

Call Warrant

Linked to Basket(Novartis+0.2*Alcon)
Issued by UBS AG



SVSP/EUSIPA Product Type: Warrant (2100)
Valor: 12295159

Final Termsheet

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

1. Description of the Product

Information on Underlying

Underlying / Company	Reference Level	Strike	Conversion Ratio
Basket(Novartis AG+0.2*Alcon Inc.) Bloomberg: NOVN SE+0.2*ALC SE / Valor: 1200526+0.2*43249246	CHF 54.70	CHF 54.70	1:1

Novartis AG adjusted for Spin Off as of 09 April 2019.

Product Details

Security Numbers	Valor: 12295159 / ISIN: CH0122951590 / WKN: UB4UXL
Issue Size	up to 15,000,000 Warrants (with reopening clause)
Redemption Currency	CHF
Issue Price	CHF 5.06
Type of Product	Call
Option Style	American
Exercise at Expiry	On request

Dates

Launch Date	19 January 2011
Fixing Date	19 January 2011
Initial Payment Date (Issue Date)	24 January 2011
Exercise Period	25 January 2011 to 19 January 2021, 12:00 CET
Last Trading Day /Time	19 January 2021, 12:00 CET
Expiration Date ("Expiry")	19 January 2021 (subject to Market Disruption Event provisions)
Valuation Time	Official market close on the Relevant Exchange
Redemption Date /Maturity Date	22 January 2021 (subject to Market Disruption Event provisions)

Redemption

The Investor is entitled to receive from the Issuer 5 business days after the Valuation Date, the Underlying, according to the following Option Right:

Option Right	Against payment of the Strike physical delivery of the Underlying, considering the Conversion Ratio in case the Settlement Price exceeds the Strike, otherwise the Warrant expires worthless.
Settlement Price	Official closing level of the Underlying on the Valuation Date as determined on the Relevant Exchange.
Valuation Date	Valuation Date is the Exercise Date or the Expiration Date, as the case may be.

Contact: UBS AG, P.O. Box, 8098 Zürich **Private Investors:** Please contact your client advisor or send an email to derivatives@ubs.com
Internet: www.ubs.com/keyinvest **Banks and Intermediaries:** +41-44-239 68 00*

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

Product Structure

Leverage	This product is for Investors with a high level of risk tolerance that want to invest a small amount but still remain flexible in either benefiting from trends or hedging portfolios against price fluctuations. Yield potential is disproportionately higher than with a direct investment in the corresponding underlying. Depending on the product, Investors can benefit from rising (Call Warrant) or falling (Put Warrant) markets.
----------	---

General Information

Issuer	UBS AG, Zurich
Issuer Rating	Aa3 Moody's /A+ S&P's /A+ Fitch
Lead Manager	UBS AG, Zurich (UBS Investment Bank)
Calculation Agent	UBS AG, Zurich
Paying Agent	UBS AG, Zurich
Relevant Exchange	SIX Swiss Exchange
Listing	None
Status	Unsecured / Unsubordinated
Secondary Market	Daily price indications will be available on Reuters/Bloomberg; www.ubs.com/keyinvest from 09:15 - 17:15 (CET)
Minimum Investment	1 Warrant(s)
Minimum Trading Size	1 Warrant(s)
Minimum Exercise	1 Warrant(s); Warrants may only be exercised in integral multiples of 1.
Clearing	SIX SIS, Euroclear, Clearstream (registered as intermediated securities with SIX SIS AG, in Switzerland)
Form of Deed	Uncertificated Securities
Governing Law / Jurisdiction	Swiss / Zurich
Adjustments	The terms of the Product may be subject to adjustments during its lifetime. Detailed information on such adjustments is to be found in the Product Documentation.
Public Offering	Germany, Switzerland, Luxembourg and Austria

Tax Treatment Switzerland

Swiss Federal Stamp Duty	Secondary market transactions are not subject to Swiss Stamp Duty. If shares are delivered to the Investor due to an exercise, the delivery of the shares is in principle subject to the Swiss stamp duty.
Swiss Federal Income Tax	For private investors with tax domicile in Switzerland, the transaction is in principle subject to neither Swiss federal nor cantonal or communal income tax.
Swiss Withholding Tax	The product is not subject to the Swiss Withholding Tax.

