applicable in the future (the “**Successor Underlying**” or, if in the applicable Product Terms in the definition of “Underlying” a “**Basket**” is specified to be applicable, the “**Successor Basket Component**”) and to replace the Underlying or, if in the applicable Product Terms in the definition of “Underlying” a “**Basket**” is specified to be applicable, the affected Basket Component by the Successor Underlying or, if in the applicable Product Terms in the definition of “Underlying” a “**Basket**” is specified to be applicable, the Successor Basket Component. The Successor Underlying or, as the case may be, the Successor Basket Component and the date it is applied for the first time shall be published without undue delay in accordance with § 14 of these Conditions.



Any reference in these Conditions to the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, to the Basket Component shall, to the extent appropriate, be deemed to refer to the Successor Underlying or, as the case may be, the Successor Basket Component.

#### **(4) Determination of a Substitute Exchange**

If the quotation of or trading in the certificate representing shares on the Relevant Exchange is permanently discontinued while concurrently a quotation or trading is started up or maintained on another stock exchange, the Issuer shall be entitled to stipulate such other stock exchange as new Relevant Exchange (the "**Substitute Exchange**") through publication in accordance with § 14 of these Conditions, provided that the Issuer has not terminated the Securities in accordance with § 8 of these Conditions. In the case of such a substitution, any reference in these Conditions to the Relevant Exchange thereafter shall be deemed to refer to the Substitute Exchange. The adjustment described above shall be published in accordance with § 14 of these Conditions upon the expiry of one month following the permanent discontinuation of the quotation of or trading in the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, the Basket Component on the Relevant Exchange, at the latest.

#### **(5) Corrected Price**

In the event that the price of the certificate representing shares used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, as the Basket Component as determined and published by the Relevant Exchange is subsequently corrected and the correction (the "**Corrected Price**") is published by the Relevant Exchange after the original publication, but still within one Settlement Cycle, the Issuer and the Calculation Agent shall be entitled to effect, under consideration of the Corrected Price, adjustments to these Conditions at their reasonable discretion, to account for the correction. The adjustment and the date it is applied for the first time shall be published without undue delay in accordance with § 14 of these Conditions.

#### **(6) Making of Adjustments and Determinations; Publication**

Adjustments and determinations pursuant to the paragraphs above shall be effected by the Issuer or, as the case may be, by the Calculation Agent, at its reasonable discretion, under consideration of the market conditions then prevailing and preserving the value of the Securities. The Issuer reserves the right to determine at its reasonable discretion in cases of doubt the required adjustment. Any adjustment or determination shall be published by the Issuer in accordance with § 14 of these Conditions and shall be final, conclusive and binding on all parties, except where there is a manifest error.

**Only** in case of a **non-equity security as the Underlying or a Basket Component, as the case may be**, as specified in the definition of “Underlying” contained in the section “Product Terms” of the relevant Final Terms, the following § 6 (d) of these Conditions applies:

### § 6 (d)

#### Adjustments in connection with a Non-Equity Security

##### (1) Consequences of the occurrence of a Potential Adjustment Event

If, in the opinion of the Calculation Agent at its reasonable discretion, a material change in the market conditions occurred in relation to the Relevant Trading System relevant for the calculation and determination of the price of the non-equity security used as the Underlying or, if in the applicable Product Terms in the definition of “Underlying” a “Basket” is specified to be applicable, as the Basket Component (a “**Potential Adjustment Event**”), the Issuer shall be entitled to adjust any variable, calculation methodology, valuation, settlement, payment terms or any other terms in these Conditions to account for the effect of these changed market conditions.

##### (2) Changes in the calculation; Making of Adjustments

Any changes in the calculation (including corrections) of the non-equity security, shall not lead to an adjustment unless the Issuer and the Calculation Agent, upon exercise of their reasonable discretion determine that the underlying concept and the calculation (including corrections) of the Underlying or, if in the applicable Product Terms in the definition of “Underlying” a “Basket” is specified to be applicable, of the Basket Component are no longer comparable to the underlying concept or calculation of the Underlying or, as the case may be, the Basket Component applicable prior to such change. Adjustments may also be made as a result of the termination of the Underlying or of the Basket Component and/or its substitution by another underlying.

For the purpose of making any adjustment, the Calculation Agent shall at its reasonable discretion determine an adjusted value per unit of the non-equity security as the basis of the determination of the Price of the Underlying or, if in the applicable Product Terms in the definition of “Underlying” a “Basket” is specified to be applicable, of the Basket Component, which in its result corresponds with the economic result prior to this change, and shall, taking into account the time the change occurred, determine the day, on which the adjusted value per unit of the non-equity security shall apply for the first time. The adjusted value per unit of the Underlying or, as the case may be, the Basket Component as well as the date of its first application shall be published without undue delay pursuant to § 14 of these Conditions.

##### (3) Successor Underlying or, as the case may be, Successor Basket Component

In the event that the non-equity security ceases to exist and/or is replaced by a successor non-equity security (by any parties other than the Issuer) (subject to § 6 (n) of these Conditions, a “**Replacement Event**”), the Issuer and the Calculation Agent shall, provided that the Issuer has not terminated the Securities in accordance with § 8 of these Conditions, determine at the reasonable discretion of the Issuer or, as the case may be, of the Calculation Agent, after having made appropriate adjustments according to the paragraph above, which underlying, economically equal to the underlying concept of the non-equity security used as the Underlying or, if in the applicable Product Terms in the definition of “Underlying” a “Basket” is specified to be applicable, as the Basket Component shall be applicable in the future (the “**Successor Underlying**” or, if in the applicable Product Terms in the definition of “Underlying” a “Basket” is specified to be applicable, the “**Successor Basket Component**”) and to replace the Underlying or, if in the applicable Product Terms in the definition of “Underlying” a “Basket” is specified to be applicable, the affected Basket Component by the Successor Underlying or, if in the applicable Product Terms in the definition of “Underlying” a “Basket” is specified to be applicable, the Successor Basket Component. The Successor Underlying or, as the case may be, the Successor Basket Component and the date it is applied for the first time shall be published without undue delay in accordance with § 14 of these Conditions.

Any reference in these Conditions to the Underlying or, if in the applicable Product Terms in the definition of “Underlying” a “Basket” is specified to be applicable, to the Basket Component shall, to the extent appropriate, be deemed to refer to the Successor Underlying or, as the case may be, to the Successor Basket Component.

**(4) Determination of a Substitute Trading System**

If the quotation of or trading in the non-equity security in the Relevant Trading System is permanently discontinued while concurrently a quotation or trading is started up or maintained on another trading system, the Issuer shall be entitled to stipulate such other trading system as the new relevant trading system (the "**Substitute Trading System**") through publication in accordance with § 14 of these Conditions, provided that the Issuer has not terminated the Securities in accordance with § 8 of these Conditions. In the case of such a substitution any reference in these Conditions to the Relevant Trading System thereafter shall be deemed to refer to the Substitute Trading System. The adjustment described above shall be published in accordance with § 14 of these Conditions upon the expiry of one month following the permanent discontinuation of the quotation of or trading in the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, in the Basket Component in the Relevant Trading System at the latest.

**(5) Corrected Price**

In the event that the price of the non-equity security used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, as the Basket Component as determined and published by the Relevant Trading System is subsequently corrected and the correction (the "**Corrected Price**") is published by the Relevant Trading System, after the original publication, but still within one Settlement Cycle, the Issuer and the Calculation Agent shall be entitled to effect, under consideration of the Corrected Price, adjustments to these Conditions at their reasonable discretion, to account for the correction. The adjustment and the date it is applied for the first time shall be published without undue delay in accordance with § 14 of these Conditions.

**(6) Making of Adjustments and Determinations; Publication**

Adjustments and determinations pursuant to the paragraphs above shall be effected by the Issuer or, as the case may be, by the Calculation Agent, at its reasonable discretion, under consideration of the market conditions then prevailing and preserving the value of the Securities. The Issuer reserves the right to determine at its reasonable discretion in cases of doubt the required adjustment. Any adjustment or determination shall be published by the Issuer in accordance with § 14 of these Conditions and shall be final, conclusive and binding on all parties, except where there is a manifest error.

**Only** in case of a **commodity as the Underlying or a Basket Component, as the case may be**, as specified in the definition of “Underlying” contained in the section “Product Terms” of the relevant Final Terms, the following § 6 (e) of these Conditions applies:

### § 6 (e)

#### Adjustments in connection with a Commodity

##### (1) Consequences of the occurrence of a Potential Adjustment Event

In the case of the occurrence of a Potential Adjustment Event (§ 6 (e) (2)), the Issuer shall be entitled to adjust any variable, calculation methodology, valuation, settlement, payment terms or any other terms in these Conditions in a manner and relation corresponding to the relevant adjustments made with regard to option and futures contracts on the commodity used as the Underlying or, if in the applicable Product Terms in the definition of “Underlying” a “Basket” is specified to be applicable, as the Basket Component traded on the Relevant Futures and Options Exchange (the “**Option Contracts**”) provided that the Adjustment Record Date (as defined below) is prior to or on the Valuation Date, the Final Valuation Date or a Valuation Averaging Date, as the case may be, and as specified in the applicable Product Terms.

If no such Option Contracts are being traded on the Relevant Futures and Options Exchange, the adjustments may be effected by the Issuer in a manner as relevant adjustments would be made by the Relevant Futures and Options Exchange if those Option Contracts were traded on the Relevant Futures and Options Exchange.

The “**Adjustment Record Date**” will be the first trading day on the Relevant Futures and Options Exchange on which the adjusted Option Contracts on the Underlying are traded on the Relevant Futures and Options Exchange or would be traded if those Option Contracts were traded on the Relevant Futures and Options Exchange.

##### (2) Occurrence of a Potential Adjustment Event

“**Potential Adjustment Event**” means any measure in relation to the commodity, which gives reason, or would give reason, if the Option Contracts were traded on the Relevant Futures and Options Exchange, as the case may be, to the Relevant Futures and Options Exchange for an adjustment to the strike, the contract volume of the underlying, the ratio of the underlying or to the quotation of the trading system, relevant for the calculation and determination of the price of the underlying.

Potential Adjustment Events are, *in particular*, but not limited to, the following measures, whereas, however, subject to § 6 (e) (3), the *de facto* or hypothetical decision of the Relevant Futures and Options Exchange is decisive:

- (i) The commodity is traded in the Relevant Trading System relevant for the calculation and determination of the Price of the Underlying or, if in the applicable Product Terms in the definition of “Underlying” a “Basket” is specified to be applicable, of the Basket Component in a different quality, in a different consistency (e.g. with a different degree of purity or a different point of origin) or in a different standard measuring unit.
- (ii) The occurrence of another event or action, due to which the commodity, as traded in the Relevant Trading System relevant for the calculation and determination of the Price of the Underlying or, if in the applicable Product Terms in the definition of “Underlying” a “Basket” is specified to be applicable, of the Basket Component, is materially modified.

The provisions set out above shall apply *mutatis mutandis* to events other than those mentioned above, if the Issuer and the Calculation Agent, upon exercise of their reasonable discretion, determine that the economic effects of these events are comparable and may have an impact on the value of the commodity.

##### (3) Deviations by the Issuer from the Relevant Futures and Options Exchange

The Issuer shall be entitled to deviate from the adjustments made by the Relevant Futures and Options Exchange, should the Issuer consider it necessary in order to account for existing differences between the Securities and the Option Contracts traded on the Relevant Futures and Options Exchange. Irrespective of, whether or how adjustments are *de facto* effected by the Relevant Futures and Options Exchange, the Issuer

is entitled to make adjustments to these Conditions for the purpose to reconstitute to the extent possible the Securityholders' economic status prior to the measures in terms of § 6 (e) (2).

#### **(4) Successor Underlying or, as the case may be, Successor Basket Component**

In the event that the commodity ceases to exist and/or is replaced by a successor commodity (by any parties other than the Issuer) (subject to § 6 (n) of these Conditions, a **"Replacement Event"**), the Issuer and the Calculation Agent shall, provided that the Issuer has not terminated the Securities in accordance with § 8 of these Conditions, determine at their reasonable discretion, after having made appropriate adjustments according to the paragraph above, which underlying, economically equal to the underlying concept of the commodity used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, the Basket Component shall be applicable in the future (the **"Successor Underlying"** or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, the **"Successor Basket Component"**) and to replace the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, the affected Basket Component by the Successor Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, the Successor Basket Component. The Successor Underlying or, as the case may be, the Successor Basket Component and the date it is applied for the first time shall be published without undue delay in accordance with § 14 of these Conditions.

Any reference in these Conditions to the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, the Basket Component shall, to the extent appropriate, be deemed to refer to the Successor Underlying or, as the case may be, the Successor Basket Component.

#### **(5) Determination of a Substitute Trading System**

If the quotation of or trading in the commodity in the Relevant Trading System is permanently discontinued while concurrently a quotation or trading is started up or maintained on another trading system, the Issuer shall be entitled to stipulate such other trading system as the new relevant trading system (the **"Substitute Trading System"**) through publication in accordance with § 14 of these Conditions, provided that the Issuer has not terminated the Securities in accordance with § 8 of these Conditions. In the case of such a substitution, any reference in these Conditions to the Relevant Trading System thereafter shall be deemed to refer to the Substitute Trading System. The adjustment described above shall be published in accordance with § 14 of these Conditions upon the expiry of one month following the permanent discontinuation of the quotation of or trading in the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, in the Basket Component in the Relevant Trading System, at the latest.

#### **(6) Corrected Price**

In the event that the price of the commodity used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, as the Basket Component as determined and published by the Relevant Trading System is subsequently corrected and the correction (the **"Corrected Price"**) is published by the Relevant Trading System after the original publication, but still within one Settlement Cycle, the Issuer and the Calculation Agent shall be entitled to effect, under consideration of the Corrected Price, adjustments to these Conditions at their reasonable discretion, to account for the correction. The adjustment and the date it is applied for the first time shall be published without undue delay in accordance with § 14 of these Conditions.

#### **(7) Making of Adjustments and Determinations; Publication**

Adjustments and determinations pursuant to the paragraphs above shall be effected by the Issuer or, as the case may be, by the Calculation Agent, at its reasonable discretion, under consideration of the market conditions then prevailing and preserving the value of the Securities. The Issuer reserves the right to determine at its reasonable discretion in cases of doubt (i) the applicability of the adjustment rules of the Relevant Futures and Options Exchange and (ii) the required adjustment. Any adjustment or determination shall be published by the Issuer in accordance with § 14 of these Conditions and shall be final, conclusive and binding on all parties, except where there is a manifest error.

**(8) Effectiveness of Adjustments and Determinations**

Any adjustment and determination will become effective as of the time at which the relevant adjustments become effective on the Relevant Futures and Options Exchange or would become effective, if the Option Contracts were traded on the Relevant Futures and Options Exchange, as the case may be.

**Only** in case of a **precious metal as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms, the following § 6 (f) of these Conditions applies:

### § 6 (f)

#### Adjustments in connection with a Precious Metal

##### (1) Consequences of the occurrence of a Potential Adjustment Event

In the case of the occurrence of a Potential Adjustment Event (§ 6 (f) (2)), the Issuer shall be entitled to adjust any variable, calculation methodology, valuation, settlement, payment terms or any other terms in these Conditions in a manner and relation corresponding to the relevant adjustments made with regard to option and futures contracts on the precious metal used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, as the Basket Component traded on the Relevant Futures and Options Exchange (the "**Option Contracts**") provided that the Adjustment Record Date (as defined below) is prior to or on the Valuation Date, the Final Valuation Date or a Valuation Averaging Date, as the case may be, and as specified in the applicable Product Terms.

If no such Option Contracts are being traded on the Relevant Futures and Options Exchange, the adjustments may be effected by the Issuer in a manner as relevant adjustments would be made by the Relevant Futures and Options Exchange if those Option Contracts were traded on the Relevant Futures and Options Exchange.

The "**Adjustment Record Date**" will be the first trading day on the Relevant Futures and Options Exchange on which the adjusted Option Contracts on the Underlying are traded on the Relevant Futures and Options Exchange or would be traded if those Option Contracts were traded on the Relevant Futures and Options Exchange.

##### (2) Occurrence of a Potential Adjustment Event

"**Potential Adjustment Event**" means any measure in relation to the precious metal, which gives reason, or would give reason, if the Option Contracts were traded on the Relevant Futures and Options Exchange, as the case may be, to the Relevant Futures and Options Exchange for an adjustment to the strike, the contract volume of the underlying, the ratio of the underlying or to the quotation of the stock exchange, relevant for the calculation and determination of the price of the underlying.

Potential Adjustment Events are, *in particular*, but not limited to, the following measures, whereas, however, subject to § 6 (f) (3), the *de facto* or hypothetical decision of the Relevant Futures and Options Exchange is decisive:

- (i) The precious metal is traded on the Relevant Exchange relevant for the calculation and determination of the Price of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, of the Basket Component in a different quality, in a different consistency (e.g. with a different degree of purity or a different point of origin) or in a different standard measuring unit.
- (ii) The occurrence of another event or action, due to which the precious metal, as traded on the Relevant Exchange relevant for the calculation and determination of the Price of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, the Basket Component, is materially modified.

The provisions set out above shall apply *mutatis mutandis* to any other event or circumstance, which may have an impact on the value of the precious metal and which causes the terms of the Securities to no longer reflect the original commercial terms agreed by the Issuer and the Securityholders or adversely affects the economic basis on which the Issuer issued the Securities.

##### (3) Deviations by the Issuer from the Relevant Futures and Options Exchange

The Issuer shall be entitled to deviate from the adjustments made by the Relevant Futures and Options Exchange, should the Issuer consider it necessary in order to account for existing differences between the Securities and the Option Contracts traded on the Relevant Futures and Options Exchange. Irrespective of,

whether or how adjustments are *de facto* effected by the Relevant Futures and Options Exchange, the Issuer is entitled to make adjustments to these Conditions for the purpose to reconstitute to the extent possible the Securityholders' economic status prior to the measures in terms of § 6 (f) (2).

#### (4) Successor Underlying or, as the case may be, Successor Basket Component

In the event that the precious metal ceases to exist and/or is replaced by a successor precious metal (by any parties other than the Issuer) (subject to § 6 (n) of these Conditions, a "**Replacement Event**"), the Issuer and the Calculation Agent shall, provided that the Issuer has not terminated the Securities in accordance with § 8 of these Conditions, determine at their reasonable discretion, after having made appropriate adjustments according to the paragraph above, which underlying, economically equal to the underlying concept of the precious metal used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, the Basket Component shall be applicable in the future (the "**Successor Underlying**" or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, the "**Successor Basket Component**") and to replace the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, the affected Basket Component by the Successor Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, the Successor Basket Component. The Successor Underlying or, as the case may be, the Successor Basket Component and the date it is applied for the first time shall be published without undue delay in accordance with § 14 of these Conditions.

Any reference in these Conditions to the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, to the Basket Component shall, to the extent appropriate, be deemed to refer to the Successor Underlying or, as the case may be, to the Successor Basket Component.

#### (5) Determination of a Substitute Exchange

If the quotation of or trading in the precious metal on the Relevant Exchange is permanently discontinued while concurrently a quotation or trading is started up or maintained on another exchange, the Issuer shall be entitled to stipulate such other exchange as the new relevant exchange (the "**Substitute Exchange**") through publication in accordance with § 14 of these Conditions, provided that the Issuer has not terminated the Securities in accordance with § 8 of these Conditions. In the case of such a substitution, any reference in these Conditions to the Relevant Exchange thereafter shall be deemed to refer to the Substitute Exchange. The adjustment described above shall be published in accordance with § 14 of these Conditions upon the expiry of one month following the permanent discontinuation of the quotation of or trading in the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, in the Basket Component on the Relevant Exchange, at the latest.

#### (6) Corrected Price

In the event that the price of the precious metal used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, as the Basket Component as determined and published by the Relevant Exchange is subsequently corrected and the correction (the "**Corrected Price**") is published by the Relevant Exchange after the original publication, but still within one Settlement Cycle, the Issuer and the Calculation Agent shall be entitled to effect, under consideration of the Corrected Price, adjustments to these Conditions at their reasonable discretion, to account for the correction. The adjustment and the date it is applied for the first time shall be published without undue delay in accordance with § 14 of these Conditions.

#### (7) Making of Adjustments and Determinations; Publication

Adjustments and determinations pursuant to the paragraphs above shall be effected by the Issuer or, as the case may be, by the Calculation Agent, at its reasonable discretion, under consideration of the market conditions then prevailing and preserving the value of the Securities. The Issuer reserves the right to determine at its reasonable discretion in cases of doubt (i) the applicability of the adjustment rules of the Relevant Futures and Options Exchange and (ii) the required adjustment. Any adjustment or determination shall be published by the Issuer in accordance with § 14 of these Conditions and shall be final, conclusive and binding on all parties, except where there is a manifest error.



**(8) Effectiveness of Adjustments and Determinations**

Any adjustment and determination will become effective as of the time at which the relevant adjustments become effective on the Relevant Futures and Options Exchange or would become effective, if the Option Contracts were traded on the Relevant Futures and Options Exchange, as the case may be.

