# BASE PROSPECTUS

## UBS (LUXEMBOURG) ISSUER SA

## EUR 10,000,000,000 Fiduciary Note Programme

**UBS (Luxembourg) Issuer SA**, a public limited liability company (*société anonyme*) incorporated under the laws of the Grand Duchy of Luxembourg, having its registered office at 33A, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg and registered with the Luxembourg trade and companies register *(Registre de commerce et des sociétés, Luxembourg)* under number B.207565 **(**the "**Fiduciary**"**)**, may from time to time issue Notes (as defined below) on a fiduciary basis. The Fiduciary is subject, as a regulated securitisation undertaking (*société de titrisation agréée*), to the provisions of the Luxembourg act dated 22 March 2004 on securitisation, as amended (the "**Securitisation Act 2004**") and to the supervision of the *Commission de Surveillance du Secteur Financier* ("**CSSF**").

**The Fiduciary accepts responsibility for the accuracy of the information contained in this Base Prospectus to the extent that that information relates to the Fiduciary and the relevant Fiduciary Contract (as defined below), and UBS AG, acting through its London Branch (the "Arranger", and together with the Fiduciary, the "Responsible Persons") also accepts responsibility for the accuracy of the information contained in this Base Prospectus to the extent that the information does not relate to the Fiduciary and the Fiduciary Contract. To the best of the knowledge of the Fiduciary and the Arranger, as the case may be (who have taken all reasonable care to ensure that this is the case), such information contained in this Base Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.**

**This document does not comprise a prospectus or a base prospectus for the purposes of Regulation (EU) 2017/1129 (the "Prospectus Regulation"). This Base Prospectus has been prepared solely in order to allow for the Notes to be offered in circumstances which do not impose an obligation on the Fiduciary or any Dealer (as defined herein) to publish or supplement a prospectus under the Prospectus Regulation. This Base Prospectus does not constitute an offer or an invitation to the public or any section thereof to subscribe for or to purchase the Notes.**

**This Base Prospectus (the "Base Prospectus") is dated 25 November 2020. It was approved by, and registered with SIX Exchange Regulation Ltd. as reviewing body (the "Reviewing Body") within the meaning of article 52 of the Swiss Federal Act on Financial Services of 15 June 2018, as the same may be amended from time to time (*Finanzdienstleistungsgesetz*; the "FinSA"), on 25 November 2020. Further, this Base Prospectus was approved by the Luxembourg Stock Exchange on 25 November 2020 and constitutes a prospectus for purposes of Part IV of the Luxembourg act dated 16 July 2019 relating to prospectuses for securities (the "Prospectus Act 2019").**

**Application has been made to the Luxembourg Stock Exchange for certain Notes issued under the Programme to be admitted to listing on the Official List of the Luxembourg Stock Exchange and trading on the Luxembourg Stock Exchange's Euro MTF Market (the "Euro MTF"). The Euro MTF is not a regulated market pursuant to the provisions of Directive 2014/65/EU ("MiFID II"). The Programme provides that Notes may be listed or admitted to trading, as the case may be, on such other or further stock exchange(s) or markets as may be agreed between the Fiduciary and the relevant Dealer (other than in respect of an admission to trading on any market in the EEA or in the UK which has been designated as a regulated market for the purposes of the Prospectus Regulation). The Fiduciary may also issue unlisted Notes and/or Notes not admitted to trading on any market. The applicable Pricing Supplement will specify whether or not Notes are to be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Euro MTF Market or any other or further stock exchange(s) and, if relevant, will include information on the relevant market segment of the stock exchange on which the Notes are to be admitted to trading.**

**The Notes do not represent a participation in any of the collective investment schemes pursuant to article 7 et seq. of the Swiss Federal Act on Collective Investment Schemes and are not subject to an authorisation of the Swiss Financial Market Supervisory Authority ("FINMA"). Investors in the Notes are subject to the Fiduciary's credit risk. The Notes are not issued, guaranteed or secured in an equivalent manner by a supervised institution within the meaning of article 70 para. 1 of the FinSA.**

Under the EUR 10,000,000,000 Fiduciary Note Programme (the "**Programme**") described in this Base Prospectus the Fiduciary, subject to compliance with all relevant laws, regulations and directives, may from time to time issue notes (the "**Notes**"), as more fully described in "Overview" on a fiduciary basis in its own name but at the sole risk and for the exclusive benefit of the holders of the Notes (the "**Noteholders**") pursuant to the Luxembourg act dated 27 July 2003 relating to trust and fiduciary contracts, as amended (the "**Law**") and in conjunction therewith may from time to time buy or sell securities and/or other assets and/or enter into contractual or other rights. Notes of any kind may be issued, including but not limited to Notes relating to a specified index and/or exchange traded fund or a basket of indices and/or exchange traded funds ("**Index/ETF Linked Notes**"), a specified share or a basket of shares, a specified American depositary receipt or global depositary receipt or a basket thereof ("**Equity Linked Notes**") and a specified fund or basket of funds ("**Fund Linked Notes**") or any combination of the foregoing. Each issue of Notes will be issued on the terms set out herein which are relevant to such Notes under "Terms and Conditions of the Notes" on pages 94 to 136 (the **"Terms and Conditions of the Notes**" or the **"Conditions**") and any applicable Additional Terms and Conditions on pages

137 to 198 and on such additional terms as will be set out in the relevant Pricing Supplement. For Notes (a) offered to the public in Switzerland pursuant to article 35 of the FinSA (except as specified under article 36(1) or article 37 of the FinSA) or (b) admitted to trading on a trading venue in accordance with article 26(a) of the Swiss Federal Act on Financial Market Infrastructures and Market Conduct in Securities and Derivatives Trading dated 19 June 2015, as the same may be amended from time to time ("**Non-Exempt Swiss Notes**"), the Pricing Supplement relating to the specific issue constitutes the final terms (*endgültige Bedingungen*) within the meaning of article 45 para. 3 of the FinSA and article 56 of the Swiss Financial Services Ordinance of 6 November 2019, as the same may be amended from time to time (*Finanzdienstleistungsverordnung*; the "**FinSO**"). Notes will be issued in registered form. The maximum aggregate nominal amount of Notes outstanding will not at any time exceed EUR 10,000,000,000 (or its equivalent in other currencies calculated as described in the Programme Agreement described herein), subject to increase as further set out herein.

Each series of Notes (a "**Series**") is issued to fund the acquisition of Fiduciary Assets and/or the entry by the Fiduciary into the Fiduciary Asset Agreements (each as defined in *"Terms and Conditions of the Notes – 4. Fiduciary Assets and the Fiduciary Contract"*) in its own name on a fiduciary basis but at the sole risk and for the exclusive benefit of the Noteholders and to pay expenses in connection with the issue of the Notes. Each Note evidences the existence of a fiduciary contract in relation to the relevant Series of Notes governed by the Law between the Fiduciary and the relevant Noteholder under which the Fiduciary has conditional payment obligations to the relevant Noteholder equal to payments of a pro-rata share of principal, interest or any other sums received by the Fiduciary under the Fiduciary Assets and/or the Fiduciary Asset Agreements and/or conditional delivery obligations to the relevant Noteholder as described in the "*Terms and Conditions of the Notes*".

The Fiduciary shall not be liable for or otherwise obliged to pay (a) any tax, duty, withholding or other payment which may arise as a result of the ownership, transfer, presentation and surrender for payment, or enforcement of any Note or (b) any tax, duty, withholding or other payment which arises in respect of any payment due to the Fiduciary under any Fiduciary Assets and/or any Fiduciary Asset Agreements and all payments made by the Fiduciary shall be made subject to any such tax, duty, withholding or other payment which may be required to be made, paid, withheld or deducted.

The Notes do not constitute direct debt obligations of UBS (Luxembourg) Issuer SA or any other entity belonging to the UBS Group (as defined in "*Information Concerning the Swap Counterparty - Description of UBS AG, London Branch*"), including UBS Europe SE, Luxembourg Branch (i.e. obligations that affect the personal estate of UBS (Luxembourg) Issuer SA) but are solely fiduciary obligations of the Fiduciary and may only be satisfied out of the Fiduciary Assets and/or Fiduciary Asset Agreements of the relevant Series. Such payment obligations are conditional upon the due and timely performance by each Fiduciary Asset Obligor (as defined in "*Terms and Conditions of the Notes – 4. Fiduciary Assets and the Fiduciary Contract*") of its obligations, including in respect of payments and deliveries, under the relevant Fiduciary Asset Agreements or Fiduciary Assets. A Noteholder has no direct right of action against any Fiduciary Asset Obligor (as defined in "*Terms and Conditions of the Notes – 4. Fiduciary Assets and the Fiduciary Contract*") to enforce its rights under the Notes or the obligations of the Fiduciary Asset Obligor under the relevant Fiduciary Assets and/or any Fiduciary Asset Agreements.

In respect of each Series, the relevant Fiduciary Assets and/or the relevant Fiduciary Asset Agreements and/or conditional delivery obligations to the Noteholders (as described in the "*Terms and Conditions of the Notes*") and all proceeds thereof and sums arising therefrom and all other assets of the relevant Series will not form part of the general assets of the Fiduciary but are exclusively reserved for the benefit of the creditors whose rights derive from such Series, including the Noteholders. If, in accordance with the Terms and Conditions of the Notes, the amounts receivable or received by the Fiduciary in respect of and/or the proceeds of realisation of, the Fiduciary Assets and/or the Fiduciary Asset Agreements are not sufficient to make all payments otherwise due in respect of the Notes, no other asset of the Fiduciary will be available to meet such shortfall and the Noteholders shall have no claims in respect of such shortfall.

The Fiduciary is not obliged to account to the Noteholders in respect of any fees or expenses paid in respect of its appointment as Fiduciary unless otherwise provided for in the "*Terms and Conditions of the Notes*". The Fiduciary may receive fees or re-imbursement of expenses from other entity(ies) in the UBS Group.

The Fiduciary may deduct from any payments made by it to Noteholder(s) or, in the case of a redemption of a Note by physical delivery, from the amount used to calculate the Asset Amount (as defined in "*Terms and Conditions of the Notes – 6. Payments and Physical Delivery"*), a *pro rata* share of an amount that is necessary to indemnify and reimburse the Fiduciary against any charge, loss, liability, cost, claim, action, damage, expense, demand or any withholding or other tax (including, without limitation, legal fees, costs, commissions payable, any stamp, documentary, registration or similar duty or tax and expenses) which the Fiduciary may incur or which may be made against any of the Fiduciary, its Affiliates (as defined in "*Terms and Conditions of the Notes*"), or any of the Fiduciary's or its Affiliates' directors, officers, employees or agents as a result of, or arising out of, or in connection with the Notes or the relevant Fiduciary Contract and the transactions contemplated thereunder, including the entry into the Fiduciary Asset Agreements (if any), all as more fully set out in the "*Terms and Conditions of the Notes*".

The Fiduciary makes no representation or warranty and assumes no liability for or responsibility or obligation in respect of the legality, validity or enforceability of the Fiduciary Assets and/or the Fiduciary Asset Agreements, the performance and observance by any obligor of any of its obligations in respect of any of the Fiduciary Asset Agreements or the recoverability of any monies due or to become due under the Fiduciary Assets and/or the Fiduciary Asset Agreements.

*By subscribing for, or otherwise acquiring, the Notes, the Noteholders are entitled to the benefit of, are bound by, and are deemed to have knowledge of, all of the provisions of the Fiduciary Asset Agreements, the Fiduciary Asset Disclosure Documents (if any) (as defined below), the Agency Agreement, the relevant Fiduciary Contract and the Terms and Conditions of the Notes and are deemed to have accepted expressly the Fiduciary Asset Agreements, the Fiduciary Asset Disclosure Documents (if any), the Agency Agreement, the relevant Fiduciary Contract and the Terms and Conditions of the Notes.*

This Base Prospectus has not been approved as a prospectus or a base prospectus for the purposes of the Prospectus Regulation and, accordingly, no offer to the public may be made and no admission to trading may be applied for on any market in the European Economic Area (**"EEA"**) or in the United Kingdom ("**UK**") designated as a regulated market, in each case for the purposes of the Prospectus Regulation. Notes may only be issued under this Programme in circumstances where no prospectus is required to be published under the Prospectus Regulation (see *"Subscription and Sale"* below).

Details of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes, Fiduciary Assets (if any), Fiduciary Asset Agreements (if any), Fiduciary Asset Obligors (if any) and any other terms and conditions not contained herein which are applicable to each Tranche (as defined under **"***Terms and Conditions of the Notes***"**) of Notes will be set forth in the relevant Pricing Supplement which, with respect to Notes to be listed, will be delivered to the relevant stock exchange on or before the issue date of the Notes.

The language of the Base Prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

The rating of certain Series of Notes to be issued under the Programme (if any) may be specified in the applicable Pricing Supplement.

The Notes may be issued on a continuing basis to one or more of the Dealers specified under **"***Overview*" and any additional Dealer appointed under the Programme from time to time by the Fiduciary (each a **"Dealer"** and together the **"Dealers"**), which appointment may be for a specific issue or on an ongoing basis. References in this Base Prospectus to the ***"relevant Dealer"*** shall, in the case of an issue of Notes being (or intended to be) subscribed by more than one Dealer, be to all Dealers agreeing to subscribe such Notes.

See **"***Risk Factors***"** for a discussion of certain factors to be considered in connection with an investment in the Notes.

If the Pricing Supplement includes a legend entitled "Prohibition of Sales to EEA and UK Retail Investors", the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA or in the UK. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; (ii) a customer within the meaning of Directive (EU) 2016/97 (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation. Consequently no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPs Regulation.

The Pricing Supplement in respect of any Notes will include a legend entitled "MiFID II Product Governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a distributor) should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue of Notes about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the "**MiFID Product Governance Rules**"), any purchaser subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor any of its affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

The Notes and, in certain cases, the securities (if any) to be delivered when the Notes are redeemed, have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the **"Securities Act"**), or with any securities regulatory authority of any state or other jurisdiction of the United States. Trading in the Notes has not been and will not be approved by the U.S. Commodity Futures Trading Commission (the "**CFTC**") under the U.S. Commodity Exchange Act, as amended (the "**CEA**") or by the U.S. Securities and Exchange Commission (the "**SEC**"). Further, no person has registered nor will register as a commodity pool operator of the Fiduciary or the Fiduciary Assets under the CEA and the rules thereunder (the "**CFTC Rules**"), and neither the Fiduciary nor any of the Fiduciary Assets have been registered nor will be registered as an investment company under the U.S. Investment Company Act of 1940, as amended (the "**Investment Company Act**").

The Notes are being offered and sold in reliance on an exemption from the registration requirements of the Securities Act pursuant to Regulation S under the Securities Act (the "**Regulation S**"). Accordingly, no Notes, or interests therein, may at any time be offered, sold, resold, pledged, delivered or transferred, directly or indirectly, within the United States or to, or for the account or benefit of, any U.S. person or to others for offer, sale, resale, pledge, delivery, or transfer, directly or indirectly, within the United

States or to, or for the account or benefit of, any U.S. person or under circumstances that will require the Fiduciary or the Fiduciary Assets to register as an "investment company" under the Investment Company Act or under circumstances that will require any person to register as a commodity pool operator of the Fiduciary or the Fiduciary Assets under the CEA and CFTC Rules. Terms used in this paragraph and not otherwise defined herein have the meaning given to them by Regulation S under the Securities Act. See "*Form of the Notes*" for a description of the manner in which Notes will be issued. The Notes are subject to certain restrictions on transfer; see "*Subscription and Sale and Transfer and Selling Restrictions*".

Neither this document nor any copy hereof may be sent, taken into or distributed in the United States or to any U.S. person or in any other jurisdiction except under circumstances that will result in compliance with the applicable laws thereof. This document may not be reproduced either in whole or in part, without the written permission of the Fiduciary.

As used in this Base Prospectus, unless otherwise specified, a "**U.S. person**" means a person that is any one or more of the following: (1) a "U.S. person" as defined in Regulation S, (2) a person who comes within any definition of "U.S. person" for the purposes of the CEA or any rule, guidance or order proposed or issued by the CFTC thereunder (including but not limited to any person who is not a "Non-United States person" under CFTC Rule 4.7(a)(1)(iv) (excluding for purposes of subsection (D) thereof, the exception for qualified eligible persons who are not "Non-United States persons")) (any person who is not a "U.S. person" as defined immediately above, a "**Permitted Purchaser**").

**Arranger**

**UBS AG, acting through its London Branch**

**The date of this Base Prospectus is 25 November 2020.**

*The applicable Pricing Supplement will contain information relating to the relevant Fiduciary Assets and/or Fiduciary Asset Agreements. The Dealer specified in the applicable Pricing Supplement or, in respect of a syndicated issue, the Lead Manager specified in the subscription agreement relating to the relevant Notes (as the case may be) will, unless otherwise expressly stated in the applicable Pricing Supplement, confirm that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published in respect of the Fiduciary Assets and/or Fiduciary Asset Agreements, no facts have been omitted which would render the reproduced information inaccurate or misleading.*

*Subject as provided in the applicable Pricing Supplement, the only persons authorised to use this Base Prospectus in connection with an offer of Notes are the persons named in the applicable Pricing Supplement as the relevant Dealer.*

*Subject as provided herein, the Dealers have not independently verified the information contained herein. Accordingly, subject as provided herein, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Dealers as to the accuracy or completeness of the information contained or incorporated by reference in this Base Prospectus or any other information provided by the Fiduciary in connection with the Programme. Subject as provided herein, no Dealer accepts any liability in relation to the information contained or incorporated by reference in this Base Prospectus or any other information provided by the Fiduciary in connection with the Programme.*

*No person is or has been authorised by the Fiduciary or any of the Dealers to give any information or to make any representation not contained or incorporated by reference in or not consistent with this Base Prospectus or any other information supplied in connection with the Programme or the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Fiduciary or any of the Dealers.*

*Neither this Base Prospectus nor any other information supplied in connection with the Programme or any Notes (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by the Fiduciary or any of the Dealers that any recipient of this Base Prospectus or any other information supplied in connection with the Programme or any Notes should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Fiduciary. Neither this Base Prospectus nor any other information supplied in connection with the Programme or the issue of any Notes constitutes an offer or invitation by or on behalf of the Fiduciary or any of the Dealers to any person to subscribe for or to purchase any Notes.*

*Neither the delivery of this Base Prospectus nor the offering, sale or delivery of any Notes shall in any circumstances create the implication that there has been no change in the affairs of the Fiduciary since the date hereof or that there has been no adverse change in the financial position of the Fiduciary since the date hereof or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same. The Dealers expressly do not undertake to review the financial condition or affairs of the Fiduciary during the life of the Programme or to advise any investor in the Notes of any information coming to their attention. Investors should review, inter alia, the most recently published documents incorporated by reference into this Base Prospectus when deciding whether or not to purchase any Notes.*

*This Base Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Base Prospectus and the offer or sale of Notes may be restricted by law in certain jurisdictions. The Fiduciary and the Dealers do not represent that this Base Prospectus may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Fiduciary or the Dealers which is intended to permit a public offering of any Notes or distribution of*

*this Base Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Base Prospectus nor any advertisement or 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 Base Prospectus or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Base Prospectus and the offering and sale of Notes. In particular, there are restrictions on the distribution of this Base Prospectus and the offer or sale of Notes in the United States, the European Economic Area (including the United Kingdom) and Japan, see "Subscription and Sale and Transfer and Selling Restrictions".*

*This Base Prospectus has been prepared on the basis that any offer of Notes in any Member State of the European Economic Area or the United Kingdom (each, a "**Relevant State**") must be made pursuant to an exemption under the Prospectus Regulation, from the requirement to publish a prospectus for offers of Notes. Accordingly any person making or intending to make an offer in that Relevant State of Notes which are the subject of an offering contemplated in this Base Prospectus and the Pricing Supplement in relation to the Notes may only do so in circumstances in which no obligation arises for the Fiduciary or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation, in each case, in relation to such offer. Neither the Fiduciary nor any Dealer have authorised, nor do they authorise, the making of any offer of Notes in circumstances in which an obligation arises for the Fiduciary or any Dealer to publish or supplement a prospectus for such offer.*

*For a description of certain restrictions on offers and sales of Notes and on distribution of this Base Prospectus, see "Subscription and Sale and Transfer and Selling Restrictions".*

*Notwithstanding anything to the contrary in any Programme document, all persons may disclose to any and all persons, without limitation of any kind, the United States federal, state and local tax treatment of the Notes and the Fiduciary, any fact relevant to understanding the United States federal, state and local tax treatment of the Notes and the Fiduciary, and all materials of any kind (including opinions or other tax analyses) relating to such United States federal, state and local tax treatment other than the names of the parties or any other person named herein, or information that would permit identification of the parties or other non-public business or financial information that is unrelated to the United States federal, state or local tax treatment of the Notes or the Fiduciary to the taxpayer and is not relevant to understanding the United States federal, state or local tax treatment of the Notes or the Fiduciary to the taxpayer.*

*In making an investment decision, investors must rely on their own examination of the Fiduciary, the Fiduciary Assets and/or the Fiduciary Asset Agreements and the terms of the Notes being offered, including the merits and risks involved and the Fiduciary accepts no responsibility in this respect. The Notes have not been approved or disapproved by the United States Securities and Exchange Commission or any other securities commission or other regulatory authority in the United States, nor have the foregoing authorities passed upon or approved this Base Prospectus or confirmed the accuracy or adequacy of this Base Prospectus, the information contained herein, or the merits of the Notes. Any representation to the contrary is unlawful. Furthermore, the Notes do not constitute, and have not been marketed as, contracts for the sale of a commodity for future delivery (or options thereon) subject to the CEA, and neither trading in the Notes nor this document has been approved by the CFTC under the CEA, and no person other than a Permitted Transferee may at any time trade or maintain a position in the Notes.*

*None of the Dealers or the Fiduciary makes any representation to any investor in the Notes regarding the legality of its investment under any applicable laws. Any investor in the Notes should be able to bear the economic risk of an investment in the Notes for an indefinite period of time.*

*EACH PURCHASER OF NOTES MUST COMPLY WITH ALL APPLICABLE LAWS AND REGULATIONS IN FORCE IN EACH JURISDICTION IN WHICH IT PURCHASES, OFFERS OR SELLS SUCH NOTES OR POSSESSES OR DISTRIBUTES THIS BASE PROSPECTUS AND MUST OBTAIN ANY CONSENT, APPROVAL OR PERMISSION REQUIRED FOR THE PURCHASE, OFFER OR SALE BY IT OF SUCH NOTES UNDER THE LAWS AND REGULATIONS IN FORCE IN ANY JURISDICTION TO WHICH IT IS*

*SUBJECT OR IN WHICH IT MAKES SUCH PURCHASES, OFFERS OR SALES AND NEITHER THE FIDUCIARY NOR THE ARRANGER (INCLUDING THE DIRECTORS, OFFICERS OR EMPLOYEES THEREOF) SHALL HAVE ANY RESPONSIBILITY THEREFOR. NOTES MAY BE SUBJECT TO RESTRICTIONS ON TRANSFER AND RESALE AS DESCRIBED FURTHER IN THIS BASE PROSPECTUS.*

***PRESENTATION OF FINANCIAL AND OTHER INFORMATION***

In this Base Prospectus, unless otherwise specified or the context otherwise requires, references to:

- "**dollars**", "**U.S. dollars**", "**USD**" and "**U.S.$**" refer to United States dollars; and

- "**euro**", "**EUR**" or "**€**" refer to the lawful currency of the member states of the European Union that have adopted the single currency in accordance with the Treaty on the Functioning of the European Union, as amended.

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## SUMMARY OF THE BASE PROSPECTUS

**This summary (the "Summary") contains all the information required to be included in a summary of a base prospectus pursuant to article 45 of the Swiss Federal Act on Financial Services of 15 June 2018, as the same may be amended from time to time (*Finanzdienstleistungsgesetz*; the "FinSA").**

***This Summary is relevant to and should be considered only with respect to notes (the "Notes") issued under the Programme and this base prospectus (the "Base Prospectus") that are (a) offered to the public in Switzerland pursuant to article 35 of the FinSA (except as specified under article 36(1) or article 37 of the FinSA) or (b) admitted to trading on a trading venue in accordance with article 26(a) of the Swiss Federal Act on Financial Market Infrastructures and Market Conduct in Securities and Derivatives Trading dated 19 June 2015, as the same may be amended from time to time ("Non-Exempt Swiss Notes").***

**The Summary is an introduction to and should be read together with the Base Prospectus as a whole.**

**Any decision to invest in the Notes should be based on consideration of the Base Prospectus in its entirety by the investor (including documents incorporated into the Base Prospectus by reference), and not on the Summary alone. In particular, each investor should consider the risk factors described in the Base Prospectus (including documents incorporated into the Base Prospectus by reference).**

**ANY LIABILITY FOR THE CONTENT OF THIS SUMMARY IS LIMITED TO CASES WHERE THE INFORMATION CONTAINED IN THIS SUMMARY IS MISLEADING, INACCURATE OR INCONSISTENT WHEN READ TOGETHER WITH THE OTHER PARTS OF THE BASE PROSPECTUS.**

**Issuer:**

UBS (Luxembourg) Issuer SA (the "**Fiduciary**"), a public limited liability company (*société anonyme*) incorporated under the laws of the Grand Duchy of Luxembourg, with its registered office at 33A, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg and registered with the Luxembourg trade and companies register *(Registre de commerce et des sociétés, Luxembourg)* under number B.207565. The Fiduciary is subject, as a regulated securitisation undertaking (*société de titrisation agréée*), to the provisions of the Luxembourg act dated 22 March 2004 on securitisation, as amended, and to the supervision of the *Commission de Surveillance du Secteur Financier* in Luxembourg.

**Types of Notes described in the Base Prospectus:**

This section includes a summary description of the types of Notes that may be issued under the Base Prospectus. The types of Notes set out below is not exhaustive and the Fiduciary is free to issue Notes with different and/or additional features under the Base Prospectus. In addition to the types of Notes listed below, the Fiduciary can issue any other type of Note (including any series of Notes comprising a combination of two or more of any of the types of Notes mentioned below) which the Fiduciary and the Dealer or, in respect of a syndicated issue, the Lead Manager specified in the subscription agreement relating to the relevant Notes (as the case may be) may agree to issue under the Base Prospectus. Additional information on the Notes, including a description of the particular Notes, are contained in section "*Overview*" on pages 11 to 17 of the Base Prospectus and in the terms set out in the Base Prospectus which are relevant to the Notes under "*Terms and Conditions of the Notes*" on pages 94 to 136 of the Base Prospectus, any applicable additional terms and conditions set out on pages 137 to 198 of the Base Prospectus, and such additional terms as will be set out in the relevant pricing supplement ("**Pricing Supplement**").

The pay out, redemption amount, interest amounts and/or value of the Notes offered under the Base Prospectus may be based on the performance of the Fiduciary Assets (as defined in *"Terms and Conditions of the Notes – 4. Fiduciary Assets and the Fiduciary Contract"*).

The following types of Notes may be issued under the Base Prospectus. For a description of each of these types of Notes, please refer to the section titled "*Overview*" below on pages 11 to 17 of the Base Prospectus.

- Fixed Rate Notes
- Floating Rate Notes
- Dual Currency Interest Notes
- Zero Coupon Notes
- Reference Item Linked Notes

**Investors should be aware that this is not an exhaustive list of the types of Notes which may be issued under the Base Prospectus. The types of Notes which may be issued under the Base Prospectus include any other types of Notes (including any series of Notes comprising a combination of two or more of any of the types of Notes mentioned above) which the Fiduciary and the Arranger may agree to issue under the Base Prospectus and as set out in the applicable Pricing Supplement.**

**Information on the Notes:**

The most important information with respect to the Notes in view of a particular public offering or admission to trading of the Notes (if any) will be set out in the relevant Pricing Supplement.

**Information on the Offering:**

The most important information relating to the offering in view of a particular public offering of Notes (if any) will be set out in the relevant Pricing Supplement.

**Information on any Listing or Admission to Trading:**

The most important information relating to a specific listing and/or a specific admission to trading of the Notes (if any) will be set out in the relevant Pricing Supplement.

**Approval of Base Prospectus:**

The Base Prospectus is dated as of 25 November 2020 and has been approved by and registered with SIX Exchange Regulation Ltd. (the "**Reviewing Body**") on 25 November 2020. In addition, the Base Prospectus has been approved by the Luxembourg Stock Exchange on 25 November 2020.

**Pricing Supplement:**

With respect to any series of Non-Exempt Swiss Notes, the respective Pricing Supplement constitutes the final terms (*endgültige Bedingungen*) within the meaning of article 45 para. 3 of the FinSA and article 56 of the Swiss Financial Services Ordinance of 6 November 2019, as the same may be amended from time to time. In case of an issue of Non-Exempt Swiss Notes, the Pricing Supplement will be published and filed with the Reviewing Body as soon as possible after the final information relating to the relevant series is available. In case of Notes to be admitted to trading in Switzerland, a publication and filing with the Reviewing Body will take place no later than on the date the relevant Notes are admitted to trading.

## OVERVIEW

Words and expressions defined in "*Form of the Notes*" and "*Terms and Conditions of the Notes*" shall have the same meanings in this Overview.

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| **Fiduciary:** | UBS (Luxembourg) Issuer SA |
| **LEI** (Legal Entity Identifier)**:** | 222100SDMGYST7Y8TL46 |
| **Description:** | EUR 10,000,000,000 Fiduciary Note Programme. Each Note of a Series issued pursuant to the Programme evidences the existence of a fiduciary contract between the Fiduciary and the relevant Noteholder. |
| **Size:** | Up to EUR 10,000,000,000 (or the equivalent in other currencies calculated as described in the Programme Agreement) outstanding at any time. The Fiduciary may increase the amount of the Programme in accordance with the terms of the Programme Agreement. |
| **Arranger:** | UBS AG, acting through its London Branch |
| **Dealers:** | UBS AG, London Branch and/or any other Dealers appointed in accordance with the Programme Agreement or in relation to a particular Tranche of Notes. |
| **Fiduciary Assets:** | In relation to each Series of Notes, the Fiduciary acquires the Fiduciary Assets (and, if applicable, may arrange for the replacement and/or substitution thereof) as specified in the applicable Pricing Supplement and enters into the Fiduciary Asset Agreements and has conditional *pro rata* payment obligations to each Noteholder equal to payments of principal, interest or any other sums duly and timely received by the Fiduciary under the Fiduciary Assets and/or the Fiduciary Asset Agreements and/or conditional delivery obligations to each Noteholder.<br><br>The Fiduciary Assets (if any) will comprise securities and/or other assets and the Fiduciary Asset Agreements (if any) will comprise contractual or other rights, in each case, as specified in the applicable Pricing Supplement. The Fiduciary Asset Agreements may comprise, but are not limited to, a swap agreement, prime brokerage agreement, investment management agreement, securities lending agreement (including any related security agreement), facilitation agency agreement and/or loan agreement. |
| **Principal Paying Agent:** | UBS Europe SE, Luxembourg Branch |
| **Paying Agent:** | UBS Europe SE, Luxembourg Branch and any other paying agent appointed in accordance with the terms of the amended and restated agency agreement dated 25 November 2020, as may be amended and restated from time to time (the "**Agency Agreement**") or in relation |

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| | to a particular Series of Notes. UBS Europe SE, Luxembourg Branch is the Paying Agent dealing with matters relating to Euroclear Bank S.A./N.V., as operator of the Euroclear System ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream, Luxembourg**"). |
| **Registrar:** | UBS Europe SE, Luxembourg Branch (the "**Registrar**") or any other registrar appointed in accordance with the Agency Agreement. |
| **Custodian:** | UBS Europe SE, Luxembourg Branch or any other custodian appointed in accordance with the Agency Agreement or in relation to a particular Tranche of Notes (the "**Custodian**"). |
| **Transfer Agent:** | UBS Europe SE, Luxembourg Branch (the "**Transfer Agent**") or any other transfer agent appointed in accordance with the Agency Agreement. |
| **Calculation Agent:** | UBS Europe SE, Luxembourg Branch (the "**Calculation Agent**") or any other calculation agent appointed in accordance with the Agency Agreement. |
| **Facilitation Agent:** | Lantern Structured Asset Management Limited appointed in accordance with the terms of the amended and restated facilitation agency agreement dated 6 May 2017, as may be amended and restated from time to time (the "**Facilitation Agency Agreement**"). |
| **Distribution:** | The Notes will be distributed on a syndicated or non-syndicated basis. |
| **Issue Price:** | Notes may be issued on a fully paid or partly-paid basis and at an issue price which is at par or at a discount to, or premium over, par. |
| **Form of Notes:** | The Notes will be issued in registered form as described in "*Form of the Notes*". |
| **Currencies:** | Subject to any applicable legal or regulatory restrictions, any currency agreed between the Fiduciary and the relevant Dealer. |
| **Maturities:** | The Notes will have such maturities as may be agreed between the Fiduciary and the relevant Dealer, subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the Fiduciary or the relevant Specified Currency. |
| **Denomination of Notes:** | The Notes will be issued in such denominations as may be agreed between the Fiduciary and the relevant Dealer in accordance with all relevant laws, regulations and directives. |
| **Fixed Rate Notes:** | Fixed Rate Notes will bear a fixed rate of interest which will be payable on such date or dates as may be agreed between the Fiduciary and the relevant Dealer(s) and on redemption and will be calculated on the basis of such day count fraction as may be agreed between the Fiduciary and the relevant Dealer. |

**Floating Rate Notes:** Floating Rate Notes will bear interest at a rate determined:

(a) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc., and as amended and updated as at the Issue Date of the first Tranche of the Notes of the relevant Series); or

(b) on the basis of a reference rate appearing on the agreed screen page of a commercial quotation service; or

(c) on such other basis as may be agreed between the Fiduciary and the relevant Dealer.

The margin (if any) relating to such floating rate will be agreed between the Fiduciary and the relevant Dealer for each Series of Floating Rate Notes.

**Other provisions in relation to Floating Rate Notes and Reference Item Linked Interest Notes:** Floating Rate Notes and Reference Item Linked Interest Notes may also have a maximum interest rate, a minimum interest rate or both. Interest on Floating Rate Notes and Reference Item Linked Interest Notes in respect of each Interest Period, as agreed prior to issue by the Fiduciary and the relevant Dealer, will be payable on such Interest Payment Dates, and will be calculated on the basis of such Day Count Fraction, as may be agreed between the Fiduciary and the relevant Dealer.

**Dual Currency Interest Notes:** Dual Currency Interest Notes pay interest in a currency which is different to the currency in which the Notes are denominated (and in which the redemption amount of the Notes is paid). Interest on a Dual Currency Interest Note may be paid in more than one currency. The applicable interest rates and currency exchange rates will be specified in the relevant Pricing Supplement.

**Zero Coupon Notes:** Zero Coupon Notes will be offered and sold at a discount to their nominal amount and will not bear interest.

**Optional Redemption:** The applicable Pricing Supplement in respect of each issue of Notes will state whether such Notes may be redeemed prior to their stated maturity at the option of the Fiduciary and/or the Noteholders (either in whole or in part) and, if so, the terms applicable to such redemption.

**Reference Item Linked Notes**

**Index/ETF Linked Notes:** Amounts payable or deliverable in respect of Index/ETF Linked Notes will be calculated by reference to one or more indices and/or exchange-traded funds.

**Equity Linked Notes:** Amounts payable or deliverable in respect of Equity Linked Notes

will be calculated by reference to a single share or basket of shares.

**Fund Linked Notes:** Amounts payable or deliverable in respect of Fund Linked Notes will be calculated by reference to units, interests or shares in a single fund or basket of funds.

**Tax Event:** A Tax Event will be deemed to occur if the circumstances set out at Condition 7(b) are satisfied. These circumstances include:

(i) the Fiduciary, on the occasion of the next payment due in respect of the Notes, would be required by law to withhold or account for tax, duty, withholding or other payment amount in respect of such payment;

(ii) the Fiduciary would suffer tax in respect of its income or receipt of payments under any Fiduciary Asset Agreement or Fiduciary Asset; or

(iii) on the occasion of the next payment due in respect of any Fiduciary Asset Agreement, the Fiduciary would be required by law to withhold or account for tax in respect of such payment.

Where paragraph (i) above applies or, provided that Fiduciary Asset/Agreement Tax Event is specified as Applicable in the applicable Pricing Supplement, where paragraph (ii) or (iii) above applies, the Fiduciary has the right, at its sole option, to elect to redeem the Notes on the Early Redemption Date.

**Illegality/Regulatory Event:** An Illegality/Regulatory Event will occur in the event that the Calculation Agent determines that the circumstances set out at Condition 7(c) are satisfied. These circumstances include:

(i) the performance of the Fiduciary's obligations in respect of the Notes, Fiduciary Assets or any arrangement made in relation to the Fiduciary Assets becoming prohibited in whole or in part as a result of complying with relevant legislation; and/or

(ii) the Fiduciary, the Arranger or any of their respective Affiliates or any Agent being unable to comply with relevant legislation, to the extent applicable to the Notes or arrangements in respect of the Notes.

Following the occurrence of an Illegality/Regulatory Event, all of the Notes may be redeemed on the Early Redemption Date.

**Early Extinction of a Fiduciary Contract Event:** An Early Extinction of a Fiduciary Contract Event will occur in the event that the Calculation Agent determines that the circumstances set out at Condition 7(d) are satisfied. These circumstance include an early extinction of the Fiduciary Contract being ordered by a court on serious grounds on the application of a Noteholder, the Fiduciary or any third party.

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| **Administrator/Benchmark Event:** | In the event that an Administrator/Benchmark Event (as defined in the "Terms and Conditions of the Notes") occurs, the Fiduciary may (at its option) either (i) instruct the Calculation Agent to make such adjustment to the conditions of the Notes as it may determine appropriate to account for the relevant event or circumstance; or (ii) having given not less than 10 (ten) nor more than 30 (thirty) calendar days' notice to the Noteholders in accordance with Condition 15, on expiry of such notice redeem all, but not some only, of the Notes, each Note of a nominal amount equal to the Specified Denomination being redeemed at such nominal amount or such other amount as may be specified in the applicable Pricing Supplement. |
| **Acceleration Events:** | An Acceleration Event will occur if a default occurs for a period of 30 Business Days in respect of any Fiduciary Asset or any Fiduciary Asset Agreement or if a Termination Event or Event of Default (each as defined in the Swap Agreement) occurs in respect of a Swap Agreement or if one or more Fiduciary Assets have become capable of being declared due and payable before they would otherwise become due and payable due to the occurrence of an event of default or any Additional Acceleration Event (as specified in the applicable Pricing Supplement) occurs. See "*Terms and Conditions of the Notes –10. Acceleration Events*".<br><br>Following the occurrence of an Acceleration Event, the Notes will forthwith become due and repayable (See "*Terms and Conditions of the Notes – 10. Acceleration Events*"). |
| **Status of Notes and Limited Recourse:** | The Fiduciary's obligations under the Notes rank equally and without preference among themselves.<br><br>The Notes do not constitute direct debt obligations of UBS (Luxembourg) Issuer SA or any other entity belonging to the UBS Group, including UBS Europe SE, Luxembourg Branch, i.e. obligations that affect the personal estate of UBS (Luxembourg) Issuer SA. The Notes are fiduciary obligations of the Fiduciary in accordance with the Law and may only be satisfied out of the Fiduciary Assets and/or Fiduciary Asset Agreements relating to the relevant Series of Notes. Such obligations are conditional upon the due and timely performance by each Fiduciary Asset Obligor of its obligations, including in respect of payments and deliveries, under the relevant Fiduciary Asset Agreements and/or the relevant Fiduciary Assets.<br><br>The entitlement of Noteholders to receive payments and/or deliveries under the Notes is entirely dependent upon the receipt by the Fiduciary of payments and/or deliveries, as the case may be, in respect of the Fiduciary Assets and/or the Fiduciary Asset Agreements.<br><br>***No other assets of the Fiduciary will be available for payments of any amounts not received and/or deliveries of assets not delivered under the relevant Fiduciary Asset Agreements or Fiduciary Assets and any shortfall will be borne exclusively by the Noteholders.*** |

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| **Negative Pledge/Restrictions:** | The terms of the Notes will not contain a negative pledge provision. |
| **Cross Default:** | The terms of the Notes will not contain a cross default provision. |
| **Withholding Tax:** | The Fiduciary shall not be liable for or otherwise obliged to pay (a) any tax, duty, withholding or other payment which may arise as a result of the ownership, transfer, presentation and surrender for payment, or enforcement of any Note or (b) any tax, duty, withholding or other payment which arises in respect of any payment due to the Fiduciary under any Fiduciary Assets and all payments made by the Fiduciary shall be made subject to any such tax, duty, withholding or other payment which may be required to be made, paid, withheld or deducted.<br><br>In such circumstances the Fiduciary may elect to early redeem the Notes pursuant to Condition 7(b). |
| **Liabilities:** | The Fiduciary may deduct from any payments made by it to Noteholder(s) or, in the case of a redemption of a Note by physical delivery, from the amount used to calculate the Asset Amount, a *pro rata* share of an amount which is necessary to indemnify and reimburse the Fiduciary against any charge, loss, liability, cost, claim, action, damage, expense, demand or any withholding or other tax (including, without limitation, legal fees, costs, commissions payable, any stamp, documentary, registration or similar duty or tax and expenses) which the Fiduciary may incur or which may be made against any of the Fiduciary, its Affiliates, or any of the Fiduciary's or its Affiliates' directors, officers, employees or agents as a result of, or arising out of, or in connection with the Notes or the relevant Fiduciary Contract and the transactions contemplated thereunder, including entry into the Fiduciary Asset Agreements (if any). |
| **Fungible Issues:** | Unless otherwise provided in the applicable Pricing Supplement the Fiduciary may from time to time issue further Notes of any Series on the same terms as existing Notes and on terms that such further Notes shall be consolidated and form a single series with such existing Notes of the same Series. |
| **Governing Law of Notes:** | Luxembourg law and in particular the Luxembourg act dated 27 July 2003 relating to trust and fiduciary contracts, as amended. |
| **Listing and admission to trading:** | Notes may be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Euro MTF Market (the Euro MTF Market is not a regulated market pursuant to the provisions of MiFID II). In addition or as an alternative, the Notes may be listed or admitted to trading, as the case may be, on such other or further stock exchange(s) or markets as agreed by the Fiduciary and the relevant Dealer (other than in respect of an admission to trading on any market in the EEA or in the UK which has been designated as a regulated market for the purposes of the Prospectus Regulation) as may be specified in the applicable Pricing Supplement, and references to listing shall be construed accordingly. |

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| | The applicable Pricing Supplement will, if relevant, include information on the relevant market segment of the stock exchange on which the Notes are to be listed. A Series of Notes may be unlisted. |
| **Selling and Transfer:** | There are restrictions on the offer or sale of Notes and the distribution of offering material – see the section headed "*Subscription and Sale and Transfer Restrictions*" herein. The applicable Pricing Supplement in relation to the Notes of a particular Series or Tranche may contain additional or other restrictions on the offer or sale of, or grant of a participation in, Notes of the relevant Series or Tranche. |

## RISK FACTORS

*There are risks associated with an investment in Notes. Purchasers of Notes should ensure that they understand fully the nature of the Notes, as well as the extent of exposure to risks associated with an investment in the Notes and Noteholders should consider the suitability of an investment in the Notes in light of each Noteholder's own particular financial, fiscal and other circumstances. Noteholders should be aware that the Notes may decline in value and must be prepared to sustain a total loss of investment in the Notes.*

*UBS AG, acting through its London Branch in its capacity as Arranger believes that the factors described below represent the principal risks inherent in investing in Notes issued under the Programme, but the failure of the Fiduciary to pay interest, principal or other amounts on or in connection with any Notes may occur or arise for other reasons which may not be considered significant risks by the Fiduciary or the Arranger based on information currently available to them or which they may not currently be able to anticipate and there may be other factors which are material to the market risks associated with the Notes. Purchasers of Notes should also consider all other relevant market and economic factors, and their own personal circumstances. The Pricing Supplement in respect of a Series of Notes may contain additional Risk Factors in respect of such Series. Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus and reach their own views prior to making any investment decision.*

Terms used in this section and not otherwise defined shall have the meanings given to them in the Conditions.

**Notes may not be a suitable investment for all investors**

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

(i) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained in this Base Prospectus or any applicable supplement and all the information contained in the applicable Pricing Supplement;

(ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;

(iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes for an indefinite period of time;

(iv) understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and

(v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to

evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.

***The tax consequences for each investor in the Notes can be different and therefore investors are advised to consult with their tax advisers as to their specific consequences. However, investors should note that under Luxembourg law the Fiduciary is not regarded as the beneficial owner of the Fiduciary Assets. Therefore, it is possible that the Noteholders' tax treatment will depend on the type of income and gains arising from the Fiduciary Assets and the Noteholders' proportionate share of such income and gains. The Fiduciary has no obligation to enquire as to the tax residence or status of the holder of any of the Notes or the tax treatment of such income and gains in the hands of such holders. In particular, the Fiduciary will not be obliged to make any application for treaty relief or claim a refund of tax in relation to tax withheld at source in relation to such income and gains or to record or report the type of income and gains arising on Fiduciary Assets.***

**General**

Purchasers of Notes should conduct such independent investigation and analysis regarding the Fiduciary, the Fiduciary Assets, the Notes, each party to any Swap Agreement or other Fiduciary Asset Agreements entered into in respect of any Notes and all other relevant market and economic factors as they deem appropriate to evaluate the merits and risks of an investment in the Notes. The Dealer disclaims any responsibility to advise purchasers of Notes of the risks and investment considerations associated with the purchase of the Notes as they may exist at the date hereof or from time to time hereafter. However, as part of such independent investigation and analysis, prospective purchasers of Notes should consider all the information set forth in this Base Prospectus or any applicable supplement and all the information contained in the applicable Pricing Supplement, including the considerations set forth below.

**Legality of purchase**

None of the Fiduciary, the Agents, the Dealer(s) or any of their respective Affiliates has or assumes responsibility for the lawfulness of the acquisition of the Notes by a prospective purchaser of the Notes, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates (if different), or for compliance by that prospective purchaser with any law, regulation or regulatory policy applicable to it.

However, notwithstanding the lawfulness of any acquisition of the Notes, sales or transfers of Notes that would cause the Fiduciary or any Fiduciary Assets to be required to register as an "investment company" under the Investment Company Act will be void *ab initio* and will not be honoured by the Fiduciary and, where a Note is held by or on behalf of a U.S. Person unless otherwise provided in the relevant Pricing Supplement in respect of a Series, the Fiduciary may, in its discretion and at the expense and risk of such holder, (i) redeem such Notes, in whole or in part, or (ii) compel any such holder to transfer the Notes, or transfer the Notes on behalf of the Noteholder, to a person that is a non-U.S. Person outside the United States.

**Taxation**

The tax consequences for each investor in the Notes can be different and therefore potential investors are advised to consult with their tax advisers as to their specific consequences. However, investors should note that under Luxembourg law the Fiduciary is not regarded as the economic and beneficial owner of the Fiduciary Assets. Therefore, it is possible that the Noteholders' tax treatment will depend on the type of income and gains arising from the Fiduciary Assets and the Noteholders' proportionate share of such income and gains. The Fiduciary has no obligation to inquire as to tax residence or

status of the holder of any of the Notes or the tax treatment of such income and gains in the hands of such holders.

Under Condition 8(a), the Fiduciary shall not be liable for or otherwise obliged to pay any tax, duty, withholding or other payment which arises in relation to transactions involving the Notes or any payment due to the Fiduciary under the Fiduciary Assets. All payments made by the Fiduciary shall be made subject to any such tax, duty, withholding or other payment. The Fiduciary will not be obliged to make any application for treaty relief or claim a refund of tax in relation to any tax withheld at source in relation to any income and gains. Investors should note the provisions of Condition 8. In such circumstances, the Fiduciary may elect to early redeem the Notes pursuant to Condition 7(b).

**Anti-Tax Avoidance Directive**

The Anti-Tax Avoidance Directive ("**ATAD**") was adopted as Council Directive (EU) 2016/1164 on 12 July 2016 and a second directive amending ATAD was adopted as Council Directive (EU) 2017/952 on 29 May 2017 ("**ATAD 2**"). ATAD has been implemented into Luxembourg law with effect as of 1 January 2019 and most of the provisions of ATAD 2 have been implemented into Luxembourg law with effect as of 1 January 2020, with most provisions applicable as of that date. It is possible that ATAD and ATAD 2 (when implemented) may affect the tax treatment of the Fiduciary / and or the Notes.

**U.S. Dividend Equivalent Withholding**

Section 871(m) of the Code causes a 30% withholding tax on amounts attributable to U.S. source dividends that are paid or "deemed paid" under certain financial instruments if certain conditions are met (such instruments, "**Specified Securities**"). If the Fiduciary or any withholding agent determines that withholding is required, neither the Fiduciary nor any withholding agent will be required to pay any additional amounts with respect to amounts so withheld. Prospective investors should refer to the section "*Taxation - U.S. Dividend Equivalent Withholding*".

For purposes of withholding under U.S. rules commonly known as the U.S. Foreign Account Tax Compliance Act, or FATCA, Specified Securities are subject to a different grandfathering rule than other Notes. Prospective investors should refer to the section "*Taxation - Foreign Account Tax Compliance Act*".

**Financial Transactions Tax**

On 14 February 2013, the European Commission issued proposals (the "**Commission's Proposal**") for a Directive for a common financial transaction tax ("**FTT**") in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**Participating Member States**"). Estonia has since stated that it will not participate. The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances.

Under the Commission's Proposal, the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a Participating Member State. A financial institution may be, or be deemed to be, "established" in a Participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a Participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a Participating Member State.

Joint statements issued by Participating Member States indicated an intention to implement the FTT by 1 January 2016, but the implementation has since been delayed.

The FTT proposal remains subject to negotiation between the Participating Member States and the scope of any such tax is uncertain. Additional EU Member States may decide to participate.

Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

**Risk of an outbreak of an infectious disease, European or global pandemic event or any other serious public health concerns**

An outbreak of an infectious disease (such as MERS, SARS or the Wuhan coronavirus (also known as COVID-19)) in Europe, Asia and/or elsewhere, together with any resulting restrictions (for instance, on international commodity shipments), imposition of quarantines and/or confinement, could have a negative impact on the Fiduciary and its profitability. There can be no assurance that any precautionary activities against infectious diseases would be effective. At the end of 2019, the coronavirus outbreak occurred in Wuhan, China and subsequently expanded into a global pandemic. Its short and long term implications are still unknown. Any (future) outbreak of any infectious disease or any other serious public health concerns in the various countries the Fiduciary operates, or in other parts of the world, could adversely impact the business, financial condition, result of operations and prospects of the Fiduciary.

**Early Redemption and Risks Relating to the Fiduciary Assets**

The Notes may be subject to early redemption prior to their scheduled maturity and this will mean Noteholders may receive a return (if any) on their investment in the Notes earlier than scheduled. The following circumstances, together with any other events set out in the applicable Pricing Supplement may lead to an early redemption of the Notes:

(i) the occurrence of certain adverse tax events;

(ii) the occurrence of an Illegality/Regulatory Event;

(iii) the occurrence of an Administrator/Benchmark Event;

(iv) the occurrence of an Early Extinction of a Fiduciary Contract Event;

(v) an early redemption at the option of the Fiduciary or a Noteholder (although it should be noted that a Fiduciary Asset Settlement pursuant to Condition 7(h) may only be exercised by 100% of Noteholders and may lead to a cash settlement and will be subject to deduction of Global Unwind Costs and potentially also the Selling Agent Settlement Fee (each as described in Condition 7(h));

(vi) an Acceleration Event (as defined in Condition 10 ("*Acceleration Events*"); or

(vii) the occurrence of certain events or circumstances in respect of any Reference Item or Reference Item linked Notes, in the case of Reference Item linked Notes.

In such circumstances, the Fiduciary Assets will be subject to realisation in accordance with the Conditions.

In relation to Condition 7(h) (*Fiduciary Asset Settlement*), Noteholders should be aware that this may only be triggered by 100 per cent. of Noteholders acting together who must specify a single nominee for delivery of the Fiduciary Assets and must also pay relevant delivery expenses and taxes. In addition a portion of Fiduciary Assets will be applied to meeting a Global Unwind Cost of the Fiduciary and its Affiliates. Delays may result in the delivery of Fiduciary Assets (including where a

Fiduciary Asset Settlement Disruption Event or relevant Swap Agreement Disruption occurs) and this may continue for a long period of time with no amounts being paid in the meantime. Finally, the Selling Agent at its option may require a cash realisation of Fiduciary Assets and will itself seek to realise the Fiduciary Assets for which it will be paid a significant Selling Agent Settlement Fee (to be deducted from Fiduciary Asset and Fiduciary Asset Agreement realisation proceeds). Considering the financial incentive, the Selling Agent is likely to require a cash realisation of Fiduciary Assets, meaning that Noteholders would receive a cash payment instead of the requested delivery of the Fiduciary Assets.

**Realisation of the Fiduciary Assets**

The Fiduciary Assets relating to any Notes will be subject to a variety of risks including credit, liquidity and interest rate risks. In the event of an insolvency of a Fiduciary Asset Obligor, various insolvency and related laws applicable to such Fiduciary Asset Obligor may (directly or indirectly) limit the amount the Fiduciary may recover in respect of such Fiduciary Assets.

Subject as provided in the terms of the Notes, if Notes redeem other than on their Maturity Date, the Fiduciary Assets relating thereto will be sold or otherwise realised (except where otherwise transferred in accordance with the Conditions). Noteholders should be aware that they may be exposed to fluctuations in the market price of the Fiduciary Assets. There can be no assurance as to the amount of proceeds of any sale or realisation of such Fiduciary Assets as the market value of such Fiduciary Assets will be affected by a number of factors including the creditworthiness and financial condition of the Fiduciary Asset Obligor, volatility of financial markets, general economic conditions, domestic and international political events, trends in a particular industry, interest rates, yields and foreign exchange rates, the time remaining to the scheduled maturity of the Fiduciary Assets and the liquidity of the Fiduciary Assets.

The price at which such Fiduciary Assets are sold or realised may therefore be at a substantial discount to the market value of the Fiduciary Assets on the issue date and the proceeds of any such sale or realisation when taken together with the proceeds of termination of any related Swap Agreement and any other assets available to the Fiduciary that relate to the relevant Series of Notes may not be sufficient, following deduction of amounts to be paid to prior ranking claimants in accordance with the Conditions, to repay the full amount of principal of and interest on the relevant Notes that the holders of such Notes would expect to receive in the event that the Notes were redeemed in accordance with their terms on their Maturity Date.

If a maturity liquidation is specified in the applicable Pricing Supplement or where the Notes are to be redeemed other than on the Maturity Date (unless otherwise specified in the applicable Conditions), the Selling Agent (as defined below) is generally required to sell or otherwise liquidate the Fiduciary Assets. The Selling Agent is permitted to sell all or any part of the Fiduciary Assets at any time or at different times during the relevant period or in stages in respect of smaller portions, and shall have no responsibility or liability for any higher price that could have been obtained had such sale taken place at a different time during such specified period.

The price and value of the Fiduciary Assets, and/or the ability of each issuer or obligor of the Fiduciary Assets and/or Fiduciary Assets Agreements to perform its obligations under the Fiduciary Assets and/or Fiduciary Assets Agreements may be adversely affected by, amongst other things, the challenges in containing the COVID-19 pandemic or a more severe global spread that could considerably impact the economy.

**NOTEHOLDERS SHOULD RECOGNISE THAT NOTEHOLDERS BEAR A RISK OF A DEFAULT OF THE FIDUCIARY ASSETS AS WELL AS ANY DECLINE IN VALUE OF THE FIDUCIARY ASSETS. IF THE VALUE OF ANY FIDUCIARY ASSETS HAS DECLINED SINCE THE DATE OF PURCHASE, THE NOTES MAY DECLINE IN VALUE**

**AND NOTEHOLDERS SHOULD BE PREPARED TO SUSTAIN A TOTAL LOSS OF NOTEHOLDERS' INVESTMENT IN THE NOTES.**

**Illiquid Fiduciary Assets**

The Fiduciary Assets may comprise or include privately placed, unlisted securities or domestic securities or other assets including, without limitation, interests in loans, swaps or other agreements which are not admitted to any trading market and which are not readily realisable.

**Credit Risk of Counterparties**

The Fiduciary Assets in relation to a Series of Notes are limited to the claims of the Fiduciary against Fiduciary Asset Obligors in respect of that Series of Notes.

**Information in respect of the Fiduciary Assets**

No investigations, searches or other enquiries have been or will be made by or on behalf of the Fiduciary in respect of the Fiduciary Assets (if any) relating to any Series of Notes. No representations or warranties, express or implied, have been given by the Fiduciary or the Arranger or any other person on their behalf in respect of the Fiduciary Assets relating to any Series of Notes.

**Fiduciary Contract**

(1) Any Fiduciary Contract on the terms described herein will be a fiduciary contract governed by the Law and will be evidenced by each Note. The rights of a Noteholder under the Fiduciary Contract and certain duties, rights, powers and discretions of the Fiduciary will be as provided in the terms and conditions set out herein under "*Terms and Conditions of the Notes*". The Fiduciary Assets and all proceeds thereof and sums arising therefrom and all other assets of the relevant Series will not form part of the general assets of the Fiduciary, but are exclusively reserved for the benefit of the creditors whose rights derive from such Series, including the Noteholders. They may be attached only by persons whose rights exist as a result of the creation and existence of the Fiduciary Assets. If, in accordance with the Terms and Conditions, the amounts received by the Fiduciary in respect of, and/or the proceeds of realisation of, the Fiduciary Assets are not sufficient to make any payments otherwise due in respect of the Notes, no other assets of the Fiduciary will be available to meet such shortfall and Noteholders shall have no claims in respect of any such shortfall.

(2) All payments to be made by the Fiduciary in respect of the Notes will only be due and payable from and to the extent of the sums received or recovered from time to time by or on behalf of the Fiduciary in respect of the Fiduciary Assets.

(3) Each holder of Notes, by subscribing for or purchasing such Notes, will be deemed to accept and acknowledge that it is fully aware that:

(i) the holders of the Notes shall look solely to the sums referred to in paragraph (1), as applied in accordance with paragraphs (1) and (2) above (the **"Relevant Sums"**), for payments to be made by the Fiduciary in respect of Notes,

(ii) the obligations of the Fiduciary to make payments in respect of the Notes will be limited to the Relevant Sums and the holders of the Notes shall have no further recourse to the Fiduciary (or any of its other rights, assets or properties) in respect of the Notes; and

(iii) the Fiduciary may deduct from any payments made by it to Noteholder(s) or, in the case of a redemption of a Note by physical delivery, from the amount used to calculate the Asset Amount, a pro rata share of an amount which is necessary to indemnify and reimburse the Fiduciary against any charge, loss, liability, cost, claim, action, damage, expense, demand or any withholding or other tax (including, without limitation, legal fees, costs, commissions payable, any stamp, documentary, registration or similar duty or tax and expenses) which the Fiduciary may incur or which may be made against any of the Fiduciary, its Affiliates, or any of the Fiduciary's or its Affiliates' directors, officers, employees or agents as a result of, or arising out of, or in connection with the Notes or the relevant Fiduciary Contract and the transactions contemplated thereunder, including entry into the Fiduciary Asset Agreements (if any), and the rights of the Noteholders to be paid amounts due under the Notes may be subordinated to other parties including the Swap Counterparty, all as more fully set out in the "*Terms and Conditions of the Notes*".

(4) Under the Law, Noteholders have no direct right of action against any Fiduciary Asset Obligor to enforce their rights under the Notes or to compel any Fiduciary Asset Obligor to comply with its obligations under the Fiduciary Asset Agreements or in relation to the Fiduciary Assets, even in the case of the Fiduciary's failure to act or the insolvency of the Fiduciary. However, if, under the Fiduciary Assets and/or Fiduciary Asset Agreements, the Fiduciary is entitled and, furthermore, has, pursuant to the relevant Fiduciary Contract, become obliged to take legal action against a Fiduciary Asset Obligor and has failed to take such action within a reasonable time, then (if and to the extent such failure is continuing), the Noteholders are entitled to institute indirect legal action (*action oblique*) in accordance with the relevant provisions of the Luxembourg civil code against the Fiduciary Asset Obligor *in lieu* of the Fiduciary and on its behalf.

## Risks Relating to the Notes

### No Secondary Market

No secondary market is expected to develop in respect of the Notes. Accordingly, the purchase of Notes is suitable only for investors who can bear the risks associated with a lack of liquidity in the Notes and the financial and other risks associated with the Notes. Investors must be prepared to hold the Notes for an indefinite period of time or until final maturity.

Even if a Series of Notes is listed on the Official List of the Luxembourg Stock Exchange or on any other stock exchange, it is not possible to predict if and to what extent a secondary market may develop in any Notes or at what price any Notes will trade in the secondary market or whether such market will be liquid or illiquid. If such Notes are listed, no assurance is given that any such listing or quotation will be maintained. The fact that any Notes may be so listed or quoted does not necessarily lead to greater liquidity than if they were not so listed or quoted.

If a Series of Notes is not listed or traded on any exchange, pricing information for such Notes may be more difficult to obtain and the liquidity of such Notes may be adversely affected. The more limited the secondary market is, the more difficult it may be for holders of the Notes to realise value for the Notes prior to the maturity date.

The Arranger may, but is not obliged to, at any time purchase Notes at any price in the open market or by tender or private agreement. Any Notes so purchased may be held or resold or surrendered for cancellation. Since the Arranger may be the only market-makers in the Notes of a Series, the secondary market may be limited.

Furthermore, the liquidity of such Notes may also be affected by restrictions on offers and sales of such Notes in some jurisdictions.