Additionally, any delivery of underlying might be subject to fees and/or non-Swiss stamp duty.

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

Product Documentation

UBS Structured Warrant Programme (Registered with Bafin and EUPD compliant).

Final Terms

This document serves as and fulfils the requirements of a **'Simplified Prospectus'** in accordance with Art. 5 of the Swiss Federal Act on Collective Investment Schemes (CISA). The Simplified Prospectus together with the UBS Structured Warrant Programme ("SWP") and the respective Final Terms shall form the documentation for this Product ("Product Documentation"), and accordingly the Simplified Prospectus should always be read in conjunction with these documents. The terms "Product" respectively "Investor" as used in this term sheet correspond to the terms "Warrant" respectively "Noteholder"/"Certificateholder" as defined in the SWP.

Contact:	UBS AG, P.O. Box, 8098 Zürich	Private Investors: Please contact your client advisor or send an email to derivatives@ubs.com
Internet:	www.ubs.com/keyinvest	Banks and Intermediaries: +41-44-239 68 00*

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

During the whole term of this Product, the respective documents can be ordered free of charge from UBS AG at P.O. Box, CH-8098 Zurich (Switzerland), via telephone (+41-(0)44-239 47 03), fax (+41-(0)44-239 69 14) or via e-mail (swiss-prospectus@ubs.com). In addition, the respective documents are available on the internet at <http://www.ubs.com/keyinvest>.

Notices in connection with this Product shall be validly given by publication in electronic media such as Reuters and/or Investdata. In addition, any changes with regard to the terms of this Product shall be published on the internet at <http://www.ubs.com/keyinvest>.

Classification

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

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

Prudential Supervision

UBS AG is authorised and regulated by the Swiss Financial Market Supervisory Authority (FINMA). In addition, its London Branch is authorised and regulated by the Financial Services Authority (FSA) and its Jersey Branch by the Jersey Financial Services Commission (JFSC).

2. Prospects of Profits and Losses

Market Expectation	Investors in Call Warrants expect the Underlying to increase.
Risk Tolerance	Investors in this Product should be experienced Investors familiar with both derivative products and the stock markets.
Profit Potential	The upside potential is unlimited.
Loss Potential	If the actual Price of the Underlying at expiry lies at or below the Strike, the Investor will realize a total loss of the Investment.

3. Significant Risks for Investors

For product specific risks please see above (2. Prospects of Profits and Losses)

Risk Factors relating to the Issuer

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

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

Secondary Market

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

In special market situations, where the Issuer is completely unable to enter into hedging transactions, or where such transactions are very difficult to enter into, the spread between the bid and offer prices may be temporarily expanded, in order

Contact:	UBS AG, P.O. Box, 8098 Zürich	Private Investors: Please contact your client advisor or send an email to derivatives@ubs.com
Internet:	www.ubs.com/keyinvest	Banks and Intermediaries: +41-44-239 68 00*

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

to limit the economic risks of the Issuer.

Market Risk

The investor is exposed to market disruption events (such as trading disruption, exchange disruption and early closure of the relevant exchange), adjustments and early termination which could have an impact on the redemption amount through delay in payment or change in value. For a detailed description of such events and their effects please read the Final Terms and the base prospectus (Structured Warrant Programme).

Important Information

This information is communicated by UBS AG and/or its affiliates ("UBS"). UBS may from time to time, as principal or agent, have positions in, or may buy or sell, or make a market in any securities, currencies, financial instruments or other assets underlying the transaction to which this document relates. UBS may provide investment banking and other services to and/or have officers who serve as directors of the companies referred to in this document. UBS' trading and/or hedging activities related to this transaction may have an impact on the price of the underlying asset and may affect the likelihood that any relevant barrier is crossed. UBS has policies and procedures designed to minimise the risk that officers and employees are influenced by any conflicting interest or duty and that confidential information is improperly disclosed or made available.