**Only** in case of an **index as the Underlying or a Basket Component, as the case may be**, as specified in the definition of “Underlying” contained in the section “Product Terms” of the relevant Final Terms, the following § 6 (g) of these Conditions applies:

### § 6 (g)

#### Adjustments in connection with an Index

##### (1) Successor Index Sponsor; Successor Index Calculator

If the Index used as the Underlying or, if in the applicable Product Terms in the definition of “Underlying” a “Basket” is specified to be applicable, as the Basket Component is permanently not maintained by the Index Sponsor and not calculated and published by the Index Sponsor or, if in the applicable Product Terms in the definition of “Underlying” a “Index Calculator” is specified to be applicable, by the Index Calculator any longer, the Issuer shall be entitled to replace the Index Sponsor or, as the case may be, the Index Calculator by a person, company or institution, which is acceptable to the Calculation Agent and the Issuer at their reasonable discretion (the “**Successor Index Sponsor**” or, if in the applicable Product Terms in the definition of “Underlying” a “Index Calculator” is specified to be applicable, the “**Successor Index Calculator**”).

In such case, the Successor Index Sponsor or, if in the applicable Product Terms in the definition of “Underlying” an “Index Calculator” is specified to be applicable, the Successor Index Calculator will be deemed to be the Index Sponsor or, as the case may be, the Index Calculator and each reference in these Conditions to the Index Sponsor or, as the case may be, the Index Calculator shall be deemed to refer to the Successor Index Sponsor or, as the case may be, the Successor Index Calculator.

##### (2) Changes in the calculation; Making of Adjustments

Any changes in the calculation (including corrections) of the Index or of the composition or of the weighting of the Index components, on which the calculation of the Underlying or, if in the applicable Product Terms in the definition of “Underlying” a “Basket” is specified to be applicable, of the Basket Component is based, shall not lead to an adjustment unless the Issuer and the Calculation Agent, upon exercise of their reasonable discretion, determine that the underlying concept and the calculation (including corrections) of the Underlying or of the Basket Component are no longer comparable to the underlying concept or calculation of the Index applicable prior to such change. This applies especially, if due to any change the Index value changes considerably, although the prices and weightings of the components included in the Index remain unchanged. Adjustments may also be made as a result of the termination of the Index and/or its substitution by another underlying.

For the purpose of making any adjustments, the Calculation Agent shall at its reasonable discretion determine an adjusted value per unit of the Index as the basis of the determination of the Price of the Underlying or, if in the applicable Product Terms in the definition of “Underlying” a “Basket” is specified to be applicable, of the Basket Component, which in its result corresponds with the economic result prior to this change, and shall, taking into account the time the change occurred, determine the day, on which the adjusted value per unit of the Index shall apply for the first time. The adjusted value per unit of the Underlying or the Basket Component as well as the date of its first application shall be published without undue delay pursuant to § 14 of these Conditions.

##### (3) Successor Underlying or, as the case may be, Successor Basket Component

In the event that

- (i) the authorisation of the Issuer or of the Calculation Agent, as the case may be, to use the Index used as the Underlying or, if in the applicable Product Terms in the definition of “Underlying” a “Basket” is specified to be applicable, the Basket Component for the purposes of the Securities is terminated or otherwise ceases or
- (ii) the Index (or the publication thereof) has been permanently discontinued and/or replaced by a successor index (by any parties other than the Issuer),

(subject to § 6 (n) of these Conditions, a “**Replacement Event**”) the Issuer and the Calculation Agent shall determine at their reasonable discretion, after having made appropriate adjustments according to the

paragraph above, which index shall be applicable in the future (the "**Successor Underlying**" or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, the "**Successor Basket Component**") and to replace the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, the affected Basket Component by the Successor Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, the Successor Basket Component. The Successor Underlying or, as the case may be, the Successor Basket Component and the date it is applied for the first time shall be published without undue delay in accordance with § 14 of these Conditions.

Any reference in these Conditions to the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, to the Basket Component shall, to the extent appropriate, be deemed to refer to the Successor Underlying or, as the case may be, to the Successor Basket Component.

#### **(4) Corrected Price**

In the event that the price of the Index used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, as the Basket Component as determined and published by the Index Sponsor or, if in the applicable Product Terms in the definition of "Underlying" a "Index Calculator" is specified to be applicable, by the Index Calculator is subsequently corrected and the correction (the "**Corrected Price**") is published after the original publication, but still within one Settlement Cycle, the Issuer and the Calculation Agent shall be entitled to effect, under consideration of the Corrected Price, adjustments to these Conditions at their reasonable discretion, to account for the correction. The adjustment and the date it is applied for the first time shall be published without undue delay in accordance with § 14 of these Conditions.

#### **(5) Making of Adjustments and Determinations; Publication**

Adjustments and determinations pursuant to the paragraphs above shall be effected by the Issuer or, as the case may be, by the Calculation Agent, at its reasonable discretion, under consideration of the market conditions then prevailing and preserving the value of the Securities. The Issuer reserves the right to determine at its reasonable discretion in cases of doubt the required adjustment. Any adjustment or determination shall be published by the Issuer in accordance with § 14 of these Conditions and shall be final, conclusive and binding on all parties, except where there is a manifest error.

**Only** in case of an **exchange traded Fund Unit as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms, the following § 6 (h) of these Conditions applies:

### § 6 (h)

#### Adjustments in connection with an exchange traded Fund Unit

##### (1) Consequences of the occurrence of a Potential Adjustment Event

In the case of the occurrence of a Potential Adjustment Event (§ 6 (h) (2)) in respect to the exchange traded Fund Unit used as Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, as the Basket Component, the Issuer shall be entitled to make any adjustments to any variable, calculation methodology, valuation, settlement, payment terms or any other terms in respect of the Securities that they determine at their reasonable discretion to be appropriate to account for the effect of such Potential Adjustment Event.

##### (2) Occurrence of a Potential Adjustment Event

"**Potential Adjustment Event**" means any following measure in relation to the Fund Unit:

- (a) Conversion, subdivision, consolidation or reclassification of the Fund Units;
- (b) Payment of distributions, which contradict the standard distribution policy of the Investment Fund in relation to the Fund Units, or
- (c) any other event that may, in the Issuer's and the Calculation Agent's reasonable discretion, have a diluting or concentrative effect on the Fund Units.

##### (3) Adjustments made by the Relevant Futures and Options Exchange

The Issuer shall be entitled to in particular effect adjustments to these Conditions in a manner and relation corresponding to the relevant adjustments made with regard to option and futures contracts on the Fund Unit used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, as the Basket Component, traded on the Relevant Futures and Options Exchange (the "**Option Contracts**") provided that the Adjustment Record Date (as defined below) is prior to or on the Valuation Date, the Final Valuation Date or a Valuation Averaging Date, as the case may be, and as specified in the applicable Product Terms.

If no such Option Contracts are being traded on the Relevant Futures and Options Exchange, the adjustments may be effected by the Issuer in a manner as relevant adjustments would be made by the Relevant Futures and Options Exchange if those Option Contracts were traded on the Relevant Futures and Options Exchange.

The "**Adjustment Record Date**" will be the first trading day on the Relevant Futures and Options Exchange on which the adjusted Option Contracts on the Underlying are traded on the Relevant Futures and Options Exchange or would be traded if those Option Contracts were traded on the Relevant Futures and Options Exchange.

##### (4) Deviations by the Issuer from the Relevant Futures and Options Exchange

The Issuer shall be entitled to deviate from the adjustments made by the Relevant Futures and Options Exchange, should the Issuer consider it necessary in order to account for existing differences between the Securities and the Option Contracts traded on the Relevant Futures and Options Exchange. Irrespective of, whether or how adjustments are *de facto* effected by the Relevant Futures and Options Exchange, the Issuer is entitled to make adjustments to these Conditions for the purpose to reconstitute to the extent possible the Securityholders' economic status prior to the measures in terms of § 6 (h) (2).

##### (5) Consequences of the occurrence of a Replacement Event

If a Replacement Event (§ 6 (h) (6)) in respect of the Fund Unit used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, as the Basket

Component occurs or is likely to occur, the Issuer and the Calculation Agent may, if they determine at their reasonable discretion, that such event is material and adversely affects the Fund Unit,

- (i) select an alternative investment fund, which the Issuer and the Calculation Agent determine at their reasonable discretion to have a similar strategy and liquidity (the "**Successor Underlying**" or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, the "**Successor Basket Component**") and to replace the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, the affected Basket Component by the Successor Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, the Successor Basket Component. and/or
- (ii) make any adjustments to any variable, calculation methodology, valuation, settlement, payment terms or any other terms in respect of the Securities that they determine at their reasonable discretion to be appropriate to account for the effect of such Replacement Event.

## (6) Occurrence of a Replacement Event

Subject to § 6 (n) of these Conditions, "**Replacement Event**" means any of the following:

- (a) The investment strategy or investment objective of an Investment Fund (the "**Strategy**") differs substantially from the Strategy at the Issue Date or the date on which the Underlying was adjusted in accordance with these Conditions, as the case may be, or from the Strategy outlined in the prospectus or other documents prepared in connection with the marketing of the Investment Fund (together the "**Documents**") or from the rules in relation to the Investment Fund.
- (b) The Investment Fund introduces or increases charges or fees payable out of the assets of the Investment Fund or charges a subscription fee or redemption fee.
- (c) The operation or organisation of the Investment Fund (in particular structure, procedures or policies) or the application of such procedures or policies has changed from that at the Issue Date or the date on which the Underlying was adjusted in accordance with these Conditions, as the case may be.
- (d) The Investment Fund or its investment manager is or becomes subject to liquidation, dissolution, discontinuance or execution, or the investment manager indicates that the Strategy will not be met or proposes, recommends or initiates the liquidation, dissolution or discontinuance of the Investment Fund.
- (e) The Investment Fund or its investment manager or any of their employees are placed under review or investigation by any regulatory or other authority or are subject to any charges or prosecution.
- (f) The Issuer is the beneficial owner of 5 % or more of the Fund Units of the Investment Fund or a relevant class of the Investment Fund.
- (g) The Investment Fund or its investment manager becomes party to any litigation or dispute.
- (h) Resignation, termination, loss of registration or any other change in respect of the investment manager of the Investment Fund or any change in the personnel of the investment manager or in the service providers to the Investment Fund.

The provisions set out above shall apply *mutatis mutandis* to events other than those mentioned above, if the Issuer and the Calculation Agent, upon exercise of their reasonable discretion, determine that the economic effects of these events are comparable and may have an impact on the calculational value of the Fund Unit.

Any reference in these Conditions to the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, as the Basket Component shall, to the extent appropriate, be deemed to refer to the Successor Underlying.

**(7) Determination of a Substitute Exchange**

If the quotation of or trading in the Fund Unit used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, as the Basket Component on the Relevant Exchange is permanently discontinued while concurrently a quotation or trading is started up or maintained on another stock exchange, the Issuer shall be entitled to stipulate such other stock exchange as new Relevant Exchange (the "**Substitute Exchange**") through publication in accordance with § 14 of these Conditions, provided that the Issuer has not terminated the Securities in accordance with § 8 of these Conditions. In the case of such a substitution, any reference in these Conditions to the Relevant Exchange thereafter shall be deemed to refer to the Substitute Exchange. The adjustment described above shall be published in accordance with § 14 of these Conditions upon the expiry of one month following the permanent discontinuation of the quotation of or trading in the Fund Unit used as the Underlying on the Relevant Exchange.

**(8) Corrected Price**

In the event that the price of the Fund Unit used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, as the Basket Component as determined and published by the Relevant Exchange is subsequently corrected and the correction (the "**Corrected Price**") is published by the Relevant Exchange after the original publication, but until the Maturity Date (exclusive), the Issuer and the Calculation Agent shall be entitled to effect, under consideration of the Corrected Price, adjustments to these Conditions at their reasonable discretion, to account for the correction. The adjustment and the date it is applied for the first time shall be published without undue delay in accordance with § 14 of these Conditions.

**(9) Making of Adjustments and Determinations, Publication**

Adjustments and determinations pursuant to the paragraphs above shall be effected by the Issuer or, as the case may be, by the Calculation Agent, at its reasonable discretion, under consideration of the market conditions then prevailing and preserving the value of the Securities. The Issuer reserves the right to determine at its reasonable discretion in cases of doubt the required adjustment. Any adjustment or determination shall be published by the Issuer in accordance with § 14 of these Conditions and shall be final, conclusive and binding on all parties, except where there is a manifest error.

**(10) Effectiveness of Adjustments and Determinations**

Any adjustment and determination will become effective as of the time at which the relevant adjustments become effective on the Relevant Futures and Options Exchange or would become effective, if the Option Contracts were traded on the Relevant Futures and Options Exchange, as the case may be.

**Only** in case of a **not exchange traded Fund Unit as the Underlying or a Basket Component, as the case may be**, as specified in the definition of “Underlying” contained in the section “Product Terms” of the relevant Final Terms, the following § 6 (i) of these Conditions applies:

### § 6 (i)

#### Adjustments in connection with a Fund Unit

##### (1) Consequences of the occurrence of a Potential Adjustment Event

If a Potential Adjustment Event (§ 6 (i) (2)) in respect of the Fund Unit used as the Underlying or, if in the applicable Product Terms in the definition of “Underlying” a “**Basket**” is specified to be applicable, as the Basket Component occurs or is likely to occur, the Issuer and the Calculation Agent may, if they determine at their reasonable discretion, that such event is material and adversely affects the Underlying or, as the case may be, the Basket Component or the calculation of the NAV of the Fund Unit,

- (a) make any adjustments to any variable, calculation methodology, valuation, settlement, payment terms or any other terms in respect of the Securities that they determine at their reasonable discretion to be appropriate to account for the effect of such Potential Adjustment Event, and/or
- (b) select, by using reasonable efforts for a period of no longer than five (5) Business Days from the date when such a Potential Adjustment Event has occurred, one or more suitable alternative funds with reasonably similar investment mandates – subject to the following suitability criteria – (each a “**Replacement Fund**”) and replace the Fund by such fund(s).

The replacement of the Fund by one or more alternative Replacement Funds is only possible provided that all of the following suitability criteria are met:

- (i) The relevant fund management company/ies and fund manager(s) are willing to allow the fund to be referenced in the Securities.
- (ii) There is no legal or regulatory restriction on referencing the fund in respect of the Securities.
- (iii) The Issuer is able to trade at net asset value or at bid price in the fund with no direct or indirect fee, levy or other charge whatsoever, including subscription or redemption penalties applicable, or potentially applicable, to any such trading or any interest so acquired.
- (iv) The fund is constituted as an open-ended investment company incorporated in an OECD country.
- (v) The relevant fund management company / fund manager publishes the fund's net asset value or bid price on a daily basis.
- (vi) The Issuer is able to fully hedge its position with respect to the fund.

##### (2) Occurrence of a Potential Adjustment Event

“**Potential Adjustment Event**” means, subject to § 6 (n) of these Conditions, any of the following:

- (a) A material change in the investment strategy, underlying portfolio liquidity or the risk/return profile of the Fund, a material modification of or deviation from any of the investment objectives, investment restrictions, investment process or investment guidelines of the Fund (howsoever described, including the underlying type of assets in which the Fund invests) from those set out in the Fund offer documentation or other constitutional documents or any announcement regarding a potential modification or material deviation, except where such modification or deviation is of a formal, minor or technical nature;
- (b) the Fund or any service provider to the fund such as investment advisors, investment managers, custodians, depositaries, administrators, management companies etc. (each a “**Fund Service Provider**”) (i) ceases trading and/or, in the case of a Fund Service Provider, ceases to provide its services to the Fund and is not immediately replaced in such capacity by a successor acceptable to the Calculation Agent, (ii) is dissolved or has a resolution passed, or there is any proposal, for its dissolution, winding-up, official liquidation or any other relief under any bankruptcy or insolvency law or other

similar law affecting creditors' rights (other than pursuant to a consolidation, amalgamation or merger); or (iii) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an effect analogous to any of the events specified above;

- (c) any suspension, a change in the periodicity and/or material modification of the method of calculating the NAV per Fund Unit set out in the fund documents on the Fixing Date;
- (d) any change in the currency of denomination of the NAV of the relevant class of shares of the Fund, or the NAV of the Fund, as calculated by its administrator, not being calculated or announced for any scheduled Fund Business Day within the time period when the Calculation Agent would ordinarily expect such NAV to be available;
- (e) the creation by the Fund of any illiquid share class or unit howsoever described or if the Fund is part of an umbrella structure with more than one sub-fund, a cross-contamination or other failure to segregate the portfolio of assets held by the Fund occurs between different series, classes and/or sub-funds;
- (f) the regulatory, legal, accounting or tax treatment applicable with respect to the Issuer or the Fund is changed;
- (g) there exists any litigation against the Fund or a Fund Service Provider and/or an allegation of criminal or fraudulent activity is made in respect of the Fund, which in the reasonable determination of the Calculation Agent could materially affect the value of the Fund Units or the rights or remedies of any investor in such Fund Units;
- (h) any review or investigation of the activities of the Fund or any Fund Service Provider, by a relevant regulator, in connection with suspected or alleged wrongdoing or breach of any rule or regulation, or other similar reason, or any disciplinary action taken by such regulator in consequence thereof which in the reasonable determination of the Calculation Agent could materially affect the value of the Fund Units or the rights or remedies of any investor in such Fund Units;
- (i) a relevant authorisation or licence is revoked, lapses or is under review by a competent authority in respect of the Fund or a Fund Service Provider or new conditions are imposed, or existing conditions varied, with respect to any such authorisation or licence which in the reasonable determination of the Calculation Agent could materially affect the value of the Fund Units or the rights or remedies of any investor in such Fund Units;
- (j) the assets under management of the Fund falls below EUR 50,000,000 or the equivalent in any other currency;
- (k) the Issuer is the beneficial owner of 5 % or more of the Fund Units of the Fund or a relevant class of the Fund;
- (l) any arrangement between the Issuer and the Fund and/or a Fund Service Provider, including arrangements relating to subscriptions in and redemptions of Fund Units, being changed or terminated, where such change, modification or termination has a direct impact on the pricing of the Securities;
- (m) the occurrence of any event, which prevents, hinders or materially impairs the Issuer's ability to conduct its hedging activities, or materially increases the cost to the Issuer of hedging arrangements, in relation to its exposure under these Securities including but not limited to, any event that renders the Issuer unable to or makes it impracticable for the Issuer to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction or asset it deems necessary to hedge the Issuer's obligations under the Securities or (B) to realise, recover or remit the proceeds of any such transaction or asset, including, without limitation, where such inability or impracticability has arisen by reason of (aa) any restrictions or increase in charges or fees imposed by the Fund on any investor's ability to redeem a Fund Unit, in whole or in part, or any existing or new investor's ability to make new or additional investments in such Fund Unit, or (bb) any mandatory redemption, in whole or in part, of such units in the Fund.
- (n) The occurrence of a Fund Change in Law;



where a “**Fund Change in Law**” means that due to the occurrence, on or after the Issue Date of the Securities, of any of the following:

- (i) the adoption, taking effect or implementation of any law, order rule, regulation, decree, notice or treaty;
- (ii) any change in any law, order, rule, regulation, decree, notice or treaty or in the administration, interpretation, implementation or application thereof, whether formal or informal, by any court, tribunal, regulatory authority, governmental authority or similar administrative or judicial body; or
- (iii) the making or issuance of any request, rule, guideline or directive (whether formal or informal or not having the force of law) by any court, tribunal, regulatory authority, governmental authority or similar administrative or judicial body; provided that (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act, the European Market Infrastructure Regulation (*EMIR*) as amended by the Markets in Financial Instruments Regulation (*MiFIR*), the Markets in Financial Instruments Directives (*MiFID I* and *MiFID II*) or any structural reform regulation of the European banking sector and all requests, rules, guidelines, directives or interpretations thereunder or issued in connection therewith or the administration, interpretation, implementation or application thereof and (y) all requests, rules, guidelines, directives or interpretations promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority), the Swiss Financial Market Supervisory Authority or its successors (*FINMA*) or the United States or foreign regulatory authorities, or the administration, interpretation, implementation or application thereof shall each be deemed to be a “Fund Change in Law”, regardless of the date enacted, adopted issued or applied,

at the reasonable discretion of the Issuer

- (i) the holding, acquisition or sale of the Fund Units of the Fund is or becomes wholly or partially illegal or
  - (ii) the costs associated with the obligations under the Securities have increased substantially (including but not limited to an increase in tax obligations, the reduction of tax benefits or negative consequences with regard to tax treatment).
- (o) one or more of the key individuals involved with, or having supervision over, the Fund or a Fund Service Provider ceases to act in such capacity, and the relevant Fund Service Provider fails to appoint a replacement having similar qualifications to those of the key individual or individuals ceasing to act, provided that the Fund's offer documents or other constitutional documents contain provisions pertaining to the occurrence of such a key person event;
  - (p) any other event or circumstance, which, in the reasonable determination of the Calculation Agent, causes the terms of these Securities to no longer reflect the original commercial terms agreed by the Issuer and the Securityholders or adversely affects the economic basis on which the Issuer issued the Securities.
  - (q) at any time on or after the Issue Date, the Issuer and/or any of its affiliates would incur an increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, reserve or similar requirement in relation to the Securities, capital and/or funding costs, expense or fee (other than brokerage commissions) or hedging costs (including, but not limited to, regulatory capital or operational requirements required from a Fund Change in Law) to maintain the Securities.