**Limited recourse and non-petition**

Claims against the Fiduciary by the Noteholders of a Series and by the Swap Counterparty will be limited to the Fiduciary Assets and the Fiduciary Asset Agreements relating to such Series. The proceeds of realisation of such Fiduciary Assets may be less than the sums due to the Noteholders and the Swap Counterparty. Any shortfall will be borne by the Noteholders and by the Swap Counterparty in accordance with the method specified in the applicable Pricing Supplement. Each Noteholder, by subscribing for or purchasing such Notes, will be deemed to accept and acknowledge that it is fully aware that, in the event of a shortfall, (i) the Fiduciary shall be under no obligation to pay, and the other assets (if any) of the Fiduciary including, in particular, assets underlying other Series of Notes will not be available for payment of, such shortfall, (ii) all claims in respect of such shortfall shall be extinguished, and (iii) the Noteholders and the Swap Counterparty shall have no further claim against the Fiduciary in respect of such unpaid amounts and will accordingly not be able to petition for the winding up of the Fiduciary as a consequence of such shortfall.

The Notes of each Series do not constitute direct debt obligations of UBS (Luxembourg) Issuer SA or any other entity belonging to the UBS Group, including UBS Europe SE, Luxembourg Branch, i.e. obligations that affect the personal estate of UBS (Luxembourg) Issuer SA, but are solely fiduciary obligations of the Fiduciary in accordance with the Law and may only be satisfied out of the Fiduciary Assets and/or Fiduciary Asset Agreement of the relevant Series. Such obligations are conditional upon the due and timely performance by each Fiduciary Asset Obligor of its obligations, including in respect of payments and deliveries, under the relevant Fiduciary Asset Agreements and/or the relevant Fiduciary Assets. Furthermore, they are not obligations of, or guaranteed in any way by, any Dealer(s).

**Secured Creditors**

If it is specified in the applicable Pricing Supplement that the Fiduciary has granted or will grant in favour of a Fiduciary Asset Obligor a security interest over the Fiduciary Assets or the rights under the Fiduciary Asset Agreements, payments and/or deliveries to the Noteholders under the Notes may be delayed if such secured creditor starts proceedings to enforce its security interest and /or enforces the relevant security interest for an amount exceeding the amount of its claim, in which case the Fiduciary would have to recover such excess.

**Impact of Increased Regulation**

The events since 2007 have seen increased involvement of governmental and regulatory authorities in the financial sector and in the operation of financial institutions. In particular, governmental and regulatory authorities in a number of jurisdictions have imposed stricter regulatory controls around certain financial activities and/or have indicated that they intend to impose such controls in the future. The United States of America, the European Union, the United Kingdom and other jurisdictions are actively considering or are in the process of implementing various reform measures.

Such regulatory changes and the method of their implementation may have a significant impact on the operation of the financial markets. It is uncertain how a changed regulatory environment will affect transaction parties.

If there is a change in the regulatory environment, or a transaction party reasonably anticipates an imminent change in the regulatory environment, that in each case has or is likely to have the effect of altering such party's compliance requirements in respect of any of the transactions under any Fiduciary Asset Agreement in a manner which, in such party's reasonable judgement, materially

increases or is likely to materially increase (as the case may be), the regulatory burden on such party, such party may seek to exercise a right to terminate (if any) such Fiduciary Asset Agreement where such Fiduciary Asset Agreement provides for such a right of termination.

**Regulatory Risk**

In Europe, the U.S. and elsewhere there is increased political and regulatory scrutiny of the financial industry. This has resulted in a raft of measures (some of which are outlined below) for increased regulation which are currently at various stages of implementation and which may have an adverse impact on the Fiduciary and/or the Notes.

(a) U.S. Dodd-Frank Act

The U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act, enacted on 21 July 2010 (the "**Dodd-Frank Act**") has and will continue to significantly increase the U.S. regulation of the financial services industry. This legislation, among other things: (a) established a Financial Stability Oversight Council (the "**FSOC**") to oversee systemic risk, and provides regulators with the power to require companies deemed "systemically important" to sell or transfer assets and terminate activities if the regulators determine that the size or scope of activities of the company pose a threat to the safety and soundness of the company or the financial stability of the United States; and (b) requires covered entities to provide a credible plan for resolution under the Bankruptcy Code, and provides sanctions that include divestiture of assets or restructuring in the event the plan is deemed insufficient.

In the U.S., the Department of the Treasury, SEC, the FSOC, the CFTC, the Federal Reserve Board, the Office of the Comptroller of the Currency, the Consumer Financial Protection Bureau and the Federal Deposit Insurance Corporation are engaged in extensive rule-making mandated by the Dodd-Frank Act. While many regulations under the Dodd-Frank Act have been adopted, much of the significant rule-making remains to be done, and many of the adopted regulations have already been revised. As a result, the complete scope of the Dodd-Frank Act remains uncertain. It is not clear what form some of these regulations will ultimately take, or how the Fiduciary or the Notes will be affected.

In particular, in addition to the regulations referred to above affecting the financial services industry generally, Title VII of the Dodd-Frank Act ("**Title VII**") imposes a new regulatory framework on swap transactions (which are regulated by the CFTC) and security-based swap transactions (which are regulated by the SEC). Many of the key regulations implementing Title VII's regulation of swap transactions are already effective or are in final form. However, in some instances, the interpretation and potential impact of these swaps regulations is not yet entirely clear. Additionally, not all of the regulations, particularly with respect to security-based swaps, have been finalized and made effective, while others that have already been made effective – including the guidance surrounding the application of Title VII outside of the U.S. – continue to be amended and refined on an ongoing basis. In particular, some of the swap regulations could make it more expensive, more difficult, or potentially even impracticable, for the Fiduciary to enter into, replace, novate or amend the terms of certain swap agreements. These include regulations that require certain swap transactions to be cleared on a derivatives clearing organization and regulations that require swap dealers to collect initial and variation margin for many uncleared swap transactions. In addition, it is possible that compliance with other emerging regulations could result in the imposition of higher administration expenses on the Fiduciary.

Prospective investors should be aware that the regulatory risks associated with the Dodd-Frank Act are material and that the Fiduciary and the Notes could be adversely affected thereby. As such, investors should consult their own independent advisers and make their own assessment about the potential risks posed by the Dodd-Frank Act and the rules to be promulgated thereunder in making any investment decision in respect of the Notes.

On 10 December 2013, U.S. regulators released the final version of the rules implementing Section 619 of the Dodd-Frank Act (the "**Volcker Rule**"), which regulates "banking entities" (broadly defined to include U.S. banks and bank holding companies and many non-U.S. banking entities, together with their respective subsidiaries and other affiliates). The Volcker Rule generally prohibits banking entities from (i) engaging as principal in proprietary trading activities, (ii) acquiring or retaining an ownership interest in or sponsoring a "covered fund" and (iii) entering into certain relationships with such funds, subject to certain exceptions and inclusions. None of the parties has made any determinations or provides any assurances as to the covered fund status of the Fiduciary under the Volcker Rule. Any prospective investor in the Notes, including a bank or a subsidiary or other affiliate thereof, should consult its own legal advisors regarding the Volcker Rule and its effects.

(b) European Market Infrastructure Regulation

Regulation (EU) No 648/2012 of the European Parliament and Council on OTC Derivatives, Central Counterparties and Trade Repositories dated 4 July 2012, as amended ("**EMIR**") came into force on 16 August 2012. A number of delegated and implementing regulations, as amended and supplemented from time to time, which complement EMIR, are legally binding and directly applicable in Luxembourg.

The Luxembourg act dated 15 March 2016 on OTC derivatives, central counterparties and trade repositories and amending different laws relating to financial services, as amended (the "**OTC Derivatives Act 2016**") implements certain provisions of EMIR and lays down the powers of supervision, intervention, inspection, investigation and sanction granted to the CSSF and the Luxembourg insurance sector supervisory authority (the *Commissariat aux assurance*s) as national competent authorities for the implementation of EMIR. In Luxembourg, EMIR is further complemented by the CSSF Circular 13/557, which clarifies certain provisions of EMIR and the CSSF Circular 19/723 which clarifies the definitions of 'commodity derivatives' under MiFID II used in EMIR and CSSF Circular 20/739 concerning the orientations of ESMA for reporting obligations under Regulation (EU) 2015/2365 which have an impact on certain EMIR obligations.

EMIR was amended by Regulation (EU) No 2019/834 ("**EMIR Refit 2.1**") which came into force on 17 June 2019.

EMIR (as amended by EMIR Refit 2.1., and as complemented by its delegated and implementing regulations), establishes certain regulatory requirements for counterparties to derivatives contracts including (i) a mandatory clearing obligation for certain classes of OTC derivatives contracts (the "**Clearing Obligation**"); (ii) collateral exchange, daily valuation and other risk mitigation requirements for OTC derivatives contracts not subject to clearing (the "**Risk Mitigation Requirements**"); and (iii) certain reporting requirements. In general, the application of such regulatory requirements in respect of swap agreements entered into by the Fiduciary will depend on the classification of the counterparties to such derivative transaction.

EMIR imposes different obligations on entities classified as: (i) financial counterparties ("**FCs**") (which, following changes made by EMIR Refit 2.1, includes a sub-category of small FCs ("**SFCs**")), and (ii) non-financial counterparties ("**NFCs**"). The category of "NFC" is further split into: (i) non-financial counterparties above the "clearing threshold" ("**NFC+s**"), and (ii) non-financial counterparties below the "clearing threshold" ("**NFC-s**"). Whereas FCs and NFC+ entities may be subject to the Clearing Obligation or, to the extent that the relevant derivatives transactions are not subject to clearing, such as collateral exchange obligation and the daily valuation obligation under the Risk Mitigation Requirements. Such obligations do not apply to NFC- entities.

The Fiduciary is currently an NFC-, although a change in its classification cannot be ruled out. Should the classification of the Fiduciary change to NFC+, this may result in the application of the Clearing Obligation or the collateral exchange obligation and the daily valuation obligation under the Risk

Mitigation Requirements, although it seems unlikely that any swap agreement entered into by the Fiduciary would be a relevant type of OTC derivative contract that would be subject to the Clearing Obligation under the relevant implementing measures made to date. It should also be noted that the collateral exchange obligation should not apply in respect of any swap agreement entered into prior to the relevant application date unless such a swap is materially amended on or after that date.

If the classification of the Fiduciary changes and, to the extent relevant, one or more of the swap agreements comprised in the Fiduciary Asset Agreements is regarded to be in-scope of the Collateral Obligation or other Risk Mitigation Requirements, then such swap agreement entered into or materially amended at a relevant time may become subject to the Clearing Obligation or (more likely) to the collateral exchange obligation under the Risk Mitigation Requirements. Prospective investors should note that there is some uncertainty with respect to the ability of the Fiduciary to comply with these obligations if applicable, which may (i) lead to regulatory sanctions, (ii) adversely affect the ability of the Fiduciary to continue to be party to the relevant swap agreements (possibly resulting in a restructuring or termination of such Swap Agreements) or to enter into such swap agreements and/or (iii) significantly increase the cost of such arrangements, thereby negatively affecting the ability of the Fiduciary to hedge certain risks. As a result, the amounts available to the Fiduciary to meet its obligations may be reduced, which may in turn result in investors' receiving less interest or principal than expected.

It is not currently possible to conclude with certainty whether the Fiduciary will be subject to such requirements or obligations. However, irrespective of becoming subject to such requirements or obligations, and irrespective of it becoming necessary to amend or replace derivative transactions into which the Fiduciary enters, the Fiduciary may in any event have to bear certain costs or fees arising out of steps it is required to take to comply with the requirements of EMIR.

It should also be noted that further changes may be made to the EMIR framework in the context of the EMIR review process, including in respect of counterparty classification, no assurances can be given that any such changes would not (amongst other things) cause the status of the Fiduciary to change to NFC+ and lead to the potentially adverse consequences outlined above.

Investors should be aware of the risk that the requirements of EMIR may result in the Notes being redeemed early, possibly at an amount less than invested, where an Illegality/Regulatory Event occurs. The Fiduciary expects to enter into agreements, which do not amend or modify the terms of any Notes, with the Swap Counterparty or third parties in order to facilitate compliance with EMIR.

There may also be changes to the regulatory framework, interpretation and/or practice in jurisdictions outside the EU or the United Kingdom, which may be similar in effect and application to the changes applying as a result of EMIR. Such changes may have a significant impact on the operation of the financial markets and may also affect the value of the Notes.

(c) Potential investors in the Notes should take independent advice and make an independent assessment about these risks in the context of any potential investment decision with respect to the Notes.The European Union Directive on Alternative Investment Fund Managers (EU Directive 2011/61/EU)

The EU Directive 2011/61/EU on Alternative Investment Fund Managers (the "**AIFMD**"), which became effective on 22 July 2013, provides, amongst other things, that all alternative investment funds (each, an "**AIF**") must have a designated alternative investment fund manager (an "**AIFM**") with the responsibility for portfolio and risk management. The AIFMD was implemented into Luxembourg law by virtue of the Law of 12 July 2013 on alternative investment fund managers (the "**AIFM Law**"). The Fiduciary does not operate in the same manner as a typical alternative investment fund. The Fiduciary has been established solely for the purpose of entering into, performing and serving as a vehicle for any securitisation transactions as permitted under the Securitisation Act 2004,

as well as in order to issue, on a fiduciary basis, in its own name but at the sole risk and for the exclusive benefit of an investor, fiduciary securities in accordance with the Law. However, the definitions of AIF and AIFM in the AIFMD are broad in scope and there is only limited guidance as to how such definitions should be applied in the context of a securitisation vehicle such as the Fiduciary.

On 23 October 2013, the CSSF issued an update to its Frequently Asked Questions on securitisation vehicles (the "**FAQs**"). The update addresses the consequences of the implementation of the AIFMD into Luxembourg law on securitisation vehicles governed by the Securitisation Act 2004. The AIFM Law provides for an exemption in relation to "securitisation special purpose entities" within the meaning of Regulation (EU) No 1075/2013 of the European Central Bank of 18 October 2013 concerning statistics on the assets and liabilities of financial vehicle corporations engaged in securitisation transactions (recast) (the "**ECB Regulation**") and the guidance note relating thereto. Thus, an undertaking falling within the definition of "securitisation special purpose entities (*structures de titrisation ad hoc*) of the AIFM Law, meaning an entity whose sole object is to carry out one or more securitisation transactions within the meaning of ECB Regulation, will not constitute an AIF under the AIFM Law.

The Securitisation Act 2004 defines "securitisation" in broader terms than the ECB Regulation. Hence, certain transactions may qualify as securitisation transactions under the Securitisation Act 2004 but not under the ECB Regulation. As a consequence, the undertaking carrying out such a transaction may fall within the scope of the Securitisation Act 2004 but will fail to qualify as a "securitisation special purpose entity" under the AIFM Law and will not benefit from the exemption.

The CSSF's updated FAQs emphasises that each securitisation undertaking is required to carry out a self-assessment to determine whether it constitutes an AIF by reference to the criteria set out in the AIFM Law or whether it benefits from the exemption provided for by the AIFM Law in relation to "securitisation special purpose entities" as construed by the ECB Regulation.

The CSSF considers that the following undertakings, which may qualify as securitisation undertakings under the Securitisation Act 2004, do not, according to the ECB Regulation, constitute "securitisation special purpose entities" under the AIFM Law. They may, insofar as they meet the AIF criteria, constitute AIFs under the AIFM Law:

i. securitisation undertakings acting primarily as first lenders (i.e. undertakings that originate new loans) since there is no transfer of assets (and therefore no transfer of credit risk) by such entities;

ii. securitisation undertakings set up primarily to create or otherwise offer synthetic exposure to non-credit related assets, i.e., where the transfer of credit risk is only accessory to the principal activity of the entity.

The CSSF further considers, in its FAQ nr 19, that securitisation undertakings that issue debt instruments only do not constitute AIFs.

Finally, securitisation undertakings that are not managed in accordance with a defined investment policy do not constitute AIFs. To determine whether they are managed according to an "investment policy" within the meaning of the AIFM Law, reference is made to the "Guidelines on key concepts of the AIFMD" published by the European Securities Markets Authority ("**ESMA**") on 13 August 2013 (the "**ESMA Guidelines**").

Subject to the criteria laid down in the ESMA Guidelines, securitisation undertakings that issue structured products offering a synthetic exposure to assets (e.g. shares, indices, commodities), based on a pre-established formula, and that acquire underlying assets and/or enter into swap agreements

with the sole purpose of hedging their payment obligations under the issued structured products (hedging), may be considered as not being managed according to an "investment policy".

The positions expressed by the CSSF in the FAQs are subject to any future changes and clarifications at European level.

If the Fiduciary is found to be an AIF or an AIFM, or any agent acting in respect of the Notes is found to be acting as an AIFM with respect to the AIF, the AIFM would be subject to the AIFMD. Owing to the special purpose nature of the Fiduciary, it would be unlikely that the AIFM could comply fully with the requirements of the AIFMD. In such circumstance, the Fiduciary would be likely (at its discretion and subject to the Conditions) to exercise its early redemption right as a result of an Illegality/Regulatory Event (as defined in the Conditions).

No assurance can be given as to how the European Securities and Markets Authority or national regulators might, in the future, interpret the AIFMD or whether any such interpretation might find the Fiduciary to be an AIF or an AIFM, or find any agent appointed in connection with the Notes to be acting as an AIFM with respect to the Fiduciary.

(d) Benchmarks Regulation

Interest rates and indices which are deemed to be "benchmarks" (including the London Interbank Offered Rate ("**LIBOR**") and the Euro Interbank Offered Rate ("**EURIBOR**"), are the subject of recent national and international regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented.

In particular, Regulation (EU) No. 2016/1011 of the European Parliament and of the Council of 8 June 2016 (the "**Benchmarks Regulation**") was published in the Official Journal of the EU on 29 June 2016 and came into force on 1 January 2018. The Benchmarks Regulation applies to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the EU (which, for these purposes, includes the United Kingdom). Among other things, it (i) requires benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevents certain uses by EU supervised entities of "benchmarks" provided by administrators that are not authorised or registered (or, if non-EU based, not deemed equivalent or recognised or endorsed).

The Benchmarks Regulation could have a material impact on any Notes linked to or referencing a "benchmark", in particular, if the methodology or other terms of the "benchmark" are changed in order to comply with the requirements of the Benchmarks Regulation. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the "benchmark".

In addition, the occurrence of an Administrator/Benchmark Event may cause early redemption, cancellation or adjustment of the Notes. An Administrator/Benchmark Event may occur in any of the following circumstances: (i) if a benchmark is changed or cancelled, (ii) the relevant authorisation, registration, recognition, endorsement, equivalence or approval in respect of the benchmark or the administrator of the benchmark is not obtained, (iii) an application for authorisation, registration, recognition, endorsement, equivalence decision, approval or inclusion in any official register is rejected or (iv) any authorisation, registration, recognition, endorsement, equivalence decision or approval is suspended or inclusion in any official register is withdrawn.

In the event that the Notes are early redeemed as a result of an Administrator/Benchmark Event, the proceeds of sale or realisation of the relevant Fiduciary Assets and/or the proceeds of termination of any related Fiduciary Asset Agreements, as applicable, may not be sufficient to fund in full the amount payable in respect of each Note in connection with early redemption as a result of an

Administrator/Benchmark Event, where such an amount is calculated in accordance with Condition 7(e) or the applicable Pricing Supplement, and investors may receive a return significantly less than their initial investment (or even zero).

More broadly, any of the international or national reforms, or the general increased regulatory scrutiny of "benchmarks", may have the effect of (i) discouraging market participants (or prohibiting a particular market participant) from continuing to administer or contribute to the "benchmark"; (ii) triggering changes in the rules or methodologies used in a "benchmarks" and/or (iii) causing certain "benchmarks" to disappear entirely. Any such consequence could have a material adverse effect on the value of and return on any Notes linked to or referencing a "benchmark" and the Fiduciary may be entitled to redeem the Notes prior to their scheduled maturity date or to require the Calculation Agent to make corresponding adjustments to the conditions of the Notes.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the Benchmarks Regulation reforms in making any investment decision with respect to any Notes linked to or referencing a "benchmark".

In addition to the Benchmark Regulation there are numerous other proposals, initiatives and investigations which may impact benchmarks. For example, in the United Kingdom, the government has extended the legislation originally put in place to cover LIBOR to regulate a number of additional major United Kingdom-based financial benchmarks in the fixed income, commodity and currency markets, which could be further expanded in the future. The Financial Stability Board through its Official Sector Steering Group (OSSG) is also undertaking work to strengthen existing benchmarks for key interbank offered rates (**IBORS**) in the unsecured lending markets and to promote the development and adoption of alternative nearly risk-free reference rates (RFRs) where appropriate.

(e) LIBOR and EURIBOR Reform

The sustainability of LIBOR has been questioned as a result of the absence of relevant active underlying markets and possible disincentives (including possibly as a result of benchmark reforms) for market participants to continue contributing to such benchmarks. On 27 July 2017, and in a subsequent speech by its Chief Executive on 12 July 2018, the UK Financial Conduct Authority ("**FCA**") confirmed that it will no longer persuade or compel banks to submit rates for the calculation of the LIBOR benchmark after 2021 (the "**FCA Announcements**"). The FCA Announcements indicated that the continuation of LIBOR on the current basis cannot and will not be guaranteed after 2021.

Efforts to transition from IBORS to alternative benchmark rates are underway in several jurisdictions. The FCA has urged users to plan the transition to alternative reference rates ("**ARRs**"). Liquidity and activity in ARRs continue to develop in markets globally, with work progressing to resolve certain issues associated with transitioning away from IBORS. Regulatory authorities continue to focus on transitioning to ARRs by the end of 2021.

On 29 November 2017, the Bank of England and the FCA announced that, from January 2018, its Working Group on Sterling Risk-Free Rates has been mandated with implementing a broad-based transition to the Sterling Overnight Index Average ("**SONIA**") over the next four years across sterling bond, loan and derivative markets, so that SONIA is established as the primary sterling interest rate benchmark by the end of 2021. Separate workstreams are also underway in Europe to reform EURIBOR using a hybrid methodology and to provide a fallback by reference to a euro risk-free rate (based on a euro overnight risk-free rate as adjusted by a methodology to create a term rate). On 13 September 2018, the working group on euro risk-free rates recommended Euro Short-term Rate ("**€STR**") as the new risk free rate. In addition, on 21 January 2019, the euro risk free-rate working group published a set of guiding principles for fallback provisions in new euro denominated cash products (including bonds) referencing EURIBOR. The guiding principles indicate, among other

things, that continuing to reference EURIBOR in relevant contracts (without robust fallback provisions) may increase the risk to the euro area financial system. The guiding principles were followed by a further report in November 2019 setting out high-level recommendations for fallback provisions for cash products referencing EURIBOR. In October 2020, the International Swaps and Derivatives Association published a revised fallback clause, which will become effective on 25 January 2021. The Financial Stability Board has announced that it encourages widespread adherence by all affected financial and non-financial firms.

It is not possible to predict with certainty whether, and to what extent, LIBOR and EURIBOR or any other –IBOR will continue to be supported going forwards. These developments may cause LIBOR and EURIBOR or any other –IBOR to perform differently than they have done in the past, to disappear entirely or have other consequences which cannot be predicted. This could have a material adverse effect on the value of and return on any Notes linked to, referencing, or otherwise dependent (in whole or in part) upon, LIBOR or EURIBOR.

(f) The relationship of the United Kingdom with the European Union may affect the business of the Fiduciary

Prospective investors should note that, pursuant to a referendum held in June 2016, the UK has voted to leave the European Union and, on 29 March 2017, the UK invoked Article 50 of the Treaty on the European Union and officially notified the European Union of its decision to withdraw from the European Union. This commenced the formal two-year process (although this has subsequently been extended three times) of negotiations regarding the terms of the withdrawal and the framework of the future relationship between the UK and the EU (the "**article 50 withdrawal agreement"**).

Under the terms of the ratified article 50 withdrawal agreement,. a transition period has now commenced which will last until 31 December 2020. During this period, most European Union rules and regulations will continue to apply to and in the UK and negotiations in relation to a free trade agreement will be ongoing. Under the article 50 withdrawal agreement, the transition period may, before 1 July 2020, be extended once by up to two years. However, the UK legislation ratifying the article 50 withdrawal agreement (the European Union (Withdrawal) Act 2018, as amended by the European Union (Withdrawal Agreement) Act 2020 (as so amended, the **EUWA**) contains a prohibition on agreeing any extension to the transition period. While this does not entirely remove the prospect that the transition period will be extended (as UK Parliament could pass legislation that would override the effect of the prohibition in the EUWA), the likelihood of a further extension is significantly reduced and the risk is increased that by 31 December 2020 no trade agreement on future relationship between the UK and the European Union is reached at all or a significantly narrower agreement is reached than that envisaged by the political declaration by the European Commission and the UK Government.

The European Union and the UK Government have continued preparations for a "hard" Brexit (or "no-deal" Brexit) to minimise the risks for firms and businesses associated with an exit without agreement as to the EU-UK future trade relationship at the end of the transition period. This has included the UK Government publishing further draft secondary legislation under powers provided in EUWA to ensure that there is a functioning statute book at the end of the transition period. Due to the on-going political uncertainty as regards the terms of the UK's withdrawal from the EU and the structure of the future relationship, the precise impact on the business of the Fiduciary is difficult to determine. As such, no assurance can be given that such matters would not adversely affect the ability of the Fiduciary to satisfy its obligations under the Notes and/or the market value and/or the liquidity of the Notes in the secondary market.

Investors should also be aware that such matters could adversely affect European or worldwide economic, market conditions and could contribute to instability in global financial and foreign exchange markets, including volatility in the pound sterling or euro. Deteriorating business, consumer or investor confidence could lead to (i) reduced levels of business activity; (ii) higher levels of default

rates and impairment; and (iii) mark to market losses in trading portfolios resulting from changes in credit ratings, share prices and solvency of counterparties. No assurance can be given that such matters would not adversely affect the market value and/or the liquidity of the Notes and/or the collateral in the secondary market and/or the ability of the Fiduciary to satisfy its obligations under the Notes.

(g) The Swap Counterparty's plans to ensure uninterrupted business dealings as the UK withdraws from the EU may not be effective

Plans that the Swap Counterparty has taken to ensure uninterrupted business dealings as the UK withdraws from the EU may not be effective if the UK and the EU do not reach a deal by the end of the transition period, scheduled to end on 31 December 2020, resulting in disruptions across the financial sector.

To prepare the Swap Counterparty's business for the UK withdrawal from the EU, the Swap Counterparty completed a merger of UBS Limited, its UK-based subsidiary, into UBS Europe SE, its Germany-headquartered European subsidiary, which is under the direct supervision of the European Central Bank. All clients and counterparties of UBS Limited who would not be able to be serviced by UBS AG, London Branch following the exit of the UK from the EU have been transferred to UBS Europe SE.

Regulators in both the UK and Europe have taken measures to minimize business disruption in the financial sector in the event of a no-deal scenario, including the UK implementation of a temporary permissions regime so that firms currently using an EU passport for business into the UK can continue operating within the scope of their existing permissions, as well as the temporary equivalence adopted by EU authorities for UK central counterparties until 30 June 2022. However, the pace of the negotiations has been affected by the COVID-19 pandemic, and a number of market structure issues remain unresolved. The UK and EU had both committed to complete the various equivalence assessments under existing financial services legislation by June 2020, but no further information from the EU and UK authorities about the outcome of those assessments has been released. It is unclear whether and when the EU and the UK will grant equivalence to each other.

Should the UK exit the transition period without at least the majority of equivalence determinations in place, it could cause significant disruption across the financial industry and, under extreme conditions, contribute to a weakening of the global economy. In addition, a number of market structure issues remain unresolved, including the operation of derivatives and share trading obligations under the EU’s Markets in Financial Instruments Directive II.

**U.S. investors in the Notes are not permitted**

The Notes and, in certain cases, the securities (if any) to be delivered when the Notes are redeemed, have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States. Trading in the Notes has not been and will not be approved by the CFTC under the CEA or by the SEC. Further, no person has registered nor will register as a commodity pool operator of the Fiduciary or the Fiduciary Assets under the CEA and CFTC Rules, and neither the Fiduciary nor any of the Fiduciary Assets have been registered nor will be registered under the Investment Company Act. The Notes are being offered and sold in reliance on an exemption from the registration requirements of the Securities Act pursuant to Regulation S. Accordingly, no Notes, or interests therein, may at any time be offered, sold, resold, pledged, delivered or transferred, directly or indirectly, within the United States or to, or for the account or benefit of, any U.S. person or to others for offer, sale, resale, pledge, delivery or transfer, directly or indirectly, within the United States or to, or for the account or benefit of, any U.S. person or under circumstances that will require the Fiduciary or the Fiduciary Assets to register as an "investment company" under the Investment Company Act or under circumstances that will require

any person to register as a commodity pool operator of the Fiduciary or the Fiduciary Assets under the CEA and CFTC Rules.

The foregoing restrictions on the offer, sale, resale, pledge, delivery or other transfer of Notes in the United States or to, or for the account or benefit of, a U.S. person may adversely affect the ability of an investor in the Notes to dispose of the Notes in the secondary market, if any, and significantly reduce the liquidity of the Notes. As a result, the value of the Notes may be materially adversely affected.

Investors should also note that the Fiduciary has the right to compel any beneficial owner of an interest in the Notes to certify periodically that such beneficial owner is not a U.S. person and to refuse to honour the transfer of an interest in the Notes in violation of the transfer restrictions applicable to such Notes. Further the Fiduciary has the right to compel any beneficial owner who is a U.S. person to (i) sell its interests in the Notes to a person who is not a U.S. person in an offshore transaction pursuant to Regulation S under the Securities Act, or (ii) transfer its interests in the Notes to the Fiduciary or an Affiliate of the Fiduciary or redeem the Notes in whole or in part.

**Further Issues of Notes by the Fiduciary**

Further Notes may be issued pursuant to Condition 17.

**Meetings of Noteholders, Modifications and Waiver**

The Terms and Conditions of the Notes may be modified or amended from time to time pursuant to meetings of Noteholders held in accordance with the provisions set out in the Agency Agreement. In addition the Fiduciary may agree with the Principal Paying Agent, without the consent of Noteholders, to certain other amendments to the Conditions, or the Agency Agreement or any provisions of the Fiduciary Asset Agreements or Fiduciary Assets, without the consent of Noteholders, in accordance with Condition 16. Any such modifications or amendments may have an adverse effect on the Notes and will be binding on all Noteholders even where (in the case of a meeting of Noteholders) a Noteholder has not voted for the relevant modification or amendment

**Currency risk**

An investment in Notes denominated or payable in a currency other than the currency of the jurisdiction of a particular Noteholder, entails significant risks that are not associated with a similar investment in Notes denominated and/or payable in the Noteholder's currency. These risks include, but are not limited to:

- the possibility of significant market changes in rates of exchange between the Noteholder's currency and the currency in which the Notes are denominated and/or payable;

- the possibility of significant changes in rates of exchange between the Noteholder's currency and the currency in which the Notes are denominated and/or payable resulting from the official redenomination or revaluation of the currency; and

- the possibility of the imposition or modification of foreign exchange controls by either the jurisdiction of the purchaser or foreign governments.

**Notes in global form**

As the Global Notes will be held by or on behalf of Euroclear and/or Clearstream, Luxembourg, as applicable, investors will have to rely on their procedures for transfer, payment and communication with the Fiduciary. Euroclear and/or Clearstream, Luxembourg, as the case may be, will maintain

records of the beneficial interests in the Global Notes. While the Notes are represented by one or more Global Notes, investors will be able to trade their beneficial interests only through Euroclear and/or Clearstream, Luxembourg, as the case may be.

While the Notes are represented by one or more Global Notes, the Fiduciary will discharge its payment obligations under the Notes by making payments to Euroclear and/or Clearstream, Luxembourg, as the case may be, for distribution to their accountholders. A holder of an interest in a Global Notes must rely on the procedures of Euroclear and/or Clearstream, Luxembourg, as the case may be, to receive payments under the relevant Notes. Neither the Fiduciary nor the Swap Counterparty has responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in Global Notes.

Holders of beneficial interests in Global Notes will not have a direct right to vote in respect of the relevant Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by Euroclear and/or Clearstream, Luxembourg, as the case may be, to appoint appropriate proxies.

**Integral multiples of the Specified Denomination**

If Notes are issued in one or more integral multiples of the Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts that are not integral multiples of the minimum Specified Denomination. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than such minimum Specified Denomination in its account with the relevant clearing system at the relevant time may not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes such that its holding amounts to the Specified Denomination. If definitive Notes are issued, holders should be aware that definitive Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

**Credit ratings may not reflect all risks**

Notes may or may not be rated. One or more credit rating agencies may assign credit ratings to a Series of Notes, as specified in the applicable Pricing Supplement for such Notes (each a "**Relevant Rating Agency**"). Noteholders should note that where a Series of Notes is to be rated, such rating will not necessarily be the same as any rating assigned to any Notes already issued.

The rating agencies' opinions may not reflect the potential impact of all risks relating to the structural, market and other factors which may affect the value of the Notes. Credit ratings are not a guarantee of quality. The credit ratings of the Notes will represent the rating agencies' opinions regarding their credit quality. Rating agencies attempt to evaluate the safety of principal and, if applicable, interest payments and do not evaluate the risks of fluctuations in market value. Also, rating agencies may fail to make timely changes in credit ratings in response to subsequent events (such as a change in the status of a Fiduciary Asset Obligor or any Swap Counterparty), so that in respect of a Series of Notes which is rated, the risk profile of the Notes at any given time may be better or worse than its credit rating indicates.

A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time as a result of changes in or unavailability of information or if, in the judgement of the Relevant Rating Agencies, circumstances so warrant. A qualification, downgrade or withdrawal of any ratings may have an adverse effect on the value and liquidity of the Notes.

**No obligation to gross up payments**

All payments by the Fiduciary in respect of the Notes will be subject in all cases to any tax, duty or other relevant fiscal payment (including, where applicable, laws requiring the withholding for, or an account of, any tax, duty or other payment whatsoever).

Purchasers of Notes should conduct such independent investigation and analysis regarding the tax treatment of the Notes, as they deem appropriate to evaluate the merits and risks of an investment in the Notes. Tax risks include, without limitation, a change in any applicable law, treaty, rule or regulation or the interpretation thereof by any relevant authority which may adversely affect payments in respect of the Notes.

**Risks relating to Index/ETF Linked Notes, Equity Linked Notes and Fund Linked Notes**

*Investing in Index/ETF Linked Notes, Equity Linked Notes and Fund Linked Notes ("**Reference Item Linked Notes**") involves certain risks. Factors which are material for the purpose of assessing the market risks associated with such Notes are described below. The Fiduciary makes no representation that the statements set out below regarding the potential risks of Reference Item Linked Notes are exhaustive.*

**Settlement Disruption Event and Failure to Deliver due to Illiquidity**

In the case of Reference Item Linked Notes which may be physically settled ("**Physical Delivery Notes**"), if a Settlement Disruption Event occurs or exists, settlement will be postponed until the next date on which no Settlement Disruption Event occurs. For so long as delivery of the Asset Amount is not practicable by reason of a Settlement Disruption Event or because compliance with any laws or regulations applying to the delivery of the Asset Amount is not practicable, the Fiduciary has the right to pay the Disruption Cash Settlement Price in lieu of delivering the Asset Amount. Such a determination may have an adverse effect on the value of the relevant Physical Delivery Notes.

**Expenses**

Noteholders of Physical Delivery Notes must pay all Delivery Expenses relating to such Physical Delivery Notes. As used in the Conditions, "**Delivery Expenses**" includes any applicable depositary charges, transaction or exercise charges, stamp duty, stamp duty reserve tax and/or other taxes or duties arising from the delivery and/or transfer of any Asset Amount or the delivery and/or transfer of any related amounts in respect of the Fiduciary Assets.

**Physical Delivery Requirements and Settlement Risk**

In order to receive the Asset Amount in respect of a Physical Delivery Note, the holder of such Physical Delivery Note must (1) submit an Asset Transfer Notice and (2) pay the relevant Delivery Expenses. Physical Delivery Noteholders should review carefully the Pricing Supplement to ascertain the procedures for this.

**Calculation Agent's discretion**

The Calculation Agent has a broad discretionary authority to make various determinations and adjustments under the Reference Item Linked Notes, any of which may have an adverse effect on the value and/or the amounts payable under the Reference Item Linked Notes. Prospective investors should be aware that any determinations made by the Calculation Agent may have an impact on the value and financial return of the Reference Item Linked Notes. Where the Calculation Agent is required to make a determination it may do so without taking into account the interests of the Noteholders.

**General risks relating to Index/ETF Linked Notes**

The Fiduciary may issue several issues of Index/ETF Linked Notes relating to a particular index or indices or exchange traded fund(s). However, no assurance can be given that the Fiduciary will issue any such Index/ETF Linked Notes other than the Index/ETF Linked Notes to which the applicable Pricing Supplement relates. At any given time, the number of Index/ETF Linked Notes outstanding may be substantial. Index/ETF Linked Notes provide opportunities for investment and pose risks to investors as a result of fluctuations in the level or value of the relevant index or indices or exchange traded fund(s).

The Fiduciary may issue Index/ETF Linked Notes where the early or other redemption amount or interest payable is dependent upon the level of an index or indices or exchange traded fund(s). The index or indices may comprise of or exchange traded fund(s) may "track" or relate to an underlying index comprising reference equities, bonds, other securities, property, currency exchange rate or other assets or bases of reference, and which may be a well-known and widely published index or indices or an index or indices established by any member of the UBS Group which may include the Fiduciary or another entity which may not be widely published or available. An investment in Index/ETF Linked Notes will entail significant risks not associated with a conventional fixed rate or floating rate debt security.

Index/ETF Linked Notes may be redeemable by the Fiduciary by payment of the par value amount and/or by payment of an amount determined by reference to the value of the index or indices or exchange traded fund(s). Interest (if any) payable on Index/ETF Linked Notes may be calculated by reference to the value of one or more indices or exchange traded fund(s).

Index/ETF Linked Notes involve a high degree of risk, which may include, among others, interest rate, foreign exchange, time value and political risks. Purchasers should be prepared to sustain a total loss of the purchase price of the Index/ETF Linked Notes. Prospective purchasers of the Index/ETF Linked Notes should understand the risks of transactions involving the relevant Index/ETF Linked Notes and should reach an investment decision only after careful consideration, with their advisers, of the suitability of such Index/ETF Linked Notes in light of their particular financial circumstances, the information set forth herein and the information regarding the Index/ETF Linked Notes and the particular index or indices to which the value of, or payments in respect of, the Index/ETF Linked Notes may relate, as specified in the applicable Pricing Supplement.

Index/ETF Linked Notes will represent an investment linked to the economic performance of the relevant index or indices or exchange traded fund(s) and prospective investors should note that the return (if any) on their investment in such Index/ETF Linked Notes will depend upon the performance of such index or indices or exchange traded fund(s). Potential investors should also note that whilst the market value of such Index/ETF Linked Notes is linked to such index or indices or exchange traded fund(s) and will be influenced (positively or negatively) by such index or indices or exchange traded fund(s), any change may not be comparable and may be disproportionate. It is impossible to predict how the level of the relevant index or indices or exchange traded fund(s) will vary over time. In contrast to a direct investment in the relevant index or indices or exchange traded fund(s), the Index/ETF Linked Notes represent the right to receive payment of the final or other redemption amount, as the case may be, as well as payments of interest (if specified in the applicable Pricing Supplement in respect of the Index/ETF Linked Notes), all or some of which and the value of which will be determined by reference to the performance of the relevant index or indices or exchange traded fund(s).

As the amounts payable in respect of Index/ETF Linked Notes are linked to the performance of the relevant index or indices or exchange traded fund(s), a purchaser of such Index/ETF Linked Notes must generally be correct about the direction, timing and magnitude of an anticipated change in the value of the relevant index or indices or exchange traded fund(s). Assuming all other factors are held constant, the lower the value of Index/ETF Linked Notes and the shorter the remaining term to redemption the greater the risk that purchasers of such Index/ETF Linked Notes will lose all or part of their investment.

**PROSPECTIVE INVESTORS MUST REVIEW THE APPLICABLE PRICING SUPPLEMENT TO ASCERTAIN WHAT THE RELEVANT INDEX OR INDICES OR EXCHANGE TRADED FUND(S) (IF ANY) ARE AND TO SEE HOW THE FINAL OR OTHER REDEMPTION AMOUNT, AS THE CASE MAY BE, AND ANY INTEREST PAYMENTS ARE DETERMINED AND WHEN SUCH AMOUNTS ARE PAYABLE, BEFORE MAKING ANY DECISION TO PURCHASE ANY INDEX/ETF LINKED NOTES.**

Fluctuations in the value and/or volatility of the relevant index or indices or exchange traded fund(s) will affect the value of the Index/ETF Linked Notes and such fluctuations may not correlate with changes in interest rates, currencies or other indices or exchange traded fund(s). Other factors which may influence the market value of the Index/ETF Linked Notes include interest rates, potential dividend or interest payments (as applicable) in respect of the relevant index or indices or exchange traded fund(s), changes in the method of calculating the relevant index or indices or exchange traded fund(s) from time to time and market expectations regarding the future performance of the relevant index or indices or exchange traded fund(s), its composition and such Index/ETF Linked Notes. The timing of changes in the relevant index or indices or exchange traded fund(s) may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the level of an index or exchange traded fund(s) or result of a formula, the greater the effect on yield.

Potential investors in Index/ETF Linked Notes should be aware that depending on the terms of the Index/ETF Linked Notes (i) they may receive no or a limited amount of interest, (ii) payments may occur at a different time than expected and (iii) except in the case of Index/ETF Linked Notes which are principal protected at maturity, they may lose all or a substantial portion of their investment if the value of the index or indices or exchange traded fund(s) do not move in the anticipated direction.

If the final or other redemption amount or interest payable, are determined in conjunction with a multiplier greater than one or by reference to some other leverage factor, the effect of changes in the level of the index or the indices or exchange traded fund(s) on the final or other redemption amount or interest payable, will be magnified.

Index/ETF Linked Notes may, if so specified in the applicable Pricing Supplement, be structured to include any of the following features:

- "Knock-in", being the occurrence of a specified knock-in event when the level of the relevant index or indices or exchange traded fund(s) reaches or breaches a pre-defined barrier on a specified date(s) or during an observation period, which results in a certain payout on maturity and/or an interim payment;

- "Knock-out", being the occurrence of a specified knock-in event when the level of the relevant index or indices or exchange traded fund(s) reaches or breaches a pre-defined barrier on a specified date(s) or during an observation period, which results in the deactivation of a certain payout on maturity and/or an interim payment; and

- "Trigger Event", being the occurrence of any index or exchange traded fund(s) being equal to or less than the specified level for such index or exchange traded fund(s) during the relevant observation period or on specified date(s).

In such circumstances, the market value of the Index/ETF Linked Notes may be more volatile than for securities that do not include such features and the timing of changes to the level of the index or exchange traded fund(s) or indices may affect the return on the Index/ETF Linked Notes even if the level is generally consistent with an investor's expectations.

If "Mandatory Early Redemption Provisions" are specified as applicable in the applicable Pricing Supplement, on the occurrence of a specified event (such as an index or indices or exchange traded fund(s) exceeding or falling below a specified level on an observation date or during an observation period), such Index/ETF Linked Notes will be redeemed prior to their designated Maturity Date at the specified Mandatory Early Redemption Amount and no further amounts will be payable in relation to such Index/ETF Linked Notes.

In such circumstances, investors are subject to reinvestment risk as they may not be able to replace their investment in such Index/ETF Linked Notes with an investment that has a similar profile as the Index/ETF Linked Notes. In addition, investors will only receive the specified Mandatory Early Redemption Amount and will not benefit from any movement in the level of the relevant index or indices or exchange traded fund(s) that would have resulted in a higher return on the Index/ETF Linked Notes if they had not been redeemed prior to their designated Maturity Date.

If the Calculation Agent determines that an event giving rise to a Disrupted Day has occurred at any relevant time, such determination may have an effect on the timing of valuation and consequently the value of the Index/ETF Linked Notes and/or may delay settlement in respect of the Index/ETF Linked Notes. Prospective purchasers should review the relevant Index/ETF Linked Conditions of the Index/ETF Linked Notes and the applicable Pricing Supplement to ascertain whether and how such provisions apply to the Index/ETF Linked Notes.

The market price of Index/ETF Linked Notes may be volatile and may depend on the time remaining to the redemption date and the volatility of the level of the index or indices or exchange traded fund(s). The level of the index or indices or exchange traded fund(s) may be affected by the economic, financial and political events in one or more jurisdictions, including the stock exchange(s) or quotation system(s) on which any securities comprising the index or indices or to which the exchange traded fund(s) relate may be traded.

*Market Disruption Event and Disrupted Day*

If an issue of Index/ETF Linked Notes includes provisions dealing with the occurrence of a market disruption event or a failure to open of an exchange or related exchange on a Valuation Date or an Averaging Date and the Calculation Agent determines that a market disruption event or such failure has occurred or exists on a Valuation Date or an Averaging Date, any consequential postponement of the Valuation Date or Averaging Date or any alternative provisions for valuation provided in any Index/ETF Linked Notes may have an adverse effect on the value of such Index/ETF Linked Notes and may delay payments or deliveries under the Notes.

*No claim against any Index*

An Index/ETF Linked Note will not represent a claim against any asset comprised in any index or indices or any exchange traded fund(s) and, in the event of any loss, a Noteholder will not have recourse under an Index/ETF Linked Note to any asset comprised in any index or indices or any exchange traded fund(s).

In the case of Index/ETF Linked Notes linked to exchange traded fund(s) following the declaration by the exchange traded fund(s) of the occurrence of any Potential Adjustment Event, the Calculation Agent will determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical relevant ETF Shares and, if so, will (i) make the corresponding adjustment, if any, to any of the terms of the relevant Conditions and/or the applicable Pricing Supplement as the Calculation Agent determines appropriate to account for that diluting or concentrative effect and (ii) determine the effective date of that adjustment. Such adjustment may have an adverse effect on the value and liquidity of the affected Index/ETF Linked Notes.

In addition, in the case of Index/ETF Linked Notes linked to exchange traded funds, if a Merger Event, Tender Offer, De-listing, Material Underlying Event, Nationalisation or Insolvency occurs in relation to any Index/ETF Share, the Fiduciary may, inter alia, take the action described in (i) or (ii) below:

(i) require the Calculation Agent to determine the appropriate adjustment, if any, to be made to any of the relevant Conditions and/or the applicable Pricing Supplement to account for the Merger Event, Tender Offer, De-listing, Material Underlying Event, Nationalisation or Insolvency and determine the effective date of that adjustment. Such adjustment may have an adverse effect on the value and liquidity of the affected Index/ETF Linked Notes; or

(ii) redeem all of the Index/ETF Linked Notes. Following such redemption an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the relevant Notes being redeemed and may only be able to do so at a significantly lower rate. Prospective investors should consider reinvestment risk in light of other investments available at that time.

The market price of Index/ETF Linked Notes may be volatile and may depend on the time remaining to the redemption date and the volatility of the price of fund share(s) or unit(s). The price of fund share(s) or unit(s) may be affected by the economic, financial and political events in one or more jurisdictions, including factors affecting the exchange(s) or quotation system(s) on which any units in the fund or funds may be traded.

In the case of Index/ETF Linked Notes linked to exchange traded funds, the exchange traded fund(s) may be linked to or otherwise track the price of a commodity, for example precious metals such as gold. Such Index/ETF Linked Notes linked to exchange traded funds will be subject to a number of additional risk factors that may cause price volatility.

**General risks and risks relating to Equity Linked Notes**

The Fiduciary may issue several issues of Equity Linked Notes relating to a particular share or basket of shares. However, no assurance can be given that the Fiduciary will issue any such Equity Linked Notes other than the Equity Linked Notes to which the applicable Pricing Supplement relates. At any given time, the number of Equity Linked Notes outstanding may be substantial. Equity Linked Notes provide opportunities for investment and pose risks to investors as a result of fluctuations in the value of the relevant share or basket of shares.

Equity Linked Notes may be redeemable by the Fiduciary by payment of the par value amount and/or by the physical delivery of a specified number of share(s) and/or by payment of an amount determined by reference to the value of the share(s).

The Fiduciary may issue Equity Linked Notes where the final or other redemption amount or interest payable are dependent upon the price of or changes in the price of shares or a basket of shares or where, depending on the price or change in the price of the shares or basket of shares, the Fiduciary has an obligation to deliver specified assets. Accordingly, an investment in Equity Linked Notes may bear similar market risks to a direct equity investment and investors should take advice accordingly. An investment in Equity Linked Notes will entail significant risks not associated with a conventional debt security.

Equity Linked Notes involve a high degree of risk, which may include, among others, interest rate, foreign exchange, time value and political risks. Purchasers should be prepared to sustain a total loss of the purchase price of the Equity Linked Notes. Prospective purchasers of the Equity Linked Notes should understand the risks of transactions involving the relevant Equity Linked Notes and should reach an investment decision only after careful consideration, with their advisers, of the suitability of

such Equity Linked Notes in light of their particular financial circumstances, the information set forth herein and the information regarding the Equity Linked Notes and the particular Share or Shares to which the value of, or payments or deliveries in respect of, the Equity Linked Notes may relate, as specified in the applicable Pricing Supplement.

Equity Linked Notes will represent an investment linked to the economic performance of the relevant share or basket of shares and prospective investors should note that the return (if any) on their investment in such Equity Linked Notes will depend upon the performance of such share or basket of shares. Potential investors should also note that whilst the market value of such Equity Linked Notes is linked to such share or basket of shares and will be influenced (positively or negatively) by such share or basket of shares any change may not be comparable and may be disproportionate. It is impossible to predict how the level of the relevant share or basket of shares will vary over time. In contrast to a direct investment in the relevant share or basket of shares, Equity Linked Notes represent the right to receive payment or delivery, as the case may be, of the final or other redemption amount or the Asset Amount, as the case may be, as well as payments of interest (if specified in the applicable Pricing Supplement in respect of Equity Linked Notes), all or some of which and the value of which will be determined by reference to the performance of the relevant share or basket of shares.

As the amounts payable and/or deliverable in respect of Equity Linked Notes are linked to the performance of the relevant share or basket of shares, a purchaser of such Equity Linked Notes must generally be correct about the direction, timing and magnitude of an anticipated change in the value of the relevant share or basket of shares. Assuming all other factors are held constant, the lower the value of such Equity Linked Notes and the shorter the remaining term to redemption the greater the risk that purchasers of such Equity Linked Notes will lose all or part of their investment.

**PROSPECTIVE INVESTORS MUST REVIEW THE APPLICABLE PRICING SUPPLEMENT TO ASCERTAIN WHAT THE RELEVANT SHARE OR SHARES (IF ANY) ARE AND TO SEE HOW THE FINAL OR OTHER REDEMPTION AMOUNT OR THE ASSET AMOUNT, AS THE CASE MAY BE, AND ANY INTEREST PAYMENTS ARE DETERMINED AND WHEN SUCH AMOUNTS ARE PAYABLE AND/OR DELIVERABLE, AS THE CASE MAY BE, BEFORE MAKING ANY DECISION TO PURCHASE ANY EQUITY LINKED NOTES.**

Fluctuations in the value and/or volatility of the relevant share or basket of shares will affect the value of the Equity Linked Notes and such fluctuations may not correlate with changes in interest rates, currencies or other shares. Other factors which may influence the market value of the Equity Linked Notes include interest rates, potential dividend or interest payments (as applicable) in respect of the relevant share or basket of shares, changes in the method of calculating the relevant share or basket of shares from time to time and market expectations regarding the future performance of the relevant share or basket of shares, its composition and such Equity Linked Notes.

The timing of changes in the relevant share or basket of shares may affect the actual yield to investors, even if the average level is consistent with their expectations.

*Risks relating to Equity Linked Notes*

Interest payable on Equity Linked Notes may be calculated by reference to the value of one or more shares.

Potential investors in Equity Linked Notes should be aware that depending on the terms of the Equity Linked Notes (i) they may receive no or a limited amount of interest, (ii) payments or delivery of any specified assets may occur at a different time than expected and (iii) they may lose all or a substantial portion of their investment if the value of the share(s) do not move in the anticipated direction.

In addition, the movements in the price of the share or basket of shares may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other shares.

If the early or other redemption amount or interest payable, or Asset Amount deliverable, are determined in conjunction with a multiplier greater than one or by reference to some other leverage factor, the effect of changes in the price of the share or basket of shares on the early or other redemption amount or interest payable, or Asset Amount deliverable, will be magnified.

Equity Linked Notes may, if so specified in the applicable Pricing Supplement, be structured to include any of the following features:

- "Knock-in", being the occurrence of a specified knock-in event when the price of the relevant share or basket of shares or breaches a pre-defined barrier on a specified observation date(s) or day during an observation period, which results in a certain payout on maturity and/or interim payment;

- "Knock-out", being the occurrence of a specified knock-out event when the price of the relevant share or basket of shares reaches or breaches a pre-defined barrier on a specified observation date(s) or day during an observation period, which results in the deactivation of a certain payout on maturity and/or interim payment;

- "Trigger Event", being the occurrence of any share being equal to or less than the specified price for such share during the relevant observation period; and

- "Best/Worst Performance", being, in relation to Equity Linked Notes referencing more than one share, that the payout on maturity and/or interim payment can be determined by reference to the share or weighted basket of shares giving the highest performance or lowest performance on a specified observation date or dates.

In such circumstances, the market value of the Equity Linked Notes may be more volatile than for securities that do not include such features and the timing of changes to the price of the share or basket of shares may affect the return on the Equity Linked Notes even if the price is generally consistent with an investor's expectations.

If "Mandatory Early Redemption Provisions" are specified as applicable in the applicable Pricing Supplement, on the occurrence of a specified event (such as a share or basket of shares exceeding or falling below a specified price on an observation date or during an observation period), such Equity Linked Notes will be redeemed prior to their designated Maturity Date at the specified Mandatory Early Redemption Amount and no further amounts will be payable or deliverable in relation to such Equity Linked Notes.

In such circumstances, investors are subject to reinvestment risk as they may not be able to replace their investment in such Equity Linked Notes with an investment that has a similar profile as the Equity Linked Notes. In addition, investors will only receive the specified Mandatory Early Redemption Amount and will not benefit from any movement in the price of the relevant share or basket of shares that would have resulted in a higher return on the Equity Linked Notes if they had not been redeemed prior to their designated Maturity Date.

If the Calculation Agent determines that an event giving rise to a Disrupted Day has occurred at any relevant time any such determination may have an effect on the timing of valuation and consequently the value of the Equity Linked Notes and/or may delay settlement in respect of the Equity Linked Notes. Prospective purchasers should review the relevant Conditions of the Equity Linked Notes and the applicable Pricing Supplement to ascertain whether and how such provisions apply to the Equity Linked Notes.

In the case of Equity Linked Notes following the declaration by the Share Company of the terms of any Potential Adjustment Event, the Calculation Agent will, in its sole and absolute discretion, determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the Shares and, if so, will (i) make the corresponding adjustment, if any, to any of the terms of the Conditions and/or the applicable Pricing Supplement as the Calculation Agent in its sole and absolute discretion determines appropriate to account for that diluting or concentrative effect (provided that no adjustments will be made to account solely for changes in volatility, expected dividends, stock loan rate or liquidity relative to the relevant Share) and (ii) determine the effective date of that adjustment. Such adjustment may have an adverse effect on the value and liquidity of the affected Equity Linked Notes.

In addition, in the case of Equity Linked Notes, if a Merger Event, Tender Offer, De-listing, Nationalisation or Insolvency occurs in relation to any Share, the Fiduciary in its sole and absolute discretion may take the action described in (i), (ii) or (iii) below:

(i) require the Calculation Agent to determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to any of the relevant Conditions and/or the applicable Pricing Supplement to account for the Merger Event, Tender Offer, De-listing, Nationalisation or Insolvency and determine the effective date of that adjustment. Such adjustment may have an adverse effect on the value and liquidity of the affected Equity Linked Notes;

(ii) redeem part (in the case of Equity Linked Notes relating to a basket of Shares) or all (in any other case) of the Equity Linked Notes. Following such redemption an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the relevant Equity Linked Notes being redeemed and may only be able to do so at a significantly lower rate. Prospective investors should consider reinvestment risk in light of other investments available at that time; and

(iii) if the applicable Pricing Supplement provide that "Share Substitution" is applicable, require the Calculation Agent to adjust the basket of Shares to include a share selected by it in accordance with the criteria for share selection set out in the applicable Pricing Supplement in place of the Share(s) which are affected by such Merger Event, Tender Offer, De-listing, Nationalisation or Insolvency and the substitute shares will be deemed to be "Shares" and the relevant issuer of such shares, a "Share Company" for the purposes of the Equity Linked Notes, and the Calculation Agent will make such adjustment, if any, to any of the terms of the Conditions and/or the applicable Pricing Supplement as the Calculation Agent in its sole and absolute discretion determines appropriate in order to effect the relevant share substitution.

The market price of Equity Linked Notes may be volatile and may be affected by the time remaining to the redemption date, the volatility of the share or basket of shares, the dividend rate (if any) and the financial results and prospects of the issuer or issuers of the relevant share or basket of shares as well as economic, financial and political events in one or more jurisdictions, including factors affecting the stock exchange(s) or quotation system(s) on which any such shares may be traded.

No issuer of the relevant share(s) will have participated in the preparation of the applicable Pricing Supplement or in establishing the terms of the Equity Linked Notes and none of the Fiduciary nor any Dealer will make any investigation or enquiry in connection with such offering with respect to any information concerning any such issuer of shares contained in such Pricing Supplement or in the documents from which such information was extracted. Consequently, there can be no assurance that all events occurring prior to the relevant issue date (including events that would affect the accuracy or completeness of the publicly available information described in this paragraph or in any relevant Pricing Supplement) that would affect the trading price of the share will have been publicly disclosed. Subsequent disclosure of any such events or the disclosure of or failure to disclose material future events concerning such an issuer of shares could affect the trading price of the share and therefore the trading price of the Equity Linked Notes.

Noteholders of Equity Linked Notes will not have voting rights or rights to receive dividends or distributions or any other rights with respect to the relevant shares to which such Equity Linked Notes relate.

*Market Disruption Event and Disrupted Day*

If an issue of Equity Linked Notes includes provisions dealing with the occurrence of a market disruption event or a failure to open of an exchange or related exchange on a Valuation Date or an Averaging Date and the Calculation Agent determines that a market disruption event or such failure has occurred or exists on a Valuation Date or an Averaging Date, any consequential postponement of the Valuation Date or Averaging Date or any alternative provisions for valuation provided in any Equity Linked Notes may have an adverse effect on the value of such Equity Linked Notes and may delay payments or deliveries under the Notes.

*No claim against any Share*

An Equity Linked Note will not represent a claim against any share or basket of shares and, in the event of any loss, a Noteholder will not have recourse under an Equity Linked Note to any share or basket of shares.

**General risks relating to Fund Linked Notes**

The Fiduciary may issue Fund Linked Notes where the final or other redemption amount or interest or other interim amounts payable are dependent upon the price or changes in the price of a fund share or unit or a basket of fund shares or units or where, depending on the price or changes in the price of a fund share or unit or basket of fund shares or units, the Fiduciary has an obligation to deliver specified assets. Accordingly, an investment in Fund Linked Notes may bear similar market risks to a direct fund investment and investors should take advice accordingly. An investment in Fund Linked Notes will entail significant risks not associated with a conventional debt security.

Fund Linked Notes may be redeemable by the Fiduciary by payment of the par value amount and/or by the physical delivery of a specified amount of one or more fund shares or units and/or by payment of an amount determined by reference to the value of the fund share(s) or unit(s). The interest payable on Fund Linked Notes may be calculated by reference to the value of one or more fund shares or units.

Potential investors in Fund Linked Notes should be aware that depending on the terms of the Fund Linked Notes (i) they may receive no or a limited amount of interest (or other periodic payments), (ii) payments or delivery of any specified assets may occur at a different time than expected and (iii) except in the case of Fund Linked Notes which are principally protected at maturity, they may lose all or a substantial portion of their investment if the value of the fund share(s) or unit(s) do not move in the anticipated direction.

In addition, the movements in the price of fund share(s) or unit(s) may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices and the timing of changes in the relevant price of the fund share(s) or unit(s) may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the price or prices of the fund share(s) or unit(s), the greater the effect on yield.

Despite the fact that, in relation to any Fund, a net asset value may be published, potential investors should be aware that in most cases payments on the Fund Linked Notes will be determined by reference to amounts that would be received by a hypothetical investor in the relevant Fund. Any such amounts may be significantly different from amounts calculated by reference to the net asset value of the relevant Fund. In addition, potential investors should be aware that, in relation to payments due on

Fund Linked Notes which are determined by reference to amounts that would be received by a hypothetical investor, where such hypothetical investor would receive payments after their scheduled payment date, corresponding delays may also be made to equivalent payments on the Fund Linked Notes.

As part of its investment policy, a Fund might invest in assets that are largely illiquid. A possible consequence of this is that the Fund is not able to sell these assets at the planned time, or can only do so at a lower price. If the planned sale is delayed, the value of the asset concerned can change substantially between the planned and actual time of sale. In the event of a negative change, the fund's net asset value may also decline. Such a delay may also create difficulties in calculating the fund's net asset value. Any such delayed calculation may entail further unfavourable consequences for the Noteholders.

Investors should be aware that a Fund that pursues "alternative investment strategies" (for example, a hedge fund) also bears the risks specific to such types of investment strategy. These may include one or more of the following: lack of transparency, inadequate investment restrictions, concentration of risks, leverage, use of derivatives, short sales and trading in illiquid instruments. In addition, the fund manager and any trustee are often unable to offer any protection against the risk of fraud or misrepresentation by a trading consultant, asset manager or other service provider of the fund.

Furthermore, investors should be aware that the Fund may either invest directly in the assets or may reference the assets' performance using a multitude of hedging strategies and/or mathematical modelling techniques. These strategies and techniques can change over time. They may also be speculative in nature, prove ineffective, or entail a substantial risk of loss. It may be difficult to obtain valuations of products to which such strategies and/or techniques are applied. Furthermore, the loss in value regarding such products may be greater than with other investments. Alternative investment vehicles are often unregulated, offer only limited information about their activities, may charge high costs, commissions and fees (including fees charged on the basis of unrealised profits), have no minimum credit standards, pursue short-selling strategies, use external resources to a large degree, and offer securities relating to accounts not managed separately.

