



UBS AG, Jersey Branch

Final Terms dated 23 September 2009

to the Base Prospectus dated 21 April 2009

pursuant to section 6
of the German Securities Prospectus Act (*Wertpapierprospektgesetz*)

(as amended by Supplement No. 1 dated 31 August 2009)

by

UBS AG, Jersey Branch

for the issue of

UBS Capital Protected Certificates

based on the performance of the OMXS30™ Index as the Underlying

ISIN SE0002980714

offered by

UBS Limited

These final terms (the "**Final Terms**") provide additional information to the base prospectus (the "**Base Prospectus**") that was prepared in accordance with § 6 of the German Securities Prospectus Act ("**WpPG**").

Placeholders contained in the Base Prospectus were replaced in these Final Terms by concrete data, figures and characteristics of the Security upon their determination in the context of the specific security issue.

For each issue based on the Base Prospectus the Final Terms are published in a separate document that repeats certain information contained in the Base Prospectus in addition to the specific data, figures and characteristics of the specific security issue.

Complete information about the Issuer and the specific security issue require review of the Base Prospectus (as amended by possible supplements) in conjunction with the respective Final Terms.

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DOCUMENTS INCORPORATED BY REFERENCE

The documents relating to UBS AG incorporated by reference in the Base Prospectus represent an integral part of this Prospectus and shall be maintained in printed format, for free distribution, at the offices of the Issuer as well as at UBS Deutschland AG, Stephanstrasse 14 - 16, 60313 Frankfurt am Main, Federal Republic of Germany. In addition, they are published on the UBS website, at www.ubs.com/investors or a successor address.

SUMMARY

This Summary contains information from this Prospectus to give potential investors the opportunity to acquire information about UBS AG, acting through its Jersey Branch, (hereinafter referred to as the "**Issuer**") the UBS Capital Protected Certificates (hereinafter referred to as a "**Certificate**" or the "**Certificates**", as well as a "**Security**" or the "**Securities**"), which form the object of this Prospectus, and about the risk associated with an investment in the Securities.

The Summary, however, should be understood as an introduction to the Prospectus. **When making decisions relating to an investment in the Securities, therefore, potential investors should carefully consider the information contained in the Prospectus as a whole.** To ensure full comprehension of the Securities it is recommended that potential investors carefully read the Terms and Conditions of the Securities, as well as the sections on tax implications and other important factors related to the decision on investing in the Securities. If necessary, **advice should be sought from legal, tax, financial or other advisors.**

The Issuer also expressly emphasises, that where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might have to bear the cost of translating this Prospectus before the legal proceedings are initiated under applicable national law of the respective member state of the European Economic Area.

Potential investors should note that the Issuer and UBS Limited, 1 Finsbury Avenue, London EC2M 2PP, United Kingdom, as the offeror (the "**Offeror**") are liable for the Summary including any translation thereof contained in this Prospectus, but only if the Summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus.

Who is the Issuer?

UBS AG ("**UBS AG**" or "**UBS**" or the "**Issuer**" or the "**Company**") with its subsidiaries, is, according to its own opinion, one of the world's leading financial firms, serving a discerning international client base. UBS is, according to its own opinion, a leading global wealth manager, one of the world's premier investment banking and securities firms with a strong institutional and corporate client franchise, one of the leading global asset managers and the market leader in Swiss commercial and retail banking. On 30 June 2009, UBS employed 71,806 people¹. With headquarters in Zurich and Basel, Switzerland, UBS operates in over 50 countries and from all major international centers.

UBS is, according to its own opinion, one of the best-capitalized financial institutions in the world. On 30 June 2009, the BIS Tier1² ratio was 13.2 %, invested assets stood at CHF 2,250 billion, equity attributable to UBS shareholders was CHF 33,545 million and market capitalization was CHF 42,872 million.

The rating agencies Standard & Poor's Inc. ("**Standard & Poor's**"), Fitch Ratings ("**Fitch**") and Moody's Investors Service Inc. ("**Moody's**") have assessed the creditworthiness of UBS, *i.e.* the ability of UBS to fulfill payment obligations, such as principal or interest payments on long-term loans, also known as debt servicing, in a timely manner. The ratings from Fitch and Standard & Poor's may be attributed a plus or minus sign, and those from Moody's a number. These supplementary attributes indicate the relative position within the respective rating class. UBS currently has long-term senior debt ratings of A+ from Standard & Poor's, Aa2 from Moody's³ and A+ from Fitch.

¹ Full-time equivalents.

² Tier 1 capital comprises share capital, share premium, retained earnings including current year profit, foreign currency translation and minority interests less accrued dividends, net long positions in own shares and goodwill.

³ On 15 June 2009, Moody's placed UBS' long-term senior debt rating on review for possible downgrade.

Who are the members of the Issuer's management and supervisory bodies?

The Board of Directors is the most senior body of UBS. The Board of Directors consists of at least of six or a maximum of twelve members.

Board of Directors of UBS AG

The Board of Directors consists of twelve members:

Name	Title	Term of office	Position outside UBS AG
Kaspar Villiger	Chairman	2010	None
Sergio Marchionne	Independent vice chairman / Senior independent director	2010	CEO and member of the supervisory board of Fiat S.p.A., Turin; CEO of Fiat Group Automobiles; Chairman of SGS, Geneva; member of the BoD of Philip Morris International Inc., New York; member of Acea (European Automobile Manufacturers Association); Chairman of CNH Case New Holland Global N.V., Amsterdam.
Sally Bott	Member	2010	Group HR Director and member of the Group Executive Committee of BP Plc; member of the board of the Royal College of Music in London; member of the board of the Carter Burden Center for the Aged in NYC.
Michel Demaré	Member	2010	CFO and member of the Executive Committee of ABB; president of Global Markets at ABB; member of the foundation board of IMD, Lausanne.
Rainer-Marc Frey	Member	2010	Founder and Chairman of Horizon21; member of the BoD of DKSH Group, Zurich; member of the advisory board of Invision Private Equity AG, Zug; member of the BoD of the Frey Charitable Foundation, Freienbach.
Bruno Gehrig	Member	2010	Vice chairman of the BoD of Roche Holding AG, Basel; Chairman of the Swiss Air Transport Foundation, Zug.
Ann F. Godbehere	Member	2010	Non executive director of Prudential Plc.; member of the board of the Lloyd's managing agency Atrium Underwriters Group Ltd. (acquired by Ariel Holdings); member of the board of Ariel Holdings.
Axel P. Lehmann	Member	2010	Group Chief Risk Officer and member of the Group Executive Committee of Zurich Financial Services (Zurich); responsible for Group IT at Zurich; Chairman of the board of the Institute of Insurance Economics at the University of St. Gallen.
Helmut Panke	Member	2010	Member of the BoD of Microsoft Corporation, Redmond, WA (USA); member of the supervisory board of Bayer AG (Germany); member of the BoD of the American Chamber of Commerce in Germany;
William G. Parrett	Member	2010	Independent director of Eastman Kodak Co., Blackstone Group LP and Thermo Fisher Scientific Inc., USA; Chairman of the BoD of the United States Council for International Business and Chairman of United Way of America; member of the board of trustees of Carnegie Hall; member of the Executive

			Committee of the International Chamber of Commerce.
David Sidwell	Member	2010	Director of the Federal National Mortgage Association Fannie Mae; trustee of the International Accounting Standards Committee Foundation, London; Chairman of the BoD of Village Care of New York; director of the National Council on Aging.
Peter R. Voser	Member	2010	CEO and executive BoD member of Royal Dutch Shell plc, London; member of the BoD of the Swiss Federal Auditor Oversight Authority.

Group Executive Board of UBS AG

The GEB consists of thirteen members:

Oswald J. Gruebel	Group Chief Executive Officer
John Cryan	Group Chief Financial Officer
Markus U. Diethelm	Group General Counsel
John A. Fraser	Chairman and Chief Executive Officer Global Asset Management
Marten Hoekstra	Chief Executive Officer Wealth Management Americas
Carsten Kengeter	Co-Chief Executive Officer Investment Bank
Ulrich Koerner	Group Chief Operating Officer and Chief Executive Officer Corporate Center
Philip J. Lofts	Group Chief Risk Officer
Francesco Morra	Chief Executive Officer Switzerland, Wealth Management & Swiss Bank
Alexander Wilmot-Sitwell	Co-Chief Executive Officer Investment Bank
Robert Wolf	Chairman and Chief Executive Officer, UBS Group Americas, President Investment Bank
Chi-Won Yoon	Chairman and Chief Executive Officer, Asia Pacific
Juerg Zeltner	Chief Executive Officer Wealth Management Global, Wealth Management & Swiss Bank

No member of the GEB has any significant business interests outside of UBS.

What is the Issuer's financial situation?

The following table has been produced from the unaudited results of UBS as of 30 June 2009 and shows the key facts and UBS' ratings:

UBS key figures								
	As of or for the quarter ended			% change from		Year-to-date		
<i>CHF million, except where indicated</i>	30.6.09	31.3.09	30.6.08	1Q09	2Q08	30.6.09	30.6.08	
Group results								
Operating income	5,770	4,970	3,984	16	45	10,740	(50)	
Operating expenses	7,093	6,528	8,110	9	(13)	13,621	15,957	
Operating profit before tax (from continuing and discontinued operations)	(1,316)	(1,547)	(4,067)	15	68	(2,863)	(15,829)	
Net profit attributable to UBS shareholders	(1,402)	(1,975)	(395)	29	(255)	(3,376)	(12,012)	
Diluted earnings per share (CHF)	(0.39)	(0.57)	(0.16)	32	(144)	(0.96)	(4.98)	
Balance sheet and capital management								
Total assets	1,599,873	1,861,326		(14)				
Equity attributable to UBS shareholders	33,545	31,283		7				
BIS total ratio (%)	17.7	14.7						
BIS risk-weighted assets	247,976	277,665		(11)				
Key performance indicators								
Performance								
Return on equity (RoE) (%)						(21.0)	(80.8)	
Return on risk-weighted assets, gross (%)						8.9	0.2	
Return on assets, gross (%)						1.3	0.0	
Growth								
Net profit growth (%) ¹	N/A	N/A	N/A			N/A	N/A	
Net new money (CHF billion) ²	(39.5)	(14.9)	(43.8)			(54.4)	(56.5)	
Efficiency								
Cost / income ratio (%) ³	115.2	106.9	202.6			111.1	N/A	
Capital strength								
BIS tier 1 ratio (%)	13.2	10.5						
FINMA leverage ratio (%)	3.46	2.71 ⁴						
Additional information								
Invested assets (CHF billion)	2,250	2,182	2,763	3	(19)			
Personnel (full-time equivalents)	71,806	76,206	81,452	(6)	(12)			
Market capitalization	42,872	31,379	62,874	37	(32)			
Long-term ratings								
Fitch, London	A+	A+	AA-					
Moody's, New York ⁵	Aa2	Aa2	Aa1					
Standard & Poor's, New York	A+	A+	AA-					

1 Not meaningful if either the current period or the comparison period is a loss period. **2** Excludes interest and dividend income. **3** Not meaningful if operating income before credit loss (expense) / recovery is negative. **4** Restatement for netting of cash collateral in first quarter 2009 reduced adjusted assets by CHF 62 billion and improved FINMA leverage ratio to 2.71 % from 2.56 %. **5** On 15 June 2009, Moody's placed the long-term debt and deposit ratings of UBS AG and affiliates on review for possible downgrade.

How are the net proceeds used by the Issuer?

The net proceeds of the issue will be used for funding purposes of the UBS Group and shall not be employed by the Issuer within Switzerland. The net proceeds from the sale of the Securities shall be employed by the Issuer for general business purposes. A separate ("special purpose") fund will not be established.

Are there any risks relating to the Issuer?

Potential investors in the Securities should be aware that, as with any company, there are general risks associated with the Issuer:

Each investor thus bears the general risk that the financial situation of the Issuer could deteriorate. Furthermore, the general assessment of the Issuer's creditworthiness may affect the value of the Securities. This assessment generally depends on the ratings assigned to the outstanding Securities of the Issuer or affiliated companies by rating agencies such as Moody's, Fitch and Standard & Poor's. The Issuer and affiliated companies may also participate in transactions that are related to the Securities, for their own account or for account of a client. Such transactions can have a negative effect on the price of the Securities.

When making decisions relating to investments in the Securities, **potential investors should consider all information contained in the Prospectus and, if necessary, consult their legal, tax or financial advisor.**

What are the Securities?

Under this Prospectus, UBS AG, acting through its Jersey Branch, shall issue *UBS Capital Protected Certificates* with the *International Security Identification Number* (the "**ISIN**") as Issuer in accordance with German law. The Securities rank *pari passu* with all other direct, unsubordinated, unconditional and unsecured obligations of the Issuer.

All of the Securities are issued in uncertificated and dematerialised book-entry form, and registered at the *Clearing Agent* for clearance and settlement. No physical notes, such as global temporary or permanent notes or definitive notes will be issued in respect of the Securities.

The Securities are each based on the Index (the "**Underlying**").

How are the Securities offered?

Besides the filing of the Base Prospectus and the Final Terms with the BaFin, and the necessary publication as well as the necessary notification of the Base Prospectus, where required, neither the Issuer nor the Offeror has taken action, nor will they take action to render the public offer of the Securities or their possession, or the distribution of offer documents relating to the Securities, admissible in any other jurisdiction requiring special measures to be taken for the purpose of public offer.

Consequently, neither the Issuer nor the Offeror represents that the Securities may be lawfully offered, in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to an exemption available thereunder, or assumes any responsibility for facilitating any distribution or offering.

It has been agreed that, on or after the respective *Issue Date*, UBS Limited, 1 Finsbury Avenue, London EC2M 2PP, United Kingdom, shall underwrite the Securities by means of an underwriting agreement and shall place them for sale at the *Issue Price* under terms subject to change. The *Issue Price* was fixed at the *Start of public offer of the Securities*. After closing of the *Subscription Period* the selling price will then be adjusted on a continual basis to reflect the prevailing market situation.

The Offeror shall be responsible for coordinating the entire Securities offering and the Securities may be subscribed from the Offeror during normal banking hours within the *Subscription Period*.

Will the Securities be admitted to trading?

The Offeror intends to apply for inclusion of the Securities to trading on a *Security Exchange*.

Are there any restrictions on the sale of the Securities?

The Securities may only be offered, sold or delivered within or from a jurisdiction, provided that this is permissible under applicable laws and regulations and provided that the Issuer does not incur any further obligations. The Securities will, at no time, neither directly nor indirectly, be offered, sold, traded or delivered within the United States of America or to a U.S. person (as defined in the Regulation S under the United States Securities Act of 1933).

What does the Securityholder acquire from the Securities?

With the purchase of a (1) Security, the investor acquires the right, under certain conditions and as provided for in the Terms and Conditions of the Securities, to demand from the Issuer the payment of a *Redemption Amount* in the *Settlement Currency* depending on the performance of the *Underlying* (the "**Settlement Amount**") (the "**Security Right**").

The *Redemption Amount* is, in any case, equal to the capital protected *Minimum Repayment Amount*.

The *Securityholders* shall not be entitled to any interim payments. None of the Securities vests a right to payment of fixed or variable interest or dividends and, as such, they **generate no regular income**.

Which risks are attached to an investment in the Securities?

An investment in the Securities carries product-specific risks for the investor. The value of a Security is determined not only by changes in the *Price of the Underlying*, but also depends upon a number of other factors. Accordingly, the value of the Securities may decline even if the *Price of the Underlying* remains constant. The Securities constitute investment instruments involving a particularly high degree of risk. As compared to other investments, Securities involve a substantial level of loss exposure, **including the total loss of the amounts invested, and transaction costs incurred**.

Prospective investors should note that changes in the *Price of the Underlying* on which the Security is based (or even the non-occurrence of anticipated price changes) can lower the value of a Security to the point that it no longer possesses any value. In light of the typically limited maturity of the Securities, there is no certainty that the value of the Security will recover before the Securities reach maturity. This risk is independent of the financial situation of the Issuer.

Prospective investors of the Securities should recognise that the Securities constitute a **risk investment** which can lead to a **total loss of their investment** in the Securities. Even when the Securities are capital protected at maturity to the extent of the *Minimum Repayment Amount* and, hence, the risk of a loss is initially limited, the investor bears the risk of the Issuer's financial situation worsening. Potential investors must therefore be prepared and able to sustain a partial or even a total loss of the invested capital. Any investors interested in purchasing the Securities should assess their financial situation, to ensure that they are in a position to bear the **risks of loss** connected with the Securities.

In addition to the *Term of the Securities*, the frequency and intensity of price fluctuations (volatility) in the *Underlying*, the prevailing interest rates and the level of dividends paid or, as the case may be, to the general development of foreign exchange markets, the following circumstances are, in the Issuer's opinion, the essential factors, which may have an impact on the value of the Securities and which may create certain risks for the investors in the Securities:

- **Features of the Security structure**

Prior to investing in the Securities, prospective investors should note that the following special features of the Securities may have an impact on the value of the Securities or, as the case may be, on any amount, if any, payable according to the Terms and Conditions and that the Securities accordingly have special risk profiles:

Extent of participation in the performance of the Underlying

The application of the *Participation Rate* within the determination of the Security Right results in the Securities being in economic terms similar to a direct investment in the *Underlying*, but being nonetheless not fully comparable with such a direct investment, in particular because the *Securityholders* may not participate in the relevant performance by a 1:1 ratio, but by the proportion of the *Participation Rate*.

Accordingly the *Securityholder* participates in a **possible increase in the value** of the *Underlying* under proportionally only due to the lower proportion of the *Participation Rate* or, as the case may be, in a **possible decrease in the value** of the *Underlying* over proportionally due to the higher proportion of the *Participation Rate*.

The capital protection only applies at the end of the Term of the Securities

The Securities are as at the end of their term capital protected to the extent of the *Minimum Repayment Amount*, i.e. the investor receives at the end of the term disregarding the actual performance of the *Underlying* in any case the *Minimum Repayment Amount*. If an investor acquires the Securities at a price, which is higher than the *Minimum Repayment Amount*, the prospective investor should be aware that the capital protection only refers to the lower *Minimum Repayment 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.

The cash amount to be paid in 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 Repayment Amount*.

Potential investors of the Securities should furthermore recognise that despite the capital protection to the extent of the *Minimum Repayment Amount*, the investor bears the risk of the Issuer's financial ability. Prospective 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.

- **Termination and Early Redemption at the option of the Issuer**

Potential investors in the Securities should furthermore be aware that the Issuer is at any time, i.e. even without the occurrence of a certain termination event, pursuant to the Terms and Conditions, entitled to terminate and redeem the Securities in total prior to the *Expiration Date*. In case the Issuer terminates and redeems the Securities prior to the *Expiration Date*, the *Securityholder* is entitled to demand the payment of an amount in relation to the early redemption. However, the *Securityholder* is not entitled to request any further payments on the Securities after the *Termination Date* or the *Tax Termination Date*, as the case may be.

The *Securityholder*, therefore, bears the risk of not participating in the performance of the *Underlying* to the expected extent and during the expected period and, therefore, receives less than its capital invested.

In case of a termination of the Securities by the Issuer, the *Securityholder* bears the risk of a reinvestment, i.e. the investor bears the risk that it will have to re-invest the *Termination Amount* or, as the case may be, the *Tax Termination Amount*, if any, paid by the Issuer in case of termination at market conditions, which are less favourable than those existing prevailing at the time of the acquisition of the Securities.

- **No termination right of the Securityholders**

The *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), if any, is, consequently and except for the Issuer's termination and early redemption, only possible by way of selling the Securities.

The selling of 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. The Issuer is not obligated under the issuance of these Securities towards the *Securityholders* to compensate for or to repurchase the Securities.

- **Possible decline in the Price of the Underlying after termination of the Securities**

In the event that the *Term of the Securities* is terminated early by the Issuer pursuant to the Terms and Conditions of the Securities, potential investors of the Securities should note that any negative performance of the *Price of the Underlying* between the announcement of the termination by the Issuer and the determination of the *Price of the Underlying* relevant for the calculation of the then payable *Termination Amount* or the *Tax Termination Amount*, as the case may be, are borne by the *Securityholders*.

- **Adverse impact of adjustments of the Security Right**

In case of the occurrence of a potential adjustment event, the Issuer shall be entitled to effect adjustments according to the Terms and Conditions. These adjustments might have a negative impact on the value of the Securities.

- **Other factors affecting the value**

The value of a Security is determined not only by changes in the *Price of the Underlying*, but also by a number of other factors. Since several risk factors may have simultaneous effects on the Securities, the effect of a particular risk factor cannot be predicted. In addition, several risk factors may have a compounding effect which may not be predictable. No assurance can be given with regard to the effect that any combination of risk factors may have on the value of the Securities.

- **Effect of ancillary costs**

Commissions and other transaction costs incurred in connection with the purchase or sale of Securities may result in charges, particularly in combination with a low order value, **which can substantially reduce any settlement amount, if any, to be paid under the Securities.** Before acquiring a Security, prospective investors should therefore inform themselves of all costs incurred through the purchase or sale of the Security, including any costs charged by their custodian banks upon purchase and maturity of the Securities.

- **Transactions to offset or limit risk**

Prospective investors of the Securities should not rely on the ability to conclude transactions at any time during the *Term of the Securities* that will allow them to offset or limit relevant risks. This depends on 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.

