



Strategy Certificates (partially EUR-currency hedged)

Linked to the LGT Equity Top Picks Basket

Issued by UBS AG



Cash settled

SVSP Product Type: Tracker Certificates (1300, Callable)

Valor: 32520686; ISIN: DE000UW1A1L0

Final Terms

This Product does not represent a participation in any of the collective investment schemes pursuant to Art. 7 ff of the Swiss Federal Act on Collective Investment Schemes (CISA) and thus does not require an authorisation of the Swiss Financial Market Supervisory Authority (FINMA). Therefore, Investors in this Product are not eligible for the specific investor protection under the CISA. Moreover, Investors in this Product bear the issuer risk.

This Product is linked to a notional dynamic basket, which is actively managed in the sole discretion of the Reference Portfolio Advisor pursuant to the Portfolio Description Document (Annex 1).

This document (Final Termsheet) constitutes the Simplified Prospectus for the Product described herein; it can be obtained free of charge from UBS AG, P.O. Box, CH-8098 Zurich (Switzerland), via telephone (+41-(0)44-239 47 03), fax (+41-(0)44-239 69 14) or via e-mail (swiss-prospectus@ubs.com). The relevant version of this document is stated in English; any translations are for convenience only. For further information please refer to paragraph «Product Documentation» under section 4 of this document.

1. Description of the Product

Information on Underlying

The LGT Equity Top Picks Basket aims to replicate the performance (total return, i.e. capital appreciation plus dividends, minus fees and costs) of a basket of long only worldwide stocks and FX forwards.

Underlying LGT Equity Top Picks Basket (the "Reference Portfolio")

The **LGT Equity Top Picks Basket** (the "**Reference Portfolio**") is a notional Euro ("**EUR**") denominated reference portfolio, actively created, managed and maintained by LGT Bank (Switzerland) Ltd., Zurich (the "**Reference Portfolio Advisor**"). The Reference Portfolio aims to replicate the performance of (i) a basket of long only worldwide stocks (each a "**Long Stock Constituent**"), (ii) long or short positions in various FX forwards (each a "**FX Constituent**") (and together, the "**Constituents**"), and (iii) a EUR denominated cash position which shall be at all times equal to or greater than zero (the "**Cash Position**"; which together with the Constituents shall be referred to as the "**Reference Portfolio Components**"), less fees and costs. No interest will be paid on the Cash Position. Net dividends on a Constituent will be reinvested into the respective Constituent on the ex-dividend date of that Constituent. Further information on the Reference Portfolio is contained in the document entitled "Reference Portfolio Description" dated 01 September 2016 (the "**Portfolio Description Document**") and attached hereto as Annex 1. The Portfolio Description Document can be obtained at any time free of charge from UBS AG, P.O. Box, CH-8098 Zurich (Switzerland), via telephone (+41-(0)44-239 47 03), fax (+41-(0)44-239 69 14) or via e-mail (swiss-prospectus@ubs.com). The notional value of the Reference Portfolio (the "**Initial Reference Portfolio Level**") will be EUR 1,000.00 on the Issue Date.

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Investors outside of Switzerland should consult their local client advisors.

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The Reference Portfolio Advisor shall create, manage and maintain the Reference Portfolio in accordance with the Portfolio Description Document. Limitations apply to the inclusion of any eligible Constituent (an "**Eligible Constituent**") in the Reference Portfolio in certain circumstances as described in the Portfolio Description Document.

Whilst the Redemption Amount is linked to the market value of the Reference Portfolio Components, the Issuer is not obliged to invest the proceeds of the issuance of the Strategy Certificates in any Reference Portfolio Component at any time and the holders of the Strategy Certificates do not have any direct interest in, or beneficial ownership in any Reference Portfolio Component at any time.