The provisions set out above shall apply *mutatis mutandis* to any other event or circumstance, which causes the terms of the Securities to no longer reflect the original commercial terms agreed by the Issuer and the Securityholders or adversely affects the economic basis on which the Issuer issued the Securities.

Any reference in these Conditions to the Fund as the Underlying or, if in the applicable Product Terms in the definition of “Underlying” a “Basket” is specified to be applicable, as the Basket Component shall, to the extent appropriate, be deemed to refer to the Replacement Fund.

**(3) Corrected Price**

In the event that the price of the Fund Unit used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, as the Basket Component as determined and published by a Fund Service Provider on behalf the Fund is subsequently corrected and the correction (the "**Corrected Price**") is published by a Fund Service Provider or otherwise on behalf of the Fund after the original publication, but still within one Settlement Cycle, the Issuer and the Calculation Agent shall be entitled to effect, under consideration of the Corrected Price, adjustments to these Conditions at their reasonable discretion, to account for the correction. The adjustment and the date it is applied for the first time shall be published without undue delay in accordance with § 14 of these Conditions.

**(4) Making of Adjustments and Determinations; Publication**

Adjustments and determinations pursuant to the paragraphs above shall be effected by the Issuer or, as the case may be, by the Calculation Agent, at its reasonable discretion, under consideration of the market conditions then prevailing and preserving the value of the Securities. The Issuer reserves the right to determine at its reasonable discretion in cases of doubt the required adjustment. Any adjustment or determination shall be published by the Issuer in accordance with § 14 of these Conditions and shall be final, conclusive and binding on all parties, except where there is a manifest error.

**Only** in case of a **futures contract as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms, the following § 6 (j) of these Conditions applies:

### § 6 (j)

#### Adjustments in connection with a Futures Contract

##### (1) Expiration of the Futures Contract

Upon expiration of the futures contract used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, of the Basket Component, during the Term of the Securities, the futures contract will be replaced on the Roll Over Date by the futures contract with the next Expiration Date as relevant new Underlying or, as the case may be, Basket Component (the "**Current Underlying**" or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, the "**Current Basket Component**"), (the "**Roll Over**"). If, at that time, the Issuer determines that there is no futures contract with the next Expiration Date, the terms or contractual characteristics of which match those of the futures contract used as the Underlying or, as the case may be, as the Basket Component to be replaced, paragraph (4) shall apply accordingly.

The Issuer shall be entitled to make at its reasonable discretion and considering the prices determined for the purpose of the Roll Over on the basis of the price of the futures contract used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, as the Basket Component and of the Current Underlying or, as the case may be, the Current Basket Component on the Roll Over Date, adjustments to these Conditions to account for the Roll Over, to the extent as the Issuer considers such adjustment necessary when replacing the expiring future contract by the Current Underlying or, as the case may be, the Current Basket Component. At this, adjustments will be effected so that the economic value of the Securities is affected as less as possible by the Roll Over. The adjustments in the context of a Roll Over pursuant to the paragraphs above shall be effected by the Issuer at its reasonable discretion and shall be published on the website of the Issuer at [www.ubs.com/keyinvest](http://www.ubs.com/keyinvest) or a successor address. Any adjustment and determination shall be final, conclusive and binding on all parties, except where there is a manifest error.

##### (2) Material change in the market conditions

If, in the opinion of the Calculation Agent at its reasonable discretion, a material change in the market conditions occurred in relation to the Relevant Reference Market relevant for the calculation and determination of the price of the futures contract used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, as the Basket Component, the Issuer shall be entitled to adjust any variable, calculation methodology, valuation, settlement, payment terms or any other terms in these Conditions to account for the effect of these changed market conditions.

##### (3) Changes in the calculation; Making of Adjustments

Any changes in the calculation (including corrections) of the futures contract, shall not lead to an adjustment unless the Issuer and the Calculation Agent, upon exercise of their reasonable discretion determine that the underlying concept and the calculation (including corrections) of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, of the Basket Component are no longer comparable to the underlying concept or calculation of the Underlying or, as the case may be, the Basket Component applicable prior to such change. Adjustments may also be made as a result of the termination of the Underlying or the Basket Component and/or its substitution by another underlying.

For the purpose of making any adjustment, the Calculation Agent shall at its reasonable discretion determine an adjusted value per unit of the futures contract as the basis of the determination of the Price of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, of the Basket Component, which in its result corresponds with the economic result prior to this change, and shall, taking into account the time the change occurred, determine the day, on which the adjusted value per unit of the futures contract shall apply for the first time. The adjusted value per unit of the Underlying or, as the case may be, the Basket Component as well as the date of its first application shall be published without undue delay pursuant to § 14 of these Conditions.

**(4) Successor Underlying or, as the case may be Successor Basket Component**

In the event that the futures contract ceases to exist and/or is replaced by successor futures contract (by any parties other than the Issuer) (subject to § 6 (n) of these Conditions, a "**Replacement Event**"), the Issuer and the Calculation Agent shall, provided that the Issuer has not terminated the Securities in accordance with § 8 of these Conditions, determine at the reasonable discretion of the Issuer or, as the case may be, of the Calculation Agent, after having made appropriate adjustments according to the paragraph above, which underlying, economically equal to the underlying concept of the futures contract used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, as the Basket Component shall be applicable in the future (the "**Successor Underlying**" or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, the "**Successor Basket Component**") and to replace the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, the affected Basket Component by the Successor Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, the Successor Basket Component. The Successor Underlying or, as the case may be, the Successor Basket Component and the date it is applied for the first time shall be published without undue delay in accordance with § 14 of these Conditions.

Any reference in these Conditions to the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, to the Basket Component shall, to the extent appropriate, be deemed to refer to the Successor Underlying or, as the case may be, the Successor Basket Component.

**(5) Determination of a Substitute Reference Market**

If the quotation of or trading in the futures contract in the Relevant Reference Market is permanently discontinued while concurrently a quotation or trading is started up or maintained on another reference market, the Issuer shall be entitled to stipulate such other reference market as the new relevant reference market (the "**Substitute Reference Market**") through publication in accordance with § 14 of these Conditions, provided that the Issuer has not terminated the Securities in accordance with § 8 of these Conditions. In the case of such a substitution any reference in these Conditions to the Relevant Reference Market thereafter shall be deemed to refer to the Substitute Reference Market. The adjustment described above shall be published in accordance with § 14 of these Conditions upon the expiry of one month following the permanent discontinuation of the quotation of or trading in the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, in the Basket Component in the Relevant Reference Market at the latest.

**(6) Making of Adjustments and Determinations; Publication**

Adjustments and determinations pursuant to the paragraphs above shall be effected by the Issuer or, as the case may be, by the Calculation Agent, at its reasonable discretion, under consideration of the market conditions then prevailing and preserving the value of the Securities. The Issuer reserves the right to determine at its reasonable discretion in cases of doubt the required adjustment. Any adjustment or determination shall be published by the Issuer in accordance with § 14 of these Conditions and shall be final, conclusive and binding on all parties, except where there is a manifest error.

**Only** in case of an **interest rate as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms, the following § 6 (k) of these Conditions applies:

### § 6 (k)

#### Adjustments in connection with the Interest Rate

##### (1) Material change in the market conditions

If, in the opinion of the Calculation Agent at its reasonable discretion, a material change in the market conditions occurred in relation to the Relevant Reference Market relevant for the calculation and determination of the price of the interest rate used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, as the Basket Component, the Issuer shall be entitled to adjust any variable, calculation methodology, valuation, settlement, payment terms or any other terms in these Conditions to account for the effect of these changed market conditions.

##### (2) Changes in the calculation; Making of Adjustments

Any changes in the calculation (including corrections) of the interest rate, shall not lead to an adjustment unless the Issuer and the Calculation Agent, upon exercise of their reasonable discretion determine that the underlying concept and the calculation (including corrections) of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, of the Basket Component are no longer comparable to the underlying concept or calculation of the Underlying or, as the case may be, the Basket Component applicable prior to such change. Adjustments may also be made as a result of the termination of the Underlying or the Basket Component and/or its substitution by another underlying.

For the purpose of making any adjustment, the Calculation Agent shall at its reasonable discretion determine an adjusted value per unit of the interest rate as the basis of the determination of the Price of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, of the Basket Component, which in its result corresponds with the economic result prior to this change, and shall, taking into account the time the change occurred, determine the day, on which the adjusted value per unit of the interest rate shall apply for the first time. The adjusted value per unit of the Underlying **or, as the case may be**, the Basket Component as well as the date of its first application shall be published without undue delay pursuant to § 14 of these Conditions.

##### (3) Successor Underlying or, as the case may be Successor Basket Component

In the event that

- (i) the authorisation of the Issuer or of the Calculation Agent, as the case may be, to use the interest rate used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, the Basket Component for the purposes of the Securities is terminated or otherwise ceases or
- (ii) the interest rate (or the publication thereof) has been permanently discontinued and/or replaced by a successor interest rate (by any parties other than the Issuer),

(subject to § 6 (n) of these Conditions, a "**Replacement Event**") the Issuer and the Calculation Agent shall determine at their reasonable discretion, after having made appropriate adjustments according to the paragraph above, which interest rate shall be applicable in the future (the "**Successor Underlying**" or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, the "**Successor Basket Component**") and to replace the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, the affected Basket Component by the Successor Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, the Successor Basket Component. The Successor Underlying or, as the case may be, the Successor Basket Component and the date it is applied for the first time shall be published without undue delay in accordance with § 14 of these Conditions.

Any reference in these Conditions to the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, to the Basket Component shall, to the extent

appropriate, be deemed to refer to the Successor Underlying or, as the case may be, to the Successor Basket Component.

**(4) Determination of a Substitute Reference Market**

If the calculation or publication of the interest rate in the Relevant Reference Market is permanently discontinued while concurrently a calculation and publication is started up or maintained on another reference market, the Issuer shall be entitled to stipulate such other reference market as the new relevant reference market (the "**Substitute Reference Market**") through publication in accordance with § 14 of these Conditions, provided that the Issuer has not terminated the Securities in accordance with § 8 of these Conditions. In the case of such a substitution any reference in these Conditions to the Relevant Reference Market thereafter shall be deemed to refer to the Substitute Reference Market. The adjustment described above shall be published in accordance with § 14 of these Conditions upon the expiry of one month following the permanent discontinuation of the calculation and publication of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, of the Basket Component in the Relevant Reference Market at the latest.

**(5) Making of Adjustments and Determinations; Publication**

Adjustments and determinations pursuant to the paragraphs above shall be effected by the Issuer or, as the case may be, by the Calculation Agent, at its reasonable discretion, under consideration of the market conditions then prevailing and preserving the value of the Securities. The Issuer reserves the right to determine at its reasonable discretion in cases of doubt the required adjustment. Any adjustment or determination shall be published by the Issuer in accordance with § 14 of these Conditions and shall be final, conclusive and binding on all parties, except where there is a manifest error.

**Only** in case of a **currency exchange rate as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms, the following § 6 (l) of these Conditions applies:

### § 6 (l)

#### Adjustments in connection with a Currency Exchange Rate

##### (1) Material change in the market conditions

If, in the opinion of the Calculation Agent at its reasonable discretion, a material change in the market conditions occurred in relation to the Relevant Exchange Market relevant for the calculation and determination of the price of the currency exchange rate used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, as the Basket Component, the Issuer shall be entitled to adjust any variable, calculation methodology, valuation, settlement, payment terms or any other terms in these Conditions to count for these changed market conditions.

##### (2) Changes in the calculation; Making of Adjustments

Any changes in the calculation (including corrections) of the currency exchange rate or of the composition or of the weighting of the prices or other reference assets, which form the basis of the calculation of the currency exchange rate, shall not lead to an adjustment unless the Issuer and the Calculation Agent, upon exercise of their reasonable discretion, determine that the underlying concept and the calculation (including corrections) of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, of the Basket Component are no longer comparable to the underlying concept or calculation of the Underlying or the Basket Component applicable prior to such change. Adjustments may also be made as a result of the termination of the Underlying or the Basket Component and/or its substitution by another underlying.

For the purpose of making any adjustments, the Calculation Agent shall at its reasonable discretion determine an adjusted value per unit of the currency exchange rate as the basis of the determination of the Price of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, of the Basket Component, which in its result corresponds with the economic result prior to this change, and shall, taking into account the time the change occurred, determine the day, on which the adjusted value per unit of the currency exchange rate shall apply for the first time. The adjusted value per unit of the Underlying or, as the case may be, the Basket Component as well as the date of its first application shall be published without undue delay pursuant to § 14 of these Conditions.

##### (3) Replacement or Merger

In the event that a currency used in relation to the currency exchange rate is, in its function as legal tender, in the country or jurisdiction, or countries or jurisdictions, maintaining the authority, institution or other body which issues such currency, replaced by another currency, or merged with another currency to become a common currency, (subject to § 6 (n) of these Conditions, a "**Replacement Event**") the currency used in connection with the currency exchange rate used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, as the Basket Component is, provided that the Issuer has not terminated the Securities in accordance with § 8 of these Conditions, for the purposes of these Conditions replaced, if applicable, after having made appropriate adjustments according to the paragraph above, by such replacing or merged currency (the "**Successor Underlying**" or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, the "**Successor Basket Component**") and to replace the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, the affected Basket Component by the Successor Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, the Successor Basket Component. The Successor Underlying or, as the case may be, the Successor Basket Component and the date it is applied for the first time shall be published without undue delay in accordance with § 14 of these Conditions.

Any reference in these Conditions to the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, to the Basket Component shall, to the extent appropriate, be deemed to refer to the Successor Underlying or, as the case may be, the Successor Basket Component.

**(4) Determination of a Substitute Exchange Market**

If the quotation of or trading in the currency used in connection with the currency exchange rate on the Relevant Exchange Market is permanently discontinued while concurrently a quotation or trading is started up or maintained on another international foreign exchange market, the Issuer shall be entitled to stipulate such other international foreign exchange market as the new relevant international foreign exchange market (the "**Substitute Exchange Market**") through publication in accordance with § 14 of these Conditions, provided that the Issuer has not terminated the Securities in accordance with § 8 of these Conditions. In the case of such a substitution, any reference in these Conditions to the Relevant Exchange Market thereafter shall be deemed to refer to the Substitute Exchange Market. The adjustment described above shall be published in accordance with § 14 of these Conditions upon the expiry of one month following the permanent discontinuation of the quotation of or trading in the currency used in connection with the currency exchange rate used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, in the Basket Component on the Relevant Exchange Market, at the latest.

**(5) Making of Adjustments and Determinations; Publication**

Adjustments and determinations pursuant to the paragraphs above shall be effected by the Issuer or, as the case may be, by the Calculation Agent, at its reasonable discretion, under consideration of the market conditions then prevailing and preserving the value of the Securities. The Issuer reserves the right to determine at its reasonable discretion in cases of doubt the required adjustment. Any adjustment or determination shall be published by the Issuer in accordance with § 14 of these Conditions and shall be final, conclusive and binding on all parties, except where there is a manifest error.



**Only** in case of a **reference rate as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms, the following § 6 (m) of these Conditions applies:

### § 6 (m)

#### Adjustments in connection with a Reference Rate

##### (1) Material change in the market conditions

If, in the opinion of the Calculation Agent at its reasonable discretion, a material change in the market conditions occurred in relation to the Relevant Reference Market relevant for the calculation and determination of the price of the reference rate used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, as the Basket Component, the Issuer shall be entitled to adjust any variable, calculation methodology, valuation, settlement, payment terms or any other terms in these Conditions to account for the effect of these changed market conditions.

##### (2) Changes in the calculation; Making of Adjustments

Any changes in the calculation (including corrections) of the reference rate, shall not lead to an adjustment unless the Issuer and the Calculation Agent, upon exercise of their reasonable discretion determine that the underlying concept and the calculation (including corrections) of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, the Basket Component are no longer comparable to the underlying concept or calculation of the Underlying or, as the case may be, the Basket Component applicable prior to such change. Adjustments may also be made as a result of the termination of the Underlying or the Basket Component and/or its substitution by another underlying.

For the purpose of making any adjustment, the Calculation Agent shall at its reasonable discretion determine an adjusted value per unit of the reference rate as the basis of the determination of the Price of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, of the Basket Component, which in its result corresponds with the economic result prior to this change, and shall, taking into account the time the change occurred, determine the day, on which the adjusted value per unit of the reference rate shall apply for the first time. The adjusted value per unit of the Underlying or, as the case may be, the Basket Component as well as the date of its first application shall be published without undue delay pursuant to § 14 of these Conditions.

##### (3) Successor Underlying or, as the case may be Successor Basket Component

In the event that

- (i) the authorisation of the Issuer or of the Calculation Agent, as the case may be, to use the reference rate used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, the Basket Component for the purposes of the Securities is terminated or otherwise ceases or
- (ii) the reference rate (or the publication thereof) has been permanently discontinued and/or replaced by a successor reference rate (by any parties other than the Issuer),

(subject to § 6 (n) of these Conditions, a "**Replacement Event**") the Issuer and the Calculation Agent shall determine at their reasonable discretion, after having made appropriate adjustments according to the paragraph above, which reference rate shall be applicable in the future (the "**Successor Underlying**" or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, the "**Successor Basket Component**") and to replace the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, the affected Basket Component by the Successor Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, the Successor Basket Component. The Successor Underlying or, as the case may be, the Successor Basket Component and the date it is applied for the first time shall be published without undue delay in accordance with § 14 of these Conditions.

Any reference in these Conditions to the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, to the Basket Component shall, to the extent

appropriate, be deemed to refer to the Successor Underlying or, as the case may be, to the Successor Basket Component.

#### **(4) Determination of a Substitute Reference Market**

If the calculation or publication of the reference rate in the Relevant Reference Market or, as the case may be, and as specified in the applicable Product Terms, by the Relevant Reference Agent is permanently discontinued while concurrently a calculation and publication is started up or maintained on another reference market or, as the case may be, by another reference agent, the Issuer shall be entitled to stipulate such other reference market or reference agent as the new relevant reference market (the "**Substitute Reference Market**") or the new relevant reference agent (the "**Substitute Reference Agent**"), as the case may be, through publication in accordance with § 14 of these Conditions, provided that the Issuer has not terminated the Securities in accordance with § 8 of these Conditions. In the case of such a substitution any reference in these Conditions to the Relevant Reference Market or, as the case may be, the Relevant Reference Agent thereafter shall be deemed to refer to the Substitute Reference Market or the Substitute Reference Agent, as the case may be. The adjustment described above shall be published in accordance with § 14 of these Conditions upon the expiry of one month following the permanent discontinuation of the calculation and publication of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, of the Basket Component in the Relevant Reference Market or, as the case may be, by the Relevant Reference Agent at the latest.

#### **(5) Making of Adjustments and Determinations; Publication**

Adjustments and determinations pursuant to the paragraphs above shall be effected by the Issuer or, as the case may be, by the Calculation Agent, at its reasonable discretion, under consideration of the market conditions then prevailing and preserving the value of the Securities. The Issuer reserves the right to determine at its reasonable discretion in cases of doubt the required adjustment. Any adjustment or determination shall be published by the Issuer in accordance with § 14 of these Conditions and shall be final, conclusive and binding on all parties, except where there is a manifest error.

**Only** if in the applicable Product Terms in the definition of "Securities" a "**Benchmark Adjustment**" is specified to be applicable, the following § 6 (n) of these Conditions applies:

### § 6 (n) Benchmark Adjustments

#### (1) Underlyings and Basket Component as a Benchmark

In the event that

- (i) the Issuer or the Calculation Agent, as the case may be, determines that the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, a Basket Component, whose price is used to determine:
  - (a) any amount payable under these Conditions, or
  - (b) the value of the Securities,

qualifies as a "benchmark" within the meaning of the EU Benchmarks Regulation (where the affected Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, the affected Basket Component, is also referred to as "**Benchmark**"), and
- (ii) the Issuer or the Calculation Agent, as the case may be, is, due to the coming into effect (following any transitional provisions) of the EU Benchmarks Regulation on or after the Issue Date of the Securities,
  - (a) either no longer able to use the Benchmark for the purposes of the Securities or
  - (b) has control over the provision of the Benchmark (*administrator*) within the meaning of the EU Benchmarks Regulation without having the appropriate authorisation, registration, recognition, endorsement, equivalence, approval or inclusion in any official register which, in each case, is required under any applicable law or regulation for the Issuer or the Calculation Agent, as the case may be, to perform its or their respective obligations under these Conditions,

this event shall also constitute a "**Replacement Event**" or, in case of § 6 (i) of these Conditions, a "**Potential Adjustment Event**" in relation to the affected Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, the affected Basket Component, for the purposes of these Conditions.

#### (2) Other Values or References as Benchmark

In the event that

- (i) the Issuer or the Calculation Agent, as the case may be, determines that any other value or reference in these Conditions is used to determine:
  - (a) any amount payable under these Conditions, or
  - (b) the value of the Securities,

qualifies as a "benchmark" within the meaning of the EU Benchmarks Regulation (where the affected value or the affected reference is also referred to as "**Benchmark**"), and
- (ii) the Issuer or the Calculation Agent, as the case may be, is, due to the coming into effect (following any transitional provisions) of the EU Benchmarks Regulation on or after the Issue Date of the Securities, is no longer able to use the Benchmark for the purposes of the Securities,

the Issuer and the Calculation Agent shall determine at their reasonable discretion, after having made appropriate adjustments to any variable, calculation methodology, valuation, settlement, payment terms or any other terms in these Conditions, which value or reference rate shall be applicable in the future and to replace the affected Benchmark.