Valuation errors in calculating the net asset value of investment vehicles contained in a fund of funds affect the calculation of that fund of funds' net asset value and the relevant redemption proceeds. A fund of funds may invest in vehicles that are not quoted in recognised securities markets or are traded over-the-counter. In these cases, the net asset value of the investment vehicle as calculated by its manager is used to calculate the net asset value of the fund of funds. Should the data obtained be erroneous in any way, this can have a substantial impact on the fund of funds' net asset value and the relevant redemption proceeds. The manager of an investment vehicle might calculate the respective net asset value with delays, in which case the calculation of the net asset value per share of the fund of funds can be based on the estimated net asset value per share of such vehicle. The estimated net asset value can differ from the final one published later. Since a Fund may invest in shares of investment vehicles that are not publicly quoted and can only be acquired through the management companies or administrators, obtaining confirmations of the execution of orders to buy or sell investments can also be delayed. The determination of the net asset value can be based on such orders to buy or sell investments even before confirmation of the actual execution has been received. If such a confirmation does not precisely correspond to the orders issued, this can have a substantial impact on the net asset value and thus the relevant redemption proceeds.

The relevant Fund may concentrate its assets on certain countries, industries or investment classes. In this case it can be subject to greater fluctuations in value than if it diversified the risks among lines of business, regions and countries. The value of investments in certain countries, industries and investment classes may be very volatile within brief periods of time.

The relevant Fund may be subject to substantial currency risks. Even a Fund's hedging transactions may not exclude such risks. Funds that invest in lightly regulated, narrow and exotic markets face

certain risks. For example, some markets can face government actions resulting in the full or partial loss of the invested asset or attachment of the asset invested there. These markets might also be regulated less reliably than others.

Funds might be subject to no supervision or may invest in vehicles that are themselves unsupervised. Conversely, the introduction of supervision over previously unregulated funds can result in substantial disadvantages for them.

A large number of subscription or repurchase orders with the Fund by investors can lead to either an accelerated sale or temporary dilution of assets and higher fees for the remaining investors or "gating" where such orders are only satisfied in part, with others being delayed.

If the final or other redemption amount or interest payable, or Asset Amount deliverable, are determined in conjunction with a multiplier greater than one or by reference to some other leverage factor, the effect of changes in the price of the fund share(s) or unit(s) on such final or other redemption amount or interest payable, or Asset Amount deliverable, will be magnified.

The price of unit(s) or fund share(s) may be affected by the performance of the fund service providers, and in particular the investment adviser.

Following the existence or occurrence of any Fund Potential Adjustment Event (whether or not such Potential Fund Adjustment Event is continuing), the Calculation Agent will determine whether such Fund Potential Adjustment Event has a diluting, concentrative or other effect on the relevant Fund Interest and, if so, may make a corresponding adjustment, if any, to any one or more of any of the terms of the Conditions and/or the applicable Pricing Supplement as the Calculation Agent determines appropriate to account for that diluting, concentrative or other effect and determine the effective date of that adjustment. Any such adjustment may have an adverse effect on the value and liquidity of the affected Fund Linked Notes.

Following the existence or occurrence of a Fund Event (whether or not such Fund Event is continuing), the Fiduciary may:

(i) require the Calculation Agent to make such determinations and/or adjustments to the Conditions and/or the applicable Pricing Supplement as it determines appropriate to account for the Fund Event (including, if so specified in the applicable Pricing Supplement, replacing any affected Fund Interest with a replacement Fund Interest);

(ii) redeem the Fund Linked Notes;

(iii) redeem a portion of the Fund Linked Notes at such amount as the Calculation Agent determines could be realised by a Hypothetical Investor for immediately available cash proceeds at such time, less all unwind costs, taxes and expenses incurred by the Fiduciary or any Affiliate or agent in such realisation; or

(iv) delay payment of any redemption, settlement or interest amounts.

The application of any such provisions may have an adverse effect on the value and liquidity of the affected Fund Linked Notes. Prospective purchasers should review the relevant Conditions of the Fund Linked Notes and the applicable Pricing Supplement to ascertain whether and how such provisions apply to the Fund Linked Notes.

Subject as may be provided in the applicable Pricing Supplement, the price in respect of a Fund and the related Relevant Holding, will be determined by reference to an amount in the Specified Currency determined by the Calculation Agent to be equal to the redemption proceeds relating to the Relevant

Holding that the Calculation Agent determines would be received by a hypothetical investor. A Relevant Holding, in respect of a Fund, is the holding of such number or amount of Fund Interests per nominal amount of Fund Linked Notes equal to the Calculation Amount, as is specified in the applicable Pricing Supplement which shall be deemed to be acquired by a hypothetical investor. Such Relevant Holding may be subject to adjustment including but without limitation following (i) interest payments, if any, (ii) Fund equalisations or (iii) the redemption of Fund Shares attributed to fee payments. Where any such adjustment has the effect of decreasing the Relevant Holding, this may have an adverse effect on the calculation of the price of the Fund and, consequently, the performance of the Fund Linked Notes.

Funds regularly charge fees (such as management fees) that lower the redemption proceeds used to determine the redemption and/or interim amounts under the Fund Linked Notes. In addition, other fees and expenses can be incurred that are charged by third persons employed by the fund manager to provide services connected to the Fund (such as custodian bank fees, fees for investment advice and auditing). Furthermore, the fund manager, asset manager or investment consultant may charge a performance-related fee.

There may also be fees incurred at the level of the assets held by a Fund that lower the value of these assets, and thereby also indirectly lower the net asset value of the Fund itself. Such fees occur especially if the Fund for its part invests in other funds (a fund of funds) or other investment vehicles or instruments entailing fees.

These fees may lower the net asset value of the fund, and thereby also indirectly lower the redemption and/or interim amounts under the Fund Linked Notes.

Certain conflicts of interest may occur in connection with a Fund's business activities. With a trustee, manager or consultant of the Fund, potential conflicts of interest may arise due to fee refunds or other benefits. In addition, advisers of the Fund and their employees may perform management, trading or consulting services for other accounts. Where investments are lucrative, one of these people might be tempted to initially favour the portfolios yielding the highest fees.

Similarly, fund advisors and their employees or senior officials may provide management, trading or consulting services for their own accounts and those of other customers and make recommendations or adopt positions differing from those issued for or maintained by the Fund or competing with those of the Fund. People entrusted with managing the Fund assets might receive performance fees but not participate in possible losses. This can create an incentive to execute riskier transactions. Furthermore, persons connected with an administrator, manager, trustee or other persons involved in the fund's management might enter into their own transactions with the fund. Besides these, other conflicts of interest may exist.

The market price of Fund Linked Notes may be volatile and may depend on the time remaining to the redemption date and the volatility of the price of fund share(s) or unit(s). The price of fund share(s) or unit(s) may be affected by the economic, financial and political events in one or more jurisdictions, including factors affecting the exchange(s) or quotation system(s) on which any units in the fund or funds may be traded.

## Risks Relating to the Fiduciary

### Enforcement of Legal Liabilities

The Fiduciary is incorporated and exists as a public limited liability company (*société anonyme*) under the laws of the Grand Duchy of Luxembourg and each Fiduciary Contract will be governed by the laws of the Grand Duchy of Luxembourg and in particular the Law. The Fiduciary is a regulated

securitisation undertaking (*société de titrisation agréée*) subject to the Securitisation Act 2004 and to the supervision of the CSSF.

**Fiduciary Estates**

In accordance with article 6 of the Law, the Fiduciary will create a separate fiduciary estate (*patrimoine fiduciaire*) for each Series of Notes.

**Resignation and removal of the Fiduciary**

Noteholders should be aware that under Condition 18 (*Resignation and Removal of the Fiduciary*), the Fiduciary may resign provided it appoints in its place UBS AG or any Affiliate of UBS AG that is qualified and authorised to act as a fiduciary under the Law. Accordingly, no assurance can be given that UBS (Luxembourg) Issuer SA will remain as the Fiduciary throughout the life of any given series of Notes.

**Risks Relating to the Agents and third parties**

**Failure to act and replacement and resignation**

The Fiduciary relies on the Agents to carry out its role in relation to the Notes. It should be noted that there is operational risk for the Fiduciary and Noteholders if an Agent fails to carry out any relevant duties. No assurance can be given that the creditworthiness of the Agents will not deteriorate in the future. This may affect the performance of their obligations in relation to the Notes.

An Agent may also resign or be replaced.

**Custodian risk**

The Custodian is a branch, in Luxembourg, of UBS Europe SE, a German credit institution with registered head office in Frankfurt.

As Fiduciary Assets in the form of cash or fungible book-entry securities will be held in an account opened by the Fiduciary with the Custodian in Luxembourg, the ability of the Fiduciary to meet its obligations under the Notes will depend on receipt by the Fiduciary of payments from the Custodian or delivery by the Custodian to the Fiduciary of fungible book-entry securities (as applicable). Noteholders are therefore exposed to the creditworthiness of UBS Europe SE and may be affected by its insolvency.

Since the Custodian will hold monies received in respect of the Notes in the form of cash on its own books as a credit institution, such monies (which would in principle be booked on the balance sheet of UBS Europe SE) would not be segregated from the general estate of UBS Europe SE and there is a risk that they would be affected by insolvency proceedings opened in respect of UBS Europe SE. If UBS Europe SE was subject to winding-up proceedings, the cash deposited by the Fiduciary with the Custodian would fall into UBS Europe SE's insolvency estate and the Fiduciary (as a customer of the Custodian) would therefore be an ordinary unsecured creditor of UBS Europe SE in competition with UBS Europe SE's personal creditors.

In relation to Fiduciary Assets represented by fungible book-entry securities and held by the Custodian, these are subject to the provisions of the Luxembourg act dated 1 August 2001 on the circulation of securities and other financial instruments, as amended (the **Fungible Instruments Act 2001**). Pursuant to the Fungible Instruments Act 2001, the Custodian (*dépositaire*) has the statutory obligation to keep fungible book-entry securities deposited by its customers segregated from its own assets and off balance sheet (*hors bilan*). Accordingly, the Fiduciary will have a right against the

Custodian for delivery of the fungible book-entry securities equivalent to the Fiduciary Assets deposited by the Fiduciary with the Custodian in connection with the Notes. Such right is coupled with the Fiduciary's co-proprietary right (right in rem) in an intangible (notional) pool of fungible book-entry securities, which right is shared on a pro-rated basis with the other depositors of equivalent (interchangeable) fungible book-entry securities held by the Custodian.

**Paying Agent risk**

Any payments made to Noteholders in accordance with the terms and conditions of the Notes will be made by the Paying Agent on behalf of the Fiduciary. If the Paying Agent, while holding funds for payment to Noteholders in respect of the Notes, is declared insolvent, the Noteholders may not receive all (or any part) of any amounts due to them in respect of the Notes from the Paying Agent. While the Fiduciary will remain liable to Noteholders in respect of such unpaid amounts, the Fiduciary will have insufficient assets to make such payments (or any part thereof) and Noteholders may not receive all, or any part, of any amounts due to them.

Consequently Noteholders are relying not only on the creditworthiness of the Fiduciary Asset Obligors, but also on the creditworthiness of the Paying Agent in respect of the performance of its obligations under the Agency Agreement to make payments to Noteholders.

**Facilitation Agent risk**

A Facilitation Agent is responsible for applying the proceeds of each Note issuance in purchasing the Fiduciary Assets and carrying out other duties pursuant to the Facilitation Agency Agreement. Investors should note that the Facilitation Agent has no obligation to monitor the Fiduciary Assets or payments under the Fiduciary Asset Agreements or the creditworthiness of Fiduciary Asset or Fiduciary Asset Obligors on an ongoing basis. The duties of the Facilitation Agent are limited generally to (i) purchasing on behalf of the Fiduciary any Fiduciary Assets as identified in relation to an issue in the relevant Pricing Supplement, and (ii) performing such other tasks as identified in the Pricing Supplement. In each case the Facilitation Agent will have limited discretion and its roles and responsibilities are not as wide as those which would normally be associated with an investment manager.

In addition there is operational risk for the Fiduciary and Noteholders if a Facilitation Agent fails to carry out other duties under the Facilitation Agency Agreement. Noteholders should note that a Facilitation Agent may resign or be replaced pursuant to the Facilitation Agency Agreement.

If so specified in the applicable Pricing Supplement, the Fiduciary may appoint an investment manager (an "**Investment Manager**") in respect of a Series of Notes pursuant to any Investment Management Agreement specified in such Pricing Supplement. The role of the Investment Manager would essentially consist in managing the Fiduciary Assets to the extent necessary for the applicable investment criteria to be observed, subject at all times to the provisions of the Luxembourg act dated 22 March 2004 on securitisation, as amended as well as the relevant guidelines and recommendations of the CSSF for regulated securitisation undertakings in relation to rebalancing of securitised assets.

**Calculation Agent Determinations**

The terms of the Notes confer on the Calculation Agent certain discretions in making determinations and calculations in relation to, inter alia, Fiduciary Assets and the occurrence of various events. There can be no assurance that the exercise of any such discretion will not affect the value of the Notes or the occurrence of an early redemption or the amount payable or deliverable in connection therewith.

**No obligations owing by the Calculation Agent**

The Calculation Agent shall have no obligations to the Noteholders, and shall only have the obligations expressed to be binding on it pursuant to the Agency Agreement, unless otherwise specified in the Conditions. All designations and calculations made by the Calculation Agent in respect of any Notes shall be conclusive and binding on the Noteholders.

**Delegation and appointment of sub-agents**

The Custodian, the Facilitation Agent or any other agent is be entitled to appoint and rely on agents or delegates where permitted. In such circumstances the Fiduciary may not have a direct relationship with such entities and, in the case of any failure to act or other adverse event, may be less able to avoid an adverse effect on the Notes than if such entity were appointed by it directly.

**Reliance on third parties**

The Fiduciary is party to contracts with a number of third parties who have agreed to perform a number of services in relation to the Notes.

If any such third party fails to perform its obligations under any relevant agreement, Noteholders may be adversely affected.

No assurance can be given that the creditworthiness of parties to these agreements will not deteriorate in the future. This may affect the performance of their obligations under the respective agreements.

**Successor Agents or third parties**

Any Agent or third party appointed by the Fiduciary in connection with any issue of the Notes may be merged or converted into, or consolidated with, or may sell or otherwise transfer all or substantially all of its assets to, a corporation, which will become the successor to such Agent or third party in relation to the Notes. The Fiduciary has no obligation to give notice to the Noteholders upon becoming aware of any such merger, conversion, consolidation or transfer affecting any Agent or relevant third party.

**Conflicts of Interest**

Each of UBS AG, London Branch, UBS Europe SE, Luxembourg Branch, UBS (Luxembourg) Issuer SA, Lantern Structured Asset Management Limited, any other transaction party and any of its Affiliates in its various capacities may enter into business dealings relating to the Notes or the Fiduciary Assets or any asset to which the Notes or Fiduciary Assets are exposed, including the acquisition and/or sale of the Notes, from which they may derive revenues and profits in addition to any fees stated in the various documents, without any duty to account therefor. In particular, the Fiduciary may receive fees or reimbursement of expenses from entity(ies) in the UBS Group.

Any such transaction party and any of its Affiliates may from time to time be in possession of certain information (confidential or otherwise) and/or opinions with regard to the Fiduciary or Fiduciary Asset Obligor which information and/or opinions might, if known by a Noteholder, affect decisions made by it with respect to its investment in the Notes. Notwithstanding this, none of the transaction parties or any of their Affiliates shall have any duty or obligation to notify the Noteholders or the Fiduciary or any other transaction parties (including any directors, officers or employees thereof) of such information and/or opinions.

Any transaction party and any of its Affiliates may deal in any obligation of the Fiduciary or Fiduciary Asset Obligor and may accept deposits from, make loans or otherwise extend credit to, and

generally engage in any kind of commercial or investment banking or other business transactions with, the Fiduciary or Fiduciary Asset Obligor and may act with respect to such transactions in the same manner as if the relevant Swap Agreement and the Notes of the relevant Series did not exist and without regard to whether any such action might have an adverse effect on the Fiduciary or Fiduciary Asset Obligor, or the holders of the Notes of the relevant Series.

Any transaction party and any of its Affiliates may at any time be active and significant participants in or act as market maker in relation to a wide range of markets for currencies, instruments relating to currencies, securities and derivatives. Activities undertaken by any transaction party and any of its Affiliates may be on such a scale as to affect, temporarily or on a long-term basis, the price of such currencies, instruments relating to currencies, securities and derivatives or securities and derivatives based on, or relating to the Notes or any Fiduciary Assets. Notwithstanding this, none of the transaction parties nor any of their Affiliates shall have any duty or obligation to take into account the interests of any party in relation to any Notes when effecting transactions in such markets.

One or more of the transaction parties and their Affiliates may: (1) have placed or underwritten, or acted as a financial arranger, structuring agent or adviser in connection with the original issuance of, or may act as a broker or dealer with respect to the Fiduciary Assets; (2) be a counterparty to issuers of, or obligors with respect to, certain of the Fiduciary Assets under a swap or other derivative agreements; (3) lend to certain of the issuers of, or obligors with respect to, the Fiduciary Assets or their respective Affiliates or receive guarantees from such issuers, obligors or their respective Affiliates; (4) provide other investment banking, asset management, commercial banking, financing or financial advisory services to the issuers of, or obligors with respect to, the Fiduciary Assets or their respective Affiliates; (5) have an equity interest, which may be a substantial equity interest, in certain obligors with respect to, the Fiduciary Assets or their respective Affiliates; or (6) act as trustee, paying agent and in other capacities in connection with certain of the Fiduciary Assets or other classes of securities issued by an obligor with respect to, the Fiduciary Assets or an Affiliate thereof.

As a counterparty under swaps and other derivative agreements, a transaction party may take actions adverse to the interests of the Fiduciary, including, but not limited to terminating such swaps or agreements in accordance with the terms thereof. In making and administering loans and other obligations, a transaction party may take actions including, but not limited to, restructuring a loan, foreclosing on or exercising other remedies with respect to a loan, requiring additional collateral or other credit enhancement, charging significant fees and interest, placing the issuers of, or obligors with respect to, any Fiduciary Assets in bankruptcy and/or demanding payment on a loan guarantee or under other credit enhancement. The Fiduciary's acquisition, holding and sale of the Fiduciary Assets may enhance the profitability or value of investments made by a transaction party in the obligors in respect thereof. As a result of all such transactions or arrangements between a transaction party and obligors with respect to, the Fiduciary Assets or their respective Affiliates, a transaction party may have interests that are contrary to the interests of the Fiduciary and the Noteholders.

**Country and Regional Risk**

The price and value of the Fiduciary Assets may be influenced by the political, financial and economic stability of the country and/or region in which a Fiduciary Asset Obligor is incorporated or has its principal place of business or of the country in the currency of which the Fiduciary Assets are denominated or quoted. In certain cases the price and value of assets originating from countries not ordinarily considered to be emerging markets countries may behave in a manner similar to those of assets originating from emerging markets countries. In addition, any Fiduciary Assets or Fiduciary Asset Agreements may be governed by a law which is not standard in the field of international finance. In this case, additional risks may be present, for example, as to enforceability of rights under any such asset or agreement.

**Emerging Markets**

The assets comprising the Fiduciary Assets or, as the case may be, to which the return on any Series of Notes may be linked, may originate from an emerging markets country. Investing in securities issued by entities in emerging markets countries or in securities, the return on which is linked to such securities, involves certain systemic and other risks and special considerations which include:

(1) the prices of emerging markets assets may be subject to sharp and sudden fluctuations and declines;

(2) emerging markets securities and other assets tend to be relatively illiquid. Trading volume may be lower than in debt of higher grade credits. This may result in wide bid/offer spreads prevailing in adverse market conditions. In addition, the sale or purchase price quoted for a portion of the Fiduciary Assets may be better than can actually be obtained on the sale of the entire holding of the Fiduciary Assets;

(3) published information in or in respect of emerging markets countries and the issuers of or obligors in respect of emerging markets securities or other assets has been proven on occasions to be materially inaccurate;

(4) in certain cases the holders of Notes may be exposed to the risk of default by a sub-custodian in an emerging markets country; and

(5) realisation of Fiduciary Assets comprising emerging markets securities or other assets may be subject to restrictions or delays arising under local law.

**Liquidation of Fiduciary Assets Paid to Swap Counterparty**

The terms of the Notes may provide that the proceeds of redemption of any Fiduciary Assets redeemed prior to the Maturity Date will be paid to the Swap Counterparty and, unless otherwise provided in the applicable Pricing Supplement, the Swap Counterparty will not deliver any eligible securities by way of replacement of such Fiduciary Assets. In the event that the proceeds of redemption of the Fiduciary Assets are applied in this manner then the Noteholders will have no further rights to such proceeds of redemption and their principal credit exposure at any time thereafter will be to the Swap Counterparty pursuant to the Swap Agreement, in each case, unless otherwise provided in the applicable Pricing Supplement.

**Delivery of Fiduciary Assets to Noteholders**

The terms of the Notes provide that the Noteholders have an option to call for early redemption of the Notes by delivery of the Fiduciary Assets to a nominee, provided a number of conditions are met. In particular this option may only be exercised by 100 % of Noteholders and is subject to a deduction of the Global Unwind Cost. In the event that this option is exercised, the Noteholders will have no further rights against the Fiduciary once the Fiduciary Assets (less certain amounts including the Global Unwind Cost) have been received by the nominee.

**Substitution of Fiduciary Assets**

The terms of the Notes may provide that the Fiduciary Assets may be substituted in accordance with the Conditions at the direction of the Swap Counterparty. The Swap Counterparty will exercise such rights of substitution acting in its sole and absolute discretion and may act without regard to the interests of the Noteholders or of any other persons other than itself.

**Confidential Information**

The Arranger or any of its Affiliates or the Fiduciary may have acquired, or may acquire, confidential information or enter into transactions with respect to any Fiduciary Assets and they shall not be under any duty to disclose such confidential information to any Noteholder.

**Provision of information**

None of the Fiduciary, the Arranger, the Agents, the Dealer(s) or any of their respective Affiliates makes any representation as to the credit quality of any Fiduciary Asset Obligor or any relevant obligor(s) in respect of the Fiduciary Assets and/or Fiduciary Asset Agreements for any class or Series of Notes. Any of such persons may have acquired, or during the term of the Notes may acquire, non-public information with respect to such Fiduciary Asset Obligor or any Fiduciary Assets. None of such persons is under any obligation to make available any information relating to, or keep under review on the Noteholders' behalf, the business, financial conditions, prospects, creditworthiness or status of affairs of any relevant obligor(s) in respect of the Fiduciary Assets or any Fiduciary Asset Agreements or conduct any investigation or due diligence into any such obligor(s) in respect of the Fiduciary Assets or any Fiduciary Asset Agreements.

**Risks Relating to the Swap Counterparty and the Swap Agreement**

**General**

If the Fiduciary enters into a Swap Agreement in relation to a Series of Notes, the ability of the Fiduciary to meet its obligations under the Notes will depend on the receipt by it of payments under the Swap Agreement. Consequently, the Fiduciary is exposed to the credit risk of the Swap Counterparty (i.e. the ability of the Swap Counterparty to make payments under the relevant Swap Agreement) as well as any default in relation to any applicable Fiduciary Assets and/or the volatility in the market value of any applicable Fiduciary Assets, and also to the ability of the Swap Counterparty to perform its other obligations under the relevant Swap Agreement. Default by the Swap Counterparty may result in the termination of the Swap Agreement and, in such circumstance, any amount due to the Fiduciary upon such termination may not be paid in full or paid at all. While, for certain Note issuances, such credit risk may be mitigated by the posting of credit support by the Swap Counterparty to the Fiduciary under the terms of a Credit Support Annex, this will only apply if so specified in the applicable Pricing Supplement. Therefore **any such default or failure may result in a reduction in the amounts available to Noteholders and adversely affect the performance of the Notes.**

A Swap Agreement may be entered into by the Fiduciary in connection with the Notes, the Swap Agreement may be terminated early (either in whole or, in certain circumstances, in part only), including the following circumstances (and as specified in such Swap Agreement):

(i) if at any time the Notes are cancelled in accordance with the Conditions of the Notes prior to the Maturity Date;

(ii) at the option of either party, if there is a failure by the other party to pay any amounts due under the Swap Agreement;

(iii) if (subject as provided in the Swap Agreement) withholding taxes are imposed on payment made by the Fiduciary or the Swap Counterparty under the Swap Agreement or it becomes illegal for either party to perform its obligations under the Swap Agreement;

(iv) if (subject as provided in the Swap Agreement) (x) as a result of the adoption of or change in any applicable law or regulation, or (y) as a result of the promulgation of, or any change in,

the interpretation by any court, tribunal, government or regulatory authority (each, a "relevant authority") of any applicable law or regulation, including informal public or private statements or actions by, or responses of, any official or representative of any relevant authority acting in an official capacity, (A) it becomes, or is reasonably likely to become, unlawful, impossible or impracticable for either the Swap Counterparty or the Fiduciary to maintain or carry out the transaction or any activity contemplated by the transaction under the Swap Agreement, or for the Swap Counterparty to hedge its obligations thereunder, or (B) compliance with the foregoing will result in increased costs for either the Swap Counterparty or the Fiduciary; and

(v) upon the occurrence of certain other events with respect to either party and the Swap Agreement, including insolvency of such party.

Any termination of the transactions under a Swap Agreement in full will result in a redemption in full of the relevant Series of Notes at their redemption amount. Upon any such redemption, the amount paid to Noteholders to redeem such Notes may be significantly less than the Noteholder's original investment in such Notes and may be zero.

**Swap Counterparty Discretion**

If the Fiduciary enters into a Swap Agreement in connection with the Notes where the Swap Counterparty is entitled to exercise its discretion in such capacity in respect of the Swap Agreement, in respect of the terms and conditions or otherwise in respect of the Notes, then unless specified to the contrary therein, the Swap Counterparty will be entitled to act in its absolute discretion and will be under no obligation to, and will not assume any fiduciary duty or responsibility for, the Noteholders or any other person. In exercising its discretion, the Swap Counterparty is likely to maximise any payments due to it and minimise any payments due from it and will not be liable to account to the Noteholders or any other person for any profit or other benefit to it or any of its Affiliates that may result directly or indirectly from any such exercise of discretion.

**Imposition of liquidation or resolution proceedings or protective measures against UBS AG, London Branch**

Under the Swiss Banking Act, the Swiss Financial Market Supervisory Authority ("**FINMA**") is able to exercise broad statutory powers with respect to Swiss banks and Swiss parent companies of financial groups, such as UBS AG, if there is justified concern that the entity is over-indebted, has serious liquidity problems or, after the expiration of any relevant deadline, no longer fulfils capital adequacy requirements. Such powers include: (i) ordering protective measures, (ii) instituting restructuring proceedings and exercising any resolution powers in connection therewith, including, without limitation, the power to stay for a maximum of two business days the termination of, or the exercise of rights to terminate, netting rights, rights to enforce or dispose of certain types of collateral or rights to transfer claims, liabilities or certain collateral, under contracts to which the entity subject to proceedings is a party (the "**Swiss Stay**"), and (iii) instituting liquidation proceedings. The Fiduciary contractually accepts FINMA's power to impose the Swiss Stay in relevant Fiduciary Asset Agreements. Exercise by FINMA of any of the foregoing powers may: (A) prevent UBS AG (in its capacity as counterparty to a Fiduciary Asset Agreement) making payments to the Fiduciary under the relevant Fiduciary Asset Agreement and/or (B) delay the Fiduciary's ability to terminate the relevant Fiduciary Asset Agreement for a maximum of two business days. This may result, in turn, in a delay in the Fiduciary making payments to Noteholders in respect of the Notes and/or a reduction in amounts available for distribution to Noteholders. The Fiduciary would have no right under Swiss law or in the Swiss courts to reject, seek the suspension of, or challenge the imposition of any such measures or any exercise of such powers by FINMA. The Fiduciary would have only limited rights to challenge any decision to exercise the statutory powers or to have that decision reviewed by a judicial or administrative process or otherwise.

**DAC 6**

The EU has adopted the Council Directive 2018/822 of 25 May 2018 ("**DAC 6**"). DAC 6 provides for mandatory exchange of information in relation to certain reportable 'cross border arrangements' which, broadly and potentially, generate tax avoidance. This reporting obligation is in principle allocated to 'intermediaries' and ultimately to tax payers. DAC 6 has been transposed in the national law of Luxembourg by the law of 25 March 2020.

The information reported to any relevant tax authority will, in turn, be exchanged automatically with the tax authorities of other EU Member States. In case of non-compliance with DAC 6 obligations, it is expected that the Member States' relevant authorities may impose penalties to enforce them.

The Fiduciary may be subject to such reporting obligations under DAC 6. Therefore, the Fiduciary may face penalties in case of non-compliance and the return on the Notes may be affected.

**The Swap Counterparty's finance businesses have been, and will likely continue to be, adversely affected by the COVID-19 pandemic.**

The spread of the coronavirus disease (COVID-19) pandemic and the governmental measures taken to contain the pandemic have significantly adversely affected, and will likely continue to adversely affect, global economic conditions, resulting in meaningful contraction in the global economy, substantial volatility in the financial markets, increased unemployment, increased credit and counterparty risk, and operational challenges such as the temporary closures of businesses, sheltering-in-place directives and increased remote work protocols. Governments and central banks around the world have reacted to the economic crisis caused by the pandemic by implementing stimulus and liquidity programmes and cutting interest rates, though it is unclear whether these or future actions will be successful in countering the economic disruption. If the pandemic is prolonged or the actions of governments and central banks are unsuccessful, the adverse impact on the global economy will deepen, and the Swap Counterparty's results of operations and financial condition in future quarters will be adversely affected.

The outlook for the global economy has deteriorated markedly since the end of 2019 as a result of the COVID-19 outbreak. COVID-19 and related lockdown measures have significantly impacted major economies across the world. Uncertainties are still at a high level, making predictions difficult and displaying several potential triggers for further negative developments. The COVID-19 pandemic has affected all of the Swap Counterparty's businesses, and these effects could be greater in the future if adverse conditions persist. These effects have included declines in asset prices, significantly increased volatility, lower or negative interest rates, widening of credit spreads and credit deterioration. These effects have resulted in decreases in the valuation of loans and commitments, an increase in the allowance for credit losses and lower valuations of certain classes of trading assets. While these effects were offset by high levels of client trading activity in the first nine months of 2020, this level of activity may not persist.

The extent to which the pandemic, and the related economic distress, affect the Swap Counterparty's businesses, results of operations and financial condition, as well as its regulatory capital and liquidity ratios, will depend on future developments that are highly uncertain and cannot be predicted, including the scope and duration of the pandemic and any recovery period, future actions taken by governmental authorities, central banks and other third parties in response to the pandemic, and the effects on the Swap Counterparty's customers, counterparties, employees and third-party service providers.

Given the scenario described above, investors should be aware that the COVID-19 pandemic may negatively affect the Swap Counterparty's financial condition, as well as its ability to perform its

obligations under the Fiduciary Agreements, which may impact payments investors receive under the Notes.

THE CONSIDERATIONS SET OUT ABOVE ARE NOT, AND ARE NOT INTENDED TO BE, A COMPREHENSIVE LIST OF ALL CONSIDERATIONS RELEVANT TO A DECISION TO PURCHASE OR HOLD ANY NOTES.

## CONSENT TO THE USE OF THE BASE PROSPECTUS

With respect to any Non-Exempt Swiss Notes, the relevant Pricing Supplement may specify that either (a) only the Arranger and/or only the Arranger and certain other financial intermediaries named in the relevant Pricing Supplement ("**Individual Consent**"), or (b) the Arranger and any other financial intermediary ("**General Consent**") is/are entitled to use this Base Prospectus in connection with the sale or placement of the relevant Notes. If the relevant Pricing Supplement does not contain any specification as to whether any consent is given for the use of this Base Prospectus, an Individual Consent for the benefit of the Arranger but no other Individual Consent or General Consent shall be deemed to be given.

If, with respect to any Non-Exempt Swiss Notes, the Fiduciary has given its Individual Consent or General Consent to the use of the Base Prospectus (including a deemed Individual Consent for the benefit of the Arranger), the following shall apply:

- The Pricing Supplement will specify that (in the case of an Individual Consent other than an Individual Consent for the benefit of the Arranger only) certain financial intermediaries named in the relevant Final Terms or (in the case of a General Consent) the Arranger and any other financial intermediary selling or placing the Notes issued under this Base Prospectus is/are entitled to use this Base Prospectus (under which the offer of the Notes takes place) in Switzerland for the sale or placement of the relevant Notes during the period (a) this Base Prospectus is valid in accordance with article 55 FinSA and (b) the Notes may be offered under this Base Prospectus pursuant to the applicable Pricing Supplement.

- The Fiduciary accepts responsibility for the information given in this Base Prospectus also with respect to such sale or placement of the relevant Notes for which it has given its Individual Consent or General Consent.

- This Base Prospectus may only be delivered to potential investors together with all supplements thereto published before such delivery. Any supplement to this Base Prospectus is available for viewing in electronic form on the website of the Luxembourg Stock Exchange (www.bourse.lu).

The Fiduciary can specify in the relevant Pricing Supplement further conditions attached to its consent which are relevant for the use of this Base Prospectus.

When using this Base Prospectus, the Arranger and/or a relevant further financial intermediary must comply with all applicable laws and regulations in force in Switzerland and in any other relevant jurisdiction.

## DOCUMENTS INCORPORATED BY REFERENCE

The following documents shall be deemed to be incorporated in, and to form part of, this Base Prospectus:

| | |
|---|---|
| the articles of incorporation of the Fiduciary dated 7 July 2016 | all pages |
| the audited financial statements of the Fiduciary as at 31 December 2019, including: | all pages |
| Independent auditor's report | Pages 4-6 |
| Balance sheet | Pages 7-8 |
| Profit and loss account | Page 9 |
| Notes to the annual accounts | Pages 10-17 |
| the audited financial statements of the Fiduciary as at 31 December 2018, including: | all pages |
| Independent auditor's report | Pages 4-6 |
| Balance sheet | Pages 7-8 |
| Profit and loss account | Page 9 |
| Notes to the annual accounts | Pages 10-17 |
| the audited financial statements of the Fiduciary as at 31 December 2017, including: | all pages |
| Independent auditor's report | Pages 4-6 |
| Balance sheet | Pages 7-8 |
| Profit and loss account | Page 9 |
| Notes to the annual accounts | Pages 10-19 |
| the interim financial statements of the Fiduciary as at 30 June 2020 | all pages |
| Balance sheet | Page 4 |
| Profit and loss account | Page 5 |
| Additional information | Pages 6-12 |
| the "Terms and Conditions of the Notes" set out in the Fiduciary's EUR 10,000,000,000 Fiduciary Note Programme described in the Base Prospectus dated 6 May 2017 | Pages 78-181 |

Any information not listed in the cross reference list but included in the documents incorporated by reference is given for information purposes only.

Any statement contained herein or in a document all or the relevant portion of which is deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Base Prospectus to the extent that a statement contained in any subsequent document all or the relative portion of which is or is deemed to be incorporated by reference herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Base Prospectus.

The documents incorporated by reference, as well as this Base Prospectus, are available on the website of the Luxembourg Stock Exchange (www.bourse.lu). In addition, so long as any of the Notes are outstanding, copies of the documents incorporated by reference will be available for collection, during usual business hours on any week day (Saturdays, Sundays and public holidays excepted), at the specified offices of the Paying Agent in Luxembourg.

The Fiduciary will, in the event of any significant new factor, material mistake or inaccuracy relating to information included in this Base Prospectus which is capable of affecting the assessment of any Notes, prepare a supplement in accordance with the rules and regulations of the Luxembourg Stock Exchange or publish a new base prospectus for use in connection with any subsequent issue of Notes.

## FORM OF THE NOTES

The Notes of each Series will be in registered form, without interest coupons attached. Notes will be issued outside the United States in reliance on Regulation S.

The Notes of each Tranche offered and sold in reliance on Regulation S, which will be sold to non-U.S. persons in "offshore transactions" (as defined under Regulation S) outside the United States, will initially be represented by a global note in registered form (a **"Global Note"**) or a definitive note in registered form (a **"Definitive Note"**). The Definitive Notes and beneficial interests in a Global Note may not be offered, sold, resold, pledged, delivered or transferred, directly or indirectly, within the United States or to, or for the account or benefit of, any U.S. person or to others for offer, sale, resale, pledge, delivery or transfer, directly or indirectly, within the United States or to, or for the account or benefit of, any U.S. person or under circumstances that will require the Fiduciary or the Fiduciary Assets to register as an "investment company" under the Investment Company Act or under circumstances that will require any person to register as a commodity pool operator of the Fiduciary or the Fiduciary Assets under the CEA and CFTC Rules, and may not be held otherwise than through Euroclear or Clearstream, Luxembourg in the cover of Notes represented by a Global Note. Definitive Notes and any Global Note will bear a legend regarding such restrictions on transfer. It should be noted that Definitive Notes and interests in Global Notes will not be treated as fungible, including by any of Euroclear or Clearstream, Luxembourg.

Global Notes will either (i) be deposited with a common depositary for, and registered in the name of a common nominee of, Euroclear and Clearstream, Luxembourg, or (ii) be deposited with one of Euroclear and Clearstream, Luxembourg as common safekeeper, and registered in the name of a nominee of one of Euroclear and Clearstream, Luxembourg acting as common safekeeper, as specified in the applicable Pricing Supplement. Persons holding beneficial interests in Global Notes will be entitled or required, as the case may be, under the circumstances described below, to receive physical delivery of definitive Notes in fully registered form.

Payments of principal, interest and any other amount in respect of the Global Notes will, in the absence of provision to the contrary, be made to the person shown on the Register (as defined in Condition 6(c)) as the registered holder of the Global Notes. None of the Fiduciary, any Paying Agent or the Registrar will have any responsibility or liability for any aspect of the records relating to or payments or deliveries made on account of beneficial ownership interests in the Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Payments of principal, interest or any other amount in respect of the Definitive Notes will, in the absence of provision to the contrary, be made to the persons shown on the Register on the relevant Record Date (as defined in Condition 6(c)) immediately preceding the due date for payment in the manner provided in that Condition.

**Noteholders do not have the right to request the conversion of the Global Note into and/or the delivery of Definitive Notes.** Interests in a Global Note will be exchangeable (free of charge), in whole but not in part, for Definitive Notes without receipts, interest coupons or talons attached only upon the occurrence of an Exchange Event. For these purposes, **"Exchange Event"** means that (i) in the case of Notes registered in the name of a nominee for a common depositary for Euroclear and Clearstream, Luxembourg, the Fiduciary has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and, in any such case, no successor clearing system is available or (ii) the Fiduciary has or will become subject to adverse tax consequences which would not be suffered were the Notes represented by the Global Note in definitive form. The Fiduciary will promptly give notice to Noteholders in accordance with Condition 15 if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg (acting on the

instructions of any holder of an interest in such Global Note) may give notice to the Registrar requesting exchange and, in the event of the occurrence of an Exchange Event as described in (ii) above, the Fiduciary may also give notice to the Registrar requesting exchange. Any such exchange shall occur not later than 10 days after the date of receipt of the first relevant notice by the Registrar.

**Transfer of Interests**

**Interests in a Global Note may, subject to compliance with all applicable restrictions, be transferred to a person who wishes to hold such interest in another Global Note or in the form of a Definitive Note (if available) and Definitive Notes may, subject to compliance with all applicable restrictions, be transferred to a person who wishes to hold such** Notes in the form of an interest in a Global Note (if available). No beneficial owner of an interest in a Global Note will be able to transfer such interest, except in accordance with the applicable procedures of Euroclear and Clearstream, Luxembourg, in each case to the extent applicable. **The Notes are also subject to the restrictions on transfer set forth therein and will bear a legend regarding such restrictions. See "*Subscription and Sale and Transfer and Selling Restrictions*". It should be noted that Definitive Notes and interests in Global Notes will not be treated as fungible, including by any of Euroclear or Clearstream, Luxembourg.**

General

Pursuant to the Agency Agreement (as defined under "*Terms and Conditions of the Notes*"), the Principal Paying Agent shall arrange that, where a further Tranche of Notes is issued which is intended to form a single Series with an existing Tranche of Notes, the Notes of such further Tranche shall be assigned a common code and ISIN number which are different from the common code and ISIN assigned to Notes of any other Tranche of the same Series.

For so long as any of the Notes is represented by a Global Note held on behalf of Euroclear and/or Clearstream, Luxembourg each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Fiduciary and its agents, unless otherwise ordered by a court having jurisdiction or a public authority, as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the registered holder of the relevant Global Note shall be treated by the Fiduciary and its agents as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note and the expressions **"Noteholder"** and **"holder of Notes"** and related expressions shall be construed accordingly.

Any reference herein to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Pricing Supplement.

A Note may be accelerated in certain circumstances described in Condition 10. In such circumstances, where any Note is still represented by a Global Note and the Global Note (or any part thereof) has become due and repayable in accordance with the Terms and Conditions of such Notes and payment in full of the amount due has not been made in accordance with the provisions of the Global Note then holders of interests in such Global Note credited to their accounts with Euroclear and/or Clearstream, Luxembourg, as the case may be, will become entitled to proceed directly against the Fiduciary on the basis of statements of account provided by Euroclear and Clearstream, Luxembourg.

## FORM OF PRICING SUPPLEMENT

*Set out below is the form of Pricing Supplement which will be completed for a Tranche of Notes issued under the Programme.*

[**PROHIBITION OF SALES TO EEA AND UK RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (**"EEA"**) or in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (**"MiFID II"**); (ii) a customer within the meaning of Directive (EU) 2016/97 (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the **"Prospectus Regulation"**). Consequently no key information document required by Regulation (EU) No 1286/2014 (the **"PRIIPs Regulation"**) for offering or selling the Notes or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPs Regulation.] [*Legend to be included on front of the Pricing Supplement if the Notes potentially constitute "packaged" products or the issuer wishes to prohibit offers to EEA and UK retail investors for any other reason, in which case the selling restriction should be specified to be "Applicable"*]

[*Further legends / sales restrictions to be added, as appropriate*]

[This Pricing Supplement constitutes the final terms (*endgültige Bedingungen*) within the meaning of article 45 para. 3 of the Swiss Federal Act on Financial Services of 15 June 2018, as the same may be amended from time to time (*Finanzdienstleistungsgesetz*) ("**FinSA**") and article 56 of the Swiss Financial Services Ordinance of 6 November 2019, as the same may be amended from time to time (*Finanzdienstleistungsverordnung*) ("**FinSO**").] [*Legend to be included on front of the Pricing Supplement if the Notes are Non-Exempt Swiss Notes.*]

MiFID II Product Governance: Solely for the purposes of the manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the manufacturer's target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.

**NO PROSPECTUS IS REQUIRED IN ACCORDANCE WITH THE PROSPECTUS REGULATION FOR THE ISSUE OF NOTES DESCRIBED BELOW.**

[*Date*]

**UBS (Luxembourg) Issuer SA**

(a public limited liability company (*société anonyme*) incorporated under the laws of the Grand Duchy of Luxembourg, having its registered office at 33A, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg and registered with the Luxembourg trade and companies register (*Registre de commerce et des sociétés*, Luxembourg) under number B.207565, subject, as a regulated securitisation undertaking (*société de titrisation agréée*), to the provisions of the

Securitisation Act 2004 and to the supervision of the CSSF, as issuer of the Notes on a fiduciary basis)

**Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]**

**under the EUR 10,000,000,000**

**Fiduciary Note Programme**

**[SUMMARY**

[*Issue-specific summary containing the information pursuant to article 54 para. 1 lit. b) and c) of the FinSA to be inserted if the Notes are Non-Exempt Swiss Notes.*]**]**

## PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 25 November 2020. This document constitutes the Pricing Supplement of the Notes described herein and must be read in conjunction with the Base Prospectus. Full information on the Fiduciary and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Base Prospectus. The Base Prospectus is available for viewing [at [*website*]] [and] during normal business hours at [*address*] [and copies may be obtained from [*address*]].

[*The following alternative language applies if the first tranche of an issue which is being increased was issued under a Base Prospectus with an earlier date.*

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the **Conditions**) set forth in the Base Prospectus dated [*original date*]. This document constitutes the Pricing Supplement of the Notes described herein and must be read in conjunction with the Base Prospectus dated 25 November 2020, save in respect of the Conditions which are extracted from the Base Prospectus dated [*original date*] and are attached hereto. Full information on the Fiduciary and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Base Prospectuses dated 25 November 2020 and [*original date*]. Copies of such Base Prospectuses are available for collection [at [*website*]] [and] during normal business hours at [*address*] [and copies may be obtained from [*address*]].

[*Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs. Italics denote directions for completing the Pricing Supplement.*]

[*In case of Non-Exempt Swiss Notes which are subject to Option 2 (see "Conditions incorporated by reference (Continuous offering)") or in case of Notes with special or additional features, the Fiduciary is free to deviate from this template and the provisions below regardless of whether or not the text in a specific section is bracketed.*]

| | | | |
|---|---|---|---|
| 1. | Fiduciary: | | UBS (Luxembourg) Issuer SA |
| 2. | Swap Counterparty: | | [UBS AG, London Branch][*specify other*][Not Applicable] |
| 3. | (i) | Series Number: | [ ] |
| | (ii) | Tranche Number: | [ ] |

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| | | | *(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible)* |
| 4. | Specified Currency or Currencies: | | [ ] |
| 5. | Aggregate Nominal Amount: | | |
| | (i) | [Series:] | [ ] |
| | (ii) | [Tranche:] | [ ] |
| 6. | Issue Price: | | [ ] % of the Aggregate Nominal Amount [plus accrued interest from [*insert date*] (*in the case of fungible issues only, if applicable*)] |
| 7. | (i) | Specified Denominations: | [ ] |
| | *(in the case of Notes, this means the minimum integral amount in which transfers can be made)* | | [ ] |
| | (ii) | Calculation Amount: | [ ] |
| | | | (*If only one Specified Denomination, insert the Specified Denomination. If more than one Specified Denomination, insert the highest common factor. N.B. There must be a common factor in the case of two or more Specified Denominations*) |
| 8. | (i) | [[Issue Date [and Interest Commencement Date]:] | [ ] |
| | (ii) | [Interest Commencement Date (if different from the Issue Date): | [ ]] |
| 9. | Calculation Agent: | | [UBS Europe SE, Luxembourg Branch /Specify Calculation Agent if other than UBS Europe SE, Luxembourg Branch] |
| 10. | Facilitation Agent: | | [Lantern Structured Asset Management Limited][*insert other*] (*Specify any duties additional to those in the Facilitation Agency Agreement*) |
| | | | [*Fixed rate - specify date/ Floating rate* - Interest Payment Date falling in or nearest to [*specify month*]] |
| 11. | Maturity Date: | | |
| 12. | Interest Basis: | | [[ ] % Fixed Rate] [[LIBOR/EURIBOR] [+/-] [ ] % floating Rate] |
| | | | [Zero Coupon] |

| | | |
|---|---|---|
| | | [Index/ETF Linked Interest]<br><br>[Equity Linked Interest]<br><br>[Fund Linked Interest]<br><br>[Dual Currency Interest]<br><br>[*specify other including non-interest bearing*]<br><br>(further particulars specified below) |
| 13. | Redemption/Payment Basis: | [Redemption at par]<br><br>[Index/ETF Linked Redemption]<br><br>[Equity Linked Redemption]<br><br>[Fund Linked Redemption]<br><br>[*specify other*] |
| 14. | Change of Interest Basis or Redemption/Payment Basis: | [*Specify details of any provision for change of Notes into another Interest Basis or Redemption/Payment Basis*] |
| 15. | Put/Call Options: | [Investor Put]<br><br>[Fiduciary Call]<br><br>[(further particulars specified below)] |
| 16. | Status of the Notes: | Fiduciary Obligations as described in the Terms and Conditions |
| 17. | Method of distribution: | [Syndicated/Non-syndicated] |

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

| | | | |
|---|---|---|---|
| 18. | Fixed Rate Note Provisions: | | [Applicable/Not Applicable]<br><br>*(If not applicable, delete the remaining sub-paragraphs of this paragraph)* |
| | (i) | Rate(s) of Interest: | [ ] % per annum [payable [annually/semi-annually/quarterly/other (specify)] in arrear]<br><br>*(If payable other than annually, consider amending Condition 5)* |
| | (ii) | Interest Payment Date(s): | [[ ] in each year up to and including the Maturity Date]/[*specify other*]<br><br>*(NB: This will need to be amended in the case of long or* |

*short coupons)*

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| (iii) | Fixed Coupon Amount(s): | [ ] per [ ] in nominal amount<br><br>*(NB: Insert Fixed Coupon Amounts only if Interest Periods are unadjusted)* |
| (iv) | Broken Amount(s): | [*Insert particulars of any initial or final broken interest amounts which do not correspond with the Fixed Coupon Amount(s) and only if Interest Periods are unadjusted*] |
| (v) | Day Count Fraction: | [30/360 or Actual/Actual (ICMA) or *specify other*] |
| (vi) | Determination Date(s): | [ ] in each year<br><br>[*Insert regular Interest Payment Dates, ignoring issue date or maturity date in the case of a long or short first or last coupon (NB: This will need to be amended in the case of regular Interest Payment Dates which are not of equal duration)*]<br><br>*(NB: Only relevant where Day Count Fraction is Actual/Actual (ICMA))* |
| (vii) | Other terms relating to the method of calculating interest for Fixed Rate Notes: | [None/Give *details*] |

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| 19. | Floating Rate Note Provisions: | | [Applicable/Not Applicable]<br><br>*(If not applicable, delete the remaining sub-paragraphs of this paragraph)* |
| | (i) | Specified Period(s) [and Interest Payment Dates]: | [ ] |
| | (ii) | Business Day Convention: | [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/[specify other]] |
| | (iii) | Additional Business Centre(s): | [ ] |
| | (iv) | Manner in which the Rate of Interest and Interest Amount is to be determined: | [Screen Rate Determination/ISDA Determination/specify other] |
| | (v) | Party responsible for calculating the Rate of | [*Specify party responsible for calculating the Rate of Interest and Interest Amount if not the Calculation* |

| | | | |
|---|---|---|---|
| | Interest and Interest Amount: | | *Agent*] |
| (vi) | Screen Rate Determination: | | |
| | - | Reference Rate: | [ ]<br><br>*(Either LIBOR, EURIBOR or other, although additional information is required if other - including fallback provisions in the Agency Agreement)* |
| | - | Interest Determination Date(s): | [ ]<br><br>*(Second London business day prior to the start of each Interest Period if LIBOR (other than Sterling or euro LIBOR), first day of each Interest Period if Sterling LIBOR and the second day on which the TARGET2 System is open prior to the start of each Interest Period if EURIBOR or euro LIBOR)* |
| | - | Relevant Screen Page: | [ ]<br><br>*(In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)* |
| (vii) | ISDA Determination: | | |
| | - | Floating Rate Option: | [ ] |
| | - | Designated Maturity: | [ ] |
| | - | Reset Date: | [ ] |
| (viii) | Margin(s) | | [ ] |
| (ix) | Minimum Rate of Interest: | | [ ] % per annum |
| (x) | Maximum Rate of Interest: | | [ ] % per annum |
| (xi) | Day Count Fraction: | | Actual/Actual (ISDA)<br><br>Actual/365 (Fixed)<br><br>Actual/365 (Sterling) |

| | | | |
|---|---|---|---|
| | | | Actual/360<br><br>30/360<br><br>30E/360<br><br>30E/360 (ISDA)<br><br>*Other*]<br><br>*(See Condition 5 for alternatives)* |
| | (xii) | Relevant financial centre (insert in the case of any floating rate other than LIBOR or EURIBOR): | [ ] |
| | (xiii) | Fall back provisions, rounding provisions and any other terms relating to the method of calculating payments of interest in connection with Floating Rate Notes, if different from those set out in the Conditions: | [ ] |
| 20. | Reference Item Linked Interest Provisions: | | [Applicable/Not Applicable]<br><br>*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*<br><br>[The provisions of [Annex 1 of the Terms and Conditions – *Additional Terms and Conditions for Index/ETF Linked Notes*]/[Annex 2 of the Terms and Conditions – *Additional Terms and Conditions for Equity Linked Notes*]/[Annex 3 of the Terms and Conditions – *Additional Terms and Conditions for Fund Linked Notes]* shall apply.] |
| | (i) | Formula for calculating interest rate including back up provisions: | [ ] |
| | (ii) | Specified Period(s)/Specified Interest Payment Dates: | [ ] |
| | (iii) | Business Day Convention: | [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/specify other] |

| | | | |
|---|---|---|---|
| | (iv) | Additional Business Centre(s): | [ ] |
| | (v) | Minimum Rate of Interest: | [ ] % per annum |
| | (vi) | Maximum Rate of Interest: | [ ] % per annum |
| | (vii) | Day Count Fraction: | [ ] |
| 21. | Dual Currency Note Provisions: | | [Applicable/Not Applicable]<br><br>*(If not applicable, delete the remaining sub-paragraphs of this paragraph)* |
| | (i) | Rate of Exchange/method of calculating Rate of Exchange: | [Give details] |
| | (ii) | Party responsible for calculating the principal and/or interest payable: | [*Specify party responsible for calculating the principal and/or interest payable if other than the Calculation Agent*.] |
| | (iii) | Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable: | [*Need to include a description of market disruption or settlement disruption events and adjustment provisions*] |
| | (iv) | Person at whose option Specified Currency(ies) is/are payable: | [ ] |

**PROVISIONS RELATING TO FIDUCIARY ASSETS**

| | | | |
|---|---|---|---|
| 22. | (i) | Fiduciary Assets: | [*Insert details of Fiduciary Assets and details of the relevant Fiduciary Asset Obligor(s) and relevant ranking of their obligations*] |
| | (ii) | Fiduciary Asset Agreements: | [Insert details of Fiduciary Asset Agreements and details of the relevant Fiduciary Asset Obligor(s)] *(NB: Any Swap Agreement or Investment Management Agreement and Investment Manager to be included)* |
| | (iii) | Security Interests | [*Insert details of security interests granted by the Fiduciary over Fiduciary Assets or Fiduciary Asset Agreements*] |
| | (iv) | Fiduciary Asset Disclosure Documents: | [*Insert details of Fiduciary Asset Disclosure Documents, if any*] |

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| | (v) | [Delivery, Replacement and Withdrawal of Fiduciary Assets; Maturing Collateral: | [Fiduciary Assets Delivery/<br><br>Collateral Replacement/<br><br>Collateral Withdrawal] [*Select one only of these options*]<br><br>[Maturing Fiduciary Assets Replacement/<br><br>Maturing Fiduciary Assets Proceeds paid to Swap Counterparty/<br><br>Maturing Fiduciary Assets Option Replacement] [*Select one only of these options*]<br><br>[*Specify the rate of exchange, if any, for the purposes of the definition of Replacement Nominal Amount in Condition 4(c)(viii) (NB only applicable if Collateral Replacement, Maturing Fiduciary Assets Replacement or Maturing Fiduciary Assets Optional Replacement is specified above)*]<br><br>[For the purposes of *Condition 4(c)(iv)(B)* Eligible Securities shall be delivered in a Replacement Nominal Amount/*specify other basis] (NB Only applicable if Maturing Fiduciary Assets Optional Replacement is specified above*)]] |
| | (vi) | Eligible Securities: | [*Specify relevant type(s) and amount(s)for the purposes of Condition 4(c)*] |
| | (vii) | Further Fiduciary Asset Formula: | [*Set out formula for determining the nominal amount or other relevant unit of the Further Fiduciary Assets for the purposes of Condition 17]/[Not Applicable] (NB If Not Applicable, the Calculation Agent will determine the nominal amount or other relevant unit of the Further Fiduciary Assets in good faith in its sole and absolute determination)* |
| 23. | [Maturity Liquidation: | | [Not Applicable/Applicable]] |
| 24. | [Scheduled Liquidation Period: | | [As defined in Condition 4(e)/*give details if different*]] |
| 25. | [Selling Agent: | | [UBS AG London Branch][Lantern Structured Asset Management Limited][*specify other*]] |
| 26. | | (i) [Application Of Realised Amount for the | [Counterparty Priority/Pari Passu Ranking/Noteholder Priority/Other Priority[*give* |

| | | | |
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| | | purposes of Condition 4(f): | *details*]] |
| | (ii) | Amount at which each Note of a nominal amount equal to the Specified Denomination is redeemable following a Tax Event, an Illegality/Regulatory Event, an Administrator/Benchmark Event, an Acceleration Event/ an Early Extinction of a Fiduciary Contract Event or any early redemption under any Additional Terms and Conditions if other than such nominal amount: | *[Specify details of such amount e.g. by reference to liquidation amounts received]* |
| 27. | Additional Acceleration Events: | | [*Specify any Additional Acceleration Events*] |
| 28. | [Further Notes: | | [Applicable/Not Applicable] |

**PROVISIONS RELATING TO REDEMPTION**

| | | | |
|---|---|---|---|
| 29. | Fiduciary Call: | | [Applicable/Not Applicable]<br><br>*(If not applicable, delete the remaining sub-paragraphs of this paragraph)* |
| | (i) | Call Optional Redemption Date(s): | [ ] |
| | (ii) | Call Optional Redemption Amount(s) and method, if any, of calculation of such amount(s): | [ ] per Note of [ ] Specified Denomination |
| | (iii) | If redeemable in part: | |
| | | (A) Minimum Redemption Amount:` | [ ] |
| | | (B) Higher Redemption Amount: | [ ] |
| | (iv) | Notice period (if other than as set out in the Conditions): | [ ] |
| 30. | Investor Put: | | [Applicable/Not Applicable]<br><br>*(If not applicable, delete the remaining sub-paragraphs of this paragraph)* |
| | (i) | Put Optional Redemption | [ ] |

| | | | |
|---|---|---|---|
| | | Date(s): | |
| | (ii) | Put Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): | [ ] per Note of [ ] Specified Denomination<br><br>(NB. If applicable specify any minimum amount) |
| | (iii) | Notice period (if other than as set out in the Conditions): | [ ] |
| | (iv) | If redeemable in part: | |
| | | (A) Minimum Redemption Amount: | |
| 31. | | Fiduciary Asset/Agreement Tax Event (for purposes of Condition7(b)): | [Applicable/Not Applicable] |
| 32. | | Final Redemption Amount: | [[Specified Denomination]/[ ] per Calculation Amount/*specify other*/Not Applicable] |
| 33. | | Index/ETF Linked Notes: | [Applicable/Not Applicable]<br><br>*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*<br><br>[The provisions of Annex 1 of the Terms and Conditions – *Additional Terms and Conditions for Index/ETF Linked Notes* shall apply.] |
| | (i) | Index/ETF/ Basket of Reference Items/Index Sponsor(s): | [ ]<br><br>[The [ ] Index is a Multi-Exchange Index]<br><br>[The Index/ETF Currency for the [ ] Index/ETF is [ ]]<br><br>[The ETF Underlying Index for the [ ] ETF is [ ]] |
| | (ii) | Calculation Agent responsible for making calculations in respect of the Notes: | [ ] |
| | (iii) | Averaging: | [The Averaging Dates are [ ].]<br><br>[In the event that an Averaging Date is a Disrupted Day, [Omission/ Postponement/ Modified Postponement] will apply.] |
| | (iv) | Index/ETF Performance: | [Applicable - *(insert formula)*/Not Applicable] |

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| | (A) | Best Performing Index/ETF: | [Applicable – the Best Performing Index/ETF means, with respect to [a Valuation Date, an Observation Date, an Averaging Date or a Mandatory Early Redemption Valuation Date (*specify as applicable/other)*[, as the case may be,]] the Index/ETF having the highest Index/ETF Performance Provided That if [both][two or more] Indices/ETFs have the same highest Index/ETF Performance, then the Calculation Agent shall determine which Index/ETF shall constitute the Best Performing Index/ETF for such date/Not Applicable] |
| | (B) | Worst Performing Index: | [Applicable – the Worst Performing Index/ETF means, with respect to [a Valuation Date, an Observation Date, an Averaging Date or a Mandatory Early Redemption Valuation Date, (*specify as applicable/other)*[, as the case may be,]] the Index/ETF having the lowest Index/ETF Performance Provided That if [both][two or more] Indices/ETFs have the same lowest Index/ETF Performance, then the Calculation Agent shall determine which Index/ETF shall constitute the Worst Performing Index/ETF for such date]/Not Applicable] |
| (v) | Weighting: | | The weighting to be applied to each item comprising the Basket of Reference Items to ascertain the Index/ETF Performance is [ ]. *(N.B. Only applicable in relation to Index/ETF Linked Notes relating to a Basket of Reference Items)* |
| (vi) | Exchange(s): | | [ ] |
| (vii) | Related Exchange: | | [ ]/[All Exchanges] |
| (viii) | Exchange Business Day: | | [Exchange Business Day (Single Reference Item Basis) (*Include in the case of Index/ETF Linked Notes relating to a single Index or a Single ETF*)][Exchange Business Day (All Reference Item Basis)/Exchange Business Day (Per Reference Item Basis) (*elect in the case of Index/ETF Linked Notes relating to a Basket of Reference Items*)] |
| (ix) | Scheduled Trading Day: | | [Scheduled Trading Day (Single Reference Item Basis) (*Include in the case of Index/ETF Linked Notes relating to a single Index or a Single ETF*)][Scheduled Trading Day (All Reference Item Basis)/Scheduled Trading Day (Per Reference Item Basis) (*elect in the case of Index/ETF Linked Notes relating to a Basket of Reference Items*)] |
| (x) | Valuation Date(s): | | [ ] |
| (xi) | Valuation Time: | | [ ] |

