

Strategy Certificates

Linked to the Global Thematic Equities Basket
Issued by UBS AG



Cash settled
SVSP Product Type: Tracker Certificates (1300, Callable)
Valor: 36645689; ISIN: CH0366456892

Final Terms

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

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

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

1. Description of the Product

Information on Underlying The **Global Thematic Equities Basket** aims to replicate the performance (total return, i.e. capital appreciation plus dividends, minus fees and costs) of a basket of long only stocks and ETFs.

Underlying
the **Global Thematic Equities Basket**
(the "**Reference Portfolio**")

The **Global Thematic Equities Basket** (the "**Reference Portfolio**") is a notional US Dollar ("**USD**") denominated reference portfolio, actively created, managed and maintained by de Pury Pictet Turrettini & Cie SA, Geneva (the "**Reference Portfolio Advisor**"). The Reference Portfolio aims to replicate the performance of (i) a basket of long only stocks (each a "**Stock Constituent**") comprised in the Stock Investment Universe, (ii) a basket of long only exchange-traded funds (ETFs) (each an "**ETF Constituent**") comprised in the ETF Investment Universe (and together, the "**Constituents**"), and (iii) a USD denominated cash position which shall be at all times equal to or greater than zero (the "**Cash Position**"; which together with the Constituents shall be referred to as the "**Reference Portfolio Components**"), less fees and costs. The Cash Position will accrue interest at the prevailing overnight rate (Bloomberg code US000/N Index), which may be negative from time to time. Net dividends on a Constituent will be reinvested into the respective Constituent on the ex-dividend date of that Constituent. Further information on the Reference Portfolio is contained in the document entitled "**Reference Portfolio Description**" dated 17 May 2017 2017 (the "Portfolio Description Document") and attached hereto as Annex 1. The Portfolio Description Document can be obtained at any time free of charge from UBS AG, P.O. Box, CH-8098 Zurich (Switzerland), via telephone (+41-(0)44-239 47 03), fax (+41-(0)44-239 69 14) or via e-mail (swiss-prospectus@ubs.com).

The notional value of the Reference Portfolio (the "**Initial Reference Portfolio Level**") will be USD 100.00 on the Pricing Date.

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Internet: www.ubs.com/keyinvest **Product Hotline:** +41-44-239 76 76*

Investors outside of Switzerland should consult their local client advisors.
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.

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

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

Product Details

Security Numbers	Valor: 36645689 / ISIN: CH0366456892
Issue Size	Up to 1,000,000 Units (with reopening clause) (Issue size increased by 500,000 Units on VD 28/03/2018)
Initial Reference Portfolio Level	USD 100.00
Issue Price	USD 100.00 (100.00% of Initial Reference Portfolio Level) (unit quotation)
Settlement Currency	USD

Dates

Launch Date	17 May 2017
Pricing Date (“Pricing”)	01 June 2017
Issue Date / Payment Date	08 June 2017
Last Trading Day	03 June 2024
Expiration Date	03 June 2024 (subject to Market Disruption Events provisions, Early Termination, Automatic Early Termination and Unwind Disruption provisions), extendable once at the option of the Issuer for additional 7 years periods, with a notice period of 180 calendar days prior to the scheduled Expiration Date.

With respect to any scheduled Expiration Date, and in case of an extension of the term, the Investor may with a notice period of 90 days prior to such scheduled Expiration Date request in writing from the Issuer that part or all of his Strategy Certificates be redeemed on the Redemption Date following the relevant scheduled Expiration Date (for avoidance of doubt, the scheduled Expiration Date refers to the Expiration Date before being extended by the Issuer).

Provided, in each case that if the Expiration Date is not a Business Day, then such Expiration Date shall be the first following day that is a Business Day.

Redemption Date	The fifth Business Day immediately following the Expiration Date, the Early Termination Date or the Automatic Early Termination Date (in any case subject to Market Disruption Event provisions).
Closing Date (for Swiss Tax purposes)	1 st January of each year.