Product Details

Security Numbers	Valor: 32520686 / ISIN: DE000UW1A1L0 / WKN: UW1A1L
Issue Size	Up to 35,000 Units (with reopening clause) (Issue size decreased by 65,000 Units on VD 02/10/2018)
Initial Reference Portfolio Level	EUR 1,000.00
Issue Price	EUR 1,000.00 (100.00% of Initial Reference Portfolio Level) (unit quotation)
Settlement Currency	EUR
Currency Treatment	The Reference Portfolio can invest in and be exposed to Reference Portfolio Constituents denominated in currencies other than the Settlement Currency. The resulting currency exchange risks are partially hedged through the Currency Hedge by the Calculation Agent, subject to availability of appropriate FX forward contracts.
Currency Hedge	On the 10th calendar day (if this day is not a Business Day, the immediately succeeding Business Day is deemed to be relevant) of each month (each period starting on and including such 10th calendar day up to and excluding the next 10th calendar day a "Hedging Period") starting on 10 October 2016, each Hedge Position multiplied by the number of then outstanding Units (the "Open Interest") is notionally hedged through one-month FX forward contracts expiring on the first Business Day of the following Hedging Period (the "FX Hedge Expiration") to reduce the risk of currency fluctuations. During a Hedging Period, the Currency Hedge is adjusted in line with any change of the Open Interest only, (i.e. it will not be adjusted in case of other changes such as the performance of the Constituents or from Rebalancings), the Investor is still exposed to the corresponding residual currency exchange risks. Any notional profits or losses resulting from the FX Position will be settled into the cash position. In case the cash position has a weighting of at least -5.00% of the Reference Portfolio Level resulting from such a FX Position profit or loss, the Calculation Agent shall contact the Reference Portfolio Advisor in order to trigger a Rebalance which aims to flatten out the cash position. The Currency Hedge will not be applied where the Calculation Agent is unable, after using commercially reasonable efforts, to enter into FX forward contracts it deems necessary to hedge the currency risk of any Hedge Position (in particular in case of extraordinary market conditions). "Hedge Position" is constituted as follows: the aggregate notional value in the relevant currency of each group of Constituents in a currency other than the Settlement Currency (a "Foreign Currency") which have a weighting of at least 5.00% of the Reference-Portfolio, whereby the weighting is calculated as the total value of the Constituents in the same Foreign Currency, as expressed in the Settlement Currency at the prevailing exchange rate on the first business day of the relevant hedging period, in relation to the Reference Portfolio Level, as expressed in the Settlement Currency at the prevailing exchange rate on the relevant Reference Portfolio Calculation Date.

Dates

Launch Date	15 September 2016
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Pricing Date ("Pricing")	28 September 2016
Issue Date / Payment Date	11 October 2016
Last Trading Day	28 September 2023
Expiration Date	28 September 2023 (subject to Market Disruption Events provisions, Early Termination, Automatic Early Termination and Unwind Disruption provisions), extendable at the option of the Issuer for additional 7 years periods, on a rolling basis, with a notice period of 180 calendar days prior to the scheduled Expiration Date. With respect to any scheduled Expiration Date, and in case of an extension of the term, the Investor may with a notice period of 90 days prior to such scheduled Expiration Date request in writing from the Issuer that part or all of his Strategy Certificates be redeemed on the Redemption Date following the relevant scheduled Expiration Date (for avoidance of doubt, the scheduled Expiration Date refers to the Expiration Date before being extended by the Issuer). Provided, in each case that if the Expiration Date is not a Business Day, then such Expiration Date shall be the first following day that is a Business Day.
Redemption Date	The fifth Business Day immediately following the Expiration Date, the Early Termination Date or the Automatic Early Termination Date (in any case subject to Market Disruption Event provisions).
Closing Date (for Swiss Tax purposes)	1 st January of each year

Redemption

Settlement	Cash Settlement
Redemption	Each Strategy Certificate entitles the Investor to receive the Redemption Amount on the Redemption Date.
Redemption Amount	The Investor is entitled to receive from the Issuer on the Redemption Date an amount in the Settlement Currency equal to the Reference Portfolio Level on the Expiration Date, the Early Termination Date or the Automatic Early Termination Date, as applicable, as calculated by the Calculation Agent. In the event that a notional investor (in the same position as the Issuer) would be unable to unwind its investments in the Reference Portfolio Constituents by the Expiration Date, the Early Termination Date or the Automatic Early Termination Date (as applicable) (such event a " Unwind Disruption "), the Issuer reserves the right to extend the Expiration Date, the Early Termination Date or the Automatic Early Termination Date to such date where a notional investor in the Reference Portfolio Constituents is able to fully unwind the Reference Portfolio Constituents in cash.