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| (xii) | Observation Date(s): | [ ] |
| (xiii) | Observation Period: | [Applicable – the period from [(and including/but excluding)] [ ] to [(and including/but excluding) [ ]]/[Not Applicable]<br><br>*(N.B. this definition will need to be revised if there is more than one Observation Period)* |
| (xiv) | Disrupted Day: | If a Valuation Date, an Averaging Date, an Observation Date or a Mandatory Early Redemption Valuation Date, as the case may be, is a Disrupted Day, the relevant level or price will be calculated [*insert calculation method*]<br><br>*(N.B. Only applicable where provisions in Index/ETF Linked Conditions are not appropriate)* |
| (xv) | Trade Date: | [ ] |
| (xvi) | Additional Disruption Events: | The following Additional Disruption Events apply to the Notes:<br><br>[Change in Law]<br><br>[Hedging Disruption]<br><br>[Increased Cost of Hedging]<br><br>[Exchange-traded Contract Event]<br><br>[FX Disruption] |
| (xvii) | ETF Share Substitution: | [Applicable][Not Applicable]<br><br>[If Applicable: Share Substitution Criteria is: [ ]] |
| (xviii) | Tender Offer: | [Applicable][Not Applicable] |
| (xix) | Knock-in, Knock-out Provisions: | [Applicable – the provisions of Index/ETF Linked Condition 6 apply to the Notes/Not Applicable]<br><br>*(If not applicable, delete remaining sub-paragraphs of this paragraph)* |
| | (A) Knock-in Determination Day: | [ ] |
| | (B) Knock-in Event and consequences of a Knock-in Event: | [ ] |
| | (C) Knock-in Level: | [ ] |

| | | | |
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| | (D) | Knock-in Period Beginning Date: | [ ] |
| | (E) | Knock-in Period Ending Date: | [ ] |
| | (F) | Knock-in Valuation Time: | [ ] |
| | (G) | Knock-out Determination Day: | [ ] |
| | (H) | Knock- out Event and consequences of a Knock-out Event: | [ ] |
| | (I) | Knock-out Level: | [ ] |
| | (J) | Knock-out Period Beginning Date: | [ ] |
| | (K) | Knock-out Period Ending Date: | [ ] |
| | (L) | Knock-out Valuation Time: | [ ] |
| | (M) | Knock-in/Knock-out Determination Day consequences of a Disrupted Day: | [Omission][Postponement] |
| | (N) | Knock-in/Knock-out intraday valuation consequences of disruption: | [Omission][Materiality] |
| | (O) | Additional Knock-in/Knock-out Determination Day Disrupted Day provisions: | [ ]<br><br>*(N.B. Only applicable where provisions of the Index/ETF Linked Conditions are not appropriate)* |
| (xx) | Trigger Event Provisions: | | [Applicable/Not Applicable]<br><br>(*If not applicable, delete remaining sub-paragraphs of this paragraph*) |
| | (A) | Trigger Event and consequences of a Trigger Event: | The following Trigger Events apply to the Notes:<br><br>[Trigger Event (Closing Observation)]<br><br>[Trigger Event (Intraday Observation)] |

[*specify other and consequences*]

| | | | |
|---|---|---|---|
| | (B) | Trigger Event Observation Date: | [ ]<br><br>(*N.B. Only applicable where provisions of the Index/ETF Linked Conditions are not appropriate*) |
| | (C) | Trigger Event Strike Level | [ ] |
| | (D) | Trigger Event Valuation Time: | [ ] |
| | (E) | Trigger Percentage: | [ %] |
| | (F) | Trigger Event Strike Level: | [ ] |
| | (G) | Trigger Event Observation Date consequences of a Disrupted Day: | [Omission][Postponement] |
| | (H) | Trigger Event intraday valuation consequences of disruption: | [Omission][Materiality] |
| | (I) | Additional Trigger Event Observation Date Disrupted Day provisions: | [ ]<br><br>(*N.B. Only applicable where provisions of the Index/ETF Linked Conditions are not appropriate*) |
| (xxi) | Mandatory Early Redemption: | | [Applicable - the provisions of Index/ETF Linked Condition 8 apply to the Notes/Not Applicable]<br><br>(*If Not Applicable, delete the following sub-paragraphs*) |
| | (A) | Mandatory Early Redemption Amount: | [ ]<br><br>(*N.B. Only applicable where provisions of Index/ETF Linked Conditions are not appropriate*) |
| | (B) | Mandatory Early Redemption Calculation Amount: | [Each Calculation Amount][*specify other*] |
| | (C) | Mandatory Early Redemption Date: | [ ] |
| | (D) | Mandatory Early Redemption Event: | [ ] |

| | | | |
|---|---|---|---|
| | (E) | Mandatory Early Redemption Level: | [ ] |
| | (F) | Mandatory Early Redemption Rate: | [ ] |
| | (G) | Mandatory Early Redemption Valuation Date: | [ ]<br>(*N.B. Specify if consequences of a Disrupted Day are other than as provided in the Index/ETF Linked Conditions*) |
| | (H) | Mandatory Early Redemption Valuation Time: | [ ] |
| (xxii) | | Other terms or special conditions: | [ ] |
| 34. | Equity Linked Notes: | | [Applicable/Not Applicable]<br>(*If not applicable, delete remaining sub-paragraphs of this paragraph*)<br>[The provisions of Annex 2 of the Terms and Conditions – *Additional Terms and Conditions for Equity Linked Notes* shall apply.] |
| (i) | | Share(s)/Basket of Share(s): | [ ] |
| (ii) | | Calculation Agent responsible for making calculations in respect of the Notes: | [ ] |
| (iii) | | Averaging: | [The Averaging Dates are [ ].]<br>[In the event that an Averaging Date is a Disrupted Day, [Omission/Postponement/Modified Postponement] will apply.] |
| (iv) | | Exchange Rate: | [Applicable/Not Applicable]<br>*(insert details)* |
| (v) | | Weighting: | The weighting to be applied to each item comprising the Basket to ascertain the Share Performance is [ ]. (*N.B. Only applicable in relation to Equity Linked Notes relating to a Basket*) |
| (vi) | | Exchange(s): | [ ] |
| (vii) | | Related Exchange: | [ ]/[All Exchanges] |

| | | |
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| (viii) | Exchange Business Day: | [Exchange Business Day (Single Share Basis) (*Include in the case of Equity Linked Notes relating to a single Share*)][Exchange Business Day (All Shares Basis)/Exchange Business Day (Per Share Basis) (*elect in the case of Equity Linked Notes relating to a Basket of Shares*)] |
| (ix) | Scheduled Trading Day: | [Scheduled Trading Day (Single Share Basis) (*Include in the case of Equity Linked Notes relating to a single Share*)][Scheduled Trading Day (All Shares Basis)/Scheduled Trading Day (Per Share Basis) (*elect in the case of Equity Linked Notes relating to a Basket of Shares*)] |
| (x) | Valuation Date(s): | [ ] |
| (xi) | Valuation Time: | [ ] |
| (xii) | Observation Date(s): | [ ] |
| (xiii) | Observation Period: | [Applicable – the period from [(and including/but excluding)] [ ] to [(and including/but excluding)] [ ]/[Not Applicable]<br><br>(*N.B. this definition will need to be revised if there is more than one Observation Period*) |
| (xiv) | Disrupted Day: | [If a Valuation Date, an Averaging Date or an Observation Date, as the case may be, is a Disrupted Day, the relevant price will be calculated [*insert calculation method*]<br><br>(*N.B. Only applicable where provisions in Equity Linked Conditions are not appropriate*) |
| (xv) | Tender Offer: | [Applicable/Not Applicable] |
| (xvi) | Trade Date: | [ ] |
| (xvii) | Additional Disruption Events: | [The following Additional Disruption Events apply to the Notes:<br><br>[Change in Law]<br><br>[Exchange-traded Contract Event]<br><br>[FX Disruption]<br><br>[Hedging Disruption]<br><br>[Increased Cost of Hedging]<br><br>[Increased Cost of Stock Borrow] |

[Initial Stock Loan Rate: [ ]]

[Insolvency Filing]

[Loss of Stock Borrow]

[Maximum Stock Loan Rate: [ ]]

[Not Applicable]

(xviii) Knock-in, Knock-out Provisions: [Applicable – the provisions of Equity Linked Condition 8 apply to the Notes/Not Applicable]

(*If not applicable, delete remaining sub-paragraphs of this paragraph*)

(A) Knock-in Determination Day: [ ]

(B) Knock-in Event and consequences of a Knock-in Event: [ ]

(C) Knock-in Level: [ ]

(D) Knock-in Period Beginning Date: [ ]

(E) Knock-in Period Ending Date: [ ]

(F) Knock-in Valuation Time: [ ]

(G) Knock-out Determination Day: [ ]

(H) Knock- out Event and consequences of a Knock-out Event: [ ]

(I) Knock-out Level: [ ]

(J) Knock-out Period Beginning Date: [ ]

(K) Knock-out Period Ending Date: [ ]

(L) Knock-out Valuation Time: [ ]

(M) Knock-in/Knock-out [Omission][Postponement]

| | | | |
|---|---|---|---|
| | | Determination Day consequences of a Disrupted Day: | |
| | (N) | Knock-in/Knock-out intraday valuation consequences of disruption: | [Omission][Materiality] |
| | (O) | Additional Knock-in/Knock-out Determination Day Disrupted Day provisions: | [ ]<br><br>(*N.B. Only applicable where provisions of the Equity Linked Conditions are not appropriate*) |
| (xix) | Trigger Event Provisions: | | [Applicable – the provisions of Equity Linked Condition 9 apply to the Notes/Not Applicable]<br><br>(*If not applicable, delete remaining sub-paragraphs of this paragraph*) |
| | (A) | Trigger Event and consequences of a Trigger Event: | The following Trigger Events apply to the Notes:<br><br>[Trigger Event (Closing Observation)]<br><br>[Trigger Event (Intraday Observation)]<br><br>[*specify other and consequences*] |
| | (B) | Trigger Event Observation Date: | [ ]<br><br>(*N.B. Only applicable where provisions of the Equity Linked Conditions are not appropriate*) |
| | (C) | Trigger Event Strike Level | [ ] |
| | (D) | Trigger Event Valuation Time: | [ ] |
| | (E) | Trigger Percentage: | [ %] |
| | (F) | Trigger Event Strike Level: | [ ] |
| | (G) | Trigger Event Observation Date consequences of a Disrupted Day: | [Omission][Postponement] |
| | (H) | Trigger Event intraday valuation consequences of disruption: | [Omission][Materiality] |

| | | | |
|---|---|---|---|
| | (I) | Additional Trigger Event Observation Date Disrupted Day provisions: | [ ]<br><br>(*N.B. Only applicable where provisions of the Equity Linked Conditions are not appropriate*) |
| (xx) | Mandatory Early Redemption: | | [Applicable - the provisions of Equity Linked Condition 10 apply to the Notes/Not Applicable]<br><br>(*If Not Applicable, delete the following sub-paragraphs*) |
| | (A) | Mandatory Early Redemption Amount: | [ ]<br><br>(*N.B. Only applicable where provisions of Equity Linked Conditions are not appropriate*) |
| | (B) | Mandatory Early Redemption Calculation Amount: | [Each Calculation Amount][*specify other*] |
| | (C) | Mandatory Early Redemption Date: | [ ] |
| | (D) | Mandatory Early Redemption Event: | [ ] |
| | (E) | Mandatory Early Redemption Level: | [ ] |
| | (F) | Mandatory Early Redemption Rate: | [ ] |
| | (G) | Mandatory Early Redemption Valuation Date: | [ ]<br><br>(*N.B. Specify if consequences of a Disrupted Day are other than as provided in the Equity Linked Conditions*) |
| | (H) | Mandatory Early Redemption Valuation Time: | [ ] |
| (xxi) | Other terms or special conditions: | | [ ] |
| (xxii) | GDR/ADR Linked Notes: | | [Applicable/Not Applicable]<br><br>(*If not applicable, delete remaining sub-paragraphs of this paragraph*) |
| | (A) | GDRs/ADRs | [*specify*] |

| | | | |
|---|---|---|---|
| | | (B) Partial Lookthrough: | [Applicable/Not Applicable] |
| | | (C) Full Lookthrough: | [Applicable/Not Applicable] |
| | (xxiii) | Additional U.S. Federal Income Tax Considerations: | [The Notes are [not] Specified Securities for purposes of Section 871(m) of the U.S. Internal Revenue Code of 1986. Additional information regarding the application of Section 871(m) to the Notes will be available from [*provide appropriate contact details or location of such information*] |
| 35. | Fund Linked Notes: | | [Applicable/Not Applicable]<br><br>(*If not applicable, delete the remaining sub-paragraphs of this paragraph*)<br><br>[The provisions of Annex 3 of the Terms and Conditions – *Additional Terms and Conditions for Fund Linked Notes* shall apply.] |
| | (i) | Fund/Fund Basket: | [ ]<br><br>[The Fund Administrator(s) is/are [ ]]<br><br>[The Fund Adviser(s) is/are [ ] |
| | (ii) | Fund Interest(s): | [ ] |
| | (iii) | Initial Price: | [ ] |
| | (iv) | Key Personnel: | [ ] |
| | (v) | Calculation Agent responsible for making calculations in respect of the Notes: | [ ] |
| | (vi) | Trade Date: | [ ] |
| | (vii) | Initial Fixing Date: | [ ] |
| | (viii) | Fund Valuation Date(s): | [ ] |
| | (ix) | Final Fund Valuation Date: | [ ] |
| | (x) | Scheduled Fund Publication Date: | [ ] |
| | (xi) | Other terms or special conditions: | [ ] *(include any provisions relating to adjustment of the Relevant Holding)* |

**PHYSICAL DELIVERY**

| | | | |
|---|---|---|---|
| 36. | Physical Delivery: | | [Applicable/Not Applicable]<br><br>*(If not applicable, delete the remaining sub-paragraphs of this paragraph)* |
| | (i) | Relevant Assets: | [ ] |
| | (ii) | Asset Amount: | [*Express per lowest Specified Denomination*] |
| | (iii) | Cut-Off Date: | [ ] |
| | (iv) | Delivery provisions for Asset Amount: | [ ] |
| | (v) | Other terms or special conditions: | [ ] |
| 37. | Noteholder Option to vary Settlement: | | [Applicable/Not Applicable] |

(*NB if Noteholder Option to Vary Settlement is applicable, Pricing Supplement must be completed to provide for both cash and physical settlement provisions and give details of relevant notice requirements*)

**GENERAL PROVISIONS APPLICABLE THE NOTES**

| | | | |
|---|---|---|---|
| 38. | Form of Notes: | | |
| | (a) | Form: | [Global Note registered in the name of a nominee for [a common depositary for Euroclear and Clearstream, Luxembourg/a common safekeeper for Euroclear and Clearstream, Luxembourg]][Definitive Notes (*specify nominal amounts*)] |
| | (b) | New Global Note: | [Yes][No] |
| 39. | Additional Financial Centre(s) or other special provisions relating to Payment Dates: | | [Not Applicable/*give details*]<br><br>*(Note that this item relates to the place of payment and not the Interest Payment Date to which paragraphs 18(iii) and 19(iv) relate)* |
| 40. | Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences of failure to pay, including any right of the Fiduciary to forfeit the Notes and interest due on late payment: | | [Not Applicable/*give details. NB: a new form of Temporary Global Note and Permanent Global Note may be required for Partly Paid issues*] |

| | | | |
|---|---|---|---|
| 41. | Details relating to Instalment Notes: | | |
| | (i) | Instalment Amount(s): | [Not Applicable/*give details*] |
| | (ii) | Instalment Date(s): | [Not Applicable/*give details*] |
| 42. | Redenomination applicable: | | Redenomination [not] applicable<br><br>[*(If Redenomination is applicable, specify the terms of the redenomination in a Schedule to the Pricing Supplement)*] |
| 43. | Fiduciary Asset Delivery/Payment Date for purposes of Condition 7(h): | | Such single date as is specified by 100% of Noteholders in an Asset Transfer Notice which must not fall after any due date for redemption in whole of the Notes |
| 44. | Other terms and conditions: | | [Not Applicable/*give details*] |

**DISTRIBUTION**

| | | | |
|---|---|---|---|
| 45. | | (a) If syndicated, names [and addresses]* of Managers [and underwriting commitments]*: | [Not Applicable/*give names, [and addresses and underwriting commitment*]* |
| | (b) | Date of Subscription Agreement*: | *(Including names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or on a "best efforts" basis if such entities are not the same as the Managers)* |
| 46. | If non-syndicated, name [and address]* of relevant Dealer: | | UBS AG, London Branch *[and address]* *<br><br>(*NB: UBS AG. London Branch should normally be selected as it is the primary Dealer under the Program*me.) |
| 47. | Additional selling restrictions: | | [Not Applicable/*give details*]<br><br>*(NB: Physically Settled Notes, Dual Currency Notes and Index/ETF, Equity and Fund may be subject to additional U.S. selling restrictions.)* |
| 48. | [International placement, simultaneous public offer and private placement: | | [Not Applicable/*give details*] |
| | (a) | Offering jurisdictions: | [*Details of offering jurisdictions and indication whether individual tranches are reserved for the offering in one or more jurisdictions, including information on these tranches.*] |

| | | |
|---|---|---|
| | (b) Admission to trading and listing: | See "Part B - Other Information" below. [*Further details if certain Notes of the relevant tranche or series are already listed.*] |
| | (c) Simultaneous public offer and private placement: | [*Details of offering process and number and type of Notes offered to the public or via a private placement.*]<br><br>(*NB: If the Notes are not Non-Exempt Swiss Notes or if the Notes are Non-Exempt Swiss Notes which do not qualify as "debt instruments (without derivative element)" from a Swiss law perspective, this paragraph 48 may be deleted.)*<br><br>(*NB: If the Notes are Non-Exempt Swiss Notes and do qualify as "debt instruments (without derivative element)" from a Swiss law perspective but "International placement, simultaneous public offer and private placement" is not applicable, the above sub-paragraphs may be deleted.)*] |
| 49. | U.S. Transfer restrictions: | The Notes may not be sold to, or for the account or benefit of, U.S. persons. |
| 50. | Prohibition of Sales to EEA and UK Retail Investors: | [Applicable/Not Applicable]<br><br>*(If the Notes may constitute "packaged" products, "Applicable" should be specified.)* |
| **SPECIAL CONDITIONS** | | [Not Applicable] |
| 51. | [*title of Condition*] | [*give details*]* |

**PURPOSE OF PRICING SUPPLEMENT**

This Pricing Supplement [(a)] comprises the final terms required for issue of the Notes described herein pursuant to the EUR 10,000,000,000 Fiduciary Note Programme of UBS (Luxembourg) Issuer SA [and (b) constitutes the final terms (*endgültige Bedingungen*) within the meaning of article 45 para. 3 of the FinSA and article 56 of the FinSO]. [*References to final terms (endgültige Bedingungen) within the meaning of the FinSA and the FinSO only to be included if the Notes are Non-Exempt Swiss Notes.*]

The Fiduciary hereby agrees to the above Pricing Supplement.

**RESPONSIBILITY**

The Fiduciary accepts responsibility for the information contained in this Pricing Supplement.

Signed on behalf of the Fiduciary:

By: .....

*Duly authorised*

## PART B – OTHER INFORMATION[1]

1. **LISTING**

| | | |
|---|---|---|
| (i) | Listing: | [Luxembourg Stock Exchange's Official List/other (*specify*)/None] |
| (ii) | Admission to trading: | [Application has been made for the Notes to be admitted to trading on [Luxembourg Stock Exchange's Euro MTF Market/*specify other*] with effect from [ ]. No guarantee is given that the Notes will be listed or admitted to trading as at the Issue Date nor that the Notes will be listed or admitted to trading at all] [Not Applicable.] |
| (iii) | Estimate of total expenses related to admission to trading: | [ ] |
| (iv) | [Last trading day and time: | [ ] |
| (v) | Minimum trading lot: | [ ] |
| (vi) | Quotation: | [Clean/Dirty/other (*specify*)]<br><br>*(NB: If the Notes are not Non-Exempt Swiss Notes, the bracketed sub-paragraphs may be deleted.)*] |

2. **RATINGS**

| | |
|---|---|
| Ratings: | [The Notes to be issued [[have been]/[are expected to be]] rated [*insert details*] by [*insert credit rating agency name(s)*].] [Not applicable]<br><br>(*Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.*)<br><br>(*The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.*) |

3. **INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE**

[Save for any fees payable to the [Managers/Dealers], so far as the Fiduciary is aware, no person involved in the issue of the Notes has an interest material to the offer. - *Amend as appropriate if there are other interests*]

4. **[ESTIMATED NET PROCEEDS**

[1] Include items 1, 2 and 7 (as appropriate) where Notes are unlisted.

**AND TOTAL EXPENSES**

| | | |
|---|---|---|
| (i) | Estimated net proceeds: | [ ] |
| (ii) | Estimated total expenses: | [ ]] |

5. **[YIELD** (Fixed Rate Notes only)

| | |
|---|---|
| Indication of yield: | [ ]<br><br>The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.] |

6. **ADDITIONAL RISK FACTORS**

[*The Fiduciary may at its option include additional risk factors*]

7. **OPERATIONAL INFORMATION**

| | | |
|---|---|---|
| (i) | ISIN Code: | [ ] |
| (ii) | Common Code: | [ ] |
| (iii) | [(Insert here any other relevant codes)] | [ ] |
| (iv) | Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking S.A. and the relevant identification number(s): | [Not Applicable/*give name(s) and number(s)*] |
| (v) | Delivery: | Delivery [against/free of] payment |
| (vi) | Registrar: | [UBS Europe SE, Luxembourg Branch] |
| (vii) | Names and addresses of additional Paying Agent(s) (if any): | [ ] |
| (viii) | Intended to be held in a manner which would allow Eurosystem eligibility: | [Yes] [No] |

8. **[MISCELLANEOUS**

| | | |
|---|---|---|
| (i) | Significant or Material Change: | [Other than as a result of the continued offering of Notes by the Fiduciary, there has been no significant change in the assets, financial or revenue position of the Fiduciary and no material adverse change in the financial position or prospects of the Fiduciary, in each case since the last audited annual financial statements or interim financial statements (if available) of the Fiduciary.]<br><br>[*give details*] |
| (ii) | Fees levied on the Noteholders after the Issue Date: | [Not applicable]<br><br>[*give details*]<br><br>*(NB: If the Notes are not Non-Exempt Swiss Notes, this paragraph 8 may be deleted.)*] |

**[ANNEX [1]]**

[*The Fiduciary may at its option include, without limitation, swap confirmation, prime brokerage agreement, investment management agreement, securities lending agreement (including any related security agreement), loan agreement and/or any other agreement or information and/or additional disclosure on such agreement(s), information or additional risk factors on the Notes, where relevant*]

**[Annex [2] to the pricing supplement]**

(*Complete in the case of Notes to be listed on the Euro MTF market of the Luxembourg Stock Exchange. Otherwise delete.*)

| | | |
|---|---|---|
| (i) | Description of the flows of underlying assets towards the Notes of the issue; | [ ]<br><br>(*give details, i.e. briefly summarise scheduled initial, periodic and final cashflows*) |
| (ii) | Credit enhancements and/or collateral arrangements | [Not Applicable][Applicable]<br>(if applicable, please give details below) |
| (iii) | Type of Fiduciary Assets and/or Fiduciary Asset Agreement(s); | [ ]<br><br>(*give details, e.g. "bonds"*) |
| (iv) | Description of the Fiduciary structure | [ ]<br><br>(*give details, e.g. "Notes relating to a swap transaction and a holding of the Fiduciary Assets"*) |
| (v) | Amount of the Fiduciary Assets with the indication, where applicable, that in the transferor's accounts, this corresponds to all or part of the assets of the same type; | [ ]<br><br>(*give details, NB indication as to transferor's accounts may be satisfied by confirming that Fiduciary Assets trade on a fungible basis*) |
| (vi) | Legislation governing the Fiduciary Assets and/or Fiduciary Asset Agreement(s); | [ ]<br><br>(*give details*) |
| (vii) | Terms and conditions of the transfer; | [ ]<br><br>(*give details, i.e. refer to relevant transfer agreements*) |
| (viii) | Indication of any commitment or liability, as the case may be, which the Fiduciary has towards the transferor in respect of the Notes; | [Not Applicable][Applicable]<br>(*if applicable, give details below. NB this relates to the terms of the transfer*) |
| (ix) | If the Fiduciary Assets have a final maturity date, indication of early redemption or other maturities, dates, | [Not Applicable][Applicable]<br>(*if applicable, give details below*) |

| | | |
|---|---|---|
| | terms and conditions of early redemption; | |
| (x) | In the event that the Fiduciary Assets and/or Fiduciary Asset Agreement(s) are to be replaced by other assets/agreements, or to be added, description of the terms of the exchange and increase of Fiduciary Assets and/or Fiduciary Asset Agreements, respectively; | [Not Applicable][Applicable] (*if applicable, give details below*) |
| (xi) | If the Fiduciary Assets and/or Fiduciary Asset Agreements are covered by one or several insurances, short description of the insurance; | [Not Applicable][Applicable] (*if applicable, give details below*) |
| (xii) | In the case of intangible assets such as credit card receivables, portfolios of mortgage or other loans, leasing contracts, documentary credits or other similar assets, provide general information on the composition of the underlying portfolio, and on the criteria applied for accepting additional assets to the portfolio or replacing underlying assets by other assets, and, if applicable, information on any security arrangement relating to the underlying contracts; | [Not Applicable][Applicable] (*if applicable, give details below*) |
| (xiii) | In the case of Notes relating to a single underlying contract or of several underlying contracts of a single counterparty, provide information on such counterparty, as would be required for an issuer of bonds in Appendix I, Part 2 of the Luxembourg Stock Exchange rules and regulations; | [Not Applicable][Applicable] (*if applicable, give details below.*) |
| (xiv) | In the case where a material portion of the assets are secured on or backed by real property such as real estate, aircrafts, ships or other similar assets | [Not Applicable][Applicable] (*if applicable, give details below*) |
| (xv) | Indications of an expert's valuation report relating to the real property setting out both the valuation of the property and cash flow/income streams and the name and business address of the expert; | [Not Applicable][Applicable] (*if applicable, give details below. NB Compliance with the disclosure is not required if the issue is of securities backed by mortgage loans with property as a security, where there has been no re-evaluation of the properties for the purpose of the issue, and it is clearly stated that the valuations quoted are as at the date of the* |

| | | |
|---|---|---|
| | | *original initial mortgage loan origination.*) |
| (xvi) | In the case of Notes relating to shares or fund units, specify where information about the past and the future performance of the underlying and its volatility can be obtained and whether the shares or fund units are admitted to trading on a EU regulated market or an equivalent market; | [Not Applicable][Applicable]<br>(*if applicable, give details below.*<br>*Where the shares or fund units are admitted to trading on a EU regulated market or an equivalent market, please give the name of such market and include ISIN or any other security identification code.*<br>*Where more than 10 percent of the assets comprise shares or fund units that are not admitted to trading on an EU regulated market or such other equivalent market, please include information on the underlying pursuant to Appendix I of the Luxembourg Stock Exchange rules and regulations.*) |
| (xvii) | If material relationship between the Fiduciary and the Fiduciary Assets Obligor. | [Not Applicable][Applicable]<br>(*if applicable, give details on the principal terms of the relationship below)* |

**[Annex [3] to the pricing supplement]**

[*In case of Notes to be listed or admitted to trading on a securities exchange, additional provisions may be added in this annex to the Pricing Supplement, in each case as deemed appropriate or required by the Fiduciary in view of the relevant listing or admission to trading.*]

## TERMS AND CONDITIONS OF THE NOTES

## UBS (LUXEMBOURG) ISSUER SA

*(a public limited liability company (société anonyme) incorporated under the laws of the Grand Duchy of Luxembourg having its registered office situated at 33A avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg and registered with the Luxembourg trade and companies register (Registre de commerce et des sociétés, Luxembourg) under number B.207565, subject, as a regulated securitisation undertaking (société de titrisation agréée), to the provisions of the Luxembourg act dated 22 March 2004 on securitisation, as amended and to the supervision of the Commission de Surveillance du Secteur Financier, as issuer of the Notes on a fiduciary basis)*

*TAXATION AND LIABILITIES: Potential investors in the Notes are advised to consult their own tax advisers as to the tax consequences of transactions involving the Notes. While the tax consequences for each investor in the Notes may be different, investors should note that under Luxembourg law the Fiduciary is not regarded as the beneficial owner of the Fiduciary Assets. Therefore, it is possible that an investor's tax treatment would depend on the type of income and gains arising from the Fiduciary Assets and the investor's proportionate share of such income and gains. The Fiduciary has no obligation to enquire as to the tax residence or status of any investor in the Notes and/or the tax treatment of such income and gains in the hands of such investors.*

*Under Condition 8(a), the Fiduciary shall not be liable for or otherwise obliged to pay any tax, duty, withholding or other payment which arises in relation to transactions involving the Notes or any payment due to the Fiduciary under the Fiduciary Assets. All payments made by the Fiduciary shall be made subject to any such tax, duty, withholding or other payment. The Fiduciary will not be obliged to make any application for treaty relief or claim a refund of tax in relation to any tax withheld in relation to any income and gains. Investors should also note the provisions of Condition 13.*

*The following are the Terms and Conditions of the Notes which will be incorporated by reference into each Global Note (as defined below) and each definitive Note, in the latter case only if permitted by the relevant stock exchange or other relevant authority (if any) and agreed by the Fiduciary and the relevant Dealer at the time of issue but, if not so permitted and agreed, such definitive Note will have endorsed thereon or attached thereto such Terms and Conditions. The applicable Pricing Supplement in relation to any Tranche of Notes may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the following Terms and Conditions, replace or modify the following Terms and Conditions for the purpose of such Notes. The applicable Pricing Supplement (or the relevant provisions thereof) will be endorsed upon, or attached to, each Global Note and definitive Note. Reference should be made to "Form of the Notes" for a description of the content of the applicable Pricing Supplement which will specify which of such terms are to apply in relation to the relevant Notes.*

*The Additional Terms and Conditions contained in Annex 1 in the case of Index/ETF Linked Notes, Annex 2 in the case of Equity Linked Notes and Annex 3 in the case of Fund Linked Notes (each as defined below) will apply to the Notes if specified in the applicable Pricing Supplement.*

This Note is one of a Series (as defined below) of Notes issued on a fiduciary basis by UBS (Luxembourg) Issuer SA as the fiduciary (the **"Fiduciary"**, which term shall include any successor fiduciary appointed in accordance with Condition 18) pursuant to the Agency Agreement (as defined below)). The Notes are issued on a fiduciary basis in the name of the Fiduciary but at the sole risk and for the exclusive benefit of the Noteholders (as defined below) in accordance with the Luxembourg act dated 27 July 2003 relating to trust and fiduciary contracts, as amended (the **"Law"**).

Each Series of the Notes is issued to fund the acquisition of the Fiduciary Assets (as defined in Condition 4) and/or the entry by the Fiduciary into the Fiduciary Asset Agreements (as defined in Condition 4) in its own name but at the sole risk and, save as provided in these Conditions, for the exclusive benefit of the Noteholders.

Each Note evidences the existence of a fiduciary contract governed by the Law between the Fiduciary and the Noteholders (the **"Fiduciary Contract"**) under which the Fiduciary acquires the Fiduciary Assets (and, if applicable, may arrange for the replacement and/or substitution thereof) and/or enters into the Fiduciary Asset Agreements and has conditional payment obligations to each Noteholder equal to the *pro rata* share of the payments of principal, interest or any other sums received by the Fiduciary under the Fiduciary Assets and/or the Fiduciary Asset Agreements and/or conditional delivery obligations to each Noteholder as described in these Terms and Conditions. The ability of the Fiduciary to meet its obligations to pay principal, interest and any other sums due and perform any other obligation in respect of the Notes will be dependent and be conditional upon the due and timely performance by the Fiduciary Asset Obligors of their obligations in respect of the relevant Fiduciary Assets and Fiduciary Asset Agreement(s) and receipt by the Fiduciary of any monies payable thereunder.

References herein to the "**Notes**" shall be references to the Notes of this Series and shall mean:

(a) in relation to any Notes represented by a global Note (a **"Global Note"**), units of the lowest minimum integral amount in which transfers can be made (the "**Specified Denomination**") in the Specified Currency;

(b) any Global Note; and

(c) any definitive Notes in registered form whether or not issued in exchange for a Global Note in registered form.

The Notes have the benefit of an amended and restated agency agreement (such agency agreement as may be amended and/or supplemented and/or restated from time to time, the "**Agency Agreement**") dated 25 November 2020 and made between the Fiduciary, UBS Europe SE, Luxembourg Branch in its capacity as issuing and principal paying agent (the "**Principal Paying Agent**") and as calculation agent (in such capacity the "**Calculation Agent**"), UBS AG, London Branch, Lantern Structured Asset Management Limited or such other entity as is specified in the applicable Pricing Supplement in its capacity as selling agent (in such capacity the "**Selling Agent**"), the other paying agents named therein (together with the Principal Paying Agent, the "**Paying Agents**"), UBS Europe SE, Luxembourg Branch as registrar (the "**Registrar**"), as transfer agent and the other transfer agents named therein (the "**Transfer Agents**") and as custodian (the "**Custodian**"). References to any of the Principal Paying Agent, Calculation Agent, Selling Agent, Paying Agent, Registrar, Transfer Agent or Custodian will include references to any additional, alternative, successor or replacement entity appointed in any such capacity pursuant to the Agency Agreement. The Fiduciary and Lantern Structured Asset Management Limited (in such capacity, the "**Facilitation Agent**" which expression shall include any successors or alternate entities appointed in such capacity by the Fiduciary) have entered into an amended and restated facilitation agency agreement dated 6 May 2017, as may be amended and/or supplemented and/or restated from time to time (the "**Facilitation Agency Agreement**") pursuant to which the Facilitation Agent has agreed to perform certain transactional functions on behalf of the Fiduciary. The Fiduciary and the Facilitation Agent may from time to time enter into a separate facilitation agency agreement in connection with a particular Series (as defined below) of Notes only.

The final terms for this Note (or the relevant provisions thereof) are set out in Part A of the Pricing Supplement attached to or endorsed on this Note and supplement these Terms and Conditions (the "**Terms and Conditions**" or the "**Conditions**") and may specify other terms and conditions which

shall, to the extent so specified or to the extent inconsistent with these Terms and Conditions, replace or modify these Terms and Conditions for the purposes of this Note. References to the "**applicable Pricing Supplement**" are to Part A of the Pricing Supplement attached to or endorsed on this Note.

Any reference to "**Noteholders**" or "**holders**" in relation to any Notes shall mean the persons in whose name the Notes are registered and shall, in relation to any Notes represented by a Global Note, be construed as provided below.

As used herein, "**Tranche**" means Notes which are identical in all respects (including as to listing and admission to trading) and "**Series**" means a Tranche of Notes together with any further Tranche or Tranches of Notes which are (i) expressed to be consolidated and form a single series and (ii) identical in all respects (including as to listing) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

Copies of the Fiduciary Asset Agreements, the Fiduciary Asset Disclosure Documents (if any) (each as defined in Condition 4) and the Agency Agreement are available for inspection during usual business hours at the registered office of the Fiduciary and at the specified office of each of the Principal Paying Agent, the Registrar and the other Paying Agents and Transfer Agents (such agents and each of the Registrar, Calculation Agent, Selling Agent, Facilitation Agent and Custodian being together referred to as the "**Agents**"). Copies of the applicable Pricing Supplement are available for collection at the registered office of the Fiduciary and the specified offices of the Paying Agents and copies may be obtained from the specified offices of the Paying Agents save that, the applicable Pricing Supplement will only be obtainable by a Noteholder holding one or more Notes and such Noteholder must produce evidence satisfactory to the Fiduciary and the relevant Agent as to its holding of such Notes and identity. By submitting to or otherwise acquiring the Notes, each Noteholder is entitled to the benefit of, is bound by, and each deemed to have knowledge of, all of the provisions of the Fiduciary Asset Agreements, the Fiduciary Asset Disclosure Documents (if any), the Agency Agreement, the Fiduciary Contract and the Conditions and is deemed to have accepted expressly the Fiduciary Asset Agreements, the Fiduciary Asset Disclosure Documents (if any), the Agency Agreement, the Fiduciary Contract and the Conditions.

Words and expressions defined in the Agency Agreement or used in the applicable Pricing Supplement shall have the same meanings where used in the Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Agency Agreement and the applicable Pricing Supplement, the applicable Pricing Supplement will prevail.

The Fiduciary has also entered into an amended and restated programme agreement with UBS AG, acting through its London Branch (together with the other dealers referred to therein, each a "**Dealer**") dated 25 November 2020 (the "**Programme Agreement**"), as the same may be amended and/or supplemented and/or restated from time to time and has agreed the basis upon which UBS AG or any other dealer appointed under the Programme Agreement may from time to time agree to purchase Notes.

If so specified in the applicable Pricing Supplement, the Fiduciary may appoint an investment manager (an "**Investment Manager**") in respect of a Series of Notes pursuant to any Investment Management Agreement specified in such Pricing Supplement.

References in the Conditions to an "**Affiliate**" shall mean in relation to any entity (the "**First Entity**"), any entity controlled, directly or indirectly, by the First Entity, any entity that controls, directly or indirectly, the First Entity or any entity directly or indirectly under common control with the First Entity. For these purposes control means ownership of a majority of the voting power of an entity.

1. Form, Denomination and Title

(a) *Form and denomination*

The Notes are in registered form as specified in the applicable Pricing Supplement and, in the case of definitive Notes, serially numbered, in the Specified Currency and the Specified Denomination(s). Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination.

This Note may be a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, an Index/ETF Linked Interest Note, an Equity Linked Interest Note, a Fund Linked Interest Note, an Index Linked Interest Note, a Dual Currency Interest Note or a combination of any of the foregoing.

"**Reference Item Linked Interest Note**" means an Index/ETF Linked Interest Note, an Equity Linked Interest Note, a Fund Linked Interest Note or an Index Linked Interest Note.

If so specified in the applicable Pricing Supplement, this Note may be an Instalment Note, a Partly Paid Note, an Index/ETF Linked Redemption Note (together with Index/ETF Linked Interest Notes, "**Index/ETF Linked Notes**"), an Equity Linked Redemption Note (together with Equity Linked Interest Notes, "**Equity Linked Notes**"), a Fund Linked Redemption Note (together with Fund Linked Interest Notes, "**Fund Linked Notes**") or a combination of any of the foregoing, depending on the Redemption/Payment Basis specified in the applicable Pricing Supplement.

(b) Title

Subject as set out below, title to the Notes will pass upon registration of transfers in the register of holders of the Notes maintained by the Registrar on behalf of the Fiduciary (the "**Register**") in accordance with the provisions of the Agency Agreement. The Fiduciary and any Agents will (except as otherwise required by law or as otherwise ordered by a court of competent jurisdiction or an official authority) deem and treat the registered holder of any Note registered in the Register as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any Global Note, without prejudice to the provisions set out in the next succeeding paragraphs. The provisions relating to the holding of a note register at the registered office of the issuer company contained in article 470-1 of the Luxembourg act dated 10 August 1915 on commercial companies, as amended (the "**Companies Act 1915**") will not apply in respect of the Notes.

For so long as any of the Notes is represented by a Global Note held on behalf of Euroclear Bank SA/NV ("**Euroclear**") and/or Clearstream Banking S.A. ("**Clearstream, Luxembourg**"), each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Fiduciary and the Paying Agents as the holder of such nominal amount of such Notes for all purposes other than with respect to payments in respect of such Notes, for which purpose the registered holder of the relevant Global Note shall be treated by the Fiduciary and any Agent as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note and the expressions Noteholder and holder of Notes and related expressions shall be construed accordingly.

Notes which are represented by a Global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear and Clearstream, Luxembourg, as the case may be. References to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be

deemed to include a reference to any additional or alternative clearing system specified in the applicable Pricing Supplement.

2. **Transfers of Notes**

(a) *Transfers of interests in Global Notes*

Transfers of beneficial interests in Global Notes will be effected by Euroclear or Clearstream, Luxembourg, as the case may be, and, in turn, by other participants and, if appropriate, indirect participants in such clearing systems acting on behalf of beneficial transferors and transferees of such interests. A beneficial interest in a Global Note will, subject to compliance with all applicable legal and regulatory restrictions, be transferable for Notes in definitive form or for a beneficial interest in another Global Note only in the authorised denominations set out in the applicable Pricing Supplement and only in accordance with the rules and operating procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be, and in accordance with the terms and conditions specified in the Agency Agreement.

(b) Transfers of *Notes in definitive form*

Upon the terms and subject to the conditions set forth in the Agency Agreement, a Note in definitive form may be transferred in whole or in part (in the authorised denominations set out in the applicable Pricing Supplement). In order to effect any such transfer (i) the holder or holders must (A) surrender the Note for registration of the transfer of the Note (or the relevant part of the Note) at the specified office of the Registrar, or any Transfer Agent, with the form of transfer thereon duly executed by the holder or holders thereof or his or their attorney or attorneys duly authorised in writing and (B) complete and deposit such other certifications as may be required by the Registrar, or, as the case may be, the relevant Transfer Agent and (ii) the Registrar or, as the case may be, the relevant Transfer Agent must, after due and careful enquiry, be satisfied with the documents of title and the identity of the person making the request. Any such transfer will be subject to such reasonable regulations as the Fiduciary and the Registrar may from time to time prescribe (such regulations being set out in Schedule 8 to the Agency Agreement). Subject as provided above, the Registrar or, as the case may be, the relevant Transfer Agent will, within three business days (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar or, as the case may be, the relevant Transfer Agent is located) of the request (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations), authenticate and deliver, or procure the authentication and delivery of, at its specified office to the transferee or (at the risk of the transferee) send by uninsured mail, to such address as the transferee may request, a new Note in definitive form of a like aggregate nominal amount to the Note (or the relevant part of the Note) transferred. In the case of the transfer of part only of a Note in definitive form, a new Note in definitive form in respect of the balance of the Note not transferred will be so authenticated and delivered or (at the risk of the transferor) sent to the transferor.

(c) Registration of transfer upon partial redemption

In the event of a partial redemption of Notes under Condition 7(f), the Fiduciary shall not be required to register the transfer of any Note, or part of a Note, called for partial redemption.

(d) Costs of registration

Noteholders will not be required to bear the costs and expenses of effecting any registration of transfer as provided above, except for any costs or expenses of delivery other than by regular uninsured mail and except that the Fiduciary may require the payment of a sum sufficient to cover any stamp duty, tax or other governmental charge that may be imposed in relation to the registration.

## 3. Limited Recourse and Status of the Notes

The Notes do not constitute direct debt obligations of UBS (Luxembourg) Issuer SA or any other entity belonging to the UBS Group, including UBS Europe SE, Luxembourg Branch, i.e. obligations that affect the personal estate of UBS (Luxembourg) Issuer SA, but are solely fiduciary obligations of the Fiduciary in accordance with the Law and may only be satisfied out of the Fiduciary Assets and Fiduciary Asset Agreements of the relevant series. Such obligations are conditional upon the due and timely performance by each Fiduciary Asset Obligor of its obligations, including in respect of payments and deliveries, under the relevant Fiduciary Asset Agreements and/or the relevant Fiduciary Assets.

The Notes rank *pari passu*, without any preference, among themselves. They may be subordinated to payment obligations in relation to the Fiduciary Assets Agreements.

The entitlement of Noteholders to receive payments and/or deliveries under the Notes is entirely dependent upon the receipt by the Fiduciary of payments and/or deliveries, as the case may be, in respect of the Fiduciary Assets and/or the Fiduciary Asset Agreements.

***No other assets of the Fiduciary will be available for payments of any amounts not received and/or deliveries of assets not delivered under the relevant Fiduciary Asset Agreements or Fiduciary Assets and any shortfall will be borne exclusively by the Noteholders.***

## 4. Fiduciary Assets and the Fiduciary Contract

(a) *The Fiduciary Assets*

The applicable Pricing Supplement may include summaries of, and is subject to, the detailed provisions of the Fiduciary Asset Agreements (the **"Fiduciary Asset Agreements"**) and the Fiduciary Asset Disclosure Documents (if any) (the **"Fiduciary Asset Disclosure Documents"**), in each case as specified in the applicable Pricing Supplement. The assets specified as Fiduciary Assets in the applicable Pricing Supplement, together with all related amounts and rights of a holder thereof are referred to as the **"Fiduciary Assets"**. The obligors in respect of the Fiduciary Assets and Fiduciary Asset Agreements set out in the applicable Pricing Supplement are referred to as the **"Fiduciary Asset Obligors"** and each a **"Fiduciary Asset Obligor"**.

The Fiduciary Assets may comprise securities and/or contractual or other rights and/or any other assets including, without limitation, (a) bonds, commercial paper, notes, debentures, promissory notes, certificates of deposit, bills of exchange or other debt securities or negotiable instruments of any form, denomination and type, and/or (b) shares, stock, fund units or other equity securities of any form and type and/or (c) rights or agreements or arrangements in relation to loans, indebtedness, receivables, assignments, transferable loan certificates, guarantees, participations, sub-participations, documentary or stand-by letters of credit and/or (d) rights or agreements or arrangements in relation to over-the-counter or exchange traded swaps, options, commodities or other derivative transactions of any nature and/or (e) all funds in respect of the Fiduciary Assets and assets, sums and/or property derived therefrom or into which such assets are exchanged or converted and/or (f) agreements in relation to prime brokerage, facilitation agency arrangements or investment management services.

Each Fiduciary Asset Obligor under a Fiduciary Asset Agreement has agreed that its obligations in respect of the relevant Fiduciary Asset Agreements or other Fiduciary Assets rank as specified in this Condition 4 or otherwise in the applicable Pricing Supplement. Certain Fiduciary Asset Obligors may benefit from a security interest granted by the Fiduciary over the Fiduciary Assets or the rights under the Fiduciary Asset Agreements for the purpose of securing its payment or delivery obligations in connection with the relevant Fiduciary Assets or Fiduciary Asset Agreements.

(b) *The Fiduciary Contract*

The Conditions form part of each Fiduciary Contract and set out the rights of each Noteholder under the Fiduciary Contract and certain duties, powers and discretions of the Fiduciary. The Fiduciary undertakes to exercise any discretions under the Fiduciary Assets in accordance with the instructions of the relevant Facilitation Agent, provided that the Swap Counterparty (if any) has given its prior written consent to such exercise by the Fiduciary (which consent may be given or withheld by the Swap Counterparty (if any) in its absolute discretion). Further the Fiduciary will account to the Noteholders for all payments of principal, interest or any other sums received under the Fiduciary Asset Agreements and Fiduciary Assets, in such manner as to give effect to the Conditions. The Fiduciary is not obliged to account to the Noteholders in respect of any fees or expenses paid in respect of its appointment as Fiduciary (which the Fiduciary will be entitled to retain as a fee for the services it is providing as Fiduciary), unless otherwise provided in the Conditions or applicable Pricing Supplement. The Fiduciary makes no representation or warranty and assumes no liability for, or responsibility or obligation in respect of, the legality, validity or enforceability of the Fiduciary Asset Agreements, the Fiduciary Assets or any of them, the performance and observance by any Fiduciary Asset Obligor of its obligations in respect of the Fiduciary Asset Agreements or the recoverability of any monies due or to become due under the Fiduciary Asset Agreements or the Fiduciary Assets. The Fiduciary is under no obligation to seek or maintain any insurance in respect of any Fiduciary Assets or any part of the Fiduciary Assets.

Unless otherwise specified in the applicable Pricing Supplement, the Fiduciary shall be under no obligation to the Noteholders other than that of faithful performance of its undertakings, duties, rights, powers and discretions under the Fiduciary Contract as set forth above and, in the event of a relevant Tax Event (as defined in Condition 7(b)) or an Illegality/Regulatory Event (as defined in Condition 7(c)) or an Administrator/Benchmark Event (as defined in Condition 7(e)) or Early Extinction of a Fiduciary Contract Event pursuant to Condition 7(d) or on a Fiduciary Asset Settlement pursuant to Condition 7(h) or an Acceleration Event (as defined in Condition 10), shall be under no obligation to apply the proceeds of any rights of set-off, banker's lien or counterclaim arising out of other transactions between the Fiduciary and any Fiduciary Asset Obligor in payment of the Notes. Unless otherwise specified in the applicable Pricing Supplement, the Fiduciary shall have no obligation to monitor the performance of any Fiduciary Asset Obligor and is under no obligation to disclose information relating to the Fiduciary Assets and/or the Fiduciary Asset Agreements. Neither the Fiduciary nor any of its Affiliates will be precluded from making any contracts or entering into any business transaction in the ordinary course of their business with any Fiduciary Asset Obligor or from owning in any capacity any Notes, and neither the Fiduciary nor any of its Affiliates will be accountable to the Noteholders for any profits resulting therefrom. The Fiduciary may consult on any legal matter with any legal advisers selected by it and shall incur no liability for actions taken, or suffered to be taken, with respect to such matter in good faith in reliance upon the opinion of such legal advisers, unless the Fiduciary has been grossly negligent (*faute grave*) or is guilty of wilful misconduct (*dol*).

Consistent with the Law, Noteholders have no direct right of action against any Fiduciary Asset Obligor to enforce their rights under the Notes or to compel any Fiduciary Asset Obligor to comply with its obligations under a Fiduciary Asset Agreement or in relation to a Fiduciary Asset, even in the case of the Fiduciary's failure to act or the insolvency of the Fiduciary. However, if, under the Fiduciary Assets and/or Fiduciary Asset Agreements, the Fiduciary is entitled and, furthermore, has, pursuant to the relevant Fiduciary Contract, become obliged to take legal action against a Fiduciary Asset Obligor and has failed to take such action within a reasonable time, then (if and to the extent such failure is continuing), each Noteholder is entitled to institute indirect legal action (*action oblique*) in accordance with the relevant provisions of the Luxembourg civil code against the Fiduciary Asset Obligor *in lieu* of the Fiduciary and on its behalf.

The rights of the Fiduciary in respect of the Fiduciary Asset Agreements and other Fiduciary Assets are Fiduciary Assets of the Fiduciary and are held for the exclusive benefit (save as provided in these

Conditions) and at the sole risk of the Noteholders. In a liquidation of the Fiduciary, the Fiduciary Assets are not part of the estate of the Fiduciary. They may be attached only by persons whose rights exist as a result of the creation and existence of the Fiduciary Assets.

The Notes do not constitute direct debt obligations of UBS (Luxembourg) Issuer SA or any other entity belonging to the UBS Group, including UBS Europe SE, Luxembourg Branch, i.e. obligations that affect the personal estate of UBS (Luxembourg) Issuer SA. The ability of the Fiduciary to meet its obligations to pay principal, interest and any other sums due and perform any other obligation in respect of the Notes will be dependent and conditional upon the due and timely performance by the Fiduciary Asset Obligors of their obligations in respect of the relevant Fiduciary Assets and receipt by the Fiduciary of any monies payable thereunder.

(c) *Delivery, Replacement and Withdrawal of Fiduciary Assets; Maturing Collateral*

(i) If **Fiduciary Assets Delivery** is specified in the applicable Pricing Supplement, the Swap Counterparty may (which by subscription for, or acquisition of, any Note the Noteholders are deemed to expressly accept and be bound by) from time to time, pursuant to the Swap Agreement, at its cost and subject to and in accordance with this Condition 4(c), the applicable Pricing Supplement and the provisions of the Agency Agreement, deliver Eligible Securities to the Fiduciary subject to the Conditions of the relevant Series to be held on terms that, upon and with effect from such delivery, such Eligible Securities shall form part of the Fiduciary Assets; and/or

(ii) if **Collateral Replacement** is specified in the applicable Pricing Supplement, the Swap Counterparty may (which by subscription for, or acquisition of, any Note the Noteholders are deemed to expressly accept and be bound by) from time to time, pursuant to the Swap Agreement, at its cost and subject to and in accordance with this Condition 4(c), the applicable Pricing Supplement and the provisions of the Agency Agreement:

(A) direct that any Eligible Securities forming part of the Fiduciary Assets be released from the Fiduciary Assets and delivered by the Fiduciary to the Swap Counterparty free and clear of any interest of the Fiduciary or any other person; and

(B) upon receipt of such Eligible Securities, deliver a Replacement Nominal Amount of other Eligible Securities to the Fiduciary subject to the Conditions of the relevant Series to be held on terms that, upon and with effect from such delivery, such Eligible Securities shall form part of the Fiduciary Assets; and/or

(iii) if **Collateral Withdrawal** is specified in the applicable Pricing Supplement, the Swap Counterparty may (which by subscription for, or acquisition of, any Note the Noteholders are deemed to expressly accept and be bound by) from time to time, pursuant to the Swap Agreement, at its cost and subject to and in accordance with this Condition 4(c), the applicable Pricing Supplement and the provisions of the Agency Agreement direct that any Eligible Securities forming part of the Fiduciary Assets be released from the Fiduciary Assets and delivered by the Fiduciary to the Swap Counterparty free and clear of any interest of the Fiduciary or any other person; and/or

(iv) if **Maturing Fiduciary Assets Replacement** is specified in the applicable Pricing Supplement, then on any Fiduciary Assets Redemption Date, pursuant to the Swap Agreement:

(A) the Fiduciary will pay the proceeds of redemption of the relevant Maturing Fiduciary Assets to the Swap Counterparty; and

(B) upon receipt of such payment the Swap Counterparty will deliver a Replacement Nominal Amount of Eligible Securities (which are not Maturing Fiduciary Assets) to the Fiduciary subject to the Conditions of the relevant Series on terms that, upon and with effect from such delivery, such Eligible Securities shall form part of the Fiduciary Assets; or

(v) if **Maturing Fiduciary Assets Proceeds Paid to Swap Counterparty** is specified in the applicable Pricing Supplement, then on any Fiduciary Assets Redemption Date, pursuant to the Swap Agreement, the Fiduciary will pay the proceeds of redemption of the relevant Maturing Fiduciary Assets to the Swap Counterparty and the Swap Counterparty will not be obliged to deliver any Eligible Securities by way of replacement of such Maturing Fiduciary Assets; or

(vi) if **Maturing Fiduciary Assets Optional Replacement** is specified in the applicable Pricing Supplement, then on any Fiduciary Assets Redemption Date, pursuant to the Swap Agreement:

(A) the Fiduciary will pay the proceeds of redemption of the relevant Maturing Fiduciary Assets to the Swap Counterparty; and

(B) the Swap Counterparty will be entitled, but not obliged, upon or at any time after receipt of such payment, to deliver Eligible Securities (which are not Maturing Fiduciary Assets) in a Replacement Nominal Amount (if so specified in the applicable Pricing Supplement) or otherwise in such nominal amount as the Swap Counterparty shall determine in its sole and absolute discretion to the Fiduciary subject to the Conditions of the relevant Series and on terms that, upon and with effect from such delivery, such Eligible Securities shall form part of the Fiduciary Assets.

(vii) In relation to each delivery of Eligible Securities under Condition 4(c)(i), replacement of Eligible Securities under Condition 4(c)(ii), 4(c)(iv) or 4(c)(vi) or withdrawal of Eligible Securities under Condition 4(c)(iii):

(A) the Swap Counterparty shall exercise its rights by delivery to the Fiduciary of a Collateral Switch Notice substantially in the form set out in the Agency Agreement;

(B) the Fiduciary shall give notice of such delivery, replacement or withdrawal to the Principal Paying Agent and, in accordance with Condition 15, the Noteholders; and

(C) for so long as the Notes are listed on a stock exchange each such stock exchange or listing authority shall confirm that, following such delivery, replacement or withdrawal, the Notes will continue to be listed on such stock exchange.

(viii) In this Condition 4(c), the following defined terms shall have the meanings set out below:

**"Asset-backed Securities"** means any debt obligation which has been issued with the benefit of a security interest (however described) over certain other assets, property, revenues or

rights of any other description and includes, for the avoidance of doubt, any debt obligation described as a collateralised debt, loan or bond obligation;

**"Fiduciary Asset Redemption Date"** means any date on which any Eligible Securities forming part of the Fiduciary Assets are redeemed (in whole or in part) in accordance with their terms, other than as provided in Condition 10;

**"Eligible Securities"** means the securities specified as such in the applicable Pricing Supplement, which may include Asset-backed Securities;

**"Maturing Fiduciary Assets"** means, in relation to any Fiduciary Asset Redemption Date, the Eligible Securities forming part of the Fiduciary Assets which are redeemed (in whole or in part) on such Fiduciary Asset Redemption Date;

**"Replacement Nominal Amount"** means, in relation to any Eligible Securities delivered by the Swap Counterparty pursuant to Condition 4(c)(ii), (iv) or (vi) (as the case may be), and unless otherwise specified in the applicable Pricing Supplement, a nominal amount of such securities equal to the nominal amount of the Eligible Securities being replaced pursuant to Condition 4(c)(ii) or, as the case may be, the relevant Maturing Fiduciary Assets, in each case converted, if necessary, into the currency in which such Eligible Securities being replaced or the relevant Maturing Fiduciary Assets are denominated at a rate of exchange determined in the manner specified in the applicable Pricing Supplement, or if none is specified, in such manner as the Swap Counterparty shall determine in its sole and absolute discretion;

**"Swap Agreement"** is as defined in Condition 4(d); and

**"Swap Counterparty"** is as defined in Condition 4(d).

(ix) Unless otherwise provided in the applicable Pricing Supplement, all rights of the Swap Counterparty to replace or withdraw Eligible Securities under Condition 4(c)(ii) and Condition 4(c)(iii) shall cease forthwith upon the occurrence of an Acceleration Event.

**The Agency Agreement provides that, in connection with any delivery, replacement or withdrawal of Eligible Securities under Condition 4(c), the Fiduciary shall receive confirmation from the Swap Counterparty that the relevant provisions of Condition 4(c) and the applicable Pricing Supplement have been complied with, and it may rely absolutely upon such confirmation for all purposes and need make no enquiry of any nature. By subscription for, or acquisition of, any Note, each Noteholder accepts and is bound by this provision.**

**The Fiduciary shall not be liable to the Swap Counterparty, any Noteholder or any other person for any loss arising from the operation of Condition 4(c), unless the Fiduciary has been grossly negligent (*faute grave*) or is guilty of wilful misconduct (*dol*).**

(d) *Swap Agreement*

If so specified in the applicable Pricing Supplement, the Fiduciary Asset Agreements may comprise an ISDA Master Agreement and Schedule entered into by the Fiduciary and the Swap Counterparty (the **"Swap Counterparty"**) specified in the applicable Pricing Supplement and the Confirmation thereto (together the **"Swap Agreement"**). Where not so specified, references to Swap Counterparty and Swap Agreement in the Conditions will be deemed not to apply. The Swap Agreement will terminate on the termination date specified in the Swap Agreement, unless terminated earlier in accordance with its terms. Unless otherwise specified in the applicable Swap Agreement, (i) the Swap Agreement will terminate in full if all the Notes are redeemed prior to the Maturity Date pursuant to any provision of Condition 7 or upon the occurrence of an Illegality/Regulatory Event or an Early

Extinction of a Fiduciary Contract Event or an Acceleration Event or pursuant to any of the Additional Terms and Conditions; and (ii) the Swap Agreement will terminate in part (on a *pro rata* basis in a proportion of its nominal amount equal to the proportion that the nominal amount of the relevant Notes being redeemed bears to the aggregate nominal amount of the Notes immediately prior to such redemption) if the Notes are redeemed in part prior to the Maturity Date pursuant to any provision of Condition 7. In the event of an early termination of the Swap Agreement, either party to the Swap Agreement may be liable to pay a termination amount (a **"Termination Amount"**) to the other party in an amount determined in accordance with the provisions of the Swap Agreement.

Neither the Fiduciary nor the Swap Counterparty is obliged under the Swap Agreement to gross up payments to be made by it to the other if withholding taxes are imposed on such payments, but the Swap Agreement is terminable in such event.

To the extent that the Swap Counterparty fails to make payments due to the Fiduciary under the Swap Agreement, the Fiduciary will be unable to make payments due in respect of the Notes.

(e) *Liquidation of Fiduciary Assets*

(1) *Liquidation Period*

If "Maturity Liquidation" is specified as applying in the applicable Pricing Supplement (where "**Maturity Liquidation**" means Liquidation (as defined below) carried out for the purpose of the redemption of the Notes on the Maturity Date) or the Notes are to be redeemed pursuant to Condition 7(b) following a relevant Tax Event, Condition 7(c) following an Illegality/Regulatory Event, Condition 7(e)following an Administrator/Benchmark Event, Condition 10 following the occurrence of an Acceleration Event, Condition 7(d) following the occurrence of an Early Extinction of a Fiduciary Contract Event or pursuant to any of the Additional Terms and Conditions then, in each case, the Selling Agent will on behalf of the Fiduciary (which the Noteholders expressly accept) realise the Fiduciary Assets (other than the Swap Agreement (if any)) (a **"Liquidation"**) as soon as reasonably practicable following the commencement of the relevant Liquidation Period (as defined below) in accordance with paragraph (2) (*Liquidation Period Procedures*) below.

As used in this Condition 4(e):

**"Liquidation Period"** means (i) in relation to a Maturity Liquidation the period from and including the 30th day immediately preceding the Maturity Date to but excluding the second Business Day immediately preceding the Maturity Date unless otherwise specified in the applicable Pricing Supplement or (ii) in relation to a Liquidation following a Tax Event, an Illegality/Regulatory Event, an Administrator/Benchmark Event, an Acceleration Event or an Early Extinction of a Fiduciary Contract Event, the period from and including the occurrence of the relevant Tax Event, Illegality/Regulatory Event, Administrator/Benchmark Event, Acceleration Event or Early Extinction of a Fiduciary Contract Event or other relevant event to and including the second Business Day immediately preceding the relevant Early Redemption Date.