Redemption

Settlement	Cash Settlement
Redemption	<p>Each Strategy Certificate entitles the Investor to receive the Redemption Amount on the Redemption Date.</p> <p>The Investor is entitled to receive from the Issuer on the Redemption Date an amount in the Settlement Currency equal to the Reference Portfolio Level on the Expiration Date, the Early Termination Date or the Automatic Early Termination Date, as applicable, as calculated by the Calculation Agent.</p> <p>In the event that a notional investor (in the same position as the Issuer) would be unable to unwind its investments in the Reference Portfolio Constituents by the Expiration Date, the Early Termination Date or the Automatic Early Termination Date (as applicable) (such event a "Unwind Disruption"), the Issuer reserves the right to extend the Expiration Date, the Early Termination Date or the Automatic Early Termination Date to such date where a notional investor in the Reference Portfolio Constituents is able to fully unwind the Reference Portfolio Constituents in cash.</p> <p>Please note that the Redemption Amount may be less than the initially invested capital.</p>
Early Termination by Issuer	<p>The Issuer is entitled to terminate the Product early in full subject to the following notice period:</p> <p>Quarterly, i.e. as of each 30 June, 30 September, 31 December and 31 March of each year (the "Early Termination Date"), subject to at least 30 Business Days prior notice being given to the Investors. The first possible Early Termination Date will be 30 September 2017.</p> <p>There is no Early Termination right for the investor in this Product.</p>
Automatic Early Termination	<p>Should the Reference Portfolio Advisor cease to be or to act as the Reference Portfolio Advisor, the Certificates will be automatically early terminated with immediate effect (the "Automatic Early Termination") as per the Date on which the Reference Portfolio Advisor no longer is or acts as the Reference Portfolio Advisor (the "Automatic Early Termination Date"), as determined at the reasonable discretion of the Calculation Agent. No notice period shall apply in that case.</p>
Redemption Amount	<p>An amount per Certificate equal to:</p>

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

Where:

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

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

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

In respect of U.S. equity securities, for purposes of determining the amount of a dividend treated as notionally reinvested, such amount shall not be treated as reduced by the withholding tax imposed on dividends by Section 871(a) or 881(a) of the US Internal Revenue Code but shall instead be reduced by the 30% withholding tax imposed on dividend equivalents by Section 871(m) of the U.S. Internal Revenue Code of 1986, as amended.

Reference Portfolio Level For indicative pricing purposes, a valuation level for the Reference Portfolio shall be calculated by the Calculation Agent in respect of each Business Day, subject to Market Disruption Event below (the "**Reference Portfolio Valuation Date**").

The Calculation Agent will calculate on each Business Day immediately succeeding such Reference Portfolio Valuation Date (the "**Reference Portfolio Calculation Date**") the level of the Reference Portfolio in respect of each Reference Portfolio Valuation Date based on the closing price or value of each Constituent on such Reference Portfolio Valuation Date.

Fees

Reference Portfolio Advisor Fee (calculated daily)	The Reference Portfolio Advisor will receive a quarterly fee of 0.1250% (0.50% per year) of the Reference Portfolio Level, deducted from the respective Reference Portfolio Level on a daily basis as calculated by the Calculation Agent.
Issuer Management Fee (calculated daily)	The Issuer will receive a quarterly fee of 0.01875% (0.075% per year) of the Reference Portfolio Level, deducted from the respective Reference Portfolio Level a daily basis by the Calculation Agent.
Reference Portfolio Fee	The sum of the (i) Reference Portfolio Advisor fee, (ii) the Issuer Management Fee and (iii) the Distribution Fee, that amounts to 0.80% per annum.
Rebalancing/Adjustment Fee	A Rebalancing/Adjustment Fee is levied for each Rebalancing made in the Reference Portfolio and represents a percentage of the notional volume of each of the purchase and/or sale of a Constituent. The Rebalancing/Adjustment Fee equals 0.10%. The Rebalancing/Adjustment Fees fully remain with the Issuer.
Distribution Fee	UBS Switzerland AG shall receive a quarterly fee of 0.05625% (0.225% per year) of the Reference Portfolio Level, deducted on a daily basis by the Calculation Agent.

Product Structure

The Product allows for participation in the performance of the Reference Portfolio. The Reference Portfolio is a notional actively managed portfolio, created and maintained by the Reference Portfolio Advisor. The Reference Portfolio aims to replicate the performance of basket of long only stocks and ETFs.

General Information

Issuer	UBS AG, Zurich and Basel, Switzerland
Issuer Rating	A1 (Moody's) / A+ (S&P) / A+ (Fitch). This is the long term credit rating of the Issuer and it does not represent ratings of the Certificates. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency. The Certificates will not be rated.
Issuer Supervisory Authority	Swiss Financial Market Supervisory Authority (FINMA). London Branch additionally Financial Conduct Authority (FCA) and Prudential Regulation Authority (PRA). Jersey Branch additionally Jersey Financial Services Commission (JFSC).
Lead Manager	UBS AG, Zurich
Calculation Agent	UBS AG, London Branch

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Paying Agent UBS Switzerland AG
Listing None.
Public Offering Switzerland
Reference Portfolio Advisor de Pury Pictet Turrettini & Cie SA, Geneva

Please note that the Reference Portfolio Advisor may not only act as Reference Portfolio Advisor with regard to the Reference Portfolio, but may at the same time act as asset manager or financial consultant with regard to investors in the Certificates, which may induce potential conflicts between investors' interests and Reference Portfolio Advisor's interests. The Reference Portfolio Advisor has implemented any measures required to fully mitigate such potential conflict of interest.