Please note that the Redemption Amount may be less than the initially invested capital.

Early Termination by Issuer	The Issuer is entitled to terminate the Product early in full subject to the following notice period: Quarterly, i.e. as of each 30 June, 30 September, 31 December and 31 March (the " Early Termination Date "), subject to at least 45 Business Days prior notice being given to the Investors. The first possible Early Termination Date will be 31 December 2016.
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There is no Early Termination right for the investor in this Product.

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Automatic Early Termination Should the Reference Portfolio Advisor cease to be or to act as the Reference Portfolio Advisor, the Certificates will be automatically early terminated with immediate effect (the "**Automatic Early Termination**") as per the date on which the Reference Portfolio Advisor no longer is or acts as the Reference Portfolio Advisor (the "**Automatic Early Termination Date**"), as determined at the reasonable discretion of the Calculation Agent. No notice period shall apply in that case.

Reference Portfolio Level An amount per Certificate equal to:

$$Issue\ Price \times \text{Max} \left(0, \frac{\text{Final Reference Portfolio Level}}{\text{Initial Reference Portfolio Level}} \right)$$

Where:

"**Final Reference Portfolio Level**" means the value of the Reference Portfolio as determined by the Calculation Agent on the Expiration Date, the Early Termination Date or the Automatic Early Termination Date (as applicable) and subject to Unwind Disruption, as the sum of:

- i) the sale proceeds, as converted into the Settlement Currency where applicable, using the then prevailing exchange rate, as determined by the Calculation Agent in its reasonable discretion, that would be realized by a notional investor (in the same position as the Issuer) when selling and/or, as the case may be, unwinding the Constituents then comprised in the Reference Portfolio and
- ii) the value of the Cash Position minus any accrued but not yet deducted Adjustment Fee and the Reference Portfolio Fee.

Dividends Any amounts on the long positions reflecting net dividends of Constituents will be reinvested into the respective Constituent on the respective ex-date of that Constituent.

Reference Portfolio Valuation Level The Reference Portfolio Valuation Level of the Reference Portfolio shall be calculated by the Calculation Agent in its own reasonable discretion in respect of each Business Day, subject to Market Disruption Event (each a "**Reference Portfolio Valuation Date**").

The Calculation Agent will calculate on each Business Day immediately succeeding such Reference Portfolio Valuation Date (each a "**Reference Portfolio Calculation Date**") in its own reasonable discretion the level of the Reference Portfolio based on the closing price or value of each Reference Portfolio Component on the respective Reference Portfolio Valuation Date.

Fees

Reference Portfolio Advisor Fee (calculated daily) The Reference Portfolio Advisor will receive a quarterly fee of 0.175% (0.70% per year) of the Reference Portfolio Valuation Level, deducted on a daily basis by the Calculation Agent.

Issuer Management Fee (calculated daily) The Issuer will receive a quarterly fee of 0.05% (0.20% per year) of the Reference Portfolio Level, deducted on a daily basis by the Calculation Agent.

Reference Portfolio Fee The sum of the Reference Portfolio Advisor fee and the Issuer Management Fee.

Rebalancing/Adjustment Fee A Rebalancing/Adjustment Fee is levied for each Rebalancing made in the Reference Portfolio and represents a percentage of the notional volume of each of the purchase and/or sale of a Constituent. The Rebalancing/Adjustment Fee equals 0.03%, except for FX Constituents, where the Rebalancing/Adjustment Fee equals 0.01% of the strike notional of the relevant FX forward.

The Rebalancing/Adjustment Fees fully remain with the Issuer.

