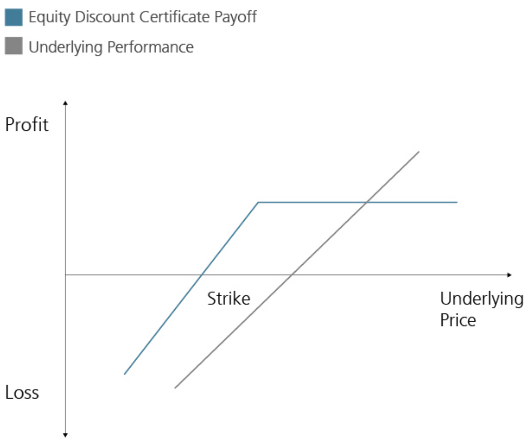
For Marketing purposes only

Equity Discount Certificate

Examplary Underlying: **Single stock**

In general, Equity Discount Certificates provide an optimized return under stable or slightly positive/negative market conditions. This product offers a way to invest indirectly in the underlying at a discount. The discount can compensate for giving up any participation in the appreciation of the underlying above the strike level and for the downside risk of the underlying on the expiration date.



The payout profile is for illustrative purposes only and is based on the assumption that no exceptional cancellation will occur, in accordance with the issuer's product documentation.

Main features of a sample product

Currency
EUR, conversion risk in shares

Term
1 year

Return
max. redemption EUR 4.71 (max. return 11.52% p.a.)

Participation
no additional participation

Capital
at risk below issue price EUR 4.22347 (discount 10.33%)

You may consider an investment in this product, if

- You look for a way to enhance yield in sideway markets
- You are familiar with both structured products and equity markets
- You intend to be invested in this product until its redemption date
- You are comfortable being exposed to the negative performance of the underlying, without benefiting from a positive performance of the underlying above the strike level
- You do not expect the underlying to close at or below the strike level on the expiration date
- You are comfortable with a physical delivery of the underlying on the redemption date that is linked to the performance of the underlying on the expiration date which value may be considerably less than the capital invested
- You wish to be invested in EUR (Euro). If your reference currency is not EUR, the return may increase or decrease in reference currency terms as a result of exchange rate fluctuations

Summary of main product-specific benefits

- Allows to invest indirectly in the underlying at a discount
- Redemption on the redemption date will be equal to the strike level if the underlying closes above the strike level on the expiration date
- Outperformance compared to a direct investment in the underlying, if the return achieved by the product is higher than the positive performance of the underlying plus any dividends or other income paid thereon

Summary of main product-specific risks

- Upside potential is limited to the strike level
- A loss can result if the underlying closes below the issue price on the expiration date
- In a worst case scenario the product becomes worthless and you will lose the capital invested (no capital protection)
- You are fully exposed to the default risk of the issuer

Scenario Analysis

Payoff diagram on the Redemption Date

Assumptions: Reference price EUR 4.71, Strike level EUR 4.71, Issue price EUR 4.22

Underlying on the expiration date			
EUR	**Change %**	**ROI (per unit)**	**ROI %**
EUR 5.65	**+20.00%**	EUR 4.71	11.52%
EUR 5.18	**+10.00%**	EUR 4.71	11.52%
EUR 4.71	**0.00%**	1 Underlying*	11.52%
EUR 4.24	**-10.00%**	1 Underlying*	0.37%
EUR 4.22	**-10.33%**	1 Underlying*	0.00%
EUR 3.77	**-20.00%**	1 Underlying*	-10.78%
EUR 3.30	**-30.00%**	1 Underlying*	-21.94%

For illustrative purposes only. Source: UBS

*plus fractional entitlements if applicable

Profit potential

The profit potential is limited to the Strike Level. You will achieve the maximum profit potential if the Underlying closes above the Strike Level on the Expiration Date.

Break-Even

If the Underlying closes at or below the Strike Level on the Expiration Date, you will be fully exposed to the negative performance of the Underlying on the Expiration Date. However, the Discount (relative to a direct investment in the Underlying) granted with the Issue Price can compensate to a certain degree for a certain decline in price of the Underlying. A break-even, i.e. 0% return on investment (ROI) would occur if the Underlying was to close at EUR 4.22 on the Expiration Date (89.67% of the Initial Underlying Level).

Loss potential

There is no protection against falling prices of the Underlying at or below the Strike Level. You will be fully exposed to the negative performance of the Underlying on the Expiration Date if the Underlying closes at or below the Strike Level on the Expiration Date. In a worst case scenario, the Product becomes worthless and you will lose all of the invested capital. However, given the discounted Issue Price the investor suffers in such a redemption scenario a smaller loss in value compared to a direct investment in the Underlying at the Initial Underlying Level.