In certain circumstances UBS sells this Product to dealers and other financial institutions at a discount to the issue price or rebates to them for their account some proportion of the issue price. Further information is available on request.

Structured transactions are complex and may involve a high risk of loss. Prior to entering into a transaction you should consult with your own legal, regulatory, tax, financial and accounting advisors to the extent you consider it necessary, and make your own investment, hedging and trading decisions (including decisions regarding the suitability of this transaction) based upon your own judgement and advice from those advisers you consider necessary. Save as otherwise expressly agreed in writing, UBS is not acting as your financial adviser or fiduciary in any transaction.

This document should not be construed as an offer, personal recommendation or solicitation to conclude a transaction and should not be treated as giving investment advice. The terms of any investment will be exclusively subject to the detailed provisions, including risk considerations, contained in the Information Memorandum, Prospectus or other issuer documentation for the issue of the Products/Notes (the "Prospectus").

UBS makes no representation or warranty relating to any information herein which is derived from independent sources. This document shall not be copied or reproduced without UBS' prior written permission.

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

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

Selling Restrictions

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

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

Europe - Any offer, sale and purchase of this Product must be in compliance with the law of the relevant EEA jurisdiction. Any public offer of this Product within a EEA jurisdiction that has implemented the EU Prospectus Directive (EUPD) shall only be possible if compliant with the requirements of the EUPD.

If the prospectus is either not notified to or the Final Terms are not filed with the relevant Financial Supervisory Authority it DOES NOT QUALIFY as a prospectus published in accordance with the requirements of the EUPD and until a prospectus has been published in accordance with the requirements of the EUPD, this Product may not be offered or sold in EEA jurisdictions that have implemented the EUPD other than 1) in minimum denominations of, or total consideration per investor of at least, EUR 50,000 (or equivalent in other currencies) or 2) only to Qualified Investors; and/or (aggregated for all distributors) to less than 100 offerees that are not Qualified Investors per EEA jurisdiction. A "Qualified Investor" is a legal entity that (i) is authorised or regulated to operate in the financial markets or has the sole purpose to invest in securities; or (ii) meets two of the following three criteria (as shown in its last annual or consolidated accounts): (a) an average number of at least 250 employees during the last financial year; (b) a total balance sheet of more than EUR 43,000,000; and (c) an annual net turnover of more than EUR 50,000,000.

Hong Kong - The contents of this document have not been reviewed by any regulatory authority in Hong Kong. Investors are advised to exercise caution in relation to any offer. If an investor is in any doubt about any of the contents of this document, the investor should obtain independent professional advice.

Contact: UBS AG, P.O. Box, 8098 Zürich

Private Investors: Please contact your client advisor or send an email to derivatives@ubs.com

Internet: www.ubs.com/keyinvest

Banks and Intermediaries: +41-44-239 68 00*

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

This is a structured product which involves derivatives. Do not invest in it unless you fully understand and are willing to assume the risks associated with it.

This Product has not been offered and sold, and each purchaser represents and agrees that it will not offer and sell the Product in Hong Kong, by means of any document, other than to persons whose ordinary business is to buy and sell shares or debentures, whether as principal or agent, or in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap. 32) of Hong Kong or to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance, or in other circumstances which do not result in the document being a "prospectus" within the meaning of the Companies Ordinance. In relation to the issue of this Product, each purchaser represents and agrees that it has not issued and will not issue any advertisement, invitation or document relating to the Product, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the Product which is or is intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the Securities and Futures Ordinance and any rules made thereunder.

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

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

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

UK - For the purposes of non-discretionary accounts, this Product should not be sold with a consideration of less than 50,000 EUR or equivalent.

USA - This Product may not be sold or offered within the United States or to U.S. persons, the foregoing shall not, however, prohibit sales to U.S. offices of UBS AG.

Contact: UBS AG, P.O. Box, 8098 Zürich

Internet: www.ubs.com/keyinvest

Private Investors: Please contact your client advisor or send an email to derivatives@ubs.com

Banks and Intermediaries: +41-44-239 68 00*

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