Reference Portfolio Supervisory Authority FINMA

Business Days Any day on which (i) commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in London and (ii) the TARGET System is opened.

Constituents Business Day Any day on which (i) in respect of Constituents the Exchange and Related Exchange are scheduled to be open for trading, notwithstanding any day on which they close for business prior to their regular weekday closing time and (ii) the Calculation Agent is open for business.

Exchange The primary stock exchange on which the Constituents are listed and publicly quoted and traded, as determined by the Calculation Agent from time to time.

Related Exchange Means the principal exchange (if any) on which options or futures contracts relating to the Constituents are traded or quoted, as determined by the Calculation Agent.

Secondary Market Liquidity The Issuer or the Lead Manager, as applicable, intends, under normal market conditions, to provide bid and/or offer prices for this Product on a regular basis. However, the Issuer or the Lead Manager, as applicable, makes no firm commitment to provide liquidity by means of bid and/or offer prices for this Product, and assumes no legal obligation to quote any such prices or with respect to the level or determination of such prices. Daily price indications, if any, will be available on Reuters/Bloomberg, www.ubs.com/keyinvest and SIX Financial Information from 09:15-17:15 (CET).

Rebalancing Rebalancing means any change in the Constituents initiated by the Reference Portfolio Advisor on any Business Day after the Pricing Date, subject to Market Disruption Event below (a "Rebalancing"). The Reference Portfolio Advisor may initiate not more than 52 Rebalancings in any 12 month period starting with the Pricing Date and reset on each anniversary of the Pricing Date. The Calculation Agent has the right to reject Rebalancings under specific circumstances. The expected number of Rebalancings in any such 12 month period is 52.

In case of a Rebalancing, secondary market trading of the Product will be suspended until completion of the Rebalancing.

Minimum Investment 1 Unit(s) (subject to Selling Restrictions)

Minimum Trading Lot 1 Unit(s)

Clearing SIX SIS, Euroclear, Clearstream (registered as intermediated securities with SIX SIS AG, in Switzerland)

Form of deed Uncertificated Securities

Status Unsecured / Unsubordinated

Governing Law / Jurisdiction Switzerland / Zurich

Reference Portfolio The Reference Portfolio Advisor creates and maintains the Reference Portfolio as a theoretical portfolio by selecting the initial Constituents and their Weights and thereafter actively managing and maintaining the Reference Portfolio by

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rebalancing the Reference Portfolio, i.e. changing the Weights of the Constituents, removing existing Constituents and selecting new Eligible Constituents, in its reasonable discretion.

For the avoidance of doubt: The Reference Portfolio is a notional portfolio that mirrors a theoretical investment according to the list of Constituents and their respective Weights, as adjusted from time to time. Therefore, as the Reference Portfolio is only notional and comprised only by theoretically included Constituents, there is no obligation of the Reference Portfolio Advisor or of the Issuer to make any real investment or real executions into the Constituents. Furthermore there is no obligation of the Issuer or of the Calculation Agent to hedge itself in the Constituents.

Neither the Reference Portfolio Advisor nor the Issuer nor the Calculation Agent nor any of their officers or employees makes representations or grants warranties with respect to the performance of the Reference Portfolio or the economic success or lack of success of an investment in the Certificates.

Further information about the Reference Portfolio and the Reference Portfolio Advisor's role is contained in the Portfolio Description Document attached hereto as Annex 1.

Adjustments

The terms of the Product may be subject to adjustments during its lifetime. For clients outside of the United Kingdom, any changes with regard to the terms of this Product shall be published on the internet at www.ubs.com/keyinvest. Detailed information on such adjustments is to be found in the General Terms and Conditions and/or the below section "Adjustments and Market Disruption Events".

