



## Low-trigger loss-absorbing additional tier 1 capital instrument

<b>Issuer</b>	UBS AG
<b>ISIN</b>	- <sup>1</sup>
<b>Issue Date</b>	20.03.2018 <sup>2</sup>
<b>Currency</b>	USD
<b>Nominal (million)</b>	1,250.0
<b>Interest Rate</b>	7% <sup>3</sup> , plus 0.1815% <sup>2</sup>
<b>Maturity Date</b>	perpetual
<b>First Call Date</b>	19.02.2025

<sup>1</sup> UBS Group internal capital loan.

<sup>2</sup> Amended and restated as of 25 May 2018 and 11 October 2019.

<sup>3</sup> Rate subject to change after first call date.

**UBS Group internal loan relating to USD 1,250,000,000 7.00 per cent. Tier 1 Subordinated Notes**

<b>Type of instrument</b>	Loan from UBS Group AG (as Lender) to UBS AG (as Borrower), hereinafter referred to as "Loan"
<b>Terms of the loans</b>	<p>(a) The terms of the Loan (including, without limitation, in relation to principal amount, currency, subordination, interest, redemption and contingent write-down) shall, <i>mutatis mutandis</i> and subject to this Section 1, mirror the terms and conditions of the Tier 1 Subordinated Notes (the <b>Conditions</b>) attached hereto as <u>Annex A</u>, as may be amended, supplemented or otherwise modified from time to time; whereby</p> <p>(i) the terms "<i>Fixed Interest Rate</i>" and "<i>Reset Interest Rate</i>" in the Conditions shall, for purposes of the Loan, be deemed to refer to such term (as defined in the Conditions) plus</p> <p style="padding-left: 40px;">(1) to (but excluding) 11 October 2019, 0.13 per cent. per annum; and</p> <p style="padding-left: 40px;">(2) from (and including) 11 October 2019, 0.1815 per cent. per annum.</p> <p>(ii) the terms "Group Holding Company", "UBS Group AG" and "Issuer" in the Conditions shall, for purposes of the Loan, be deemed to refer to the Borrower, except that</p> <p style="padding-left: 40px;">(1) the reference to "Group Holding Company" and "UBS Group AG" in Condition 6(c)(ii) shall continue to refer to UBS Group AG (or, if different, the top Swiss holding company at such time of the financial group to which UBS Group AG belongs for purposes of preparing consolidated capital adequacy reports pursuant to National Regulations);</p> <p style="padding-left: 40px;">(2) any reference to UBS Group AG being a bank holding company shall continue to refer to UBS Group AG; and</p> <p style="padding-left: 40px;">(3) any reference to "UBS Group AG" or "Group Holding Company" in the defined terms "Auditor", "BIS Risk Weighted Assets", "CET1 Capital", "CET1 Ratio",</p>

	<p>"Higher-Trigger Amount", "Public Sector" and "Quarterly Financial Accounts" shall continue to refer to UBS Group AG (or, if different, the top Swiss holding company at such time of the financial group to which UBS Group AG belongs for purposes of preparing consolidated capital adequacy reports pursuant to National Regulations);</p> <p>(iii) the term "Group" in the Conditions shall, for purposes of the Loan, be deemed to refer to UBS Group AG (or, if different, the top Swiss holding company at such time of the financial group to which UBS Group AG belongs for purposes of preparing consolidated capital adequacy reports pursuant to National Regulations) and all its subsidiaries and other entities that are included in the consolidated capital adequacy reports of UBS Group AG (or, if different, the top Swiss holding company at such time of the financial group to which UBS Group AG belongs for purposes of preparing consolidated capital adequacy reports pursuant to National Regulations) prepared pursuant to National Regulations;</p> <p>(iv) the term "Holder" in the Conditions shall, for purposes of the Loan, be deemed to refer to the Lender;</p> <p>(v) the term "Notes" in the Conditions shall, for purposes of the Loan, be deemed to refer to the Loan; and</p> <p>(vi) all other terms defined in the Conditions shall, for purposes of the Loan, be construed accordingly.</p> <p>(vii) Any reference in Condition 2(a) to the denomination shall not apply to the Loan, it being understood that the Loan is not fractional.</p> <p>(viii) Conditions 2(b), 4(e), 5(g) and 5(h) shall not apply to the Loan, it being understood that there will be no securities issued under the Loan.</p> <p>(ix) Any reference in the Conditions to the listing of the Tier 1 Subordinated Notes shall not apply to the Loan, it being understood that the Loan will not be listed on any exchange.</p>
<b>Governing Law</b>	Swiss law