- **Trading in the Securities / Illiquidity**

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. **Potential investors therefore should not rely on the ability to sell Securities at a specific time or at a specific price.**

- **Representation and Custody of the Securities**

The Securities are issued by the Issuer in uncertificated and dematerialised book-entry form, and registered at the *Clearing Agent* for clearance and settlement. No physical notes, such as global temporary or permanent notes or definitive notes will be issued in respect of the Securities.

The Issuer has no responsibility or liability under any circumstances for any acts and omissions of the *Clearing Agent* as well as for any losses which might occur to a *Securityholder* out of such acts and omissions in general and for the records relating to, or payments made in respect of, beneficial interests of the *Securityholder*, in particular.

- **Pricing of Securities**

Unlike most other securities the pricing of these Securities is regularly not based on the principle of offer and demand in relation to Securities, since the secondary market traders might quote independent bid and offer prices. This price calculation is based on price calculation models prevailing in the market, whereas the theoretical value of the Securities is, in principle, determined on the basis of the value of the *Underlying* and the value of other features attached to the Securities, each of which features may, in economic terms, be represented by another derivative financial instrument.

The potentially quoted prices do not necessarily correspond to the Securities' intrinsic value as determined by a trader.

- **Expansion of the spread between bid and offer prices**

In special market situations, where the Issuer is completely unable to conclude hedging transactions, or where such transactions are very difficult to conclude, the spread between the bid and offer prices may be temporarily expanded, in order to limit the economic risks to the Issuer. Therefore, *Securityholders* who wish to sell their Securities via a security exchange or in the over-the-counter trading might sell at a price considerably lower than the actual price of the Securities at the time of their sale.

- **Borrowed funds**

If the purchase of Securities is financed by borrowed funds and investors' expectations are not met, they not only suffer the loss incurred under the Securities, but in addition also have to pay interest on and repay the loan. This produces a substantial increase in investors' risk of loss. Investors of Securities should never rely on being able to redeem and pay interest on the loan through gains from a Securities transaction. Rather, before financing the purchase of a Security with borrowed funds, the investors' financial situations should be assessed, as to their ability to pay interest on or redeem the loan immediately, even if they incur losses instead of the expected gains.

- **The effect on the Securities of hedging transactions by the Issuer**

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. In such a case, the Issuer or one of its affiliated companies may conclude transactions that correspond to the Issuer's obligations arising from the Securities. Generally speaking, this type of transaction will be concluded before or on the *Issue Date* of the Securities, although these transactions can also be concluded after the Securities have been issued. The Issuer or one of its affiliated companies may at any time take the necessary steps for the closing out of any hedging transactions. It cannot be excluded that the *Price of the Underlying* might, in certain cases, be affected by these transactions.

- **Changes in Taxation in relation to the Securities**

The considerations concerning the taxation of the Securities set forth in this Prospectus reflect the opinion of the Issuer on the basis of the legal situation identifiable as of the date hereof. However, a different tax treatment by the fiscal authorities and tax courts cannot be precluded.

Therefore, it is expressly recommended that any potential investor familiarises himself with the specific risk profile of the product type described in this Prospectus and that any investor seeks the advice of a professional, if necessary. Potential investors are expressly made aware of the fact that the Securities constitute a **risk investment** which can lead to the **loss** of the invested capital. Even when the Securities are capital protected

at maturity to the extent of the *Minimum Repayment Amount* and, hence, the risk of a loss is initially limited, the investor bears the risk of the Issuer's financial situation worsening. As a result, prospective investors must be prepared and able to accept a partial or even a total loss of the invested capital. Any investors interested in purchasing the Securities should assess their financial situation, to ensure that they are in a position to bear the **risks of loss** connected with the Securities.

RISK FACTORS

The different risk factors associated with an investment in the Securities issued within the framework of this Prospectus are outlined below. Which of these are relevant to the Securities described in this Prospectus depends upon a number of interrelated factors, especially the type of Securities and of the *Underlying*. Investments in the Securities should not be made until all the factors relevant to the Securities have been acknowledged and carefully considered. Terminology and expressions defined in the Terms and Conditions of the Securities shall have the same meaning when used herein. When making decisions relating to investments in the Securities, potential investors should consider all information contained in the Prospectus and, **if necessary, consult their legal, tax, financial or other advisor.**

I. ISSUER-SPECIFIC RISKS

General insolvency risk

Each investor bears the general risk that the financial situation of the Issuer could deteriorate. The Securities constitute immediate, unsecured and unsubordinated obligations of the Issuer, which, in particular in case of insolvency of the Issuer, rank *pari passu* with each other 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.

Potentially significant litigation risks

The Issuer and other UBS Group companies operate in a legal and regulatory environment that exposes them to potentially significant litigation risks. As a result, UBS is involved in various disputes and legal proceedings, including litigation, arbitration, and regulatory and criminal investigations. Such cases are subject to many uncertainties, and their outcome often is difficult to predict, particularly in the earlier stages of a case. In certain circumstances, to avoid the expense and distraction of legal proceedings, UBS may based on a cost benefit analysis enter into a settlement even though UBS denies any wrongdoing. UBS Group makes provisions for cases brought against it only when after seeking legal advice, in the opinion of management, it is probable that a liability exists, and the amount can be reasonably estimated. No provision is made for claims asserted against UBS Group that in the opinion of management are without merit and where it is not likely that UBS will be found liable.

Effect of downgrading of the Issuer's rating

The general assessment of the Issuer's creditworthiness may affect the value of the Securities. 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.

Potential conflicts of interest

The Issuer and affiliated companies may participate in transactions related to the Securities in some way, for their own account or for account of a client. Such transactions may not serve to benefit the *Securityholders* and may have a positive or negative effect on the value of the *Underlying* and consequently on the value of the Securities. Furthermore, companies affiliated with the Issuer may become counterparties in hedging transactions relating to obligations of the Issuer stemming from the Securities. As a result, conflicts of interest can arise between companies affiliated with the Issuer, as well as between these companies and investors, in relation to obligations regarding the calculation of the price of the Securities and other associated determinations. In addition, the Issuer and its affiliates may act in other capacities with regard to the Securities, such as calculation agent, paying agent and administrative agent and/or index sponsor.

Furthermore, the Issuer and its affiliates may issue other derivative instruments relating to the *Underlying*; introduction of such competing products may affect the value of the Securities. The Issuer and its affiliated companies may receive non-public information relating to the *Underlying*, and 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 affiliated companies may publish research reports on the *Underlying*. Such activities could present conflicts of interest and may affect the value of the Securities.

Within the context of the offering and sale of the Securities, the Issuer or any of its affiliates may directly or indirectly pay fees in varying amounts to third parties, such as distributors or investment advisors, or receive payment of fees in varying amounts, including those levied in association with the distribution of the Securities, from third parties. Potential investors should be aware that the Issuer may retain fees in part or in full. The Issuer or, as the case may be, the Offeror, upon request, will provide information on the amount of these fees.

II. SECURITY-SPECIFIC RISKS

Investing in the Securities involves certain risks. Among others, these risks may take the form of equity market, bond market, foreign exchange, interest rate, market volatility and economic and political risks and any combination of these and other risks. The important risks are presented briefly below. Prospective investors should be experienced with regard to transactions in instruments such as the Securities and in the *Underlying*. **Prospective investors should understand the risks associated with an investment in the Securities 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 Securities in the light of their own particular financial, fiscal and other circumstances; (ii) the information set out in this document and (iii) the *Underlying*.** An investment in the Securities should only be made after assessing the direction, timing and magnitude of potential future changes in the value of the *Underlying*, as the return of any such investment will be dependent, *inter alia*, upon such changes. 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. No assurance can be given with regard to the effect that any combination of risk factors may have on the value of the Securities.

Prospective investors of the Securities should recognise that the Securities may decline in value and should be prepared to sustain a **total loss** of their investment in the Securities. Even when the Securities are capital protected at maturity to the extent of the *Minimum Repayment Amount* and, hence, the risk of a loss is initially limited, the investor bears the risk of the Issuer's financial situation. Potential investors must therefore be prepared and able to sustain a partial or even a **total loss** of the invested capital. Any investors interested in purchasing the Securities should assess their financial situation, to ensure that they are in a position to bear the **risks of loss** connected with the Securities.

The *Securityholders* shall not be entitled to any interim payments. None of the Securities vests a right to payment of fixed or variable interest or dividends and, as such, they **generate no regular income**. Therefore, potential reductions in the value of the Securities cannot be offset by any other income from the Securities.

It is expressly recommended that potential investors familiarise themselves with the specific risk profile of the product type described in this Prospectus and seek the advice of a professional, if necessary.

1. Entitlement under the Securities

With the purchase of a (1) Security, the investor acquires the right, under certain conditions and as provided for in the Terms and Conditions of the Securities, to demand from the Issuer the payment of a *Redemption Amount* in the *Settlement Currency* depending on the performance of the *Underlying* (the "**Settlement Amount**") (the "**Security Right**").

The *Redemption Amount* is, in any case, equal to the capital protected *Minimum Repayment Amount*.

The *Securityholders* shall not be entitled to any interim payments. None of the Securities vests a right to payment of fixed or variable interest or dividends and, as such, they **generate no regular income**.

2. Features of the Security structure

Prior to investing in the Securities, prospective investors should note that the following special features of the Securities may have an impact on the value of the Securities or, as the case may be, on any

amount, if any, payable according to the Terms and Conditions and that the Securities accordingly have special risk profiles:

Extent of participation in the performance of the Underlying

The application of the *Participation Rate* within the determination of the Security Right results in the Securities being in economic terms similar to a direct investment in the *Underlying*, but being nonetheless not fully comparable with such a direct investment, in particular because the *Securityholders* may not participate in the relevant performance by a 1:1 ratio, but by the proportion of the *Participation Rate*.

Accordingly the *Securityholder* participates in a **possible increase in the value** of the *Underlying* under proportionally only due to the lower proportion of the *Participation Rate* or, as the case may be, in a **possible decrease in the value** of the *Underlying* over proportionally due to the higher proportion of the *Participation Rate*.

The capital protection only applies at the end of the Term of the Securities

The Securities are as at the end of their term capital protected to the extent of the *Minimum Repayment Amount*, i.e. the investor receives at the end of the term disregarding the actual performance of the *Underlying* in any case the *Minimum Repayment Amount*. If an investor acquires the Securities at a price, which is higher than the *Minimum Repayment Amount*, the prospective investor should be aware that the capital protection only refers to the lower *Minimum Repayment 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.

The cash amount to be paid in 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 Repayment Amount*.

Potential investors of the Securities should furthermore recognise that despite the capital protection to the extent of the *Minimum Repayment Amount*, the investor bears the risk of the Issuer's financial ability. Prospective 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.

3. Termination and Early Redemption at the option of the Issuer

Potential investors in the Securities should furthermore be aware that the Issuer is at any time, i.e. even without the occurrence of a certain termination event, pursuant to the Terms and Conditions, entitled to terminate and redeem the Securities in total prior to the *Expiration Date*. In case the Issuer terminates and redeems the Securities prior to the *Expiration Date*, the *Securityholder* is entitled to demand the payment of an amount in relation to the early redemption. However, the *Securityholder* is not entitled to request any further payments on the Securities after the *Termination Date* or the *Tax Termination Date*, as the case may be.

The *Securityholder*, therefore, bears the risk of not participating in the performance of the *Underlying* to the expected extent and during the expected period and, therefore, receives less than its capital invested.

In case of a termination the Issuer shall pay to each *Securityholder* an amount in the *Settlement Currency* with respect to each Security held by it, which is determined by the Issuer at its reasonable discretion pursuant to § 315 of the BGB and, if applicable, considering the then prevailing *Price of the Underlying* 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 Issuer is entitled to consider all factors, including any adjustments of option contracts on the *Underlying*, 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 Issuer may take into consideration the market factors it considers to be relevant at its reasonable discretion pursuant to

§ 315 of the BGB without being bound to third party measures or assessments, it can not be excluded that the amount determined by the Issuer at its reasonable discretion pursuant to § 315 of the BGB as the fair market price of the Security at the occurrence of the termination - and, hence, the *Termination Amount* or, as the case may be, the *Tax Termination Amount* - can differ from the market price of comparable Securities relating to the *Underlying* as determined by a third party.

In case of a termination of the Securities by the Issuer, the *Securityholder* bears the risk of a reinvestment, *i.e.* the investor bears the risk that it will have to re-invest the *Termination Amount* or, as the case may be, the *Tax Termination Amount*, if any, paid by the Issuer in case of termination at market conditions, which are less favourable than those existing prevailing at the time of the acquisition of the Securities.

4. No termination right of the Securityholders

The *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), if any, is, consequently and except for the Issuer's termination and early redemption, only possible by way of selling the Securities.

The selling of 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. The Issuer is not obligated under the issuance of these Securities towards the *Securityholders* to compensate for or to repurchase the Securities.

5. Possible decline in the Price of the Underlying after termination of the Securities

In the event that the *Term of the Securities* is terminated early by the Issuer pursuant to the Terms and Conditions of the Securities, potential investors of the Securities should note that any negative performance of the *Price of the Underlying* between the announcement of the termination by the Issuer and the determination of the *Price of the Underlying* relevant for the calculation of the then payable *Termination Amount* or the *Tax Termination Amount*, as the case may be, are borne by the *Securityholders*.

6. Adverse impact of adjustments of the Security Right

In case of the occurrence of a potential adjustment event, the Issuer shall be entitled to effect adjustments according to the Terms and Conditions. These adjustments might have a negative impact on the value of the Securities.

7. Other factors affecting the value

The value of a Security is determined not only by changes in the *Price of the Underlying*, but also by a number of other factors. Since several risk factors may have simultaneous effects on the Securities, the effect of a particular risk factor cannot be predicted. In addition, several risk factors may have a compounding effect which may not be predictable. No assurance can be given with regard to the effect that any combination of risk factors may have on the value of the Securities.

These factors include the *Term of the Securities*, the frequency and intensity of price fluctuations (volatility) in the *Underlying*, as well as the prevailing interest rate and dividend levels. A decline in the value of the Security may therefore occur even if the *Price of the Underlying* remains constant.

Prospective investors of the Securities should be aware that an investment in the Securities involves a valuation risk with regard to the *Underlying*. They should have experience with transactions in securities with a value derived from the respective *Underlying*. The value of the *Underlying* may vary over time and may increase or decrease by reference to a variety of factors which may include UBS corporate action, macro economic factors and speculation. If the *Underlying* comprises a basket of various assets, fluctuations in the value of any one asset may be offset or intensified by fluctuations in the value of other basket components. In addition, the historical performance of the *Underlying* is not

an indication of its future performance. Changes in the market price of the *Underlying* will affect the trading price of the Securities, and it is impossible to predict whether the market price of the *Underlying* will rise or fall.

8. **Effect of ancillary costs**

Commissions and other transaction costs incurred in connection with the purchase or sale of Securities may result in charges, particularly in combination with a low order value, **which can substantially reduce any settlement amount, if any, to be paid under the Securities.** Before acquiring a Security, prospective investors should therefore inform themselves of all costs incurred through the purchase or sale of the Security, including any costs charged by their custodian banks upon purchase and maturity of the Securities.

9. **Transactions to offset or limit risk**

Prospective investors of the Securities should not rely on the ability to conclude transactions at any time during the *Term of the Securities* that will allow them to offset or limit relevant risks. This depends on 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.

10. **Trading in the Securities / Illiquidity**

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 this Prospectus, applications will be or have been made to the *Security Exchange* specified for admission or listing of the Securities. If the Securities are admitted or listed, no assurance is given that any such admission or listing will 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 may be adversely affected. The liquidity of the Securities 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, it cannot be excluded that the number of subscribed Securities is less than the *Aggregate Nominal Amount* of the Securities. There is the risk that due to the low volume of subscriptions in the Securities the liquidity of the Securities is lower than if all Securities were subscribed by investors.

The Offeror intends, under normal market conditions, to provide bid and offer prices for the Securities of an issue on a regular basis. However, the Offeror makes no firm commitment to the Issuer to provide liquidity by means of bid and offer prices for the Securities, and assumes no legal obligation to quote any such prices or with respect to the level or determination of such prices. **Potential investors therefore should not rely on the ability to sell Securities at a specific time or at a specific price.**

11. **Representation and Custody of the Securities**

The Securities are issued by the Issuer in uncertificated and dematerialised book-entry form, and registered at the *Clearing Agent* (as defined in the section entitled "Key Terms and Definitions of the Securities") for clearance and settlement. No physical notes, such as global temporary or permanent notes or definitive notes will be issued in respect of the Securities.

The Issuer has no responsibility or liability under any circumstances for any acts and omissions of the *Clearing Agent* as well as for any losses which might occur to a *Securityholder* out of such acts and omissions in general and for the records relating to, or payments made in respect of, beneficial interests of the *Securityholder*, in particular.

12. Pricing of Securities

Unlike most other securities the pricing of these Securities is regularly not based on the principle of offer and demand in relation to Securities, since the secondary market traders might quote independent bid and offer prices. This price calculation is based on price calculation models prevailing in the market, whereas the theoretical value of the Securities is, in principle, determined on the basis of the value of the *Underlying* and the value of other features attached to the Securities, each of which features may, in economic terms, be represented by another derivative financial instrument.

The potentially quoted prices do not necessarily correspond to the Securities' intrinsic value as determined by a trader.

13. Expansion of the spread between bid and offer prices

In special market situations, where the Issuer is completely unable to conclude hedging transactions, or where such transactions are very difficult to conclude, the spread between the bid and offer prices may be temporarily expanded, in order to limit the economic risks to the Issuer. Therefore, *Securityholders* who wish to sell their Securities via a security exchange or in the over-the-counter trading might sell at a price considerably lower than the actual price of the Securities at the time of their sale.

14. Borrowed funds

If the purchase of Securities is financed by borrowed funds and investors' expectations are not met, they not only suffer the loss incurred under the Securities, but in addition also have to pay interest on and repay the loan. This produces a substantial increase in investors' risk of loss. Investors of Securities should never rely on being able to redeem and pay interest on the loan through gains from a Securities transaction. Rather, before financing the purchase of a Security with borrowed funds, the investors' financial situations should be assessed, as to their ability to pay interest on or redeem the loan immediately, even if they incur losses instead of the expected gains.

15. The effect on the Securities of hedging transactions by the Issuer

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. In such a case, the Issuer or one of its affiliated companies may conclude transactions that correspond to the Issuer's obligations arising from the Securities. Generally speaking, this type of transaction will be concluded before or on the *Issue Date* of the Securities, although these transactions can also be concluded after the Securities have been issued. The Issuer or one of its affiliated companies may take the necessary steps for the closing out of any hedging transactions, on or prior to the relevant *Valuation Date*. It cannot be excluded that the *Price of the Underlying* might, in certain cases, be affected by these transactions. In the case of Securities whose value depends on the occurrence of a specific event in relation to the *Underlying*, entering into or closing out such hedging transactions may affect the likelihood of this event occurring or not occurring.

16. Changes in Taxation in relation to the Securities

The considerations concerning the taxation of the Securities set forth in this Prospectus reflect the opinion of the Issuer on the basis of the legal situation identifiable as of the date hereof. However, a different tax treatment by the fiscal authorities and tax courts cannot be precluded. In addition, the tax considerations set forth in this Prospectus cannot be the sole basis for the assessment of an investment in the Securities from a tax point of view, as the individual circumstances of each investor also have to be taken into account. Therefore, the tax considerations set forth in this Prospectus are not to be deemed any form of definitive information or tax advice or any form of assurance or guarantee with respect to the occurrence of certain tax consequences. Each investor should seek the advice of his or her personal tax consultant before deciding whether to purchase the Securities.

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

RESPONSIBILITY STATEMENT

UBS AG, having its registered offices at Bahnhofstrasse 45, 8001 Zurich, Switzerland, and Aeschenvorstadt 1, 4051 Basel, Switzerland, as Issuer and UBS Limited, 1 Finsbury Avenue, London EC2M 2PP, United Kingdom, as Offeror of the Securities described in this Prospectus, accept responsibility for the content of this Prospectus, as set out in section 5 (4) of the German Securities Prospectus Act (*Wertpapierprospektgesetz* - "**WpPG**").

The Issuer and the Offeror declare that the information contained in this Prospectus is, to their knowledge, accurate and that no material facts have been omitted.

The Issuer and the Offeror are liable for the Summary including any translation thereof contained in this Prospectus, but only if the Summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus.

The Issuer and the Offeror accept that following the date of publication of this Prospectus, events and changes may occur, which render the information contained in this Prospectus incorrect or incomplete. Supplemental information will only be published as required by and in a manner stipulated in section 16 of the WpPG.

IMPORTANT NOTICES

The base prospectus (the "**Base Prospectus**") was prepared in accordance with Section 6 of the German Securities Prospectus Act (*Wertpapierprospektgesetz* - "**WpPG**").

The data indicated by placeholders and text blocks in square brackets in the Base Prospectus for data, values, information and variables of the Securities which are issued on the basis of the Base Prospectus and for their offer will be determined not earlier than in the context of the relevant issue and will be included in the applicable final terms under the Base Prospectus (the "**Final Terms**"). The Final Terms of the offer shall be presented by incorporation in the Base Prospectus and shall, in principle, comprise the deletion of, in particular, the relevant square brackets contained in the Base Prospectus, and the filling out of placeholders contained in square brackets. For each public offer of Securities on the basis of the Base Prospectus, the Final Terms will be published in a separate document, which, in addition to stating the Final Terms, will also restate some information already contained in the Base Prospectus.