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Liquidity	The Issuer or the Lead Manager, as applicable, intends, under normal market conditions, to provide bid and/or offer prices for this Product on a regular basis. However, the Issuer or the Lead Manager, as applicable, makes no firm commitment to provide liquidity by means of bid and/or offer prices for this Product, and assumes no legal obligation to quote any such prices or with respect to the level or determination of such prices. Daily price indications, if any, will be available on Reuters/Bloomberg, www.ubs.com/keyinvest and SIX Financial Information from 09:15-17:15 (CET).
Rebalancing	<p>Rebalancing means any change in the Constituents initiated by the Reference Portfolio Advisor on any Business Day after the Issue Date, subject to Market Disruption Event below (a "Rebalancing"). The Reference Portfolio Advisor may initiate not more than 52 Rebalancings in any 12 month period starting with the Issue Date and reset on each anniversary of the Issue Date. The Calculation Agent has the right to reject Rebalancings under specific circumstances. The expected number of Rebalancings in any such 12 month period is 52.</p> <p>In case of a Rebalancing, secondary market trading of the Product will be suspended until completion of the Rebalancing.</p>
Minimum Investment	1 Unit(s) (subject to Selling Restrictions)
Minimum Trading Lot	1 Unit(s)
Clearing	SIX SIS, Euroclear, Clearstream (registered as intermediated securities with SIX SIS AG, in Switzerland)
Form of deed	Uncertificated Securitites
Status	Unsecured / Unsubordinated
Governing Law / Jurisdiction	Switzerland / Zurich
Reference Portfolio	<p>The Reference Portfolio Advisor creates and maintains the Reference Portfolio as a theoretical portfolio by selecting the initial Constituents and their weightings and thereafter actively managing and maintaining the Reference Portfolio by rebalancing the Reference Portfolio, i.e. changing the weightings of the Constituents, removing existing Constituents and selecting new Eligible Constituents, in its reasonable discretion.</p> <p>For the avoidance of doubt: The Reference Portfolio is a notional portfolio that mirrors a theoretical investment according to the list of Constituents and their respective weightings, as adjusted from time to time. Therefore, as the Reference Portfolio is only notional and comprised only by theoretically included Constituents, there is no obligation of the Reference Portfolio Advisor or of the Issuer to make any real investment or real executions into the Constituents. Furthermore there is no obligation of the Issuer or of the Calculation Agent to hedge itself in the Constituents.</p> <p>Neither the Reference Portfolio Advisor nor the Issuer nor the Calculation Agent nor any of their officers or employees makes representations or grants warranties with respect to the performance of the Reference Portfolio or the economic success or lack of success of an investment in the Certificates.</p> <p>Further information about the Reference Portfolio and the Reference Portfolio Advisor's role is contained in the Portfolio Description Document attached hereto as Annex 1.</p>
Adjustments	The terms of the Product may be subject to adjustments during its lifetime. For clients outside of the United Kingdom, any changes with regard to the terms of this Product shall be published on the internet at www.ubs.com/keyinvest . Detailed information on such adjustments is to be found in the General Terms and Conditions and/or the below section "Adjustments and Market Disruption Events".

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Adjustments and Market Disruption Events

Adjustments to the composition of the Reference Portfolio

If, at any time, any event occurs in relation to any Constituent which the Calculation Agent determines requires any adjustment(s) to be made to the composition of the Reference Portfolio, then the Calculation Agent shall (i) determine which adjustment(s) are to be made to the Constituent with a view to account for the effect of the relevant event and to preserve the prevailing composition of the Reference Portfolio immediately prior to the occurrence of such event and (ii) determine the date on which such adjustment(s) shall take effect.