(2) *Liquidation Period Procedures*

The Selling Agent may on behalf of the Fiduciary (which by subscription for, or acquisition of, any Note the Noteholders are deemed to expressly accept and be bound by) take such steps as it considers appropriate in order to effect an orderly Liquidation during the Liquidation Period (so far as is reasonably practicable in the circumstances) but may not delay the realisation of all or part of the Fiduciary Assets beyond the Liquidation Period for any reason, including the possibility of achieving a higher price for any Fiduciary Asset, and will not be

liable to the Noteholders or any other party in any circumstances, including on the grounds that a higher price could have been obtained had any relevant sale of a Fiduciary Asset been delayed. If the Selling Agent, having used reasonable efforts consistent with the accepted market practices in the international financial market, is unable to liquidate all or part of the Fiduciary Assets within the Liquidation Period, the Fiduciary will seek to deliver such assets to Noteholders on *pro rata* basis and will give notice of details of relevant procedures for this in accordance with the provisions of Condition 15 ("*Notices*"). However, the relevant price of such unrealised Fiduciary Assets shall be deemed to be zero for purposes of determining the Realised Amount.

The Selling Agent shall not be liable (i) to account for anything except actual proceeds of the Fiduciary Assets received by it or (ii) for any costs, charges, losses, damages, liabilities or expenses arising from or connected with the Liquidation or from any act or omission in relation to the Fiduciary Assets or otherwise unless such costs, charges, losses, damages, liabilities or expenses are caused by its gross negligence (*faute grave*) or wilful misconduct (*dol*). In addition, the Selling Agent will not be obliged to pay to the Fiduciary or the Noteholders interest on any proceeds from the Liquidation held by it at any time.

In carrying out a Liquidation, the Selling Agent will act in good faith and subject as provided above will sell to or otherwise realise Fiduciary Assets at a price which it reasonably believes to be representative of the price available in the market for the sale of the Fiduciary Assets in the appropriate size taking into account the length of the Liquidation Period and the Fiduciary Assets to be sold during that Liquidation Period.

In carrying out any Liquidation the Selling Agent may sell to or otherwise realise Fiduciary Assets in transactions with itself, the Swap Counterparty, or any Affiliate of the Selling Agent, Swap Counterparty or Fiduciary.

(3) *Selling Agent*

The Selling Agent may be UBS AG, London Branch, Lantern Structured Asset Management Limited or the Swap Counterparty or an Affiliate of the Fiduciary or any other entity (and shall be specified in the relevant Pricing Supplement). The Selling Agent and its Affiliates may enter into any contracts or any other transactions or arrangements with the Fiduciary, the Noteholders, any Fiduciary Asset Obligor or any Affiliate thereof (whether in relation to the Notes or otherwise) and may hold or deal in assets or obligations of the same type as the relevant Fiduciary Assets or any other assets or obligations of any Fiduciary Asset Obligor. The Selling Agent or any of its Affiliates may take such action as they determine appropriate to protect their interests in connection with any such contracts, transactions or arrangements without regard to the consequences thereof for any Noteholder or the Swap Counterparty. The Selling Agent shall not be required to disclose any such contract, transaction or arrangement to the Noteholders and shall be in no way accountable to the Fiduciary or to the Noteholders for any profits or benefits arising in connection therewith.

(f) *Application of Liquidation proceeds following an Illegality/Regulatory Event, an Acceleration Event or other early termination of the Notes*

Unless otherwise provided in the applicable Pricing Supplement, following an Illegality/Regulatory Event or the Notes otherwise becoming subject to early termination under Condition 7 or an Acceleration Event or the Notes becoming subject to termination pursuant to any of the Additional Terms and Conditions, the Fiduciary shall (which by subscription for, or acquisition of, any Note the Noteholders are deemed to expressly accept and be bound by) apply the sum (the "**Realised Amount**") of (a) all monies the Fiduciary receives from the Selling Agent in connection with a Liquidation pursuant to Condition 4(e)

and the Termination Amount in respect of the Swap Agreement, if any (if a positive amount is payable to the Fiduciary), in each case after meeting (i) any taxes required to be paid in connection with the Liquidation, (ii) all fees, costs, charges, expenses and liabilities and other amounts incurred by or payable by the Fiduciary (including to any Agent and/or Dealer) other than any amounts owing as provided for in paragraphs (A) – (D) below and (iii) all fees, costs, charges, expenses, remuneration and liabilities incurred by or payable by the Selling Agent as follows:

(A) If "**Counterparty Priority**" is specified in the applicable Pricing Supplement:

(i) first, *pro rata* in payment of any Termination Amount owing to the Swap Counterparty under the Swap Agreement and any amount owing to the Principal Paying Agent for reimbursement in respect of payment of principal and interest made to holders of Notes;

(ii) secondly, in payment of any amounts owing to the holders of Notes; and

(iii) thirdly, *pro rata* in payment of the balance (if any) to the holders of Notes,

(B) If "**Pari Passu**" is specified in the applicable Pricing Supplement:

(i) first, *pro rata* in payment of any Termination Amount owing to the Swap Counterparty under the Swap Agreement and any amounts owing to the holders of Notes (which shall include any amount owing to the Principal Paying Agent for reimbursement in respect of payment of principal and interest made to holders of Notes); and

(ii) secondly, *pro rata* in payment of the balance (if any) to the holders of Notes.

(C) If "**Noteholder Priority**" is specified in the applicable Pricing Supplement:

(i) first, *pro rata* in payment of any amounts owing to the holders of Notes (which shall include any amount owing to the Principal Paying Agent for reimbursement in respect of payment of principal and interest made to holders of Notes);

(ii) secondly, in payment of any Termination Amount owing to the Swap Counterparty under the Swap Agreement;

(iii) thirdly, *pro rata* in payment of the balance (if any) to the holders of Notes; and

(D) If **Other Priority** is specified in the applicable Pricing Supplement the Fiduciary shall apply the Realised Amount in the manner set out in the applicable Pricing Supplement.

Claims against the Fiduciary by holders of a particular Series of Notes and, if applicable, the Swap Counterparty, will be limited to the Fiduciary Assets and/or Fiduciary Asset Agreements applicable to that Series. If the net proceeds of the enforcement or liquidation of the Fiduciary Assets and/or Fiduciary Asset Agreements for any Series are not sufficient to make all payments which would otherwise be due in respect of the Notes of that Series and, if applicable, due to the Swap Counterparty, then the Realised Amount will be applied in accordance with the priority of payments set out at paragraphs (A), (B), (C) or (D) above, as applicable, and the amounts due to the Noteholders and Swap Counterparty will be calculated

in accordance with the relevant priority of payments (the **Reduced Amounts**). The Fiduciary will then make payment of such Reduced Amounts to each party on the basis payments will first be made to the Swap Counterparty and all other parties excluding the Noteholders and thereafter to Noteholders. No other assets of the Fiduciary will be available to meet any shortfall between the amounts that would otherwise be due but for the application of the relevant priority of payments and the Reduced Amounts and the claims of Noteholders and, if applicable, any such Swap Counterparty, in respect of any such shortfall shall be extinguished and no such party will be able to petition for the winding-up, the liquidation or the bankruptcy of the Fiduciary, or any similar proceedings, as a consequence of any such shortfall.

(g) After having reasonably tried to liquidate the Fiduciary Assets, the Fiduciary may, at its sole discretion, elect to proceed by way of physical settlement, in accordance with Condition 6(h) below, to the extent possible. In such a case, the Fiduciary shall forthwith give not less than 10 (ten) nor more than 30 (thirty) calendar days' notice to (a) the Noteholders (pursuant to Condition 15), which by subscription for, or acquisition of, any Note are deemed to expressly accept and be bound by, (b) the Swap Counterparty (if applicable) and (c) for as long as the Notes are listed on a stock exchange and the rules of such stock exchange so require, such stock exchange. Upon expiry of such notice the Fiduciary shall proceed with the physical settlement of the Fiduciary Assets. Upon receipt of such notice, the relevant Noteholder shall comply and deliver an Asset Transfer Notice.

5. **Interest**

(a) *Interest in connection with Fixed Rate Notes*

Each Fixed Rate Note carries a right to receive periodic distributions out of the assets of the fiduciary estate from (and including) the Interest Commencement Date at the rate(s) per annum equal to the Rate(s) of Interest (such periodic distributions hereinafter referred to as "**interest**"). Interest will be payable in arrears on the Interest Payment Date(s) in each year up to (and including) the Maturity Date.

If the Notes are in definitive form, except as provided in the applicable Pricing Supplement the amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period ending on (but excluding) such date will amount to the Fixed Coupon Amount.

Payments of interest on any Interest Payment Date will, if so specified in the applicable Pricing Supplement, amount to the Broken Amount so specified.

As used in these Conditions, **"Fixed Interest Period"** means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

Except in the case of Notes in definitive form where an applicable Fixed Coupon Amount or Broken Amount is specified in the applicable Pricing Supplement, interest shall be calculated in respect of any period by applying the Rate of Interest to:

(a) in the case of Fixed Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Fixed Rate Notes represented by such Global Note (or, if they are Partly Paid Notes, the aggregate amount paid up); or

(b) in the case of Fixed Rate Notes in definitive form, the Specified Denomination;

and in each case multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such

sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

As used in the Conditions:

**"Day Count Fraction"** means:

In respect of Fixed Rate Notes:

(i) if "**Actual/Actual (ICMA)**" is specified in the applicable Pricing Supplement:

(A) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the **"Accrual Period"**) is equal to or shorter than the Determination Period during which the relevant Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in the applicable Pricing Supplement) that would occur in one calendar year; or

(B) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:

(1) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and

(2) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and

(ii) if **"30/360"** is specified in the applicable Pricing Supplement, the number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360.

**"Determination Period"** means the period from (and including) a Determination Date to but excluding the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date); and

**"sub-unit"** means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, means one cent.

In the case of Floating Rate Notes:

(i) if **"Actual/Actual (ISDA)"** or **"Actual/Actual"** is specified in the applicable Pricing Supplement, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (a) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (b) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);

(ii) if **"Actual/365 (Fixed)"** is specified in the applicable Pricing Supplement, the actual number of days in the Interest Period divided by 365;

(iii) if **"Actual/365 (Sterling)"** is specified in the applicable Pricing Supplement, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;

(iv) if **"Actual/360"** is specified in the applicable Pricing Supplement, the actual number of days in the Interest Period divided by 360;

(v) if **"30/360"**, **"360/360"** or **"Bond Basis"** is specified in the applicable Pricing Supplement, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

Day Count Fraction =

$$\frac{\left[360\times\left(Y_2-Y_1\right)\right]+\left[30\times\left(M_2-M_1\right)\right]+\left(D_2-D_1\right)}{360}$$

where:

"**$Y_1$**" is the year, expressed as a number, in which the first day of the Interest Period falls;

"**$Y_2$**" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"**$M_1$**" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"**$M_2$**" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"**$D_1$**" is the first calendar day, expressed as a number, of the Interest Period, unless such number is 31, in which case $D_1$ will be 30; and

"**$D_2$**" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31 and $D_1$ is greater than 29, in which case $D_2$ will be 30;

(vi) if "**30E/360**" or "**Eurobond Basis**" is specified in the applicable Pricing Supplement, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

Day Count Fraction =

$$\frac{\left[360\times\left(Y_2-Y_1\right)\right]+\left[30\times\left(M_2-M_1\right)\right]+\left(D_2-D_1\right)}{360}$$

where:

"**$Y_1$**" is the year, expressed as a number, in which the first day of the Interest Period falls;

"**$Y_2$**" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"**$M_1$**" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"**$M_2$**" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"**$D_1$**" is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case $D_1$ will be 30; and

"**D2**" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31, in which case $D_2$ will be 30;

(vii) if "**30E/360 (ISDA)**" is specified in the applicable Pricing Supplement, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

Day Count Fraction =

$$\frac{\left[360\times\left(Y_2-Y_1\right)\right]+\left[30\times\left(M_2-M_1\right)\right]+\left(D_2-D_1\right)}{360}$$

where:

"**$Y_1$**" is the year, expressed as a number, in which the first day of the Interest Period falls;

"**$Y_2$**" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"**$M_1$**" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"**$M_2$**" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"**$D_1$**" is the first calendar day, expressed as a number, of the Interest Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case $D_1$ will be 30; and

"**$D_2$**" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case $D_2$ will be 30.

(b) *Interest in connection with Floating Rate Notes and Reference Item Linked Interest Notes*

(i) *Interest Payment Dates*

Each Floating Rate Note and, subject to the provisions of Condition 5(b)(vii) below and unless otherwise specified in the applicable Pricing Supplement, each Reference Item Linked Interest Note carries a right to receive periodic distributions out of the assets of the fiduciary estate from (and including) the Interest Commencement Date (such periodic distributions hereinafter referred to as "**interest**") and such interest will be payable in arrear on either:

(A) the Specified Interest Payment Date(s) in each year specified in the applicable Pricing Supplement; or

(B) if no Specified Interest Payment Date(s) is/are specified in the applicable Pricing Supplement, each date (each such date, together with each Specified Interest Payment Date, an "**Interest Payment Date**") which falls the number of months or other period specified as the Specified Period in the applicable Pricing Supplement after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each Interest Period. In the Conditions, "**Interest Period**" means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

If a Business Day Convention is specified in the applicable Pricing Supplement and (x) if there is no numerically corresponding day on the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

(1) in any case where Specified Periods are specified in accordance with Condition 5(b)(i)(B) above, the Floating Rate Convention, such Interest Payment Date (i) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (B) below shall apply *mutatis mutandis* or (ii) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (A) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (B) each subsequent Interest Payment Date shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Interest Payment Date occurred; or

(2) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day; or

(3) the Modified Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or

(4) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

As used in the Conditions, **"Business Day"** means a day which is both:

(A) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London, Luxembourg and any Additional Business Centre specified in the applicable Pricing Supplement; and

(B) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney or Auckland, respectively) or (2) in relation to any sum payable in euro, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System (the **"TARGET2 System"**) is open.

(ii) *Rate of Interest*

The Rate of Interest payable from time to time in respect of Floating Rate Notes and Reference Item Linked Interest Notes will be determined in the manner specified in the applicable Pricing Supplement.

*(A) ISDA Determination for Floating Rate Notes*

Where ISDA Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Pricing Supplement) the Margin (if any). For the purposes of this sub-paragraph (A), **"ISDA Rate"** for an Interest Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under an interest rate swap transaction if the Calculation Agent were acting as calculation agent for that swap transaction under the terms of an agreement incorporating the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. and as amended and updated as at the Issue Date of the first Tranche of the Notes, (the **"ISDA Definitions"**) and under which:

(1) the Floating Rate Option is as specified in the applicable Pricing Supplement;

(2) the Designated Maturity is a period specified in the applicable Pricing Supplement; and

(3) the relevant Reset Date is the day specified in the applicable Pricing Supplement.

For the purposes of this sub-paragraph (A), **"Floating Rate", "Floating Rate Option"**, **"Designated Maturity"** and "**Reset Date"** have the meanings given to those terms in the ISDA Definitions.

Unless otherwise stated in the applicable Pricing Supplement, the Minimum Rate of Interest shall be deemed to be zero.

*(B) Screen Rate Determination for Floating Rate Notes*

Where Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will, subject as provided below, be either:

(1) the offered quotation; or

(2) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at 11.00 a.m. (London time, in the case of LIBOR, or Brussels time, in the case of EURIBOR) on the Interest Determination Date in question plus or minus (as indicated in the applicable Pricing Supplement) the Margin (if any), all as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

The Agency Agreement contains provisions for determining the Rate of Interest in the event that the Relevant Screen Page is not available or if, in the case of (1) above, no such offered quotation appears or, in the case of (2) above, fewer than three such offered quotations appear, in each case as at the time specified in the preceding paragraph.

If the Reference Rate from time to time in respect of Floating Rate Notes is specified in the applicable Pricing Supplement as being other than LIBOR or EURIBOR, the Rate of Interest in respect of such Notes will be determined as provided in the applicable Pricing Supplement.

(iii) *Minimum Rate of Interest and/or Maximum Rate of Interest*

If the applicable Pricing Supplement specifies a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (ii) above is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest.

If the applicable Pricing Supplement specifies a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (ii) above is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

(iv) *Determination of Rate of Interest and calculation of Interest Amounts*

The Calculation Agent will, at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period. In the case of Reference Item Linked Interest Notes, the Calculation Agent will notify the Principal Paying Agent of the Rate of Interest for the relevant Interest Period as soon as practicable after calculating the same.

The Calculation Agent will calculate the amount of interest (the "**Interest Amount**") payable on the Floating Rate Notes or Reference Item Linked Interest Notes for the relevant Interest Period by applying the Rate of Interest:

(A) in the case of Floating Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Notes represented by such Global Note (or, if they are Partly Paid Notes, the aggregate amount paid up); or

(B) in the case of Floating Rate Notes in definitive form, the Specified Denomination;

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

(v) *Notification of Rate of Interest and Interest Amounts*

The Principal Paying Agent will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Fiduciary and any stock exchange on which the relevant Floating Rate Notes or Reference Item Linked Interest Notes are for the time being listed and notice thereof to be published in accordance with Condition 15 as soon as possible after their determination, but in no event later than the fourth London Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to each stock exchange on which the relevant Floating Rate Notes or Reference Item Linked Interest Notes are for the time being listed and to the Noteholders in accordance with Condition 15. For the purposes of these Conditions, the expression "**London Business Day**" means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for general business in London.

(vi) *Certificates to be final*

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 5(b), whether by the Principal Paying Agent or, if applicable, the Calculation Agent, shall (in the absence of wilful misconduct (*dol*), bad faith or manifest error) be binding on the Fiduciary, the Principal Paying Agent, the Calculation Agent (if applicable), the other Agents, the Swap Counterparty and all Noteholders and (in the absence as aforesaid) no liability to the Fiduciary, the Noteholders or the Swap Counterparty shall attach to the Principal Paying Agent or the Calculation Agent (if applicable) in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

(vii) *Interest on Reference Item Linked Interest Notes*

In the case of Reference Item Linked Interest Notes, where the Rate of Interest and/or the Interest Amount (whether on any Interest Payment Date, early redemption or maturity or otherwise) falls to be determined by reference to one or more indices, exchange-traded funds, shares, fund shares, units or interests, fund indices or other synthetic indices (or any combination thereof) and/or otherwise, the Rate of Interest and/or the Interest Amount shall be determined in the manner specified in the applicable Pricing Supplement.

(c) *Interest in connection with Dual Currency Interest Notes*

The rate or amount of interest applicable in relation to amounts of interest payable in connection with Dual Currency Interest Notes shall be determined in the manner specified in the applicable Pricing Supplement.

(d) *Interest on Partly Paid Notes*

In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will be calculated as aforesaid by reference to the paid up nominal amount of such Notes and otherwise as specified in the applicable Pricing Supplement.

(e) *Accrual of interest*

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest from the date for its redemption unless payment of principal is improperly withheld or refused. In such event, interest will continue to accrue until whichever is the earlier of:

(1) the date on which all amounts due in respect of such Note have been paid and/or all assets deliverable in respect of such Note have been delivered; and

(2) five days after the date on which the full amount of the moneys payable in respect of such Note has been received by the Registrar and/or all assets in respect of such Note have been received by any agent appointed by the Fiduciary to deliver such assets to Noteholders and notice to that effect has been given to the Noteholders in accordance with Condition 15.

6. **Payments and Physical Delivery**

(a) *General*

Following the relevant Issue Date of the Series of Notes and payment of the relevant Issue Price(s) by Noteholders neither the Fiduciary nor any Paying Agent shall exercise any lien, right of set off or similar claim (including, for the avoidance of doubt, legal set-off) against any Noteholder to whom it makes any payment of principal, interest or any other sums due or any delivery to be performed in respect of the Notes. No commission or expense shall be charged by the Fiduciary or any Paying Agent to any Noteholder in connection with any such payment or delivery ; and, save as may be taken into account in amounts which Noteholders may pay for the purchase of Notes, none of the Fiduciary, the Principal Paying Agent or any Paying Agent shall be entitled to receive any remuneration directly from any Noteholder in respect of the performance of their obligations in relation to the Notes, the Fiduciary Asset Agreements or any other Fiduciary Assets.

For the avoidance of doubt, the Fiduciary shall, on any date on which an amount of interest, principal or other sum becomes due, be obliged to make the physical delivery or payment of the relevant amounts due in respect of the Notes if, and only to the extent of, the Fiduciary's due and timely receipt of corresponding amounts in respect of the relevant Fiduciary Asset Agreements or Fiduciary Assets, and the Fiduciary shall be discharged of its obligation to make payments of interest and/or principal (as the case may be) to the extent of the payments so made.

Unless otherwise specifically provided in the applicable Pricing Supplement, no amount of interest will be payable in respect of the Notes on any early termination of the Notes prior to the Maturity Date. For such purposes interest will be deemed not to have accrued since the previous Interest Payment Date, or, if none, the Issue Date.

(b) *Method of Payment*

Subject as provided below:

(i) payments in a Specified Currency other than euro will be made by credit or transfer to an account in the relevant Specified Currency maintained by the payee with, or, at the option of the payee, by a cheque in such Specified Currency drawn on, a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney or Auckland, respectively); and

(ii) payments in euro will be made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque.

Payments will be subject in all cases to (i) any fiscal or other laws, regulations and directives applicable thereto in the place of payment, (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto and (iii) any withholding or deduction required pursuant to Section 871(m) of the Code ("**871(m) Withholding**"). Other than as provided herein, no commission or expenses shall be charged to the Noteholders in respect of such payments**.** In addition, in determining the amount of 871(m) Withholding imposed with respect to any amounts to be paid on the Notes, the Fiduciary shall be entitled to withhold on any "dividend equivalent" (as defined for purposes of Section 871(m) of the Code) at the highest rate applicable to such payments regardless of any exemption from, or reduction in, such withholding otherwise available under applicable law.

Payments on the Notes that reference U.S. securities or an index that includes U.S. securities may be calculated by reference to dividends on such U.S. securities that are reinvested at a rate of 70%. In such case, in calculating the relevant payment amount, such payment will reflect the gross dividend payment paid by the issuer of the referenced securities less applicable withholding tax amounts in respect of such gross dividends, which in the case of U.S. source dividends, will be paid by or on behalf of the Fiduciary, in its capacity as a withholding agent, to the U.S. Internal Revenue Service (the "**IRS**") in accordance with section 871(m) of the Code and applicable guidance ("**Section 871(m) Regulations**"). The Fiduciary will not pay any additional amounts to the holder on account of the Section 871(m) amount withheld.

(c) *Payments in respect of Notes*

Payments of principal (other than instalments of principal prior to the final instalment) in respect of each Note (whether or not in global form) will be made against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the Note at the specified office of the Registrar or any of the Paying Agents. Such payments will be made by transfer to the Designated Account (as defined below) of the holder (or the first named of joint holders) of the Note appearing in the Register at the close of business on the third business day (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar is located) before the relevant due date. Notwithstanding the previous sentence, if (i) a holder does not have a Designated Account or (ii) the nominal amount of the Notes held by a holder is less than U.S.$250,000 (or its approximate equivalent in any other Specified Currency), payment will instead be made by a cheque in the Specified Currency drawn on a Designated Bank (as defined below). For these purposes, "**Designated Account**" means the account (which, in the case of a payment in Japanese yen to a non-resident of Japan, shall be a non-resident account) maintained by a holder with a Designated Bank and identified as such in the Register, and "**Designated Bank**" means (in the case of payment in a Specified Currency other than euro) a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney or Auckland, respectively) and (in the case of a payment in euro) any bank which processes payments in euro.

Payments of interest and payments of instalments of principal (other than the final instalment) in respect of each Note (whether or not in global form) will be made by a cheque in the Specified Currency drawn on a Designated Bank and mailed by uninsured mail on the business day in the city where the specified office of the Registrar is located immediately preceding the relevant due date to the holder (or the first named of joint holders) of the Note appearing in the Register at the close of business on the fifteenth day (whether or not such fifteenth day is a business day) before the relevant due date (the "**Record Date**") at his address shown in the Register on the Record Date and at his risk. Notwithstanding the foregoing, for as long as the Notes are represented by a Global Note, the Record Date will be the Business Day immediately before the relevant due date. Upon application of the holder to the specified office of the Registrar not less than three business days in the city where the specified office of the Registrar is located before the due date for any payment of interest in respect of a Note, the payment may be made by transfer on the due date in the manner provided in the preceding paragraph. Any such application for transfer shall be deemed to relate to all future payments of interest (other than interest due on redemption) and instalments of principal (other than the final instalment) in respect of the Notes which become payable to the holder who has made the initial application until such time as the Registrar is notified in writing to the contrary by such holder. Payment of the interest due in respect of each Note on redemption and the final instalment of principal will be made in the same manner as payment of the nominal amount of such Note.

Holders of Notes will not be entitled to any interest or other payment for any delay in receiving any amount due in respect of any Note as a result of a cheque posted in accordance with this Condition arriving after the due date for payment or being lost in the post. No commissions or expenses shall be charged to such holders by the Registrar in respect of any payments of principal or interest in respect of the Notes.

None of the Fiduciary or the Agents will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

(d) *General provisions applicable to payments*

The holder of a Global Note shall be the only person entitled to receive payments in respect of Notes represented by such Global Note, and the Fiduciary will be discharged by payment to, or to the order of, the holder of such Global Note in respect of each amount so paid. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the beneficial holder of a particular nominal amount of Notes represented by such Global Note must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for his share of each payment so made by the Fiduciary to, or to the order of, the holder of such Global Note.

(e) *Payment Day*

If the date for payment of any amount in respect of any Note is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, "**Payment Day**" means any day which (subject to Condition 9) is:

(i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in:

(A) the relevant place of presentation;

(B) London and Luxembourg; and

(C) each Additional Financial Centre specified in the applicable Pricing Supplement; and

(ii) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than the place of presentation, London and any Additional Financial Centre and which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney or Auckland, respectively) or (2) in relation to any sum payable in euro, a day on which the TARGET2 System is open.

(f) *Interpretation of principal and interest*

Any reference in the Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

(i) the Final Redemption Amount of the Notes;

(ii) the Call Optional Redemption Amount(s) (if any) of the Notes;

(iii) the Put Optional Redemption Amount(s) (if any) of the Notes;

(iv) in relation to Notes redeemable in instalments, the Instalment Amounts; and

(v) any premium and any other amounts (other than interest) which may be payable by the Fiduciary under or in respect of the Notes.

(g) *Residual Amounts*

If any amount due to be paid to a Noteholder in respect of a Note is lower than the sub-unit (as defined in Condition 5(a) above) of the relevant Specified Currency or if the transactional costs that would be incurred in order to make the relevant payment to a Noteholder exceed the amount available for distribution, such amount shall not be paid to the relevant Noteholder but will instead be kept by the Fiduciary. After the redemption of all the Notes of the relevant Series, any such residual amounts will become part of the personal estate of UBS (Luxembourg) Issuer SA.

(h) *Physical Delivery*

If any Notes are to be redeemed by delivery of the Fiduciary Assets (the "**Asset Amount**"), in order to obtain delivery of the Asset Amount(s) in respect of any Note:

(A) if such Note is represented by a Global Note, the relevant Noteholder must deliver to Euroclear or Clearstream, Luxembourg (as applicable), with a copy to the Fiduciary not later than the close of business in each place of reception on the Cut-Off Date, a duly completed Asset Transfer Notice substantially in the form set out in the Agency Agreement (the "**Asset Transfer Notice**"); and

(B) if such Note is in definitive form, the relevant Noteholder must deliver to the Registrar or any Paying Agent with a copy to the Fiduciary not later than the close of business in each place of reception on the Cut-Off Date, a duly completed Asset Transfer Notice.

Forms of the Asset Transfer Notice may be obtained during normal business hours from the specified office of the Registrar or any Paying Agent.

If this Note is in definitive form, this Note must be delivered together with the duly completed Asset Transfer Notice.

An Asset Transfer Notice may only be delivered (i) if such Note is represented by a Global Note, in such manner as is acceptable to Euroclear or Clearstream, Luxembourg, as the case may be or (ii) if such Note is in definitive form, in writing.

The delivery of the Asset Amount shall be made in the manner specified in the applicable Pricing Supplement or in such other commercially reasonable manner as the Fiduciary shall, in its sole discretion, determine to be appropriate for such delivery and shall notify to the Noteholders in accordance with Condition 15.

All expenses including any applicable depositary charges, transaction or exercise charges, stamp duty, stamp duty reserve tax and/or other taxes or duties (together "**Delivery Expenses**") arising from the delivery and/or transfer of any Asset Amount or the delivery and/or transfer of any related amounts in respect of the Fiduciary Assets shall be for the account of the relevant Noteholder and no delivery and/or transfer of any Asset Amount shall be made until all Delivery Expenses have been paid to the satisfaction of the Fiduciary by the relevant Noteholder.

An Asset Transfer Notice must:

(1) specify the name and address of the relevant Noteholder, any details required for delivery as set out in the applicable Pricing Supplement, any nominee to which delivery is to be made and the person from whom the Fiduciary may obtain details for

the delivery of the Asset Amount if such delivery is to be made otherwise than in the manner specified in the applicable Pricing Supplement;

(2) specify the series number of the Notes and the number of Notes which are the subject of such notice;

(3) in the case of Notes represented by a Global Note, specify the nominal amount of Notes which are the subject of such notice and the number of the Noteholder's account at Euroclear or Clearstream, Luxembourg, as the case may be, to be debited with such Notes and irrevocably instruct and authorise Euroclear or Clearstream, Luxembourg, as the case may be, to debit the relevant Noteholder's account with such Notes on or before the Maturity Date;

(4) include an undertaking to pay all Delivery Expenses and, in the case of Notes represented by a Global Note, an authority to debit a specified account of the Noteholder at Euroclear or Clearstream, Luxembourg, as the case may be, in respect thereof and to pay such Delivery Expenses;

(5) specify an account to which any interest, dividends or other distributions payable pursuant to the Conditions or any other cash amounts specified in the applicable Pricing Supplement as being payable are to be paid;

(6) certify that the beneficial owner of each Note is not a U.S. Person (as defined in the Asset Transfer Notice), the Note is not being redeemed within the United States nor on behalf of a U.S. Person and no cash, securities or other property have been or will be delivered within the United States or to, or for the account or benefit of, a U.S. Person in connection with any redemption thereof. For these purposes, a "U.S. Person" means a person that is one or more of the following: (1) a person who comes within any definition of "U.S. person" for the purposes of the CEA or any rule, guidance or order proposed or issued by the CFTC thereunder (including but not limited to any person who is not a "Non-United States person" under CFTC Rule 4.7(a)(1)(iv) (excluding for purposes of subsection (D) thereof, the exception for qualified eligible persons who are not "Non-United States persons")); and

(7) authorise the production of such notice in any applicable administrative or legal proceedings.

No Asset Transfer Notice may be withdrawn after receipt thereof by Euroclear, Clearstream, Luxembourg, the Registrar or a Paying Agent, as the case may be, as provided above. After delivery of an Asset Transfer Notice, the relevant Noteholder may not transfer the Notes which are the subject of such notice.

In the case of Notes represented by a Global Note, upon receipt of such notice, Euroclear or Clearstream, Luxembourg, as the case may be, shall verify that the person specified therein as the Noteholder is the holder of the specified nominal amount of Notes according to its books.

Failure properly to complete and deliver an Asset Transfer Notice may result in such notice being treated as null and void. Any determination as to whether such notice has been properly completed and delivered as provided in the Conditions shall be made, in the case of Notes represented by a Global Note, by Euroclear or Clearstream, Luxembourg, as the case may be, after consultation with the Fiduciary, and shall be conclusive and binding on the Fiduciary and the relevant Noteholder and, in the case of Notes in definitive form, by the relevant Paying Agent or Registrar, as the case may be, after consultation with the Fiduciary, and shall be conclusive and binding on the Fiduciary and the relevant Noteholder.

Subject as provided in this Condition 6, in relation to each Note which is to be redeemed by delivery of the Asset Amount, the Asset Amount will be delivered at the risk of the relevant Noteholder, in the manner provided above on the Maturity Date or relevant Fiduciary Asset Delivery/Payment Date if Condition 7(h) applies (such date, subject to adjustment in accordance with this Condition 6 or as provided in Condition 7(h) the "**Delivery Date**"), provided that the Asset Transfer Notice is duly delivered to Euroclear, Clearstream, Luxembourg, the Registrar or a Paying Agent, as the case may be, with a copy to the Fiduciary, as provided above, not later than the close of business in each place of receipt on the Cut-Off Date.

If an Asset Transfer Notice is delivered to Euroclear, Clearstream, Luxembourg, the Registrar or a Paying Agent, as the case may be, with a copy to the Fiduciary, later than the close of business in each place of receipt on the Cut-Off Date, then the Asset Amount will be delivered as soon as practicable after the Maturity Date (in which case, such date of delivery shall be the Delivery Date) at the risk of such Noteholder in the manner provided above. For the avoidance of doubt, in such circumstances such Noteholder shall not be entitled to any payment, whether of interest or otherwise, in the event of such Delivery Date falling after the originally designated Delivery Date and no liability in respect thereof shall attach to the Fiduciary.

If, prior to the delivery of the Asset Amount in accordance with this Condition 6, a Settlement Disruption Event is subsisting, then the Delivery Date in respect of such Note shall be postponed until the date on which no Settlement Disruption Event is subsisting and notice thereof shall be given to the relevant Noteholder, in accordance with Condition 15. Such Noteholder shall not be entitled to any payment, whether of interest or otherwise, on such Note in the event of any delay in the delivery of the Asset Amount pursuant to this paragraph and no liability in respect thereof shall attach to the Fiduciary.

For so long as delivery of the Asset Amount in respect of any Note is not practicable by reason of a Settlement Disruption Event, or because compliance with any laws or regulations applying to the delivery of the Asset Amount is not practicable then in lieu of physical settlement and notwithstanding any other provision hereof, the Fiduciary may elect in its sole discretion to satisfy its obligations in respect of the relevant Note by payment to the relevant Noteholder of the Disruption Cash Settlement Price not later than on the third Business Day following the date that the notice of such election (the "**Election Notice**") is given to the Noteholders in accordance with Condition 15. Payment of the Disruption Cash Settlement Price will be made in such manner as shall be notified to the Noteholders in accordance with Condition 15.

For such period of time after the Maturity Date or relevant Fiduciary Asset Delivery/Payment Date if Condition 7(h) applies as the Fiduciary or any person on behalf of the Fiduciary shall continue to be the legal owner of the securities comprising the Asset Amount (the "**Intervening Period**"), neither the Fiduciary nor any other such person shall (i) be under any obligation to deliver or procure delivery to the relevant Noteholder or any subsequent beneficial owner of such Note any letter, certificate, notice, circular or any other document or payment whatsoever received by that person in its capacity as the holder of such Note, (ii) be under any obligation to exercise or procure exercise of any or all rights (including voting rights) attaching to such securities during the Intervening Period or (iii) be under any liability to the relevant Noteholder or any subsequent beneficial owner of such Note in respect of any loss or damage which the relevant Noteholder or subsequent beneficial owner may sustain or suffer as a result, whether directly or indirectly, of that person being the legal owner of such Notes during such Intervening Period.

Where the Asset Amount is, in the determination of the Fiduciary, an amount other than an amount of relevant Assets capable of being delivered, the Noteholders will receive an Asset

Amount comprising of the nearest number (rounded down) of relevant Assets capable of being delivered by the Fiduciary (taking into account that a Noteholder's entire holding of Notes may be aggregated at the Fiduciary's discretion for the purpose of delivering the Asset Amounts) and an amount in the Specified Currency which shall be the value of the amount of the Relevant Assets so rounded down, as calculated by the Calculation Agent in its sole discretion from such source(s) as it may select (converted if necessary into the Specified Currency by reference to such exchange rate as the Calculation Agent deems appropriate). Payment will be made in such manner as shall be notified to the Noteholders in accordance with Condition 15.

For the purposes of this Condition 6(h):

"**Disruption Cash Settlement Price**" means an amount equal to the fair market value of the relevant Note (taking into account all amounts paid or delivered in respect of the Notes) on such day as shall be selected by the Fiduciary in its sole and absolute discretion provided that such day is not more than 15 Business Days before the date that the Election Notice is given as provided above adjusted to take account fully for any losses, expenses and costs to the Fiduciary and/or any Affiliate of the Fiduciary of unwinding or adjusting any underlying or related hedging arrangements (including but not limited to any options or selling or otherwise realising any Relevant Asset or other instruments of any type whatsoever which the Fiduciary and/or any of its Affiliates may hold as part of such hedging arrangements), all as calculated by the Calculation Agent in its sole and absolute discretion; and

"**Settlement Disruption Event**" means an event beyond the control of the Fiduciary as a result of which, in the opinion of the Calculation Agent, delivery of the Asset Amount by or on behalf of the Fiduciary, in accordance with the Conditions and/or the applicable Pricing Supplement is not practicable.

(i) *Noteholder Option to Vary Settlement*

If "Physical Settlement" is specified as Not Applicable and "Noteholder Option to vary Settlement" is specified as Applicable in the applicable Pricing Supplement, 100 % of Noteholders (acting together) have an option to vary settlement in respect of the Notes. Provided that all Noteholders give notice to the Fiduciary requesting this, the Noteholders may, in respect of each such Note, elect not to receive the Final Redemption Amount from the Fiduciary but, in lieu thereof to receive physical delivery of the Asset Amount on the Maturity Date from the Fiduciary. Any notification of such election must be given by 100 % of Noteholders to the Fiduciary in accordance with Condition 15 in such case no later than the $10^{th}$ Business Day prior to the Maturity Date. In addition Noteholders will be required to observe the requirements of Condition 6(h).

## 7. Redemption and Purchase

(a) *Redemption at maturity and other cases*

Unless previously redeemed or purchased and cancelled as specified below, each Note will be redeemed by the Fiduciary at its Final Redemption Amount specified in, or determined in the manner specified in, the applicable Pricing Supplement in the relevant Specified Currency on the Maturity Date. Each Noteholder will also be entitled to receive its *pro rata* share of the residue (if any) of the Fiduciary Assets and sums due to the Fiduciary under the Fiduciary Asset Agreements (if any) after payment of all Final Redemption Amount(s) or other amounts due on any redemption or early redemption of the Notes and all sums owing by the Fiduciary under each Fiduciary Asset Agreement or any other arrangement in respect of the Notes has been made in full.

(b) *Redemption for taxation reasons (Tax Event)*

(i) A "**Tax Event"** will be deemed to occur if (1) the Fiduciary, on the occasion of the next payment due in respect of the Notes, would be required by law to withhold or account for tax, duty, withholding or other payment amount in respect of such payment or (2) the Fiduciary would suffer tax in respect of its income or receipt of payments under any Fiduciary Asset Agreement or Fiduciary Asset or (3) on the occasion of the next payment due in respect of any Fiduciary Asset Agreement, the Fiduciary would be required by law to withhold or account for tax in respect of such payment, which in the case of (1), (2) or (3) may include the deduction of tax from such payments or, include any withholding or deduction required (a) pursuant to an agreement described in Section 1471(b) of the Code or any withholding or deduction otherwise imposed pursuant to Sections 1471 through 1474 of the Code and any regulations or agreements thereunder or official interpretations thereof ("**FATCA Withholding Tax**") or (b) pursuant to Section 871(m) of the Code.

(ii) If a Tax Event occurs, the Fiduciary shall so inform the Principal Paying Agent, the Calculation Agent and the Swap Counterparty. In such case, where paragraph (i)(1) above applies or, provided that Fiduciary Asset/Agreement Tax Event is specified as Applicable in the applicable Pricing Supplement, where paragraph (i)(2) or (i)(3) above applies, the Fiduciary has the right, at its sole option, to elect to redeem the Notes in accordance with (iii) below.

(iii) Where the Fiduciary elects to redeem the Notes in accordance with (ii) above, the Fiduciary having given not less than 10 (ten) nor more than 30 (thirty) calendar days' notice to Noteholders in accordance with Condition 15 ("*Notices*"), the Swap Counterparty (if applicable) and, for as long as the Notes are listed on a stock exchange and the rules of such stock exchange so require, such stock exchange (which notice shall be irrevocable), will, on expiry of such notice redeem all, but not some only, of the Notes on the Early Redemption Date (the "**Early Redemption Date**") specified in such notice, each Note of a nominal amount equal to the Specified Denomination being redeemed at such nominal amount or such other amount as may be specified in the applicable Pricing Supplement. In such circumstances, the provisions of Condition 4(e) shall apply.

(c) *Redemption for Illegality/Regulatory Event*

In the event that the Calculation Agent determines (which by subscription for, or acquisition of, any Note the Noteholders are deemed to expressly accept and be bound by) in good faith that:

(i) the performance of the Fiduciary's obligations under the Notes or in respect of any Fiduciary Asset or any arrangement made in relation to the Fiduciary Assets has or will become unlawful, illegal or otherwise prohibited in whole or in part as a result of compliance with any applicable present or future law, rule, regulation, judgment, order or directive, guidance or similar of any governmental, administrative, legislative or judicial authority or power, or in the interpretation thereof and/or the Fiduciary is no longer qualified and authorised to act as a fiduciary under the Law, as determined by the Calculation Agent, and/or

(ii) the application, publication, announcement, implementation, enforcement or interpretation of any applicable present or future law, rule, regulation, judgment, order or directive, guidance or similar (whether applied, published, announced, implemented, brought into force or interpreted prior to, or following, the issuance of the Notes), is such that (in the determination of the Calculation Agent based on an assumption that none of the Fiduciary, the Arranger or any of their Affiliates or any Agent will be required to incur any expense or suffer any loss) the Fiduciary, the Arranger or any of their respective Affiliates and/or any Agent in each case acting in any capacity is unable or could reasonably be expected to be unable to comply with

such law, rule, regulation, judgment, order or directive, guidance or similar, to the extent applicable to or related to the Notes or arrangements in respect of the Notes,

the Calculation Agent shall promptly notify the Fiduciary (where the Calculation Agent and the Fiduciary are different legal entities) and the Fiduciary having given not less than 10 (ten) nor more than 30 (thirty) calendar days' notice to Noteholders in accordance with Condition 15 ("*Notices*"), the Swap Counterparty (if applicable) and, for as long as the Notes are listed on a stock exchange and the rules of such stock exchange so require, such stock exchange (which notice shall be irrevocable), may (at its option), on expiry of such notice redeem all, but not some only, of the Notes on the Early Redemption Date (the "**Early Redemption Date**") specified in such notice, each Note of a nominal amount equal to the Specified Denomination being redeemed at such nominal amount or such other amount as may be specified in the applicable Pricing Supplement. In such circumstances, the provisions of Condition 4(e) shall apply. (i) and (ii) above are each an "**Illegality/Regulatory Event**".

(d) *Redemption for an Early Extinction of a Fiduciary Contract Event*

In the event that the Calculation Agent determines (which by subscription for, or acquisition of, any Note the Noteholders are deemed to expressly accept and be bound by) in good faith, that an Early Extinction of a Fiduciary Contract Event has occurred, the Calculation Agent shall promptly notify the Fiduciary (where the Calculation Agent and the Fiduciary are different legal entities) and the Fiduciary having given not less than 10 (ten) nor more than 30 (thirty) calendar days' notice to Noteholders in accordance with Condition 15 ("Notices"), the Swap Counterparty (if applicable) and, for as long as the Notes are listed on a stock exchange and the rules of such stock exchange so require, such stock exchange (which notice shall be irrevocable), may (at its option), on expiry of such notice redeem all, but not some only, of the Notes on the Early Redemption Date (the "**Early Redemption Date**") specified in such notice, each Note of a nominal amount equal to the Specified Denomination being redeemed at such nominal amount or such other amount as may be specified in the applicable Pricing Supplement.

For the purposes of this condition (d):

"**Early Extinction of a Fiduciary Contract Event**" means that an early extinction of the Fiduciary Contract has been ordered by a court on serious grounds on the application of the Noteholder, the Fiduciary or any third party.

(e) *Redemption for an Administrator/Benchmark Event*

In the event that an Administrator/Benchmark Event occurs, the Fiduciary may (at its option):

(i) instruct the Calculation Agent to make such adjustment to the conditions of the Notes as it may determine appropriate to account for the relevant event or circumstance; or

(ii) having given not less than 10 (ten) nor more than 30 (thirty) calendar days' notice to Noteholders in accordance with Condition 15 ("*Notices*"), the Swap Counterparty (if applicable) and, for as long as the Notes are listed on a stock exchange and the rules of such stock exchange so require, such stock exchange (which notice shall be irrevocable), on expiry of such notice redeem all, but not some only, of the Notes on the Early Redemption Date (the "**Early Redemption Date**") specified in such notice, each Note of a nominal amount equal to the Specified Denomination being redeemed at such nominal amount or such other amount as may be specified in the applicable Pricing Supplement. In such circumstances, the provisions of Condition 4(e) shall apply.

For the purposes of this Condition 7 (e):

"**Administrator/Benchmark Event**" means, in relation to any Regulated Benchmark, the occurrence of a Benchmark Modification or Cessation Event, a Non-Approval Event, a Rejection Event or a Suspension/Withdrawal Event.

"**Benchmark Modification**" or "**Cessation Event**" means, in respect of the Regulated Benchmark:

(i) any material change in such Regulated Benchmark; or

(ii) the permanent cancellation or cessation in the provision of such Regulated Benchmark.

"**BMR**" means the EU Benchmark Regulation (Regulation (EU) 2016/1011).

"**Non-Approval Event**" means, in respect of the Regulated Benchmark:

(i) any authorisation, registration, recognition, endorsement, equivalence or approval in respect of the Regulated Benchmark or the administrator of the Regulated Benchmark is not obtained;

(ii) the Regulated Benchmark or the administrator of the Regulated Benchmark is not included in an official register; or

(iii) the Regulated Benchmark or the administrator of the Regulated Benchmark does not fulfil any legal or regulatory requirement applicable to the Fiduciary, the Calculation Agent or the Regulated Benchmark,

in each case, as required under any applicable law or regulation in order for any of the Fiduciary, the Calculation Agent or any other entity to perform its obligations in respect of the Notes. For the avoidance of doubt, a Non-Approval Event shall not occur if the Regulated Benchmark or the administrator of the Regulated Benchmark is not included in an official register because its authorisation, registration, recognition, endorsement, equivalence or approval is suspended if, at the time of such suspension, the continued provision and use of the Regulated Benchmark is permitted in respect of the Notes under the applicable law or regulation during the period of such suspension.

"**Regulated Benchmark**" means any figure which is a benchmark as defined in BMR and where any amount payable under the Notes, or the value of the Notes, is determined by reference to such figure, all as determined by the Calculation Agent.

"**Rejection Event**" means, in respect of the Regulated Benchmark, the relevant competent authority or other relevant official body rejects or refuses any application for authorisation, registration, recognition, endorsement, equivalence, approval or inclusion in any official register which, in each case, is required in relation to the Regulated Benchmark or the administrator of the Regulated Benchmark under any applicable law or regulation for any of the Fiduciary, the Calculation Agent or any other entity to perform its obligations in respect of the Notes.

"**Suspension/Withdrawal Event**" means, in respect of the Regulated Benchmark:

(i) the relevant competent authority or other relevant official body suspends or withdraws any authorisation, registration, recognition, endorsement, equivalence decision or approval in relation to the Regulated Benchmark or the administrator of the Regulated Benchmark which is required under any applicable law or regulation in order for any of the Fiduciary, the Calculation Agent or any other entity to perform its obligations in respect of the Notes; or

(ii) the Regulated Benchmark or the administrator of the Regulated Benchmark is removed from any official register where inclusion in such register is required under any applicable law in order for any of the Fiduciary, the Calculation Agent or any other entity to perform its obligations in respect of the Notes.

For the avoidance of doubt, a Suspension/Withdrawal Event shall not occur if such authorisation, registration, recognition, endorsement, equivalence decision or approval is suspended or where inclusion in any official register is withdrawn if, at the time of such suspension or withdrawal, the continued provision and use of the Regulated Benchmark is permitted in respect of the Notes under the applicable law or regulation during the period of such suspension or withdrawal.

(f) *Redemption at the option of the Fiduciary (Fiduciary Call)*

If Fiduciary Call is specified as applicable in the applicable Pricing Supplement, the Fiduciary may, having given not less than 10 days' notice, or such other notice period as may be specified, to the Principal Paying Agent and the Registrar, the Swap Counterparty and the Noteholders in accordance with Condition 15 ("*Notices*") (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem all or some only of the Notes then outstanding on any Call Optional Redemption Date at the amounts specified in, or determined in the manner specified in, the applicable Pricing Supplement. Any such redemption must be of a nominal amount not less than the Minimum Redemption Amount and/or not more than the Higher Redemption Amount in each case as may be specified in the applicable Pricing Supplement. In the case of a partial redemption of Notes, the Notes to be redeemed ("**Redeemed Notes**") will be selected individually by lot, in the case of Redeemed Notes represented by definitive Notes, and in accordance with the rules of Euroclear and/or Clearstream, Luxembourg, in the case of Redeemed Notes represented by a Global Note, not more than 30 (thirty) calendar days prior to the date fixed for redemption (such date of selection, the "**Selection Date**"). In the case of Redeemed Notes represented by definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 15 ("*Notices*") not less than 5 calendar days prior to the date fixed for redemption. The aggregate nominal amount of Redeemed Notes represented by definitive Notes shall bear the same proportion to the aggregate nominal amount of all Redeemed Notes as the aggregate nominal amount of definitive Notes outstanding bears to the aggregate nominal amount of the Notes outstanding, in each case on the Selection Date, provided that such first mentioned nominal amount shall, if necessary, be rounded downwards to the nearest integral multiple of the Specified Denomination, and the aggregate nominal amount of Redeemed Notes represented by a Global Note shall be equal to the balance of the Redeemed Notes. No exchange of the relevant Global Note will be permitted during the period from (and including) the Selection Date to (and including) the date fixed for redemption pursuant to this Condition 7 ("*Redemption and Purchase*").

(g) *Redemption at the option of the Noteholders (Investor Put)*

If Investor Put is specified as applicable in the applicable Pricing Supplement, upon the holder of any Note giving to the Fiduciary in accordance with Condition 15 ("*Notices*") not less than 45 (forty-five) calendar days' notice (subject to the Fiduciary having received the relevant amount) the Fiduciary will, upon the expiry of such notice and subject to realisation of the Fiduciary Assets or delivery thereof and subject to the terms of the Fiduciary Asset Agreement(s), redeem, subject to, and in accordance with, the terms specified in the applicable Pricing Supplement, in whole (but not in part), such Note on the Put Optional Redemption Date and at the amount specified in, or determined in the manner specified in, the Pricing Supplement. Notes may be redeemed under this Condition 7(g) ("*Redemption and Purchase*") in any multiple of their lowest Specified Denomination provided that the total number of Notes being redeemed is greater than or equal to the Minimum Redemption Amount. At the request of a Noteholder, the Fiduciary may, but is not required to, at its sole and unfettered option and without incurring any obligation to any other Noteholder, redeem an amount or number of Notes which is less than the Minimum Redemption Amount. It may be that before an

Investor Put can be exercised, certain conditions and/or circumstances will need to be satisfied. Where relevant, the provisions will be set out in the applicable Pricing Supplement.

To exercise the right to require redemption of any Note the holder of such Note must deliver, at the specified office of the Registrar at any time during normal business hours of the Registrar falling within the notice period, a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of the Registrar (a "**Put Notice**"*)* and in which the holder must specify a bank account (or, if payment is required to be made by cheque, an address) to which payment is to be made under this Condition and the nominal amount thereof to be redeemed and, if less than the full nominal amount of the Notes so surrendered is to be redeemed, an address to which a new Note in respect of the balance of such Notes is to be sent subject to, and in accordance with, the provisions of Condition 2(b) ("*Transfers of Notes*"). If this Note is in definitive form, the Put Notice must be accompanied by this Note or evidence satisfactory to the Registrar concerned that this Note will, following delivery of the Put Notice, be held to its order or under its control. If this Note is represented by a Global Note or is in definitive form and in each case is held through Euroclear and Clearstream, Luxembourg, to exercise the right to require redemption of this Note the holder of this Note must, within the notice period, give notice to the Principal Paying Agent of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg (which may include notice being given on his instruction by Euroclear or Clearstream, Luxembourg or any common depositary or common safekeeper, as the case may be, for them to the Principal Paying Agent by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg, from time to time and, if this Note is represented by a Global Note held through Euroclear and Clearstream, Luxembourg, at the same time present or procure the presentation of the relevant Global Note to the Principal Paying Agent for notation accordingly.

Any Put Notice given by a holder of any Note pursuant to this paragraph shall be irrevocable except where prior to the due date of redemption a Tax Event, an Illegality/Regulatory Event, an Administrator/Benchmark Event, an Acceleration Event or an Early Extinction of a Fiduciary Contract Event shall have occurred in relation to the relevant Note and be continuing in which event such holder, at its option, may elect by notice to the Fiduciary to withdraw the notice given pursuant to this paragraph and instead to declare that such Note shall be redeemed pursuant to Condition 7(b), Condition 7(c), Condition 7(d), Condition 7(e) or Condition 10, as the case may be.

(h) *Fiduciary Asset Settlement*

Upon holders of all but not some only of the Notes delivering an Asset Transfer Notice(s) in accordance with Condition 6(h) not less than 90 (ninety) calendar days (the "**Cut-off Date**") prior to a single Fiduciary Asset Delivery/Payment Date (as specified in the relevant Asset Transfer Notice(s) and fulfilling the description thereof in the applicable Pricing Supplement, the "**Fiduciary Asset Delivery/Payment Date**"), no further amounts will be payable or deliverable under the Notes other than pursuant to this Condition 7(h) and the Fiduciary will redeem the Notes in full in accordance with the following provisions:

(i) following valid notice being given as provided above, the Fiduciary, if required by the Selling Agent in accordance with the terms of the Agency Agreement, will direct the Selling Agent to arrange for the sale of the Fiduciary Assets to one of the Affiliates of the Fiduciary or the Investment Manager (if any) or otherwise to arrange for the liquidation of the Fiduciary Assets and termination of the Fiduciary Asset Agreements on or prior to the fifth Business Day prior to the Fiduciary Asset Delivery/Payment Date;

(ii) to the extent that proceeds are realised by the Selling Agent in accordance with (i) above, these will first be applied as soon as reasonably practicable following their realisation, to meeting on a *pari passu* basis (x) the Global Unwind Cost (as described below) (y) amounts (if any) payable by the Fiduciary pursuant to each Fiduciary

Asset Agreement including, where applicable, in connection with any termination of the Swap Agreement or otherwise in connection with any arrangement related to the Notes and (z) the Selling Agent Settlement Fee. The balance of realisation proceeds (if any) including any amount(s) due to the Fiduciary on termination of the Fiduciary Asset Agreement(s) (the "**Aggregate Cash Settlement Amount**") will be payable to Noteholders as provided in (iii) below;

(iii) the Aggregate Cash Settlement Amount, if any, following application of monies as provided in (ii) above will be payable to the nominee specified by the Noteholder(s) in their Asset Transfer Notice(s) (the "**Nominee**") on the Fiduciary Asset Delivery/Payment Date or, if (iv) below applies, the Delivery Date as defined in Condition 6(h) for onward payment to Noteholders;

(iv) if any Fiduciary Assets remain unrealised by the Selling Agent following the process described in (i) above which may include where any Swap Agreement Disruption exists or occurs, or if the Selling Agent does not require a realisation of Fiduciary Assets in accordance with (i) above, redemption will be made by physical delivery of those Fiduciary Assets in accordance with Condition 6(h) provided that if a Fiduciary Asset Settlement Disruption Event occurs or exists at or about the Delivery Date the Fiduciary will delay settlement until the Fiduciary Asset Settlement Disruption Event no longer exists. For so long as a Fiduciary Asset Settlement Disruption Event continues no further payment will be due in respect of the Notes, notwithstanding that this may continue for a significant period of time. In particular the cash settlement provisions of Condition 6(h) will not apply in this case;

(v) each Asset Transfer Notice must specify the same Nominee for delivery of the Fiduciary Assets;

(vi) prior to settlement on the Delivery Date the Fiduciary must first reduce the aggregate Fiduciary Assets on a *pari passu* basis by such amount as is at least equal to the remaining balance (if any) of (x) the Global Unwind Cost (y) the remaining balance (if any) of amounts (if any) payable by the Fiduciary pursuant to each Fiduciary Asset Agreement or otherwise in connection with any arrangement related to the Notes and (z) if the Selling Agent acts as provided in (i) above the Selling Agent Settlement Fee (such reduction rounded up to the nearest relevant unit of the Fiduciary Assets) and the Fiduciary will transfer such Fiduciary Assets to the Selling Agent which will realise and apply such Fiduciary Assets to meeting the Global Unwind Cost and such other amounts;

(vii) the Asset Amount in respect of each Note will equal a Note's *pro rata* share of (x) the remaining Fiduciary Assets (following reduction as provided in (i), (ii) and/or (iv) above as applicable), plus (y) the remaining balance following application as provided in (i), (ii) and/or (iv) above, as applicable, of any amount(s) due to the Fiduciary on termination of the Fiduciary Asset Agreement(s) plus (z) any Aggregate Cash Settlement Amount, if applicable.; and

(viii) following settlement as provided above the Fiduciary will have no further obligation in respect of the Notes.

Following the delivery by Noteholders of Asset Transfer Notice(s) as described above no further payments of interest or principal will be made in respect of the Notes save for payment and delivery pursuant to this Condition 7(h).

For these purposes:

"**Fiduciary Asset Settlement Disruption Event**" means (A) an event beyond the control of the Fiduciary as a result of which, in the opinion of the Calculation Agent, (i) delivery of all or part of the Fiduciary Assets by or on behalf of the Fiduciary in accordance with this Condition 7(h) is not practicable and/or (ii) any Fiduciary Asset Agreement cannot be reasonably terminated at the relevant time and/or (B) a Swap Agreement Disruption exists or occurs;

"**Global Unwind Cost**" means, in respect of a Series of Notes, an amount in the Specified Currency of the relevant Series of Notes (which may not be less than zero) equal to the total amount of any and all costs and losses associated with or incurred by the Fiduciary and/or any of its Affiliates in connection with such early redemption, including, without limitation, any costs and losses associated with or incurred by the Fiduciary and/or any of its Affiliates in connection with unwinding, substituting, re-establishing and/or adjusting any funding arrangement relating to the Notes and/or any hedge positions relating to or entered into in connection with the Notes, all as determined by the Calculation Agent in its sole discretion;

"**Selling Agent Settlement Fee**" means an amount in the Specified Currency equal to 0.25% of the Aggregate Cash Settlement Amount calculated prior to taking into account the deduction of this Selling Agent Settlement Fee plus any value added or sales tax, subject to a minimum of EUR50,000 or its equivalent in the Specified Currency, as determined by the Calculation Agent plus any value added or sales tax; and

"**Swap Agreement Disruption**" means the Swap Counterparty determines (acting in good faith and a commercially reasonable manner), that (i) it is unable to unwind, terminate, liquidate or re-establish any hedging arrangements for the Swap Agreement on commercially reasonable terms and/or (ii) realisation proceeds of other Fiduciary Assets are or may be insufficient to allow the Swap Counterparty to receive in full all payments to which it is entitled (whether by way of a final termination payment under the Swap Agreement and/or by receipt of its share of the Global Unwind Cost) in connection with termination of the Swap Agreement and early termination of the Notes. The Swap Counterparty will notify the Fiduciary of any such determination.

(i) *Purchase*

Unless otherwise provided in the applicable Pricing Supplement, the Fiduciary or any of its Affiliates may at any time purchase Notes in the open market or otherwise at any price provided that, in the case of a purchase of Notes by the Fiduciary, the Fiduciary shall have received an amount (whether by sale of the Relevant Proportion of the Fiduciary Assets or otherwise) which, plus or minus any Termination Amount in respect of the Swap Agreement (if any) following termination (or as the case may be partial termination) of the Relevant Proportion of the Swap Agreement, is sufficient to fund the purchase price payable by the Fiduciary.

If purchases are made by tender, tenders must be available to all Noteholders alike.

All Notes which are purchased by the Fiduciary will forthwith be cancelled in accordance with paragraph (j) below and accordingly may not be reissued or resold.

As used herein, "**Relevant Proportion**" means, a proportion of the Fiduciary Assets (including, where a Swap Agreement comprises the Fiduciary Assets, the outstanding rights and obligations under such Swap Agreement) (rounded down to the nearest denomination, unit or other relevant adjustment amount), as the Notes to be purchased pursuant to this paragraph bear to the then outstanding aggregate nominal amount of the Notes.

(j) *Cancellation*

All Notes which are redeemed will forthwith be cancelled. All Notes so cancelled and any Notes purchased and cancelled pursuant to paragraph (h) above shall be forwarded to the Principal Paying Agent and cannot be reissued or resold. For so long as the Notes are listed on the any stock exchange, the Fiduciary will promptly inform such stock exchange of any such cancellation.

8. **Taxation and liabilities**

(a) *Taxation*

Without prejudice to Condition 7(b) the Fiduciary shall not be liable for or otherwise obliged to pay (a) any tax, duty, withholding or other payment which may arise as a result of the ownership, transfer, presentation and surrender for payment, or enforcement of any Note or (b) any tax, duty, withholding or other payment which arises in respect of any payment due to the Fiduciary under any Fiduciary Assets and all payments made by the Fiduciary shall be made subject to any such tax, duty, withholding or other payment which may be required to be made, paid, withheld or deducted. In the event any tax, duty, withholding or other payment may be required (a) by an agreement described in Section 1471(b) of the Code, as amended or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, official interpretations thereof, or any law implementing an intergovernmental approach thereto, or (b) pursuant to Section 871(m) of the Code, the Fiduciary will not pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Notes after such tax, duty, withholding or other payment shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Notes in the absence of such withholding or other payment.