Determinations of a succeeding value or reference rate and the date it is applied for the first time and any related adjustments of these Conditions shall be effected by the Issuer or, as the case may be, by the Calculation Agent, at its reasonable discretion, under consideration of the market conditions then prevailing and preserving the value of the Securities. The Issuer reserves the right to determine at its reasonable discretion in cases of doubt the required adjustment. Any adjustment or determination shall be published by the Issuer in accordance with § 14 of these Conditions and shall be final, conclusive and binding on all parties, except where there is a manifest error.

**§ 7**  
**Adjustments due to the European Economic  
and Monetary Union**

**(1) Redenomination**

Where a country participates in the third stage of the European Economic and Monetary Union, whether as from 1999 or after such date, the Issuer and the Calculation Agent at their reasonable discretion, shall be entitled to make the following adjustments to these Conditions:

- (i) Where the Redemption Currency under these Conditions is the national currency unit other than Euro of a country which is participating in the third stage of the European Economic and Monetary Union, whether as from 1999 or after such date, such Redemption Currency shall be deemed to be an amount of Euro converted from the original Redemption Currency into Euro at the statutory applicable exchange rate and subject to such statutory applicable rounding provisions.

After the adjustment, all payments in respect of the Securities will be made solely in Euro as though references in the Securities to the Redemption Currency were to Euro.

- (ii) Where these Conditions contain a currency conversion rate or any of these Conditions are expressed in a currency of a country which is participating in the third stage of the European Economic and Monetary Union, whether as from 1999 or after such date, such currency conversion rate and/or any other terms of these Conditions shall be deemed to be expressed in or, in the case of a currency conversion rate, converted for or, as the case may be, into, Euro at the statutory applicable exchange rate.
- (iii) The Issuer and the Calculation Agent are entitled to adjust these Conditions as they may decide to conform them to conventions then applicable to instruments expressed in Euro.
- (iv) The Issuer and the Calculation Agent at their reasonable discretion shall be entitled to make such adjustments to these Conditions as they may determine to be appropriate to account for the effect of the third stage of the European Economic and Monetary Union pursuant to the Treaty establishing the European Community on these Conditions.

**(2) No liability of the Issuer and the Security Agents**

The Issuer and the Security Agents (§ 12) shall not be liable to any Securityholder or other person for any commissions, costs, losses or expenses in relation to, or resulting from the transfer of Euro or any currency conversion or rounding effected in connection therewith.

**(3) Publication**

The adjustments and determinations of the Issuer pursuant to the paragraphs above shall be effected by the Issuer at its reasonable discretion or, as the case may be, by the Calculation Agent and shall be published by the Issuer in accordance with § 14 of these Conditions. Any adjustment and determination shall be final, conclusive and binding on all parties, except where there is a manifest error.

**§ 8****Extraordinary Termination Right of the Issuer****(1) Termination by the Issuer**

The Issuer shall in the case of the occurrence of one of the following Termination Events, be entitled to terminate and redeem all but not some of the Securities by giving notice to the Securityholders in accordance with § 14 of these Conditions. Such termination shall become effective at the time of the notice in accordance with § 14 or at the time indicated in the notice (the **"Termination Date"**).

**(2) Occurrence of a Termination Event**

A **"Termination Event"** means any of the following events:

- (a) The determination and/or publication of the Price of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, of a Basket Component is discontinued permanently, or the Issuer or the Calculation Agent obtains knowledge about the intention to do so.
- (b) Adjustments pursuant to § 6 (a) – (n) of these Conditions are not possible or not justifiable with regard to the Issuer and/or the Securityholders.
- (c) In the opinion of the Calculation Agent at its reasonable discretion, another material change in the market conditions occurred in relation to the Relevant Exchange, the Relevant Trading System, the Relevant Exchange Market, the Relevant Reference Market or, as the case may be, in relation to the Relevant Reference Agent, as specified to be applicable in the relevant Product Terms.
- (d) The occurrence of any Additional Termination Event as specified to be applicable in the relevant Product Terms.

**(3) Payment of the Termination Amount**

In the case of termination by the Issuer the Issuer shall pay to each Securityholder with respect to each Security it holds, the Termination Amount as specified to be applicable in the relevant Product Terms.

**Only** in the case that in the definition of "Securities" contained in the section "Product Terms" of the relevant Final Terms the product feature "**Securityholder's Termination Right**" is specified to be applicable, the following § 9 of these Conditions applies:

## § 9

### Termination Right of the Securityholder

#### (1) Termination Right of the Securityholder

If any of the following events (each an "**Event of Default**") occurs, any Securityholder may by written notice to the Issuer at the specified office of the Principal Paying Agent (such notice, the "**Termination Notice**") declare the Securities held by it to be forthwith due and payable, whereupon the Securityholder Termination Amount as specified in the relevant Product Terms together with accrued interest to the date of payment, if any, shall become due and payable against transfer of the Securities to the Principal Paying Agent in accordance with § 9 (2) of these Conditions below, unless such Event of Default shall have been remedied prior to the receipt of such Termination Notice by the Issuer:

- (a) there is a default for more than 30 days in the payment of any principal or interest due in respect of the Security; or
- (b) there is a default in the performance by the Issuer of any other obligation under the Securities which is incapable of remedy or which, being a default capable of remedy, continues for 60 days after written notice of such default has been given by any Securityholder to the Issuer; or
- (c) any order shall be made by any competent court or other authority in any jurisdiction or any resolution passed by the Issuer for (a) the dissolution or winding-up of the Issuer, or (b) for the appointment of a liquidator, receiver or administrator of the Issuer or of all or a substantial part of the Issuer's assets, or (c) with analogous effect for the Issuer, it is understood that anything in connection with a solvent reorganisation, reconstruction, amalgamation or merger shall not constitute an event of default; or
- (d) the Issuer shall stop payment or shall be unable to, or shall admit to creditors generally its inability to, pay its debts as they fall due, or shall be adjudicated or found bankrupt or insolvent, or shall enter into any composition or other arrangements with its creditors generally.

The Termination Notice shall contain the Securityholder's declaration of terminating the Security held by it and all other necessary information. The Termination Notice is irrevocable and binding.

#### (2) Transfer of the Securities by the Securityholder

For a valid termination of the Securities held by it, the Securityholder must effect the transfer of the respective Securities to the Principal Paying Agent either (a) by an irrevocable instruction by the Securityholder to the Principal Paying Agent to withdraw the Securities from a deposit maintained with the Principal Paying Agent or (b) by procuring that its custodian bank credits the Securities to the account maintained by or on behalf of the Principal Paying Agent with the Clearing System.

The Termination Notice does not take any effect until the relevant Securities have been transferred by the Securityholder.

**§ 10  
Taxes**

Payments or, if in §§ 1 – 3 of these Conditions a “**Physical Delivery**” applies, delivery of the Physical Underlying in respect of the Securities shall in all cases only be made after deduction and withholding of current or future taxes, fees or other duties, regardless of their nature, which are imposed, levied or collected (the “**Taxes**”) under any applicable system of law or in any country which claims fiscal jurisdiction by or for the account of any political subdivision thereof or government agency therein authorised to levy Taxes, to the extent that such deduction or withholding is required by law or administrative practice. The Issuer shall account for the deducted or withheld Taxes with the competent government agencies.



**Only** in the case that the Securities are linked to an Underlying, the following § 11 of these Conditions applies:

## § 11 Market Disruptions

### (1) Consequences of a Market Disruption

(a) Provided that **the Underlying or a Basket Component, as the case may be, is not an index comprising commodities or precious metals as Components**, where a **"Consideration of Components"** is specified to be applicable, as specified in the definition of "Securities" contained in the section "Product Terms" of the relevant Final Terms, the following applies:

If, in the opinion of the Issuer and the Calculation Agent at their reasonable discretion, a Market Disruption (§ 11) prevails on the Fixing Date or any day in respect of which the Issuer or the Calculation Agent, as the case may be, is in accordance with these Conditions required to determine the Price of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, the Price of the Basket Component for purposes other than, if in the applicable Product Terms in the definition of "Underlying" an "Automatic Termination" is specified to be applicable, the determination of the occurrence of a Stop Loss Event, a Knock Out Event or, as the case may be, of another Automatic Termination Event (such date is referred to as the **"Scheduled Determination Date"**), the Scheduled Determination Date,

if in the applicable Product Terms in the definition of "Securities" a **"Individual Determination"** is specified to be applicable,

in relation to the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, to the affected Basket Component only or, if in the applicable Product Terms in the definition of "Securities" a **"Consideration of Components"** is specified to be applicable, to the affected Component only,

if in the applicable Product Terms in the definition of "Securities" a **"Collective Determination"** is specified to be applicable,

in relation to all Underlyings or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, to all Basket Components or, if in the applicable Product Terms in the definition of "Securities" a **"Consideration of Components"** is specified to be applicable, to all Components,

shall be postponed to the next succeeding Underlying Calculation Date or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, to the next succeeding Basket Component Calculation Date, on which no Market Disruption prevails. The Issuer shall endeavour to notify the parties pursuant to § 14 of these Conditions without delay of the occurrence of a Market Disruption. However, there is no notification obligation.

(b) **Only** in case of an **index comprising commodities or precious metals as Components**, where a **"Consideration of Components"** is specified to be applicable, **as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Securities" contained in the section "Product Terms" of the relevant Final Terms, the following applies:

If, in the opinion of the Issuer and the Calculation Agent at their reasonable discretion, a Market Disruption (§ 11) prevails on the Fixing Date or any day in respect of which the Issuer or the Calculation Agent, as the case may be, is in accordance with these Conditions required to determine the Price of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, the Price of the Basket Component (such date is referred to as the **"Scheduled Determination Date"**), the Scheduled Determination Date,

if in the applicable Product Terms in the definition of "Securities" a "**Individual Determination**" is specified to be applicable,

in relation to the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, to the affected Basket Component only,

if in the applicable Product Terms in the definition of "Securities" a "**Collective Determination**" is specified to be applicable,

in relation to all Underlyings or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, to all Basket Components,

shall be postponed to the next succeeding Underlying Calculation Date or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, to the next succeeding Basket Component Calculation Date, on which no Market Disruption prevails. The Issuer shall endeavour to notify the parties pursuant to § 14 of these Conditions without delay of the occurrence of a Market Disruption. However, there is no notification obligation.

With respect to the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, to the Basket Component or, as the case may be, the affected Component such prevailing Market Disruption causes that the Price of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, the Price of the Basket Component shall not be determined by reference to the official closing price of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, to the official closing price of the Basket Component, if any, on the relevant Scheduled Determination Date but shall instead be determined by the Calculation Agent as follows:

- (i) with respect to each Component which is not affected by the Market Disruption, the Price of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, the Price of the Basket Component will be based on the settlement price of such Component on the relevant Scheduled Determination Date;
- (ii) with respect to each Component which is affected by the Market Disruption the Price of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, the Price of the Basket Component will be based on the settlement price of each such Component on the first succeeding Underlying Calculation Date or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, to the next succeeding Basket Component Calculation Date on which no Market Disruption prevails.

## (2) Continuance of a Market Disruption

(a) Provided that **the Underlying or a Basket Component, as the case may be, is not an index comprising commodities or precious metals as Components**, where a "**Consideration of Components**" is specified to be applicable, as specified in the definition of "Securities" contained in the section "Product Terms" of the relevant Final Terms, the following applies:

If the Scheduled Determination Date has been postponed, due to the provisions of § 11 (1), by eight Underlying Calculation Dates or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, by eight Basket Component Calculation Dates, and if the Market Disruption continues to prevail on this day, this day shall be the relevant day in respect of which the Issuer or the Calculation Agent, as the case may be, shall make its determination in accordance with these Conditions

if in the applicable Product Terms in the definition of "Securities" a "**Individual Determination**" is specified to be applicable,

in relation to the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, to the affected Basket Component or, if in the applicable Product

Terms in the definition of "Securities" a "Consideration of Components" is specified to be applicable, to the affected Component.

if in the applicable Product Terms in the definition of "Securities" a "**Collective Determination**" is specified to be applicable,

in relation to all Underlyings or, if in the applicable Product Terms in the definition of "Securities" a "Basket" is specified to be applicable, to all Basket Components or, if in the applicable Product Terms in the definition of "Securities" a "Consideration of Components" is specified to be applicable, to all Components.

No further postponement shall take place.

The Calculation Agent will then, at its reasonable discretion and taking into account (i) the market conditions then prevailing and (ii) such other conditions or factors as the Issuer and the Calculation Agent reasonably consider to be relevant, estimate the relevant Price of the Underlying or, if in the applicable Product Terms in the definition of "Securities" a "Basket" is specified to be applicable, the relevant Price of the (affected) Basket Component or, if in the applicable Product Terms in the definition of "Underlying" a "Consideration of Components" is specified to be applicable, the relevant price of the affected Component in relation to the postponed Scheduled Determination Date (which for the avoidance of doubt could be zero (0)) on the basis of the latest Prices of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, Prices of the Basket Component or, if in the applicable Product Terms in the definition of "Securities" a "Consideration of Components" is specified to be applicable, prices of the affected Component available to the Issuer or the Calculation Agent.

If, in the opinion of the Calculation Agent at its reasonable discretion, an estimate in accordance with the preceding sub-paragraph is, for whatsoever reason, not possible, the Issuer and the Calculation Agent will, at their reasonable discretion and taking into account (i) the market conditions then prevailing, (ii) such other conditions or factors as the Issuer and the Calculation Agent reasonably consider to be relevant, and (iii) the expenses of the Issuer, if any, caused by the Market Disruption, determine whether and in which amount, if applicable, the Issuer will make payment of a redemption amount in the Redemption Currency or, if in §§ 1 – 3 of these Conditions a "**Physical Delivery**" applies, whether and in which number, if any, the Issuer will deliver the Physical Underlying. The provisions of these Conditions relating to the Redemption Amount shall apply *mutatis mutandis* to such payment.

(b) **Only** in case of an **index comprising commodities or precious metals as Components**, where a "**Consideration of Components**" is specified to be applicable, **as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Securities" contained in the section "Product Terms" of the relevant Final Terms, the following applies:

If the Scheduled Determination Date has been postponed, due to the provisions of § 11 (1), by eight Underlying Calculation Dates or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, by eight Basket Component Calculation Dates, and if the Market Disruption continues to prevail on this day, this day shall be the relevant day in respect of which the Issuer or the Calculation Agent, as the case may be, shall make its determination in accordance with these Conditions

if in the applicable Product Terms in the definition of "Securities" a "**Individual Determination**" is specified to be applicable,

in relation to the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, to the affected Basket Component.

if in the applicable Product Terms in the definition of "Securities" a "**Collective Determination**" is specified to be applicable,

in relation to all Underlyings or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, to all Basket Components.

No further postponement shall take place.

With respect to the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, to the affected Basket Component the Calculation Agent will then, at its reasonable discretion, determine the price of the relevant Component (which for the avoidance of doubt could be zero (0)).

The Calculation Agent will determine the Price of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, the Price of the (affected) Basket Component with respect to the relevant Scheduled Determination Date by using the prices of the Components determined pursuant to the aforementioned provisions relating to the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, of the (affected) Basket Component in accordance with the formula for and method of calculating the Index applied by the Index Sponsor prior to the occurrence of the Market Disruption.

### (3) Occurrence of Market Disruption

A "**Market Disruption**" shall mean

(A) in case of a **share as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms,

in relation to the share

- (a) a suspension or a failure of the announcement of the price of the share on any day relevant for determining any amounts under these Conditions or
- (b) a limitation, suspension or disruption of or, subject to the following provisions, a restriction imposed on trading, the latter of which the Calculation Agent at its reasonable discretion considers significant,
  - (i) on the Relevant Exchange in general (e.g. due to movements in price exceeding limits permitted by the Relevant Exchange), or
  - (ii) on the Relevant Exchange in the share provided that a major number or a major part in terms of market capitalisation is affected (e.g. due to movements in price exceeding limits permitted by the Relevant Exchange),
  - (iii) on the Relevant Futures and Options Exchange, if Option Contracts on the share are traded there, or
  - (iv) if in the applicable Product Terms in the definition of "Redemption Currency" a "Currency Conversion" is specified to be applicable, on the foreign exchange market(s) in which the rates for the Currency Conversion are determined, if applicable, or
  - (v) due to a directive of an authority or of the Relevant Exchange (e.g. due to movements in price exceeding limits permitted by the Relevant Exchange) or due to a moratorium, which is declared in respect of banking activities in the country, in which the Relevant Exchange is located, or due to any other reasons whatsoever.
- (c) The relevant price is a "limit price", which means that the price for the share for a day has increased or decreased from the immediately preceding day's relevant price by the maximum amount permitted under applicable rules of the Relevant Exchange.
- (d) The occurrence of any other event that, in the opinion of the Calculation Agent at its reasonable discretion, disrupts or impairs the ability of market participants in general to effect transactions in, or obtain market values for the share.

Any closing prior to the scheduled trading time or any restriction of the hours or the number of days during which trading takes place is not deemed to be a Market Disruption, if the restriction is based on a change

in regular trading hours on the Relevant Exchange announced in advance at least one (1) hour prior to the earlier of (i) the actual closing time for the regular trading hours on the Relevant Exchange or (ii) the submission deadline for orders entered into the Relevant Exchange for execution on the relevant day. A restriction of trading which is levied during the course of any day due to price developments exceeding certain prescribed limits shall only be deemed to be a Market Disruption if such restriction continues until the end of trading hours on the relevant day.

(B) in case of a **Certificate representing shares as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms,

in relation to the certificate representing shares:

- (a) a suspension or a failure of the announcement of the price of the certificate representing shares on any day relevant for determining any amounts under these Conditions or
- (b) a limitation, suspension or disruption of or, subject to the following provisions, a restriction imposed on trading, the latter of which the Calculation Agent at its reasonable discretion considers significant,
  - (i) on the Relevant Exchange in general (e.g. due to movements in price exceeding limits permitted by the Relevant Exchange), or
  - (ii) on the Relevant Exchange in the certificate representing shares provided that a major number or a major part in terms of market capitalisation is affected (e.g. due to movements in price exceeding limits permitted by the Relevant Exchange),
  - (iii) on the Relevant Futures and Options Exchange, if Option Contracts on the certificate representing shares are traded there, or
  - (iv) if in the applicable Product Terms in the definition of "Redemption Currency" a "**Currency Conversion**" is specified to be applicable, on the foreign exchange market(s) in which the rates for the Currency Conversion are determined, if applicable, or
  - (v) due to a directive of an authority or of the Relevant Exchange (e.g. due to movements in price exceeding limits permitted by the Relevant Exchange) or due to a moratorium, which is declared in respect of banking activities in the country, in which the Relevant Exchange is located, or due to any other reasons whatsoever.
- (c) The relevant price is a "limit price", which means that the price for the certificate representing shares for a day has increased or decreased from the immediately preceding day's relevant price by the maximum amount permitted under applicable rules of the Relevant Exchange.
- (d) The occurrence of any other event that, in the opinion of the Calculation Agent at its reasonable discretion, disrupts or impairs the ability of market participants in general to effect transactions in, or obtain market values for the certificate representing shares.

Any closing prior to the scheduled trading time or any restriction of the hours or the number of days during which trading takes place is not deemed to be a Market Disruption, if the restriction is based on a change in regular trading hours on the Relevant Exchange announced in advance at least one (1) hour prior to the earlier of (i) the actual closing time for the regular trading hours on the Relevant Exchange or (ii) the submission deadline for orders entered into the Relevant Exchange for execution on the relevant day. A restriction of trading which is levied during the course of any day due to price developments exceeding certain prescribed limits shall only be deemed to be a Market Disruption if such restriction continues until the end of trading hours on the relevant day.

(C) in case of a **non-equity security as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms,

in relation to the non-equity security

- (a) a suspension or a failure of the announcement of the price of the non-equity security on any day relevant for determining any amounts under these Conditions or
- (b) a limitation, suspension or disruption of or, subject to the following provisions, a restriction imposed on trading, the latter of which the Calculation Agent at its reasonable discretion considers significant,
  - (i) in the Relevant Trading System or on the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms, in general (e.g. due to movements in price exceeding limits permitted by the Relevant Exchange or the Relevant Trading System, as the case may be, and as specified in the applicable Product Terms) or
  - (ii) in the Relevant Trading System or on the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms, in the non-equity security, provided that a major number or a major part is affected (e.g. due to movements in price exceeding limits permitted by the Relevant Exchange or the Relevant Trading System, as the case may be, and as specified in the applicable Product Terms), or
  - (iii) on the Relevant Futures and Options Exchange, if Option Contracts on the non-equity security are traded there, or
  - (iv) if in the applicable Product Terms in the definition of "Redemption Currency" a "Currency Conversion" is specified to be applicable, on the foreign exchange market(s) in which the rates for the Currency Conversion are determined, if applicable, or
  - (v) due to a directive of an authority or of the Relevant Exchange or the Relevant Trading System, as the case may be, and as specified in the applicable Product Terms, (e.g. due to movements in price exceeding limits permitted by the Relevant Exchange or the Relevant Trading System, as the case may be, and as specified in the applicable Product Terms) or due to a moratorium, which is declared in respect of banking activities in the country, in which the Relevant Exchange or the Relevant Trading System is located, or due to any other reasons whatsoever.
- (c) The relevant price is a "limit price", which means that the price for the non-equity security for a day has increased or decreased from the immediately preceding day's relevant price by the maximum amount permitted under applicable rules of the Relevant Trading System or the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms.
- (d) The occurrence of any other event that, in the opinion of the Calculation Agent at its reasonable discretion, disrupts or impairs the ability of market participants in general to effect transactions in, or obtain market values for the non-equity security.