It is therefore only possible to gain a comprehensive impression of the Issuer and the Securities through examination of the Base Prospectus, as amended by supplements, if any, together with the corresponding Final Terms of the offer.

I. General Note

No dealer, salesman or other person is authorised to give any information or to make any representation other than those contained in this Prospectus in connection with the offering or sale of the Securities. If given or made, such information or representation must not be relied upon as having been authorised by the Issuer or the Offeror. None of this document or any further information supplied in connection with the Securities is intended to provide the basis of any credit assessment or other evaluation and should not be considered as a recommendation by the Issuer that any recipient of this document or any further information supplied in connection with the Securities should purchase any of the Securities. Potential investors who are contemplating purchasing Securities should conduct their own independent investigation of the risks involved in an investment in the Securities. Neither this Prospectus, nor other information relating to the Securities represents an offer (in the legal sense) on the part of or on behalf of the Issuer or other persons, *i.e.* a subscription or purchase agreement relating to the Securities will not be effectively concluded with a unilateral declaration made on the part of or on behalf of the subscriber or investor to the Issuer or the Offeror.

II. Availability of the Prospectus and other Documents

Printed copies of the Base Prospectus including any supplement thereto are available free of charge at the Issuer and at UBS Deutschland AG, Stephanstrasse 14 - 16, 60313 Frankfurt am Main, Federal Republic of Germany. Additionally, the Base Prospectus is published on the website www.ubs.com/keyinvest or a successor website.

The Final Terms of the offer shall be filed with the BaFin and communicated to investors on the day of the *Start of public offer of the Securities* at the latest:

- a) in printed form to be made available, free of charge, at UBS Deutschland AG, Stephanstrasse 14 - 16, 60313 Frankfurt Main, Federal Republic of Germany; or
- b) in an electronic form on the website www.ubs.com/keyinvest, or a successor website.

To the extent that the Issuer makes use of its right to apply for the certificate of approval of the Base Prospectus with BaFin according to Section 18 WpPG in respect of certain countries of the European Economic Area ("**EEA**") in order to be able to offer the Securities to the public in such countries and/or eventually also apply for an admission to trading on an organised market (within the meaning of Directive 93/22/EEC) in such countries ("**EEA Passport**"), the Issuer will make the publications required by law for such purpose.

GENERAL INFORMATION ABOUT THE OFFER AND THE SECURITIES

I. Object of the Prospectus

Under this Prospectus, UBS AG, acting through its Jersey Branch, shall issue *UBS Capital Protected Certificates* with the *International Security Identification Number* (the "**ISIN**") as Issuer in accordance with German law and in the *Aggregate Nominal Amount* (as defined in the section entitled "Key Terms and Definitions of the Securities"). All payments relating to the Securities are made in the *Settlement Currency* (as defined in the section entitled "Key Terms and Definitions of the Securities").

The Securities are each based on the Index (the "**Underlying**"), as described in the sections "Key Terms and Definitions of the Securities" and "Information about the Underlying".

The Securities expire – provided that the Securities are not terminated or expired early in accordance with the Terms and Conditions of the Securities – on the *Expiration Date* (as defined in the section entitled "Key Terms and Definitions of the Securities").

II. Approval of the Base Prospectus

The Base Prospectus was approved by the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht* – "**BaFin**") as the supervisory authority for securities of the Federal Republic of Germany in accordance with the German Securities Prospectus Act (*Wertpapierprospektgesetz* - "**WpPG**") implementing Directive 2003/71/EC (the "**Prospectus Directive**") into German law.

III. EEA Passport

For certain countries of the European Economic Area ("**EEA**"), the Issuer reserves the right to apply to BaFin for a certificate of the approval of the Base Prospectus pursuant to Section 18 WpPG, in order to be able to publicly offer the Securities also in those countries and/or have them admitted to trading at an organised market (within the meaning of Directive 93/22/EEC) ("**EEA Passport**").

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.

The Securities may only be offered, sold or delivered within or from a jurisdiction, provided that this is permissible under applicable laws and regulations and provided that the Issuer does not incur any further obligations. The Securities will, at no time, neither directly nor indirectly, be offered, sold, traded or delivered within the United States of America or to a U.S. person (as defined in the Regulation S under the United States Securities Act of 1933).

Neither the Issuer nor the Offeror represents that the Base Prospectus and the Final Terms may be lawfully distributed, or that the Securities may be lawfully offered, in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to an exemption available thereunder, or assumes any responsibility for facilitating any distribution or offering. Potential investors can find further information in the "Selling restrictions" section beginning on page 53 of this Prospectus.

IV. Form and Status

All of the Securities are issued in uncertificated and dematerialised book-entry form, and registered at the *Clearing Agent* (as defined in the section entitled "Key Terms and Definitions of the Securities") for clearance and settlement. No physical notes, such as global temporary or permanent notes or definitive notes will be issued in respect 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.

V. Admission to Trading

The Offeror intends to apply for inclusion of the Securities to trading on the *Security Exchange* (as defined in the section entitled "Key Terms and Definitions of the Securities").

VI. Authorisation/Resolution for the Issue of the Securities

The Issuer does not need to obtain (individual) authorisation from its Management Board to issue the Securities. There exists a general resolution for the issue of the Securities.

VII. Underwriting and Issue Price

It has been agreed that, on or after the respective *Issue Date* of the Securities (as defined in the section entitled "Key Terms and Definitions of the Securities"), UBS Limited, 1 Finsbury Avenue, London EC2M 2PP, United Kingdom, (the "**Offeror**") shall underwrite the Securities by means of an underwriting agreement and shall place them for sale at the *Issue Price* as defined in the section entitled "Key Terms and Definitions of the Securities" under terms subject to change. The *Issue Price* was fixed at the *Start of Public Offer of the Securities*. After closing of the *Subscription Period* the selling price will then be adjusted on a continual basis to reflect the prevailing market situation.

The Offeror shall be responsible for coordinating the entire Securities offering.

The total commission due for the respective underwriting and/or placement service relating to the underwriting of the Securities is: *Underwriting and/or placing fee* (as defined in the section entitled "Key Terms and Definitions of the Securities").

VIII. Offering for Sale and Delivery of the Securities

The Securities may be subscribed from the Offeror during normal banking hours within the *Subscription Period* (as defined in the section entitled "Key Terms and Definitions of the Securities"). The *Issue Price* per Security is payable on the *Initial Payment Date* (as defined in the section entitled "Key Terms and Definitions of the Securities").

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 Agent* (as defined in the section entitled "Key Terms and Definitions of the Securities"). If the *Subscription Period* is shortened or extended, the *Initial Payment Date* may also be brought forward or postponed.

IX. Use of Proceeds

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. A separate ("special purpose") fund will not be established.

If, in the normal course of business, the Issuer trades in the *Underlying*, or in the underlying components, or in related options and futures contracts, or hedges the financial risks associated with the Securities by means of hedging transactions in the *Underlying* or underlying components or in related options or futures contracts, the *Securityholders* have no rights to or interests in the *Underlying* or in related options or futures contracts.

TERMS AND CONDITIONS OF THE SECURITIES

Wertpapierbedingungen

*Die nachfolgenden Wertpapierbedingungen bestehen aus den Ausstattungsmerkmalen und Definitionen der Wertpapiere, den produktspezifischen Besonderen Wertpapierbedingungen und den Allgemeinen Wertpapierbedingungen (die „**Bedingungen**“).*

Die Bedingungen der Wertpapiere sind gegliedert in

Teil 1: Ausstattungsmerkmale und Definitionen der Wertpapiere

Teil 2: Besondere Wertpapierbedingungen

Teil 3: Allgemeine Wertpapierbedingungen

Terms and Conditions of the Securities

*The following terms and conditions of the Securities comprise the Key Terms and Definitions of the Securities, the Special Conditions of the Securities and the General Conditions of the Securities (the “**Conditions**“).*

The Conditions of the Securities are composed of

Part 1: Key Terms and Definitions of the Securities

Part 2: Special Conditions of the Securities

Part 3: General Conditions of the Securities

Wertpapierbedingungen Teil 1: Ausstattungsmerkmale und Definitionen der Wertpapiere /

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

Die Wertpapiere weisen folgende Definitionen bzw., vorbehaltlich einer Anpassung in Übereinstimmung mit den Wertpapierbedingungen, folgende Ausstattungsmerkmale, jeweils in alphabetischer Reihenfolge (bezogen auf die deutsche Sprachfassung) dargestellt, auf. Diese Übersicht stellt keine vollständige Beschreibung der Wertpapiere dar, unterliegt den Wertpapierbedingungen, den allgemeinen Emissionsbedingungen sowie allen anderen Abschnitten dieses Prospekts und ist in Verbindung mit diesen zu lesen. Die nachfolgende Verwendung des Symbols „*“ in den Ausstattungsmerkmalen und Definitionen der Wertpapiere gibt an, dass die entsprechende Festlegung von der Berechnungsstelle bzw. der Emittentin getroffen und danach unverzüglich gemäß den jeweiligen rechtlichen Anforderungen der maßgeblichen Rechtsordnung bekannt gemacht wird. /

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 (in relation to the German language version). The following does not represent a comprehensive description of the Securities, and is subject to and should be read in conjunction with the Conditions of the Securities, the general offering terms of the Securities and all other sections of this Prospectus. 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.

Abrechnungskurs / Settlement Price:

Der Abrechnungskurs des Basiswerts entspricht dem von der Berechnungsstelle ermittelten arithmetischen Durchschnitt der an jedem der Beobachtungstage⁽ⁱ⁾ jeweils festgestellten Kurse des Basiswerts zur Bewertungszeit. /

The Settlement Price of the Underlying equals the arithmetical average of the Prices of the Underlying on each of the Observation Dates⁽ⁱ⁾ as determined by the Calculation Agent at the Valuation Time.

Anbieterin / Offeror:

UBS Limited, 1 Finsbury Avenue, London EC2M 2PP, Vereinigtes Königreich /

UBS Limited, 1 Finsbury Avenue, London EC2M 2PP, United Kingdom

Anwendbares Recht / Governing Law:

Deutsches Recht /

German Law

Auszahlungswährung / Settlement Currency:

Die Auszahlungswährung entspricht der Schwedischen Krone („SEK“). /

The Settlement Currency means Swedish Krona ("SEK").

B.

Bankgeschäftstag / Banking Day:

Der Bankgeschäftstag steht für jeden Tag, an dem die Banken in Frankfurt am Main, Bundesrepublik Deutschland, in London, Vereinigtes Königreich, in New York City, Vereinigte Staaten von Amerika, und in Stockholm, Schweden, für den Geschäftsverkehr geöffnet sind und die Clearingstelle Wertpapiergeschäfte abwickelt. /

The Banking Day means each day on which the banks in Frankfurt am Main, Federal Republic of Germany, in London, United Kingdom, in New York City, United States of America, and in Stockholm, Sweden, are open for business and the Clearing Agent settles securities dealings.

Basiskurs / Strike Price:

Der Basiskurs des Basiswerts entspricht dem Kurs des Basiswerts am Festlegungstag zur Festlegungszeit.

Der Basiskurs des Basiswerts wird am Festlegungstag zur Festlegungszeit festgelegt.* /

The Strike Price of the Underlying equals the Price of the Underlying at the Fixing Time on the Fixing Date.

*The Strike Price of the Underlying will be fixed on the Fixing Date at the Fixing Time.***

Basiswert / Underlying:

Der Basiswert entspricht dem OMXS30™ Index (der „**Index**“), wie er von The NASDAQ OMX Group, Inc., (der „**Index Sponsor**“) als Kursindex verwaltet, berechnet und veröffentlicht wird.

In diesem Zusammenhang werden die dem Basiswert zugrunde liegenden Werte bzw. Komponenten jeweils als „**Einzelwert**“ bzw. die „**Einzelwerte**“ bezeichnet. /

*The Underlying equals the OMXS30™ (the “**Index**”), as maintained, calculated and published by The NASDAQ OMX Group, Inc., (the “**Index Sponsor**”), calculated as a price index.*

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

Basiswert-Berechnungstag / Underlying Calculation Date:

Der Basiswert-Berechnungstag steht für jeden Tag, an dem (i) der Index Sponsor den offiziellen Kurs für den Index bestimmt, berechnet und veröffentlicht und (ii) ein Handel bzw. eine Notierung in den dem Index zugrunde liegenden Einzelwerten, die mindestens 80 % der Marktkapitalisierung aller Einzelwerte des Index bzw. des Gesamtwerts des Index darstellen, an der Maßgeblichen Börse stattfindet. /

The Underlying Calculation Date means each day, on which (i) the Index Sponsor 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 % 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 on the Relevant Exchange.

Beginn des öffentlichen Angebots der Wertpapiere / Start of public offer of the Securities:

23. September 2009 in Schweden /

23 September 2009 in Sweden

Beobachtungstag / *Observation Date:*

Der Beobachtungstag steht für den jeweils 10. Kalendertag eines Kalendermonats, beginnend mit dem 12. November 2012 (einschließlich) (Beobachtungstag_(i=1)) bis zum Verfalltag (einschließlich) (Beobachtungstag_(i=13)).

Der Begriff „Beobachtungstag“ umfasst sämtliche Beobachtungstage_(i=1) bis _(i=13).

Falls einer dieser Tage kein Basiswert-Berechnungstag für den Basiswert ist, dann gilt der unmittelbar darauf folgende Basiswert-Berechnungstag als maßgeblicher Beobachtungstag für den Basiswert. /

The Observation Date means each 10th day of a calendar month, beginning on 12 November 2012 (including) (Observation Date_(i=1)) and ending on the Expiration Date (including) (Observation Date_(i=13)).

The term "Observation Date" shall also refer to all Observation Dates_(i=1) to _(i=13).

If one of these days is not an Underlying Calculation Date in relation to the Underlying, the immediately succeeding Underlying Calculation Date is deemed to be the relevant Observation Date in relation to the Underlying.

Berechnungsstelle / *Calculation Agent:*

Die Berechnungsstelle bezeichnet UBS Deutschland AG, Stephanstraße 14 – 16, 60313 Frankfurt am Main, Bundesrepublik Deutschland. /

The Calculation Agent means UBS Deutschland AG, Stephanstrasse 14 - 16, 60313 Frankfurt am Main, Federal Republic of Germany.

Bewertungstag / *Valuation Date:*

Der Bewertungstag entspricht dem maßgeblichen Beobachtungstag_(i). /

The Valuation Date means the relevant Observation Date_(i).

Bewertungszeit / *Valuation Time:*

Die Bewertungszeit entspricht dem Zeitpunkt der offiziellen Bestimmung des Schlusskurses des Basiswerts durch den Index Sponsor. /

The Valuation Time equals the time of the official determination of the closing price of the Underlying by the Index Sponsor.

C. Clearingstelle / *Clearing Agent:*

Clearingstelle steht für Euroclear Sweden AB, Regeringsgatan 65, S-103 97 Stockholm, Schweden, in ihrer Funktion als Zentralverwahrer gemäß dem schwedischen Financial Instruments Accounts Act (Schwed. lag (1998:1479) om kontoföring av finansiella instrument), oder jeden Nachfolger in dieser Funktion. /

Clearing Agent means Euroclear Sweden AB, Regeringsgatan 65, S-103 97 Stockholm, Sweden, in its capacity as central securities depository under the Swedish Financial Instruments Accounts Act (Sw. lag (1998:1479) om kontoföring av finansiella instrument), or any successor in this capacity.

CS-Regeln / CA Rules:

CS-Regeln steht für den schwedischen Financial Instruments Accounts Act (Schwed. lag (1998:1479) om kontoföring av finansiella instrument) sowie Vorschriften und Verfahren, die auf die Clearingstelle Anwendung finden und/oder von dieser herausgegeben werden. /

CA Rules means the Swedish Financial Instruments Accounts Act (Sw. lag (1998:1479) om kontoföring av finansiella instrument), regulations and operating procedures applicable to and/or issued by the Clearing Agent.

E.**Emissionsbegleiter / Issuing Agent:**

Der Emissionsbegleiter bezeichnet SEB Merchant Banking, Securities Services, S-106 40 Stockholm, Schweden, oder jeden Nachfolger in dieser Funktion. Solange ein in Schweden begebenes Wertpapier ausstehend ist, wird es zu jeder Zeit einen Emissionsbegleiter geben, der unter schwedischen CS-Regeln als solcher autorisiert ist. /

The Issuing Agent means SEB Merchant Banking, Securities Services, S-106 40 Stockholm, Sweden, or any successor in this capacity. As long as there is any Swedish Security outstanding, there will at all times be an Issuing Agent duly authorised as such under the Swedish CA Rules, in respect of the relevant Swedish Securities.

Emissionspreis / Issue Price:

Der Emissionspreis entspricht 110 % des Nennbetrags. /

The Issue Price equals 110 % of the Nominal Amount.

Emissionstag / Issue Date:

Der Emissionstag bezeichnet den 10. November 2009.

Bei Verkürzung oder Verlängerung der Zeichnungsfrist kann sich der Emissionstag entsprechend verschieben. /

The Issue Date means 10 November 2009.

In case of abbreviation or extension of the Subscription Period the Issue Date may be changed accordingly.

Emissionsvolumen / Issue Size:

Das Emissionsvolumen beträgt SEK 100.000.000,00 (indikativ).

Das Emissionsvolumen wird am Festlegungstag festgelegt.* /

The Issue Size means SEK 100,000,000.00 (indicative).

*The Issue Size will be fixed on the Fixing Date.***

Emittentin / Issuer:

Die Emittentin bezeichnet die UBS AG, Bahnhofstraße 45, 8001 Zürich, Schweiz, und Aeschenvorstadt 1, 4051 Basel, Schweiz, handelnd durch ihre Niederlassung Jersey, 24 Union Street, Saint Helier, Jersey JE4 8UJ. /

The Issuer means UBS AG, Bahnhofstrasse 45, 8001 Zurich, Switzerland, and Aeschenvorstadt 1, 4051 Basle, Switzerland, acting through its Jersey Branch, 24 Union Street, Saint Helier, Jersey JE4 8UJ.

- F. Festlegungstag / *Fixing Date:*** Der Festlegungstag bezeichnet den 10. November 2009.
- Falls dieser Tag kein Basiswert-Berechnungstag für den Basiswert ist, dann gilt der unmittelbar darauf folgende Basiswert-Berechnungstag als Festlegungstag für den Basiswert.
- Bei Verkürzung oder Verlängerung der Zeichnungsfrist kann sich der Festlegungstag entsprechend verschieben. /
- The Fixing Date means 10 November 2009.*
- If this day is not an Underlying Calculation Date in relation to the Underlying, the immediately succeeding Underlying Calculation Date is deemed to be the Fixing Date in relation to the Underlying.*
- In case of abbreviation or extension of the Subscription Period the Fixing Date may be changed accordingly.*
-
- Festlegungszeit / *Fixing Time:*** Die Festlegungszeit entspricht dem Zeitpunkt der offiziellen Bestimmung des Schlusskurses des Basiswerts durch den Index Sponsor. /
- The Fixing Time equals the time of the official determination of the closing price of the Underlying by the Index Sponsor.*
-
- G. Gesamtnennbetrag / *Aggregate Nominal Amount:*** Der Gesamtnennbetrag entspricht dem Emissionsvolumen. /
- The Aggregate Nominal Amount equals the Issue Size.*
-
- K. Kleinste handelbare Einheit / *Minimum Trading Size:*** Die Kleinste handelbare Einheit entspricht nominal SEK 10.000,00 bzw. einem ganzzahligen Vielfachen davon. /
- The Minimum Trading Size equals nominal SEK 10,000.00 or an integral multiple thereof.*
-
- Kurs des Basiswerts / *Price of the Underlying:*** Der Kurs des Basiswerts entspricht dem von dem Index Sponsor berechneten, festgestellten und veröffentlichten Schlusskurs des Basiswerts. /
- The Price of the Underlying means the closing price of the Underlying as calculated, determined and published by the Index Sponsor.*
-
- L. Laufzeit der Wertpapiere / *Term of the Securities:*** Die Laufzeit der Wertpapiere steht für den Zeitraum beginnend am Emissionstag und endend am Verfalltag zur Bewertungszeit. /
- The Term of the Securities means the period, commencing on the Issue Date and ending on the Expiration Date at the Valuation Time.*

M.**Maßgebliche Börse / *Relevant Exchange*:**

Die Maßgebliche Börse bezeichnet die Börse(n), an (der) (denen) aufgrund der Bestimmung des Index Sponsors die im Index enthaltenen Einzelwerte gehandelt werden. /

The Relevant Exchange means the stock exchange(s) on which the Components comprised in the Index are traded, as determined by the Index Sponsor.

Maßgebliche Terminbörse / *Relevant Futures and Options Exchange*:

Die Maßgebliche Terminbörse bezeichnet diejenige(n) Terminbörse(n), an (der) (denen) der umsatzstärkste Handel in Bezug auf Termin- oder Optionskontrakte auf den Basiswert stattfindet. /

The Relevant Futures and Options Exchange(s) means the futures and options exchange(s), on which futures and option contracts on the Underlying are primarily traded.

