

Open End PERLES on the SLI Swiss Leader Index[®] (SLIPR)



Tax Treatment Switzerland adjusted

Final Terms

Product Details

Underlying Index	SLI Swiss Leader Index[®] (Reuters: .SLI, ISIN CH0030252883)		
Issue Size	Up to 350'000 Open End PERLES (with reopening clause)		
Conversion Ratio	10 Open End PERLES refer to the level of one Underlying Index		
Reference Level of Underlying Index	1'412.70		
Issue Price	CHF 141.27	(was set at 100.00% of Reference Level of Underlying Index adjusted by the Conversion Ratio)	
Security No./ codes	ISIN: CH0032085208	WKN: UB74BR	
	Valor: 3 208 520	Common Code:	
	SWX Symbol: SLIPR		

Dates

Issue Date	19 June 2007
Pricing Date	02 July 2007
First Listing Date	06 July 2007
Payment Date	09 July 2007
Expiration Date	Open End

Product Description

With an Open End PERLES the investor can participate in the performance of the Underlying. The downside risk is similar to that of the Underlying, i.e. the investor could lose his total investment if the Underlying value falls to zero. Open End PERLES are an ideal product for investors who expect the Underlying to increase in value.

SVSP Product Name Tracker Certificates (210)

General Information

Issuer	UBS AG, Zurich
Rating	Aaa/AA+
Lead Manager	UBS AG, Zurich (UBS Investment Bank)
Settlement	Cash Settlement in CHF
Exchange Business Day	A day at which the Underlying Index is calculated and published by the Index Sponsor.
Exchange(s)	The stock exchanges on which components comprising the Underlying Index are traded, as determined by the Index Sponsor from time to time.
Index Sponsor	SWX Swiss Exchange
Trading	Daily price indications will be available on Reuters UBSDEEW05, www.ubs.com/keyinvest and Telekurs from 9:15 – 17:15 CET

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Lot	Minimum 1 PERLES for trading
Clearing	SIS, Euroclear, Clearstream (booked at SIS SegalInterSettle AG)
Listing	SWX Listing will be applied for
Form of deed	Book - entry Security
Selling restrictions	Europe, Hong Kong, Singapore, UK, USA, U.S. persons
	Warning – 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 the offer. If an investor is in any doubt about any of the contents of this document, the investor should obtain independent professional advice.
Governing Law Jurisdiction	Swiss / Zurich
Product Documentation	The Final Terms together with the 'General Terms and Conditions for Structured Products on Equity, Commodity and Index Underlyings', 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. Definitions used in the Final Terms, but not defined therein shall have the meaning given to them in the General Terms and Conditions. Furthermore, the Final Terms shall serve as and fulfil the requirements of a 'Simplified Prospectus' in accordance with Art. 5 of the Swiss Federal Act on Collective Investment Schemes (CISA). 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.
Issuer Call Right	The Issuer has the annual right, on 09 July, for the first time on 09 July 2008 ("Notice Date") to call the Open End PERLES for early redemption for a value equal to the Underlying Index Level adjusted by the conversion ratio effective 1 year after the "Notice Date" has been published to that effect (the "Termination Date"). In case that any of the dates is not a business day, the next following business day applies.
Investor Exercise Right	In addition to the possibility to sell the Open End PERLES at any time, each Investor has an annual right to exercise his Open End PERLES (notice to be received not later than 10 am Zurich time on 09 July of the relevant year (the "Exercise Date") for a value equal to the current Underlying Index Level adjusted by the conversion ratio at the time of the exercise. The exercise will become effective as of close of business on 09 July of the relevant year. In case that any of the dates is not a business day, the next following business day applies.

Tax Information

Swiss Stamp Duty	Secondary market transactions are not subject to Swiss Stamp Duty.
Swiss Income Tax	For private investors resident in Switzerland who hold the product on the Closing Date, any kind of distribution reinvested in the index or basket (dividends, repayments of nominal value and capital contribution reserves) is subject to income tax on an annual basis. The amount will be determined and reported to the Swiss Federal Tax Administration annually for publication in the Kursliste (list of tax values). Closing date (for Swiss tax purposes): December 31, for the first time December 31, 2018.
Swiss Withholding Tax	The product is not subject to the Swiss Withholding Tax.
EU Savings Tax	For Swiss paying agents, the product is not subject to the EU Savings Tax (TK9).

The tax information only provides a general overview over the Swiss tax consequences linked to this product based on the tax laws and the practice of the tax administration. Tax laws and the practice of tax administrations may change, possibly with retroactive effect.

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ADDITIONAL INFORMATION / DISCLAIMERS

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 Federal Banking Commission (Eidgenössische Bankenkommision). Therefore, investors in this Product are not eligible for the specific investor protection under the CISA.

Prudential Supervision

UBS AG is regulated and supervised by the Swiss Federal Banking Commission (Eidgenössische Bankenkommision). In addition, its London Branch is regulated and supervised by the Financial Services Authority (FSA) and its Jersey Branch by the Jersey Financial Services Commission (JFSC).

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.

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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.

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

Secondary Market

The Issuer or the Lead Manager, as applicable, intends, under normal market conditions, to provide bid and offer prices for the securities 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 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.

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 to limit the economic risks of the Issuer.

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.

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Europe - For EEA jurisdictions (EU member states plus Norway, Iceland and Liechtenstein) that have implemented the EU Prospectus Directive ("EU-PD"), the Product Documentation for this Product DO NOT QUALIFY as a prospectus published in accordance with the requirements of the EU-PD. Unless and until a prospectus has been published in accordance with the requirements of the EU-PD, this Product may not be offered or sold in EEA jurisdictions that have implemented the EU-PD 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.

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Singapore - The following applies subsequent to the coming into force of the amendments to Part XIII of the SFA (as amended by the Securities and Futures (Amendment) Act 2005).

This Document has not been registered as a prospectus with the Monetary Authority of Singapore under the Securities and Futures Act (Cap. 289) of Singapore ("SFA"). 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 the public or any member of the public in Singapore other than (i) to an institutional investor specified in Section 274 of the SFA, (ii) to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

In the event where this Product is subscribed or purchased under Section 275 by a relevant person which is:

- (a) a corporation (which is not an accredited investor) the sole business of which is to hold investment 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 is an accredited investor;
- then the shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest in that trust shall not be transferable for six months after that corporation or that trust has acquired this Product under Section 275 except:
- (1) to an institutional investor under Section 274 of the SFA or to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA;
 - (2) where no consideration is given for the transfer; or
 - (3) by operation of law.

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.

Index Disclaimer

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Final Terms and Conditions / Prospectus: The prospectus of the security described in this term sheet can be ordered under Tel. +41-44-239 47 03, Fax +41-44-239 21 11 or via E-Mail: swiss-prospectus@ubs.com or from your client advisor.

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