Any closing prior to the scheduled trading time or any restriction of the hours or the number of days during which trading takes place is not deemed to be a Market Disruption, if the restriction is based on a change in regular trading hours in the Relevant Trading System or on the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms, announced in advance at least one (1) hour prior to the earlier of (i) the actual closing time for the regular trading hours in the Relevant Trading System or on the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms, or (ii) the submission deadline for orders entered into the Relevant Trading System or into the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms, for execution on the relevant day. A restriction of trading which is levied during the course of any day due to price developments exceeding certain prescribed limits shall only be deemed to be a Market Disruption if such restriction continues until the end of trading hours on the relevant day.

(D) in case of a **commodity as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms,

in relation to the commodity

- (a) a suspension or a failure of the announcement of the price of the commodity on any day relevant for determining any amounts under these Conditions or

- (b) a limitation, suspension or disruption of or, subject to the following provisions, a restriction imposed on trading, the latter of which the Calculation Agent at its reasonable discretion considers significant,
- (i) in the Relevant Trading System or on the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms, in general (e.g. due to movements in price exceeding limits permitted by the Relevant Exchange or the Relevant Trading System, as the case may be, and as specified in the applicable Product Terms) or
  - (ii) in the Relevant Trading System or on the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms, in the commodity, provided that a major number or a major part is affected (e.g. due to movements in price exceeding limits permitted by the Relevant Exchange or the Relevant Trading System, as the case may be, and as specified in the applicable Product Terms), or
  - (iii) on the Relevant Futures and Options Exchange, if Option Contracts on the commodity are traded there, or
  - (iv) if in the applicable Product Terms in the definition of "Redemption Currency" a "Currency Conversion" is specified to be applicable, on the foreign exchange market(s) in which the rates for the Currency Conversion are determined, if applicable, or
  - (v) due to a directive of an authority or of the Relevant Exchange or the Relevant Trading System, as the case may be, and as specified in the applicable Product Terms, (e.g. due to movements in price exceeding limits permitted by the Relevant Exchange or the Relevant Trading System, as the case may be, and as specified in the applicable Product Terms) or due to a moratorium, which is declared in respect of banking activities in the country, in which the Relevant Exchange or the Relevant Trading System is located, or due to any other reasons whatsoever.
- (c) The relevant price is a "limit price", which means that the price for the commodity for a day has increased or decreased from the immediately preceding day's relevant price by the maximum amount permitted under applicable rules of the Relevant Trading System or the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms.
- (d) The occurrence of any other event that, in the opinion of the Calculation Agent at its reasonable discretion, disrupts or impairs the ability of market participants in general to effect transactions in, or obtain market values for the commodity.

Any closing prior to the scheduled trading time or any restriction of the hours or the number of days during which trading takes place is not deemed to be a Market Disruption, if the restriction is based on a change in regular trading hours in the Relevant Trading System or on the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms, announced in advance at least one (1) hour prior to the earlier of (i) the actual closing time for the regular trading hours in the Relevant Trading System or on the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms, or (ii) the submission deadline for orders entered into the Relevant Trading System or into the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms, for execution on the relevant day. A restriction of trading which is levied during the course of any day due to price developments exceeding certain prescribed limits shall only be deemed to be a Market Disruption if such restriction continues until the end of trading hours on the relevant day.

(E) in case of a **precious metal as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms,

in relation to the precious metal

- (a) a suspension or a failure of the announcement of the price of the precious metal on any day relevant for determining any amounts under these Conditions or
- (b) a limitation, suspension or disruption of or, subject to the following provisions, a restriction imposed on trading, the latter of which the Calculation Agent at its reasonable discretion considers significant,

- (i) in the Relevant Trading System or on the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms, in general (e.g. due to movements in price exceeding limits permitted by the Relevant Exchange or the Relevant Trading System, as the case may be, and as specified in the applicable Product Terms) or
  - (ii) in the Relevant Trading System or on the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms, in the precious metal, provided that a major number or a major part is affected (e.g. due to movements in price exceeding limits permitted by the Relevant Exchange or the Relevant Trading System, as the case may be, and as specified in the applicable Product Terms), or
  - (iii) on the Relevant Futures and Options Exchange, if Option Contracts on the precious metal are traded there, or
  - (iv) if in the applicable Product Terms in the definition of "Redemption Currency" a "Currency Conversion" is specified to be applicable, on the foreign exchange market(s) in which the rates for the Currency Conversion are determined, if applicable, or
  - (v) due to a directive of an authority or of the Relevant Exchange or the Relevant Trading System, as the case may be, and as specified in the applicable Product Terms, (e.g. due to movements in price exceeding limits permitted by the Relevant Exchange or the Relevant Trading System, as the case may be, and as specified in the applicable Product Terms) or due to a moratorium, which is declared in respect of banking activities in the country, in which the Relevant Exchange or the Relevant Trading System is located, or due to any other reasons whatsoever.
- (c) The relevant price is a "limit price", which means that the price for the precious metal for a day has increased or decreased from the immediately preceding day's relevant price by the maximum amount permitted under applicable rules of the Relevant Trading System or the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms.
- (d) The occurrence of any other event that, in the opinion of the Calculation Agent at its reasonable discretion, disrupts or impairs the ability of market participants in general to effect transactions in, or obtain market values for the precious metal.

Any closing prior to the scheduled trading time or any restriction of the hours or the number of days during which trading takes place is not deemed to be a Market Disruption, if the restriction is based on a change in regular trading hours in the Relevant Trading System or on the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms, announced in advance at least one (1) hour prior to the earlier of (i) the actual closing time for the regular trading hours in the Relevant Trading System or on the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms, or (ii) the submission deadline for orders entered into the Relevant Trading System or into the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms, for execution on the relevant day. A restriction of trading which is levied during the course of any day due to price developments exceeding certain prescribed limits shall only be deemed to be a Market Disruption if such restriction continues until the end of trading hours on the relevant day.

(F) in case of an **index as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms,

in relation to the Index or, as the case may be, and if in the applicable Product Terms in the definition of "Securities" a "Consideration of Components" is specified to be applicable, to each of its Components

- (a) a suspension or a failure of the announcement of the price of the Index or, as the case may be, and if in the applicable Product Terms in the definition of "Securities" a "Consideration of Components" is specified to be applicable, of the price a Component on any day relevant for determining any amounts under these Conditions or
- (b) a limitation, suspension or disruption of or, subject to the following provisions, a restriction imposed on trading, the latter of which the Calculation Agent at its reasonable discretion considers significant,



- (i) in the Relevant Trading System or on the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms, or, if in the applicable Product Terms in the definition of "Securities" a "Consideration of Components" is specified to be applicable, on the stock exchange(s) or in the market(s) on/in which the Components are quoted or traded, in general (e.g. due to movements in price exceeding limits permitted by the Relevant Exchange or the Relevant Trading System, as the case may be, and as specified in the applicable Product Terms or, if in the applicable Product Terms in the definition of "Securities" a "Consideration of Components" is specified to be applicable, by the stock exchange(s) or the market(s) on/in which the Components are quoted or traded), or
  - (ii) in the Relevant Trading System or on the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms, or, if in the applicable Product Terms in the definition of "Securities" a "Consideration of Components" is specified to be applicable, on the stock exchange(s) or in the market(s) on/in which the Components are quoted or traded, in the Index or, as the case may be, in the Components of the Index in the Relevant Trading System or on the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms, or, if in the applicable Product Terms in the definition of "Securities" a "Consideration of Components" is specified to be applicable, in the market(s) on/in which the Components are quoted or traded, provided that a major number or a major part in terms of market capitalisation is affected (e.g. due to movements in price exceeding limits permitted by the Relevant Exchange or the Relevant Trading System, as the case may be, or by the stock exchange(s) or the market(s) on/in which the Components are quoted or traded), or
  - (iii) on the Relevant Futures and Options Exchange, if Option Contracts on the Index or, as the case may be, if in the applicable Product Terms in the definition of "Securities" a "Consideration of Components" is specified to be applicable, on the Components are traded there, or
  - (iv) if in the applicable Product Terms in the definition of "Redemption Currency" a "Currency Conversion" is specified to be applicable, on the foreign exchange market(s) in which the rates for the Currency Conversion are determined, if applicable, or
  - (v) due to a directive of an authority or of the Relevant Exchange or the Relevant Trading System, as the case may be, and as specified in the applicable Product Terms, or, if in the applicable Product Terms in the definition of "Securities" a "Consideration of Components" is specified to be applicable, of the stock exchange(s) or of the market(s) on/in which the Components are quoted or traded, (e.g. due to movements in price exceeding limits permitted by the Relevant Exchange or the Relevant Trading System, as the case may be, or by the stock exchange(s) or the market(s) on/in which the Components are quoted or traded) or due to a moratorium, which is declared in respect of banking activities in the country, in which the Relevant Exchange or the Relevant Trading System is located, or due to any other reasons whatsoever.
- (c) The relevant price is a "limit price", which means that the price for the Index or, as the case may be, and if in the applicable Product Terms in the definition of "Securities" a "Consideration of Components" is specified to be applicable, the affected Component for a day has increased or decreased from the immediately preceding day's relevant price by the maximum amount permitted under applicable rules of the Relevant Exchange or the Relevant Trading System, as the case may be, and as specified in the applicable Product Terms, or, if in the applicable Product Terms in the definition of "Securities" a "Consideration of Components" is specified to be applicable, the stock exchange(s) or the market(s) on/in which the Components are quoted or traded.
- (d) The occurrence of any other event that, in the opinion of the Issuer and the Calculation Agent at their reasonable discretion, disrupts or impairs the ability of market participants in general to effect transactions in, or obtain market values for the Underlying or, as the case may be, and if in the applicable Product Terms in the definition of "Securities" a "Consideration of Components" is specified to be applicable, all Components.

Any closing prior to the scheduled trading time or any restriction of the hours or the number of days during which trading takes place is not deemed to be a Market Disruption, if the restriction is based on a change in regular trading hours in the Relevant Trading System or on the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms, announced in advance at least one (1) hour prior to the earlier of (i) the actual closing time for the regular trading hours in the Relevant Trading System or on the

Relevant Exchange, as the case may be, and as specified in the applicable Product Terms, or (ii) the submission deadline for orders entered into the Relevant Trading System or into the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms, for execution on the relevant day. A restriction of trading which is levied during the course of any day due to price developments exceeding certain prescribed limits shall only be deemed to be a Market Disruption if such restriction continues until the end of trading hours on the relevant day.

(G) in case of an **index comprising commodities or precious metals as Components**, where a **“Consideration of Components”** is specified to be applicable, **as the Underlying or a Basket Component, as the case may be**, as specified in the definition of “Securities” contained in the section “Product Terms” of the relevant Final Terms,

in relation to the Index comprising commodities or precious metals as Components or to each of its Components:

- (a) a suspension or a failure of the announcement of the price of the Index or, as the case may be, of the price a Component on any day relevant for determining any amounts under these Conditions or
  - (b) a limitation, suspension or disruption of or, subject to the following provisions, a restriction imposed on trading, the latter of which the Calculation Agent at its reasonable discretion considers significant,
    - (i) on the Relevant Exchange or on the stock exchange(s) or in the market(s) on/in which the Components are quoted or traded, in general (e.g. due to movements in price exceeding limits permitted by the Relevant Exchange or the stock exchange(s) or the market(s) on/in which the Components are quoted or traded), or
    - (ii) on the Relevant Exchange or on the stock exchange(s) or in the market(s) on/in which the Components are quoted or traded, in the Index or, as the case may be, in the Components of the Index, provided that a major number or a major part is concerned, (e.g. due to movements in price exceeding limits permitted by the Relevant Exchange or the stock exchange(s) or the market(s) on/in which the Components are quoted or traded), or
    - (iii) on the Relevant Futures and Options Exchange, if Option Contracts on the Index or on the Components are traded there, or
    - (iv) if in the applicable Product Terms in the definition of “Redemption Currency” a “Currency Conversion” is specified to be applicable, on the foreign exchange market(s) in which the rates for the Currency Conversion are determined, if applicable, or
    - (v) due to a directive of an authority or of the Relevant Exchange (whether by movements in price exceeding limits permitted by the Relevant Exchange or otherwise) or due to a moratorium, which is declared in respect of banking activities in the country, in which the Relevant Exchange is located, or due to any other reasons whatsoever.
  - (c) The relevant price is a “limit price”, which means that the price for a Component has, at any point during the last fifteen minutes of trading on the Relevant Exchange, increased or decreased from the previous day's closing price by the maximum amount permitted under the applicable rules of the Relevant Exchange or the stock exchange(s) or the market(s) on/in which the Components are quoted or traded.
  - (d) The occurrence of any other event that, in the opinion of the Issuer and the Calculation Agent at their reasonable discretion, disrupts or impairs the ability of market participants in general to effect transactions in, or obtain market values for the Underlying or, as the case may be, the affected Component.
- (4) Any closing prior to the scheduled trading time or any restriction of the hours or the number of days during which trading takes place is not deemed to be a Market Disruption, if the restriction is based on a change in regular trading hours on the Relevant Exchange announced in advance at least one (1) hour prior to the earlier of (i) the actual closing time for the regular trading hours on the Relevant Exchange or (ii) the submission deadline for orders entered into the Relevant Exchange for execution on the relevant day. A restriction of trading which is levied during the course of any day due to price developments exceeding

certain prescribed limits shall only be deemed to be a Market Disruption if such restriction continues until the end of trading hours on the relevant day.

(H) in case of an **exchange traded fund unit as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms,

in relation to the **exchange traded** Fund Unit

- (a) a suspension or a failure of the announcement of the price of the Fund Unit on any day relevant for determining any amounts under these Conditions or
- (b) a limitation, suspension or disruption of or, subject to the following provisions, a restriction imposed on trading, the latter of which the Calculation Agent at its reasonable discretion considers significant,
  - (i) on the Relevant Exchange in general (e.g. due to movements in price exceeding limits permitted by the Relevant Exchange), or
  - (ii) on the Relevant Exchange in the Fund Unit, provided that a major number or a major part is affected (e.g. due to movements in price exceeding limits permitted by the Relevant Exchange ), or
  - (iii) on the Relevant Futures and Options Exchange, if Option Contracts on the Fund Unit are traded there, or
  - (iv) if in the applicable Product Terms in the definition of "Redemption Currency" a "Currency Conversion" is specified to be applicable, on the foreign exchange market(s) in which the rates for the Currency Conversion are determined, if applicable, or
  - (v) due to a directive of an authority or of the Relevant Exchange (e.g. due to movements in price exceeding limits permitted by the Relevant Exchange) or due to a moratorium, which is declared in respect of banking activities in the country, in which the Relevant Exchange is located, or due to any other reasons whatsoever.
- (c) The relevant price is a "limit price", which means that the price for the Fund Unit for a day has increased or decreased from the immediately preceding day's relevant price by the maximum amount permitted under applicable rules of the Relevant Exchange.
- (d) The occurrence of any other event that, in the opinion of the Calculation Agent at its reasonable discretion, disrupts or impairs the ability of market participants in general to effect transactions in, or obtain market values for the Fund Unit.

Any closing prior to the scheduled trading time or any restriction of the hours or the number of days during which trading takes place is not deemed to be a Market Disruption, if the restriction is based on a change in regular trading hours on the Relevant Exchange announced in advance at least one (1) hour prior to the earlier of (i) the actual closing time for the regular trading hours on the Relevant Exchange or (ii) the submission deadline for orders entered into the Relevant Exchange for execution on the relevant day. A restriction of trading which is levied during the course of any day due to price developments exceeding certain prescribed limits shall only be deemed to be a Market Disruption if such restriction continues until the end of trading hours on the relevant day.

(I) in case of a **not exchange traded fund unit as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms,

in relation to the **not exchange traded** Fund Unit

- (a) a suspension or a failure of the announcement of the price of the Fund Unit on any day relevant for determining any amounts under these Conditions or

- (b) if in the applicable Product Terms in the definition of "Redemption Currency" a "Currency Conversion" is specified to be applicable, on the foreign exchange market(s) in which the rates for the Currency Conversion are determined, if applicable, or
- (c) The occurrence of any other event that, in the opinion of the Calculation Agent at its reasonable discretion, disrupts or impairs the ability of market participants in general to effect transactions in, or obtain market values for the Fund Unit.

(J) in case of a **futures contract as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms,

in relation to the futures contract:

- (a) a suspension or a failure of the announcement of the price of the futures contract on any day relevant for determining any amounts under these conditions or
- (b) a limitation, suspension or disruption of or, subject to the following provisions, a restriction imposed on trading, the latter of which the Calculation Agent at its reasonable discretion considers significant,
  - (i) on the Relevant Reference Market or on the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms, in general (e.g. due to movements in price exceeding limits permitted by the Relevant Reference Market), or
  - (ii) on the Relevant Reference Market or on the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms, in the futures contract, provided that a major number or a major part is affected (e.g. due to movements in price exceeding limits permitted by the Relevant Reference Market or the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms), or
  - (iii) if in the applicable Product Terms in the definition of "Redemption Currency" a "Currency Conversion" is specified to be applicable, on the foreign exchange market(s) in which the rates for the Currency Conversion are determined, if applicable, or
  - (iv) due to a directive of an authority or of the Relevant Reference Market or the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms, (e.g. due to movements in price exceeding limits permitted by the Relevant Reference Market or the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms) or due to a moratorium, which is declared in respect of banking activities in the country, in which the Relevant Reference Market or the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms, is located, or due to any other reasons whatsoever.
- (c) a significant change in the method of price determination or in the trading conditions relating to the futures contract on the Relevant Reference Market or on the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms, (e.g. in terms of the composition, the quantity or the dealing currency).
- (d) The occurrence of any other event that, in the opinion of the Issuer and the Calculation Agent at their reasonable discretion, disrupts or impairs the ability of market participants in general to effect transactions in, or obtain market values for the futures contract.

Any closing prior to the scheduled trading time or any restriction of the hours or the number of days during which trading takes place is not deemed to be a Market Disruption, if the restriction is based on a change in regular trading on the Relevant Reference Market announced in advance at least one (1) hour prior to the earlier of (i) the actual closing time for the regular trading hours on the Relevant Reference Market or (ii) the submission deadline for orders entered into the Relevant Reference Market for execution on the relevant day. A restriction of trading which is levied during the course of any day due to price developments exceeding certain prescribed limits shall only be deemed to be a Market Disruption if such restriction continues until the end of trading hours on the relevant day.

(K) in case of an **interest rate as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms,

in relation to the interest rate:

- (a) a suspension or a failure of the announcement of the price of the interest rate on any day relevant for determining any amounts under these Conditions or
- (b) a limitation, suspension or disruption of or, subject to the following provisions, a restriction imposed on trading, the latter of which the Calculation Agent at its reasonable discretion considers significant,
  - (i) on the Relevant Reference Market in general (e.g. due to movements in price exceeding limits permitted by the Relevant Reference Market), or
  - (ii) on the Relevant Reference Market in relation to the interest rate, provided that a major number or a major part is affected (e.g. due to movements in price exceeding limits permitted by the Relevant Reference Market), or
  - (iii) on a futures and options exchange, if option and futures contracts on the interest rate are traded there, or
  - (iv) if in the applicable Product Terms in the definition of "Redemption Currency" a "Currency Conversion" is specified to be applicable, on the foreign exchange market(s) in which the rates for the Currency Conversion are determined, if applicable, or
  - (v) due to a directive of an authority or of the Relevant Reference Market (e.g. due to movements in price exceeding limits permitted by the Relevant Reference Market) or due to a moratorium, which is declared in respect of banking activities in the country, in which the Relevant Reference Market is located, or due to any other reasons whatsoever.
- (c) a significant change in the trading conditions relating to the interest rate on the Relevant Reference Market (e.g. in terms of the composition, the quantity or the dealing currency).
- (d) The occurrence of any other event that, in the opinion of the Issuer and the Calculation Agent at their reasonable discretion, disrupts or impairs the ability of market participants in general to effect transactions in, or obtain market values for the interest rate.

Any closing prior to the scheduled trading time or any restriction of the hours or the number of days during which trading takes place is not deemed to be a Market Disruption, if the restriction is based on a change in regular trading on the Relevant Reference Market announced in advance at least one (1) hour prior to the earlier of (i) the actual closing time for the regular trading hours on the Relevant Reference Market or (ii) the submission deadline for orders entered into the Relevant Reference Market for execution on the relevant day. A restriction of trading which is levied during the course of any day due to price developments exceeding certain prescribed limits shall only be deemed to be a Market Disruption if such restriction continues until the end of trading hours on the relevant day.