Mindestrückzahlungsbetrag / *Minimum Repayment Amount*:

Der Mindestrückzahlungsbetrag entspricht dem Nennbetrag. /

The Minimum Repayment Amount equals the Nominal Amount.

N.**Nennbetrag (Stückelung) / *Nominal Amount (Denomination)*:**

Der Nennbetrag je Wertpapier entspricht SEK 10.000,00. /

The Nominal Amount per Security equals SEK 10,000.00.

P.**Partizipationsrate / *Participation Rate*:**

Die Partizipationsrate entspricht 100 % (indikativ).

Die Partizipationsrate wird am Festlegungstag zur Festlegungszeit festgelegt.* /

The Participation Rate equals 100 % (indicative).

*The Participation Rate will be fixed on the Fixing Date at the Fixing Time.***

R.**Rückzahlungstag / *Settlement Date*:**

Der Rückzahlungstag entspricht (i) hinsichtlich des Auszahlungsbetrags dem achten Bankgeschäftstag nach dem maßgeblichen Bewertungstag, und (ii) im Fall einer Kündigung bzw. einer Steuer-Kündigung durch die Emittentin nach § 7 a bzw. § 7 b der Wertpapierbedingungen dem achten Bankgeschäftstag nach dem Kündigungstag bzw. nach dem Steuer-Kündigungstag. /

The Settlement Date means (i) in relation to the Settlement Amount the eighth Banking Day after the relevant Valuation Date, and (ii) in case of a Termination or a Termination for Tax Reasons, as the case may be, by the Issuer in accordance with § 7 a or § 7 b of the Terms and Conditions of the Securities, the eighth Banking Day after the Termination Date or the Tax Termination Date, as the case may be.

U.
Übernahme- und/oder
Platzierungsprovision / *Under-*
writing and/or placing fee:

Keine /
 None

V.
Verfalltag / *Expiration Date:*

Der Verfalltag entspricht dem 11. November 2013. /
The Expiration Date means 11 November 2013.

W.
Wertpapiere / *Securities:*

Wertpapiere (jeweils auch ein „**Zertifikat**“ oder die „**Zertifikate**“) bezeichnet die von der Emittentin im Umfang des Gesamtnennbetrags begebenen UBS Capital Protected Zertifikate. /

Securities (also a “Certificate” or the “Certificates”) means the UBS Capital Protected Certificates issued by the Issuer in the Aggregate Nominal Amount.

Wertpapier-Börse / *Security*
Exchange:

Wertpapier-Börse bezeichnet die Nordic Derivatives Exchange (NDX). /
Security Exchange means Nordic Derivatives Exchange (NDX).

Wertpapiergläubiger /
Securityholder:

Wertpapiergläubiger steht für die Person, auf deren Namen ein Wertpapier bei der Clearingstelle eingetragen ist (einschließlich eines ordnungsgemäß bevollmächtigten Stellvertreters, der als solcher für das jeweilige Wertpapier eingetragen ist), oder eine andere Person, die gemäß den CS-Regeln als Wertpapiergläubiger anerkannt ist; werden die jeweiligen Wertpapiere von einem ordnungsgemäß bevollmächtigten Stellvertreter gehalten, gilt der Stellvertreter als Wertpapiergläubiger.

Der Wertpapiergläubiger wird in jeder Hinsicht seitens (i) der Emittentin, (ii) der Berechnungsstelle, (iii) der Zahlstelle, (iv) des Emissionsbegleiters und (v) aller sonstigen Personen als Berechtigter und Begünstigter bezüglich der in den Wertpapieren repräsentierten Rechte behandelt. /

Securityholder means the person in whose name a Security is registered with the Clearing Agent (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 (i) the Issuer, (ii) the Calculation Agent, (iii) the Paying Agent, (iv) the Issuing Agent and (v) all other persons as the person entitled to such Securities and the person entitled to receive the benefits of the rights represented by such Securities.

**Wertpapier-Kenn-Nummern /
Security Identification Codes:**

ISIN: SE0002980714, WKN: UB0GD7, Valor: 10518293 /

ISIN: SE0002980714, WKN: UB0GD7, Valor: 10518293

Z.**Zahlstelle / Paying Agent:**

Die Zahlstelle bezeichnet die UBS Limited c/o UBS Deutschland AG, Stephanstraße 14 – 16, 60313 Frankfurt am Main, Bundesrepublik Deutschland, und Skandinaviska Enskilda Banken, Stockholm (SEB), Rissneleden 110, S-106 40 Stockholm, Schweden. Der Begriff „Zahlstelle“ umfasst sämtliche Zahlstellen. /

The Paying Agent means UBS Limited c/o UBS Deutschland AG, Stephanstrasse 14 – 16, 60313 Frankfurt am Main, Federal Republic of Germany, and Skandinaviska Enskilda Banken, Stockholm (SEB), Rissneleden 100, S-106 40 Stockholm, Sweden. The term "Paying Agent" shall also refer to all Paying Agents.

**Zahltag bei Emission / Initial
Payment Date:**

Der Zahltag bei Emission bezeichnet den 10. November 2009.

Bei Verkürzung oder Verlängerung der Zeichnungsfrist kann sich der Zahltag bei Emission entsprechend verschieben. /

The Initial Payment Date means 10 November 2009.

In case of abbreviation or extension of the Subscription Period the Initial Payment Date may be changed accordingly.

**Zeichnungsfrist / Subscription
Period:**

23. September bis 23. Oktober 2009 (17:30 Uhr Ortszeit Stockholm).

Die Emittentin behält sich vor, die Zeichnungsfrist bei entsprechender Marktlage zu verkürzen oder zu verlängern. /

23 September until 23 October 2009 (17:30 hrs local time Stockholm).

The Issuer reserves the right to earlier close or to extend the Subscription Period if market conditions so require.

Wertpapierbedingungen Teil 2: Besondere Wertpapierbedingungen

§ 1 Wertpapierrecht

- (1) Die Emittentin gewährt hiermit dem Wertpapiergläubiger von je einem (1) Wertpapier bezogen auf den Kurs des Basiswerts nach Maßgabe dieser Bedingungen das Recht (das „**Wertpapierrecht**“), den Abrechnungsbetrag (§ 1 (2)), auf zwei Dezimalstellen kaufmännisch gerundet, zu beziehen (der „**Auszahlungsbetrag**“).
- (2) Der „**Abrechnungsbetrag**“ wird in Übereinstimmung mit folgender Formel berechnet:

$$\text{Nennbetrag} + (\text{Nennbetrag} \times \text{Partizipationsrate} \times \text{Performance})$$

wobei die „**Performance**“ in Übereinstimmung mit folgender Formel berechnet wird:

$$\text{MAX} \left(0; \left(\frac{\text{Abrechnungskurs} - \text{Basiskurs}}{\text{Basiskurs}} \right) \right)$$

Dabei entspricht der Abrechnungsbetrag mindestens dem kapitalgeschützten Mindestrückzahlungsbetrag.

- (3) Sämtliche im Zusammenhang mit dem Wertpapierrecht vorzunehmenden Festlegungen und Berechnungen, insbesondere die Berechnung des Auszahlungsbetrags, erfolgen durch die Berechnungsstelle (§ 9). Die insoweit von der Berechnungsstelle getroffenen Festlegungen und Berechnungen sind, außer in Fällen offensichtlichen Irrtums, abschließend und für alle Beteiligten bindend.

§ 2

Absichtlich freigelassen

§ 3

Absichtlich freigelassen

Terms and Conditions of the Securities Part 2: Special Conditions of the Securities

§ 1 Security Right

- (1) The Issuer hereby warrants the Securityholder of each (1) Security relating to the Price of the Underlying the right (the „**Security Right**“) to receive the Redemption Amount (§ 1 (2)) commercially rounded to two decimal places (the „**Settlement Amount**“).
- (2) The „**Redemption Amount**“ is calculated in accordance with the following formula:

$$\text{Nominal Amount} + (\text{Nominal Amount} \times \text{Participation Rate} \times \text{Performance})$$

where the „**Performance**“ is calculated in accordance with the following formula:

$$\text{MAX} \left(0; \left(\frac{\text{Settlement Price} - \text{Strike Price}}{\text{Strike Price}} \right) \right)$$

The Redemption Amount is, in any case, equal to the capital protected Minimum Repayment Amount.

- (3) Any determination and calculation in connection with the Security Right, in particular the calculation of the Settlement Amount, will be made by the Calculation Agent (§ 9). Determinations and calculations made in this respect by the Calculation Agent are final and binding for all participants except in the event of manifest error.

§ 2

Intentionally left blank

§ 3

Intentionally left blank

Wertpapierbedingungen Teil 3: Allgemeine Wertpapierbedingungen

§ 4

Form der Wertpapiere; Verzinsung und Dividenden; Übertragbarkeit; Status

- (1) Die Wertpapiere werden unverbrieft und dematerialisiert in Form von Bucheinträgen und registriert bei der Clearingstelle gemäß den maßgeblichen CS-Regeln begeben. In Bezug auf die Wertpapiere werden keine effektiven Stücke wie vorläufige Globalurkunden, Dauerglobalurkunden oder Einzelurkunden ausgegeben. Die Emittentin ist berechtigt, von der Clearingstelle auf Basis des Registers der Clearingstelle Informationen in Bezug auf die Wertpapiere zu erhalten, um ihren Verpflichtungen gemäß den Bedingungen nachzukommen.
Auf die Wertpapiere werden weder Zinsen noch Dividenden gezahlt.
- (2) Das Recht an den Wertpapieren wird durch eine gemäß den maßgeblichen CS-Regeln ausgeführte Übertragung zwischen den Kontoinhabern bei der Clearingstelle übertragen.
- (3) Die Wertpapiere begründen unmittelbare, unbesicherte und nicht nachrangige Verbindlichkeiten der Emittentin, die untereinander und mit allen sonstigen gegenwärtigen und künftigen unbesicherten und nicht nachrangigen Verbindlichkeiten der Emittentin gleichrangig sind, ausgenommen solche Verbindlichkeiten, denen aufgrund zwingender gesetzlicher Vorschriften Vorrang zukommt.

§ 5

Tilgung; Vorlegungsfrist; Verjährung

- (1) Die Emittentin wird, vorbehaltlich einer Marktstörung (§ 8 (3)), die Zahlung des Auszahlungsbetrags bzw. des Kündigungsbetrags (§ 7 a (2)) oder des Steuer-Kündigungsbetrags (§ 7 b (3)) in der Auszahlungswährung zum Rückzahlungstag gemäß den maßgeblichen CS-Regeln veranlassen. Zahlungen des Auszahlungsbetrags, des Kündigungsbetrags bzw. des Steuer-Kündigungsbetrags und/oder sonstige Zahlungen gemäß den Bedingungen erfolgen in Übereinstimmung mit den zu diesem Zeitpunkt geltenden maßgeblichen CS-Regeln.
- (2) Die Emittentin wird von ihrer Verpflichtung unter diesen Wertpapieren durch Zahlung des Auszahlungsbetrags, des Kündigungsbetrags bzw. des Steuer-Kündigungsbetrags oder der sonstigen Zahlungsbeträge unter diesen Bedingungen in der vorstehend beschriebenen Weise befreit.

Terms and Conditions of the Securities Part 3: General Conditions of the Securities

§ 4

Form of Securities; Interest and Dividends; Transfer; Status

- (1) The Securities are issued in uncertificated and dematerialised book-entry form, and registered at the Clearing Agent in accordance with the relevant CA Rules. No physical notes, such as global temporary or permanent notes or definitive notes will be issued in respect of the Securities. The Issuer shall be entitled to obtain from the Clearing Agent information based on the Clearing Agent's register regarding the Securities for the purpose of performing its obligations pursuant to the Conditions.

No interest and no dividends are payable on the Securities.
- (2) Title to the Securities will pass by transfer between accountholders at the Clearing Agent perfected in accordance with the relevant CA Rules.
- (3) 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; Period of Presentation; Prescription

- (1) The Issuer will, subject to a Market Disruption (§ 8 (3)), procure that the payment of the Settlement Amount or of the Termination Amount (§ 7 a (2)) or of the Tax Termination Amount (§ 7 b (3)), as the case may be, in the Settlement Currency occurs on the Settlement Date in accordance with the relevant CA Rules. Payments of the Settlement Amount, the Termination Amount or the Tax Termination Amount and/or any other amount payable under the Conditions, as the case may be, shall be made in accordance with the then applicable relevant CA Rules.
- (2) The Issuer will be discharged from its obligations under these Securities by payment of the Settlement Amount, the Termination Amount or of the Tax Termination Amount or of any other amount payable under these Conditions, as the case may be, in the manner described above.

- | | |
|---|--|
| <p>(3) Alle im Zusammenhang mit der Zahlung des Auszahlungsbetrags, des Kündigungsbetrags bzw. des Steuer-Kündigungsbetrags oder der sonstigen Zahlungsbeträge unter diesen Bedingungen anfallenden Steuern, Abgaben und/oder Kosten sind von dem jeweiligen Wertpapiergläubiger zu tragen und zu zahlen. Die Emittentin und die Zahlstelle sind berechtigt, jedoch nicht verpflichtet, von den an den Wertpapiergläubiger zahlbaren Beträgen zur Begleichung von Steuern, Abgaben, Gebühren, Abzügen oder sonstigen Zahlungen den erforderlichen Betrag einzubehalten oder abzuziehen. Jeder Wertpapiergläubiger hat die Emittentin bzw. die Zahlstelle von Verlusten, Kosten oder sonstigen Verbindlichkeiten, die ihr in Verbindung mit derartigen Steuern, Abgaben, Gebühren, Abzügen oder sonstigen Zahlungen im Hinblick auf die Wertpapiere des jeweiligen Wertpapiergläubigers entstehen, freizustellen.</p> <p>(4) Die Vorlegungsfrist gemäß § 801 Absatz 1 Satz 1 des deutschen Bürgerlichen Gesetzbuchs („BGB“) wird auf zehn Jahre verkürzt.</p> <p>(5) Die Emittentin kann zur Deckung ihrer Verpflichtungen aus den Wertpapieren einen Deckungsbestand unterhalten. Der Deckungsbestand kann dabei nach der Wahl und dem freien Ermessen der Emittentin insbesondere aus dem Basiswert bzw. aus den darin enthaltenen Einzelwerten bzw. aus Optionen auf die vorgenannten Werte bestehen. Den Wertpapiergläubigern stehen jedoch keine Rechte oder Ansprüche in Bezug auf einen etwaigen Deckungsbestand zu.</p> | <p>(3) All taxes, charges and/or expenses incurred in connection with the payment of the Settlement Amount, the Termination Amount or of the Tax Termination Amount or of any other amount payable under these Conditions, as the case may be, shall be borne and paid by the relevant Securityholder. The Issuer and the Paying Agent, as the case may be, are entitled, but not obliged, to withhold or deduct, as the case may be, from any amount payable to the Securityholder such amount required for the purpose of settlement of taxes, charges, expenses, deductions or other payments. Each Securityholder shall reimburse the Issuer or the Paying Agent, as the case may be, from any losses, costs or other debts incurred in connection with these taxes, charges, expenses, deductions or other payments related to the Securities of the relevant Securityholder.</p> <p>(4) The period of presentation as established in § 801 section 1 sentence 1 of the German Civil Code (“BGB“) is reduced to ten years.</p> <p>(5) The Issuer may hold a coverage portfolio to cover its obligations under the Securities. The coverage portfolio may comprise the Underlying or the Components comprised therein, as the case may be, or options on these aforementioned assets, at the Issuer’s option and unrestricted discretion. However, the Securityholders are not entitled to any rights or claims with respect to any coverage portfolio.</p> |
|---|--|

§ 6 a

Anpassungen; Nachfolge-Index Sponsor; Nachfolge-Basiswert; Berichtigungen

- (1) Sollte der Index als Basiswert endgültig nicht mehr vom Index Sponsor verwaltet, berechnet und veröffentlicht werden, ist die Emittentin berechtigt, den Index Sponsor durch eine Person, Gesellschaft oder Institution, die für die Emittentin und die Berechnungsstelle nach billigem Ermessen (gemäß § 315 BGB bzw. § 317 BGB) akzeptabel ist (der „**Nachfolge-Index Sponsor**“), zu ersetzen. In diesem Fall gilt dieser Nachfolge-Index Sponsor als Index Sponsor und jede in diesen Bedingungen enthaltene Bezugnahme auf den Index Sponsor als Bezugnahme auf den Nachfolge-Index Sponsor.
- (2) Veränderungen in der Berechnung (einschließlich Bereinigungen) des Index oder der Zusammensetzung oder Gewichtung der Indexbestandteile, auf deren Grundlage der Basiswert berechnet wird, führen nicht zu einer Anpassung, es sei denn, dass das maßgebende Konzept und die Berechnung des Basiswerts infolge einer

§ 6 a

Adjustments; Successor Index Sponsor; Successor Underlying; Corrections

- (1) If the Index used as the Underlying is ultimately not maintained, calculated and published by the Index Sponsor any longer, the Issuer shall be entitled to replace the Index Sponsor by a person, company or institution, which is acceptable to the Issuer and the Calculation Agent at their reasonable discretion (pursuant to § 315 of the BGB or, as the case may be, § 317 of the BGB) (the “**Successor Index Sponsor**“). In such case, the Successor Index Sponsor will be deemed to be the Index Sponsor and each reference in these Conditions to the Index Sponsor shall be deemed to refer to the Successor Index Sponsor.
- (2) 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 is based, shall not lead to an adjustment unless the Issuer and the Calculation Agent, upon exercise of their reasonable discretion (pursuant to § 315 of the

Veränderung (einschließlich einer Bereinigung) nach Auffassung der Emittentin und der Berechnungsstelle nach billigem Ermessen (gemäß § 315 BGB bzw. § 317 BGB) nicht mehr vergleichbar sind mit dem bisher maßgebenden Konzept oder der maßgebenden Berechnung des Index. Dies gilt insbesondere, wenn sich aufgrund irgendeiner Änderung trotz gleich bleibender Kurse der in dem Index enthaltenen Einzelwerte und ihrer Gewichtung eine wesentliche Änderung des Werts des Index ergibt. Eine Anpassung kann auch bei Aufhebung des Index und/oder seiner Ersetzung durch einen anderen Basiswert erfolgen.

Zum Zweck einer Anpassung ermitteln die Emittentin und die Berechnungsstelle nach billigem Ermessen (gemäß § 315 BGB bzw. § 317 BGB) einen angepassten Wert je Einheit des Index, der bei der Bestimmung des Kurses des Basiswerts zugrunde gelegt wird und in seinem wirtschaftlichen Ergebnis der bisherigen Regelung entspricht, und bestimmen unter Berücksichtigung des Zeitpunkts der Veränderung den Tag, zu dem der angepasste Wert je Einheit des Index erstmals zugrunde zu legen ist. Der angepasste Wert je Einheit des Basiswerts sowie der Zeitpunkt seiner erstmaligen Anwendung werden unverzüglich gemäß § 11 dieser Bedingungen bekannt gemacht.

- (3) Erlischt die Erlaubnis der Emittentin, den Index als Basiswert für die Zwecke der Wertpapiere zu verwenden oder wird der Index aufgehoben und/oder durch einen anderen Index ersetzt, legen die Emittentin und die Berechnungsstelle nach billigem Ermessen (gemäß § 315 BGB bzw. § 317 BGB), gegebenenfalls unter entsprechender Anpassung nach dem vorstehenden Absatz, fest, welcher Index künftig zugrunde zu legen ist (der „**Nachfolge-Basiswert**“). Der Nachfolge-Basiswert sowie der Zeitpunkt seiner erstmaligen Anwendung werden unverzüglich gemäß § 11 dieser Bedingungen bekannt gemacht.

Jede in diesen Bedingungen enthaltene Bezugnahme auf den Basiswert gilt dann, sofern es der Zusammenhang erlaubt, als Bezugnahme auf den Nachfolge-Basiswert.

- (4) Ist nach Ansicht der Emittentin und der Berechnungsstelle, nach billigem Ermessen (gemäß § 315 BGB bzw. § 317 BGB), eine Anpassung oder die Festlegung eines Nachfolge-Basiswerts, aus welchen Gründen auch immer, nicht möglich, werden die Emittentin und die Berechnungsstelle für die Weiterrechnung und Veröffentlichung des Index auf der Grundlage des bisherigen Indexkonzepts und des letzten festgestellten Werts des Index Sorge tragen. Eine derartige Fortführung wird unverzüglich gemäß § 11 dieser Bedingungen bekannt gemacht.

BGB or, as the case may be, § 317 of the BGB), determine that the underlying concept and the calculation (including corrections) of the Underlying 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 Issuer and the Calculation Agent shall at their reasonable discretion (pursuant to § 315 of the BGB or, as the case may be, § 317 of the BGB) determine an adjusted value per unit of the Index as the basis of the determination of the Price of the Underlying, 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 as well as the date of its first application shall be published without undue delay pursuant to § 11 of these Conditions.