Market Disruption Events

- (A) In the event that the Calculation Agent determines that any Business Day is a Disrupted Day with respect to any Constituent or Eligible Constituent selected by the Reference Portfolio Advisor for the purposes of a Rebalancing, then such Constituent or Eligible Constituent shall not be notionally sold or purchased on the relevant Rebalancing.
- (B) In the event that the Calculation Agent determines that any Reference Portfolio Valuation Date is a Disrupted Day with respect to any Constituent or Eligible Constituent, then for the purposes of determining the value of the Reference Portfolio as at such Reference Portfolio Valuation Date, (a) the price of each Constituent not affected by the occurrence of such Disrupted Day shall be the closing price of such Constituent on the relevant Exchange or Related Exchange and (b) the price of each Constituent affected by the occurrence of such Disrupted Day shall be determined by the Calculation Agent in its good faith estimate of the fair market value (which may be zero) of such Constituent as of such Reference Portfolio Valuation Date.
- (C) If the Calculation Agent determines that the date scheduled to be the Expiration Date, the Early Termination Date or the Automatic Early Termination Date, as applicable, is a Disrupted Day in respect of any Constituent, such date shall be the final valuation date for those Constituents which are not affected by the occurrence of a Disrupted Day while final valuation date for any Constituent that is affected by the occurrence of a Disrupted Day shall be postponed to the following Constituents Business Day with respect to such Constituent *provided* that if such day does not occur within 8 (eight) such Constituents Business Days immediately following the date scheduled to be the Expiration Date, the Early Termination Date or the Automatic Early Termination Date, as applicable, the price of such Constituent shall be determined by the Calculation Agent by reference to its good faith estimate of the value for such Constituent on that eighth Constituents Business Day.
- (D) On the occurrence of an FX Disruption Event, the value of any non-EUR denominated Constituent shall be determined by the Calculation Agent in its sole and absolute discretion and the Calculation Agent shall have the right to adjust the value of the Reference Portfolio to account for such FX Disruption Event.

Disrupted Day

Any Constituents Business Day on which the Calculation Agent determines that trading and/or transactions in the relevant Constituent or Eligible Constituent, as the case may be, is or are adversely affected (including without limitation where trading and/or transactions are limited by reason of illiquidity, any circumstances of market or trading disruption or the unavailability for any reason of any quote, official price or valuation in relation to the relevant Constituent or Eligible Constituent).

FX Disruption Event

Means (i) an event that generally makes it illegal, impossible, impractical or inadvisable to convert one unit of the currency in which any non-EUR denominated Constituent is denominated (the "**Denomination Currency**")

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into the Settlement Currency; or an event that generally makes it impossible to deliver the Settlement Currency from accounts in which they are held to accounts outside of the jurisdiction of the Denomination Currency; or (ii) the general unavailability to exchange the Settlement Currency at a spot rate (applicable to the purchase of the Settlement Currency for the Denomination Currency) in any legal currency exchange market in the principal financial centre for the Denomination Currency, if, in the determination of the Calculation Agent, the occurrence of any such events is material.

Tax Treatment Switzerland

Swiss Federal Stamp Duty	The product is not subject to Swiss Federal Stamp Duty.
Swiss Federal Income Tax	The taxable income and capital gains/losses will be kept apart and will be reported to the Swiss Federal Tax Administration annually. Taxable income is subject to Swiss Federal, cantonal and communal income tax.
Swiss Withholding Tax	The product is not subject to the Swiss withholding tax.
EU Savings Tax Treatment	For Swiss paying agents, the product is not subject to the EU Savings tax.

The tax information only provides a general overview of the potential tax consequences linked to this product at the time of issue. Tax laws and tax doctrine may change, possibly with retroactive effect.

Classification

This Product does not represent a participation in any of the collective investment schemes pursuant to Art. 7 ff of the Swiss Federal Act on Collective Investment Schemes (CISA) and thus does not require an authorisation of the Swiss Financial Market Supervisory Authority (FINMA). Therefore, Investors in this Product are not eligible for the specific investor protection under the CISA. Moreover, Investors in this Product bear the issuer risk.

Furthermore, this Product does not benefit from any depositor protection under Art. 37b under the Swiss Federal Law on Banks and Savings Banks (Banking Act) or other forms of deposit insurance under any other law as might be applicable to this Product.

2. Prospects of Profits and Losses

Market Expectation Investors in this Product expect the assets contained in the Investment Universe to trade positively over the life of the Product.