(L) in case of a **currency exchange rate as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms,

in relation to the currency exchange rate:

- (a) a suspension or a failure of the announcement of the price of the currency exchange rate on any day relevant for determining any amounts under these Conditions or
- (b) a Relevant Country (aa) imposes any controls or announces its intention to impose any controls or (bb) (i) implements or announces its intention to implement or (ii) changes or announces its intention to change the interpretation or administration of any laws or regulations, in each case which the Calculation Agent determines is likely to affect the Issuer's and/or any of its affiliates' ability to acquire,

hold, transfer or realise the currency used in connection with the currency exchange rate or otherwise to effect transactions in relation to such currency, or

- (c) the occurrence at any time of an event, which the Issuer and the Calculation Agent determine at their reasonable discretion would have the effect of preventing, restricting or delaying the Issuer and/or any of its affiliates from:
  - (i) converting the currency used in connection with the currency exchange rate into the Redemption Currency or into another currency through customary legal channels or transferring within or from any Relevant Country any of these currencies, due to the imposition by such Relevant Country of any controls restricting or prohibiting such conversion or transfer, as the case may be;
  - (ii) converting the currency used in connection with the currency exchange rate into the Redemption Currency or into another currency at a rate at least as favourable as the rate for domestic financial institutions located in any Relevant Country;
  - (iii) delivering the currency used in connection with the currency exchange rate from accounts inside any Relevant Country to accounts outside such Relevant Country; or
  - (iv) transferring the currency used in connection with the currency exchange rate used between accounts inside any Relevant Country or to a party that is a non-resident of such Relevant Country.
- (d) a limitation, suspension or disruption or a restriction imposed on trading, the latter of which is in the Issuer's and Calculation Agent's opinion significant,
  - (i) in the currency used in connection with the currency exchange rate on the Relevant Exchange Market in general, or
  - (ii) on the Relevant Futures and Options Exchange, if Option Contracts on the currency used in connection with the currency exchange rate are traded there, or
  - (iii) if in the applicable Product Terms in the definition of "Redemption Currency" a "Currency Conversion" is specified to be applicable, on the foreign exchange market(s) in which the rates for the Currency Conversion are determined, if applicable, or
  - (iv) due to a directive of an authority or of the Relevant Exchange Market or due to a moratorium, which is declared in respect of banking activities in the country, in which the Relevant Exchange Market is located, or due to any other reasons whatsoever.

Any closing prior to the scheduled trading time or any restriction of the hours or the number of days during which trading takes place is not deemed to be a Market Disruption, if the restriction is based on a change in regular trading hours on the Relevant Exchange Market announced in advance at least one (1) hour prior to the earlier of (i) the actual closing time for the regular trading hours in the Relevant Exchange Market or (ii) the submission deadline for orders entered into the Relevant Exchange for execution on the relevant day. A restriction of trading which is levied during the course of any day due to price developments exceeding certain prescribed limits shall only be deemed to be a Market Disruption if such restriction continues until the end of trading hours on the relevant day.

(M) in case of a **reference rate as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms,

in relation to the reference rate:

- (a) a suspension or a failure of the announcement of the price of the reference rate on any day relevant for determining any amounts under these Conditions or
- (b) a limitation, suspension or disruption of or, subject to the following provisions, a restriction imposed on trading, the latter of which the Calculation Agent at its reasonable discretion considers significant,

- (i) on the Relevant Reference Market or the Relevant Reference Agent, as the case may be, and as specified in the applicable Product Terms, in general (e.g. due to movements in price exceeding limits permitted by the Relevant Reference Market or the Relevant Reference Agent, as the case may be, and as specified in the applicable Product Terms), or
  - (ii) on the Relevant Reference Market or the Relevant Reference Agent, as the case may be, and as specified in the applicable Product Terms, in relation to the reference rate, provided that a major number or a major part is concerned (e.g. due to movements in price exceeding limits permitted by the Relevant Reference Market or the Relevant Reference Agent, as the case may be, and as specified in the applicable Product Terms), or
  - (iii) on a futures and options exchange, if option and futures contracts on the reference rate are traded there, or
  - (iv) if in the applicable Product Terms in the definition of "Redemption Currency" a "Currency Conversion" is specified to be applicable, on the foreign exchange market(s) in which the rates for the Currency Conversion are determined, if applicable, or
  - (v) due to a directive of an authority or of the Relevant Reference Market or the Relevant Reference Agent, as the case may be, and as specified in the applicable Product Terms, (e.g. due to movements in price exceeding limits permitted by the Relevant Reference Market or the Relevant Reference Agent, as the case may be, and as specified in the applicable Product Terms) or due to a moratorium, which is declared in respect of banking activities in the country, in which the Relevant Reference Market or the Relevant Reference Agent, as the case may be, and as specified in the applicable Product Terms, is located, or due to any other reasons whatsoever.
- (c) a significant change in the method of price determination or in the trading conditions relating to the reference rate on the Relevant Reference Market or the Relevant Reference Agent, as the case may be, and as specified in the applicable Product Terms.
- (d) The occurrence of any other event that, in the opinion of the Issuer and the Calculation Agent at their reasonable discretion, disrupts or impairs the ability of market participants in general to effect transactions in, or obtain market values for the reference rate.

Any closing prior to the scheduled trading time or any restriction of the hours or the number of days during which trading takes place is not deemed to be a Market Disruption, if the restriction is based on a change in regular trading hours on the Relevant Reference Market or at the Relevant Reference Agent, as the case may be, and as specified in the applicable Product Terms, announced in advance at least one (1) hour prior to the earlier of (i) the actual closing time for the regular trading hours on the Relevant Reference Market or at the Relevant Reference Agent, as the case may be, and as specified in the applicable Product Terms, or (ii) the submission deadline for orders entered into the Relevant Reference Market or at the Relevant Reference Agent, as the case may be, and as specified in the applicable Product Terms, for execution on the relevant day. A restriction of trading which is levied during the course of any day due to price developments exceeding certain prescribed limits shall only be deemed to be a Market Disruption if such restriction continues until the end of trading hours on the relevant day.

## § 12 Security Agents

### (1) General

The Calculation Agent, the Security Agent, the Paying Agent and, if applicable, the Warrant Agent, each as specified in the applicable Product Terms, (the “**Security Agents**”) shall assume the role as Security Agent in accordance with these Conditions.

### (2) Vicarious Agent

Each of the Security Agents acts exclusively as vicarious agent of the Issuer and has no obligations to the Securityholder.

Each of the Security Agents is exempt from the restrictions under § 181 of the BGB.

### (3) Replacement, Appointment and Revocation

The Issuer is entitled at any time to replace any or all of the Security Agents by another company, to appoint one or several additional Security Agents, and to revoke their appointments. Such replacement, appointment and revocation shall be notified in accordance with § 14 of these Conditions.

### (4) Resignation of Security Agents

Each of the Security Agents is entitled to resign at any time from its function upon prior written notice to the Issuer. Such resignation shall only become effective if another company is appointed by the Issuer as Calculation Agent, the Security Agent or as Paying Agent, as the case may be. Resignation and appointment are notified in accordance with § 14 of these Conditions.



## § 13 Substitution of the Issuer

### (1) Substitution of the Issuer

Provided that the Issuer is not in default with its obligations under the Securities, the Issuer is at any time entitled, without the consent of the Securityholders, to substitute another company within the UBS Group as issuer (the "**Substitute Issuer**") with respect to all obligations under or in connection with the Securities, if

- (i) the Substitute Issuer assumes all obligations of the Issuer under or in connection with the Securities,
- (ii) (A) the Issuer and the Substitute Issuer have obtained all necessary authorisations as well as consents

In case the Securities constitute, as specified in the applicable Product Terms in the definition "Securities", **Swedish Securities, Finnish Securities, Norwegian Securities or Danish Securities,**

in particular, where necessary, of the Clearing System,

and (B) may transfer to the Principal Paying Agent in the Redemption Currency and without being obligated to deduct or withhold taxes or other duties of whatever nature levied by the country, in which the Substitute Issuer or the Issuer has its domicile or tax residence, all amounts required for the fulfilment of the payment obligations arising under the Securities;

- (iii) the Substitute Issuer has agreed to indemnify and hold harmless each Securityholder against any tax, duty or other governmental charge imposed on such Securityholder in respect of such substitution, and
- (iv) the Issuer unconditionally and irrevocably guarantees the obligations of the Substitute Issuer.

### (2) References

In the event of any such substitution, any reference in these Conditions to the Issuer shall from then on be deemed to refer to the Substitute Issuer. Furthermore, any reference to the country, in which the Issuer is domiciled or resident for taxation purposes shall from then on be deemed to refer to the country of domicile or residence for taxation purposes of the Substitute Issuer.

### (3) Publication

The substitution of the Issuer shall be final, binding and conclusive on the Securityholders and will be published to the Securityholders without undue delay in accordance with § 14 of these Conditions.

## § 14 Publications

### (1) General

To the extent these Conditions provide for a notice pursuant to this § 14 of these Conditions, these will be published on the website of the Issuer at [www.ubs.com/keyinvest](http://www.ubs.com/keyinvest) and/or the website specified for the purposes in the applicable Final Terms under the heading "Part D – Country Specific Information" and become effective vis-à-vis the Securityholders through such publication unless the notice provides for a later effective date.

If and to the extent that binding provisions of effective law or stock exchange provisions provide for other forms of publication, such publications must be made in addition and as provided for.

Any such notice shall be effective as of the publishing date (or, in the case of several publications as of the date of the first such publication).

### (2) Notification to the Clearing System

The Issuer shall, to the extent legally possible, be entitled to effect publications by way of notification to the Clearing System for the purpose of notifying the Securityholders (as set forth in the applicable rules and regulations of the Clearing System), provided that in cases, in which the Securities are listed on a Security Exchange, the regulations of such Security Exchange permit this type of notice. Any such notice shall be deemed as having been effect as of the seventh day after the date of the notification to the Clearing System.

**§ 15****Issue of further Securities; Purchase of Securities, Cancellation****(1) Issue of further Securities**

The Issuer is entitled at any time to issue, without the consent of the Securityholders, further securities having the same terms and conditions as the Securities so that the same shall be consolidated and form a single series with such Securities, and references to "Security" shall be construed accordingly.

**(2) Purchase of Securities**

The Issuer and any of its subsidiaries is entitled at any time to purchase, without the consent of the Securityholders, Securities at any price in the open market or otherwise. If purchases are made by tender, tenders must be available to all Securityholders alike. Such Securities may be held, reissued, resold or cancelled, all at the option of the Issuer.

**(3) Cancellation of Securities**

All Securities redeemed in full shall be cancelled forthwith and may not be reissued or resold.

## § 16 Governing Law; Jurisdiction

### (1) Governing Law

The form and content of the Securities as well as all rights and duties arising from the matters provided for in these Conditions shall, subject to § 16 (2) of these Conditions in every respect be governed by, and shall be construed in accordance with, the laws of the Federal Republic of Germany.

In case the Securities are issued as **Swedish Securities, Finnish Securities, Norwegian Securities or Danish Securities**, as specified in the applicable Product Terms under the heading "**Form of the Securities**", the following applies

The legal effects of the registration of the Securities with the Clearing System will be governed by applicable CA Rules and the laws of the jurisdiction, where the Clearing System has its registered seat.

### (2) Jurisdiction

The District Court (*Landgericht*) of Frankfurt am Main shall have jurisdiction to settle any proceedings that may arise out of or in connection with any Securities and accordingly any proceedings may be brought in such court. The Issuer irrevocably submits to the jurisdiction of the District Court (*Landgericht*) of Frankfurt am Main and waives any objection to proceedings in such court on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum. These submissions are made for the benefit of Securityholder and shall not affect the right of any Securityholders to take proceedings in any other court of competent jurisdiction nor shall the taking of proceedings in one or more jurisdictions preclude the taking of proceedings in any other jurisdiction (whether concurrently or not).

The Issuer hereby appoints UBS Europe SE, Bockenheimer Landstrasse 2 - 4, 60306 Frankfurt am Main, Federal Republic of Germany, as its agent in the Federal Republic of Germany to receive service of process in any proceedings under or in connection with the Securities in the Federal Republic of Germany (the "**Agent of Process**"). If, for any reason, such Agent of Process ceases to act as such or no longer has an address in the Federal Republic of Germany, the issuer agrees to appoint a substitute agent of process in the Federal Republic of Germany. Nothing herein shall affect the right to serve the process in any other manner permitted by law.

## § 17 Corrections; Severability

### (1) Issuer's right for a Rescission

Obvious spelling and calculation errors as well as similar obvious inaccuracies in the Conditions, including those where the information provided clearly cannot be reconciled with the Issue Price or value-determining factors of the Security, entitle the Issuer for a rescission. Immediate notice of such rescission shall be given in accordance with § 14 of these Conditions as soon as the Issuer has become aware of the relevant error. The publication shall make reference to § 17 of these Conditions and indicate the information in the Conditions affected by the error. The term of the Securities ends with immediate effect as a result of the rescission.

### (2) Corrections; Securityholder's Right for Termination

If the Issuer does not make use of its right of rescission, it may correct obvious spelling and calculation errors as well as similar obvious inaccuracies by correcting the Conditions. A correction of the Conditions is to be notified immediately in accordance with § 14 of these Conditions and with reference to this § 17 of these Conditions as soon as the Issuer becomes aware of the error concerned.

In this case, however, each Securityholder is entitled to terminate the Securities held by it prior to the correction of these Conditions taking effect. Such a termination must be made by notifying the Principal Paying Agent in writing within four weeks of the publication of the correction. The termination shall take effect upon receipt by the Issuer of the notice of redemption.

The Issuer determines the content of the correction on the basis of the information that would have been provided if the error had not occurred. The correction must be reasonable for the Securityholders taking into account the economic purpose of the Securities. This is only the case if, as a result of the correction, the economic value of the Securities is adjusted to their Issue Price at the time of issue. The correction takes effect four weeks after the day of notification and the publication must make reference to this four-week deadline and the Securityholders' redemption right.

### (3) Compensation

In the event of a challenge by the Issuer in accordance with § 17 (1) of these Conditions or a termination by Securityholders in accordance with § 17 (2) of these Conditions, the affected Securityholders will receive an amount in the Redemption Currency equal to the market price of the Securities on the day, when the rescission or redemption becomes effective; the resulting payment is due on the fifth Banking Day after this date.

If a Securityholder proves that the market price is lower than the amount he/she paid to acquire the Securities, less any payments already made by the Issuer, he/she will be entitled to the corresponding amount.

This does not affect the Securityholder's right to claim damages for any loss incurred as a result of negative interest (*Vertrauensschaden*) in accordance with § 122 (1) BGB.

For Securities listed in the regulated market or unregulated market segment at a stock exchange (referred to in the following as "**Listing**") the market price shall be the closing price published by the stock exchange on the relevant date. In the case of multiple stock exchanges this shall be the closing price at the stock exchange where the largest turnover of the Securities took place at last. If a closing price was not published on this date or if a Market Disruption occurred, the provisions of § 11 (2) of these Conditions shall apply *mutatis mutandis*.

In the case of Securities without a Listing, the market price shall be determined by the Calculation Agent in its reasonable discretion (in accordance with § 317 BGB) and in consultation with an independent expert named by the Calculation Agent.

**(4) Abuse of Rights**

If the obvious spelling and calculation errors as well as similar obvious inaccuracies in the Conditions, and its correct content, are clearly apparent to an expert investor for the relevant Security, and if the difference between the erroneous and correct content gives rise to a market price of the Security, based on the erroneous content, which is more than 30 % higher at the time of the initial issue of the Securities, the correct content shall apply in place of the erroneous content.

The Issuer may also invoke the unlawful application of an erroneous term against individual Securityholders where this is appropriate to the circumstances of individual cases.

**(5) Invalidity in whole or in part**

If any of the provisions of these Conditions is or becomes invalid in whole or in part, the remaining provisions shall remain valid. The invalid provision shall be replaced by a valid provision, which, to the extent legally possible, serves the economic purposes of the invalid provision. The same applies to gaps, if any, in these Conditions, resulting from the invalidity of any provisions of these Conditions (in whole or in part).

**F. FORM OF FINAL TERMS****FINAL TERMS**[No. *[insert]*]

dated [•]

in connection with the Base Prospectus dated 26 January 2023  
(as supplemented from time to time)

of

**UBS AG***(a corporation limited by shares established under the laws of Switzerland)***[acting through its Jersey Branch]****[acting through its London Branch]**

for [the offer] [the continued offer] [the increase of [the issue size] [the aggregate nominal amount]]  
[and] [the listing on a regulated or another equivalent market]

of

**[insert Issue Size / Aggregate Nominal Amount: •] [insert marketing designation of the Securities: •]****ISIN [•]****[WKN [•]]****[Valor [•]]****[Common Code [•]]****[already issued and]****linked to [insert Underlying: •]**

These final terms (the "**Final Terms**") have been prepared for the purpose of Article 8 (4) of the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (the "**Prospectus Regulation**"). The Final Terms must be read in conjunction with the base prospectus dated 26 January 2023, as supplemented from time to time (the "**Base Prospectus**", together with the Final Terms, the "**Prospectus**"). The Base Prospectus comprises a securities note (the "**Securities Note**"), dated 26 January 2023, as supplemented from time to time, and the registration document of UBS AG dated 14 September 2022, as supplemented from time to time, (as approved by the Federal Financial Services Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht* – "**BaFin**")), (the "**Registration Document**"). Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") set forth in the Base Prospectus.

**These Final Terms must be read in conjunction with the Base Prospectus, including all information incorporated by reference therein and any supplement(s) thereto. Full information on the Issuer and the offer of the Securities is only available on the basis of the combination of these Final Terms and the Base Prospectus, as supplemented from time to time.** However, a summary of the individual issue of

the Securities is annexed to these Final Terms. [The Base Prospectus, any supplement to the Base Prospectus and these Final Terms will be available for viewing at [www.ubs.com/keyinvest](http://www.ubs.com/keyinvest) (or any successor address notified by the Issuer to the Securityholders for this purpose by way of publication on [www.ubs.com/keyinvest](http://www.ubs.com/keyinvest)). Copies may be obtained during normal business hours at the registered offices of the Issuer.]/[•]

*[In case of an increase of Securities having been offered under the Base Prospectus insert the following text: The Securities will be consolidated and form a single series with the [previously issued] Securities with ISIN: [•] [WKN: [•]] [Valor: [•]] [Common Code: [•]]]*

*[In case of an offer of Securities initiated under the Base Prospectus dated [•] that shall be continued beyond the validity of the Base Prospectus, the following is applicable: The validity of this Base Prospectus dated 26 January 2023, under which the Securities described in these Final Terms have been [offered] [and] [listed on a regulated or another equivalent market], ends on 26 January 2024. From this point in time, these Final Terms [excluding the Securities which have either been terminated or expired early in accordance with the Conditions of the Securities by [•]] are to be read in conjunction with the most recent base prospectus of UBS AG for Securities which follows this Base Prospectus dated 26 January 2023 and any reference in these Final Terms to this Base Prospectus shall be read as reference to that most recent base prospectus.*

[The most recent base prospectus of UBS AG for Securities will be available for viewing at [www.ubs.com/keyinvest](http://www.ubs.com/keyinvest) (or any successor address notified by the Issuer to the Securityholders for this purpose by way of publication on [www.ubs.com/keyinvest](http://www.ubs.com/keyinvest))[•]] [•.]

**[PROHIBITION OF SALES TO EEA RETAIL INVESTORS** - The Securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“**EEA**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); (ii) a customer within the meaning of Directive (EU) 2016/97 (the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129. Consequently no key information document required by Regulation (EU) No 1286/2014 (the “**PRIIPs Regulation**”) for offering or selling the Securities or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Securities or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.]



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**PART A – PRODUCT TERMS**

*[Option (1): Insert security specific Conditions comprising "Part 1: Key Terms and Definitions of the Securities and Part 2: Special Conditions of the Securities" as comprised in the Conditions of the Securities as contained on pages 157 to 241 of the Base Prospectus dated 23 June 2014 of UBS AG, on pages 212 to 318 of the Base Prospectus dated 17 April 2015 of UBS AG, on pages 192 to 289 of the Base Prospectus dated 8 January 2016 of UBS AG, on pages 187 to 286 of the Base Prospectus dated 27 September 2016 of UBS AG, on pages 147 to 246 of the Base Prospectus dated 21 June 2017 of UBS AG, on pages 149 to 252 of the Base Prospectus dated 1 March 2018 of UBS AG, on pages 149 to 252 of the Base Prospectus dated 12 October 2018 of UBS AG, on pages 149 to 252 of the Base Prospectus dated 13 May 2019 of UBS AG, on pages 62 to 178 of the Securities Note dated 26 February 2020 of UBS AG, on pages 64 to 182 of the Securities Note dated 3 November 2020 of UBS AG, on pages 66 to 187 of the Securities Note dated 11 August 2021 of UBS AG, or on pages 68 to 195 of the Securities Note dated 13 May 2022 of UBS AG, each as filed with SFSA and incorporated by reference in this Base Prospectus and as amended and completed for the specific issue of Securities: [●]. (If the Product Terms relates to more than one series (each a "Series") of Securities, to the extent that any term differs for one or more Series, insert for the relevant item in table.)]*

*[Option (2): Insert security specific Product Terms comprising "Part 1: Key Terms and Definitions of the Securities" and "Part 2: Special Conditions of the Securities" as amended and completed for the specific issue of Securities: [●]. (If the Product Terms relates to more than one series (each a "Series") of Securities, to the extent that any term differs for one or more Series, insert for the relevant item in table.)]*

## PART B – OFFERING AND SALE

## I. Offering for Sale and Issue Price

## Offering for Sale and Issue Price

*[In the case that the Securities are offered to the public, insert the following text:*

The [specify designation of the Securities: [•]] (the “**Securities**”, and each a “**Security**”) are issued by the Issuer in [the Issue Size] [the Aggregate Nominal Amount and with the denomination of the Nominal Amount per Security].