- (3) In the event that the authorisation of the Issuer to use the Index used as the Underlying for the purposes of the Securities is terminated or that the Index is terminated and/or replaced by another index, the Issuer and the Calculation Agent shall determine at their reasonable discretion (pursuant to § 315 of the BGB or, as the case may be, § 317 of the BGB), after having made appropriate adjustments according to the paragraph above, which index shall be applicable in the future (also the “**Successor Underlying**”). The Successor Underlying and the date it is applied for the first time shall be published without undue delay in accordance with § 11 of these Conditions.

Any reference in these Conditions to the Underlying shall, to the extent appropriate, be deemed to refer to the Successor Underlying.

- (4) If, in the opinion of the Issuer and the Calculation Agent at their reasonable discretion (pursuant to § 315 of the BGB or, as the case may be, § 317 of the BGB), an adjustment or the determination of a Successor Underlying is not possible, for whatsoever reason, the Issuer and the Calculation Agent shall provide for the continued calculation and publication of the Index on the basis of the existing Index concept and the last determined value of the Index. Any such continuation shall be published without undue delay pursuant to § 11 of these Conditions.

- (5) Wenn der durch den Index Sponsor festgelegte und veröffentlichte Kurs des Index als Basiswert im Nachhinein berichtigt wird, und die Berichtigung (der „**Berichtigte Kurs**“) von dem Index Sponsor nach der ursprünglichen Veröffentlichung, jedoch bis zum Rückzahlungstag (ausschließlich) bekanntgegeben und veröffentlicht wird, sind die Emittentin und die Berechnungsstelle berechtigt, nach billigem Ermessen (gemäß § 315 BGB bzw. § 317 BGB), unter Berücksichtigung des Berichtigten Kurses Anpassungen dieser Bedingungen vorzunehmen, um der Berichtigung Rechnung zu tragen. Die Anpassung sowie der Zeitpunkt ihrer erstmaligen Anwendung werden unverzüglich gemäß § 11 dieser Bedingungen bekannt gemacht.
- (6) Anpassungen und Festlegungen nach den vorstehenden Absätzen werden durch die Emittentin nach billigem Ermessen (gemäß § 315 BGB) bzw. von der Berechnungsstelle nach billigem Ermessen (gemäß § 317 BGB), vorgenommen und von der Emittentin nach § 11 dieser Bedingungen bekannt gemacht. Anpassungen und Festlegungen sind (sofern nicht ein offensichtlicher Fehler vorliegt) für alle Beteiligten endgültig und bindend.
- (7) Das Recht der Emittentin zur Kündigung gemäß § 7 a bzw. § 7 b dieser Bedingungen bleibt hiervon unberührt.
- (5) In the event that the price of the Index used as the Underlying as determined and published by the Index Sponsor is subsequently corrected and the correction (the “**Corrected Price**“) is published by the Index Sponsor after the original publication, but until the Settlement 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 (pursuant to § 315 of the BGB or, as the case may be, § 317 of the BGB), 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 § 11 of these Conditions.
- (6) The adjustments and determinations of the Issuer pursuant to the paragraphs above shall be effected by the Issuer at its reasonable discretion (pursuant to § 315 of the BGB) or, as the case may be, by the Calculation Agent at its reasonable discretion (pursuant to § 317 of the BGB) and shall be published by the Issuer in accordance with § 11 of these Conditions. Any adjustment and determination shall be final, conclusive and binding on all parties, except where there is a manifest error.
- (7) The Issuer’s right of termination in accordance with § 7 a or § 7 b, as the case may be, of these Conditions remains unaffected.

§ 6 b

Anpassungen aufgrund der Europäischen Wirtschafts- und Währungsunion

- (1) Nimmt ein Land, unabhängig davon, ob ab 1999 oder später, an der dritten Stufe der Europäischen Wirtschafts- und Währungsunion teil, sind die Emittentin und die Berechnungsstelle berechtigt, nach billigem Ermessen (gemäß § 315 BGB bzw. § 317 BGB) folgende Anpassungen dieser Bedingungen vorzunehmen:
- (i) Ist die Auszahlungswährung unter diesen Bedingungen eine von Euro abweichende nationale Währungseinheit eines Landes, das an der dritten Stufe der Europäischen Wirtschafts- und Währungsunion beteiligt ist, unabhängig davon, ob ab 1999 oder später, dann gilt die Auszahlungswährung als ein Betrag in Euro, der aus der ursprünglichen Auszahlungswährung zum rechtlich festgesetzten Wechselkurs und unter Anwendung der rechtlich festgesetzten Rundungsregeln in Euro umgetauscht wurde. Nach der Anpassung erfolgen sämtliche Zahlungen hinsichtlich der Wertpapiere in Euro, als ob in ihnen der Euro als Auszahlungswährung genannt wäre.

§ 6 b

Adjustments due to the European Economic and Monetary Union

- (1) 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 (pursuant to § 315 of the BGB or, as the case may be, § 317 of the BGB), shall be entitled to effect the following adjustments to these Conditions:
- (i) Where the Settlement 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 Settlement Currency shall be deemed to be an amount of Euro converted from the original Settlement 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 Settlement Currency were to Euro.

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| <p>(ii) Ist in diesen Bedingungen ein Währungsumrechnungskurs angegeben oder gibt eine Bedingung eine Währung eines Landes an, das an der dritten Stufe der Europäischen Wirtschafts- und Währungsunion beteiligt ist, unabhängig davon, ob ab 1999 oder später, gelten der angegebene Währungsumrechnungskurs und/oder sonstige Währungsangaben in diesen Bedingungen als Angabe in Euro, oder, soweit ein Währungsumrechnungskurs angegeben ist, als Kurs für den Umtausch in oder aus Euro unter Zugrundelegung des rechtlich festgesetzten Wechselkurses.</p> <p>(iii) Die Emittentin und die Berechnungsstelle können weitere Änderungen an diesen Bedingungen vornehmen, um diese ihrer Auffassung nach den dann gültigen Gepflogenheiten anzupassen, die für Instrumente mit Währungsangaben in Euro gelten.</p> <p>(iv) Die Emittentin und die Berechnungsstelle können ferner solche Anpassungen dieser Bedingungen vornehmen, die sie nach billigem Ermessen (gemäß § 315 BGB bzw. § 317 BGB) für angebracht halten, um den Auswirkungen der dritten Stufe der Europäischen Wirtschafts- und Währungsunion gemäß dem Vertrag zur Gründung der Europäischen Gemeinschaft auf diese Bedingungen Rechnung zu tragen.</p> <p>(2) Die Emittentin und die Wertpapierstellen (§ 9) haften weder gegenüber den Wertpapiergläubigern noch gegenüber sonstigen Personen für Provisionen, Kosten, Verluste oder Ausgaben, die aus oder in Verbindung mit der Überweisung von Euro oder einer damit zusammenhängenden Währungsumrechnung oder Rundung von Beträgen entstehen.</p> <p>(3) Anpassungen und Festlegungen nach den vorstehenden Absätzen werden durch die Emittentin nach billigem Ermessen (gemäß § 315 BGB) bzw. von der Berechnungsstelle nach billigem Ermessen (gemäß § 317 BGB), vorgenommen und von der Emittentin nach § 11 dieser Bedingungen bekannt gemacht. Anpassungen und Festlegungen sind (sofern nicht ein offensichtlicher Fehler vorliegt) für alle Beteiligten endgültig und bindend.</p> | <p>(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.</p> <p>(iii) The Issuer and the Calculation Agent are entitled to effect adjustments to these Conditions as they may decide to conform them to conventions then applicable to instruments expressed in Euro.</p> <p>(iv) The Issuer and the Calculation Agent at their reasonable discretion (pursuant to § 315 of the BGB or, as the case may be, § 317 of the BGB) shall be entitled to effect 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.</p> <p>(2) The Issuer and the Security Agents (§ 9) 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.</p> <p>(3) The adjustments and determinations of the Issuer pursuant to the paragraphs above shall be effected by the Issuer at its reasonable discretion (pursuant to § 315 of the BGB) or, as the case may be, by the Calculation Agent at its reasonable discretion (pursuant to § 317 of the BGB) and shall be published by the Issuer in accordance with § 11 of these Conditions. Any adjustment and determination shall be final, conclusive and binding on all parties, except where there is a manifest error.</p> |
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§ 7 a Kündigung

- (1) Die Emittentin ist jederzeit berechtigt, sämtliche, aber nicht einzelne Wertpapiere durch eine Bekanntmachung gemäß § 11 dieser Bedingungen (i) unter Angabe des Kalendertags, zu dem die Kündigung wirksam wird (der

§ 7 a Termination

- (1) The Issuer shall be entitled to terminate and redeem all but not some of the Securities by giving notice in accordance with § 11 of these Conditions (i) specifying the calendar day, on which the Termination becomes effective (the

„**Kündigungstag**“), und (ii) unter Wahrung einer Kündigungsfrist von mindestens einem Monat vor dem jeweiligen Kündigungstag, zu kündigen und vorzeitig zu tilgen (die „**Kündigung**“).

- (2) Im Fall der Kündigung zahlt die Emittentin an jeden Wertpapiergläubiger bezüglich jedes von ihm gehaltenen Wertpapiers einen Geldbetrag in der Auszahlungswährung, der von der Berechnungsstelle (gemäß § 317 BGB) nach billigem Ermessen, gegebenenfalls unter Berücksichtigung des dann maßgeblichen Kurses des Basiswerts, als angemessener Marktpreis eines Wertpapiers bei Kündigung festgelegt wird (der „**Kündigungsbetrag**“).

§ 7 b Steuern; Steuer-Kündigung

- (1) Alle von der Emittentin nach diesen Bedingungen zahlbaren Beträge sind ohne Einbehalt oder Abzug an der Quelle von gegenwärtigen oder irgendwelchen zukünftigen Steuern, Gebühren oder Abgaben, die von oder in Jersey oder von oder in Schweden oder einer ihrer Gebietskörperschaften oder Behörden mit Steuerhoheit erhoben werden („**Quellensteuern**“) zu zahlen, es sei denn, ein solcher Einbehalt oder Abzug von Quellensteuern ist gesetzlich vorgeschrieben. In diesem Fall zahlt die Emittentin, vorbehaltlich der nachfolgenden Regelungen, diejenigen zusätzlichen Beträge, die erforderlich sind, damit die Wertpapiergläubiger die Beträge erhalten, die sie ohne Quellensteuern erhalten hätten. Die in der Bundesrepublik Deutschland erhobene Zinsabschlagsteuer und der Solidaritätszuschlag sind keine Quellensteuern im oben genannten Sinn.
- (2) Die Emittentin ist jedoch nicht verpflichtet, solche zusätzlichen Beträge zu zahlen:
- wenn ein Wertpapiergläubiger solchen Steuern, Gebühren oder Abgaben auf die Wertpapiere wegen irgendeiner anderen Verbindung zu Jersey oder Schweden als allein der Tatsache unterliegt, dass er Wertpapiergläubiger ist;
 - wenn solche Quellensteuern auf Zahlungen an einen Wertpapiergläubiger auf die Wertpapiere selbst oder jede Zahlung darauf auf der EU-Richtlinie über die Besteuerung von Kapitaleinkünften (2003/48/EG) vom 3. Juni 2003 („**EU-Zinsrichtlinie**“) beruhen. Gleiches gilt auch für jedes Gesetz oder jede andere rechtliche Maßnahme, welche die EU-Zinsrichtlinie umsetzt oder mit dieser übereinstimmt oder eingeführt wurde, um der EU-Zinsrichtlinie zu entsprechen;
 - wenn Quellensteuern von dem Wertpapiergläubiger dadurch hätten vermieden werden können, dass er die Zahlungen auf die Wertpapiere, über eine andere Zahlstelle in

„**Termination Date**“), and (ii) subject to a notice period of at least one month prior to the relevant Termination Date (the „**Termination**“).

- (2) In case of Termination the Issuer shall pay to each Securityholder an amount in the Settlement Currency with respect to each Security it holds, which is determined by the Calculation Agent at its reasonable discretion (pursuant to § 317 of the BGB) and, if applicable, considering the then prevailing Price of the Underlying, as the fair market price of a Security at the occurrence of Termination (the „**Termination Amount**“).

§ 7 b Taxes; Termination for Tax Reasons

- (1) All amounts payable by the Issuer under these Conditions are payable without any withholding or deduction at source of any present or future taxes, charges or duties imposed by or in Jersey or Sweden or by any political subdivision or any authority thereof having power to tax („**Withholding Taxes**“), unless such withholding or deduction of Withholding Taxes is required by law. In this latter case, the Issuer will, subject to the following provisions, pay such additional amounts as are necessary in order that the amounts received by the Securityholders equal the amounts they would have received in the absence of any Withholding Taxes. The interest deduction tax (*Zinsabschlagsteuer*) and the solidarity surcharge (*Solidaritätszuschlag*) imposed in the Federal Republic of Germany are not deemed Withholding Taxes within the meaning of the above.
- (2) However, the Issuer will be not obliged to pay any such additional amounts:
- if a Securityholder is subject to such taxes, charges or duties on the Securities due to any other relationship with Jersey or Sweden than the mere holding of the Securities;
 - if such Withholding Taxes on payments to any Securityholder with respect to the Securities themselves or any payout thereon are based on the EU Directive on the taxation of savings income (2003/48/EC) of 3 June 2003 („**EU Savings Directive**“). The same also applies to any law or any other legal measure which implements or is in conformity with or has been adopted to comply with the EU Savings Directive;
 - if the Securityholders may have avoided any Withholding Taxes by claiming payments on the Securities via another paying agent in a EU member state;

einem EU-Mitgliedstaat zur Zahlung abgefordert hätte;

- die aufgrund einer Rechtsänderung zu zahlen sind, welche später als 30 Tage nach Fälligkeit der betreffenden Zahlung von Kapital, oder, wenn dies später erfolgt, ordnungsgemäßer Bereitstellung aller fälligen Beträge gemäß § 1 dieser Bedingungen wirksam wird.

- (3) Die Emittentin ist jederzeit berechtigt, sämtliche Wertpapiere, jedoch nicht nur teilweise, mit einer Frist von nicht weniger als 30 Tagen und nicht mehr als 45 Tagen durch Mitteilung gemäß § 11 dieser Bedingungen und unter Angabe des Kalendertags, zu dem die Kündigung wirksam wird (der „**Steuer-Kündigungstag**“), zur Rückzahlung zu einem Geldbetrag je Wertpapier in der Auszahlungswährung, der von der Berechnungsstelle (gemäß § 317 BGB) nach billigem Ermessen, gegebenenfalls unter Berücksichtigung des dann maßgeblichen Kurses des Basiswerts und der durch die Kündigung bei der Emittentin angefallenen Kosten, als angemessener Marktpreis eines Wertpapiers bei Kündigung festgelegt wird (der „**Steuer-Kündigungsbetrag**“) zu kündigen, falls:

- die Emittentin bei der nächsten Zahlung nach diesen Bedingungen verpflichtet ist oder verpflichtet sein wird, als Ergebnis einer Änderung oder Ergänzung in den Gesetzen oder Vorschriften in Jersey oder Schweden oder irgendeiner ihrer Gebietskörperschaften oder Behörden mit Steuerhoheit oder einer Änderung in der Anwendung oder Auslegung solcher Gesetze oder Vorschriften, die am oder nach dem Tag der Emission dieser Wertpapiere in Kraft tritt bzw. angewendet wird, zusätzliche Beträge nach diesem § 7 b dieser Bedingungen zu zahlen; und

- die Emittentin das Erfordernis, solche zusätzlichen Beträge zahlen zu müssen, nicht durch nach eigenem Ermessen zumutbare Maßnahmen (nicht aber eine Ersetzung der Emittentin gemäß § 10 dieser Bedingungen) vermeiden kann.

Eine solche Kündigung darf nicht früher als 90 Tage vor dem Datum erfolgen, an dem die Emittentin erstmals zusätzliche Beträge nach diesem § 7 b zu zahlen hätte.

§ 8 Marktstörungen

- (1) Sind die Emittentin und die Berechnungsstelle nach Ausübung billigen Ermessens (gemäß § 315 BGB bzw. § 317 BGB) der Ansicht, dass an einem der Beobachtungstage oder an dem Festlegungstag eine Marktstörung (§ 8 (3)) vorliegt, dann wird der jeweilige Beobachtungstag oder der Festlegungstag für den Basiswert auf den unmittelbar darauf folgenden Basiswert-

- that are payable as a result of any change in law that becomes effective more than 30 days after the relevant payment of principal becomes due or is duly provided for pursuant to § 1 of these Conditions, whichever occurs later.

- (3) The Issuer is entitled at any time to redeem all, but not only some, of the Securities on giving no less than 30 and no more than 45 days notice pursuant to § 11 of these Conditions, specifying the calendar day, on which the Termination becomes effective (the “**Tax Termination Date**”), at an amount in the Settlement Currency with respect to each Security, which is determined by the Calculation Agent at its reasonable discretion (pursuant to § 317 of the BGB) and, if applicable, considering the then prevailing Price of the Underlying and the expenses of the Issuer caused by the Termination, as the fair market price of a Security at the occurrence of Termination (the “**Tax Termination Amount**”) if:

- the Issuer, on the occasion of the next payment is or will be required under these Conditions to pay additional amounts under this § 7 b of these Conditions on account of any change or amendment to the laws or regulations of Jersey or Sweden or any political subdivision or authority thereof with power to tax or any change in application or interpretation of such laws or regulations which change becomes effective or applicable on or after the Issue Date of these Securities; and

- the Issuer cannot avoid the requirement to pay such additional amounts by any steps reasonably available to the Issuer at its own discretion (but not by any substitution of the Issuer pursuant to § 10 of these Conditions).

Any such notice of redemption must not be given any earlier than 90 days prior to the date on which the Issuer would initially be required to pay additional amounts pursuant to this § 7 b.

§ 8 Market Disruptions

- (1) If, in the opinion of the Issuer and the Calculation Agent at their reasonable discretion (pursuant to § 315 of the BGB or, as the case may be, § 317 of the BGB), a Market Disruption (§ 8 (3)) prevails on one of the Observation Dates or on the Fixing Date, as the case may be, the relevant Observation Date or the Fixing Date, as the case may be, in relation to the Underlying shall be

Berechnungstag, an dem keine Marktstörung mehr vorliegt, verschoben. Die Emittentin wird sich bemühen, den Beteiligten unverzüglich gemäß § 11 dieser Bedingungen mitzuteilen, dass eine Marktstörung eingetreten ist. Eine Pflicht zur Mitteilung besteht jedoch nicht.

- (2) Wenn ein Beobachtungstag aufgrund der Bestimmungen des § 8 (1) um acht Basiswert-Berechnungstage verschoben worden ist und auch an diesem Tag die Marktstörung fortbesteht, dann gilt dieser Tag als der maßgebliche Beobachtungstag für den Basiswert.

Eine weitere Verschiebung findet nicht statt.

Die Emittentin und die Berechnungsstelle werden dann nach Ausübung billigen Ermessens (gemäß § 315 BGB bzw. § 317 BGB) sowie unter Berücksichtigung (i) der dann herrschenden Marktgegebenheiten und (ii) sämtlicher sonstigen Konditionen bzw. Faktoren, die die Emittentin und die Berechnungsstelle angemessenerweise für bedeutsam halten, auf Grundlage der zuletzt erhältlichen Kurse des Basiswerts und der von dem Index Sponsor abgegebenen Schätzungen, einen Kurs des Basiswerts in Bezug auf den verschobenen Beobachtungstag schätzen. (Zur Klarstellung: Dieser Kurs kann auch Null (0) betragen.)

Sind die Emittentin und die Berechnungsstelle nach Ausübung billigen Ermessens (gemäß § 315 BGB bzw. § 317 BGB) der Ansicht, dass eine Schätzung des Kurses des Basiswerts aus welchen Gründen auch immer nicht möglich ist, dann werden die Emittentin und die Berechnungsstelle nach Ausübung billigen Ermessens (gemäß § 315 BGB bzw. § 317 BGB) sowie unter Berücksichtigung (i) der dann herrschenden Marktgegebenheiten, (ii) sämtlicher sonstigen Konditionen bzw. Faktoren, die die Emittentin und die Berechnungsstelle angemessenerweise für bedeutsam halten und (iii) gegebenenfalls unter Berücksichtigung der durch die Marktstörung bei der Emittentin angefallenen Kosten, bestimmen, ob, und gegebenenfalls in welcher Höhe, die Emittentin einen Geldbetrag in der Auszahlungswährung zahlen wird. Auf diesen Geldbetrag finden die in diesen Bedingungen enthaltenen Bestimmungen über den Auszahlungsbetrag entsprechende Anwendung.

- (3) Eine „**Marktstörung**“ bedeutet in Bezug auf einen Index als Basiswert bzw. auf sämtliche seiner Einzelwerte:

- (a) die Suspendierung oder das Ausbleiben der Bekanntgabe des Kurses des Basiswerts an einem für die Berechnung eines Auszahlungsbetrags bzw. eines Kündigungsbetrags oder eines Steuer-Kündigungsbetrags maßgeblichen Basiswert-Berechnungstag, oder

postponed to the next succeeding Underlying Calculation Date, on which no Market Disruption prevails. The Issuer shall endeavour to notify the parties pursuant to § 11 of these Conditions without delay of the occurrence of a Market Disruption. However, there is no notification obligation.

- (2) If an Observation Date has been postponed, due to the provisions of § 8 (1), by eight Underlying Calculation Dates, and if the Market Disruption continues to prevail on this day, this day shall be deemed to be the relevant Observation Date in relation to the Underlying.