Effect of the performance of the Underlying on redemption amount or on delivery obligation:

- Positive performance If the Reference Portfolio performs positively, Investors realise a positive return.
- Sideways to slightly negative performance If the Reference Portfolio performs sideways to slightly negative, Investors fully participate in the performance of the Reference Portfolio.
- Pronounced negative performance If the Reference Portfolio performs negatively, Investors may lose some or all of their investment.

Maximum Return The profit potential is unlimited. The Product allows for full participation in the positive performance of the Reference Portfolio, as adjusted by fees and costs as described in more detail herein.

Maximum Loss Investors may lose some or all of the investment as they are fully exposed to the negative performance of the Reference Portfolio as well as to currency risks as the currency risk is not fully hedged.

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3. Significant Risks for Investors

General risk warning

Potential Investors should understand the risks associated with an investment in the Product and shall only reach an investment decision after careful considerations with their legal, tax, financial and other advisors of (i) the suitability of an investment in the Product in the light of their own particular financial, fiscal and other circumstances; (ii) the information set out in this document and (iii) the Underlying(s). The following is a summary of the most significant risks. Further risks are set out in the Product Documentation.

Risk Tolerance

Investors in this Product should be experienced investors and familiar with both derivative products and the stock markets as well as with the investment management abilities of the Reference Portfolio Advisor. Investors must be willing to make an investment that is fully exposed to the performance of the Reference Portfolio, meaning that Investors might lose their whole investment in the Product in the worst case. Further it should be aware that the Reference Portfolio may contain Constituents denominated in currencies other than the Settlement Currency as especially emerging market currencies. **The currency risk is not fully hedged.** The Issuer is entitled to redeem the Product early.

Product specific risks

Capital Protection (at Expiry)	None
Risk Potential in comparison to a direct investment in the Underlying	The risk potential is similar to a direct investment in the assets contained in the notional Reference Portfolio.
Loss Potential	Investors may lose some or all of their investment as they are fully exposed to the negative performance of the Reference Portfolio.
Issuer Call right	Yes; additionally, an Automatic Early Termination may occur.
Stop Loss Event	None
Currency risk	As the Settlement Currency is different from the currency in which some or all assets contained in the notional Reference Portfolio are denominated, the value of this product is exposed to the corresponding FX exchange rates. The currency risk is not fully hedged.
Extraordinary termination risk	The Product contains terms and conditions that allow the Issuer to terminate and redeem the Product prior to the Redemption Date. In case of such extraordinary termination, the Issuer shall pay to the Investors an extraordinary termination amount as determined by the Calculation Agent which is usually equivalent to the market value of the Product. Potential Investors should note that the extraordinary termination amount may deviate from and may be considerably below the amount which would be payable pursuant to the final redemption provisions on the Redemption Date. Investors are not entitled to request any further payments on the Product after the termination date.
Adjustment risk	Potential Investors should be aware that it cannot be excluded that certain events occur or certain measures are taken (by parties other than the Issuer) in relation to the Underlying(s) which can lead to changes to the Underlying(s) or its concept (e.g. corporate events of a company whose shares constitute an Underlying, market disruption events or other circumstances affecting normal activities). In the case of the occurrence of such events or measures, the Issuer and/or the Calculation Agent are entitled to effect adjustments according to the Product Documentation. Such adjustments might have a negative impact on the value of the Product.