It has been agreed that, on or after the respective Issue Date of the Securities, the Manager may purchase Securities and shall place the Securities for sale [at the Issue Price] under terms subject to change in the Public Offer Jurisdictions (as defined in “VI. Consent to Use of Prospectus” below) [during [the Subscription Period (as defined in “II. Subscription, Purchase and Delivery of the Securities” below) [the Offer Period] (as defined in “VI. Consent to Use of Prospectus” below)]]].

[The Issue Price [will be] [was] fixed [at the Start of the public offer of the Securities (as defined in “II. Subscription, Purchase and Delivery of the Securities” below) [on the Fixing Date], [based on the prevailing market situation and the price of [the Underlying] [if appropriate, insert different point of reference to an Underlying comprised in the Base Prospectus: [•]] [and [will [then] be made] [is] available at the [Relevant] Manager].] [[After closing of the Subscription Period (as defined in “II. Subscription, Purchase and Delivery of the Securities” below) [As of the Start of the public offer of the Securities] [As of the Fixing Date] [Thereafter,] the selling price [will [then] be] [was] adjusted on a continual basis to reflect the prevailing market situation.]

*[In the case of a continued offer of the Securities to the public, add the following text:*

The Securities have been offered to the public since [specify start of the original offer of the Securities: [•]]. These Final Terms are used to continue this offer of the Securities as of [specify start of the continued offer of the Securities: [•]].

[[The [Relevant] Manager (as defined below) shall be responsible for coordinating the entire Securities offering.]] [specify name and address of the coordinator(s) of the global offer and of single parts of the offer and, to the extent known to the Issuer or to the offeror, of the placers in the various countries where the offer of the Securities takes place: [•]].

[The total commission due for the respective underwriting and/or placement service relating to the underwriting of the Securities is: [•]].

*[In the case that the Securities are not offered to the public, but listed on a regulated market, insert the following text:*

The Securities are not offered to the public, but shall be admitted to trading on [specify securities exchange: [•]].

<b>[Issue Size:</b>	The Issue Size means [●] [Securities]. [indicative. The Issue Size will be fixed [on] [●] [the Fixing Date [at the Fixing Time]] [after the end of [the Subscription Period] [the Offer Period] [depending on the demand for the Securities during [the Subscription Period] [the Offer Period]].*]]
<b>[Aggregate Nominal Amount:</b>	The Aggregate Nominal Amount equals [●]. [indicative. The Aggregate Nominal Amount will be fixed [on] [●] [the Fixing Date [at the Fixing Time]] [after the end of [the Subscription Period] [the Offer Period] [depending on the demand for the Securities during [the Subscription Period] [the Offer Period]]].*]]
<b>[Aggregate Amount of the Issue:</b>	[Issue Price [(without consideration of the offering premium)] x Issue Size] [●]. [indicative. The Aggregate Amount of the Issue will be fixed [on] [●] the Fixing Date [at the Fixing Time].*]]
<b>Issue Date:</b>	The Issue Date means [●]. [In the case of abbreviation or extension of [the Subscription Period] [the Offer Period] the Issue Date may be changed accordingly.]
<b>Issue Price[; Offering Premium]:</b>	The Issue Price equals [●] [plus an offering premium of [●] per Security]. [indicative. The Issue Price will be fixed on the Fixing Date [at the Fixing Time].]  [The Issue Price [per Security] includes product specific [initial][entry] [●] costs [equal to [approximately] [specify amount: [●]]] [in an amount of [approximately.] [specify amount: [●]].] [●]
<b>[Offer Period:</b>	[specify Offer Period: [●]] [The Issuer reserves the right [to earlier close] [or] [to extend] the Offer Period [by giving notice to the investors] if market conditions so require.] [The notice relating to [the earlier close (if any)] [or, as the case may be,] [the extension (if any)] of the Offer Period shall be published [specify public source: [●]].]]
<b>Manager:</b>	The Manager means [●]  [UBS Europe SE, Bockenheimer Landstrasse 2-4, 60306 Frankfurt am Main, Federal Republic of Germany (LEI [5299007QVIQ7IO64NX37] [●]).]  [The term "Manager" shall also refer to all Managers <sub>([●]=1)</sub> to <sub>([●]=n)</sub> .]]
<b>[Relevant Manager:</b>	The Relevant Manager means [specify name and address of the Relevant Manager: [●]] [The term "Relevant Manager" shall also refer to all Relevant Managers <sub>([●]=1)</sub> to <sub>([●]=n)</sub> .]]
<b>Type and form of the Securities:</b>	[specify Security: [Certificates] [Notes] or [Warrants]]
<b>Clearing System:</b>	[UBS AG, Bahnhofstrasse 45, 8001 Zurich, Switzerland, and Aeschenvorstadt 1, 4051 Basel, Switzerland (For the avoidance of doubt: The Securities can only be held in a securities account with UBS AG, Bahnhofstrasse 45, 8001 Zurich, Switzerland, and Aeschenvorstadt 1, 4051 Basel, Switzerland)]

\* The following use of the symbol "\*" indicates that the relevant determination will be made by the Calculation Agent or the Issuer, as the case may be, and will be published without undue delay thereafter in accordance with the applicable legal requirements of the relevant jurisdiction.

**[Clearstream Banking AG, Mergenthalerallee 61, 65760 Eschborn, Federal Republic of Germany]**

**[Clearstream Banking S.A., Luxembourg (42 Avenue JF Kennedy, L-1855 Luxembourg, Luxembourg)]**

**[Euroclear Bank S.A./ N.V., Brussels, as operator of the Euroclear System (1 Boulevard du Roi Albert II, B - 1210 Brussels, Belgium)]**

**[Euroclear Sweden AB, P.O. Box 191, SE-101 23 Stockholm, Sweden]**

**[Euroclear Finland Ltd., Urho Kekkosen katu 5 C, FI-00101 Helsinki, Finland]**

**[Verdipapirsentralen ASA, P.O. Box 1174 Sentrum, 0107 Oslo, Norway]**

**[VP Securities A/S, Weidekampsgade 14, P.O. Box 4040, 2300 Koebenhavn S, Denmark].**

or any successor in this capacity.

**Security identification number(s) of the Securities:** ISIN: [●]  
[WKN: [●]]  
[Common Code: [●]]  
[Valor: [●]]

**Currency:** The currency [of the Securities] [for each Series of the Securities] is [●].

**[Estimated total expenses of the issue/offer of the Securities:** [●] [The total expenses of the issue and/or offer of the Securities are not separately identifiable and are included in the general operating expenses of the Issuer.]]

**[Estimated net amount of the proceeds:** [●]]

**[ESG-related information:** [●]]

## II. Subscription, Purchase and Delivery of the Securities

**Subscription, Purchase and Delivery of the Securities:** [Not applicable, these Final Terms have been prepared only for the purposes of [listing] [inclusion] [admission] of the Securities [to trading] and no offer to the public is being made pursuant to these Final Terms.]

*[in the case of a Subscription Period insert the following text: The Securities may be subscribed from [the Manager] [and] [if appropriate, insert alternative or further financial intermediaries placing or subsequently reselling the Securities: [●]]] during normal banking hours during the Subscription Period. [The Securities may only be subscribed in the Minimum Investment Amount.] The Issue Price per Security is payable on the Initial Payment Date.*

The Issuer reserves the right [to earlier close] [or] [to extend] the Subscription Period if market conditions so require.

After the Initial Payment Date, the appropriate number of Securities shall be credited to the investor's account in accordance with the rules of the corresponding Clearing System. If the Subscription Period is

shortened or extended, the Initial Payment Date may also be brought forward or postponed.]

*[in case that no Subscription Period is intended insert the following text: [As of the Start of the public offer of the Securities, the] [The Securities may be purchased from [the Manager] [and] [if appropriate, insert alternative or further financial intermediaries placing or subsequently reselling the Securities: [•]]] during normal banking hours [during the Offer Period]. [Such offer of the Securities is made on a continuous basis.] [The Securities may only be purchased in the Minimum Investment Amount.]] There will be no subscription period. The Issue Price per Security is payable on the Initial Payment Date.*

[The Issuer reserves the right [to earlier close] [or] [to extend] the Offer Period if market conditions so require.]

After the Initial Payment Date, the appropriate number of Securities shall be credited to the investor's account in accordance with the rules of the corresponding Clearing System.]

**[Subscription Period:**

*[specify Subscription Period: [•]] [The Issuer reserves the right [to earlier close] [or] [to extend] the Subscription Period [by giving notice to the investors] if market conditions so require.] [The notice relating to [the earlier close (if any)] [or, as the case may be,] [the extension (if any)] of the Subscription Period shall be published [specify public source: [•]].]*

**[Start of the public offer of the Securities:**

*[specify start of the public offer of the Securities per country where the offer is being made: [•]]*

**[Categories of potential investors to which the Securities are offered:**

[Qualified investors as defined in the Prospectus Regulation] [Non-qualified investors] *[specify other: [•]]*

**Prohibition of Sales to EEA Retail Investors:**

[Applicable][Not Applicable][•]

**[Minimum Investment Amount:**

The Minimum Investment Amount equals [•].]

**[Information with regard to the manner and date in which the results of the offer are to be made public:**

*[give details with regard to the manner and date in which results of the offer are to be made public: [•].]*

**Initial Payment Date:**

The Initial Payment Date means [•]. [In the case of [an abbreviation] [or] [an extension] of [the Subscription Period] [the Offer Period] the Initial Payment Date may be changed accordingly.]

## PART C – OTHER INFORMATION

## I. Applicable specific risks

## Applicable specific risks:

In particular the specific risk factors, which are described in the Base Prospectus under the heading “Security specific Risks” and “Underlying specific Risks” related to the following product feature[s] are applicable to the Securities:

[“ risks related to Securities linked to an **Underlying** ”]

[“ product feature [“**Participation Factor**”] [“**Leverage Factor**”] [“**Multiplication Factor**”] [“**Multiplier**”] ”]

[“ product feature “**Leverage**” ”]

[“ product feature “**Reverse Structure**” ”]

[“ product feature “**Express Structure**” ”]

[“ product feature “**Thresholds, Barriers or Levels**” ”]

[“ product feature “**Maximum Amount**” ”]

[“ product feature “**Relevant Underlying**” ”]

[“ product feature “**Physical Delivery**” ”]

[“ product feature “**Final Lock-In**” ”]

[“ product feature “**Currency Conversion**” ”]

[“ product feature “**Dual Currency**” ”]

[“ product feature “**Capital Protection**” ”]

[“ product feature “**Automatic Termination**” ”]

[“ product feature “**No predefined term**” ”]

[“ product feature “**Time-lagged Valuation**” ”]

[“	product feature “ <b>Minimum Exercise Size</b> ”	”]
[“	product feature “ <b>Securityholder's Termination Right</b> ” does <b>not</b> apply	”]
[“	product feature “ <b>Quanto</b> ”	”]
[“	product feature “ <b>Price Dividend Adjustment</b> ”	”]
[“	risks related to a <b>share</b> as [the Underlying] [a Basket Component]	”]
[“	risks related to a <b>certificate representing shares</b> as [the Underlying] [a Basket Component]	”]
[“	risks related to a <b>non-equity security</b> as [the Underlying] [a Basket Component]	”]
[“	risks related to a <b>precious metal</b> as [the Underlying] [a Basket Component]	”]
[“	risks related to a <b>commodity</b> as [the Underlying] [a Basket Component]	”]
[“	risks related to an <b>index</b> as [the Underlying] [a Basket Component]	”]
[“	risks related to a <b>not exchange traded fund unit</b> as [the Underlying] [a Basket Component]	”]
[“	risks related to an <b>exchange traded fund unit</b> as [the Underlying] [a Basket Component]	”]
[“	risks related to a <b>futures contract</b> as [the Underlying] [a Basket Component]	”]
[“	risks related to a <b>currency exchange rate</b> as [the Underlying] [a Basket Component]	”]

## II. Listing and Trading

### Listing and Trading

*[In the case that the Issuer or a Manager, as the case may be, intends to apply for a listing of the Securities, insert the following text:*

[The Issuer] [The [Relevant] Manager] intends to apply for [listing] [inclusion] [admission] of the Securities [to trading] on [the Regulated



Market (*Regulierter Markt*) of the [Frankfurt Stock Exchange] [Stuttgart Stock Exchange] [•] [the Official List of the [Regulated Market of the Luxembourg Stock Exchange] [•]] [[the unofficial regulated market of] [Frankfurt Stock Exchange] [Stuttgart Stock Exchange] [•]][•] [Nasdaq Stockholm][Nasdaq Helsinki][Nordic Growth Market NGM AB – NDX (Nordic Derivatives Exchange)] [the multilateral trading facility [Nordic MTF] [Nasdaq First North [Sweden] [Finland] [•]] [•]] [specify alternative exchange(s) or trading system(s): [•]] [each a] [the] “**Security Exchange**”). [Provided that the Securities have not been terminated by the Issuer [and provided that the Securities have not expired early prior to the Expiration Date, trading of the Securities shall cease [[two] [•] trading day[s] prior to] [on] [the Valuation Date] [the Final Valuation Date] [the Expiration Date] [the Maturity Date] [•] (such day, the “**Last Exchange Trading Day**”). [As of the Last Exchange Trading Day trading may only take place off exchange with [the Manager] [•].]] ] [specify specific requirements, if any, of the regulated or another equivalent market: [•].]

[In the case that the Securities are already traded on a regulated or another equivalent market, insert the following text: ]

The Securities are already admitted to trading on [specify regulated or another equivalent market: [•]].]

[In the case that neither the Issuer nor a Manager intends to apply for a listing of the Securities, insert the following text: ]

Not applicable. It is not intended to apply for inclusion of the Securities to trading on a securities exchange.]

**[First Exchange Trading Day:** The First Exchange Trading Day means [specify first exchange trading day: [•]].]

**[Last Exchange Trading Day:** The Last Exchange Trading Day means [specify last exchange trading day: [•]].]

**[Last Exchange Trading Time:** The Last Exchange Trading Time means [specify last exchange trading time: [•]].]

**[Financial intermediaries in secondary trading:** [Not Applicable] [if applicable, specify financial intermediaries in secondary trading: [•]]]

[insert in case of wholesale non-equity securities within the meaning of Art. 8(2) of the Delegated Prospectus Regulation only: [specify amount: [•]].]

**Estimated total expenses related to the admission of the Securities to trading:**

### III. Further commissions paid by the Issuer

**Further commissions paid by the Issuer:** [Not Applicable] [if applicable, specify further commissions paid by the Issuer: [•]]

#### IV. Any interests, including conflicting ones, of natural and legal persons involved that is material to the issue/offer of the Securities

Any interests, including conflicting ones, of natural and legal persons involved that is material to the issue/offer of the Securities: *[to be inserted\*]*

[[Save for the [relevant] Authorised Offeror[s] regarding [its] [their] fees,] [as][As] far as the Issuer is aware, no person involved in the issue [and offer] [and listing] of [each Series of] the Securities has an interest material to the issue [and the offer] [and the listing].]

#### V. Rating

Ratings:

[The Securities have not been rated.] [The Securities [have been][are expected to be] rated as follows *[specify rating including brief explanation: [•]].*]

[This credit rating has / These credit ratings have] been issued by *[insert full name of legal entity which has given the rating]* which [is not established in the European Union but a European Union affiliate has applied for registration under Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, amended by Regulation (EC) No. 513/2011 of the European Parliament and of the Council of 11 March 2011, indicating an intention to endorse its ratings, although notification of the corresponding registration decision (including its ability to endorse [•] ratings) has not yet been provided by the relevant competent authority.] [is established in the European Union and has applied for registration under Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, amended by Regulation (EC) No. 513/2011 of the European Parliament and of the Council of 11 March 2011, although notification of the corresponding registration decision has not yet been provided by the relevant competent authority.] [[is][is not] established in the European Union and [is][is not] registered [(pursuant to the list of registered and certified credit rating agencies published on the website of the European Securities and Markets Authority (<http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>))] under Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, amended by Regulation (EC) No. 513/2011 of the European Parliament and of the Council of 11 March 2011.]]

#### VI. Consent to Use of Prospectus

[Not applicable. The Securities are not offered to the public.]

[Not applicable. The Issuer does not consent to the use of the Base Prospectus.]

[The Issuer consents to the use of the Base Prospectus together with the relevant Final Terms in connection with a public offer of the Securities (a "**Public Offer**") by [UBS Europe SE, Bockenheimer Landstrasse 2-4, 60306 Frankfurt am Main, Federal Republic of Germany (LEI [5299007QVIQ7IO64NX37] [•]),] [and] *[specify other manager: [•]]*, [each] in its role as manager in relation to the Securities, ([each a] [the] "**Manager**" [or, as the case may be, "**Authorised Offeror**"]) [as well as] *[specify further financial intermediaries: [•]]* (together with the Manager[s] each an "**Authorised Offeror**").]

[The Issuer consents to the use of the Base Prospectus together with the relevant Final Terms in connection with a public offer of the Securities (a "**Public Offer**") by any financial intermediary (each an "**Authorised**

**Offeror**”) which is authorised to make such offers under the Markets in Financial Instruments Directive (Directive 2014/65/EU).]

<b>[Additional conditions:]</b>	<i>[if applicable, specify additional conditions: [•]]</i>
<b>[Offer Period:]</b>	<i>[specify Offer Period: [•]]</i> [The Issuer reserves the right [to earlier close] [or] [to extend] the Offer Period [by giving notice to the investors] if market conditions so require.] [The notice (relating to the earlier close (if any) or, as the case may be, extension of the Offer Period (if any) shall be published <i>[specify public source: [•]].</i> ]]
<b>[Public Offer Jurisdiction:]</b>	[Sweden][,] [and] [Norway][,] [and] [Denmark][,] [and] [Finland][,] [and] [Luxembourg]]
<b>[Financial Intermediaries:]</b>	<i>[specify financial intermediaries: [•]]</i>
<b>[Further conditions attached to the Consent:]</b>	<i>[if applicable, specify further clear and objective conditions: [•]]</i>

## VII. Indication of Yield

<b>Yield:</b>	[Not Applicable] <i>[if applicable, specify yield: [•]]</i> [The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]
<b>[Method of calculating the yield:]</b>	The yield is calculated according to the ICMA method. This is a method for calculating the yield in which the daily effective interest yield is taken into account. The interest accrued each day is thus added to the capital invested and included in the interest calculation for the following day in each case.]

## VIII. Other information about the Securities

<b>Procedure for redemption of Securities:</b>	[Not Applicable] <i>[if applicable, specify: [•]]</i>
<b>Disturbing events that affects the Underlying:</b>	[Not Applicable] [As specified in § [11][•] of the General Conditions of the Securities of the Base Prospectus dated [•], as supplemented from time to time.] <i>[if applicable, specify: [•]]</i>
<b>Adjustment rules for taking into account events that affects the Underlying:</b>	[Not Applicable] [As specified in § [6][•] of the General Conditions of the Securities of the Base Prospectus dated [•], as supplemented from time to time.] <i>[if applicable, specify: [•]]</i>
<b>Explanation of how the Underlying affects the Securities:</b>	[Not Applicable] <i>[if applicable, specify: [•]]</i>
<b>[Amortization:]</b>	[Not Applicable] <i>[if applicable, specify: [•]]</i>
<b>[Tranche reserved for offer in a specific country:]</b>	[Not Applicable] <i>[if applicable, specify: [•]]</i>
<b>[Arranger:]</b>	[Specify name of arranger and address of organizer in every applicable country]]
<b>Paying Agent:</b>	<i>[specify names and addresses: [•]]</i>
<b>[Deposit Agent:]</b>	[Not Applicable] <i>[if applicable, specify: [•]]</i>

**Calculation Agent:**

*[specify names and addresses: [•]]*

**PART D – COUNTRY SPECIFIC INFORMATION**

**Additional Paying Agent(s) (if any):** [Not Applicable] [*if applicable, specify names and addresses: [•]*]

**[Additional websites for the purposes of § 14 of the Conditions:** [*specify website(s): [•]*]

**PART E – INFORMATION ABOUT THE UNDERLYING**

*[The following information describes [the Underlying] [the Underlyings]: [•]]*

*[If applicable, indication of source(s) of information given in this section: [•]]*

*[Indication where information about the past and the further performance of [the Underlying] [the Underlyings] and [its] [their] volatility can be obtained by electronic means and whether or not it can be obtained free of charge: [•]]*

*[If applicable, insert a description of the share / the certificate representing shares [with ISIN and name of the relevant company]: [•]]*

*[If applicable, insert a description of the Index [with ISIN, if available, and name of the relevant index sponsor]: [•]]*

*[If applicable, insert a description of the currency exchange rate [with ISIN, if available]: [•]]*

*[If applicable, insert a description of the precious metal [with ISIN, if available]: [•]]*

*[If applicable, insert a description of the commodity [with ISIN, if available]: [•]]*

*[If applicable, insert a description of the interest rate [with ISIN, if available]: [•]]*

*[If applicable, insert a description of the non-equity security [with ISIN, if available, and name of the relevant issuer]: [•]]*

*[If applicable, insert a description of the fund unit [with ISIN, if available, and name of the relevant fund company]: [•]]*

*[If applicable, insert a description of the futures contract [(if applicable, including determination of the Relevant Expiration Months)]: [•]]*

*[If applicable, insert a description of the reference rate [with ISIN, if available,]: [•]]*

*[If applicable, insert a description of the Basket comprising the aforementioned assets [with ISIN, if available, and the weighting of the Basket components]: [•]]*

*[If applicable, insert a description of the portfolio comprising the aforementioned assets [with ISIN, if available, and the weighting of the portfolio components]: [•]]*

*[If applicable, insert clear and prominent information stating whether the benchmark is provided by an administrator included in the register referred to in Article 36 of the EU Benchmarks Regulation: [•]]*

**ANNEX TO THE FINAL TERMS: ISSUE SPECIFIC SUMMARY**

*[In the case of Securities with a minimum denomination of less than EUR 100.000, or its equivalent in any other currency, insert completed summary by amending and completing the summary of the base prospectus as appropriate to the terms of the specific issue].*

### **G. INFORMATION ABOUT THE UNDERLYING**

The Securities may be based on the performance of a share (including a certificate representing shares), an index, a currency exchange rate, a precious metal, a commodity, an interest rate, a non-equity security, a fund unit, a futures contract, or, as the case may be, and as specified in the relevant Final Terms, a reference rate (including, but not limited to, interest rate swap (IRS) rates, currency swap rates or, as the case may be, credit default swap levels), as well as a basket or portfolio comprising the aforementioned assets.