Adjustments and Market Disruption Events

Adjustments to the composition of the Reference Portfolio

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

Market Disruption Events

- (A) In the event that the Calculation Agent determines that any Business Day is a Disrupted Day with respect to any Constituent or Eligible Constituent selected by the Reference Portfolio Advisor for the purposes of a Rebalancing, then such Constituent or Eligible Constituent shall not be notionally sold or purchased on the relevant Rebalancing.
- (B) In the event that the Calculation Agent determines that any Reference Portfolio Valuation Date is a Disrupted Day with respect to any Constituent or Eligible Constituent, then for the purposes of determining the value of the Reference Portfolio as at such Reference Portfolio Valuation Date, (a) the price of each Constituent not affected by the occurrence of such Disrupted Day shall be the closing price of such Constituent on the relevant Exchange or Related Exchange and (b) the price of each Constituent affected by the occurrence of such Disrupted Day shall be determined by the Calculation Agent in its good faith estimate of the fair market value (which may be zero) of such Constituent as of such Reference Portfolio Valuation Date.
- (C) If the Calculation Agent determines that the date scheduled to be the Expiration Date, the Early Termination Date or the Automatic Early Termination Date, as applicable, is a Disrupted Day in respect of any Constituent, such date shall be the final Valuation Date for those

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Constituents which are not affected by the occurrence of a Disrupted Day while the Final Valuation date for any Constituent that is affected by the occurrence of a Disrupted Day shall be postponed to the following Constituents Business Day with respect to such Constituent *provided* that if such day does not occur within 8 (eight) such Constituents Business Days immediately following the date scheduled to be the Expiration Date, the Early Termination Date or the Automatic Early Termination Date, as applicable, the price of such Constituent shall be determined by the Calculation Agent by reference to its good faith estimate of the value for such Constituent on that eighth Constituents Business Day.

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

Tax Treatment Switzerland

Swiss Federal Stamp Duty	The product is not subject to Swiss Federal Stamp Duty.
Swiss Federal Income Tax	The taxable income and capital gains/losses will be kept apart and will be reported to the Swiss Federal Tax Administration annually. Taxable income is subject to Swiss Federal, cantonal and communal income tax. Closing date (for Swiss tax purposes): January 1, for the first time January 1, 2018.
Swiss Withholding Tax	The product is not subject to the Swiss withholding tax.
EU Savings Tax Treatment	For Swiss paying agents, the product is not subject to the EU Savings tax.

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

Classification

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

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

2. Prospects of Profits and Losses

Market Expectation Investors in this Product expect the Reference Portfolio to trade positively over the life of the Product.

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

- **Positive performance** If the Reference Portfolio performs positively, Investors realise a positive return.
- **Sideways to slightly** If the Reference Portfolio performs sideways to slightly negative, Investors fully

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negative performance	participate in the performance of the Reference Portfolio.
<ul style="list-style-type: none"> Pronounced negative performance 	If the Reference Portfolio performs negatively, Investors may lose some or all of their investment.
Maximum Return	The profit potential is unlimited. The Product allows for full participation in the positive performance of the Reference Portfolio, as adjusted by fees and costs as described in more detail herein.
Maximum Loss	Investors may lose some or all of the investment as they are fully exposed to the negative performance of the Reference Portfolio.

3. Significant Risks for Investors

General risk warning	Potential Investors should understand the risks associated with an investment in the Product and shall only reach an investment decision after careful considerations with their legal, tax, financial and other advisors of (i) the suitability of an investment in the Product in the light of their own particular financial, fiscal and other circumstances; (ii) the information set out in this document and (iii) the Underlying(s). The following is a summary of the most significant risks. Further risks are set out in the Product Documentation.
Risk Tolerance	Investors in this Product should be experienced investors and familiar with both derivative products and the stock markets as well as with the investment management abilities of the Reference Portfolio Advisor. Investors must be willing to make an investment that is fully exposed to the performance of the Reference Portfolio, meaning that Investors might lose their whole investment in the Product in the worst case. The Issuer is entitled to redeem the Product early.

Product specific risks

Capital Protection (at Expiry)	None
Risk Potential in comparison to a direct investment in the Underlying	The risk potential is similar to a direct investment in the assets contained in the notional Reference Portfolio.
Loss Potential	Investors may lose some or all of their investment as they are fully exposed to the negative performance of the Reference Portfolio.
Issuer Call right	Yes; additionally, an Automatic Early Termination may occur.
Stop Loss Event	None
Currency risk	None
Extraordinary termination risk	The Product contains terms and conditions that allow the Issuer to terminate and redeem the Product prior to the Redemption Date. In case of such extraordinary termination, the Issuer shall pay to the Investors an extraordinary termination amount as determined by the Calculation Agent which is usually equivalent to the market value of the Product. Potential Investors should note that the extraordinary termination amount may deviate from and may be considerably below the amount which would be payable pursuant to the final redemption provisions on the Redemption Date. Investors are not entitled to request any further payments on the Product after the termination date.
Risks specific to exchange traded funds	Regarding the performance of exchange traded funds (ETFs), investors should also note the following risks specific to ETFs: (i) market risk: Investment aim of most ETFs is to track the performance of indices, market sectors, or groups of assets such as stocks, bonds or commodities. Investors are subject to risk of loss and volatility associated with the underlying

index/assets. The net asset value (NAV) of the ETF will change with changes in the market value of the underlying securities or other assets it holds and such changes may be amplified or inverse in the case of leveraged or inverse ETFs.