No further postponement shall take place.

The Issuer and the Calculation Agent will then, at their reasonable discretion (pursuant to § 315 of the BGB or, as the case may be, § 317 of the BGB) 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 Price of the Underlying in relation to the postponed Observation Date (which for the avoidance of doubt could be zero (0)) on the basis of the last announced Prices of the Underlying and of any estimate given by the Index Sponsor.

If, in the opinion of the Issuer and the Calculation Agent at their reasonable discretion (pursuant to § 315 of the BGB or, as the case may be, § 317 of the BGB), an estimate of the Price of the Underlying is, for whatsoever reason, not possible, the Issuer and the Calculation Agent will, at their reasonable discretion (pursuant to § 315 of the BGB or, as the case may be, § 317 of the BGB) 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 an amount in the Settlement Currency. The provisions of these Conditions relating to the Settlement Amount shall apply *mutatis mutandis* to such payment.

- (3) A “**Market Disruption**” shall mean in relation to an index used as the Underlying or, as the case may be, in relation to each of its Components:

- (a) a suspension or a failure of the announcement of the Price of the Underlying on any Underlying Calculation Date relevant for determining the Settlement Amount or the Termination Amount or the Tax Termination Amount, as the case may be, or

- (b) die Begrenzung, Suspendierung bzw. Unterbrechung oder, vorbehaltlich von Absatz (4), eine nach Auffassung der Emittentin und der Berechnungsstelle wesentliche Einschränkung des Handels
- (i) an der Maßgeblichen Börse oder an der/den Börse(n) bzw. in dem Markt/den Märkten, an/in der/dem/denen die Einzelwerte notiert oder gehandelt werden, allgemein (sei es wegen Kursbewegungen, die die Grenzen des von der Maßgeblichen Börse oder der/den Börse(n) bzw. dem Markt/den Märkten, an/in der/dem/denen die Einzelwerte notiert oder gehandelt werden, Erlaubten überschreiten, oder aus sonstigen Gründen), oder
 - (ii) an der Maßgeblichen Börse oder an der/den Börse(n) bzw. in dem Markt/den Märkten, an/in der/dem/denen die Einzelwerte notiert oder gehandelt werden, in dem Index bzw. in den Einzelwerten des Index an der Maßgeblichen Börse oder an der/den Börse(n) bzw. in dem Markt/den Märkten an/in der/dem/denen die Einzelwerte notiert oder gehandelt werden, sofern eine wesentliche Anzahl oder ein wesentlicher Anteil unter Berücksichtigung der Marktkapitalisierung betroffen ist (als wesentliche Anzahl bzw. wesentlicher Anteil gilt eine solche oder ein solcher von mehr als 20 %), (sei es wegen Kursbewegungen, die die Grenzen des von der Maßgeblichen Börse oder der/den Börse(n) bzw. dem Markt/den Märkten, an/in der/dem/denen die Einzelwerte notiert oder gehandelt werden, Erlaubten überschreiten, oder aus sonstigen Gründen), oder
 - (iii) an der Maßgeblichen Terminbörse, falls dort Optionskontrakte auf den Index bzw. auf die Einzelwerte gehandelt werden, oder
 - (iv) aufgrund einer Anordnung einer Behörde oder der Maßgeblichen Börse (sei es wegen Kursbewegungen, die die Grenzen des von der Maßgeblichen Börse Erlaubten überschreiten, oder aus sonstigen Gründen), bzw. aufgrund eines Moratoriums für Bankgeschäfte in dem Land, in dem die Maßgebliche Börse ansässig ist, oder aufgrund sonstiger Umstände.
- (c) Der maßgebliche Kurs ist ein Grenzpreis (*limit price*), was bedeutet, dass der für einen Tag ermittelte Kurs für den Basiswert den Kurs an dem unmittelbar voran-
- (b) a limitation, suspension or disruption of or, subject to para. (4), a restriction imposed on trading, the latter of which the Issuer and the Calculation Agent consider 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 (whether by 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 otherwise), 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 on the Relevant Exchange or on the stock exchange(s) or in the market(s) on/in which these values are quoted or traded, provided that a major number or a major part in terms of market capitalisation is concerned (a number or part in excess of 20 % shall be deemed to be material), (whether by 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 otherwise), or
 - (iii) on the Relevant Futures and Options Exchange, if Option Contracts on the Index or, as the case may be, on the Components are traded there, or
 - (iv) 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 the Underlying for a day has increased or decreased from the immediately preceding day's price by the

gehenden Tag um den nach den Vorschriften der Maßgeblichen Börse oder der Börse(n) bzw. des Markts/der Märkte, an/in der/dem/denen die Einzelwerte notiert oder gehandelt werden, zulässigen maximalen Umfang überschritten bzw. unterschritten hat.

- (d) Der Eintritt eines sonstigen Ereignisses, das nach Ansicht der Emittentin und der Berechnungsstelle nach Ausübung billigen Ermessens (gemäß § 315 BGB bzw. § 317 BGB) die allgemeine Möglichkeit von Marktteilnehmern beeinträchtigt oder behindert, Transaktionen in dem Basiswert bzw. dem jeweils betroffenen Einzelwert bzw. sämtlichen Einzelwerten durchzuführen oder diesbezügliche Marktbewertungen zu erhalten.
- (4) Eine Verkürzung der regulären Handelszeiten oder eine Beschränkung der Stunden oder Anzahl der Tage, an denen ein Handel stattfindet, gilt nicht als Marktstörung, sofern die Einschränkung auf einer Änderung der regulären Handelszeiten der Maßgeblichen Börse beruht, die mindestens eine (1) Stunde vor (i) entweder dem tatsächlichen regulären Ende der Handelszeiten an der Maßgeblichen Börse oder (ii) dem Termin für die Abgabe von Handelsaufträgen zur Bearbeitung an dem betreffenden Tag an der Maßgeblichen Börse, je nachdem welcher Zeitpunkt früher ist, angekündigt worden ist. Eine im Laufe eines Tages auferlegte Beschränkung im Handel aufgrund von Preisbewegungen, die bestimmte vorgegebene Grenzen überschreiten, gilt nur dann als Marktstörung, wenn diese Beschränkung bis zum Ende der Handelszeit an dem betreffenden Tag fort dauert.

§ 9

Berechnungsstelle; Zahlstelle

- (1) Die Berechnungsstelle und die Zahlstelle (die „**Wertpapierstellen**“) übernehmen diese Funktion jeweils in Übereinstimmung mit diesen Bedingungen. Jede der Wertpapierstellen haftet dafür, dass sie im Zusammenhang mit den Wertpapieren Handlungen bzw. Berechnungen vornimmt, nicht vornimmt oder nicht richtig vornimmt oder sonstige Maßnahmen trifft oder unterlässt nur, wenn und soweit sie jeweils die Sorgfalt eines ordentlichen Kaufmanns verletzt hat.
- (2) Jede der Wertpapierstellen handelt ausschließlich als Erfüllungsgehilfin der Emittentin und hat keinerlei Pflichten gegenüber dem Wertpapiergläubiger. Die Wertpapierstellen sind jeweils von den Beschränkungen des § 181 BGB befreit.
- (3) Die Emittentin ist berechtigt, jederzeit jede oder alle der Wertpapierstellen durch eine andere Gesellschaft zu ersetzen, eine oder mehrere

maximum amount permitted under 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 (pursuant to § 315 of the BGB or, as the case may be, § 317 of the BGB), 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 or, as the case may be, all Components.
- (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.

§ 9

Calculation Agent; Paying Agent

- (1) The Calculation Agent and the Paying Agent (the „**Security Agents**“) shall assume such role in accordance with these Conditions. Each of the Security Agents shall be liable for making, failing to make or incorrectly making any measure or calculations, as the case may be, or for taking or failing to take any other measures only if and insofar as they fail to exercise the due diligence of a prudent businessman.
- (2) 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) 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,

zusätzliche Wertpapierstellen zu bestellen und deren Bestellung zu widerrufen. Ersetzung, Bestellung und Widerruf werden gemäß § 11 dieser Bedingungen bekannt gemacht.

- (4) Jede der Wertpapierstellen ist berechtigt, durch schriftliche Anzeige gegenüber der Emittentin jederzeit ihr Amt niederzulegen. Die Niederlegung wird nur wirksam mit der Bestellung einer anderen Gesellschaft als Berechnungsstelle bzw. als Zahlstelle durch die Emittentin. Niederlegung und Bestellung werden gemäß § 11 dieser Bedingungen bekannt gemacht.

§ 10

Ersetzung der Emittentin

- (1) Die Emittentin ist jederzeit berechtigt, ohne Zustimmung der Wertpapiergläubiger eine andere Gesellschaft der UBS Gruppe als Emittentin (die „**Neue Emittentin**“) hinsichtlich aller Verpflichtungen aus oder in Verbindung mit den Wertpapieren an die Stelle der Emittentin zu setzen, sofern
- (i) die Neue Emittentin alle Verpflichtungen der Emittentin aus oder in Verbindung mit den Wertpapieren übernimmt,
 - (ii) die Neue Emittentin alle etwa notwendigen Genehmigungen von den zuständigen Behörden erhalten hat, wonach die Neue Emittentin alle sich aus oder in Verbindung mit den Wertpapieren ergebenden Verpflichtungen erfüllen kann und Zahlungen ohne Einbehalt oder Abzug von irgendwelchen Steuern, Abgaben oder Gebühren an die Zahlstelle transferieren darf,
 - (iii) die Emittentin unbedingt und unwiderruflich die Verpflichtungen der Neuen Emittentin garantiert, und
 - (iv) die Clearingstelle außerdem ihre Zustimmung zu der Ersetzung erteilt hat (wobei diese Zustimmung nicht grundlos verweigert oder verzögert werden darf).
- (2) Im Falle einer solchen Ersetzung der Emittentin gilt jede in diesen Bedingungen enthaltene Bezugnahme auf die Emittentin fortan als auf die Neue Emittentin bezogen.
- (3) Die Ersetzung der Emittentin ist für die Wertpapiergläubiger endgültig und bindend und wird den Wertpapiergläubigern unverzüglich gemäß § 11 dieser Bedingungen bekannt gemacht.

§ 11

Bekanntmachungen

- (1) Bekanntmachungen, die die Wertpapiere betreffen, werden auf den Internetseiten der Emittentin unter www.ubs.com/keyinvest oder

and to revoke their appointments. Such replacement, appointment and revocation shall be notified in accordance with § 11 of these Conditions.

- (4) 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 or as Paying Agent, as the case may be. Resignation and appointment are notified in accordance with § 11 of these Conditions.

§ 10

Substitution of the Issuer

- (1) The Issuer is entitled at any time, without the consent of the Securityholders, to substitute another company within the UBS Group as issuer (the "**New Issuer**") with respect to all obligations under or in connection with the Securities, if
- (i) the New Issuer assumes all obligations of the Issuer under or in connection with the Securities,
 - (ii) the New Issuer has obtained all necessary authorisations, if any, by the competent authorities, under which the New Issuer may perform all obligations arising under or in connection with the Securities and transfer payments to the Paying Agent without withholding or deduction of any taxes, charges or expenses,
 - (iii) the Issuer unconditionally and irrevocably guarantees the obligations of the New Issuer, and
 - (iv) the Clearing Agent has given its consent to the substitution (which consent shall not be unreasonably withheld or delayed).
- (2) In case of such a substitution of the Issuer, any reference in these Conditions to the Issuer shall forthwith be deemed to refer to the New Issuer.
- (3) 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 § 11 of these Conditions.

§ 11

Publications

- (1) Publications concerning the Securities will be published on the internet pages of the Issuer, at www.ubs.com/keyinvest or a successor address.

einer Nachfolgesseite veröffentlicht.

Jede Mitteilung wird am Tag ihrer Veröffentlichung wirksam (oder im Fall von mehreren Veröffentlichungen am Tag der ersten solchen Veröffentlichung).

- (2) Soweit rechtlich zulässig ist die Emittentin berechtigt, Bekanntmachungen ausschließlich durch Mitteilung an die Clearingstelle zur Weiterleitung an die Wertpapiergläubiger (wie in den anwendbaren Vorschriften der Regelwerke der maßgeblichen Clearingstelle vorgesehen) zu bewirken, vorausgesetzt, dass in den Fällen, in denen die Wertpapiere an einer Wertpapier-Börse notiert sind, die anwendbaren Regeln dieser Wertpapier-Börse diese Form der Mitteilung zulassen. Bekanntmachungen durch Mitteilung an die Clearingstelle gelten am siebten Tag nach dem Tag der Mitteilung an die Clearingstelle als bewirkt.

§ 12

Begebung weiterer Wertpapiere; Ankauf; Einziehung; Entwertung

- (1) Die Emittentin ist berechtigt, ohne Zustimmung der Wertpapiergläubiger, jederzeit weitere Wertpapiere mit gleicher Ausstattung in der Weise zu begeben, dass sie mit diesen Wertpapieren eine einheitliche Serie bilden, wobei in diesem Fall der Begriff „Wertpapier“ entsprechend auszulegen ist.
- (2) Die Emittentin ist berechtigt, ohne Zustimmung der Wertpapiergläubiger, jederzeit Wertpapiere zu jedem beliebigen Preis zu kaufen. Die von der Emittentin erworbenen Wertpapiere können nach Wahl der Emittentin von ihr gehalten, erneut begeben, weiterverkauft oder entwertet werden.
- (3) Die Emittentin ist berechtigt, ohne Zustimmung der Wertpapiergläubiger, jederzeit ausstehende Wertpapiere einzuziehen und damit ihre Anzahl zu reduzieren.
- (4) Aufstockung bzw. Reduzierung der Wertpapiere werden unverzüglich gemäß § 11 dieser Bedingungen bekannt gemacht.
- (5) Sämtliche vollständig zurückgezahlten Wertpapiere sind unverzüglich zu entwerten und können nicht wiederbegeben oder wiederverkauft werden.

§ 13

Sprache

Diese Bedingungen sind in deutscher Sprache abgefasst. Eine Übersetzung in die englische Sprache ist beigelegt. Der deutsche Text ist bindend und maßgeblich. Die Übersetzung in die englische Sprache ist unverbindlich.

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) The Issuer shall, to the extent legally possible, be entitled to effect publications by way of notification to the Clearing Agent for the purpose of notifying the Securityholders (as set forth in the applicable rules and regulations of the Clearing Agent), 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 Agent.

§ 12

Issue of further Securities; Purchase; Withdrawal; Cancellation

- (1) 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) The Issuer is entitled at any time to purchase, without the consent of the Securityholders, Securities at any price. Such Securities may be held, reissued, resold or cancelled, all at the option of the Issuer.
- (3) The Issuer is entitled at any time to call, without the consent of the Securityholders, outstanding Securities and to reduce their number.
- (4) Increase or reduction of Securities shall be notified without undue delay in accordance with § 11 of these Conditions.
- (5) All Securities redeemed in full shall be cancelled forthwith and may not be reissued or resold.

§ 13

Language

These Conditions are written in the German language and provided with an English language translation. The German text shall be controlling and binding. The English language translation is provided for convenience only.

§ 14

Anwendbares Recht; Anwendbares Recht in Bezug auf die Clearingstelle; Erfüllungsort; Gerichtsstand; Zustellungsbevollmächtigte; Korrekturen; Teilunwirksamkeit

- (1) Form und Inhalt der Wertpapiere sowie alle Rechte und Pflichten aus den in diesen Bedingungen geregelten Angelegenheiten bestimmen sich in jeder Hinsicht nach dem Recht der Bundesrepublik Deutschland.
- (2) Die Rechtswirkungen, die aus der Registrierung der Wertpapiere bei der Clearingstelle folgen, unterliegen schwedischem Recht gemäß § 4 (1), erster Absatz, und § 4 (2) dieser Bedingungen.
- (3) Erfüllungsort und Gerichtsstand für alle Klagen oder sonstigen Verfahren aus oder im Zusammenhang mit den Wertpapieren ist, soweit rechtlich zulässig, Frankfurt am Main, Bundesrepublik Deutschland.
- (4) Die UBS AG, handelnd durch ihre Niederlassung Jersey, in ihrer Funktion als Emittentin ernennt hiermit die UBS Deutschland AG, Stephanstraße 14 – 16, 60313 Frankfurt am Main, Bundesrepublik Deutschland, als deutsche Bevollmächtigte, an die innerhalb der Bundesrepublik Deutschland im Rahmen jedes Verfahrens aus oder im Zusammenhang mit den Wertpapieren die Zustellung bewirkt werden kann (die „**Zustellungsbevollmächtigte**“). Falls, aus welchem Grund auch immer, die Zustellungsbevollmächtigte diese Funktion nicht mehr ausübt oder keine Anschrift innerhalb der Bundesrepublik Deutschland mehr hat, verpflichtet sich die UBS AG, handelnd durch ihre Niederlassung Jersey, eine Ersatz-Zustellungsbevollmächtigte in der Bundesrepublik Deutschland zu ernennen. Hiervon unberührt bleibt die Möglichkeit, die Zustellung in jeder anderen gesetzlich zulässigen Weise zu bewirken.
- (5) Die Emittentin ist berechtigt, in diesen Bedingungen (i) offensichtliche Schreib- oder Rechenfehler oder ähnliche offenbare Unrichtigkeiten sowie (ii) widersprüchliche oder lückenhafte Bestimmungen ohne Zustimmung der Wertpapiergläubiger zu ändern bzw. zu ergänzen, wobei in den unter (ii) genannten Fällen nur solche Änderungen bzw. Ergänzungen zulässig sind, die unter Berücksichtigung der Interessen der Emittentin für die Wertpapiergläubiger zumutbar sind, das heisst die finanzielle Situation der Wertpapiergläubiger nicht wesentlich verschlechtern. Änderungen bzw. Ergänzungen dieser Bedingungen werden gemäß § 11 bekannt gemacht.
- (6) Sollte eine Bestimmung dieser Bedingungen ganz oder teilweise unwirksam sein oder werden, so bleiben die übrigen Bestimmungen wirksam. Die unwirksame Bestimmung ist durch

§ 14

Governing Law; Governing Law with respect to the Clearing Agent; Place of Performance; Place of Jurisdiction; Agent of Process; Corrections; Severability

- (1) The form and content of the Securities as well as all rights and duties arising from the matters provided for in these Conditions shall in every respect be governed by the laws of the Federal Republic of Germany.
- (2) The legal effects of registration of the Securities with the Clearing Agent will be governed by Swedish law pursuant to § 4 (1), first subparagraph, and § 4 (2) of these Conditions.
- (3) The place of performance and place of jurisdiction for all actions or other procedures under or in connection with the Securities shall, to the extent legally possible, be Frankfurt am Main, Federal Republic of Germany.
- (4) UBS AG, acting through its Jersey Branch, in its role as Issuer hereby appoints UBS Deutschland AG, Stephanstrasse 14 – 16, 60313 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, UBS AG, acting through its Jersey Branch, 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.
- (5) The Issuer is entitled to change or amend, as the case may be, in these Conditions (i) any manifest writing or calculation errors or other manifest incorrectness as well as (ii) any conflicting or incomplete provisions without the consent of the Securityholders, provided that in the cases referred to under (ii) only such changes or amendments shall be permissible which are acceptable to the Securityholders taking into account the interests of the Issuer, *i.e.* which do not materially impair the financial situation of the Securityholders. Any changes or amendments of these Conditions shall be notified in accordance with § 11.
- (6) 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

eine wirksame Bestimmung zu ersetzen, die den wirtschaftlichen Zwecken der unwirksamen Bestimmung so weit wie rechtlich möglich entspricht. Entsprechendes gilt für etwaige Lücken in den Bedingungen.

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.

INFORMATION ABOUT THE UNDERLYING

The following information about the *Underlying* comprises extracts or summaries of information publicly available. The Issuer and the Offeror confirm that such information has been carefully prepared and accurately reproduced. As far as the Issuer and the Offeror were aware and were able to ascertain from this publicly available information, no facts have been omitted which would render the reproduced information inaccurate or misleading.

All information in this document relating to the *Underlying*, including information on the calculation method and variations of its components, as the case may be, is based on publicly available information prepared by the Index Sponsor. The Issuer has not performed an independent verification of this information.

Description of the OMX Stockholm 30 Index ("OMXS30™")

The Nordic region's most well known and widely used index, the OMX Stockholm 30 Index, consists of the 30 most-traded stocks on Stockholm Stock Exchange. The limited number of constituents guarantees that all the companies that are part of the Index have excellent liquidity, which results in an index that is highly suitable as underlying for derivatives products. In addition, the OMX Stockholm 30 Index is also used for structured products, e.g. warrants, index bonds, exchange traded funds such as XACT OMX™ and other non-standardized derivatives products.

OMXS30™ has been constructed to develop similar to the All-Share index OMX Stockholm (OMXS). The Index thus displays the general movements in the stock market; however, concomitantly it is clear, easy to use and resistant to changes in individual stocks. It is important to note that as the number of constituents of the OMXS30™ Index is less than OMX Stockholm the development of the two indexes might differ. This difference is referred to as the active risk (tracking error), which is measured as the annual standard deviation between returns on OMXS30™ and OMX Stockholm. A high value indicates a greater deviation between the indexes.