In case an index used as Underlying or, as the case may be, a Basket Component, is provided by a legal entity acting in association with, or on behalf of, the Issuer, **the complete set of rules of the index and information on the performance of the index will be freely accessible on the Issuer's website.** The governing rules (including methodology of each such index for the selection and the re-balancing of the components of such index, description of market disruption events and adjustment rules) are based on predetermined and objective criteria.

In case an Underlying or, as the case may be, a Basket Component, used to determine any amount payable under the Conditions qualifies as a benchmark within the meaning of the Regulation of the European Parliament and of the Council on indices used as benchmarks in certain financial instruments and financial contracts or to measure the performance of investment funds (the "**EU Benchmarks Regulation**"), the applicable Final Terms shall, if required in accordance with the EU Benchmarks Regulation, include clear and prominent information stating whether the benchmark is provided by an administrator included in the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority ("**ESMA**") pursuant to article 36 of the EU Benchmarks Regulation. Furthermore transitional provisions in the EU Benchmarks Regulation may have the result that the administrator of a particular benchmark is not required to appear in the register of administrators and benchmarks at the date of the Final Terms. The registration status of any administrator under the EU Benchmarks Regulation is a matter of public record and, save where required by applicable law, the Issuer does not intend to update the Final Terms to reflect any change in the registration status of the administrator.

The applicable Final Terms will specify the relevant Underlying, if any, and state where information on the relevant Underlying, in particular on its past and future performance and on its volatility, can be obtained by electronic means, whether or not it can be obtained free of charge and whether or not the Issuer intends to provide further information on the Underlying.

## **H. SUBSCRIPTION AND SALE**

### **1. Issue and Sale**

It has been agreed that, on or after the respective Issue Date of the Securities, as specified in the relevant Final Terms the Manager(s) shall underwrite the Securities by means of an underwriting agreement and shall place them for sale under terms subject to change in the Public Offer Jurisdiction and during the period, if any, specified for these purposes in the applicable Final Terms. In this context, any underwriting and/or placing commission paid by the Issuer will be also specified in the applicable Final Terms. The Securities will be offered on a continuous basis by the Issuer to the relevant Manager and may be resold by the relevant Manager.

### **2. Selling Restrictions**

#### **General**

The Manager has represented and agreed (and each additional Manager will be required to represent and agree) that it will comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Securities or possesses or distributes the Prospectus and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Securities under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither the Issuer nor any Manager shall have any responsibility therefore. Neither the Issuer nor the Manager has represented that Securities may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or has assumed any responsibility for facilitating such sale. The relevant Manager will be required to comply with such other additional restrictions as the relevant Issuer and the relevant Manager shall agree and as shall be set out in the applicable Final Terms.

#### **United States of America**

The Securities have not been registered and will not be registered under the Securities Act, or with any securities regulatory authority of any state or other jurisdiction of the United States and are being sold pursuant to an exemption from the registration requirements of the Securities Act. Trading in the Securities has not been approved by the U.S. Commodity Futures Trading Commission under the Commodity Exchange Act or by the United States Securities and Exchange Commission or any state securities commission in the United States or any other U.S. regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Securities or the accuracy or adequacy of this Base Prospectus. The Securities (or any rights thereunder) will be offered only outside of the United States and only to, or for the account or benefit of, persons that are not U.S. persons as defined in Regulation S of the Securities Act.

Securities in bearer form are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to United States persons, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the United States Internal Revenue Code and regulations thereunder.

The Manager has represented and agreed (and each additional Manager will be required to represent and agree) that, except as permitted, it has not offered, sold or delivered, and will not offer, sell or deliver, Securities of any Series (a) as part of their distribution at any time or (b) otherwise until 40 days after the later of the date of issue of the relevant Series of Securities and the completion of the distribution of such Series as certified to the Principal Paying Agent or the Issuer by the relevant Manager within the United States or to, or for the account or of benefit of, U.S. persons, and that it will have sent to each Manager to which it sells Securities of such Series during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of such Securities within the United States or to, or for the account or benefit of, U.S. persons.

In addition, until 40 days after the commencement of the offering of any Series of Securities an offer or sale of Securities of such Series within the United States by a Manager (whether or not participating in the offering of such Securities) may violate the registration requirements of the Securities Act.

Each issuance of Securities linked to currency exchange rates, commodities or precious metals as the Underlying or a Basket Component, as the case may be, shall be subject to such additional U. S. selling restrictions as the Issuer and the relevant Manager(s) will agree as a term of the issuance and purchase or, as the case maybe, subscription of such Securities. Any Manager will be required to agree that it will offer, sell and deliver such Securities only in compliance with such additional U. S. selling restrictions.



### Prohibition of Sales to EEA Retail Investors

Unless the Final Terms in respect of any Securities specifies the “Prohibition of Sales to EEA Retail Investors” as “Not Applicable”, each Manager has represented and agreed, and each further Manager appointed under the Base Prospectus will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Securities which are the subject of the offering contemplated by this Prospectus as completed by the Final Terms in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision:

- (a) the expression “retail investor” means a person who is one (or more) of the following:
  - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); or
  - (ii) a customer within the meaning of Directive (EU) 2016/97 (the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
  - (iii) not a qualified investor as defined in the Prospectus Regulation (as defined below); and
- (b) the expression an “offer” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe for the Securities.

If the Final Terms in respect of any Securities specifies “Prohibition of Sales to EEA Retail Investors” as “Not Applicable”, each Manager has represented and agreed, and each further Manager appointed under the Base Prospectus will be required to represent and agree, in relation to each member state of the European Economic Area (each, a “**Member State**”), that it has not made and will not make an offer of Securities which are the subject of the offering contemplated by this Base Prospectus as completed by the applicable Final Terms in relation thereto to the public in that Member State except that it may make an offer of such Notes to the public in that Member State:

- (a) *Approved prospectus*: if the Final Terms in relation to the Securities specify that an offer of those Securities may be made other than pursuant to Article 1(4) of the Prospectus Regulation in that Member State and the conditions of the offer applicable to the offer of the Securities set out in the Base Prospectus or in the relevant Final Terms, as the case may be, in the period beginning and ending on the dates specified in such final terms, provided that the Issuer has consented in writing to the use of the Base Prospectus for the purpose of such offer;
- (b) *Qualified investors*: at any time if it is addressed solely to a qualified investor as defined in the Prospectus Regulation;
- (c) *Fewer than 150 offerees*: at any time if it is addressed to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation), subject to obtaining the prior consent of the relevant Manager or Managers nominated by the Issuer for any such offer; or
- (d) *Other exempt offers*: at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Securities referred to in (b) to (d) above shall require the Issuer or any Manager to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression “**offer of Securities to the public**” in relation to any Securities in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe for the Securities and the expression “**Prospectus Regulation**” means Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC.

**Selling restriction addressing additional securities laws of the Kingdom of Denmark**

Each Manager has represented and agreed (and each additional Manager will be required to represent and agree) that it has not offered or sold and will not offer, sell or deliver any of the Securities directly or indirectly in the Kingdom of Denmark by way of public offering, unless in compliance with Danish law (including the Danish Capital Markets Act (*Lov om kapitalmarkeder*) as amended and supplemented from time to time, the Prospectus Regulation, Commission Delegated Regulation (EU) 2019/979, and Commission Delegated Regulation (EU) 2019/980).

**Selling restriction addressing additional securities laws of Finland**

Each Manager has represented and agreed (and each additional Manager will be required to represent and agree) that it will not publicly offer the Securities or bring the Securities into general circulation in Finland other than in compliance with all applicable provisions of the laws of Finland and especially in compliance with the Finnish Securities Markets Act (746/2012) and any regulation or rule made thereunder, as supplemented and amended from time to time.

**Selling restriction addressing additional securities laws of Sweden**

Each Manager has represented and agreed (and each additional Manager will be required to represent and agree) that it will not publicly offer the Securities or bring the Securities into general circulation in Sweden other than in compliance with all applicable provisions of the laws of Sweden and especially in compliance with the Swedish Act (2019:414) with supplementary provisions to the Prospectus Regulation and any regulation or rule made thereunder, as supplemented and amended from time to time.

**Selling restriction addressing additional securities laws of Norway**

Each Manager has represented and agreed (and each additional Manager will be required to represent and agree) that it will not publicly offer the Securities or bring the Securities into general circulation in Norway other than in compliance with all applicable provisions of the laws of Norway and especially in compliance with (i) the Norwegian Securities Trading Act (*Nw.: Verdipapirhandelloven*), and any regulation or rule made thereunder, as supplemented and amended from time to time, (ii) the Financial Institutions Regulation (*Nw.: finansforetaksforskriften*) Section 16-2 as supplemented and amended from time to time, (iii) the Financial Supervisory Authority of Norway's Circular (*Nw.: Rundskriv*) No. 15/2006 (as applicable), and (iv) any Executive Orders issued in connection with either of the foregoing.

**I. IMPACT OF TAX LEGISLATION ON INCOME RECEIVED FROM THE SECURITIES**

The tax legislation of the investor's Member State and of the Issuer's country of incorporation may have an impact on the income received from the Securities. **Prospective purchasers of Securities should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of Securities and receiving payments of interest, principal and/or other amounts under the Securities and the consequences of such actions under the relevant tax laws.**

**The Issuer does not assume any responsibility for the withholding of taxes at the source.**

## **J. GENERAL INFORMATION**

### **1. Form of Document**

This document - including any and all supplements approved by the Swedish Financial Supervisory Authority (*Finansinspektionen* - the "**SFSA**") in respect hereof and published by UBS AG - constitutes a securities note (the "**Securities Note**") and, together with the registration document of UBS AG dated 14 September 2022, as supplemented from time to time, (as approved by the Federal Financial Services Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht* – "**BaFin**"), the "**Registration Document**"), constitutes a base prospectus (the "**Base Prospectus**" or the "**Prospectus**") according to Article 8 (1) and Article 10 (1) of the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (the "**Prospectus Regulation**").

As such, the Base Prospectus contains all information which was known at the time the Base Prospectus has been approved. Final terms ("**Final Terms**") will be prepared in respect of the Securities and will contain the information which can only be determined at the time of the individual issue of securities under the Base Prospectus.

### **2. Publication**

The Base Prospectus has been published on the website of UBS at [www.ubs.com/keyinvest](http://www.ubs.com/keyinvest) (or a successor thereto). In case of admission to trading of Securities on a regulated market of a stock exchange, the Base Prospectus will be published in accordance with the rules of such stock exchange.

Final Terms, together with any translations thereof, or of the Summary as amended by the relevant Final Terms, may be published on the website of UBS at [www.ubs.com/keyinvest](http://www.ubs.com/keyinvest) (or a successor thereto). In case of admission to trading of Securities on a regulated market of a stock exchange, Final Terms will also be published in accordance with the rules of such stock exchange.

The Base Prospectus and the Final Terms will also be available at the registered office of the Issuer.

### **3. Authorisation**

The issuance of Securities under the Base Prospectus from time to time has been authorised by applicable corporate authorisations.

### **4. Approval of the Base Prospectus and Notification**

This Securities Note has been approved by the Swedish Financial Supervisory Authority (*Finansinspektionen* – "**SFSA**") as competent authority under the Prospectus Regulation. The SFSA only approves this Securities Note as meeting the standards of completeness, comprehensibility and consistency imposed by Prospectus Regulation and such approval should not be considered as an endorsement of the issuer that is the subject of this Securities Note. Investors should make their own assessment as to the suitability of investing in the Securities.

In order to be able to conduct a public offer and/or a listing of the Securities on a regulated market (within the meaning of Article 2 j) of the Prospectus Regulation) in Denmark, Norway, Finland and Luxembourg, the Issuer intends to apply for a notification of the Base Prospectus pursuant to Article 25 of the Prospectus Regulation (the "**EEA Passport**") into Norway, Finland, Denmark and Luxembourg. The Issuer reserves the right to apply to the SFSA for EEA Passports into further EEA states.

A special permit allowing for the Securities to be offered or the prospectus to be distributed in a jurisdiction outside of those countries for which an EEA Passport is possible and a permit required has not been obtained.

### **5. Offer of Securities to the Public; Listing of Securities on a regulated or another equivalent Market**

Under this Base Prospectus,

- Securities may be offered to the public in the relevant Public Offer Jurisdiction(s) and/or listed on a regulated or another equivalent market, or
- an offer of Securities to the public started under a Preceding Base Prospectus (as defined below) (the "**Existing Securities**") may be continued in the relevant Public Offer Jurisdiction(s) beyond the validity of the Preceding Base Prospectus (as defined below);
- the Issue Size or, as the case may be, the Aggregate Nominal Amount, of Securities offered to the public in the relevant Public Offer Jurisdiction(s) or listed on a regulated or another equivalent market under this Base Prospectus may be increased, or
- the Issue Size or, as the case may be, the Aggregate Nominal Amount, of existing Securities offered to the public in the relevant Public Offer Jurisdiction(s) or listed on a regulated or another equivalent market on the basis of a Preceding Base Prospectus (also the "**Existing Securities**") may be increased beyond the validity of the Preceding Base Prospectus.

For the purposes of continuing an offer of Existing Securities beyond the validity of the relevant Preceding Base Prospectus, the Issuer will prepare and publish Final Terms under this (succeeding) Base Prospectus. In this case, the relevant Final Terms under this succeeding Base Prospectus will reproduce the applicable and specific Conditions comprising "Part 1: Key Terms and Definitions of the Securities and "Part 2: Special Conditions of the Securities" as comprised in the relevant Conditions of the Existing Securities comprised in

- the Base Prospectus dated 23 June 2014 of UBS AG
- the Base Prospectus dated 17 April 2015 of UBS AG
- the Base Prospectus dated 8 January 2016 of UBS AG
- the Base Prospectus dated 27 September 2016 of UBS AG
- the Base Prospectus dated 21 June 2017 of UBS AG
- the Base Prospectus dated 1 March 2018 of UBS AG
- the Base Prospectus dated 12 October 2018 of UBS AG
- the Base Prospectus dated 13 May 2019 of UBS AG
- the Securities Note dated 26 February 2020 of UBS AG
- the Securities Note dated 3 November 2020 of UBS AG
- the Securities Note dated 11 August 2021 of UBS AG
- the Securities Note dated 13 May 2022 of UBS AG

(each, a "**Preceding Base Prospectus**"), which are incorporated by reference in this Base Prospectus (cf. Section "J. General Information – 8. Documents incorporated by Reference" on page 222 of this Base Prospectus).

## 6. Reasons for the offer and Use of Proceeds

The reason for the offer to the public / admission to trading of the Securities is making profit and/or hedging certain risks of the Issuer. The net proceeds from the sale of the Securities will be used for funding purposes of the UBS Group. The Issuer shall not employ the net proceeds within Switzerland. The net proceeds from the issue shall be employed by the Issuer for general business purposes unless specified otherwise in the section "ESG-related information" of the applicable Final Terms. A separate ("special purpose") fund will not be established.

Where applicable, the estimated total expenses of the issue/offer and/or the estimated net amount of the proceeds are disclosed in the applicable Final Terms.

## 7. Availability of the Base Prospectus and other documents

So long as any of the Securities are outstanding copies of the following documents will be available, during usual business hours on any weekday (Saturdays and public holidays excepted), at the registered offices of the Issuer:

- a copy of the Articles of Association of UBS AG;
- a copy of the Registration Document of UBS AG dated 14 September 2022, as supplemented from time to time;
- a copy of the Securities Note dated 26 January 2023, as supplemented from time to time

Copies of the above documents shall, as long as any of the Securities are outstanding, also be maintained in printed format, for free distribution, at the registered offices of the Issuer. In addition, any annual reports and quarterly result materials of UBS AG and UBS Group AG are published on the UBS website, at [www.ubs.com/investors](http://www.ubs.com/investors) or a successor address.

## 8. Documents incorporated by Reference

This Base Prospectus should be read and construed in conjunction with each supplement to this Base Prospectus and the documents incorporated by reference into this Base Prospectus. The information set forth in the documents listed in this section below, is hereby to the extent indicated below, incorporated by reference into this Base Prospectus and as such deemed to form a part of this Base Prospectus:

- (a) the Conditions of the Securities as contained on pages 157 to 241 of the Base Prospectus dated 23 June 2014 of UBS AG as filed with the SFSA (published on the UBS website, at <http://keyinvest-eu.ubs.com/legal-documents>);
- (b) the Conditions of the Securities as contained on pages 212 to 318 of the Base Prospectus dated 17 April 2015 of UBS AG as filed with the SFSA (published on the UBS website, at <http://keyinvest-eu.ubs.com/legal-documents>);
- (c) the Conditions of the Securities as contained on pages 192 to 289 of the Base Prospectus dated 8 January 2016 of UBS AG as filed with the SFSA (published on the UBS website, at <http://keyinvest-eu.ubs.com/legal-documents>);
- (d) the Conditions of the Securities as contained on pages 187 to 286 of the Base Prospectus dated 27 September 2016 of UBS AG as filed with the SFSA (published on the UBS website, at <http://keyinvest-eu.ubs.com/legal-documents>);
- (e) the Conditions of the Securities as contained on pages 147 to 246 of the Base Prospectus dated 21 June 2017 of UBS AG as filed with the SFSA (published on the UBS website, at <http://keyinvest-eu.ubs.com/legal-documents>);
- (f) the Conditions of the Securities as contained on pages 149 to 252 of the Base Prospectus dated 1 March 2018 of UBS AG as filed with the SFSA (published on the UBS website, at <http://keyinvest-eu.ubs.com/legal-documents>),
- (g) the Conditions of the Securities as contained on pages 149 to 252 of the Base Prospectus dated 12 October 2018 of UBS AG as filed with the SFSA (published on the UBS website, at <http://keyinvest-eu.ubs.com/legal-documents>),
- (h) the Conditions of the Securities as contained on pages 149 to 252 of the Base Prospectus dated 13 May 2019 of UBS AG as filed with the SFSA (published on the UBS website, at <http://keyinvest-eu.ubs.com/legal-documents>),
- (i) the Conditions of the Securities as contained on pages 62 to 178 of the Securities Note dated 26 February 2020 of UBS AG as filed with the SFSA (published on the UBS website, at <http://keyinvest-eu.ubs.com/legal-documents>),
- (j) the Conditions of the Securities as contained on pages 64 to 182 of the Securities Note dated 3 November 2020 of UBS AG as filed with the SFSA (published on the UBS website, at <http://keyinvest-eu.ubs.com/legal-documents>),
- (k) the Conditions of the Securities as contained on pages 66 to 187 of the Securities Note dated 11 August 2021 of UBS AG as filed with the SFSA (published on the UBS website, at <http://keyinvest-eu.ubs.com/legal-documents>), and
- (l) the Conditions of the Securities as contained on pages 68 to 195 of the Securities Note dated 13 May 2022 of UBS AG as filed with the SFSA (published on the UBS website, at <http://keyinvest-eu.ubs.com/legal-documents>).

Investors who have not previously reviewed the information contained in the above documents should do so in connection with their evaluation of any Securities. Any statement contained in a document, all or the relevant portion of which is incorporated by reference into the Base Prospectus, shall be deemed to be modified or superseded for the purpose of this Base Prospectus to the extent that a statement contained in this Base Prospectus or in any supplement to this Base Prospectus, including any documents incorporated therein by reference, modifies or supersedes such earlier statement (whether expressly, by implication or otherwise).