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Illiquidity risk in secondary market	<p>The Issuer or the Lead Manager, as applicable, intends, under normal market conditions, to provide bid and/or offer prices for this Product on a regular basis. However, the Issuer or the Lead Manager, as applicable, makes no firm commitment to provide liquidity by means of bid and/or offer prices for this Product, and assumes no legal obligation to quote any such prices or with respect to the level or determination of such prices.</p> <p>Potential Investors therefore should not rely on the ability to sell this Product at a specific time or at a specific price. Potential Investors should note that prices quoted typically include a spread and therefore may deviate from the market value of the Product. In special market situations, where the Issuer is completely unable to enter into hedging transactions, or where such transactions are very difficult to enter into, the spread between the bid and offer prices in the secondary market may be temporarily expanded, in order to limit the economic risks of the Issuer. Hence, Investors might sell at a price considerably lower than the actual price of the Product at the time of its sale. By selling the Product in the secondary market Investors may receive less than the capital invested.</p> <p>In case of a secondary market transaction, there is a possibility that costs, including taxes, related to or in connection with the Product may arise for Investors that are not paid by the Issuer or imposed by the Issuer.</p>
Market Disruption risk	<p>Investors are exposed to market disruption events (such as trading disruption, exchange disruption and early closure of the relevant exchange), which could have an impact on the redemption amount through delay in payment, change in value or suspension of trading in the Product in the secondary market. For a detailed description of such events and their effects please refer to the Product Documentation.</p>
Withholding tax	<p>Investors in this Product should note that any payment under this Product may be subject to withholding tax (such as, inter alia, Swiss Withholding Tax, and/or withholding related to FATCA or 871(m) of the US Tax Code). Any payments due under this Product are net of such tax. Please refer to the General Terms and Conditions for detailed information. If the Issuer is required to withhold any amount pursuant to Section 871(m) or FATCA of the U.S. Tax Code, the Issuer will not be required to pay additional amounts with respect to the amount so withheld.</p>

Risk Factors relating to the Issuer

In addition to the market risk with regard to the development of the Underlying, each Investor bears the general risk that the financial situation of the Issuer could deteriorate. The Products constitute immediate, unsecured and unsubordinated obligations of the Issuer, which, particularly in case of insolvency of the Issuer, rank *pari passu* with each and all other current and future unsecured and unsubordinated obligations of the Issuer, with the exception of those that have priority due to mandatory statutory provisions. The general assessment of the Issuer's creditworthiness may affect the value of the Products. This assessment generally depends on the ratings assigned to the Issuer or its affiliated companies by rating agencies such as Moody's, Fitch and Standard & Poor's.

The Issuer Ratings indicated in this document reflect the situation at the time of issuance and may be subject to changes. The actual Issuer Ratings at any given time can be seen on the Issuer's website (www.ubs.com) under "Analysts & Investors".

4. Additional information

Product Documentation

This document ("**Final Termsheet**") constitutes the Simplified Prospectus for the Product and contains the information required by Article 5 CISA and the corresponding Guidelines of the Swiss Bankers Association. The prospectus requirements of Article 652a/Article 1156 of the Swiss Code of Obligations are not applicable.

Reference is made to the Base Prospectus for the issue of Securities, as amended from time to time, and the relevant Final Terms for this Product thereunder, which describe the only binding terms and conditions of the Product as well as other information, including risk factors, for this Product ("**Product Documentation**"). Accordingly, the Final Termsheet should always be read together with the Product Documentation. The Simplified Prospectus may be provided in various languages, however, only the English version will be relevant and any translations are for convenience only. Definitions used in the Final Termsheet, but not defined therein shall have the meaning given to them in the Product Documentation. In the event that the Product is listed (see above item 'Listing' under «General Information»), the Product Documentation will be amended in accordance with the listing requirements of the relevant exchange.

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The Final Termsheet and the Product Documentation can be obtained free of charge from UBS AG, P.O. Box, CH-8098 Zurich (Switzerland), via telephone (+41-(0)44-239 47 03), fax (+41-(0)44-239 69 14) or via e-mail (swiss-prospectus@ubs.com). In addition, for clients outside of the United Kingdom, the Final Termsheet and the Product Documentation is available on the internet at www.ubs.com/keyinvest. Notices in connection with this Product shall be validly given as described in the Product Documentation. Furthermore, for clients outside of the United Kingdom, any changes with regard to the terms of this Product shall be published on the internet at www.ubs.com/keyinvest.

Important Information

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No action has been or will be taken in any jurisdiction that would permit a public offering of the Products described herein, save where explicitly stated in the Product Documentation. The Products must be sold in accordance with all applicable selling restrictions in the jurisdictions in which they are sold.

There is a possibility that costs, including taxes, related to transactions in connection with this Product may arise for Investors that are not paid by UBS or imposed by it. Please refer to the Product Documentation for further information.