***The tax consequences for each investor in the Notes can be different and therefore investors are advised to consult with their tax advisers as to their specific consequences. However investors should note that under Luxembourg law the Fiduciary is not regarded as the beneficial owner of the Fiduciary Assets. Therefore it is possible that the Noteholders' tax treatment will depend on the type of income and gains arising from the Fiduciary Assets and the Noteholders' proportionate share of such income and gains. The Fiduciary has no obligation to enquire as to the tax residence or status of the holder of any of the Notes or the tax treatment of such income and gains in the hands of such holders. In particular the Fiduciary will not be obliged to make any application for treaty relief or claim a refund of tax in relation to tax withheld at source in relation to such income and gains or to record or report the type of income and gains arising on Fiduciary Assets.***

(b) *Liabilities*

Without limitation to any other provision of these Terms and Conditions or the Fiduciary Contract, the Fiduciary may deduct from any payments made by it to Noteholder(s) or, in the case of a redemption of a Note by physical delivery, from the amount used to calculate the Asset Amount, pursuant to Conditions 5 or 6 or otherwise pursuant to these Conditions, a *pro rata* share of an amount which is necessary to indemnify and reimburse the Fiduciary against any charge, loss, liability, cost, claim, action, damage, expense, demand or any withholding tax (including, without limitation, legal fees, costs, commissions payable, any stamp, documentary, registration or similar duty or tax and expenses) which the Fiduciary may incur or which may be made against any of the Fiduciary, its Affiliates, or any of the Fiduciary's or its Affiliates' directors, officers, employees or agents as a result

of, or arising out of, or in connection with the Notes or the relevant Fiduciary Contract and the transactions contemplated thereunder, including entry into the Fiduciary Asset Agreements (if any). Expenses may include, without limitation, the costs of investigating, disputing, defending or pursuing any action, claim, regulatory investigation, legal proceedings or arbitration, whether contemplated or actual.

9. **Prescription**

The Notes will become void unless presented for payment within a period of 10 (ten) years (in the case of payments relating to principal) and five years (in the case of payments relating to interest) after the Relevant Date (as defined below) therefor.

As used herein, the "**Relevant Date**" in relation to any Note means whichever is the later of:

(i) the date on which the payment in respect of such Note first becomes due; or

(ii) if the full amount payable has not been received by the Fiduciary before such due date, the date on which, the full amount having been so received, notice to that effect shall have been given to the Noteholders in accordance with Condition 15.

No Noteholder may start proceedings against the Fiduciary which are based on article 470-21 of the Companies Act 1915.

10. **Acceleration Events**

Any of the following events shall be an "**Acceleration Event**":

(a) default is made for a period of 30 Business Days or more in the payment of any amount due or the performance of any other relevant obligation in respect of any Fiduciary Asset or any Fiduciary Asset Agreement, without regard to any applicable grace period in relation thereto;

(b) a Termination Event or Event of Default (each as defined in the Swap Agreement) occurs in respect of a Swap Agreement;

(c) one or more Fiduciary Assets have become capable of being declared due and payable before they would otherwise have become due and payable due to the occurrence of a default, event of default or other similar condition or event (howsoever described) on or prior to the Maturity Date; or

(d) any Additional Acceleration Event (as specified in the applicable Pricing Supplement) occurs.

Following the occurrence of an Acceleration Event, each nominal amount of the Notes equal to the Specified Denomination will forthwith become due and repayable at such nominal amount or such other amount as may be specified in the applicable Pricing Supplement on the thirtieth day immediately following the occurrence of the relevant Acceleration Event (the "**Early Redemption Date**") and the provisions of Condition 4(e) shall apply.

The Fiduciary shall not incur any liability, except for gross negligence (*faute grave*) or wilful misconduct (*dol*), to any person, Noteholder or otherwise as a result of any actions taken, suffered or omitted to be taken under this Condition 10 ("*Acceleration Events*").

## 11. Enforcement

Consistent with the Law, Noteholders have no direct right of action against any Fiduciary Asset Obligor to enforce their rights under the Notes or the obligations of any Fiduciary Asset Obligor under any relevant Fiduciary Asset Agreement or Fiduciary Asset, even in the case of the Fiduciary's failure to act or the insolvency of the Fiduciary. However, if under the Fiduciary Assets or the Fiduciary Asset Agreements the Fiduciary is entitled and, in addition, has in accordance with the Fiduciary Contract, become obliged to take legal action against any Fiduciary Asset Obligor and has failed to take such action within a reasonable time, then (if and to the extent such failure is continuing) the Noteholders shall be entitled, subject to the prior approval of such action by an Ordinary Resolution (as defined in Condition 16(a) below) of the Noteholders, to institute indirect legal action (*action oblique*) under and subject to the conditions set out in the Luxembourg civil code against the relevant Fiduciary Asset Obligor in lieu of the Fiduciary and on its behalf.

Upon the occurrence of an Acceleration Event, the Fiduciary may in its discretion (without incurring any liability for any action taken or omitted to be taken except for gross negligence (*faute grave*) or wilful misconduct (*dol*)) and without further notice institute such proceedings as it sees fit against the relevant Fiduciary Asset Obligor to assert the Fiduciary's rights under the relevant Fiduciary Asset Agreement or Fiduciary Asset. The Fiduciary will not be obliged to take such action unless it will have been directed to do so by an Extraordinary Resolution of Noteholders or so requested in writing by the holders of not less than $66^2/_3$ % in aggregate nominal amount of the Notes then outstanding and arrangements for the indemnification of the Fiduciary (including payment of its expenses) have been made to its satisfaction.

The Fiduciary has no obligation to, and will not, investigate, monitor or assess, either on its own behalf or on behalf of the Noteholders, the financial condition, affairs or status of any Fiduciary Asset Obligor or the validity or enforceability of any of the Fiduciary Asset Agreements. In the event of any enforcement by the Fiduciary of its rights against any Fiduciary Asset Obligor, the Fiduciary will be entitled to be paid, out of the proceeds of such enforcement, all fees, costs, charges, expenses, liabilities and other amounts incurred or payable to it in connection with such enforcement in priority to any claims of the Noteholders.

These Conditions form part of each Fiduciary Contract. They set out the rights of a Noteholder under the relevant Fiduciary Contract and certain duties, powers and discretions of the Fiduciary. Although the Fiduciary does not represent the Noteholders, the Fiduciary performs such duties and exercises such powers and discretions in the best interest of the Noteholders.

The Noteholders expressly waive, to the extent legally possible, the right to request the early termination of the Fiduciary Contract in accordance with article 7 (6) of the Law.

## 12. Replacement of Notes

Should any Note be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Registrar upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Fiduciary may reasonably require. Mutilated or defaced Notes must be surrendered before replacements will be issued.

## 13. Agents

The Fiduciary is entitled to vary or terminate the appointment of any Agent, and/or appoint additional or other Agents and/or approve any change in the specified office through which any Paying Agent acts, provided that:

(i) there will at all times be a Principal Paying Agent and a Registrar; and

(ii) so long as the Notes are listed on any stock exchange, there will at all times be a Transfer Agent with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange.

Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice thereof shall have been given to the Noteholders in accordance with Condition 15.

In acting under the Agency Agreement or, as the case may be, the Facilitation Agency Agreement, the Agents act solely as agents of the Fiduciary and do not assume any obligation to, or relationship of agency or trust with, any of the Noteholders. The Agency Agreement and the Facilitation Agency Agreement contain provisions permitting any entity into which any Agent is merged or converted or with which it is consolidated or to which it transfers all or substantially all of its assets to become the relevant successor Agent.

## 14. Calculations and Determinations

The Calculation Agent will make the calculations and determinations described in the Index/ETF Linked Conditions, Equity Linked Conditions and Fund Linked Conditions in such a manner as the Calculation Agent determines is appropriate acting in good faith and in a commercially reasonable manner (having regard in each case to the criteria stipulated in the Index/ETF Linked Conditions, Equity Linked Conditions, Fund Linked Conditions and the hedging arrangements in respect of the Notes).

Notwithstanding that certain calculations, determinations and adjustments in the Index/ETF Linked Conditions, Equity Linked Conditions and Fund Linked Conditions may be expressed to be on a certain date, the Calculation Agent may make such calculations, determinations and adjustments in respect of that date on a date after that date determined by it in its discretion.

Pursuant to the Index/ETF Linked Conditions, Equity Linked Condition and Fund Linked Conditions, the Calculation Agent has a number of discretions. These are necessary since in certain circumstances it is not reasonably practicable or otherwise not appropriate for certain valuations to be carried out in relation to relevant reference assets and in these circumstances the Calculation Agent also may exercise certain discretions.

Any discretion exercised by, or any calculation made by, the Calculation Agent (in the absence of manifest error) shall be binding on the Fiduciary and all holders of the Index/ETF Linked Notes, Equity Linked Notes or Fund Linked Notes as applicable.

Any reference to the Calculation Agent in these Conditions will be deemed to include, where applicable, any delegate or agent appointed by the Calculation Agent to act for it in such capacity.

## 15. Notices

(a) *Notices given by or on behalf of the Fiduciary*

Any notice convening a meeting in accordance with the provisions of Condition 16 ("*Meetings of Noteholders, Modification and Waiver*") shall contain the agenda and shall be sent to the Noteholders by registered mail at least eight days prior to the meeting. Notwithstanding the foregoing, if the Fiduciary proposes that an Extraordinary Resolution or an Ordinary Resolution of the Noteholders be effected by way of a resolution in writing, it shall send a relevant notice to the Noteholders in accordance with this Condition 15 ("*Notices*"). Such notice shall notify the Noteholders that the Fiduciary proposes that an Extraordinary Resolution or an Ordinary Resolution, as the case may be, of the Noteholders be effected by way of a resolution in writing, and in the sole and absolute discretion

of the Fiduciary, either (a) request Noteholders to contact the Fiduciary for details of such Extraordinary Resolution or an Ordinary Resolution, or (b) include the form of such Extraordinary Resolution or an Ordinary Resolution.

All notices regarding the Fiduciary and/or the Notes will be deemed to be validly given if sent by first class mail or (if posted to an address overseas) by airmail to the Noteholders (or the first named of joint Noteholders) at their respective addresses recorded in the Register and will be deemed to have been given on the fourth day after mailing or, alternatively, by publication of a notice in a daily newspaper of general circulation in Luxembourg and, in addition, for so long as any Notes are listed on a stock exchange and the rules of that stock exchange (or any other relevant authority) so require, such notice will be published in a daily newspaper of general circulation in the place or places required by those rules or on the relevant website of the relevant stock exchange (which in the case of the Notes listed on the Official List of the Luxembourg Stock Exchange shall be the website of the Luxembourg Stock Exchange (www.bourse.lu) as long as the rules of such stock exchange so require).

Until such time as any definitive Notes are issued and for as long as any Global Notes representing the Notes are held in their entirety on behalf of Euroclear and/or Clearstream, Luxembourg, the publication of a notice in a daily newspaper of general circulation in Luxembourg may be substituted by the delivery of the relevant notice (including any notice convening a meeting in accordance with the provisions of Condition 16 ("*Meetings of Noteholders, Modification and Waiver*")) to Euroclear and/or Clearstream, Luxembourg for communication by them to the holders of the Notes and, in addition, for so long as any Notes are listed on a stock exchange and the rules of that stock exchange so require, such notice will be published in a daily newspaper of general circulation in the place or places required by the rules of that stock exchange or on the relevant website of the relevant stock exchange (which in the case of Notes listed on the Official List of the Luxembourg Stock Exchange shall be the website of the Luxembourg Stock Exchange (www.bourse.lu) as long as the rules of such stock exchange so require). Any such notice shall be deemed to have been given to the holders of the Notes on the day after the day on which the said notice was given to Euroclear and/or Clearstream, Luxembourg.

(b) *Notices given by Noteholders*

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together (in the case of any Note in definitive form) with the relative Note or Notes, with the Registrar. Whilst any of the Notes are represented by a Global Note, such notice may be given by any holder of a Note to the Registrar through Euroclear and/or Clearstream, Luxembourg, as the case may be, in such manner as the Registrar and Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

## 16. Meetings of Noteholders, Modification and Waiver

(a) *Meetings of Noteholders*

The Agency Agreement contains detailed provisions for convening meetings of Noteholders to consider any matter affecting their interests. Modification of the Conditions (i) to change the maturity of the Notes or the date on which interest (if any) is payable in connection with the Notes, (ii) to reduce the nominal amount of or reduce the rate of interest (if any) payable in connection with the Notes, (iii) to amend the redemption conditions, (iv) to extend the amortisation period (if any), suspend the same and consent to changes in the conditions thereof, (v) to change the currency of payment of the Notes, (vi) to vary the quorum provisions or the majority required to pass a resolution or (vii) to make any other change or amendment to the Conditions (other than any modification, authorisation or waiver pursuant to Condition 16(b)) may only be made by a resolution approved by two-thirds of votes cast (an "**Extraordinary Resolution**"). A resolution in writing signed by or on

behalf of the holders of not less than two-thirds in principal amount of the Notes for the time being outstanding shall for all purposes be as valid and effectual as an Extraordinary Resolution passed at a meeting of Noteholders.

Notwithstanding anything to the contrary in these Conditions or any agreement entered into in connection with the Notes, but subject to the provisions of Condition 16(b) below, no change can be made by the Noteholders and/or the Fiduciary to the Conditions without the prior written consent of the Swap Counterparty (if any).

All other resolutions will be taken by a resolution approved by a simple majority of votes cast (an "**Ordinary Resolution**"). A resolution in writing signed by or on behalf of the holders of a simple majority in principal amount of the Notes for the time being outstanding shall for all purposes be as valid and effectual as an Ordinary Resolution passed at a meeting of Noteholders.

The quorum at any meeting for passing an Extraordinary Resolution or an Ordinary Resolution will be one or more persons holding or representing not less than 50 (fifty) %, or at any adjourned meeting one or more persons holding or representing Notes whatever the nominal amount of such Notes for the time being outstanding. Any resolution passed at any meeting of the Noteholders will be binding on all the Noteholders (whether or not they were present at the meeting at which such resolution was passed). The Fiduciary may make any such modification subject to it having received a legal opinion confirming to its satisfaction that the modification has been validly approved by the meeting of Noteholders and that it will be binding on all the Noteholders as provided herein.

It should be noted that articles 470-3 to 470-19 of the Companies Act 1915 shall not apply to the Notes.

(b) *Modification, Authorisation and Waiver*

The Fiduciary may agree with the Principal Paying Agent, without the consent of the Noteholders and without liability to any person therefore, (i) any modification of the Conditions or the Agency Agreement or any of the provisions of the Fiduciary Asset Agreements or Fiduciary Assets and any corresponding provisions of the Conditions or the Agency Agreement which is, in the opinion of the Fiduciary, of a formal, minor or technical nature or is made to correct a manifest or proven error or to comply with mandatory provisions of law, and (ii) any other modification, and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Fiduciary Asset Agreements and any corresponding provisions of the Conditions which is in the opinion of the Fiduciary not materially prejudicial to the interests of the Noteholders. Any such modification, authorisation or waiver will be binding on the Noteholders and such modification will be notified to the Noteholders as soon as practicable in accordance with Condition 15.

## 17. Further Issues

The Fiduciary shall be at liberty from time to time without the consent of the Noteholders to create and issue further notes ("**Further Notes**") having terms and conditions the same as any existing Series of Notes (an "**Existing Series**") or the same in all respects save for the amount and date of the first payment of interest in connection therewith and so that the same shall be consolidated and form a single Series with the Existing Series, provided that:

(i) the Fiduciary Assets for the Further Notes (other than any Swap Agreement) (the "**Further Fiduciary Assets**") are identical to the Fiduciary Assets for the Existing Series (the "**Original Fiduciary Assets**") in every material respect and the nominal amount or other relevant unit of the Further Fiduciary Assets in respect of such Further Notes shall be determined in accordance with the Further Fiduciary Asset Formula set out in the applicable Pricing Supplement or, if no such Further Fiduciary Asset Formula is set out in the applicable Pricing

Supplement, in good faith by the Calculation Agent in its sole and absolute determination; and

(ii) if the Fiduciary has entered into a Swap Agreement in respect of the Existing Series, the Fiduciary enters into an agreement extending the terms of such Swap Agreement to the Further Notes on terms no less favourable to Noteholders than the Swap Agreement prior to such extension.

18. **Resignation and Removal of the Fiduciary**

(a) *Resignation by Fiduciary*

The Fiduciary may resign as fiduciary in relation to a Series of Notes by giving at least 30 days' notice to the Noteholders in accordance with Condition 15 ("**Notices**"). Such resignation will take effect on the date specified in such notice (which by subscription for, or acquisition of, any Note the Noteholders are deemed to expressly accept and be bound by), provided that no such resignation will take effect until (1) each of (a) the appointment by the Fiduciary of a successor fiduciary (which will be a Qualified Entity, as defined below); (b) the approval of such appointment by the *Commission de Surveillance du Secteur Financier*; (c) the acceptance of such appointment by such successor; and (d) the assumption by such successor of the rights and obligations of the Fiduciary under the Fiduciary Asset Agreements and each Fiduciary Asset, and under each Fiduciary Contract relating to the Notes has become effective and (2) each stock exchange or listing authority on which the Notes are listed and admitted to trading shall have confirmed that following such resignation and appointment of a successor fiduciary the Notes would continue to be listed and admitted to trading on such stock exchange or listing authority. The Fiduciary will procure the appointment of a successor fiduciary as soon as possible following notice of its resignation. As soon as practicable, but in no event later than 10 calendar days, after such appointment being made, the Fiduciary will give due notice thereof to the Noteholders in accordance with Condition 15 (the "**Appointment Notice**").

(b) *Removal by Noteholders*

The Fiduciary may at any time be removed as fiduciary in relation to a Series of Notes by an Extraordinary Resolution of the relevant Noteholders in general meeting, provided that no such removal will take effect until (1) each of (a) the appointment by such Noteholders by Extraordinary Resolution of a successor fiduciary (which will be a Qualified Entity); (b) the approval of such appointment by the *Commission de Surveillance du Secteur Financier*; (c) the acceptance of such appointment by such successor; and (d) the assumption by such successor of the rights and obligations of the Fiduciary under the Fiduciary Asset Agreements and each Fiduciary Asset, and under each Fiduciary Contract relating to the Notes has become effective and (2) each stock exchange or listing authority on which the Notes are listed and admitted to trading shall have confirmed that following such removal and appointment of a successor fiduciary the Notes would continue to be listed and admitted to trading on such stock exchange or listing authority.

(c) *Qualified Entity*

For the purposes hereof, "**Qualified Entity**" means any entity which:

(i) is qualified and authorised to act as a fiduciary under the Law; and

(ii) is UBS AG or any Affiliate of UBS AG.

The Appointment Notice will contain particulars confirming that the appointed successor fiduciary is a Qualified Entity.

## 19. Governing Law and Submission to Jurisdiction

Each Fiduciary Contract and the Notes are governed by, and will be interpreted in accordance with, the laws of Luxembourg and the Fiduciary Contracts constituted by the Notes are governed in particular by the Law. Actions or proceedings against the Fiduciary may be brought only in a court of Luxembourg having jurisdiction.

## ANNEX 1

## ADDITIONAL TERMS AND CONDITIONS FOR INDEX/ETF LINKED NOTES

### 1. Interpretation

If specified as applicable in the applicable Pricing Supplement, the Terms and Conditions applicable to Index/ETF Linked Notes will comprise the Terms and Conditions of the Notes (the "**Conditions**") and the Terms and Conditions for index and/or exchange traded fund linked Notes as set out in this annex (the "**Index/ETF Linked Conditions**"), in each case together with any other additional Terms and Conditions which are specified to apply in the applicable Pricing Supplement and subject to amendment and completion in the applicable Pricing Supplement. In the event of any inconsistency between the Conditions and the Index/ETF Linked Conditions, the Index/ETF Linked Conditions shall prevail. In the event of any inconsistency between (i) the Conditions and/or the Index/ETF Linked Conditions and (ii) the provisions of the applicable Pricing Supplement, the applicable Pricing Supplement shall prevail.

Terms not otherwise defined in these Index/ETF Linked Conditions will have the meaning given in the Conditions.

### 2. Definitions

For the purposes of these Index/ETF Linked Conditions:

"**Averaging Date**" means each date specified as an Averaging Date in the applicable Pricing Supplement or, if any such date is not a Scheduled Trading Day, the immediately following Scheduled Trading Day unless, in the opinion of the Calculation Agent, any such day is a Disrupted Day. If any such day is a Disrupted Day:

(a) if "**Omission**" is specified as applying in the applicable Pricing Supplement, then such date will be deemed not to be an Averaging Date for the purposes of determining the relevant level or price provided that, if through the operation of this provision there would not be an Averaging Date, then the provisions of the definition of "Valuation Date" will apply for the purposes of determining the relevant level or price on the final Averaging Date, as if such Averaging Date were a Valuation Date that was a Disrupted Day; or

(b) if "**Postponement**" is specified as applying in the applicable Pricing Supplement, then the provisions of the definition of "Valuation Date" will apply for the purposes of determining the relevant level, price or amount on that Averaging Date as if such Averaging Date were a Valuation Date that was a Disrupted Day irrespective of whether, pursuant to such determination, that deferred Averaging Date would fall on a day that already is or is deemed to be an Averaging Date; or

(c) if "**Modified Postponement**" is specified as applying in the applicable Pricing Supplement then:

(i) where the Index/ETF Linked Notes relate to a single Index or ETF, the Averaging Date shall be the first succeeding Valid Date (as defined below). If the first succeeding Valid Date has not occurred as of the Valuation Time on the eighth Scheduled Trading Day immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day,

would have been the final Averaging Date in respect of the originally designated Averaging Date (the "**Scheduled Averaging Date**"), then (A) that eighth Scheduled Trading Day shall be deemed to be the Averaging Date (irrespective of whether that eighth Scheduled Trading Day is already an Averaging Date), and (B) the Calculation Agent shall determine the relevant level or price for that Averaging Date in accordance with sub-paragraph (a) of the definition of "Valuation Date" below; and

(ii) where the Index/ETF Linked Notes relate to a Basket of Reference Items and/or ETFs, the Averaging Date for each Index not affected by the occurrence of a Disrupted Day shall be the Scheduled Averaging Date and the Averaging Date for each Index or ETF affected by the occurrence of a Disrupted Day shall be the first succeeding Valid Date (as defined below) in relation to such Index or ETF. If the first succeeding Valid Date in relation to such Index or ETF has not occurred as of the Valuation Time on the eighth Scheduled Trading Day immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date, then (A) that eighth Scheduled Trading Day shall be deemed to be the Averaging Date (irrespective of whether that eighth Scheduled Trading Day is already an Averaging Date) in relation to such Index or ETF, and (B) the Calculation Agent shall determine the relevant level or price for that Averaging Date in accordance with sub-paragraph (b) of the definition of "Valuation Date" below,

for the purposes of these Index/ETF Linked Conditions "**Valid Date**" means a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date does not or is deemed not to occur.

If an Averaging Date is deemed to fall after the Scheduled Averaging Date and any date specified in the applicable Pricing Supplement for payment or delivery of any amount calculated by reference to a value determined in respect of such Averaging Date would thereby fall before the second Business Day immediately following that delayed Averaging Date, such relevant date for payment or delivery will be delayed until the second Business Day immediately following such delayed Averaging Date.

"**Basket of Reference Items**" means, subject to adjustment in accordance with these Index/ETF Linked Conditions, the basket of two or more index(ices) and/or ETF(s) specified in the applicable Pricing Supplement.

"**Component Security**" means, in respect of a Multi-Exchange Index, each component security in such Index.

"**Disrupted Day**" means (i) (a) where the relevant Index is not specified in the applicable Pricing Supplement to be a Multi-Exchange Index, any Scheduled Trading Day on which a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred; or (b) where the relevant Index is specified in the applicable Pricing Supplement to be a Multi-Exchange Index, any Scheduled Trading Day on which (A) the Index Sponsor fails to publish the level of the Index, (B) the Related Exchange fails to open for trading during its regular trading session or (C) a Market Disruption Event has occurred; or (ii) in the case of an ETF, any Scheduled Trading Day on which a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred provided that the Calculation Agent may, in its discretion and where applicable, determine that such event instead results in the occurrence of an Index Disruption.

"**Early Closure**" means:

(a) in relation to an Index which is not specified in the applicable Pricing Supplement as being a Multi-Exchange Index, the closure on any Exchange Business Day of any relevant Exchange(s) relating to securities that comprise 20 % or more of the level of the relevant Index or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or Related Exchange(s) at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange(s) or Related Exchange(s) on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time, the Knock-in Valuation Time, the Knock-out Valuation Time, the Trigger Event Valuation Time or the Mandatory Early Redemption Valuation Time, as the case may be, on such Exchange Business Day;

(b) in relation to an Index which is specified in the applicable Pricing Supplement as being a Multi-Exchange Index, the closure on any Exchange Business Day of the Exchange in respect of any Component Security or the Related Exchange prior to its Scheduled Closing Time unless such earlier closing is announced by such Exchange or Related Exchange, as the case may be, at least one hour prior to the earlier of (a) the actual closing time for the regular trading session on such Exchange or Related Exchange, as the case may be, on such Exchange Business Day, or (b) the submission deadline for orders to be entered into on the relevant Exchange or Related Exchange system for execution at the relevant Valuation Time, Knock-in Valuation Time, Knock-out Valuation Time, Trigger Event Valuation Time or Mandatory Early Redemption Valuation Time, as the case may be, on such Exchange Business Day; or

(c) in relation to an ETF, the closure on any Exchange Business Day of any relevant Exchange or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or Related Exchange(s) at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange(s) or Related Exchange(s) on such Exchange Business Day, and (ii) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time, the Knock-in Valuation Time, the Knock-out Valuation Time, the Trigger Event Valuation Time or the Mandatory Early Redemption Valuation Time, as the case may be, on such Exchange Business Day ("**Early Closure**"),

"**ETF**" means any fund which is an exchange traded fund as specified in the applicable Pricing Supplement, or if not so specified, any fund which the Calculation Agent determines to be an exchange traded fund.

"**ETF Closing Price**" means, in relation to any ETF and any Scheduled Trading Day, the price per ETF Share in respect of such ETF as quoted on the applicable Exchange at the Valuation Time on such day, as determined by the Calculation Agent.

"**ETF Extraordinary Event**" means any Merger Event, Material Underlying Event, De-listing, Nationalisation, Insolvency or Tender Offer.

"**ETF Final Price**" means, in relation to the ETF Shares of an ETF on any relevant date and subject to these Index/ETF Linked Conditions and to "Valuation Date", "Observation Date", "Knock-in Determination Day", "Knock-out Determination Day", "Trigger Event Observation Date" and "Mandatory Early Redemption Valuation Date" below and "Averaging Date" above, as the case may be, an amount equal to the ETF Closing Price of such ETF on the

Valuation Date, Observation Date, a Knock-in Determination Day, a Knock-out Determination Day, a Trigger Event Observation Date, a Mandatory Early Redemption Valuation Date or an Averaging Date, as the case may be.

"**ETF Share**" means a share or unit of an ETF, and references to "holder of ETF Shares" and "ETF Shareholder" shall be construed accordingly.

"**ETF Share Price**" means, at any time on a Scheduled Trading Day and subject to these Index/ETF Linked Conditions, the price per ETF Share of the relevant ETF as quoted on the applicable Exchange at such time, as determined by the Calculation Agent.

"**ETF Underlying Index**" means, in relation to an ETF, where applicable, the underlying index specified in the applicable Pricing Supplement.

"**Exchange**" means:

(a) in relation to an Index which is not specified in the applicable Pricing Supplement as being a Multi Exchange Index, each exchange or quotation system specified as such for such Index in the applicable Pricing Supplement or, where not so specified, the primary exchange(s) or quotation system(s) on which the securities comprising the Index are listed, any successor to any such exchange or quotation system or any substitute exchange or quotation system to which trading in the securities comprising such Index has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the securities comprising such Index on such temporary substitute exchange or quotation system as on the original Exchange), each as determined by the Calculation Agent;

(b) in relation to an Index which is specified in the applicable Pricing Supplement as being a Multi-Exchange Index, in respect of each Component Security, the principal stock exchange on which such Component Security is principally traded, as determined by the Calculation Agent; and

(c) in respect of an ETF, each exchange or principal trading market specified as such for the relevant ETF in the applicable Pricing Supplement or, where not so specified, the primary exchange(s) or principal trading market(s) on which the relevant ETF is listed, any successor to any such exchange or quotation system or any substitute exchange or quotation system to which trading in the ETF Shares in respect of such ETF has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such ETF Share on such temporary substitute exchange or quotation system as on the original Exchange), each as determined by the Calculation Agent.

"**Exchange Business Day**" means (i) in the case of Index/ETF Linked Notes relating to a single Index or a single ETF, Exchange Business Day (Single Reference Item Basis) or (ii) in the case of Index/ETF Linked Notes relating to a Basket of Reference Items, (a) Exchange Business Day (All Reference Items Basis) or (b) Exchange Business Day (Per Reference Item Basis), as specified in the applicable Pricing Supplement, provided that, if no such specification is made in the applicable Pricing Supplement, Exchange Business Day (All Reference Items Basis) will apply.

"**Exchange Business Day (All Reference Items Basis)**" means, in respect of a Basket of Reference Items, any Scheduled Trading Day on which (i) in respect of (a) each Index other than a Multi-Exchange Index and (b) each ETF, the Exchange and each Related Exchange, if any, in respect of all such Indices/ETFs comprised in the Basket of Reference Items are open

for trading during their respective regular trading session(s) notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time; and (ii) in respect of each Multi-Exchange Index, (a) the Index Sponsor publishes the level of that Multi-Exchange Index and (b) each Related Exchange, if any, is open for trading during its regular trading session, in each case, in respect of all Multi-Exchange Indices comprised in the Basket of Reference Items, notwithstanding any such Related Exchange closing prior to its Scheduled Closing Time.

"**Exchange Business Day (Per Reference Item Basis)**" means (i) in respect (a) of any Index other than a Multi-Exchange Index or (b) any ETF, as applicable, any Scheduled Trading Day on which the relevant Exchange and each Related Exchange, if any, in respect of such Index or ETF are open for trading during their regular trading session(s), notwithstanding any such relevant Exchange or Related Exchange closing prior to its Scheduled Closing Time or (ii) in respect of any Multi-Exchange Index any Scheduled Trading Day on which (a) the Index Sponsor publishes the level of such Index and (b) each Related Exchange, if any, in respect of such Index is open for trading during its regular trading session, notwithstanding any such Related Exchange closing prior to its Scheduled Closing Time.

"**Exchange Business Day (Single Reference Item Basis)**" means any Scheduled Trading Day on which (i) in respect of (a) an Index other than a Multi-Exchange Index or (b) an ETF, as applicable, the Exchange and each Related Exchange, if any, are open for trading during their regular trading session(s), notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time or (ii) in respect of a Multi-Exchange Index (a) the Index Sponsor publishes the level of such Multi-Exchange Index and (b) each Related Exchange, if any, is open for trading during its regular trading session, notwithstanding any such Related Exchange closing prior to its Scheduled Closing Time.

"**Exchange Disruption**" means:

(a) in relation to an ETF or an Index which is not specified in the applicable Pricing Supplement as being a Multi-Exchange Index, any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (i) to effect transactions in, or obtain market values for the ETF Shares on the Exchange or, in the case of an Index or ETF Underlying Index, on any relevant Exchange(s) in securities that comprise 20 % or more of the level of the relevant Index or ETF Underlying Index, or (ii) to effect transactions in, or obtain market values for, futures or options contracts relating to the relevant Index or ETF or ETF Underlying Index (as the case may be) on any relevant Related Exchange; or

(b) in relation to an Index which is specified in the applicable Pricing Supplement as being a Multi-Exchange Index, any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general to effect transactions in, or obtain market values for: (i) any Component Security on the Exchange in respect of such Component Security; or (ii) futures or options contracts relating to the Index on the relevant Related Exchange.

"**Index**" and "**Indices**" mean, subject to adjustment in accordance with the Index/ETF Linked Conditions, the indices or index specified in the applicable Pricing Supplement and related expressions shall be construed accordingly.

"**Index Closing Level**" means, in respect of an Index and subject to these Index/ETF Linked Conditions and to "Valuation Date", "Observation Date", "Knock-in Determination Day", "Knock-out Determination Day", "Trigger Event Observation Date" and "Mandatory Early

Redemption Valuation Date" below and "Averaging Date" above, as the case may be, an amount equal to the official closing level (which shall be deemed to be an amount in the Index Currency) of such Index as determined by the Calculation Agent on (i) if Averaging is not specified in the applicable Pricing Supplement, the Valuation Date, an Observation Date, a Knock-in Determination Day, a Knock-out Determination Day, a Trigger Event Observation Date or a Mandatory Early Redemption Valuation Date, as the case may be, or (ii) if Averaging is specified in the applicable Pricing Supplement, an Averaging Date.

"**Index Currency**" means, subject to adjustment in accordance with the Index/ETF Linked Conditions, the currency in which the relevant Index/ETF Closing Level is quoted or published by the Index Sponsor or the currency most closely associated with such Index, as determined by the Calculation Agent in its sole discretion.

"**Index Level**" means, in respect of an Index and a time on a Scheduled Trading Day and subject to these Index/ETF Linked Conditions, the level of such Index at such time on such day as determined by the Calculation Agent.

"**Index Sponsor**" means, in relation to an Index, the corporation or other entity that (i) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to such Index and (ii) announces (directly or through an agent) the level of such Index on a regular basis during each Scheduled Trading Day, as determined by the Calculation Agent in its sole discretion.

"**Multi-Exchange Index**" means an Index specified as such in the applicable Pricing Supplement.

"**Observation Cut-Off Date**" means, in respect of each Scheduled Observation Date, the eighth Scheduled Trading Day immediately following the relevant Scheduled Observation Date.

"**Observation Date**" means each Observation Date specified in the applicable Pricing Supplement, or if such date is not a Scheduled Trading Day the first Scheduled Trading Day thereafter unless, in the opinion of the Calculation Agent such day is a Disrupted Day. If any such day is a Disrupted Day, then:

(a) where the Index/ETF Linked Notes relate to a single Index or ETF, that Observation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the Scheduled Trading Days immediately following the Scheduled Observation Date up to and including the Observation Cut-Off Date is a Disrupted Day. In that case, (i) the Observation Cut-Off Date shall be deemed to be that Observation Date (notwithstanding the fact that such day is a Disrupted Day) and (ii) the Calculation Agent shall determine the relevant level or price in the manner set out in the applicable Pricing Supplement or, if not set out or if not practicable, determine the relevant level or price by determining (a) the relevant price of the ETF in accordance with its good faith estimate of the relevant price as of the Valuation Time on the Observation Cut-off Date or, as applicable, (b) the level of the Index as of the Valuation Time on the Observation Cut-Off Date by reference to such source(s) and/or methodology(ies) as it deems appropriate in its sole discretion which may include, without limitation, applying (subject to paragraph 4 of these Index/ETF Linked Conditions below) the formula for and method of calculating the Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on the Observation Cut-Off Date of each security comprised in the Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on the Observation Cut-Off Date, its good

faith estimate of the value for the relevant security as of the Valuation Time on the Observation Cut-Off Date); or

(b) where the Index/ETF Linked Notes relate to a Basket of Reference Items, that Observation Date for each Index or ETF not affected by the occurrence of a Disrupted Day shall be the Scheduled Observation Date and that Observation Date for each Index or ETF affected (each an "**Affected Item**") by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Item, unless each of the Scheduled Trading Days immediately following the Scheduled Observation Date up to and including the Observation Cut-Off Date is a Disrupted Day relating to the Affected Item. In that case, (i) the Observation Cut-Off Date shall be deemed to be that Observation Date for the Affected Item (notwithstanding the fact that such day is a Disrupted Day) and (ii) the Calculation Agent shall determine the relevant level or price using, in relation to the Affected Item, the level of that Index or ETF determined in the manner set out in the applicable Pricing Supplement or, if not set out or if not practicable, determine the relevant level or price by determining (a) the relevant price of the ETF in accordance with its good faith estimate of the relevant price as of the Valuation Time on the Observation Cut-Off Date or, as applicable, (b) the level of that Index as of the Valuation Time on the Observation Cut-Off Date as determined by the Calculation Agent by reference to such source(s) and/or methodology(ies) as it deems appropriate in its sole discretion which may include, without limitation, applying (subject to paragraph 4 of these Index/ETF Linked Conditions) the formula for and method of calculating that Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on the Observation Cut-Off Date of each security comprised in that Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on the Observation Cut-Off Date, its good faith estimate of the value for the relevant security as of the Valuation Time on the Observation Cut-Off Date).If an Observation Date is deemed to fall after the Scheduled Observation Date and any date specified in the applicable Pricing Supplement for payment or delivery of any amount calculated by reference to a value determined in respect of such Observation Date would thereby fall before the second Business Day immediately following that delayed Observation Date, such relevant date for payment or delivery will be delayed until the second Business Day immediately following such delayed Observation Date.

"**Observation Period**" means the period or periods specified as such in the applicable Pricing Supplement.

"**Related Exchange**" means, in relation to an Index, an ETF or an ETF Underlying Index, each exchange or quotation system specified as such for such Index, ETF or ETF Underlying Index in the applicable Pricing Supplement, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to such Index, ETF or ETF Underlying Index has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Index, ETF or Underlying Index on such temporary substitute exchange or quotation system as on the original Related Exchange), provided, however, that where "All Exchanges" is specified as the Related Exchange in the applicable Pricing Supplement, "**Related Exchange**" shall mean each exchange or quotation system, if any, where trading has a material effect (as determined by the Calculation Agent) including, where applicable, for hedging purposes on the overall market for futures or options contracts relating to such Index, ETF or ETF Underlying Index.

"**Scheduled Averaging Date**" means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been an Averaging Date.

"**Scheduled Closing Time**" means, in respect of an Exchange or Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside of the regular trading session hours.

"**Scheduled Observation Date**" means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been an Observation Date.

"**Scheduled Trading Day**" means (i) in the case of Index/ETF Linked Notes relating to a single Index or a single ETF, Scheduled Trading Day (Single Reference Item Basis) or (ii) in the case of Index/ETF Linked Notes relating to a Basket of Reference Items, (a) Scheduled Trading Day (All Reference Items Basis) or (b) Scheduled Trading Day (Per Reference Item Basis), as specified in the applicable Pricing Supplement, provided that, if no such specification is made in the applicable Pricing Supplement, Scheduled Trading Day (All Reference Items Basis) will apply

"**Scheduled Trading Day (All Reference Items Basis)**" means, in respect of a Basket of Reference Items, any day on which (i) in respect of (a) each Index other than a Multi-Exchange Index and (b) each ETF, the Exchange and each Related Exchange, if any, in respect of all such indices and ETFs comprised in the Basket of Reference Items are scheduled to be open for trading during their respective regular trading session(s) , and (ii) in respect of each Multi-Exchange Index, (a) the Index Sponsor is scheduled to publish the level of that Multi-Exchange Index and (b) each Related Exchange, if any, is scheduled to be open for trading during its regular trading session, in each case, in respect of all Multi-Exchange Indices comprised in the Basket of Reference Items.

"**Scheduled Trading Day (Per Reference Item Basis)**" means (i) in respect of (a) any Index other than a Multi-Exchange Index or (b) any ETF, as applicable, any day on which the relevant Exchange and each Related Exchange, if any, in respect of such Index or ETF is scheduled to be open for trading for their respective regular trading session(s) or (ii) in respect of any Multi-Exchange Index, any day on which (a) the Index Sponsor is scheduled to publish the level of such Index, and (b) each Related Exchange, if any, in respect of such Index is scheduled to be open for trading during its regular trading session. If Scheduled Trading Day (Per Reference Item Basis) is specified in the applicable Pricing Supplement, where any date for payment or delivery is determined by reference to any Averaging Date (the "**Relevant Averaging Date**"), Observation Date (the "**Relevant Observation Date**") or Valuation Date (the "**Relevant Valuation Date**"), such Relevant Averaging Date, Relevant Observation Date or Relevant Valuation Date, as applicable, will be deemed to be the last such Relevant Averaging Date, Relevant Observation Date or Relevant Valuation Date to occur in respect of any Index or ETF taking into account the adjustments in the definition of Averaging Date, Observation Date or Valuation Date, as applicable.

"**Scheduled Trading Day (Single Reference Item Basis)**" means any day on which (i) in respect of (a) an Index other than a Multi-Exchange Index or (b) an ETF, the Exchange and each Related Exchange, if any, are scheduled to be open for trading during their respective regular trading session(s), or (ii) in respect of a Multi-Exchange Index (a) the Index Sponsor is scheduled to publish the level of such Multi-Exchange Index and (b) each Related Exchange, if any, is scheduled to be open for trading during its regular trading session.

"**Scheduled Valuation Date**" means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been a Valuation Date.

"**Trading Disruption**" means:

(a) in relation to an ETF or an Index which is not specified in the applicable Pricing Supplement as being a Multi-Exchange Index, any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise (i) relating to the ETF on such Exchange or (ii) on any relevant Exchange(s) relating to securities that comprise 20 % or more of the level of the relevant Index or ETF Underlying Index or any relevant successor index, or (iii) in futures or options contracts relating to the Index or ETF or ETF Underlying Index or any relevant successor index (as the case may be) on any relevant Related Exchange; or

(b) in relation to an Index which is specified in the applicable Pricing Supplement as being a Multi-Exchange Index, any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise: (i) relating to any Component Security on the Exchange in respect of such Component Security; or (ii) in futures or options contracts relating to the Index on the Related Exchange.

"**Valuation Cut-Off Date**" means the eighth Scheduled Trading Day immediately following the Scheduled Valuation Date.

"**Valuation Date**" means each Valuation Date (including any Initial Valuation Date or Final Valuation Date) specified in the applicable Pricing Supplement, or if such date is not a Scheduled Trading Day the first Scheduled Trading Day thereafter, unless, in the opinion of the Calculation Agent such day is a Disrupted Day. If such day is a Disrupted Day, then:

(a) where the Index/ETF Linked Notes relate to a single Index or a single ETF, the Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the Scheduled Trading Days immediately following the Scheduled Valuation Date up to and including the Valuation Cut-Off Date is a Disrupted Day. In that case, (i) the Valuation Cut-Off Date shall be deemed to be the Valuation Date (notwithstanding the fact that such day is a Disrupted Day) and (ii) the Calculation Agent shall determine the relevant level or price in the manner set out in the applicable Pricing Supplement or, if not set out or if not practicable, determine the relevant level or price by determining the relevant price of the ETF in accordance with its good faith estimate of the relevant price as of the Valuation Time on the Valuation Cut-Off Date or, as applicable, the level of the Index as of the Valuation Time on the Valuation Cut-Off Date by reference to such source(s) and/or methodology(ies) as it deems appropriate in its sole discretion which may include, without limitation, applying (subject to paragraph 4 of these Index/ETF Linked Conditions below) the formula for and method of calculating the Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on the Valuation Cut-Off Date of each security comprised in the Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on the Valuation Cut-Off Date, its good faith estimate of the value for the relevant security as of the Valuation Time on the Valuation Cut-Off Date); or

(b) where the Index/ETF Linked Notes relate to a Basket of Reference Items, the Valuation Date for each Index or ETF not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date and the Valuation Date for each Index or ETF affected (each an "**Affected Item**") by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Item, unless each of the Scheduled Trading Days immediately following

the Scheduled Valuation Date up to and including the Valuation Cut-Off Date is a Disrupted Day relating to the Affected Item. In that case, (i) the Valuation Cut-Off Date shall be deemed to be the Valuation Date for the Affected Item (notwithstanding the fact that such day is a Disrupted Day) and (ii) the Calculation Agent shall determine the relevant level or price using, in relation to the Affected Item, the level or price of that Index or ETF determined in the manner set out in the applicable Pricing Supplement or, if not set out or if not practicable, using its good faith estimate of the price for that ETF as of the Valuation Time on the Valuation Cut-off Date or, as applicable, the level of that Index as of the Valuation Time on the Valuation Cut-Off Date as determined by the Calculation Agent by reference to such source(s) and/or methodology(ies) as it deems appropriate in its sole discretion which may include, without limitation, applying (subject to paragraph 4 of these Index/ETF Linked Conditions) the formula for and method of calculating that Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on the Valuation Cut-Off Date of each security comprised in that Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on the Valuation Cut-Off Date, its good faith estimate of the value for the relevant security as of the Valuation Time on the Valuation Cut-Off Date).

If a Valuation Date is deemed to fall after the Scheduled Valuation Date and any date specified in the applicable Pricing Supplement for payment or delivery of any amount calculated by reference to a value determined in respect of such Valuation Date would thereby fall before the second Business Day immediately following that delayed Valuation Date, such relevant date for payment or delivery will be delayed until the second Business Day immediately following such delayed Valuation Date.

"**Valuation Time**" means:

(a) in relation to an ETF or an Index which is not specified in the applicable Pricing Supplement to be a Multi-Exchange Index, the Valuation Time specified in the applicable Pricing Supplement or, if no Valuation Time is specified, the Scheduled Closing Time on the relevant Exchange on the relevant Valuation Date, Observation Date or Averaging Date, as the case may be, in relation to each Index or ETF to be valued. If the relevant Exchange closes prior to its Scheduled Closing Time and the specified Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time;

(b) where the relevant Index is specified in the applicable Pricing Supplement to be a Multi-Exchange Index, the Valuation Time specified in the applicable Pricing Supplement or if no Valuation Time is specified (i) for the purposes of determining whether a Market Disruption Event has occurred: (x) in respect of any Component Security, the Scheduled Closing Time on the relevant Exchange and (y) in respect of any options contracts or futures contracts on the Index, the close of trading on the relevant Related Exchange, and (ii) in all other circumstances, the time at which the official closing level of the Index is calculated and published by the Index Sponsor; or

(c) where a level or price for an ETF or Index is to be determined during any period on any Scheduled Trading Day, each relevant time at which such level or price is so determined.

## 3. Market Disruption

"**Market Disruption Event**" means:

(a) in respect of an Index other than a Multi-Exchange Index or an ETF the occurrence or existence of (i) a Trading Disruption, (ii) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time, Knock-in Valuation Time, Knock-out Valuation Time, Trigger Event Valuation Time or Mandatory Early Redemption Valuation Time, as the case may be, or (iii) an Early Closure; or

(b) in respect of an Index which is a Multi-Exchange Index either:

(i) (A) the occurrence or existence, in respect of any Component Security, of:

I. a Trading Disruption, which the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time, Knock-in Valuation Time, Knock-out Valuation Time, Trigger Event Valuation Time or Mandatory Early Redemption Valuation Time, as the case may be, in respect of the Exchange on which such Component Security is principally traded;

II. an Exchange Disruption, which the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time, Knock-in Valuation Time, Knock-out Valuation Time, Trigger Event Valuation Time or Mandatory Early Redemption Valuation Time, as the case may be, in respect of the Exchange on which such Component Security is principally traded; or

III. an Early Closure; and

(B) the aggregate of all Component Securities in respect of which a Trading Disruption, an Exchange Disruption or an Early Closure occurs or exists, comprises 20 % or more of the level of the Index; or

(ii) the occurrence or existence, in respect of futures or options contracts relating to the Index, of (A) a Trading Disruption, (B) an Exchange Disruption which in either case the Calculation Agent determines is material, at any time during the one hour period that ends at the Valuation Time, the Knock-in Valuation Time, the Knock-out Valuation Time, the Trigger Event Valuation Time or the Mandatory Early Redemption Valuation Time, as the case may be, in respect of any Related Exchange or (C) an Early Closure.

For the purposes of determining whether a Market Disruption Event in respect of an Index or ETF Underlying Index exists at any time, if a Market Disruption Event occurs in respect of a security included in the Index or ETF Underlying Index or such Component Security at any time, then the relevant percentage contribution of that security or Component Security, as the case may be, to the level of the Index or ETF Underlying Index shall be based on a comparison of (i) the portion of the level of the Index attributable to that security or Component Security, as the case may be, and (ii) the overall level of the Index or ETF Underlying Index, in each case either (a) except where the Index is not a Multi-Exchange Index, immediately before the occurrence of such Market Disruption Event or (b) where that

Index or ETF Underlying Index is a Multi-Exchange Index, using the official opening weightings as published by the Index Sponsor as part of the market "opening data".

**4. Adjustments and Corrections to an Index or ETF Share price**

(a) Successor Index Sponsor Calculates and Reports an Index

If a relevant Index is (i) not calculated and announced by the Index Sponsor but is calculated and announced by a successor sponsor (the "**Successor Index Sponsor**") acceptable to the Calculation Agent, or (ii) replaced by a successor index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of that Index, then in each case that index (the "**Successor Index**") will be deemed to be the Index.

(b) Modification and Cessation of Calculation of an Index

If in the determination of the Calculation Agent (i) on or prior to any date on which any Index valuation or obligation is scheduled to occur the relevant Index Sponsor makes or announces that it will make a material change in the formula for or the method of calculating a relevant Index or in any other way materially modifies that Index (other than a modification prescribed in that formula or method to maintain that Index in the event of changes in constituent stock and capitalisation or contracts and other routine events) (an "**Index Modification**"), (ii) the relevant Index Sponsor permanently cancels a relevant Index and no Successor Index exists (an "**Index Cancellation**"), or (iii) on any date on which any Index valuation or obligation is scheduled to occur the Index Sponsor or, if applicable, the Successor Index Sponsor fails to calculate and announce a relevant Index (an "**Index Disruption**" and, together with an Index Modification and an Index Cancellation, each an "**Index Adjustment Event**"), then the Fiduciary may take the action described in (A) or (B) below:

(A) require the Calculation Agent to determine if such Index Adjustment Event has a material effect on the Index/ETF Linked Notes and, if so, calculate the relevant level or price using, in lieu of a published level for that Index, the level for that Index as at the relevant time as determined by the Calculation Agent in accordance with the formula for and method of calculating that Index last in effect prior to the change, failure or cancellation, but using only those securities that comprised that Index immediately prior to that Index Adjustment Event; or

(B) on giving notice to the Noteholders in accordance with Condition 15, redeem all (but not some only) of the Index/ETF Linked Notes on the Early Redemption Date (the "**Early Redemption Date**") specified in such notice, each Note of a nominal amount equal to the Specified Denomination being redeemed at such nominal amount or other such amount as may be specified in the applicable Pricing Supplement. In such circumstances the provisions of Condition 4(e) shall apply.

Upon the occurrence of an Index Adjustment Event, the Fiduciary shall give notice as soon as reasonably practicable to the Noteholders in accordance with Condition 15, as applicable giving details of the action proposed to be taken in relation thereto, provided that any failure to give, or non-receipt of, such notice will not affect the validity of such action. The Fiduciary shall make available for inspection by Noteholders copies of any such determinations.

(c) Corrections to an Index

If the level of a relevant Index published on any Valuation Date, Observation Date, Averaging Date, or any other date for Index valuation or observation, as the case may be, by

the relevant Index Sponsor or (if applicable) the relevant Successor Index Sponsor and which is utilised for any calculation or determination made for the purposes of the Index/ETF Linked Notes (a "**Relevant Calculation**") is subsequently corrected and the correction (the "**Corrected Index Level**") published by the relevant Index Sponsor or (if applicable) the relevant Successor Index Sponsor no later than two Business Days prior to the date of payment of any amount to be calculated by reference to the Relevant Calculation then such Corrected Index Level shall be deemed to be the relevant level for such Index on such Averaging Date, Observation Date, Valuation Date, or other relevant date, as the case may be, and the Calculation Agent shall use such Corrected Index Level in determining the relevant level or price.

(d) Corrections to ETF Share prices

If the price of an ETF Share published on any Valuation Date, Observation Date or any other date for ETF Share valuation or observation, as the case may be, by the relevant Exchange and which is utilised for any calculation or determination made for the purposes of the Index/ETF Linked Notes (a "**Relevant Calculation**") is subsequently corrected and the correction (the "**Corrected ETF Share Price**") published by the relevant Exchange no later than two Business Days prior to the date of payment of any amount to be calculated by reference to the Relevant Calculation then such Corrected ETF Share Price shall be deemed to be the relevant price for such ETF Share on such Observation Date, Valuation Date or other relevant date, as the case may be, and the Calculation Agent shall use such Corrected ETF Share Price in determining the Relevant Calculation.

(e) Potential Adjustment Events, Merger Event, Material Underlying Event, Tender Offer, De-listing, Nationalisation and Insolvency

(A) "**Potential Adjustment Event**" means any of the following:

(i) a subdivision, consolidation or reclassification of relevant ETF Shares (unless resulting in a Merger Event or, if Tender Offer is specified as applying in the applicable Pricing Supplement, a Tender Offer) or a free distribution or dividend of any such ETF Shares to existing holders by way of bonus, capitalisation or similar issue;

(ii) a distribution, issue or dividend to existing holders of the relevant ETF Shares of (A) such ETF Shares or (B) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the ETF equally or proportionately with such payments to holders of such ETF Shares or (C) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the ETF as a result of a spin-off or other similar transaction or (D) any other type of securities, rights or warrants or other assets, in any case for payment (in cash or otherwise) at less than the prevailing market price as determined by the Calculation Agent;

(iii) an extraordinary dividend as determined by the Calculation Agent;

(iv) a call by the ETF in respect of relevant ETF Shares that are not fully paid;

(v) a repurchase by the ETF or any of its subsidiaries, as the case may be, of relevant ETF Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise; or

(vi) in respect of an ETF an event that results in any shareholder rights being distributed or becoming separated from ETF Shares of common stock or other shares of the capital stock of the ETF pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, warrants, debt instruments or stock rights at a price below their market value as determined by the Calculation Agent, provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights; or

(vii) any other event that may have a diluting or concentrative effect on the theoretical value of the relevant ETF Shares.

(B) Following a Potential Adjustment Event, the Calculation Agent will, in its sole and absolute discretion, determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of any relevant ETF Shares and, if so, will make the corresponding adjustment, if any, to any one or more of the terms of the Conditions and/or the applicable Pricing Supplement as the Calculation Agent in its sole and absolute discretion determines appropriate to account for that diluting or concentrative effect (provided that no adjustments will be made to account solely for changes in volatility, expected dividends stock loan rate or liquidity relative to the relevant ETF Share) and determine the effective date of that adjustment. The Calculation Agent may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of such Potential Adjustment Event made by an options exchange to options on the ETF Shares traded on that options exchange.

(C) Upon the making of any such adjustment, the Fiduciary shall give notice as soon as practicable to the Noteholders in accordance with Condition 15 stating the adjustment to the terms of the Conditions and/or the applicable Pricing Supplement and giving brief details of the Potential Adjustment Event, provided that any failure to give, or non-receipt of, such notice will not affect the validity of any such adjustment.

(D) Extraordinary Events

"**De-listing**" means, in respect of an ETF Share, the relevant Exchange announces that pursuant to the rules of such Exchange, such ETF Share ceases (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or, if Tender Offer is specified as applying in the applicable Pricing Supplement, a Tender Offer) and is not immediately re-listed, re-traded or re-quoted on (A) where the Exchange is located in the United States, any of the New York Stock Exchange, the American Stock Exchange or the NASDAQ National Market System (or their respective successors) or (B) an exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union, in a member state of the European Union).

"**Insolvency**" means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting an ETF (A) all the ETF Shares of that ETF are required to be transferred to a trustee, liquidator or other similar official or (B) holders of the ETF Shares of that ETF become legally prohibited from transferring them.

"**Material Underlying Event**" means any of the following:

(a) the investment objectives and/or policies in respect of the ETF are materially changed;

(b) an illegality occurs or a relevant authorisation or licence is revoked in each case in respect of the ETF and/or the ETF is required by a competent authority (other than any holder of the ETF Shares) to redeem any ETF Shares;

(c) any change in the currency of denomination or quotation of the net asset value of the relevant class of ETF Shares;

(d) any restriction or limitation or suspension or deferral or delay of redemptions of, or subscription for, shares or units in the ETF (including any partial payment of Fund redemption proceeds or the introduction or increase of any associated fee, cost or expense, the introduction or use of gating or any restructuring, reorganisation or action that has similar impact to gating);

(e) the Fiduciary is the beneficial owner of 25% or more of the relevant class of ETF Shares;

(f) other than where the following constitutes an Additional Disruption Event, there is a change in any relevant jurisdiction in respect of any payments made by the ETF in respect of any ETF Share as a result of which the amounts paid or to be paid by the Fiduciary in connection with hedging arrangements relating to the Notes are materially reduced or otherwise adversely affected;

(g) other than where the following constitutes an Additional Disruption Event, any other event occurs in relation to the ETF and/or the ETF Shares which is materially prejudicial to the Fiduciary in connection with the issue of the Securities or any hedging arrangements relating to the Notes; and/or

(h) any other event or circumstance, which causes the terms of the Notes to no longer reflect the original commercial terms agreed by the Fiduciary and/or Dealer and the initial Noteholder(s) or adversely affects the economic basis on which the Fiduciary issued the Notes,

all as determined by the Calculation Agent.

"**Merger Date**" means the closing date of a Merger Event or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Calculation Agent.

"**Merger Event**" means, in respect of any relevant ETF Shares, any (A) reclassification or change of such ETF Shares that results in a transfer of or an irrevocable commitment to transfer all of such ETF Shares outstanding to another entity or person, (B) consolidation, amalgamation, merger or binding share exchange of the ETF with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such ETF is the continuing entity and which does not result in a reclassification or change of all of such ETF Shares outstanding), (C) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 % of the outstanding ETF Shares of the relevant ETF that results in a transfer of or an irrevocable commitment to transfer all such ETF Shares (other than such ETF Shares owned or controlled by such other entity or person), or (D) consolidation, amalgamation, merger or binding share exchange of the ETF or its subsidiaries with or into another entity in which the ETF is the continuing entity and which does not result in a reclassification or change of all such ETF Shares outstanding but results in the outstanding ETF Shares (other than ETF Shares owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 % of the outstanding ETF Shares immediately following such event,

in each case if the Merger Date is on or before the Maturity Date or any earlier date on which the Index/ETF Linked Notes are due to be redeemed in full.

"**Nationalisation**" means that all the ETF Shares or all or substantially all the assets of an ETF are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof.

"**Tender Offer**" means a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 10 % and less than 100 % of the outstanding voting shares of the relevant ETF as determined by the Calculation Agent, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Calculation Agent deems relevant.

"**Tender Offer Date**" means, in respect of a Tender Offer, the date on which voting shares in the amount of the applicable percentage threshold are actually purchased or otherwise obtained (as determined by the Calculation Agent).

If (x) a Merger Event, Material Underlying Event, De-listing, Nationalisation or Insolvency occurs in relation to an ETF and/or (y) if Tender Offer is specified as applicable in the applicable Pricing Supplement, a Tender Offer occurs in relation to any ETF Share, the Fiduciary in its sole and absolute discretion may take the action described in (i), (ii), (iii), (iv) or (v) below:

(i) require the Calculation Agent to determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to any terms of the Conditions and/or the applicable Pricing Supplement to account for the De-listing, Merger Event, Tender Offer, Nationalisation, Insolvency or Material Underlying Event, as the case may be, and determine the effective date of that adjustment. For these purposes (a) the Calculation Agent may (but need not) determine the appropriate adjustment by reference to the adjustment in respect of the Merger Event, Tender Offer, De-listing, Nationalisation, Insolvency or Material Underlying Event made by any options exchange to options on the relevant ETF Share traded on that options exchange and the relevant adjustments may in the case of adjustments following a Merger Event or Tender Offer include, without limitation, adjustments to account for changes in volatility, stock loan rate or liquidity relevant to the ETF Shares and/or (b) in the case of a Basket of Reference Items, the Calculation Agent may remove the affected ETF Share from the Basket of Reference Items and make such adjustments to the Index/ETF Linked Notes as it determines appropriate (which may, without limitation, include any value or weighting of the remaining ETF Shares) in order to account for the price or value of the affected ETF Share at the time of its removal as well as the cost to the Fiduciary and/or any of its Affiliates or agents of adjusting any associated hedging arrangements (and this may mean that the economic benefit of the Index/ETF Linked Notes for the Noteholder is reduced or that the removal of the ETF Share has a material adverse effect on the Index/ETF Linked Notes); or

(ii) where the Index/ETF Linked Notes relate to a Basket of Reference Items on giving notice to the Noteholders in accordance with Condition 15, redeem or cancel, as the case may be, each Index/ETF Linked Note in part on the Early Redemption Date (the "**Early Redemption Date**") specified in such notice, each Note of a nominal amount equal to the Specified Denomination being redeemed at such nominal amount or other such amount as may be specified in the applicable Pricing Supplement. In such circumstances the provisions of Condition 4(e) shall apply. If an Index/ETF Linked Note is so redeemed or cancelled in part the portion (the "**Partial Amount**") of each such Index/ETF Linked Note representing the affected ETF Share(s) shall be

redeemed or cancelled, as the case may be. The Fiduciary will require the Calculation Agent to determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to any of the terms of the Conditions and/or the applicable Pricing Supplement to account for such redemption or cancellation in part. For the avoidance of doubt the remaining part of each such Index/ETF Linked Note after redemption or cancellation and adjustment shall remain outstanding with full force and effect. Payments will be made in such manner as shall be notified to the Noteholders in accordance with Condition 15; or

(iii) give notice to the Noteholders in accordance with Condition 15 and redeem all, but not some only, of the Index/ETF Linked Notes on the Early Redemption Date (the "**Early Redemption Date**") specified in such notice, each Note of a nominal amount equal to the Specified Denomination being redeemed at such nominal amount or other such amount as may be specified in the applicable Pricing Supplement. In such circumstances the provisions of Condition 4(e) shall apply;

(iv) following such adjustment to the settlement terms of options on the ETF Shares traded on such exchange(s) or quotation system(s) as the Fiduciary in its sole discretion shall select (the "**Options Exchange**"), require the Calculation Agent to make a corresponding adjustment to any one or more of the terms of the Conditions and/or the applicable Pricing Supplement which adjustment will be effective as of the date determined by the Calculation Agent to be the effective date of the corresponding adjustment made by the Options Exchange. If options on the ETF Shares are not traded on the Options Exchange, the Calculation Agent will make such adjustment, if any, to any one or more of the terms of the Conditions and/or the applicable Pricing Supplement as the Calculation Agent in its sole and absolute discretion determines appropriate, with reference to the rules and precedents (if any) set by the Options Exchange to account for the Merger Event, Tender Offer, De-listing, Nationalisation, Insolvency or Material Underlying Event, as the case may be, that in the determination of the Calculation Agent would have given rise to an adjustment by the Options Exchange if such options were so traded; or

(v) if "ETF Share Substitution" is specified as applicable in the applicable Pricing Supplement, then on or after the relevant Merger Date, De-listing, Nationalisation, Insolvency, Tender Offer Date or Material Underlying Event, as the case may be, the Calculation Agent may adjust the Conditions and/or the applicable Pricing Supplement to include exchange traded fund shares (the "**Substitute ETF Shares**") selected by it in accordance with the criteria for exchange traded fund share selection ("**ETF Share Substitution Criteria**"), if any, set out in the applicable Pricing Supplement, or otherwise as provided below, in place of the ETF Share(s) (for the purposes of this Index/ETF Linked Condition 4, the Affected ETF Share(s)) which are affected by such Merger Event, De-listing, Nationalisation, Insolvency, Tender Offer or Material Underlying Event and the Substitute ETF Shares will, from the date so determined by the Calculation Agent (the "**ETF Share Substitution Date**") be deemed to be "ETF Shares" and the relevant ETF (the "**Substitute ETF**"), an "ETF" for the purposes of the Index/ETF Linked Notes, and the Calculation Agent will make such adjustment, if any, to any of the Conditions and/or the applicable Pricing Supplement as the Calculation Agent determines appropriate and the provisions of Index/ETF Linked Condition 4(f) below shall apply. If "ETF Share Substitution" is specified as applicable in the applicable Pricing Supplement but no ETF Share Substitution Criteria are set out in the Pricing Supplement, the Calculation Agent will use reasonable endeavours to ensure that, to the extent practicable, any Substitute ETF will (i) have ETF shares quoted in the same currency and (ii) be traded on the same exchange as the ETF in respect of the Affected ETF Shares, in each case at the time of substitution.