(ii) tracking error risk: The performance of the ETFs may deviate from the underlying index, market sectors or assets. This may be due to the impact of fees and expenses incurred to the ETFs, currency differences, the replication strategy of the ETF, and/or the failure of such strategy.

(iii) counterparty risk: If the ETF uses a synthetic replication strategy by entering into swaps or other derivatives transactions to gain exposure to the index or assets it tracks, investors are exposed to the risk that such counterparties may default on their obligations which may expose the ETF to greater losses than if the ETF invested only in conventional securities. There is always a risk that the market value of any collateral held by such ETF has deteriorated and is substantially below the amount secured by such collateral and thus, resulting in significant loss to the ETF.

(iv) foreign exchange risk: Assets and securities of an ETF may be denominated in a currency that differs from the currency in which the ETF's Net Asset Value (NAV) and/or the product is denominated. Accordingly, any fluctuation in the relevant exchange rates will affect the value of the underlying securities and assets of the ETF as well as the NAV of the ETF, which in turn may affect the market value of the product.

(v) liquidity risk: The ETF may be less liquid than the underlying securities it tracks and as a result, an investor could be exposed to greater liquidity risk in the event of early termination than if the product is linked directly to the underlying securities.

(vi) trading at discount or premium: An ETF may be traded at discount or premium to its NAV and such price discrepancy is caused by supply and demand factors. This may arise during the periods of high market volatility and in particular, where index/market that the ETF tracks is subject to direct investment restrictions.

Illiquidity risk in secondary market

The Issuer or the Lead Manager, as applicable, intends, under normal market conditions, to provide bid and/or offer prices for this Product on a regular basis. However, the Issuer or the Lead Manager, as applicable, makes no firm commitment to provide liquidity by means of bid and/or offer prices for this Product, and assumes no legal obligation to quote any such prices or with respect to the level or determination of such prices.

Potential Investors therefore should not rely on the ability to sell this Product at a specific time or at a specific price. Potential Investors should note that prices quoted typically include a spread and therefore may deviate from the market value of the Product. In special market situations, where the Issuer is completely unable to enter into hedging transactions, or where such transactions are very difficult to enter into, the spread between the bid and offer prices in the secondary market may be temporarily expanded, in order to limit the economic risks of the Issuer. Hence, Investors might sell at a price considerably lower than the actual price of the Product at the time of its sale. By selling the Product in the secondary market Investors may receive less than the capital invested.

In case of a secondary market transaction, there is a possibility that costs, including taxes, related to or in connection with the Product may arise for Investors that are not paid by the Issuer or imposed by the Issuer.

Market Disruption risk

Investors are exposed to market disruption events (such as trading disruption, exchange disruption and early closure of the relevant exchange), which could have an impact on the redemption amount through delay in payment, change in value or suspension of trading in the Product in the secondary market. For a detailed description of such events and their effects please refer to the Product Documentation.

Withholding tax

Investors in this Product should note that any payment under this Product may be subject to withholding tax (such as, inter alia, Swiss Withholding Tax, and/or withholding related to FATCA or 871(m) of the US Tax Code). **Any payments due under this Product are net of such tax.** Please refer to the General Terms and Conditions for detailed information. If the Issuer is required to withhold any amount pursuant to Section 871(m) or FATCA of the U.S. Tax Code, the Issuer will not be required to pay additional amounts with respect to the amount so withheld.

Risk Factors relating to the Issuer

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

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

4. Additional information

Product Documentation

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

These Final Terms (Simplified Prospectus) together with the 'General Terms and Conditions for Structured Products on Equity, Commodity and Index Underlyings', stipulated in English and as amended from time to time ("**General Terms and Conditions**") shall form the entire documentation for this Product ("**Product Documentation**"), and accordingly the Final Terms should always be read together with the General Terms and Conditions. The Simplified Prospectus may be provided in various languages, however, only the English version will be relevant and any translations are for convenience only. Definitions used in the Final Terms, but not defined therein shall have the meaning given to them in the General Terms and Conditions. In the event that the Product is listed (see above item 'Listing' under «General Information»), the Product Documentation will be amended in accordance with the listing requirements of the relevant exchange.

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

Important Information

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

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

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