The Index is based on paid prices, *i.e.* only completed transactions give rise to Index changes. OMXS30™ is also market weighted, that is, the constituent stocks' share of the Index is determined by the actual market capitalization of each company. The OMXS30™ Index is calculated in relation to the situation on September 30, 1986, with a value of 125.

Sector weights of the OMX Stockholm 30 Index

To facilitate an understanding of listed companies' operations and ease international comparison, constituents of OMXS30™ are classified according to a universal standard, *i.e.* the Global Industry Classification System (GICS). GICS includes 10 economic sectors aggregated from 24 industry groups, 64 industries and 139 subindustries.

The 10 sectors within GICS

SX10 Energy	SX35 Health Care
SX15 Materials	SX40 Financials
SX20 Industrials	SX45 Information Technology
SX25 Consumer Discretionary	SX50 Telecommunication Services
SX30 Consumer Staples	SX55 Utilities

Revision and selection process

The composition of the OMXS30™ Index is revised twice a year, on the first trading day in January and July respectively. The selection process for constituents is based on the turnover during a six month period, starting seven months before the end of the half-year.

To minimize investors' transaction costs, Stockholm Stock Exchange uses an "inertial rule" at the semi-annual revision of the composition of the OMXS30™ Index.

- If a stock, which is not an index stock, listed on Stockholm Stock Exchange is among the 15 most traded stocks during the measurement period, the stock will replace the index stock that has the lowest turnover.
- If an index stock is not among the 45 most traded companies during the measurement period, the index stock will be replaced by the stock on Stockholm Stock Exchange that has the highest turnover during the period and is not already an index stock.

Due to delistings and new listings of companies⁴ the number of index stocks may occasionally be greater or less than 30. Normally, the number of index stocks is adjusted back to 30 in the subsequent semi-annual revision.

The value of the OMXS30™ Index is calculated continuously during exchange's open hours. The last calculated value of the OMXS30™ Index constitutes the closing value for the trading day. During a regular trading day, the value of the OMXS30™ is calculated in real-time and distributed at one minute intervals via several information vendors.

Adjustments to the OMX Stockholm 30 Index

Following various corporate actions, e.g. rights issues and splits, an adjustment of the OMXS30™ might be necessary. The principal of any adjustment is that the Index value should not be affected by the corporate action.

In order to minimize transaction costs for investors, Stockholm Stock Exchange only makes adjustments for issues where all stockholders have preferential rights. The adjustment of the number of stocks following a new issue, or other corporate action, will impact the Index calculation on the day the index stock is traded without the right to participate in the issue.

In accordance with the *Addendum OMXS30™* in Stockholm Stock Exchange's Rules and Regulations for Derivatives, information about corporate actions and revisions is made available through exchange notices and on Stockholm Stock Exchange's website.

Additional information

The compilation of the OMXS30™ and more information on the companies included in the OMXS30™ Index, as well as the Rules and Regulations for Derivatives can be found on Stockholm Stock Exchange's website at www.omxnordicexchange.com or by contacting Stockholm Stock Exchange's Index and Product Management department at +46-8-405 60 00.

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⁴ To be included in OMXS30™ before the half year revision the newly listed company must have a market value that is greater than five percent of the total market value of the OMXS30™ Index and an expected high turnover.

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TAX CONSIDERATIONS

1. General information

The following outline of the tax implications of investing in the Securities is based on the legislation prevailing at the time this Prospectus was prepared. Potential investors and sellers of the Securities should be aware that the tax implications may change due to any future amendments to the legislation. Although this outline reflects the Issuer's opinion of the tax implications, it must not be understood as a guarantee in an area that is not conclusively clarified.

Moreover, it must not provide the sole basis for assessing the tax implications of investing in the Securities, since the individual situation of the particular investor must also be taken into account. The outline is thus restricted to a general summary of the possible tax implications.

2. Switzerland

In Switzerland, where UBS AG, acting through its Jersey Branch, 24 Union Street, Saint Helier, Jersey JE4 8UJ, as Issuer of the Securities, has its registered office (main offices: Zurich and Basel), the Securities are not subject to the Swiss withholding tax (Swiss withholding tax).

3. Sweden

Withholding tax

The following description of certain withholding tax issues that may arise as a result of holding the Securities is based on current Swedish tax legislation and is intended only as general information for Securityholders who are resident in Sweden for tax purposes as of the date of the Prospectus. This description does not deal comprehensively with all tax consequences that may occur for Securityholders, nor does it cover the specific rules regarding certain investors, including partnerships, investment companies, mutual funds and Securityholders with limited tax liability in Sweden. Investors are advised to consult their own tax advisors with regard to their personal tax implications resulting from an investment in the Securities.

Individuals resident in Sweden for tax purposes

Preliminary tax at a flat rate of 30 % is withheld by Euroclear Sweden AB, or a nominee in accordance with the Swedish Financial Instruments Act (1998:1479), on dividends paid to individuals (or an estate of a deceased individual) resident in Sweden for tax purposes.

Taxation of Swedish limited liability companies

For a limited liability company, all income, including taxable capital gains and dividends, is taxed as business income at a flat rate of 26.3 %.

Limited tax liability in Sweden

On dividends paid to Securityholders with limited tax liability in Sweden, Swedish withholding tax is payable at a flat rate of 30 %. The tax rate, however, is generally reduced by bilateral double tax treaties that Sweden has entered into. The deduction for withholding tax is normally carried out by Euroclear Sweden AB or, as the case may be, by the nominee. Most of the double tax treaties stipulate a reduction of the Swedish tax to the tax rate stipulated in the treaty. In case of a reduction, a refund may be claimed from the Swedish Tax Agency prior to the expiry of the fifth calendar year following the dividend distribution.

Investors are also advised to consult their own tax advisor with regard to their personal tax implications resulting from such an investment.

SELLING RESTRICTIONS

The distribution of this document and the offering of the Securities in certain jurisdictions may be restricted by law. Neither the Issuer nor the Offeror represents that this document may be lawfully distributed, or that the Securities may be lawfully offered, in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to an exemption available thereunder, or assumes any responsibility for facilitating any distribution or offering.

Unless expressly specified otherwise below, neither the Issuer nor the Offeror has taken action, nor will they take action to render the public offer of the Securities or their possession, or the distribution of offer documents relating to the Securities, admissible in any jurisdiction requiring special measures to be taken for this purpose. Accordingly, the Securities may not be offered or sold, directly or indirectly, and none of this document, any advertisement relating to the Securities and any other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this document comes must inform themselves about, and observe, any such restrictions.

Public Offer of the Securities within the European Economic Area

Anyone who purchases the Securities is obliged and agrees never to publicly offer the Securities to persons in one of the member states of the European Economic Area that has implemented EU Directive 2003/71/EC (hereinafter the "**Prospectus Directive**"; the term also covers all implementation measures by member states of the European Economic Area), except in circumstances that comply with one of the following offerings of the respective Securities:

- (a) within the period which begins after the publication of the Base Prospectus which was approved in accordance with the Prospectus Directive, and, if necessary, for which cross-border validity pursuant to sections 17 and 18 of the Securities Prospectus Act has been granted, and which ends twelve months after publication of the Base Prospectus;
- (b) to legal entities which are authorised or regulated to operate in the financial markets, including: to credit institutions, investment firms, other authorised or regulated financial institutions, insurance companies, collective investment schemes and their management companies, pension funds and their management companies, commodity dealers, as well as entities that are not authorised or regulated whose corporate purpose is solely to invest in securities;
- (c) to other legal entities which meet two of the following three criteria: an average number of employees during the most recent financial year of more than 250, total assets exceeding EUR 43,000,000.00 and an annual net revenue of over EUR 50,000,000.00; all as stated in the most recent annual financial statements or consolidated accounts, or
- (d) other circumstances prevail whereby the publication of a Prospectus is not required pursuant to Article 3 of the Prospectus Directive.

The term "public offer of securities" in this context means any kind or means of communication to the public containing sufficient information relating to the offering conditions and the securities offered to put an investor in a position to decide whether to buy or subscribe to these securities. Anyone buying the Securities should note that the term "public offer of securities" may vary, depending on the implementation measures in the various member states of the European Economic Area.

In any member states of the European Economic Area which have not yet implemented the Prospectus Directive in national law, the Securities may only be offered or sold directly or indirectly, in accordance with prevailing legislation, to which dissemination and publication of the Prospectus, any advertising or other sales documents, is also subject.



United States of America

The Securities have not been and will not be registered under the United States Securities Act of 1933 (the "**Securities Act**"), as amended, and trading in the Securities has not been and will not be approved by the United States Commodity Futures Trading Commission ("**CFTC**") and the United States Commodity Exchange


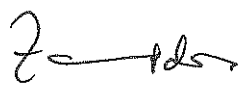
Act (the "**Commodity Exchange Act**"). No Securities, or interest therein, may at any time be offered, sold, resold or delivered, directly or indirectly, in the United States or to or for the account or benefit of any U.S. person. The Securities may not be exercised or redeemed by or for the account of any U.S. Person or any person within the United States. As used herein, "**United States**" means the United States of America (including the States and the District of Columbia), its territories, its possessions and other areas subject to its jurisdiction, and "**U.S. person**" means (i) an individual who is a resident of the United States; (ii) a corporation, partnership or other entity organised in or under the laws of the United States or any political subdivision thereof or which has its principal place of business in the United States; (iii) any estate or trust which is subject to United States federal income taxation regardless of the source of its income; (iv) any trust if a court within the United States is able to exercise primary supervision over the administration of the trust and if one or more United States trustees have the authority to control all substantial decisions of the trust; (v) a pension plan for the employees, officers or principals of a corporation, partnership or other entity described in (ii) above; or (vi) any entity organised principally for passive investment, 10 % or more of the beneficial interests in which are held by persons described in (i) to (v) above if such entity was formed principally for the purpose of investment by such persons in a commodity pool the operator of which is exempt from certain requirements of Part 4 of the CFTC's regulations by virtue of its participants being non-U.S. persons; or (vii) any other U.S. person as such term may be defined in Regulation S under the United States Securities Act of 1933, as amended, or in regulations adopted under the United States Commodity Exchange Act.

Frankfurt am Main, 23 September 2009

UBS AG, acting through its Jersey Branch

 
signed by: Burkhard Hensler signed by: Kai Schmidt

UBS Limited

 
signed by: Sigrid Kossatz signed by: Stefanie Zaromitidis

SAMMANFATTNING

Denna sammanfattning innehåller information ur detta Prospekt som syftar till att ge presumtiva investerare möjlighet att inhämta information om UBS AG, företrätt av dess filialkontor på Jersey (nedan kallat "**Emittenten**"), och om UBS Capital Protected Certificates (nedan kallade "**Certifikat**" och "**Värdepapper**"), vilka utgör föremålet för detta Prospekt, samt om de risker som är förenade med en investering i Värdepapperen.

Sammanfattningen bör dock ses endast som en introduktion till Prospektet. **Vid beslut om investering i Värdepapperen bör presumtiva investerare därför noggrant överväga informationen i Prospektet som helhet.** För att tillförsäkra full förståelse av Värdepapperen rekommenderas presumtiva investerare att noggrant läsa Villkoren för Värdepapperen ("Terms and Conditions of the Securities") samt avsnitten om skattekonsekvenser och andra viktiga faktorer relaterade till beslutet att investera i Värdepapperen. Om så erfordras **bör rådgivare konsulteras i rättsliga, skatterelaterade, ekonomiska eller andra frågor.**

Emittenten betonar också uttryckligen att om talan väcks inför domstol rörande informationen i detta Prospekt kan den investerare som väcker talan komma att åläggas att bekosta översättningen av Prospektet innan de rättsliga förhandlingarna inleds enligt tillämplig nationell lag i respektive medlemsstat i det Europeiska ekonomiska samarbetsområdet.

Presumtiva investerare bör notera att varken Emittenten eller UBS Limited, 1 Finsbury Avenue, London EC2M 2PP, UK, i egenskap av erbjudare ("**Erbjudaren**" ("Offeror")) kan göras ansvarigt endast på grundval av denna Sammanfattning eller någon översättning av denna, om inte Sammanfattningen är vilseledande, felaktig eller oförenlig med andra delar av Prospektet.

Vem är Emittenten?

UBS AG ("**UBS AG**" eller "**UBS**" eller "**Emittenten**" eller "**Bolaget**") med dotterbolag är, enligt egen uppfattning, ett av världens ledande finansföretag som betjänar en krävande internationell kundkrets. UBS är, enligt egen uppfattning, en ledande global förmögenhetsförvaltare, ett av världens förnämsta företag inom investmentbanking och värdepappersrörelse med stark förankring hos institutionella kunder och företagskunder, en av världens ledande kapitalförvaltare och marknadsledare inom bankverksamhet riktad mot företagskunder och privatkunder i Schweiz. Den 30 juni 2009 hade UBS 71 806 anställda¹. Med huvudkontor i Zürich och Basel, Schweiz, bedriver UBS verksamhet i mer än 50 länder och från alla större internationella centra.

UBS är, enligt egen uppfattning, ett av världens bäst kapitaliserade finansinstitut. Per den 30 juni 2009 var BIS Tier1²-ratio 13,2 % och uppgick investerade tillgångar till CHF 2 250 miljarder, kapitalet hänförligt till UBS:s aktieägare till CHF 33 545 miljoner och börsvärdet till CHF 42 872 miljoner.

Kreditvärderingsinstituten Standard & Poor's Inc. ("**Standard & Poor's**"), Fitch Ratings ("**Fitch**") och Moody's Investor Service Inc. ("**Moody's**") har bedömt UBS:s kreditvärdighet – d.v.s. UBS:s förmåga att i rätt tid fullgöra sina betalningsförpliktelser, såsom betalningar av kapital och ränta på långfristiga lån, så kallad skuldtjänst. Fitch och Standard & Poor's kan komplettera sina värderingar med ett plus- eller minustecken och Moody's med en siffra. Dessa tillägg indikerar den relativa positionen inom respektive kreditbetygsklass. Standard & Poor's sätter f.n. sin rating av UBS:s långfristiga upplåning med bättre rätt till A+, Moody's till Aa³ och Fitch till A+.

¹ Motsvarande heltid.

² Tier 1 kapital innefattar aktiekapital, aktieagio, balanserade vinstmedel inklusive innevarande års vinst, valutaomräkning och minoritetsintressen med avdrag för upplupna utdelningar, långa positioner i egna aktier netto och goodwill.

³ Den 15 juni 2009 satte Moody's sin rating av UBS:s långfristiga upplåning med bättre rätt under bevakning för eventuell nedgradering.

Vilka är ledamöterna i Emittentens ledningsgrupp och styrelse?

Styrelsen är UBS:s högsta beslutande organ. Styrelsen består av lägst sex och högst tolv ledamöter.

UBS AG:s styrelse

Styrelsen består av tolv ledamöter:

Namn	Titel	Mandattid	Befattningar utanför UBS AG
Kaspar Villiger	Ordförande	2010	Inga.
Sergio Marchionne	Oberoende vice ordförande/oberoende senior styrelseledamot	2010	Verkställande direktör och ledamot av supervisory board i Fiat S.p.A., Turin; verkställande direktör i Fiat Group Automobiles; styrelseordförande i SGS, Genève; ledamot av styrelsen för Philip Morris International Inc., New York; ledamot i Acea (European Automobile Manufacturers' Association); styrelseordförande i CNH Case New Holland Global N.V., Amsterdam.
Sally Bott	Ledamot	2010	Koncernpersonaldirektör och medlem av koncernledningen i BP Plc.; ledamot av styrelsen i Royal College of Music i London; styrelseledamot i Carter Burden Center for the Aged i New York City.
Michel Demaré	Ledamot	2010	Finansdirektör och ledamot av ledningsgruppen i ABB; direktör för Global Markets inom ABB; ledamot av foundation board i IMD, Lausanne.
Rainer-Marc Frey	Ledamot	2010	Grundare av och styrelseordförande i Horizon21; styrelseledamot i DKSH Group, Zürich; ledamot av advisory board i Invision Private Equity AG, Zug; ledamot av styrelsen i Frey Charitable Foundation, Freienbach.
Bruno Gehrig	Ledamot	2010	Vice styrelseordförande i Roche Holding AG, Basel; styrelseordförande i Swiss Air Transport Foundation, Zug.
Ann F. Godbehere	Ledamot	2010	Icke arbetande styrelseledamot i Prudential Plc.; ledamot av styrelsen i Lloyds managing agency Atrium Underwriters Group Ltd.

			(förvärvat av Ariel Holdings); ledamot av styrelsen i Ariel Holdings.
Axel P. Lehmann	Ledamot	2010	Ansvarig för riskhanteringen i koncernen och ledamot av koncernledningen i Zurich Financial Services (Zurich); IT-ansvarig för Zurich-koncernen; ordförande i styrelsen för Institute of Insurance Economics vid Universitetet i St. Gallen.
Helmut Panke	Ledamot	2010	Styrelseledamot i Microsoft Corporation, Redmond, WA (USA); ledamot av supervisory board i Bayer AG (Tyskland); styrelseledamot i American Chamber of Commerce i Tyskland.
William G. Parrett	Ledamot	2010	Oberoende styrelseledamot i Eastman Kodak Co., Blackstone Group LP och Thermo Fisher Scientific Inc., USA; styrelseordförande i United States Council for International Business och ordförande för United Way of America; ledamot av board of trustees för Carnegie Hall; ledamot av Executive Committee inom International Chamber of Commerce.
David Sidwell	Ledamot	2010	Direktör för Federal National Mortgage Association Fannie Mae; trustee i International Accounting Standards Committee Foundation, London; styrelseordförande i Village Care of New York; direktör för National Council on Aging.
Peter R. Voser	Ledamot	2010	Verkställande direktör och arbetande ledamot av styrelsen i Royal Dutch Shell plc, London; styrelseledamot i Swiss Federal Auditor Oversight Authority.

UBS AG:s koncernledning

Koncernledningen består av tretton ledamöter:

Oswald Gruebel	Verkställande direktör i koncernen
John Cryan	Finansdirektör i koncernen
Markus U. Diethelm	Chefsjurist i koncernen
John A. Fraser	Styrelseordförande och verkställande direktör, Global Asset Management
Marten Hoekstra	Verkställande direktör, Wealth Management Americas
Carsten Kengeter	Verkställande direktör med delat ansvar, Investment Bank
Ulrich Koerner	Koncerndirektör och verkställande direktör, Corporate Center
Philip J. Lofts	Ansvarig för riskhanteringen i koncernen

Francesco Morra	Verkställande direktör Switzerland, Wealth Management & Swiss Bank
Alexander Wilmot-Sitwell	Verkställande direktör med delat ansvar, Investment Bank
Robert Wolf	Styrelseordförande och verkställande direktör, UBS Group Americas/verkställande direktör (President), Investment Bank
Chi-Won Yoon	Styrelseordförande och verkställande direktör, Asia Pacific
Juerg Zeltner	Verkställande direktör, Wealth Management Global, Wealth Management & Swiss Bank

Ingen av ledamöterna av koncernledningen har väsentliga ekonomiska intressen utanför UBS.

Vilken är Emittentens ekonomiska situation?

Följande tabell grundar sig på UBS:s oreviderade resultat per den 30 juni 2009 och visar nyckelfakta och UBS:s rating:

Nyckeldata för UBS	Per det kvartal som avslutades			% förändring från		Året-till-dags-dato	
	30.6.09	31.3.09	30.6.08	1KV09	2KV08	30.6.09	30.6.08
<i>Miljoner CHF om ej annat anges</i>	30.6.09	31.3.09	30.6.08	1KV09	2KV08	30.6.09	30.6.08
Koncernresultat							
Rörelsens intäkter	5 770	4 970	3 984	16	45	10 740	(50)
Rörelsens kostnader	7 093	6 528	8 110	9	(13)	13 621	15 957
Rörelsevinst före skatt (av pågående och nedlagd verksamhet)	(1 316)	(1 547)	(4 067)	15	68	(2 863)	(15 829)
Nettovinst för UBS:s aktieägare	(1 402)	(1 975)	(395)	29	(255)	(3 376)	(12 012)
Utspädd vinst per aktie (CHF)	(0,39)	(0,57)	(0,16)	32	(144)	(0,96)	(4,98)
Balansräkning och kapitalförvaltning							
Totala tillgångar	1 599 873	1 861 326		(14)			
Kapital hänförligt till UBS:s aktieägare	33 545	31 283		7			
BIS totalt ratio (%)	17,7	14,7					
BIS riskviktade tillgångar	247 976	277 665		(11)			
Nyckelindikatorer på resultat							
Resultat							
Avkastning på kapital (RoE) (%)						(21,0)	(80,8)
Avkastning på riskviktade tillgångar, brutto (%)						8,9	0,2
Avkastning på tillgångar, brutto (%)						1,3	0,0
Tillväxt							
Ökning av nettovinst (%) ¹	N/A	N/A	N/A			N/A	N/A
Kapitaltillskott, netto (miljarder CHF) ²	(39,5)	(14,9)	(43,8)			(54,4)	(56,5)
Effektivitet							
Kostnads-/intäktsratio (%) ³	115,2	106,9	202,6			111,1	N/A
Kapitalstyrka							

BIS tier 1-ratio (%)	13,2	10,5			
FINMA hävstångsratio (%)	3,46	2,71 ⁴			

Ytterligare information

Investerade tillgångar (miljarder CHF)	2 250	2 182	2 763	3	(19)
Personal (motsvarande heltid)	71 806	76 206	81 452	(6)	(12)
Börsvärde	42 872	31 379	62 874	37	(32)

Långfristig rating

Fitch, London	A+	A+	AA-
Moody's, New York ⁵	Aa2	Aa2	Aa1
Standard & Poor's, New York	A+	A+	AA-

1 Saknar relevans om aktuell period alternativt jämförelseperioden är en förlustperiod. **2** Exklusive ränte- och utdelningsintäkter. **3** Saknar relevans om rörelsens intäkter före kreditförluster (kostnad) / återvinning är negativ. **4** Omräkning av nettot av kontant säkerhet under första kvartalet 2009 minskade justerade tillgångar med 62 miljarder CHF och förbättrade FINMA hävstångsratiot till 2,71 % från 2,56 %. **5** Den 15 juni 2009 satte Moody's sin rating av UBS AG:s och närstående företags långfristiga upplåning och inlåning under bevakning för eventuell nedgradering.