Upon the occurrence of a Merger Event, De-listing, Nationalisation, Insolvency, Material Underlying Event or, if applicable, Tender Offer, the Fiduciary shall give notice as soon as practicable to the Noteholders in accordance with Condition 15, stating the occurrence of the Merger Event, Tender Offer, De-listing, Nationalisation, Insolvency or Material Underlying Event, as the case may be, giving details thereof and the action proposed to be taken in relation thereto provided that any failure to give, or non-receipt of, such notice will not affect the validity of any such Merger Event, Tender Offer, De-listing, Nationalisation, Insolvency or Material Underlying Event, as the case may be.

**For the avoidance of doubt nothing in these Index/ETF Linked Conditions shall require the Calculation Agent or the Fiduciary to monitor any ETF or ETF Share on an on-going basis and no representation (express or implied) is made that there will be any such monitoring).**

(f) For the purposes of any adjustments to account for an ETF Share substitution as referred to in Index/ETF Linked Condition (v) above, the Calculation Agent shall adjust the relevant values, levels, variables or terms for the valuation or observation of the Substitute ETF Shares in the terms of the Index/ETF Linked Notes in order to account for the price or value of the Affected ETF Shares at the time of their removal as well as the cost to the Fiduciary and/or any Affiliate or agent of adjusting any associated hedging arrangements. This may mean that the economic benefit, if any, of the ETF Share substitution for the Noteholder is reduced or that the ETF Share substitution has a material adverse effect on the Index/ETF Linked Notes. For example, and without limitation, the value of the Substitute ETF Shares may be adjusted by the same proportion as any fall in value of the Affected ETF Share at the time of its removal relative to the Trade Date and may be further reduced to account for the cost to the Fiduciary and/or any Affiliate or agent of adjusting any associated hedging arrangements.

**5. Additional Disruption Events**

(a) "**Additional Disruption Event**" means any of Change in Law, Exchange-traded Contract Event, Hedging Disruption, FX Disruption and/or Increased Cost of Hedging, in each case if specified in the applicable Pricing Supplement.

"**Change in Law**" means that, on or after the Trade Date (as specified in the applicable Pricing Supplement) (1)(i) due to the adoption of or any change (including a future change) in any applicable law or regulation (including, without limitation, any tax law), or (ii) due to the promulgation of or any change (including a future change) in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Calculation Agent determines in its sole and absolute discretion that (A) it has become illegal to hold, acquire or dispose of any relevant security comprised in an Index or any ETF Shares or any transaction(s) or other asset(s) that the Fiduciary and/or any of its Affiliates or agents deems necessary or desirable to hedge the equity or other price risk of the Fiduciary in connection with the Index/ETF Linked Notes; and/or (B) the Fiduciary and/or any of its Affiliates or agents will incur a materially increased cost in performing its obligations in relation to the Index/ETF Linked Notes and/or, as applicable, in acquiring, entering into and/or maintaining any transaction(s) that the Fiduciary and/or any of its Affiliates or agents deems necessary or desirable to hedge the equity or other price risk of the Fiduciary in connection with the Index/ETF Linked Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on the tax position of the Fiduciary and/or any of its Affiliates); and/or (2) the Fiduciary and/or any of its Affiliates or agents carrying out relevant hedging arrangements in respect of the Index/ETF Linked Notes is or will be required to be regulated by any additional jurisdiction or regulatory authority, or is or will be subject to any additional legal requirement or regulation considered by the Calculation Agent to be materially onerous.

"**Exchange-traded Contract Event**" means, in relation to an Index, (i) the official settlement price of any Exchange-traded Contract does not reflect the Index Level or Index Closing Level in a way that is necessary or desirable for the purposes of the Fiduciary and/or any of its Affiliates hedging the Fiduciary's exposure under the Index/ETF Linked Notes; (ii) the official settlement price of any relevant Exchange-traded Contract is unavailable for any reason or is amended or corrected; (iii) the terms of any Exchange-traded Contract are changed or modified in any way; and/or (iv) any Valuation Date, Averaging Date or any other date for valuation of an Index in respect of the Index/ETF Linked Notes is not a day on which an official settlement price is published in respect of any relevant Exchange-traded Contract.

"**Exchange-traded Contract**" means, in relation to any Index, any futures or options contract(s) relating to that Index as selected by the Calculation Agent from time to time.

"**FX Disruption**" means the occurrence or existence of any event or circumstance, as determined by the Calculation Agent in its sole and absolute discretion, with respect to any currency in which any ETF Share or any of the securities comprising an Index is traded, quoted or settled (each an "**Event Currency**") that has the effect of preventing or delaying the Fiduciary and/or any of its Affiliates or agents directly or indirectly from: (i) converting the Event Currency into the Specified Currency through customary legal channels; (ii) converting the Event Currency into the Specified Currency at a rate at least as favourable as the rate for domestic institutions located in any jurisdiction which uses the Event Currency as its primary currency (an "**Event Currency Jurisdiction**"); (iii) delivering the Specified Currency from accounts inside the Event Currency Jurisdiction to accounts outside the Event Currency Jurisdiction; (iv) delivering the Event Currency between accounts inside the Event Currency Jurisdiction or to an entity that is a non-resident of the Event Currency Jurisdiction; (v) effectively realising in the Specified Currency the value of any hedging arrangement in respect of the Index/ETF Linked Notes at any time; or (vi) the government or other regulatory authority with jurisdiction in a relevant Event Currency Jurisdiction giving public notice of its intention to impose any capital controls which the Calculation Agent determines likely (a) to have a material effect on the ability of any of the Fiduciary and/or its Affiliates or agents to hedge its foreign exchange risk in respect of the relevant Event Currency(ies) or unwind any such hedging transaction or (b) to reduce the value of any such hedging transaction.

"**Hedging Disruption**" means that the Fiduciary and/or any of its Affiliates or agents is unable or it is impracticable, after using commercially reasonable efforts, to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity or other price risk of the Fiduciary issuing and performing its obligations with respect to the Index/ETF Linked Notes, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s) including, without limitation, where such inability or impracticability has arisen by reason of (x) any restriction on making new or additional investments in any ETF Shares, or (y) any mandatory redemption of a ETF Share imposed by the related ETF. Without limitation such transaction(s) or assets may include any Exchange-traded Contract(s).

"**Increased Cost of Hedging**" means that the Fiduciary and/or any of its Affiliates or agents acting on its behalf would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity or other price risk of the Fiduciary issuing and performing its obligations with respect to the Index/ETF Linked Notes, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Fiduciary and/or any of its Affiliates or agents shall not be deemed an Increased Cost of Hedging.

(b) If Additional Disruption Events are specified as applicable in the applicable Pricing Supplement, then if an Additional Disruption Event occurs, the Fiduciary in its sole and absolute discretion may take the action described in (i) or (ii) below:

(i) require the Calculation Agent to determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to any one or more of the terms of the Conditions and/or the applicable Pricing Supplement to account for the Additional Disruption Event and determine the effective date of that adjustment; or

(ii) give notice to Noteholders in accordance with Condition 15 and redeem all, but not some only, of the Index/ETF Linked Notes on the Early Redemption Date (the "**Early Redemption Date**") specified in such notice, each Note of a nominal amount equal to the Specified Denomination being redeemed at such nominal amount or other such amount as may be specified in the applicable Pricing Supplement. In such circumstances the provisions of Condition 4(e) shall apply.

(c) Upon the occurrence of an Additional Disruption Event, the Fiduciary shall give notice as soon as practicable to the Noteholders in accordance with Condition 15 stating the occurrence of the Additional Disruption Event, giving details thereof and the action proposed to be taken in relation thereto provided that any failure to give, or non-receipt of, such notice will not affect the validity of the Additional Disruption Event.

**6. Knock-in Event, Knock-out Event**

If "Knock-in Event" is specified as applicable in the Pricing Supplement, then the payment and/or delivery obligations under the Index/ETF Linked Notes relating to the occurrence of a Knock-in Event shall be as set out in the applicable Pricing Supplement.

If "Knock-out Event" is specified as applicable in the Pricing Supplement, then the payment and/or delivery obligations under the Index/ETF Linked Notes relating to the occurrence of a Knock-out Event shall be as set out in the applicable Pricing Supplement.

Unless otherwise specified in the applicable Pricing Supplement:

"**Knock-in Determination Day**" means the date(s) specified as such in the applicable Pricing Supplement or, if any such date is not a Scheduled Trading Day, the first succeeding Scheduled Trading Day thereafter or, if not so specified, each Scheduled Trading Day during the Knock-in Determination Period, subject, in each case, as provided in Knock-in/Knock-out Disrupted Day Adjustments below.

"**Knock-in Determination Period**" means the period which commences on, and includes, the Knock-in Period Beginning Date and ends on, and includes, the Knock-in Period Ending Date.

"**Knock-in Event**" is as specified in the applicable Pricing Supplement.

"**Knock-in/Knock-out Disrupted Day Adjustments**" means:

(a) if the Knock-in Valuation Time or the Knock-out Valuation Time is a single time on each relevant day and any Knock-in Determination Day or Knock-out Determination Day is a Disrupted Day then, if "Knock-in/Knock-out Determination Day consequences of a Disrupted Day" is specified in the applicable Pricing Supplement as:

(i) "**Omission**", then such date will be deemed not to be a Knock-in Determination Day or Knock-out Determination Day for the purposes of determining whether a Knock-in Event or a Knock-out Event has occurred, as applicable; provided that if the Knock-in Period Ending Date or the Knock-out Period Ending Date is a Disrupted Day and no Knock-in Event or Knock-out Event has occurred in the Knock-in Determination Period or Knock-out Determination Period, the Knock-in Period Ending Date or Knock-out Period Ending Date, as applicable, shall be treated as a Valuation Date and the provisions of the definition of "Valuation Date" will apply for the purposes of determining the relevant level or price on the Knock-in Period Ending Date or Knock-out Period Ending Date, as applicable, as if such Knock-in Period Ending Date or Knock-out Period Ending Date, as applicable, were a Valuation Date that was a Disrupted Day and the Calculation Agent shall determine the relevant level or price of the relevant Reference Item(s) in respect of such day in accordance with such provisions (as such provisions may be amended for these purposes in the applicable Pricing Supplement, for example but without limitation, in respect of the time at which any subsequent valuation(s) is/are made) for the purpose of determining whether a Knock-in Event or Knock-out Event shall occur; or

(ii) "**Postponement**", then the provisions of the definition of "Valuation Date" will apply for the purposes of determining the relevant level or price on that Knock-in Determination Day or Knock-out Determination Day as if such Knock-in Determination Day or Knock-out Determination Day, as the case may be, were a Valuation Date that was a Disrupted Day and the Calculation Agent shall determine the relevant level or price of the relevant Reference Item(s) in respect of such day in accordance with such provisions (as such provisions may be amended for these purposes in the applicable Pricing Supplement, for example but without limitation, in respect of the time at which any subsequent valuation(s) is/are made) for purposes of determining whether a Knock-in Event or Knock-out Event shall occur; or

(b) if the Knock-in Valuation Time or the Knock-out Valuation Time specified in the applicable Pricing Supplement is other than a single time on each relevant day and if on any Knock-in Determination Day or Knock-out Determination Day as of any Knock-in Valuation Time or Knock-out Valuation Time a Knock-in Event or Knock-out Event has or would have occurred but the conditions for a Disrupted Day have been satisfied at such time then, if "Knock-in/Knock-out intraday valuation consequences of disruption" is specified in the applicable Pricing Supplement as:

(i) "**Omission**", then such Knock-in Valuation Time or the Knock-out Valuation Time, as the case may be, shall be ignored for purposes of determining whether a Knock-in Event or a Knock-out Event has occurred, provided that if no Knock-in Event or Knock-out Event has occurred in the Knock-in Determination Period or Knock-out Determination Period and the conditions for a Disrupted Day are satisfied as of the last occurring Knock-in Valuation Time or Knock-out Valuation Time on the Knock-in Period Ending Date or Knock-out Period Ending Date, as applicable, then such day shall be treated as a Valuation Date and the provisions of the definition of "Valuation Date" will apply for the purposes of determining the relevant level or price on the Knock-in Period Ending Date or Knock-out Period Ending Date, as applicable, as if such Knock-in Period Ending Date or Knock-out Period Ending Date, as applicable, were a Valuation Date that was a Disrupted Day and the Calculation Agent shall determine the relevant level or price of the relevant Reference Item(s) in respect of such day in accordance with such

provisions (as such provisions may be amended for these purposes in the applicable Pricing Supplement, for example but without limitation, in respect of the time at which any subsequent valuation(s) is/are made) for the purpose of determining whether a Knock-in Event or Knock-out Event shall occur; or

(ii) "**Materiality**", then (i) where the Calculation Agent determines that the relevant event or occurrence giving rise to such Disrupted Day is not material for the purposes of determining the Index Level or ETF Share Price as of such time, the Knock-in Event or Knock-out Event, as applicable, may occur notwithstanding such event or occurrence, or (ii) where the Calculation Agent determines that the relevant event or occurrence giving rise to such Disrupted Day is material for the purposes of determining the Index Level as of such time, then the Knock-in Event or the Knock-out Event shall be deemed not to have occurred at such time provided that if no Knock-in Event or Knock-out Event has occurred in the Knock-in Determination Period or Knock-out Determination Period and the conditions for a Disrupted Day are satisfied as of the last occurring Knock-in Valuation Time or Knock-out Valuation Time on the Knock-in Period Ending Date or Knock-out Period Ending Date, as applicable, then such day shall be treated as a Valuation Date and the provisions of the definition of "Valuation Date" will apply for the purposes of determining the relevant level or price on the Knock-in Period Ending Date or Knock-out Period Ending Date, as applicable, as if such Knock-in Period Ending Date or Knock-out Period Ending Date, as applicable, were a Valuation Date that was a Disrupted Day and the Calculation Agent shall determine the relevant level or price of the relevant Reference Item(s) in respect of such day in accordance with such provisions (as such provisions may be amended for these purposes in the applicable Pricing Supplement, for example but without limitation, in respect of the time at which any subsequent valuation(s) is/are made) for the purpose of determining whether a Knock-in Event or Knock-out Event shall occur.

With respect to each of (a) and (b) above, if a Knock-in Determination Day, Knock-out Determination Day, Knock-in Period Ending Date or Knock-out Period Ending Date, as applicable, is deemed to fall after the scheduled Knock-in Determination Day, Knock-out Determination Day, Knock-in Period Ending Date or Knock-out Period Ending Date, as applicable, and any date specified in the applicable Pricing Supplement for payment or delivery of any amount calculated by reference to a value determined in respect of such Knock-in Determination Day, Knock-out Determination Day, Knock-in Period Ending Date or Knock-out Period Ending Date would thereby fall before the second Business Day immediately following such delayed Knock-in Determination Day, Knock-out Determination Day, Knock-in Period Ending Date or Knock-out Period Ending Date, such relevant date for payment or delivery will be delayed until the second Business Day immediately following such delayed Knock-in Determination Day, Knock-out Determination Day, Knock-in Period Ending Date or Knock-out Period Ending Date

"**Knock-in Level**" means, in respect of an Index or ETF, the level or price of the Index or ETF specified as such or otherwise determined as provided in the applicable Pricing Supplement.

"**Knock-in Period Beginning Date**" means the date specified as such in the applicable Pricing Supplement or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

"**Knock-in Period Ending Date**" means the date specified as such in the applicable Pricing Supplement or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

"**Knock-in Valuation Time**" means the time or period of time on any Knock-in Determination Day specified as such in the applicable Pricing Supplement or, if no such time is so specified, the Valuation Time for which purposes, references in the definition of Valuation Time to "Valuation Date", shall be deemed to be to "Knock-in Determination Day".

"**Knock-out Determination Day**" means the date(s) specified as such in the applicable Pricing Supplement, or, if any such date is not a Scheduled Trading Day, the first succeeding Scheduled Trading Day thereafter or, if not so specified, each Scheduled Trading Day during the Knock-out Determination Period, subject, in each case, as provided in Knock-in/Knock-out Disrupted Day Adjustments above.

"**Knock-out Determination Period**" means the period which commences on, and includes, the Knock-out Period Beginning Date and ends on, and includes, the Knock-out Period Ending Date.

"**Knock-out Event**" is as specified in the applicable Pricing Supplement.

"**Knock-out Level**" means, in respect of an Index or ETF, the level or price of the Index or ETF specified as such or otherwise determined as provided in the applicable Pricing Supplement.

"**Knock-out Period Beginning Date**" means the date specified as such in the applicable Pricing Supplement or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

"**Knock-out Period Ending Date**" means the date specified as such in the applicable Pricing Supplement or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

"**Knock-out Valuation Time**" means the time or period of time on any Knock-out Determination Day specified as such in the applicable Pricing Supplement or, if no such time is so specified, the Valuation Time, for which purposes references in the definition of Valuation Time to "Valuation Date", shall be deemed to be to "Knock-out Determination Day".

## 7. Trigger Event

If "Trigger Event" is specified as applicable in the Pricing Supplement, then the payment and/or delivery provisions under the Index/ETF Linked Notes relating to the occurrence of a Trigger Event shall be as set out in the applicable Pricing Supplement.

Unless otherwise specified in the applicable Pricing Supplement:

"**Trigger Event**" means a Trigger Event (Closing Observation), a Trigger Event (Intraday Observation) or such other event as specified in the applicable Pricing Supplement.

"**Trigger Event (Closing Observation)**" means, unless otherwise specified in the applicable Pricing Supplement, a determination by the Calculation Agent that, on any Trigger Event Observation Date, the Index Closing Level of any Index as calculated and announced by the Index Sponsor or the ETF Closing Price, in each case at the Trigger Event Valuation Time is

less than or equal to the relevant Trigger Level for such Index, as determined by the Calculation Agent.

"**Trigger Event Date**" means a date on which a Trigger Event has occurred as determined by the Calculation Agent.

"**Trigger Event Disrupted Day Adjustments**" means:

(a) if Trigger Event (Closing Observation) is specified as applicable in the applicable Pricing Supplement and any Trigger Event Observation Date is a Disrupted Day then, if "Trigger Event Observation Date consequences of a Disrupted Day" is specified in the applicable Pricing Supplement as:

(i) "**Omission**", then such date will be deemed not to be a Trigger Event Observation Date for the purposes of determining whether a Trigger Event has occurred; provided that if the final Trigger Event Observation Date in any Trigger Event Observation Period is a Disrupted Day and no Trigger Event has occurred in that Trigger Event Observation Period, such final Trigger Event Observation Date in such Trigger Event Observation Period shall be treated as a Valuation Date and the provisions of the definition of "Valuation Date" will apply for the purposes of determining the relevant level or price on such day as if such day were a Valuation Date that was a Disrupted Day and the Calculation Agent shall determine the relevant level or price of the relevant Reference Item(s) in respect of such day in accordance with such provisions (as such provisions may be amended for these purposes in the applicable Pricing Supplement, for example but without limitation, in respect of the time at which any subsequent valuation(s) is/are made) for the purpose of determining whether a Trigger Event shall occur; or

(ii) "**Postponement**", then the provisions of the definition of "Valuation Date" will apply for the purposes of determining the relevant level or price on that Trigger Event Observation Date as if such Trigger Event Observation Date were a Valuation Date that was a Disrupted Day and the Calculation Agent shall determine the relevant level or price of the relevant Reference Item(s) in respect of such day in accordance with such provisions (as such provisions may be amended for these purposes in the applicable Pricing Supplement, for example but without limitation, in respect of the time at which any subsequent valuation(s) is/are made) for purposes of determining whether a Trigger Event shall occur; or

(b) if "Trigger Event (Intraday Observation)" is specified as applicable in the applicable Pricing Supplement and if on any Trigger Event Observation Date as of any Trigger Event Valuation Time a Trigger Event has or would have occurred but the conditions for a Disrupted Day have been satisfied at such time then, if "Trigger Event intraday valuation consequences of disruption" is specified in the applicable Pricing Supplement as:

(i) "**Omission**", then such Trigger Event Valuation Time shall be ignored for purposes of determining whether a Trigger Event has occurred, provided that if no Trigger Event has occurred in the Trigger Event Observation Period and the conditions for a Disrupted Day are satisfied as of the last occurring Trigger Event Valuation Time on the final Trigger Event Observation Date in such Trigger Event Observation Period, then such day shall be treated as a Valuation Date and the provisions of the definition of "Valuation Date" will

apply for the purposes of determining the relevant level or price on such day as if such day were a Valuation Date that was a Disrupted Day and the Calculation Agent shall determine the relevant level or price of the relevant Reference Item(s) in respect of such day in accordance with such provisions (as such provisions may be amended for these purposes in the applicable Pricing Supplement, for example but without limitation, in respect of the time at which any subsequent valuation(s) is/are made) for the purpose of determining whether a Trigger Event shall occur; or

(ii) "**Materiality**", then (i) where the Calculation Agent determines that the relevant event or occurrence giving rise to such Disrupted Day is not material for the purposes of determining the Index Level or ETF Share Price as of such time, the Trigger Event may occur notwithstanding such event or occurrence, or (ii) where the Calculation Agent determines that the relevant event or occurrence giving rise to such Disrupted Day is material for the purposes of determining the Index Level as of such time, then the Trigger Event shall be deemed not to have occurred at such time provided that if no Trigger Event has occurred in the Trigger Event Observation Period and the conditions for a Disrupted Day are satisfied as of the last occurring Trigger Event Valuation Time on the final Trigger Event Observation Date in such Trigger Event Observation Period, then such day shall be treated as a Valuation Date and the provisions of the definition of "Valuation Date" will apply for the purposes of determining the relevant level or price on such day as if such day were a Valuation Date that was a Disrupted Day and the Calculation Agent shall determine the relevant level or price of the relevant Reference Item(s) in respect of such day in accordance with such provisions (as such provisions may be amended for these purposes in the applicable Pricing Supplement, for example but without limitation, in respect of the time at which any subsequent valuation(s) is/are made) for the purpose of determining whether a Trigger Event shall occur.

With respect to each of (a) and (b) above, if a Trigger Event Observation Date is deemed to fall after the scheduled Trigger Event Observation Date and any date specified in the applicable Pricing Supplement for payment or delivery of any amount calculated by reference to a value determined in respect of such Trigger Event Observation Date would thereby fall before the second Business Day immediately following such delayed Trigger Event Observation Date, such relevant date for payment or delivery will be delayed until the second Business Day immediately following such delayed Trigger Event Observation Date.

"**Trigger Event (Intraday Observation)**" means, unless otherwise specified in the applicable Pricing Supplement, a determination by the Calculation Agent that, on any Trigger Event Observation Date, the Index Level of any Index or ETF Share Price of any ETF is less than or equal to the relevant Trigger Level for such Index or ETF, as determined by the Calculation Agent.

"**Trigger Event Observation Date**" means each Scheduled Trading Day during the Trigger Event Observation Period, subject as provided in Trigger Event Disrupted Day Adjustments above.

"**Trigger Event Observation Period**" means the period specified as such in the applicable Pricing Supplement.

"**Trigger Event Strike Level**" means, in relation to an Index or ETF, the level or price specified as such in the applicable Pricing Supplement.

"**Trigger Event Valuation Time**" means the time or period of time on any Trigger Event Observation Date specified as such in the applicable Pricing Supplement or, if no such time is so specified, the Valuation Time for which purposes, references in the definition of Valuation Time to "Valuation Date", shall be deemed to be to "Trigger Event Observation Date".

"**Trigger Level**" means, in relation to an Index or ETF, an amount equal to the product of (i) the relevant Trigger Percentage and (ii) the Trigger Event Strike Level specified for such Index or ETF in the applicable Pricing Supplement.

"**Trigger Percentage**" means, in relation to an Index or ETF and, if so specified in the applicable Pricing Supplement, a Trigger Event Observation Date, the percentage specified as such in the applicable Pricing Supplement.

## 8. Mandatory Early Redemption

Unless the Index/ETF Linked Notes have been previously redeemed, exercised terminated or cancelled, if on any Mandatory Early Redemption Valuation Date a Mandatory Early Redemption Event occurs, then the Index/ETF Linked Notes will be automatically redeemed or cancelled, as applicable, in whole, but not in part, on the Mandatory Early Redemption Date immediately following such Mandatory Early Redemption Valuation Date and the redemption or cancellation amount payable by the Fiduciary on such date upon redemption or cancellation of each Index/ETF Linked Note shall be an amount in the Specified Currency equal to the relevant Mandatory Early Redemption Amount.

As used herein:

"**Mandatory Early Redemption Amount**" means, unless otherwise provided in the applicable Pricing Supplement, in respect of a Mandatory Early Redemption Date, an amount equal to the product of (i) the Mandatory Early Redemption Calculation Amount and (ii) the relevant Mandatory Early Redemption Rate relating to that Mandatory Early Redemption Date.

"**Mandatory Early Redemption Calculation Amount**" is as specified in the applicable Pricing Supplement.

"**Mandatory Early Redemption Date**" means each date specified as such in the applicable Pricing Supplement.

"**Mandatory Early Redemption Event**" means (each of) the events specified as such in the applicable Pricing Supplement.

"**Mandatory Early Redemption Level**" means the level or value per Index or ETF specified as such or otherwise determined as provided in the applicable Pricing Supplement.

"**Mandatory Early Redemption Rate**" means, in respect of a Mandatory Early Redemption Date, the rate specified as such in the applicable Pricing Supplement.

"**Mandatory Early Redemption Valuation Cut-Off Date**" means the eighth Scheduled Trading Day immediately following the Scheduled Mandatory Early Redemption Valuation Date.

"**Mandatory Early Redemption Valuation Date**" means each Mandatory Early Redemption Valuation Date specified in the applicable Pricing Supplement or, if such date is not a

Scheduled Trading Day, the first Scheduled Trading Day thereafter unless, in the opinion of the Calculation Agent, such day is a Disrupted Day. If any such day is a Disrupted Day, then:

(a) where the Index/ETF Linked Notes relate to a single Index or ETF, that Mandatory Early Redemption Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the Scheduled Trading Days immediately following the Scheduled Mandatory Early Redemption Valuation Date up to and including the Mandatory Early Redemption Valuation Cut-Off Date is a Disrupted Day. In that case, (i) the Mandatory Early Redemption Valuation Cut-Off Date shall be deemed to be that Mandatory Early Redemption Valuation Date (notwithstanding the fact that such day is a Disrupted Day) and (ii) the Calculation Agent shall determine the relevant level or price in the manner set out in the applicable Pricing Supplement or, if not set out or if not practicable, determine the relevant level or price by determining the level of the Index or ETF as of the Mandatory Early Redemption Valuation Time on the Mandatory Early Redemption Valuation Cut-Off Date in accordance with its good faith estimate of the relevant ETF price or, as applicable, by reference to such source(s) and/or methodology(ies) as it deems appropriate in its sole discretion which may include, without limitation, applying (subject to paragraph 4 of these Index/ETF Linked Conditions above) the formula for and method of calculating the Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Mandatory Early Redemption Valuation Time on the Mandatory Early Redemption Valuation Cut-Off Date of each security comprised in the Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on the Mandatory Early Redemption Valuation Cut-Off Date, its good faith estimate of the value for the relevant security as of the Mandatory Early Redemption Valuation Time on the Mandatory Early Redemption Valuation Cut-Off Date); or

(b) where the Index/ETF Linked Notes relate to a Basket of Reference Items, that Mandatory Early Redemption Valuation Date for each Index or ETF not affected by the occurrence of a Disrupted Day shall be the Scheduled Mandatory Early Redemption Valuation Date and that Mandatory Early Redemption Valuation Date for each Index or ETF affected (each an "**Affected Item**") by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Item, unless each of the Scheduled Trading Days immediately following the Scheduled Mandatory Early Redemption Valuation Date up to and including the Mandatory Early Redemption Valuation Cut-Off Date is a Disrupted Day relating to the Affected Item. In that case, (i) the Mandatory Early Redemption Valuation Cut-Off Date shall be deemed to be that Mandatory Early Redemption Valuation Date for the Affected Item (notwithstanding the fact that such day is a Disrupted Day) and (ii) the Calculation Agent shall determine the relevant level or price using, in relation to the Affected Item, the level of that Index or ETF determined in the manner set out in the applicable Pricing Supplement or, if not set out or if not practicable, using its good faith estimate of the price of the affected ETF or, as applicable, using the level of that Index or ETF as of the Mandatory Early Redemption Valuation Time on the Mandatory Early Redemption Valuation Cut-Off Date as determined by the Calculation Agent by reference to such source(s) and/or methodology(ies) as it deems appropriate in its sole discretion which may include, without limitation, applying (subject to paragraph 4 of these Index/ETF Linked Conditions) the formula for and method of calculating that Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Mandatory Early Redemption Valuation Time on the Mandatory Early Redemption Valuation Cut-Off Date of each security comprised in that Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on the Mandatory Early Redemption Valuation Cut-Off Date, its good faith

estimate of the value for the relevant security as of the Mandatory Early Redemption Valuation Time on the Mandatory Early Redemption Valuation Cut-Off Date).

If a Mandatory Early Redemption Valuation Date is deemed to fall after the Scheduled Mandatory Early Redemption Valuation Date and any date specified in the applicable Pricing Supplement for payment or delivery of any amount calculated by reference to a value determined in respect of such Mandatory Early Redemption Valuation Date would thereby fall before the second Business Day immediately following that delayed Mandatory Early Redemption Valuation Date, such relevant date for payment or delivery will be delayed until the second Business Day immediately following such delayed Mandatory Early Redemption Valuation Date.

"**Mandatory Early Redemption Valuation Time**" means in respect of any Index the time on any Mandatory Early Redemption Valuation Date as specified in the applicable Pricing Supplement or, if no such time is so specified, the Valuation Time, for which purposes, references in the definition of Valuation Time to "Valuation Date", shall be deemed to be to "Mandatory Early Redemption Valuation Date".

"**Scheduled Mandatory Early Redemption Valuation Date**" means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been a Mandatory Early Redemption Valuation Date.

## 9. Index Disclaimer

The Index/ETF Linked Notes are not sponsored, endorsed, sold or promoted by any Index or any Index Sponsor and no Index Sponsor makes any representation whatsoever, whether express or implied, either as to the results to be obtained from the use of the Index and/or the levels at which the Index stands at any particular time on any particular date or otherwise. No Index or Index Sponsor shall be liable (whether in negligence or otherwise) to any person for any error in the Index and the Index Sponsor is under no obligation to advise any person of any error therein. No Index Sponsor is making any representation whatsoever, whether express or implied, as to the advisability of purchasing or assuming any risk in connection with the Index/ETF Linked Notes. Neither the Fiduciary nor any of its Affiliates or agents acting on its behalf shall have any liability to the Noteholders for any act or failure to act by the Index Sponsor in connection with the calculation, adjustment or maintenance of the Index. Except as disclosed prior to the Issue Date specified in the applicable Pricing Supplement, neither the Fiduciary nor its Affiliates has any affiliation with or control over the Index or Index Sponsor or any control over the computation, composition or dissemination of the Index. Although the Calculation Agent will obtain information concerning the Indices from publicly available sources it believes reliable, it will not independently verify this information. Accordingly, no representation, warranty or undertaking (express or implied) is made and no responsibility is accepted by the Fiduciary, its Affiliates or the Calculation Agent as to the accuracy, completeness and timeliness of information concerning the Index.

## ANNEX 2

## ADDITIONAL TERMS AND CONDITIONS FOR EQUITY LINKED NOTES

### 1. Interpretation

1.1 If specified as applicable in the applicable Pricing Supplement, the Terms and Conditions applicable to Equity Linked Notes will comprise the Terms and Conditions of the Notes (the "**Conditions**") and the Terms and Conditions for Equity Linked Notes as set out in this annex (the **Equity Linked Conditions**), in each case together with any other additional Terms and Conditions which are specified to apply in the applicable Pricing Supplement and subject to amendment and completion in the applicable Pricing Supplement. In the event of any inconsistency between the Conditions of the Equity Linked Notes and the Equity Linked Conditions, the Equity Linked Conditions shall prevail. In the event of any inconsistency between (i) the Conditions and/or the Equity Linked Conditions and (ii) the other provisions of the applicable Pricing Supplement, the applicable Pricing Supplement shall prevail.

1.2 Terms not otherwise defined in these Equity Linked Conditions will have the meaning given in the Conditions.

### 2. Definitions

For the purposes of these Equity Linked Conditions:

"**Averaging Date**" means each date specified as an Averaging Date in the applicable Pricing Supplement or, if any such date is not a Scheduled Trading Day, the immediately following Scheduled Trading Day unless, in the opinion of the Calculation Agent, any such day is a Disrupted Day. If any such day is a Disrupted Day:

(a) if "**Omission**" is specified as applying in the applicable Pricing Supplement, then such date will be deemed not to be an Averaging Date for the purposes of determining the relevant price; provided that, if through the operation of this provision there would not be an Averaging Date, then the provisions of the definition of "Valuation Date" will apply for purposes of determining the relevant price on the final Averaging Date, as if such Averaging Date were a Valuation Date that was a Disrupted Day; or

(b) if "**Postponement**" is specified as applying in the applicable Pricing Supplement, then the provisions of the definition of "Valuation Date" will apply for the purposes of determining the relevant price on that Averaging Date as if such Averaging Date were a Valuation Date that was a Disrupted Day irrespective of whether, pursuant to such determination, that deferred Averaging Date would fall on a day that already is or is deemed to be an Averaging Date; or

(c) if "**Modified Postponement**" is specified as applying in the applicable Pricing Supplement then:

(i) where the Equity Linked Notes relate to a single Share, the Averaging Date shall be the first succeeding Valid Date (as defined below). If the first succeeding Valid Date has not occurred as of the Valuation Time on the eighth Scheduled Trading Day immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date in respect of the originally designated

Averaging Date (the "**Scheduled Averaging Date**"), then (A) that eighth Scheduled Trading Day shall be deemed to be the Averaging Date (irrespective of whether that eighth Scheduled Trading Day is already an Averaging Date), and (B) the Calculation Agent shall determine the relevant price for that Averaging Date in accordance with sub-paragraph (a) of the definition of "Valuation Date" below; and

(ii) where the Equity Linked Notes relate to a Basket of Shares, the Averaging Date for each Share not affected by the occurrence of a Disrupted Day shall be the Scheduled Averaging Date and the Averaging Date for each Share affected by the occurrence of a Disrupted Day shall be the first succeeding Valid Date (as defined below) in relation to such Share. If the first succeeding Valid Date in relation to such Share has not occurred as of the Valuation Time on the eighth Scheduled Trading Day immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date, then (A) that eighth Scheduled Trading Day shall be deemed to be the Averaging Date (irrespective of whether that eighth Scheduled Trading Day is already an Averaging Date) in relation to such Share, and (B) the Calculation Agent shall determine the relevant price for that Averaging Date in accordance with sub-paragraph (b) of the definition of "Valuation Date" below,

for the purposes of these Equity Linked Conditions "**Valid Date**" means a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date does not or is deemed not to occur.

If an Averaging Date is deemed to fall after the Scheduled Averaging Date and any date specified in the applicable Pricing Supplement for payment or delivery of any amount calculated by reference to a value determined in respect of such Averaging Date would thereby fall before the second Business Day immediately following that delayed Averaging Date, such relevant date for payment or delivery will be delayed until the second Business Day immediately following such delayed Averaging Date.

"**Basket of Shares**" means, subject to adjustment in accordance with these Equity Linked Conditions, the shares specified in the applicable Pricing Supplement.

"**Disrupted Day**" means any Scheduled Trading Day on which a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred.

"**Early Closure**" means the closure on any Exchange Business Day of the relevant Exchange or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or Related Exchange(s) at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange(s) or Related Exchange(s) on such Exchange Business Day, and (ii) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time, the Knock-in Valuation Time, the Knock-out Valuation Time, the Trigger Event Valuation Time or the Mandatory Early Redemption Valuation Time, as the case may be, on such Exchange Business Day.

"**Exchange**" means, in relation to a Share, each exchange or quotation system specified as such for such Share in the applicable Pricing Supplement or, where not so specified, the primary exchange(s) or quotation system(s) on which the Shares are listed any successor to any such exchange or quotation system or any substitute exchange or quotation system to

which trading in the Share has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such Share on such temporary substitute exchange or quotation system as on the original Exchange), each as determined by the Calculation Agent.

"**Exchange Business Day**" means (i) in the case of Equity Linked Notes relating to a single Share, Exchange Business Day (Single Share Basis) or (ii) in the case of Equity Linked Notes relating to a Basket of Shares, (a) Exchange Business Day (All Shares Basis) or (b) Exchange Business Day (Per Share Basis), as specified in the applicable Pricing Supplement, provided that, if no such specification is made in the applicable Pricing Supplement, Exchange Business Day (All Shares Basis) will apply.

"**Exchange Business Day (All Shares Basis)**" means, in respect of a Basket of Shares, any Scheduled Trading Day on which the Exchange and each Related Exchange, if any, in respect of all Shares comprised in the Basket of Shares are open for trading during their respective regular trading session(s) notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time.

"**Exchange Business Day (Per Share Basis**)" means, in respect of a Share, any Scheduled Trading Day on which the relevant Exchange and each relevant Related Exchange, if any, in respect of such Share are open for trading during their respective regular trading session(s), notwithstanding any such relevant Exchange or relevant Related Exchange closing prior to its Scheduled Closing Time.

"**Exchange Business Day (Single Share Basis)**" means any Scheduled Trading Day on which the Exchange and each Related Exchange, if any, are open for trading during their respective regular trading session(s), notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time.

"**Exchange Disruption**" means any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (i) to effect transactions in, or obtain market values for, the Shares on the Exchange or (ii) to effect transactions in, or obtain market values for, futures or options contracts relating to the Share on any relevant Related Exchange.

"**Extraordinary Event**" means any Merger Event, De-listing, Nationalisation, Insolvency or Tender Offer.

"**Observation Cut-Off Date**" means, in respect of each Scheduled Observation Date, the eighth Scheduled Trading Day immediately following the relevant Scheduled Observation Date.

"**Observation Date**" means each date specified as such in the applicable Pricing Supplement, or if such date is not a Scheduled Trading Day the first Scheduled Trading Day thereafter unless, in the opinion of the Calculation Agent such day is a Disrupted Day. If any such day is a Disrupted Day, then:

(a) where the Equity Linked Notes relate to a single Share, that Observation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the Scheduled Trading Days immediately following the Scheduled Observation Date up to and including the Observation Cut-Off Date is a Disrupted Day. In that case, (i) the Observation Cut-Off Date shall be deemed to be that Observation Date (notwithstanding the fact that such day is a Disrupted Day) and (ii) the Calculation Agent shall determine the relevant price in the manner set out in the applicable

Pricing Supplement or, if not set out or if not practicable, determine the relevant price in accordance with its good faith estimate of the relevant price as of the Valuation Time on the Observation Cut-Off Date; or

(b) where the Equity Linked Notes relate to a Basket of Shares, that Observation Date for each Share not affected by the occurrence of a Disrupted Day shall be the Scheduled Observation Date and that Observation Date for each Share affected (each an "**Affected Share**") by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Share, unless each of the Scheduled Trading Days immediately following the Scheduled Observation Date up to and including the Observation Cut-Off Date is a Disrupted Day relating to the Affected Share. In that case, (i) the Observation Cut-Off Date shall be deemed to be that Observation Date for the Affected Share (notwithstanding the fact that such day is a Disrupted Day) and (ii) the Calculation Agent shall determine the relevant price using, in relation to the Affected Share, a price determined in the manner set out in the applicable Pricing Supplement or, if not set out or if not practicable, using its good faith estimate of the price for the Affected Share as of the Valuation Time on the Observation Cut-Off Date, and otherwise in accordance with the above provisions.

If an Observation Date is deemed to fall after the Scheduled Observation Date and any date specified in the applicable Pricing Supplement for payment or delivery of any amount calculated by reference to a value determined in respect of such Observation Date would thereby fall before the second Business Day immediately following that delayed Observation Date, such relevant date for payment or delivery will be delayed until the second Business Day immediately following such delayed Observation Date.

"**Observation Period**" means the period or periods specified as such in the applicable Pricing Supplement.

"**Related Exchange**" means, in relation to a Share, each exchange or quotation system specified as such for such Share in the applicable Pricing Supplement, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to such Share has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Share on such temporary substitute exchange or quotation system as on the original Related Exchange), provided, however, that where "All Exchanges" is specified as the Related Exchange in the applicable Pricing Supplement, "**Related Exchange**" shall mean each exchange or quotation system where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to such Share.

"**Scheduled Averaging Date**" means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been an Averaging Date.

"**Scheduled Closing Time**" means, in respect of an Exchange or Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside of the regular trading session hours.

"**Scheduled Observation Date**" means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been an Observation Date.

"**Scheduled Trading Day**" means (i) in the case of Equity Linked Notes relating to a single Share, Scheduled Trading Day (Single Share Basis) or (ii) in the case of Equity Linked Notes relating to a Basket of Shares, (a) Scheduled Trading Day (All Shares Basis) or (b) Scheduled Trading Day (Per Share Basis), as specified in the applicable Pricing Supplement, provided that, if no such specification is made in the applicable Pricing Supplement, Scheduled Trading Day (All Shares Basis) will apply.

"**Scheduled Trading Day (All Shares Basis)**" means any day on which the Exchange and each Related Exchange, if any, in respect of all Shares comprised in the Basket of Shares are scheduled to be open for trading during their respective regular trading sessions(s).

"**Scheduled Trading Day (Per Share Basis**)" means, in respect of a Share, any day on which the relevant Exchange and each relevant Related Exchange, if any, in respect of such Share are scheduled to be open for trading during its respective regular trading session(s). If Scheduled Trading Day (Per Share Basis) is specified in the applicable Pricing Supplement, where any date for payment or delivery is determined by reference to any Averaging Date (the "**Relevant Averaging Date**"), Observation Date (the "**Relevant Observation Date**") or Valuation Date (the "**Relevant Valuation Date**"), such Relevant Averaging Date, Relevant Observation Date or Relevant Valuation Date, as applicable, will be deemed to be the last such Relevant Averaging Date, Relevant Observation Date or Relevant Valuation Date to occur in respect of any Share taking into account the adjustments in the definition of Averaging Date, Observation Date or Valuation Date, as applicable.

"**Scheduled Trading Day (Single Share Basis)**" means any day on which the relevant Exchange and each relevant Related Exchange are scheduled to be open for trading during their respective regular trading session(s).

"**Scheduled Valuation Date**" means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been a Valuation Date.

"**Shares**" and "**Share**" mean, subject to adjustment in accordance with these Equity Linked Conditions, the shares or a share or other securities specified in the applicable Pricing Supplement and related expressions shall be construed accordingly.

"**Share Closing Price**" means, in respect of a Share and subject to these Equity Linked Conditions and to "Valuation Date", "Knock-in Determination Day", "Knock-out Determination Day", "Trigger Event Observation Date" and "Mandatory Early Redemption Valuation Date" below and "Averaging Date" or "Observation Date" above, as the case may be, an amount equal to the official closing price of such Share quoted on the relevant Exchange as determined by the Calculation Agent on (A) if Averaging is not specified in the applicable Pricing Supplement, the Valuation Date, a Knock-in Determination Day, a Knock-out Determination Day, a Trigger Event Observation Date or a Mandatory Early Redemption Valuation Date, or an Observation Date, as the case may be, or (B) if Averaging is specified in the applicable Pricing Supplement, an Averaging Date.

"**Share Company**" means, in respect of a Share, the company that has issued such Share.

"**Share Price**" means, in respect of a Share and a time on a Scheduled Trading Day and subject to these Equity Linked Conditions, the price of such Share at such time on such day as determined by the Calculation Agent.

"**Trading Disruption**" means any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise

(i) relating to the Share on the Exchange or (ii) in futures or options contracts relating to the Share on any relevant Related Exchange.

"**Valuation Cut-Off Date**" means, in respect of a Scheduled Valuation Date, the eighth Scheduled Trading Day immediately following the relevant Scheduled Valuation Date.

"**Valuation Date**" means each Valuation Date (including any Initial Valuation Date or Final Valuation Date) specified in the applicable Pricing Supplement or if that is not a Scheduled Trading Day the first Scheduled Trading Day thereafter unless, in the opinion of the Calculation Agent such day is a Disrupted Day. If such day is a Disrupted Day, then:

(a) where the Equity Linked Notes relate to a single Share, the Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the Scheduled Trading Days immediately following the Scheduled Valuation Date up to and including the Valuation Cut-Off Date is a Disrupted Day. In that case, (i) the Valuation Cut-Off Date shall be deemed to be the Valuation Date (notwithstanding the fact that such day is a Disrupted Day) and (ii) the Calculation Agent shall determine the relevant price in the manner set out in the applicable Pricing Supplement or, if not set out or if not practicable, determine the relevant price in accordance with its good faith estimate of the relevant price as of the Valuation Time on the Valuation Cut-Off Date; or

(b) where the Equity Linked Notes relate to a Basket of Shares, the Valuation Date for each Share not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date and the Valuation Date for each Share affected (each an "**Affected Share**") by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Share, unless each of the Scheduled Trading Days immediately following the Scheduled Valuation Date up to and including the Valuation Cut-Off Date is a Disrupted Day relating to the Affected Share. In that case, (i) the Valuation Cut-Off Date shall be deemed to be the Valuation Date for the Affected Share (notwithstanding the fact that such day is a Disrupted Day) and (ii) the Calculation Agent shall determine the relevant price using, in relation to the Affected Share, a price determined in the manner set out in the applicable Pricing Supplement or, if not set out or if not practicable, using its good faith estimate of the price for the Affected Share as of the Valuation Time on the Valuation Cut-Off Date, and otherwise in accordance with the above provisions.

If a Valuation Date is deemed to fall after the Scheduled Valuation Date and any date specified in the applicable Pricing Supplement for payment or delivery of any amount calculated by reference to a value determined in respect of such Valuation Date would thereby fall before the second Business Day immediately following that delayed Valuation Date, such relevant date for payment or delivery will be delayed until the second Business Day immediately following such delayed Valuation Date.

"**Valuation Time**" means the Valuation Time specified in the applicable Pricing Supplement or, if no Valuation Time is specified, the Scheduled Closing Time on the relevant Exchange on the relevant Valuation Date, Observation Date or Averaging Date, as the case may be, in relation to each Share to be valued. If the relevant Exchange closes prior to its Scheduled Closing Time and the specified Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time or, where the Share Price is to be determined during any period, each relevant time at which the Share Price is so determined.

**3. Market Disruption**

"**Market Disruption Event**" means, in relation to a Share, the occurrence or existence of (i) a Trading Disruption, (ii) an Exchange Disruption, which in either case the Calculation Agent determines is material, any time during the one hour period that ends at the Valuation Time, Knock-in Valuation Time, Knock-out Valuation Time, Trigger Event Valuation Time or Mandatory Early Redemption Valuation Time, as the case may be, for such Share or (iii) an Early Closure.

**4. Correction to Share Prices**

If the price of a Share published on any Valuation Date, Observation Date, Averaging Date or any other date for Share valuation or observation, as the case may be, by the relevant Exchange and which is utilised for any calculation or determination made for the purposes of the Equity Linked Notes (a "**Relevant Calculation**") is subsequently corrected and the correction (the "**Corrected Share Price**") published by the relevant Exchange no later than two Business Days prior to the date of payment of any amount to be calculated by reference to the Relevant Calculation then such Corrected Share Price shall be deemed to be the relevant price for such Share on such Averaging Date, Observation Date, Valuation Date or other relevant date, as the case may be, and the Calculation Agent shall use such Corrected Share Price in determining the relevant price.

**5. Potential Adjustment Events, Merger Event, Tender Offer, De-listing, Nationalisation and Insolvency**

(a) "**Potential Adjustment Event**" means any of the following:

(i) a subdivision, consolidation or reclassification of relevant Shares (unless resulting in a Merger Event or, if Tender Offer is specified as applying in the applicable Pricing Supplement, a Tender Offer) or a free distribution or dividend of any such Shares to existing holders by way of bonus, capitalisation or similar issue;

(ii) a distribution, issue or dividend to existing holders of the relevant Shares of (A) such Shares or (B) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Share Company equally or proportionately with such payments to holders of such Shares or (C) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the Share Company as a result of a spin-off or other similar transaction or (D) any other type of securities, rights or warrants or other assets, in any case for payment (in cash or otherwise) at less than the prevailing market price as determined by the Calculation Agent;

(iii) an extraordinary dividend as determined by the Calculation Agent;

(iv) a call by a Share Company in respect of relevant Shares that are not fully paid;

(v) a repurchase by the Share Company or any of its subsidiaries, as the case may be, of relevant Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise; or

(vi) in respect of a Share Company an event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of the capital stock of such Share Company pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that provides upon the occurrence of

certain events for a distribution of preferred stock, warrants, debt instruments or stock rights at a price below their market value as determined by the Calculation Agent, provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights; or

(vii) any other event having, in the opinion of the Calculation Agent, a diluting or concentrative effect on the theoretical value of the relevant Shares.

(b) Following the declaration by the Share Company of the terms of any Potential Adjustment Event, the Calculation Agent will, in its sole and absolute discretion, determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the Shares and, if so, will make the corresponding adjustment, if any, to any one or more of the terms of the Conditions and/or the applicable Pricing Supplement as the Calculation Agent in its sole and absolute discretion determines appropriate to account for that diluting or concentrative effect (provided that no adjustments will be made to account solely for changes in volatility, expected dividends stock loan rate or liquidity relative to the relevant Share) and determine the effective date of that adjustment. The Calculation Agent may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of such Potential Adjustment Event made by an options exchange to options on the Shares traded on that options exchange.

(c) Upon the making of any such adjustment, the Fiduciary shall give notice as soon as practicable to the Noteholders in accordance with Condition 15 stating the adjustment to the terms of the Conditions and/or the applicable Pricing Supplement and giving brief details of the Potential Adjustment Event, provided that any failure to give, or non-receipt of, such notice will not affect the validity of any such adjustment.

(d) Extraordinary Events

"**De-listing**" means, in respect of any relevant Shares, the Exchange announces that pursuant to the rules of such Exchange, such Shares cease (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or, if Tender Offer is specified as applying in the applicable Pricing Supplement, a Tender Offer) and are not immediately re-listed, re-traded or re-quoted on (A) where the Exchange is located in the United States, any of the New York Stock Exchange, the American Stock Exchange or the NASDAQ National Market System (or their respective successors) or (B) an exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union, in a member state of the European Union).

"**Insolvency**" means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting the Share Company (A) all the Shares of that Share Company are required to be transferred to a trustee, liquidator or other similar official or (B) holders of the Shares of that Share Company become legally prohibited from transferring them.

"**Merger Date**" means the closing date of a Merger Event or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Calculation Agent.

"**Merger Event**" means, in respect of any relevant Shares, any (A) reclassification or change of such Shares that results in a transfer of or an irrevocable commitment to transfer all of such Shares outstanding to another entity or person, (B) consolidation, amalgamation, merger or binding share exchange of a Share Company with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such Share

Company is the continuing entity and which does not result in a reclassification or change of all of such Shares outstanding), (C) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 % of the outstanding Shares of the Share Company that results in a transfer of or an irrevocable commitment to transfer all such Shares (other than such Shares owned or controlled by such other entity or person), or (D) consolidation, amalgamation, merger or binding share exchange of the Share Company or its subsidiaries with or into another entity in which the Share Company is the continuing entity and which does not result in a reclassification or change of all such Shares outstanding but results in the outstanding Shares (other than Shares owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 % of the outstanding Shares immediately following such event, in each case if the Merger Date is on or before the Maturity Date or any earlier date on which the Equity Linked Notes are due to be redeemed in full.

"**Nationalisation**" means that all the Shares or all or substantially all the assets of the Share Company are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof.

"**Tender Offer**" means a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 10 % and less than 100 % of the outstanding voting shares of the Share Company as determined by the Calculation Agent, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Calculation Agent deems relevant.

"**Tender Offer Date**" means, in respect of a Tender Offer, the date on which voting shares in the amount of the applicable percentage threshold are actually purchased or otherwise obtained (as determined by the Calculation Agent).

If (x) a Merger Event, De-listing, Nationalisation or Insolvency occurs in relation to a Share and/or (y) if Tender Offer is specified as applicable in the applicable Pricing Supplement, a Tender Offer occurs, the Fiduciary in its sole and absolute discretion may take the action described in (i), (ii), (iii) or (iv) below:

(i) require the Calculation Agent to determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to any terms of the Conditions and/or the applicable Pricing Supplement to account for the De-listing, Merger Event, Tender Offer, Nationalisation or Insolvency, as the case may be, and determine the effective date of that adjustment. The Calculation Agent may (but need not) determine the appropriate adjustment by reference to the adjustment in respect of the Merger Event, Tender Offer, De-listing, Nationalisation or Insolvency made by any options exchange to options on the Shares traded on that options exchange and the relevant adjustments may in the case of adjustments following a Merger Event or Tender Offer include, without limitation, adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Shares; or

(ii) where the Equity Linked Notes relate to a Basket of Shares on giving notice to the Noteholders in accordance with Condition 15, redeem or cancel, as the case may be, each Equity Linked Note in part on the Early Redemption Date (the "**Early Redemption Date**") specified in such notice, each Note of a nominal amount equal to the Specified Denomination being redeemed at such nominal amount or other such amount as may be specified in the applicable Pricing Supplement. In such circumstances the provisions of Condition 4(e) shall apply. If an Equity Linked Note is so redeemed or cancelled in part the portion (the "**Partial Amount**") of each such Equity Linked Note representing the affected Share(s) shall be redeemed or cancelled,

as the case may be, and the Fiduciary will require the Calculation Agent to determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to any of the terms of the Conditions and/or the applicable Pricing Supplement to account for such redemption or cancellation in part. For the avoidance of doubt the remaining part of each such Equity Linked Note after redemption or cancellation and adjustment shall remain outstanding with full force and effect. Payments will be made in such manner as shall be notified to the Noteholders in accordance with Condition 15; or

(iii) give notice to the Noteholders in accordance with Condition 15 and redeem all, but not some only, of the Equity Linked Notes, on the Early Redemption Date (the "**Early Redemption Date**") specified in such notice, each Note of a nominal amount equal to the Specified Denomination being redeemed at such nominal amount or other such amount as may be specified in the applicable Pricing Supplement. In such circumstances the provisions of Condition 4(e) shall apply; or

(iv) following such adjustment to the settlement terms of options on the Shares traded on such exchange(s) or quotation system(s) as the Fiduciary in its sole discretion shall select (the "**Options Exchange**"), require the Calculation Agent to make a corresponding adjustment to any one or more of the terms of the Conditions and/or the applicable Pricing Supplement which adjustment will be effective as of the date determined by the Calculation Agent to be the effective date of the corresponding adjustment made by the Options Exchange. If options on the Shares are not traded on the Options Exchange, the Calculation Agent will make such adjustment, if any, to any one or more of the terms of the Conditions and/or the applicable Pricing Supplement as the Calculation Agent in its sole and absolute discretion determines appropriate, with reference to the rules and precedents (if any) set by the Options Exchange to account for the Merger Event, Tender Offer, De-listing, Nationalisation or Insolvency, as the case may be, that in the determination of the Calculation Agent would have given rise to an adjustment by the Options Exchange if such options were so traded.

(e) Upon the occurrence of a Merger Event, De-listing, Nationalisation, Insolvency or, if applicable, Tender Offer, the Fiduciary shall give notice as soon as practicable to the Noteholders in accordance with Condition 15, stating the occurrence of the Merger Event, Tender Offer, Nationalisation or Insolvency, as the case may be, giving details thereof and the action proposed to be taken in relation thereto provided that any failure to give, or non-receipt of, such notice will not affect the validity of any such Merger Event, Tender Offer, De-listing, Nationalisation or Insolvency, as the case may be.

**6. Non-euro Quoted Shares**

In respect of Equity Linked Notes relating to Shares originally quoted, listed and/or dealt as of the Trade Date in a currency of a member state of the European Union that has not adopted the single currency in accordance with the Treaty, if such Shares are at any time after the Trade Date quoted, listed and/or dealt exclusively in euro on the relevant Exchange or, where no Exchange is specified in the applicable Pricing Supplement, the principal market on which those Shares are traded, then the Calculation Agent will adjust any of the terms of the Conditions and/or the applicable Pricing Supplement as the Calculation Agent determines in its sole and absolute discretion to be appropriate to preserve the economic terms of the Equity Linked Notes. The Calculation Agent will make any conversion necessary for purposes of any such adjustment as of the Valuation Time at an appropriate mid market spot rate of exchange determined by the Calculation Agent prevailing as of the Valuation Time. No adjustments under this provision will affect the currency denomination of any payment obligation arising out of the Equity Linked Notes.

## 7. Additional Disruption Events

(a) "**Additional Disruption Event**" means any of Change in Law, Exchange-traded Contract Event, FX Disruption, Hedging Disruption, Increased Cost of Hedging, Increased Cost of Stock Borrow, Loss of Stock Borrow and/or Insolvency Filing, in each case if specified in the applicable Pricing Supplement.

"**Change in Law**" means that, on or after the Trade Date (as specified in the applicable Pricing Supplement) (1)(i) due to the adoption of or any change (including a future change) in any applicable law or regulation (including, without limitation, any tax law), or (ii) due to the promulgation of or any change (including a future change) in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Calculation Agent determines in its sole and absolute discretion that (A) it has become illegal to hold, acquire or dispose of any relevant Share or any transaction(s) or other asset(s) that the Fiduciary and/or any of its Affiliates or agents deems necessary or desirable to hedge the equity or other price risk of the Fiduciary in connection with the Equity Linked Notes; and/or (B) the Fiduciary and/or any of its Affiliates or agents will incur a materially increased cost in performing its obligations in relation to the Equity Linked Notes and/or, as applicable, in acquiring, entering into and/or maintaining any transaction(s) that the Fiduciary and/or any of its Affiliates or agents deems necessary or desirable to hedge the equity or other price risk of the Fiduciary in connection with the Equity Linked Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on the tax position of the Fiduciary and/or any of its Affiliates); and/or (2) the Fiduciary and/or any of its Affiliates or agents carrying out relevant hedging arrangements in respect of the Equity Linked Notes is or will be required to be regulated by any additional jurisdiction or regulatory authority or is or will be subject to any additional legal requirement or regulation considered by the Calculation Agent to be materially onerous.

"**Exchange-traded Contract Event**" means, in relation to a Share, (i) the official settlement price of any Exchange-traded Contract does not reflect the Share Price or Share Closing Price in a way that is necessary or desirable for the purposes of the Fiduciary and/or any of its Affiliates hedging the Fiduciary's exposure under the Equity Linked Notes; (ii) the official settlement price of any relevant Exchange-traded Contract is unavailable for any reason or is amended or corrected; (iii) the terms of any Exchange-traded Contract are changed or modified in any way; and/or (iv) any Valuation Date, Averaging Date or any other date for valuation of a Share in respect of the Equity Linked Notes is not a day on which an official settlement price is published in respect of any relevant Exchange-traded Contract.

"**Exchange-traded Contract**" means, in relation to any Share, any futures or options contract(s) relating to that Share as selected by the Calculation Agent from time to time.

"**FX Disruption**" means the occurrence or existence of any event or circumstance, as determined by the Calculation Agent in its sole and absolute discretion, with respect to any currency in which any Share is traded, quoted or settled (each an "**Event Currency**") that has the effect of preventing or delaying the Fiduciary and/or any of its Affiliates or agents directly or indirectly from: (i) converting the Event Currency into the Specified Currency through customary legal channels; (ii) converting the Event Currency into the Specified Currency at a rate at least as favourable as the rate for domestic institutions located in any jurisdiction which uses the Event Currency as its primary currency (an "**Event Currency Jurisdiction**"); (iii) delivering the Specified Currency from accounts inside the Event Currency Jurisdiction to accounts outside the Event Currency Jurisdiction; (iv) delivering the Event Currency between accounts inside the Event Currency Jurisdiction or to an entity that is a non-resident of the Event Currency Jurisdiction; or (v) effectively realising in the Specified Currency the value of any hedging arrangement in respect of the Equity Linked Notes at any time.

"**Hedging Disruption**" means that the Fiduciary and/or any of its Affiliates or agents is unable, after using commercially reasonable efforts, to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity or other price risk of the Fiduciary issuing and performing its obligations with respect to the Equity Linked Notes, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s). Without limitation such transaction(s) or assets may include any Exchange-traded Contract(s).

"**Hedging Shares**" means the number of Shares that the Calculation Agent deems necessary to hedge the equity or other price risk of entering into and performing its obligations with respect to the Equity Linked Notes.