Selling Restrictions

Any Products purchased by any person for resale may not be offered in any jurisdiction in circumstances which would result in the Issuer being obliged to register any further documentation relating to this Product in such jurisdiction.

The restrictions listed below must not be taken as definitive guidance as to whether this Product can be sold in a jurisdiction. Additional restrictions on offering, selling or holding of this Product may apply in other jurisdictions. Investors in this Product should seek specific advice before on-selling this Product.

Europe - Any public offer of this Product within a EEA jurisdiction (EU member states plus Norway, Iceland and Liechtenstein) shall only be possible if compliant with the requirements of the EUPD and with the law of that jurisdiction.

If the prospectus either does not qualify as a prospectus published in accordance with the requirements of the EUPD or is not filed with or notified to the relevant Financial Supervisory Authority, this Product may not be offered or sold in EEA jurisdictions other than 1) in minimum denominations of, or total consideration per investor of at least, EUR 50,000 (or equivalent in other currencies), provided that the offer is only being made in one or more EEA jurisdiction that will not, before the end of the offer period for the Notes, have implemented the provision under the Directive 2010/73/EU (the "PD Amending Directive") that increases this minimum denomination (or total consideration per investor) to EUR 100,000; or 2) only to Qualified Investors; and/or (aggregated for all distributors) to less than 100 or, if the relevant EEA jurisdiction has implemented the relevant provision of the 2010 PD Amending Directive, 150 natural or legal persons that are not Qualified Investors per EEA jurisdiction. "Qualified Investors" are persons or entities as defined in the Prospectus Directive.

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Private Investors: derivatives@ubs.com

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Please note that calls made to the numbers marked with an asterisk (*) may be recorded. Should you call one of these numbers, we shall assume that you consent to this business practice.

For information on public offering in EEA jurisdictions please see under section "General Information" above.

Hong Kong – Each purchaser has represented and agreed that it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Products, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Products which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance.

This is a structured product which involves derivatives. Do not invest in it unless you fully understand and are willing to assume the risks associated with it. If you are in any doubt about the risks involved in the product, you may clarify with the intermediary or seek independent professional advice.

Singapore - This document has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of this Product may not be circulated or distributed, nor may this Product be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act (Chapter 289) of Singapore (the "SFA"), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where this Product is subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
 - (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,
- securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the securities pursuant of an offer made under Section 275 of the SFA except:
- (1) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276 (4)(i)(B) of the SFA;
 - (2) where no consideration is or will be given for the transfer;
 - (3) where the transfer is by operation of law; or
 - (4) as specified in Section 276 (7) of the SFA; or
 - (5) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

UK – For the purpose of non-discretionary accounts, this Product should not be sold with a consideration of less than 100,000 EUR or equivalent.

USA - This Product may not be sold or offered within the United States or to U.S. persons as defined under the Securities Act of 1933, as amended (the "Act") and as defined by US Internal Revenue Code Section 7701(a)(30) or to any entity that is considered transparent from a US tax perspective that has a US beneficial owner. As a consequence, the Products may be sold and offered only outside the United States to non-US persons in reliance on Regulation S under the Act and may not be legally or beneficially owned at any time by any US person.

Selling Restrictions

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If the prospectus either does not qualify as a prospectus published in accordance with the requirements of the EUPD or is not filed with or notified to the relevant Financial Supervisory Authority, this Product may not be offered or sold in EEA jurisdictions other than 1) in minimum denominations of, or total consideration per investor of at least, EUR 50,000 (or equivalent in other currencies), provided that the offer is only being made in one or more EEA jurisdiction that will not, before the end of the offer period for the Notes, have implemented the provision under the Directive 2010/73/EU (the "PD Amending Directive") that increases this minimum denomination (or total consideration per investor) to EUR 100,000; or 2) only to Qualified Investors; and/or (aggregated for all distributors) to less than 100 or, if the relevant EEA jurisdiction has implemented the relevant provision of the 2010 PD Amending Directive, 150 natural or legal persons that are not Qualified Investors per EEA jurisdiction. "Qualified Investors" are persons or entities as defined in the Prospectus Directive.

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