Hur använder Emittenten nettointäkterna?

Nettointäkterna av emissionen kommer UBS-koncernen att använda för finansieringsändamål och skall inte utnyttjas av Emittenten inom Schweiz. Nettointäkterna av försäljningen av Värdepapperen skall Emittenten ta i anspråk för allmänna affärsändamål. Någon separat fond ("för specialändamål") kommer inte att bildas.

Finns det några risker relaterade till Emittenten?

Presumptiva investerare i Värdepapperen bör vara medvetna om att det finns allmänna risker förenade med Emittenten, liksom med alla företag:

Varje investerare utsätter sig därför för den allmänna risken att Emittentens ekonomiska situation kan komma att försämrats. Vidare kan den allmänna bedömningen av Emittentens kreditvärdighet påverka Värdepapperens värde. Denna bedömning är generellt beroende av vilken kreditvärdering som värderingsinstitut såsom Moody's, Fitch och Standard & Poor's åsätter Emittentens eller närstående företags utestående Värdepapper. Emittenten och närstående företag kan också delta i transaktioner relaterade till Värdepapperen för egen eller kunders räkning. Sådana transaktioner kan ha positiv eller negativ inverkan på Värdepapperens pris.

Vid beslut om investeringar i Värdepapperen **bör presumtiva investerare bedöma all information i Prospektet och, om så erfordras, konsultera sina rådgivare i rättsliga, skatterelaterade eller ekonomiska frågor.**

Vilka är Värdepapperen?

I enlighet med detta Prospekt skall UBS AG, företrätt av sitt filialkontor på Jersey, som Emittent i enlighet med tysk lag utfärda *UBS Capital Protected Certificates* med *Internationellt Värdepappersidentifikationsnummer ("ISIN")*. Värdepapperen rankas *pari passu* med Emittentens alla övriga direkta, ej efterställda, ej villkorliga och ej säkerställda förpliktelser.

Alla Värdepapper utfärdas i dokumentlös, kontoförd form och registreras hos *Clearingombudet* för clearing och avräkning. Inga skuldförbindelser i fysisk form, t.ex. globala temporära eller permanenta skuldförbindelser, eller individuella skuldförbindelser kommer att utfärdas för Värdepapperen.

Varje Värdepapper baseras på Index ("**Underliggande**").

Hur erbjuds Värdepapperen?

Utöver registrering av Basprospektet och de Slutliga Villkoren hos BaFin, och erforderligt offentliggörande och nödvändiga underrättelser om Basprospektet, om så erfordras, har varken Emittenten eller Erbjudaren vidtagit, och kommer inte heller att vidta, åtgärder så att det blir tillåtet att publikt erbjuda Värdepapperen eller att inneha dem eller att distribuera prospekt avseende Värdepapperen, i andra jurisdiktioner där särskilda förutsättningar gäller för publika erbjudanden.

Varken Emittenten eller Erbjudaren garanterar därför att Värdepapperen får lagligen erbjudas i enlighet med tillämplig registrering eller andra krav i någon jurisdiktion eller i enlighet med undantag som gäller i enlighet därmed, eller påtar sig något ansvar för att främja någon distribution eller något erbjudande.

Det har avtalats att UBS Limited, 1 Finsbury Avenue, London EC2M 2PP, UK, per eller efter respektive *Emissionsdatum* ("*Issue Date*") skall garantera Värdepapperen genom ett garantiavtal och skall erbjuda dem till försäljning till *Emissionspriset* ("*Issue Price*") i enlighet med villkor som kan förändras. *Emissionspriset* fastställdes när *det publika erbjudandet av Värdepapperen började gälla*. Efter utgången av Teckningstiden skall försäljningspriset löpande justeras för att avspegla den rådande marknadssituationen.

Erbjudaren ansvarar för att koordinera hela erbjudandet av Värdepapperen som kan tecknas hos Erbjudaren under normala banköppettider inom *Teckningstiden*.

Kommer Värdepapperen att upptas till handel?

Erbjudaren avser att ansöka om upptagande av Värdepapperen till handel på en *Fondbörs*.

Finns några restriktioner för försäljning av Värdepapperen?

Värdepapperen får erbjudas, säljas eller distribueras inom eller från en jurisdiktion endast om detta är tillåtet enligt gällande lagar och förordningar och under förutsättning att Emittenten inte ådrar sig ytterligare förpliktelser. Värdepapperen kommer inte att vid något tillfälle, vare sig direkt eller indirekt, erbjudas, säljas, handlas eller distribueras inom USA eller till en U.S. person (enligt definitionen i Regulation S i United States Securities Act av 1933).

Vilka rättigheter förvärvar Värdepappersinnehavaren genom Värdepapperen?

Genom köpet av ett (1) Värdepapper förvärvar investeraren, under vissa förhållanden och i enlighet med Villkoren för Värdepapperen ("*Terms and Conditions of the Securities*"), rätten att från Emittenten fordra betalning av ett *Lösenbelopp* ("*Redemption Amount*") i *Avräkningsvalutan* ("*Settlement Currency*") beroende på resultatet för *Underliggande* ("**Avräkningsbeloppet**" ("*Settlement Amount*")) ("**Värdepappersrätten**" ("*Security right*")).

Lösenbeloppet är i vart fall lika med det kapitalskyddade *Lägsta Återbetalningsbeloppet*.

Värdepappersinnehavarna har inte rätt till delbetalningar. Inget av Värdepapperen ger någon rätt till betalning av fast eller rörlig ränta eller utdelning och **genererar som sådana ingen fast intäkt**.

Vilka risker är förenade med en investering i Värdepapperen?

En investering i Värdepapperen medför produktspecifika risker för investeraren. Värdet av ett Värdepapper bestäms inte enbart av förändringar i *Priset för Underliggande*, utan beror också av ett antal andra faktorer. Värdepapperens värde kan följaktligen sjunka även om *Priset för Underliggande* förblir konstant. Värdepapperen utgör investeringsinstrument med särskilt hög risk. Jämfört med andra investeringar medför Värdepapperen en avsevärd förlustexponering, **vilket inkluderar en total förlust av investerat belopp och uppkomna transaktionskostnader**.

Presumptiva investerare bör notera att förändringar i *Priset för Underliggande* som Värdepapperet baseras på (eller till och med uteblivna förväntade prisändringar) kan sänka värdet på ett Värdepapper till den punkt då det inte längre har något värde. Mot bakgrund av den i de flesta fall begränsade löptiden för Värdepapperen finns det inga garantier för att värdet på Värdepapperet återhämtar sig innan Värdepapperen förfaller. Denna risk är oberoende av Emittentens ekonomiska styrka.

Presumptiva investerare bör inse att Värdepapperen utgör en **riskinvestering** som kan leda till **total förlust av deras investering** i Värdepapperen. Även om Värdepapperen på förfalldagen är kapitalskyddade till det *Lägsta Återbetalningsbeloppet*, och risken för en förlust alltså är initialt begränsad, bär investeraren risken för att Emittentens ekonomiska situation försämras. Presumptiva investerare måste därför vara beredda på och kunna bära en partiell eller till och med total förlust av investerat kapital. Varje investerare som är intresserad av att köpa Värdepapperen bör analysera sin ekonomiska situation för att försäkra sig om att han eller hon kan bära **riskerna för förlust i samband med Värdepapperen**.

Utöver *Värdepapperens Löptid*, frekvensen av och intensiteten i prisfluktuationerna (volatiliteten) i *Underliggande*, rådande räntesatser och nivån på de utdelningar som betalats eller, alltefter omständigheterna, valutamarknadernas allmänna utveckling är följande omständigheter, enligt Emittentens uppfattning, centrala faktorer som kan påverka Värdepapperens värde och skapa vissa risker för investerare i Värdepapperen:

- **Strukturella egenskaper hos Värdepapperet**

Före en investering i Värdepapperen bör presumtiva investerare observera att följande särskilda egenskaper hos Värdepapperen kan påverka Värdepapperens värde alternativt eventuella belopp som skall betalas enligt Villkoren och att Värdepapperen följaktligen har särskilda riskprofiler:

Graden av delaktighet i resultatet för Underliggande

Tillämpningen av *Deltagarandel* vid bestämningen av Värdepappersrätten leder till att Värdepapperen i ekonomiskt hänseende liknar direktinvesteringar i *Underliggande*, men ändå inte är helt jämförbara med sådana direktinvesteringar, främst för att *Värdepappersinnehavarna* kanske inte deltar i det aktuella resultatet i proportionerna 1:1, utan i den omfattning som motsvaras av *Deltagarandelen*.

Följaktligen blir *Värdepappersinnehavarens* delaktighet i en **eventuell värdeökning** i *Underliggande* proportionellt mindre, uteslutande på grund av den lägre *Deltagarandelen* eller, efter omständigheterna, i en **eventuell värdeminskning** i *Underliggande* proportionellt större, uteslutande på grund av den högre *Deltagarandelen*.

Kapitalskyddet gäller endast vid utgången av Värdepapperens Löptid

Värdepapperen är kapitalskyddade vid löptidens slut till *Lägsta Återbetalningsbelopp*, d.v.s. investeraren erhåller, oberoende av det faktiska resultatet för *Underliggande*, i vart fall det *Lägsta Återbetalningsbeloppet* vid löptidens slut. Om en investerare förvärvar Värdepapperen till ett pris som är högre än det *Lägsta Återbetalningsbeloppet*, bör den presumtiva investeraren

vara medveten om att kapitalskyddet endast avser det lägre *Lägsta Återbetalningsbeloppet*. I detta sammanhang måste beaktas att kapitalskyddet endast gäller vid löptidens slut, *d.v.s.* förutsatt att Värdepapperen inte har sagts upp.

Det kontantbelopp som skall betalas vid förtida inlösen av Värdepapperen kan avsevärt understiga det minimibelopp som skulle betalas vid utgången av Värdepapperens Löptid när kapitalskyddet till *Lägsta Återbetalningsbelopp* gäller.

Presumptiva investerare i Värdepapperen bör vidare inse att investeraren, trots kapitalskyddet till *Lägsta Återbetalningsbelopp*, bär risken för Emittentens ekonomiska förmåga. Presumptiva investerare måste därför vara beredda på och kunna bära en partiell eller till och med total förlust av investerat kapital. Förvärvare av Värdepapperen bör under alla omständigheter analysera sin ekonomiska situation för att försäkra sig om att de kan bära riskerna för förlust i samband med Värdepapperen.

- **Uppsägning och Förtida Inlösen efter Emittentens val**

Presumptiva investerare i Värdepapperen bör vidare vara medvetna om att Emittenten, när som helst, *d.v.s.* även om en viss uppsägningshändelse inte inträffar, enligt Villkoren har rätt att säga upp och lösa Värdepapperen i sin helhet före *Förfalldatum*. Om Emittenten säger upp och löser Värdepapperen före *Förfalldatum* har Värdepappersinnehavaren rätt att begära betalning av ett belopp för förtida inlösen. *Värdepappersinnehavaren* har dock ingen rätt att begära ytterligare betalning avseende Värdepapperen efter *Uppsägningsdatum* alternativt *Skatteuppsägningsdatum*.

Värdepappersinnehavaren bär därför risken för att inte delta i resultatet för *Underliggande* i förväntad utsträckning och under förväntad period och därför erhålla mindre än investerat kapital.

Om Värdepapperen sägs upp av Emittenten bär *Värdepappersinnehavaren* risken för en återinvestering, *d.v.s.* investeraren bär risken för återinvestering av det eventuella *Uppsägningsbelopp* alternativt *Skatteuppsägningsbelopp* som betalas av Emittenten vid uppsägning till marknadsvillkor som är mindre gynnsamma än de som förelåg vid tiden för förvärvet av Värdepapperen.

- **Ingen uppsägningsrätt för Värdepappersinnehavarna**

Värdepappersinnehavarna har ingen uppsägningsrätt och Värdepapperen kan således inte sägas upp av *Värdepappersinnehavarna* under deras löptid. Före Värdepapperens förfalldag är följaktligen en realisering av Värdepapperens eventuella ekonomiska värde (helt eller delvis), bortsett från Emittentens uppsägning och förtida inlösen, endast möjlig genom försäljning av Värdepapperen.

Försäljningen av Värdepapperen kräver att marknadsaktörerna är villiga att förvärva Värdepapperen till ett visst pris. Om inga marknadsaktörer finns till hands kan Värdepapperens värde kanske inte realiseras. Emittenten har enligt villkoren för emissionen av dessa Värdepapper ingen skyldighet gentemot *Värdepappersinnehavarna* att kompensera för eller återköpa Värdepapperen.

- **Eventuell nedgång i Priset för Underliggande efter uppsägning av Värdepapperen**

Om Emittenten säger upp Värdepapperen i förtid enligt Villkoren för Värdepapperen bör presumtiva investerare i Värdepapperen observera att risken för en eventuell negativ utveckling för *Priset för Underliggande* mellan Emittentens meddelande om uppsägning och fastställandet

av det *Pris för Underliggande* som är relevant för beräkningen av då förfallet *Uppsägningsbelopp* alternativt *Skatteuppsägningsbelopp* bärs av *Värdepappersinnehavarna*.

- **Ogynnsam inverkan av justeringar i Värdepappersrätten**

Om en potentiell justeringshändelse inträffar skall Emittenten ha rätt att vidta justeringar enligt Villkoren. Dessa justeringar kan ha en negativ inverkan på Värdepapperens värde.

- **Andra faktorer som påverkar värdet**

Värdet av ett Värdepapper bestäms inte enbart av förändringar i *Priset för Underliggande*, utan beror också av ett antal andra faktorer. Eftersom flera riskfaktorer kan ha simultan effekt på Värdepapperen kan effekten av en viss riskfaktor inte förutses. Vidare kan flera riskfaktorer tillsammans ha en ackumulerad effekt som är oförutsägbar. Inga garantier kan lämnas för vilken inverkan olika kombinationer av riskfaktorer kan ha på Värdepapperens värde.

- **Effekten av sidokostnader**

Provisioner och andra transaktionskostnader som uppkommit i samband med köp eller försäljning av Värdepapper kan leda till avgifter, särskilt i kombination med ett lågt ordervärde, **vilket väsentligt kan minska eventuella avräkningsbelopp som skall erläggas enligt Värdepapperen**. Före förvärvet av ett Värdepapper bör presumtiva investerare därför informera sig om alla kostnader som uppkommer vid köp eller försäljning av Värdepapperet, inklusive kostnader som debiteras av deras depåbanker vid köpet av Värdepapperen och på Värdepapperens förfalldatum.

- **Transaktioner för att utjämna eller begränsa risk**

Presumtiva investerare i Värdepapperen bör inte förlita sig på möjligheten att vid någon tidpunkt under *Värdepapperens Löptid* genomföra transaktioner som medger utjämning eller begränsning av relevanta risker. Detta beror på marknadssituationen och rådande förhållanden. Transaktioner avsedda att utjämna eller begränsa risker kanske endast är möjliga till ett ogynnsamt marknadspris som innebär en förlust för investerarna.

- **Handel i Värdepapperen / Bristande likviditet**

Det är inte möjligt att förutsäga om och i vilken utsträckning en andrahandsmarknad utvecklas för Värdepapperen eller till vilket pris Värdepapperen kommer att handlas på andrahandsmarknaden eller om denna marknad kommer att vara likvid eller inte. **Presumtiva investerare bör därför inte förlita sig på möjligheten att sälja Värdepapperen vid en viss tidpunkt eller till ett visst pris.**

- **Värdepapperens form och förvar**

Värdepapperen som utfärdas av Emittenten är i dokumentlös, kontoförd form och registreras hos *Clearingombudet* för clearing och avräkning. Inga skuldförbindelser i fysisk form, såsom globala temporära eller permanenta skuldförbindelser, eller individuella skuldförbindelser kommer att utfärdas för Värdepapperen.

Emittenten har inte under några omständigheter något ansvar för *Clearingombudets* handlingar eller försummelse eller för förluster som åsamkas en *Värdepappersinnehavare* p.g.a. sådana

handlingar eller försummelser i allmänhet eller för registreringar eller betalningar som gjorts med anledning av *Värdepappersinnehavarens* rätt i synnerhet.

- **Prissättning av Värdepapperen**

Till skillnad från flertalet andra värdepapper baseras prissättningen av dessa Värdepapper normalt inte på principen om utbud och efterfrågan av Värdepapperen eftersom mäklarna på andrahandsmarknaden kanske ställer oberoende köp- och säljpriser. Denna prissättning baseras på prisberäkningsmodeller som gäller på marknaden, medan det teoretiska värdet på Värdepapperen i princip bestäms på basis av värdet på *Underliggande* och värdet av andra egenskaper kopplade till Värdepapperen, där egenskaperna var för sig i ekonomiskt hänseende kan representeras av ett annat finansiellt derivatinstrument.

De potentiellt ställda priserna motsvarar inte nödvändigtvis Värdepapperens inneboende värde fastställt av en mäklare.

- **Ökning av spreaden mellan köp- och säljpriser**

I särskilda marknadssituationer där Emittenten är helt oförmögen att genomföra hedgingtransaktioner eller där sådana transaktioner är mycket svåra att genomföra, kan spreaden mellan köp- och säljpriser temporärt ökas för att begränsa Emittentens ekonomiska risker. Därför kan *Värdepappersinnehavare* som önskar sälja sina Värdepapper via en fondbörs eller via OTC-handeln komma att sälja till ett pris som är avsevärt lägre än Värdepapperens faktiska pris vid tidpunkten för deras försäljning.

- **Lånade medel**

Om köpet av Värdepapper finansieras med lånade medel och investerarnas förväntningar inte infrias drabbas de inte bara av en förlust på grund av Värdepapperen utan måste även betala ränta och återbetala lånet. Detta medför en väsentlig ökning av investerarnas förlustrisk. Investerare i Värdepapper bör aldrig förlita sig på att kunna lösa och betala ränta på lånet med vinst av en Värdepapperstransaktion. Innan förvärvet av ett Värdepapper finansieras med lånade medel bör investerarna hellre analysera sin ekonomiska situation för att försäkra sig om sin förmåga att betala ränta på eller omedelbart lösa lånet även om de ådrar sig en förlust istället för den förväntade vinsten.

- **Effekten på Värdepapperen av Emittentens hedgingtransaktioner**

Emittenten kan använda alla eller vissa intäkter av försäljningen av Värdepapper för att ingå hedgingtransaktioner för risker ådragna vid emissionen av Värdepapperen. I så fall kan Emittenten eller något av dess närstående företag genomföra transaktioner som motsvarar Emittentens förpliktelser på grund av Värdepapperen. Generellt genomförs denna typ av transaktioner före eller per Värdepapperens *Emissionsdatum*, även om dessa transaktioner även kan slutföras efter att Värdepapperen utgivits. Emittenten eller något av dess närstående företag kan när som helst vidta nödvändiga åtgärder för att avsluta eventuella hedgingtransaktioner. Det kan inte uteslutas att Priset för *Underliggande* i vissa fall skulle kunna påverkas av dessa transaktioner.

- **Ändringar i beskattningen av Värdepapperen**

De överväganden avseende beskattningen av Värdepapperen som anges i detta Prospekt avspeglar Emittentens uppfattning på basis av det identifierbara rättsläget per detta datum. En annan skattemässig behandling från skattemyndigheters och skattedomstolars sida kan dock inte uteslutas.

Därför rekommenderas uttryckligen presumtiva investerare att informera sig om den specifika riskprofil för produkttypen som beskrivs i detta Prospekt och att investeraren vid behov söker professionell rådgivning. Presumptiva investerare uppmärksammas uttryckligen på det faktum att Värdepapperen utgör en **riskinvestering** som kan leda till **förlust** av investerat kapital. Även om Värdepapperen på förfallodagen är kapitalskyddade till det *Lägsta Återbetalningsbeloppet*, och risken för en förlust alltså är initialt begränsad, bär investeraren risken för att Emittentens ekonomiska situation försämras. Presumptiva investerare måste därför vara beredda på och kunna bära en partiell eller till och med total förlust av investerat kapital. Varje investerare som är intresserad av att köpa Värdepapperen bör analysera sin ekonomiska situation för att försäkra sig om att han eller hon kan bära **riskerna för förlust i samband med Värdepapperen**.