"**Increased Cost of Hedging**" means that the Fiduciary and/or any of its Affiliates or agents acting on its behalf would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity or other price risk of the Fiduciary issuing and performing its obligations with respect to the Equity Linked Notes, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Fiduciary and/or any of its Affiliates or agents shall not be deemed an Increased Cost of Hedging.

"**Increased Cost of Stock Borrow**" means that the Fiduciary and/or any of its Affiliates would incur a rate to borrow Shares that is greater than the Initial Stock Loan Rate.

"**Initial Stock Loan Rate**" means, in respect of a Share, the Initial Stock Loan Rate specified in relation to such Share in the applicable Pricing Supplement.

"**Insolvency Filing**" means that a Share Company institutes or has instituted against it by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, or it consents to a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official or it consents to such a petition, provided that proceedings instituted or petitions presented by creditors and not consented to by the Share Company shall not be deemed an Insolvency Filing.

"**Loss of Stock Borrow**" means that the Fiduciary and/or any Affiliate is unable, after using commercially reasonable efforts, to borrow (or maintain a borrowing of) any Share in an amount equal to the Hedging Shares at a rate equal to or less than the Maximum Stock Loan Rate.

"**Maximum Stock Loan Rate**" means in respect of a Share, the Maximum Stock Loan Rate specified in the applicable Pricing Supplement.

(b) If Additional Disruption Events are specified as applicable in the applicable Pricing Supplement, then if an Additional Disruption Event occurs, the Fiduciary in its sole and absolute discretion may take the action described in (i) or (ii) below:

(i) require the Calculation Agent to determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to any one or more of the terms of the

Conditions and/or the applicable Pricing Supplement to account for the Additional Disruption Event and determine the effective date of that adjustment; or

(ii) give notice to Noteholders in accordance with Condition 15 and redeem all, but not some only, of the Equity Linked Notes, on the Early Redemption Date (the "**Early Redemption Date**") specified in such notice, each Note of a nominal amount equal to the Specified Denomination being redeemed at such nominal amount or other such amount as may be specified in the applicable Pricing Supplement. In such circumstances the provisions of Condition 4(e) shall apply.

Upon the occurrence of an Additional Disruption Event, the Fiduciary shall give notice as soon as practicable to the Noteholders in accordance with Condition 15 stating the occurrence of the Additional Disruption Event giving details thereof and the action proposed to be taken in relation thereto provided that any failure to give, or non-receipt of, such notice will not affect the validity of the Additional Disruption Event.

**8. Knock-in Event, Knock-out Event**

If "Knock-in Event" is specified as applicable in the Pricing Supplement, then the payment and/or delivery obligations under the Equity Linked Notes relating to the occurrence of a Knock-in Event shall be as set out in the applicable Pricing Supplement.

If "Knock-out Event" is specified as applicable in the Pricing Supplement, then the payment and/or delivery obligations under the Equity Linked Notes relating to the occurrence of a Knock-out Event shall be as set out in the applicable Pricing Supplement.

Unless otherwise specified in the applicable Pricing Supplement:

"**Knock-in Determination Day**" means the date(s) specified as such in the applicable Pricing Supplement or, if any such date is not a Scheduled Trading Day, the first succeeding Scheduled Trading Day thereafter or, if not so specified, each Scheduled Trading Day during the Knock-in Determination Period, subject, in each case, as provided in Knock-in/Knock-out Disrupted Day Adjustments below.

"**Knock-in Determination Period**" means the period which commences on, and includes, the Knock-in Period Beginning Date and ends on, and includes, the Knock-in Period Ending Date.

"**Knock-in Event**" is as specified in the applicable Pricing Supplement.

"**Knock-in/Knock-out Disrupted Day Adjustments**" means:

(a) if the Knock-in Valuation Time or the Knock-out Valuation Time is a single time on each relevant day and any Knock-in Determination Day or Knock-out Determination Day is a Disrupted Day then, if "Knock-in/Knock-out Determination Day consequences of a Disrupted Day" is specified in the applicable Pricing Supplement as:

(i) "**Omission**", then such date will be deemed not to be a Knock-in Determination Day or Knock-out Determination Day for the purposes of determining whether a Knock-in Event or a Knock-out Event has occurred, as applicable; provided that if the Knock-in Period Ending Date or the Knock-out Period Ending Date is a Disrupted Day and no Knock-in Event or Knock-out Event has occurred in the Knock-in Determination Period or Knock-out

Determination Period, the Knock-in Period Ending Date or Knock-out Period Ending Date, as applicable, shall be treated as a Valuation Date and the provisions of the definition of "Valuation Date" will apply for the purposes of determining the relevant price on the Knock-in Period Ending Date or Knock-out Period Ending Date, as applicable, as if such Knock-in Period Ending Date or Knock-out Period Ending Date, as applicable, were a Valuation Date that was a Disrupted Day and the Calculation Agent shall determine the relevant price of the relevant Share or Shares in respect of such day in accordance with such provisions (as such provisions may be amended for these purposes in the applicable Pricing Supplement, for example but without limitation, in respect of the time at which any subsequent valuation(s) is/are made) for the purpose of determining whether a Knock-in Event or Knock-out Event shall occur; or

(ii) "**Postponement**", then the provisions of the definition of "Valuation Date" will apply for the purposes of determining the relevant price on that Knock-in Determination Day or Knock-out Determination Day as if such Knock-in Determination Day or Knock-out Determination Day, as the case may be, were a Valuation Date that was a Disrupted Day and the Calculation Agent shall determine the relevant price of the relevant Share(s) in respect of such day in accordance with such provisions (as such provisions may be amended for these purposes in the applicable Pricing Supplement, for example but without limitation, in respect of the time at which any subsequent valuation(s) is/are made) for purposes of determining whether a Knock-in Event or Knock-out Event shall occur; or

(b) if the Knock-in Valuation Time or the Knock-out Valuation Time specified in the applicable Pricing Supplement is other than a single time on each relevant day and if on any Knock-in Determination Day or Knock-out Determination Day as of any Knock-in Valuation Time or Knock-out Valuation Time a Knock-in Event or Knock-out Event has or would have occurred but the conditions for a Disrupted Day have been satisfied at such time then, if "Knock-in/Knock-out intraday valuation consequences of disruption" is specified in the applicable Pricing Supplement as:

(i) "**Omission**", then such Knock-in Valuation Time or the Knock-out Valuation Time, as the case may be, shall be ignored for purposes of determining whether a Knock-in Event or a Knock-out Event has occurred, provided that if no Knock-in Event or Knock-out Event has occurred in the Knock-in Determination Period or Knock-out Determination Period and the conditions for a Disrupted Day are satisfied as of the last occurring Knock-in Valuation Time or Knock-out Valuation Time on the Knock-in Period Ending Date or Knock-out Period Ending Date, as applicable, then such day shall be treated as a Valuation Date and the provisions of the definition of "Valuation Date" will apply for the purposes of determining the relevant price on the Knock-in Period Ending Date or Knock-out Period Ending Date, as applicable, as if such Knock-in Period Ending Date or Knock-out Period Ending Date, as applicable, were a Valuation Date that was a Disrupted Day and the Calculation Agent shall determine the relevant price of the relevant Share or Shares in respect of such day in accordance with such provisions (as such provisions may be amended for these purposes in the applicable Pricing Supplement, for example but without limitation, in respect of the time at which any subsequent valuation(s) is/are made) for the purpose of determining whether a Knock-in Event or Knock-out Event shall occur; or

(ii) "**Materiality**", then (i) where the Calculation Agent determines that the relevant event or occurrence giving rise to such Disrupted Day is not material for the purposes of determining the Share Price as of such time, the Knock-in Event or Knock-out Event, as applicable, may occur notwithstanding such event or occurrence, or (ii) where the Calculation Agent determines that the relevant event or occurrence giving rise to such Disrupted Day is material for the purposes of determining the Share Price as of such time, then the Knock-in Event or the Knock-out Event shall be deemed not to have occurred at such time provided that if no Knock-in Event or Knock-out Event has occurred in the Knock-in Determination Period or Knock-out Determination Period and the conditions for a Disrupted Day are satisfied as of the last occurring Knock-in Valuation Time or Knock-out Valuation Time on the Knock-in Period Ending Date or Knock-out Period Ending Date, as applicable, then such day shall be treated as a Valuation Date and the provisions of the definition of "Valuation Date" will apply for the purposes of determining the relevant price on the Knock-in Period Ending Date or Knock-out Period Ending Date, as applicable, as if such Knock-in Period Ending Date or Knock-out Period Ending Date, as applicable, were a Valuation Date that was a Disrupted Day and the Calculation Agent shall determine the relevant price of the relevant Share or Shares in respect of such day in accordance with such provisions (as such provisions may be amended for these purposes in the applicable Pricing Supplement, for example but without limitation, in respect of the time at which any subsequent valuation(s) is/are made) for the purpose of determining whether a Knock-in Event or Knock-out Event shall occur.

With respect to each of (a) and (b) above, if a Knock-in Determination Day, Knock-out Determination Day, Knock-in Period Ending Date or Knock-out Period Ending Date, as applicable, is deemed to fall after the scheduled Knock-in Determination Day, Knock-out Determination Day, Knock-in Period Ending Date or Knock-out Period Ending Date, as applicable, and any date specified in the applicable Pricing Supplement for payment or delivery of any amount calculated by reference to a value determined in respect of such Knock-in Determination Day, Knock-out Determination Day, Knock-in Period Ending Date or Knock-out Period Ending Date would thereby fall before the second Business Day immediately following such delayed Knock-in Determination Day, Knock-out Determination Day, Knock-in Period Ending Date or Knock-out Period Ending Date, such relevant date for payment or delivery will be delayed until the second Business Day immediately following such delayed Knock-in Determination Day, Knock-out Determination Day, Knock-in Period Ending Date or Knock-out Period Ending Date

"**Knock-in Level**" means, in respect of a Share, the price of the Share specified as such or otherwise determined as provided in the applicable Pricing Supplement.

"**Knock-in Period Beginning Date**" means the date specified as such in the applicable Pricing Supplement or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

"**Knock-in Period Ending Date**" means the date specified as such in the applicable Pricing Supplement or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

"**Knock-in Valuation Time**" means the time or period of time on any Knock-in Determination Day specified as such in the applicable Pricing Supplement or, if no such time is so specified, the Valuation Time, for which purposes references in the definition of Valuation Time to "Valuation Date", shall be deemed to be to "Knock-in Determination Day".

"**Knock-out Determination Day**" means the date(s) specified as such in the applicable Pricing Supplement, or, if any such date is not a Scheduled Trading Day, the first succeeding Scheduled Trading Day thereafter or, if not so specified, each Scheduled Trading Day during the Knock-out Determination Period, subject, in each case, as provided in Knock-in/Knock-out Disrupted Day Adjustments above.

"**Knock-out Determination Period**" means the period which commences on, and includes, the Knock-out Period Beginning Date and ends on, and includes, the Knock-out Period Ending Date.

"**Knock-out Event**" is as specified in the applicable Pricing Supplement.

"**Knock-out Level**" means, in respect of a Share, the price of the Share specified as such or otherwise determined as provided in the applicable Pricing Supplement.

"**Knock-out Period Beginning Date**" means the date specified as such in the applicable Pricing Supplement or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

"**Knock-out Period Ending Date**" means the date specified as such in the applicable Pricing Supplement or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

"**Knock-out Valuation Time**" means the time or period of time on any Knock-out Determination Day specified as such in the applicable Pricing Supplement or, if no such time is so specified, the Valuation Time for which purposes, references in the definition of Valuation Time to "Valuation Date", shall be deemed to be to "Knock-out Determination Day".

## 9. Trigger Event

If "Trigger Event" is specified as applicable in the Pricing Supplement, then the payment and/or delivery provisions under the Equity Linked Notes relating to the occurrence of a Trigger Event shall be as set out in the applicable Pricing Supplement.

Unless otherwise specified in the applicable Pricing Supplement:

"**Trigger Event**" means a Trigger Event (Closing Observation), a Trigger Event (Intraday Observation) or such other event as specified in the applicable Pricing Supplement.

"**Trigger Event (Closing Observation)**" means, unless otherwise specified in the applicable Pricing Supplement, a determination by the Calculation Agent that, on any Trigger Event Observation Date, the Share Closing Price of any Share at the Trigger Event Valuation Time is less than or equal to the relevant Trigger Level for such Share, as determined by the Calculation Agent.

"**Trigger Event Date**" means a date on which a Trigger Event has occurred as determined by the Calculation Agent.

"**Trigger Event Disrupted Day Adjustments**" means:

(a) if Trigger Event (Closing Observation) is specified as applying in the applicable Pricing Supplement and any Trigger Event Observation Date is a Disrupted Day then,

if "Trigger Event Observation Date consequences of a Disrupted Day" is specified in the applicable Pricing Supplement as:

(i) "**Omission**", then such date will be deemed not to be a Trigger Event Observation Date for the purposes of determining whether a Trigger Event has occurred; provided that if the final Trigger Event Observation Date in any Trigger Event Observation Period is a Disrupted Day and no Trigger Event has occurred in that Trigger Event Observation Period, such final Trigger Event Observation Date in such Trigger Event Observation Period shall be treated as a Valuation Date and the provisions of the definition of "Valuation Date" will apply for the purposes of determining the relevant price on such day as if such day were a Valuation Date that was a Disrupted Day and the Calculation Agent shall determine the relevant price of the relevant Share or Shares in respect of such day in accordance with such provisions (as such provisions may be amended for these purposes in the applicable Pricing Supplement, for example but without limitation, in respect of the time at which any subsequent valuation(s) is/are made) for the purpose of determining whether a Trigger Event shall occur; or

(ii) "**Postponement**", then the provisions of the definition of "Valuation Date" will apply for the purposes of determining the relevant price on that Trigger Event Observation Date as if such Trigger Event Observation Date were a Valuation Date that was a Disrupted Day and the Calculation Agent shall determine the relevant price of the relevant Share(s) in respect of such day in accordance with such provisions (as such provisions may be amended for these purposes in the applicable Pricing Supplement, for example but without limitation, in respect of the time at which any subsequent valuation(s) is/are made) for purposes of determining whether a Trigger Event shall occur; or

(b) if "Trigger Event (Intraday Observation)" is specified as applying in the applicable Pricing Supplement and if on any Trigger Event Observation Date as of any Trigger Event Valuation Time a Trigger Event has or would have occurred but the conditions for a Disrupted Day have been satisfied at such time then, if "Trigger Event intraday valuation consequences of disruption" is specified in the applicable Pricing Supplement as:

(i) "**Omission**", then such Trigger Event Valuation Time shall be ignored for purposes of determining whether a Trigger Event has occurred, provided that if no Trigger Event has occurred in the Trigger Event Observation Period and the conditions for a Disrupted Day are satisfied as of the last occurring Trigger Event Valuation Time on the final Trigger Event Observation Date in such Trigger Event Observation Period, then such day shall be treated as a Valuation Date and the provisions of the definition of "Valuation Date" will apply for the purposes of determining the relevant price on such day as if such day were a Valuation Date that was a Disrupted Day and the Calculation Agent shall determine the relevant price of the relevant Share or Shares in respect of such day in accordance with such provisions (as such provisions may be amended for these purposes in the applicable Pricing Supplement, for example but without limitation, in respect of the time at which any subsequent valuation(s) is/are made) for the purpose of determining whether a Trigger Event shall occur; or

(ii) "**Materiality**", then (i) where the Calculation Agent determines that the relevant event or occurrence giving rise to such Disrupted Day is not material for the purposes of determining the Share Price as of such time, the Trigger

Event may occur notwithstanding such event or occurrence, or (ii) where the Calculation Agent determines that the relevant event or occurrence giving rise to such Disrupted Day is material for the purposes of determining the Share Price as of such time, then the Trigger Event shall be deemed not to have occurred at such time provided that if no Trigger Event has occurred in the Trigger Event Observation Period and the conditions for a Disrupted Day are satisfied as of the last occurring Trigger Event Valuation Time on the final Trigger Event Observation Date in such Trigger Event Observation Period, then such day shall be treated as a Valuation Date and the provisions of the definition of "Valuation Date" will apply for the purposes of determining the relevant price on such day as if such day were a Valuation Date that was a Disrupted Day and the Calculation Agent shall determine the relevant price of the relevant Share or Shares in respect of such day in accordance with such provisions (as such provisions may be amended for these purposes in the applicable Pricing Supplement, for example but without limitation, in respect of the time at which any subsequent valuation(s) is/are made) for the purpose of determining whether a Trigger Event shall occur.

With respect to each of (a) and (b) above, if a Trigger Event Observation Date is deemed to fall after the scheduled Trigger Event Observation Date and any date specified in the applicable Pricing Supplement for payment or delivery of any amount calculated by reference to a value determined in respect of such Trigger Event Observation Date would thereby fall before the second Business Day immediately following such delayed Trigger Event Observation Date, such relevant date for payment or delivery will be delayed until the second Business Day immediately following such delayed Trigger Event Observation Date.

"**Trigger Event (Intraday Observation)**" means, unless otherwise specified in the applicable Pricing Supplement, a determination by the Calculation Agent that, on any Trigger Event Observation Date, the Share Price of any Share is less than or equal to the relevant Trigger Level for such Share, as determined by the Calculation Agent.

"**Trigger Event Observation Date**" means each Scheduled Trading Day during the Trigger Event Observation Period, subject as provided in Trigger Event Disrupted Day Adjustments above.

"**Trigger Event Observation Period**" means the period specified as such in the applicable Pricing Supplement.

"**Trigger Event Strike Level**" means, in relation to a Share, the price specified as such in the applicable Pricing Supplement.

"**Trigger Event Valuation Time**" means the time or period of time on any Trigger Event Observation Date specified as such in the applicable Pricing Supplement or, if no such time is so specified, the Valuation Time for which purposes, references in the definition of Valuation Time to "Valuation Date", shall be deemed to be to "Trigger Event Observation Date".

"**Trigger Level**" means, in relation to a Share, an amount equal to the product of (i) the relevant Trigger Percentage and (ii) the Trigger Event Strike Level specified for such Share in the applicable Pricing Supplement.

"**Trigger Percentage**" means, in relation to a Share and, if so specified in the applicable Pricing Supplement, a Trigger Event Observation Date, the percentage specified as such in the applicable Pricing Supplement.

## 10. Mandatory Early Redemption

Unless the Equity Linked Notes have been previously redeemed, exercised, terminated or cancelled, if on any Mandatory Early Redemption Valuation Date a Mandatory Early Redemption Event occurs, then the Equity Linked Notes will be automatically redeemed or cancelled, as applicable, in whole, but not in part, on the Mandatory Early Redemption Date immediately following such Mandatory Early Redemption Valuation Date and the redemption or cancellation amount payable by the Fiduciary on such date upon redemption or cancellation of each Equity Linked Note shall be an amount in the Specified Currency equal to the relevant Mandatory Early Redemption Amount.

As used herein:

"**Mandatory Early Redemption Amount**" means, unless otherwise provided in the applicable Pricing Supplement, in respect of a Mandatory Early Redemption Date, an amount equal to the product of (i) the Mandatory Early Redemption Calculation Amount and (ii) the relevant Mandatory Early Redemption Rate relating to that Mandatory Early Redemption Date.

"**Mandatory Early Redemption Calculation Amount**" is as specified in the applicable Pricing Supplement.

"**Mandatory Early Redemption Date**" means each date specified as such in the applicable Pricing Supplement.

"**Mandatory Early Redemption Event**" means (each of) the events specified as such in the applicable Pricing Supplement.

"**Mandatory Early Redemption Level**" means the price per Share specified as such or otherwise determined as provided in the applicable Pricing Supplement.

"**Mandatory Early Redemption Rate**" means, in respect of a Mandatory Early Redemption Date, the rate specified as such in the applicable Pricing Supplement.

"**Mandatory Early Redemption Valuation Cut-Off Date**" means the eighth Scheduled Trading Day immediately following the Scheduled Mandatory Early Redemption Valuation Date.

"**Mandatory Early Redemption Valuation Date**" means each Mandatory Early Redemption Valuation Date specified in the applicable Pricing Supplement or, if such date is not a Scheduled Trading Day, the first Scheduled Trading Day thereafter unless, in the opinion of the Calculation Agent, such day is a Disrupted Day. If any such day is a Disrupted Day, then:

(a) where the Equity Linked Notes relate to a single Share, that Mandatory Early Redemption Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the Scheduled Trading Days immediately following the Scheduled Mandatory Early Redemption Valuation Date up to and including the Mandatory Early Redemption Valuation Cut-Off Date is a Disrupted Day. In that case, (i) the Mandatory Early Redemption Valuation Cut-Off Date shall be deemed to be that Mandatory Early Redemption Valuation Date (notwithstanding the fact that such day is a Disrupted Day) and (ii) the Calculation Agent shall determine the relevant price in the manner set out in the applicable Pricing Supplement or, if not set out or if not practicable, determine the relevant price in accordance with its good faith estimate of the relevant price as of the Mandatory

Early Redemption Valuation Time on the Mandatory Early Redemption Valuation Cut-Off Date; or

(b) where the Equity Linked Notes relate to a Basket of Shares, that Mandatory Early Redemption Valuation Date for each Share not affected by the occurrence of a Disrupted Day shall be the Scheduled Mandatory Early Redemption Valuation Date and that Mandatory Early Redemption Valuation Date for each Share affected (each an "**Affected Share**") by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Share, unless each of the Scheduled Trading Days immediately following the Scheduled Mandatory Early Redemption Valuation Date up to and including the Mandatory Early Redemption Valuation Cut-Off Date is a Disrupted Day relating to the Affected Share. In that case, (i) the Mandatory Early Redemption Valuation Cut-Off Date shall be deemed to be that Mandatory Early Redemption Valuation Date for the Affected Share (notwithstanding the fact that such day is a Disrupted Day) and (ii) the Calculation Agent shall determine the relevant price using, in relation to the Affected Share, the price of that Share determined in the manner set out in the applicable Pricing Supplement or, if not set out or if not practicable, using its good faith estimate of the price for the Affected Share as of the Mandatory Early Redemption Valuation Time on the Mandatory Early Redemption Valuation Cut-Off Date, and otherwise in accordance with the above provisions.

If a Mandatory Early Redemption Valuation Date is deemed to fall after the Scheduled Mandatory Early Redemption Valuation Date and any date specified in the applicable Pricing Supplement for payment or delivery of any amount calculated by reference to a value determined in respect of such Mandatory Early Redemption Valuation Date would thereby fall before the second Business Day immediately following that delayed Mandatory Early Redemption Valuation Date, such relevant date for payment or delivery will be delayed until the second Business Day immediately following such delayed Mandatory Early Redemption Valuation Date.

"**Mandatory Early Redemption Valuation Time**" means in respect of any Share the time on any Mandatory Early Redemption Valuation Date as specified in the applicable Pricing Supplement or, if no such time is so specified, the Valuation Time, for which purposes, references in the definition of Valuation Time to "Valuation Date", shall be deemed to be to "Mandatory Early Redemption Valuation Date".

"**Scheduled Mandatory Early Redemption Valuation Date**" means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been a Mandatory Early Redemption Valuation Date.

## 11. GDR/ADR Linked Notes

If "GDR/ADR Linked Notes" is specified as applicable in the applicable Pricing Supplement, the provisions in paragraphs 12 to 15 inclusive of these Equity Linked Conditions shall apply (in each case subject to completion and/or amendment in the applicable Pricing Supplement).

## 12. General Provisions in respect of GDR/ADR Linked Notes

The provisions in paragraphs 1 to 10 inclusive of these Equity Linked Conditions shall apply to the Equity Linked Notes:

(i) where "Partial Lookthrough" is specified as applicable in the applicable Pricing Supplement, as if references therein to the "Shares" were to the Global Depositary

Receipts ("**GDRs**") and/or American Depositary Receipts ("**ADRs**") specified in the applicable Pricing Supplement and/or the Underlying Shares, as applicable and references to the "Exchange" were to the exchange or quotation system on which the GDRs or ADRs, as the case may be, are listed and the primary exchange or quotation system on which the Underlying Shares are listed; or

(ii) where "Full Lookthrough" is specified as applicable in the applicable Pricing Supplement, as if references therein to "Shares" were to the Underlying Shares and references to the "Exchange" were to the primary exchange or quotation system on which the Underlying Shares are listed,

and in each case with such additional or alternative modifications as the Calculation Agent may consider necessary or otherwise desirable to account for the relevant GDRs and/or ADRs.

**13. Share Event in respect of GDR/ADR Linked Notes**

A Share Event (as defined below) shall be deemed to be an Extraordinary Event to which the provisions of paragraph 5(d) of these Equity Linked Conditions shall apply and upon the occurrence of a Share Event, the Fiduciary may take the action described in sub-paragraphs (i), (ii), (iii), or (iv) set out in paragraph 5(d) of these Equity Linked Conditions. The Fiduciary shall give notice as soon as practicable to Noteholders in accordance with Condition 15 stating the occurrence of the Share Event, giving details thereof and the action proposed to be taken in relation thereto. If an event may constitute both a Share Event and an Additional Disruption Event, the Calculation Agent shall determine which of these events such event constitutes.

For these purposes:

"**Depository**" means the issuer of the ADRs or GDRs, as applicable.

"**Deposit Agreement**" means, in relation to the ADRs or GDRs, as applicable, the agreement(s) or other instrument(s) constituting the ADRs or GDRs and/or relating to the Underlying Shares as amended or supplemented from time to time.

"**Replacement DRs**" means depositary receipts other than the relevant ADRs or GDRs over the same Underlying Shares.

"**Share Event**" means each of the following events:

(i) written instructions have been given by the Underlying Share Issuer to the depositary of the Underlying Shares to withdraw or surrender the Underlying Shares; and/or

(ii) the termination of the Deposit Agreement in respect of the Underlying Shares.

"**Underlying Shares**" mean the shares or other securities underlying the ADRs or GDRs, as the case may be.

"**Underlying Share Issuer**" means the issuer of the Underlying Shares.

**14. Additional Potential Adjustment Events and Amended Consequences of Potential Adjustment Events**

14.1 The following additional events shall be deemed to be added to the events listed in the definition of Potential Adjustment Events set out in paragraph 5(a) of these Equity Linked Conditions:

"a distribution in respect of the Underlying Shares of property other than cash, shares or rights relating to any Underlying Shares to the holder of the Underlying Shares; or

any amendment or supplement to the terms of the Deposit Agreement."

14.2 The words "an economic effect on the Equity Linked Notes or" shall be added to paragraph 5(a)(vii) of these Equity Linked Conditions immediately prior to the words "a diluting or concentrative effect…" therein.

14.3 The words "or any adjustment made by the Depository under the Deposit Agreement" shall be added to the end of paragraph 5(a)(vii) of these Equity Linked Conditions.

14.4 If the Calculation Agent determines that no adjustment to the Equity Linked Notes under the terms of paragraph 5(b) of these Equity Linked Conditions that it could make will produce a commercially reasonable result, the Calculation Agent may elect to treat the Potential Adjustment Event as an Extraordinary Event to which the consequences in paragraphs 5(d)(ii), 5(d)(iii) or 5(d)(iv) of these Equity Linked Conditions shall apply, as selected by the Calculation Agent.

**15. Amended Definition of De-listing and Consequences of Extraordinary Events**

15.1 The definition of De-listing shall be amended by the addition of the words "(A) the Depository announces that the Deposit Agreement is (or will be) terminated and/or (B)" immediately after the word "means" in the first line thereof.

15.2 Paragraph 5(d)(i) of these Equity Linked Conditions shall be amended by the addition of the words "or any adjustment made by the Depository under the Deposit Agreement" immediately after the words "that options exchange" therein.

## ANNEX 3

## ADDITIONAL TERMS AND CONDITIONS FOR FUND LINKED NOTES

### 1. Interpretation

1.1 If specified as applicable in the applicable Pricing Supplement, the Terms and Conditions applicable to Fund Linked Notes will comprise the Terms and Conditions of the Notes (the "**Conditions**") and the Terms and Conditions for Fund Linked Notes as set out in this annex (the "**Fund Linked Conditions**"), in each case together with any other additional Terms and Conditions which are specified to apply in the applicable Pricing Supplement and subject to amendment and completion in the applicable Pricing Supplement. In the event of any inconsistency between the Conditions and the Fund Linked Conditions, the Fund Linked Conditions shall prevail. In the event of any inconsistency between (i) the Conditions and/or the Fund Linked Conditions and (ii) the other provisions of the applicable Pricing Supplement, the applicable Pricing Supplement shall prevail.

1.2 Terms not otherwise defined in these Fund Linked Conditions will have the meaning given in the Conditions.

### 2. Provisions relating to Funds

The Calculation Agent shall determine the Final/Redemption Amount and/or any Interest Amounts or other values or amounts as specified in, or determined in the manner specified in, the Conditions and/or the applicable Pricing Supplement and this may be by reference to certain reported values of a Fund and/or a Final Price for a Fund as specified in Fund Linked Condition 3 or the applicable Pricing Supplement. In all cases the terms applicable to Fund Linked Notes are subject to adjustment in accordance with Fund Linked Conditions 4 and 5 to take account of any Fund Event.

**For the avoidance of doubt nothing in these Fund Linked Conditions shall require the Calculation Agent or the Fiduciary to monitor any Fund or Fund Interest on an on-going basis and no representation (express or implied) is made that there will be any such monitoring.**

Specific provisions in respect of Fund Linked Notes linked to the performance of a Fund Basket shall be as set out in the applicable Pricing Supplement.

### 3. Definitions

"**Affiliate**" means in relation to any entity (the "First Entity"), any entity controlled, directly or indirectly, by the First Entity, any entity that controls, directly or indirectly, the First Entity or any entity directly or indirectly under common control with the First Entity. For these purposes "control" means ownership of a majority of the voting power of an entity.

"**Final Fund Valuation Date**" means, in respect of a Fund Interest, the Scheduled Fund Settlement Valuation Date specified in the applicable Pricing Supplement for calculating the redemption proceeds to be paid to the Hypothetical Investor for the redemption of the Final Relevant Holding.

"**Final Price**" means, in respect of the Final Relevant Holding, an amount equal to the redemption proceeds per Fund Interest that the Calculation Agent determines would be received by the Hypothetical Investor in a situation where (a) the Hypothetical Investor

requests redemption of the relevant Final Relevant Holding in full for valuation as of the Final Fund Valuation Date, (b) such request is made in a timely manner and (c) such redemption proceeds are net of all taxes, costs and expenses (determined on a per Fund Interest basis) which the Calculation Agent determines would be suffered or incurred by the Hypothetical Investor in connection with such redemption. For the avoidance of doubt, such redemption proceeds may differ from the amounts which would be due under the terms of the Fund Documents and may be less than the net asset value per Fund Interest published by the Fund in respect of the Final Fund Valuation Date.

"**Final Relevant Holding**" means the Relevant Holding as of the Final Fund Valuation Date.

"**Fund**" means, subject to adjustment in accordance with these Fund Linked Conditions, each entity, collective investment scheme, fund, trust, partnership or similar arrangement or undertaking specified as such in the applicable Pricing Supplement (and related expressions shall be construed accordingly).

"**Fund Administrator**" means in respect of a Fund each entity specified as such in relation to that Fund in the applicable Pricing Supplement or, if not so specified, each entity appointed in the role of the fund administrator, manager, trustee or similar person with the primary administrative responsibilities for a Fund according to the relevant Fund Documents.

"**Fund Adviser**" means, in respect of a Fund, each entity specified as such in relation to that Fund in the applicable Pricing Supplement or, if not so specified, each entity appointed in the role of discretionary investment manager or non-discretionary investment adviser to that Fund (including a non-discretionary investment adviser to a discretionary investment manager or to another non-discretionary investment adviser to that Fund).

"**Fund Basket**" means a basket of Fund Interests if specified and as described in the applicable Pricing Supplement or any Replacement Fund Interest(s) selected by the Calculation Agent in accordance with the terms hereof.

"**Fund Documents**" means the constitutive and governing documents, subscription agreements, prospectuses, offering documents (howsoever described) and other agreements of a Fund specifying the terms and conditions relating to the related Fund Interest.

"**Fund Interest**" means, in respect of a Fund, subject to adjustment in accordance with these Fund Linked Conditions, each unit, share, partnership interest or other similar fund interest issued by or relating to a Fund as specified in the applicable Pricing Supplement (and related expressions shall be construed accordingly).

"**Fund Publication Date**" means, with respect to a Fund Valuation Date, the later of (i) the date on which the Fund (or its Fund Service Provider, as applicable) actually publishes the value for the relevant Fund Interest or its aggregate net asset value, as applicable, in respect of such Fund Valuation Date or otherwise communicates to the Calculation Agent such value and (ii) the Scheduled Fund Publication Date.

"**Fund Settlement Valuation Date**" means, in respect of a Fund Interest and any Scheduled Fund Settlement Valuation Date, each date as of which a Fund (or its Fund Service Provider, as applicable) determines (after giving effect to any gating, deferral, suspension or other provisions permitting the Fund to delay or refuse redemption of Fund Interests) the net asset value of such Fund Interest for purposes of calculating (i) the redemption proceeds to be paid to an investor that has submitted a valid and timely notice for redemption of Fund Interests in relation to the relevant Scheduled Fund Settlement Valuation Date or (ii) the subscription price per Fund Interest to be paid by an investor that has submitted a valid and timely notice

for subscription of Fund Interests in relation to the relevant Scheduled Fund Settlement Valuation Date, as applicable.

"**Fund Service Provider**" means any person who is appointed to provide services, directly or indirectly, to a Fund, whether or not specified in the relevant Fund Documents, including without limitation any Fund Administrator, Fund Adviser, operator, management company, depositary, custodian, sub-custodian, prime broker, administrator, trustee, registrar and transfer agent or domiciliary agent.

"**Fund Valuation Date**" means, in respect of a Fund Interest, the date(s), which as at the Trade Date is/are as specified in the applicable Pricing Supplement, as of which the related Fund (or its Fund Service Provider, as applicable), according to the relevant Fund Documents or as otherwise communicated to the Calculation Agent (and without giving effect to any gating, deferral, suspension or other provisions permitting the Fund to delay or refuse redemption of Fund Interests or delay the determination of Fund values), determines (i) the value of the related Fund Interest or (ii) if the Fund only determines or reports its aggregate net asset value, such aggregate net asset value.

"**Hypothetical Investor**" means a hypothetical or actual investor (as determined by the Calculation Agent in the context of the relevant situation) in Fund Interests which is deemed to have the benefits and obligations, as provided in the relevant Fund Documents, of an investor holding Fund Interests at the relevant time. The Hypothetical Investor shall be deemed by the Calculation Agent to be resident or organised in Switzerland acting through a United Kingdom branch, and may be, without limitation, the Fiduciary, the Calculation Agent or any of their Affiliates or agents (as determined by the Calculation Agent in the context of the relevant situation). However, no such party shall be under any obligation to invest in or hold any Fund Interests and nothing in this definition shall be construed as imposing any such requirement.

"**Initial Fixing Date**" means the date as specified in the applicable Pricing Supplement.

"**Initial Fund Valuation Date**" means, in respect of a Fund Interest, the Scheduled Fund Settlement Valuation Date specified in the applicable Pricing Supplement for calculation of the subscription price per Fund Interest to be paid by the Hypothetical Investor for the purchase of the Relevant Holding.

"**Initial Price**" means, unless otherwise specified in the applicable Pricing Supplement, an amount determined by the Calculation Agent to be equal to the subscription price per Fund Interest (including all costs or fees (if any)) effectively paid by the Hypothetical Investor pursuant to a valid and timely subscription order of Fund Interests with respect to the Initial Fund Valuation Date and the purchase of the Relevant Holding.

"**Key Personnel**" means, in relation to a Fund, any entity or person as specified in the applicable Pricing Supplement or, if not specified in the Pricing Supplement, any key personnel of the relevant Fund or of its Fund Adviser as determined by the Calculation Agent.

"**Relevant Holding**" means, in respect of a Fund, in relation to the Initial Fixing Date, a holding of such number or amount of Fund Interests per nominal amount or unit of Fund Linked Notes equal to the Specified Denomination, as is specified in the applicable Pricing Supplement which shall be deemed to be acquired by a Hypothetical Investor on the Initial Fixing Date. On any day thereafter, the Relevant Holding may be decreased or increased (a) if provided in the applicable Pricing Supplement, due to, but without limitation, (i) interest payments, if any, (ii) Fund equalisations or (iii) the redemption of Fund Interests attributed to fee payments or (b) due to the occurrence of a Fund Event pursuant to Fund Linked

Conditions 4 or 5 if applicable. Where amounts are to be determined by reference to a Relevant Holding which is less than any minimum holding a Hypothetical Investor may hold, or is a fraction of a Fund Interest or if the Calculation Agent determines it appropriate to reflect hedging arrangements of the Fiduciary and/or its Affiliates, such determination may be made on an aggregated basis by reference to all Fund Linked Notes then outstanding.

"**Removal Date**" means, in respect of an Affected Fund Interest (as defined in Fund Condition 5(ii)(D) below), the date on which the Calculation Agent determines that a Hypothetical Investor would receive the Removal Value in respect of a redemption or realisation of such Affected Fund Interest effected as soon as reasonably practicable following the time at which the Calculation Agent determines the applicable consequence of the relevant Fund Event pursuant to Fund Linked Condition 5.

"**Removal Value**" means, in respect of an Affected Fund Interest, the amount that the Calculation Agent determines a Hypothetical Investor would receive on the redemption or realisation of the Relevant Holding of the Affected Fund Interest at the relevant time, provided that if any such redemption proceeds would comprise non-monetary assets the Removal Value shall include the amount (if any and which may be zero) that the Calculation Agent determines would be received by the Hypothetical Investor in respect of a realisation (in whatsoever manner the Calculation Agent determines appropriate) of such non-monetary assets within a commercially reasonable timeframe after their receipt.

"**Scheduled Fund Publication Date**" means, in respect of a Fund Valuation Date, each date (which as at the Trade Date is specified as such in the applicable Pricing Supplement) on which the related Fund (or its Fund Service Provider, as applicable) is scheduled, according to the relevant Fund Documents or as otherwise communicated to the Calculation Agent, to publish the value for the related Fund Interest or its aggregate net asset value, as applicable as of such Fund Valuation Date or otherwise communicates to the Calculation Agent such value.

"**Scheduled Fund Settlement Valuation Date**" means, in respect of a Fund Interest, the Fund Valuation Date as of which a Fund (or its Fund Service Provider, as applicable) is scheduled (according to the relevant Fund Documents or as otherwise communicated to the Calculation Agent and without giving effect to any gating, deferral, suspension or other provisions permitting the Fund to delay or refuse redemption of Fund Interests or delay the determination of Fund values), to determine the net asset value of the related Fund Interest for purposes of calculating (i) the redemption proceeds to be paid to an investor that has submitted a valid and timely notice for redemption of Fund Interests in respect of such date or (ii) the subscription price per Fund Interest to be paid by an investor that has submitted a valid and timely notice for subscription of Fund Interests in respect of such date, as applicable.

## 4. Fund Events

If a Fund Event exists or occurs the Calculation Agent may make certain adjustments or take certain actions in relation to the Fund Linked Notes as set out below.

For the avoidance of doubt nothing in these Fund Linked Conditions shall require the Calculation Agent or the Fiduciary to monitor any Fund on an on-going basis and no representation (express or implied) is made that there will be any such monitoring.

For these purposes:

"**Fund Event**" means any of an Additional Fund Disruption Event, a Fund Disruption Event, a Fund Extraordinary Event, a Fund Potential Adjustment Event, and/or any other event

specified as such in the applicable Pricing Supplement, in each case as determined by the Calculation Agent.

Where:

(a) "**Additional Fund Disruption Event**" means any of Change in Law, FX Disruption, Fund Hedging Disruption or Increased Cost of Hedging:

(i) "**Change in Law**" means that, on or after the Trade Date (as specified in the applicable Pricing Supplement) (1) (i) due to the adoption of or any change (including a future change) in any applicable law or regulation (including, without limitation, any tax law), or (ii) due to the promulgation of or any change (including a future change) in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Fiduciary or any of its Affiliates or agents acting on its behalf determines in good faith that (x) it has or will become illegal to hold, acquire or dispose of any Fund Interests, or any transaction(s) or other asset(s) that the Fiduciary and/or any of its Affiliates or agents deems necessary or desirable to hedge the fund or other price risk of the Fiduciary in connection with the Fund Linked Notes; and/or (B) the Fiduciary and/or any of its Affiliates or agents does or will incur a materially increased cost in performing its obligations under the Fund Linked Notes and/or, as applicable, in acquiring, entering into and/or maintaining any transaction(s) that the Fiduciary and/or any of its Affiliates or agents deems necessary or desirable to hedge the price risk of the Fiduciary in connection with the Fund Linked Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position); and/or (2) the Fiduciary and/or any of its Affiliates or agents carrying out relevant hedging arrangements in respect of the Fund Linked Notes is or will be required to be regulated by any additional jurisdiction or regulatory authority or is or will be subject to any additional legal requirement or regulation considered by the Calculation Agent to be materially onerous.

(ii) "**FX Disruption**" means the occurrence or existence of any event or circumstance, as determined by the Calculation Agent in its sole and absolute discretion, with respect to any Fund Currency of a Fund Interest or, in the case of a Fund Basket, any of the Fund Interests within such basket (as specified in the applicable Pricing Supplement) which is not the same currency as the Specified Currency that has the effect of preventing or delaying the Fiduciary and/or any of its Affiliates or agents directly or indirectly from: (i) converting the Fund Currency into the Specified Currency through customary legal channels; (ii) converting the Fund Currency into the Specified Currency at a rate at least as favourable as the rate for domestic institutions located in the Fund Currency Jurisdiction; (iii) delivering the Specified Currency from accounts inside the Fund Currency Jurisdiction to accounts outside the Fund Currency Jurisdiction; (iv) delivering the Fund Currency between accounts inside the Fund Currency Jurisdiction or to an entity that is a non-resident of the Fund Currency Jurisdiction; (v) effectively realising in the Specified Currency the value of any hedging arrangement in respect of the Fund Linked Notes at any time; or (vi) the government or other regulatory authority with jurisdiction in a relevant Fund Currency Jurisdiction giving public notice of its intention to impose any capital controls which the Calculation Agent determines likely (a) to have a material effect on the ability of any of the Fiduciary and/or its Affiliates or agents to hedge its

foreign exchange risk in respect of the relevant Fund Currency(ies) or unwind any such hedging transaction or (b) to reduce the value of any such hedging transaction. For these purposes:

"**Fund Currency Jurisdiction**" means any jurisdiction which has a material connection with the relevant Fund Currency, as determined by the Calculation Agent.

(iii) "**Fund Hedging Disruption**" means that the Fiduciary or any of its Affiliates or agents is unable, or it is impractical for the Fiduciary or any of its Affiliates or agents, after using commercially reasonable efforts, to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary or appropriate to hedge the price risk with respect to the Fund Linked Notes, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s), including, without limitation, where such inability or impracticability has arisen by reason of (x) any restriction on making new or additional investments in such Fund Interest, or (y) any mandatory redemption, in whole or in part, of a Fund Interest imposed by the related Fund.

(iv) "**Increased Cost of Hedging**" means that the Fiduciary or any of its Affiliates or agents acting on its behalf would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary or appropriate to hedge the price risk of the Fiduciary issuing and performing its obligations with respect to the Fund Linked Notes, or (ii) realise, recover or remit the proceeds of any transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Fiduciary and/or any of its Affiliates or agents shall not be deemed an Increased Cost of Hedging.

(b) "**Fund Disruption Event**" means any of a Fund Settlement Valuation Disruption, a Fund Settlement Disruption or a Fund Publication Disruption:

(i) "**Fund Settlement Valuation Disruption**" occurs if a Fund Settlement Valuation Date in respect of a Fund Interest falls after the related Scheduled Fund Settlement Valuation Date in respect of such Fund Interest.

(ii) "**Fund Settlement Disruption**" means a failure by a Fund on any day (i) to pay the full amount (whether expressed as a percentage or otherwise) of any fund redemption proceeds with respect to any Fund Interest scheduled to have been paid on or by such day or (ii) to record the relevant holding of Fund Interests subscribed for by the Hypothetical Investor that is scheduled to have been recorded on or by such day (according to the relevant Fund Documents or as otherwise communicated to the Calculation Agent), determined without regard to any gating, deferral, suspension or other provisions permitting the Fund to delay or refuse redemption of Fund Interests.

(iii) "**Fund Publication Disruption**" occurs if a Fund Publication Date in respect of a Fund Interest falls after the relevant Scheduled Fund Publication Date in respect of a Fund Interest.

(c) "**Fund Extraordinary Event**" means any of a Nationalisation, a Fund Insolvency Event, a NAV Trigger Event, an Adviser/Key Personnel Removal Event, a Fund Modification, a Fees or Charges Event, a Strategy Breach, a Regulatory Action, a Tax Change, a Reporting Disruption, a New Information Event, a Limitation Event, a Non Currency Redemption, a Fund Service Provider Cessation, a Fund Service Provider Disruption, an Ownership Event or a Related Agreement Termination or any other event which prevents, hinders or materially impairs the Fiduciary and/or its Affiliates or agents carrying out relevant hedging arrangements in respect of the Fund Linked Notes:

(i) "**Nationalisation**" means that all the Fund Interests or all or substantially all the assets of a Fund are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof.

(ii) "**Fund Insolvency Event**" means a Fund or relevant Fund Service Provider (A) is dissolved or has a resolution passed for its dissolution, winding-up or voluntary or involuntary liquidation or any analogous proceeding (other than pursuant to a consolidation, amalgamation or merger); (B) makes a general assignment or arrangement with or for the benefit of its creditors; (C) (x) institutes or has instituted against it, by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official, or (y) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and such proceeding or petition is instituted or presented by a person or entity not described in (x) above and either (1) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation or (2) is not dismissed, discharged, stayed or restrained in each case within fifteen days of the institution or presentation thereof; (D) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets; (E) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all of its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within fifteen days thereafter; or (F) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in (A) to (E) (inclusive) above.

(iii) "**NAV Trigger Event**" means that, unless otherwise provided in the applicable Pricing Supplement, a Fund has violated any leverage restriction that is applicable to, or affecting, it or its assets by operation of any law, any order or judgment of any court or other agency of government applicable to it or any of its assets, the relevant Fund Documents or any contractual restriction binding on or affecting the Fund or any of its assets.

(iv) "**Adviser/Key Personnel Removal Event**" means (a) the resignation, termination of appointment, or replacement of a Fund's Fund Adviser or (b) any Key Personnel of a Fund or Fund Adviser ceases to act in its relevant capacity for any reason.

(v) "**Fund Modification**" means any actual or proposed change or modification of the relevant Fund Documents (including, without limitation, any leverage restriction) that could reasonably be expected to affect the value of a Fund Interest or the rights or remedies of any holders thereof (in each case, as determined by the Calculation Agent) from those prevailing on the Trade Date or, in respect of a Replacement Fund Interest, the relevant replacement date (without limitation this may include any merger or the creation of any further fund, including a side-pocket fund in respect of the Fund's assets).

(vi) "**Fees or Charges Event**" means the imposition of any fees or charges in relation to redemptions, subscriptions or transfers of Fund Interests other than any such fee or charge in existence on the Trade Date.

(vii) "**Strategy Breach**" means any breach or violation of or any change or material diversion from any strategy or investment guidelines stated in the relevant Fund Documents that is reasonably likely to affect the value of a Fund Interest or the rights or remedies of any holders thereof (in each case, as determined by the Calculation Agent); or any breach or violation of any other material term of the relevant Fund Documents; or any change in the nature of a Fund, including but not limited to the type of investments, the duration, the credit risk and diversification of the investments to which that Fund is exposed, which, in the opinion of the Calculation Agent, results in a material increase of the risk profile of that Fund.

(viii) "**Regulatory Action**" means (a) the cancellation, suspension or revocation of the registration, licence, or approval of a Fund Interest or the related Fund by any governmental, legal or regulatory entity with authority over such Fund Interest or Fund, or (b) any change or proposed change in the legal, tax, accounting, or regulatory treatment of a Fund or its Fund Adviser that is reasonably likely to have an adverse impact on the value of the related Fund Interest or on any investor therein (as determined by the Calculation Agent) or on the Fiduciary's ability to perform its obligations in respect of the Fund Linked Notes or (c) a Fund or any of its Fund Administrator or Fund Adviser or any of their Affiliates becomes subject to investigation, proceedings or litigation (or any such investigation, proceedings or litigation is threatened or proposed) by any relevant governmental, legal or regulatory authority in connection with suspected or alleged wrongdoing or the alleged violation of applicable law for any activities (whether or not relating to or resulting from the operation of such Fund, Fund Administrator or Fund Adviser) or (d) any necessary or desirable action, condition or requirement (including without limitation the obtaining, effecting or maintenance of any necessary consent, approval, authorisation, exemption, filing, licence, order, recording or registration) for any Fund, Fund Advisor, Fund Administrator or any Fund Service Provider lawfully to enter into any obligation, exercise any rights or perform and comply with any obligation has not been taken, fulfilled or satisfied or (e) any relevant activities of a Fund, Fund Administrator or Fund Advisor (or activities related to any such entity) are or become unlawful, illegal or otherwise prohibited in whole or in part as a result of compliance with any present or future law, regulation, judgement, order or directive of

any governmental, administrative, legislative or judicial authority or power, or in the interpretation thereof.

(ix) "**Tax Change**" means the imposition of, change in, or removal of an excise, severance, sales, use, value-added, transfer, stamp, documentary, recording or similar tax on a Fund, or measured by reference to, a Fund Interest (other than any tax on, or measured by reference to, overall gross or net income) by any government or taxation authority after the Trade Date

(x) "**Reporting Disruption**" means (a) any failure of a Fund to deliver, or cause to be delivered, (A) information that such Fund has agreed to deliver, or caused to be delivered to the Calculation Agent, including, but not limited to, information to determine the occurrence of a Fund Event and the annual audited financial report and semi-annual financial report, if any, in relation to the related Fund Interests, or (B) information that has been previously delivered to the Calculation Agent, in accordance with such Funds, or its authorised representative's or any Service Provider's, normal practice and that the Calculation Agent deems necessary to monitor such Fund's compliance with any investment guidelines, asset allocation methodologies or any other similar policies relating to the related Fund Interests (b) in the determination of the Calculation Agent (A) any information as referred to in (a)(B) above is or may be unreliable or inaccurate or unrepresentative of the Fund's assets or (B) any published or communicated net asset value of a Fund Interest or calculation of the redemption proceeds of a Fund Interest is or may be unreliable or inaccurate or unrepresentative of the Fund's assets.

(xi) "**New Information Event**" means (a) any information provided to the Calculation Agent by or in connection with any Fund, Fund Adviser, Fund Administrator or other Fund Service Provider is misleading or inaccurate in any respect or (b) the publication or dissemination (through any medium) of information is or becomes available which, if considered by itself or with information previously provided to the Calculation Agent, would be likely to cause a Hypothetical Investor to refrain from investing in or to seek to realise any investment in any Fund Interests, as determined by the Calculation Agent.

(xii) "**Limitation Event**" means a material limitation or suspension is imposed on dealings in any Fund Interests, a Fund's dealing schedule is changed (including, but not limited to, a change in notice periods for redemptions or imposition of gating provisions), any Fund Interests are early redeemed, subscription and/or redemption liquidity in any Fund Interests is reduced, there is a material reduction in the assets under management of a Fund since the Trade Date, or any other event occurs, which restricts, in whole or in part (on a permanent or temporary basis) dealings of any nature with respect to a Fund Interest (including without limitation, the introduction or use of gates or side-pockets or any restructure, reorganisation or action that has a similar impact to a gate or side pocket),whether or not the relevant event occurs pursuant to any provisions permitting the Fund to restrict in any way dealings with respect to the relevant Fund Interest.

(xiii) "**Non Currency Redemption**" means any Fund Interests are redeemed otherwise than in cash or are redeemed in a currency(ies) other than the currency(ies) in which as of the Trade Date (and according to the Fund Documents or as otherwise communicated to the Calculation Agent) it is intended Fund redemptions shall occur.

(xiv) "**Fund Service Provider Cessation**" means that one or more Fund Service Provider(s) in respect of a Fund ceases to provide the service as outlined in the relevant Fund Documents (or as otherwise communicated to the Calculation Agent) on the Trade Date or, where the related Fund Interest is a Replacement Fund Interest, the relevant replacement date, and any such Fund Service Provider is not immediately replaced by another service provider acceptable to the Calculation Agent.

(xv) "**Fund Service Provider Disruption**" means any event or circumstances compromising the independence of a Fund Service Provider performing services for a Fund from the relevant Fund Adviser.

(xvi) "**Related Agreement Termination**" means a Fund or any of its Fund Administrator or Fund Adviser or other relevant party as specified in the applicable Pricing Supplement is in breach of or has terminated or unilaterally amended any existing agreement with the Fiduciary or any of its Affiliates or agents in respect of, but not limited to, retrocession, dealing fees, liquidity, licensing and arrangements relating to subscriptions and redemptions.

(xvii) "**Ownership Event**" means that the Fiduciary becomes the legal or beneficial owner of at least 25 % of the Fund Interests in a Fund.

(d) Fund Potential Adjustment Event means any of the following:

(i) subdivision, consolidation or reclassification of relevant Fund Interests or a free distribution or dividend of any such Fund Interests to existing holders by way of bonus, capitalisation or similar issue;

(ii) a distribution, issue or dividend to existing holders of relevant Fund Interests of (A) additional Fund Interests or (B) other share capital or securities granting the right to payment of a dividends and/or the proceeds of liquidation of the related Fund equally or proportionately with such payments to holders of such Fund Interests or (C) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the related Fund as a result of a spin-off or other similar transaction or (D) any other type of securities, rights or warrants or other assets, in any case for payment (in cash or in other consideration) at less than the prevailing market price as determined by the Calculation Agent;

(iii) an extraordinary dividend in respect of the Fund as determined by the Calculation Agent;

(iv) a repurchase by a Fund of relevant Fund Interests whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise other than where such repurchase is a redemption of Fund Interests initiated by an investor in such Fund Interests and consistent with the relevant Fund Documents; or

(v) any other event that may have, in the opinion of the Calculation Agent, a diluting, concentrative or other effect on the theoretical value of relevant Fund Interests.

A Fund Potential Adjustment Event may be due to, for example but without limitation, the replacement of a portion of any Fund Interest with shares or units of or

in relation to a side pocket or a special purpose vehicle to which the relevant Fund has linked or transferred any interest in its portfolio of assets ("**Spin-off Fund Interests**").

**5. Consequences of a Fund Event**

Following the existence or occurrence of a Fund Event (whether or not such Fund Event is continuing), unless otherwise set out in the applicable Pricing Supplement, the Fiduciary may take the action described in any of paragraphs (i) to (iv) as it determines appropriate to account for the relevant Fund Event. **For the avoidance of doubt, action may be taken any number of times under this provision, whether or not in relation to the same event and whether or not the consequence of such action is the same or different:**

(i) The Fiduciary may require the Calculation Agent to make such determinations and/or adjustments to the Conditions and/or the applicable Pricing Supplement as it determines appropriate to account for the Fund Event, which may include, without limitation:

(ii) delaying any determination until it determines that no Fund Event exists;

(A) using an estimated or modified value of a Fund Interest taking into account the occurrence or existence of the relevant Fund Event, prevailing market conditions, and by reference to such source(s) as it determines appropriate which may include, without limitation, the last communicated official and/or estimated Fund net asset value(s);

(B) making corresponding adjustments, if any, to any one or more of any of the terms of the Conditions and/or the applicable Pricing Supplement (which may include, without limitation, delaying any date for payment or delivery under the Fund Linked Notes) as the Calculation Agent determines appropriate to account for the relevant Fund Event and determine the effective date of that adjustment; and/or

(C) in case of a Fund Potential Adjustment Event replace all or part of the Fund Interest by the kind and number of units or other securities and property received upon such subdivision, consolidation, reclassification, distribution, issue or repurchase or conveyance by a holder of Fund Interests (and, without limitation, this may include electing to treat Spin-off Fund Interests as additional Fund Interests) for the purposes of determining the value of the Fund Interest (and as appropriate make corresponding replacements of the fund issuer) and make any adjustment (if necessary) to the value of such Fund Interest and corresponding appropriate adjustments to any other terms of the Conditions and/or the applicable Pricing Supplement that the Calculation Agent considers relevant; and/or

(D) if "Fund Replacement following Fund Event" is specified as applicable in the applicable Pricing Supplement, at its option replacing a Fund Interest (the "**Affected Fund Interest**") with a replacement fund interest (the "**Replacement Fund Interest**") in a fund which in the determination of the Calculation Agent has similar characteristics, investment objectives and policies to those applicable to the Fund to which the Affected Fund Interest relates immediately prior to the occurrence of the Fund Event. Such replacement shall be made on terms that the Relevant Holding of the Replacement Fund at or about the time of the replacement shall have a

reported value as determined by the Calculation Agent as near as reasonably practical equal to the Removal Value for the Affected Fund Interest less any costs incurred by the Fiduciary and/or any of its Affiliates in relation to such Fund replacement (including costs incurred in relation to any hedging arrangements entered into by the Fiduciary and/or any of its Affiliates or agents in connection therewith).

If the Calculation Agent replaces an Affected Fund Interest with a Replacement Fund Interest, such replacement shall take effect on the first reasonably practicable date following the Removal Date for such Affected Fund Interest on which the Calculation Agent determines that a Hypothetical Investor could acquire the Replacement Fund Interest.

(iii) The Fiduciary may, on giving notice to the Noteholders in accordance with Condition 15, redeem or cancel, as applicable, all (but not some only) of the Fund Linked Notes, on the Early Redemption Date (the "**Early Redemption Date**") specified in such notice, each Note of a nominal amount equal to the Specified Denomination being redeemed at such nominal amount or other such amount as may be specified in the applicable Pricing Supplement. In such circumstances the provisions of Condition 4(e) shall apply.

(iv) The Fiduciary may, on giving notice to the Noteholders in accordance with Condition 15, elect to redeem or cancel, as applicable, such portion of all but not some only of the Fund Linked Notes, if any, as corresponds to the Fund Interests to which the Fund Linked Notes relate (or portion thereof) on the Early Redemption Date (the "**Early Redemption Date**") specified in such notice, each Note of a nominal amount equal to the Specified Denomination being redeemed at such nominal amount or other such amount as may be specified in the applicable Pricing Supplement. In such circumstances the provisions of Condition 4(e) shall apply. In respect of the remaining portion (which may be all) of the Fund Linked Notes the Fiduciary may at its option require the Calculation Agent to make further adjustments to account for the Fund Event and the partial redemption or cancellation. Payment of any amounts in respect of such partial redemption or cancellation, as applicable, will be made in such manner as shall be notified to the Noteholders in accordance with Condition 15.

Upon taking any action described in sub-paragraphs (i) to (iv) following the occurrence of a Fund Event, the Fiduciary shall give notice as soon as reasonably practicable to the Noteholders in accordance with Condition 15, giving details of the action proposed to be taken in relation thereto, provided that any failure to give, or non-receipt of, such notice will not affect the validity of such action.

## CONDITIONS INCORPORATED BY REFERENCE (CONTINUOUS OFFERING)

Any Non-Exempt Swiss Notes offered under this Base Prospectus are issued either:

(i) under the Terms and Conditions as well as any additional conditions contained in this Base Prospectus ("**Option 1**"); or

(ii) in case of:

(A) the USD 415,850,000 US Treasury Enhanced Yield Fiduciary Notes (ISIN: XS1677209519 / Valor: 38135230);

(B) the USD 308,370,000 US Treasury Enhanced Yield Fiduciary Notes (ISIN: XS1694656148 / Valor: 38537180); and

(C) the USD 281,970,000 US Treasury Enhanced Yield Fiduciary Notes (ISIN: XS1709298530 / Valor: 38856648),

under the "Terms and Conditions of the Notes" contained on pages 78 to 181 of the Fiduciary's EUR 10,000,000,000 Fiduciary Note Programme described in the Base Prospectus dated 6 May 2017, which "Terms and Condition of the Notes" are incorporated by reference into this Base Prospectus (cf. "*Documents incorporated by reference*") ("**Option 2**").

The applicable Pricing Supplement of the Notes which are subject to Option 2 will specify that Option 2 applies to such Notes.

## USE OF PROCEEDS

The net proceeds from each issue of Notes will be used to purchase the Fiduciary Assets in respect of the relevant Notes and/or to pay for or enter into any Swap Agreement and/or other Fiduciary Asset Agreement in connection with such Notes and to pay expenses in connection with the administration of the Fiduciary or the issue of the Notes.

## FIDUCIARY CONTRACT

*The following is a description of the Fiduciary Contract (as defined below) which, subject to amendment or modification, will be incorporated into each Note and will appear on any Note.*

Each Note is one of a series of Notes issued on a fiduciary basis, each of which evidences the existence of a fiduciary contract on the terms and subject to the conditions described below (the "**Fiduciary Contract**") between the holder of such Note and UBS (Luxembourg) Issuer SA as fiduciary. The Fiduciary Contract is a *contrat fiduciaire* governed by the Luxembourg act dated 27 July 2003 relating to trust and fiduciary contracts, as amended (the "**Law**"). By subscribing to, or otherwise acquiring, the Notes, each Noteholder will be deemed to have accepted, acknowledged and agreed to all the provisions of the Fiduciary Contract.

The Conditions form part of the Fiduciary Contract and set out the rights of each Noteholder under the Fiduciary Contract and certain duties, powers and discretions of the Fiduciary. In connection with the exercise by the Fiduciary of its powers and discretions (including, without limitation, any modification, authorisation or waiver), the Fiduciary shall have regard to the best interests of the Noteholders as a class and, in particular, shall not consider the consequences of the exercise of its powers and discretions for individual Noteholders. No Noteholder shall be entitled to claim, from the Fiduciary or any other person, any indemnification or payment in respect of any tax consequences of any such exercise upon individual Noteholders except to the extent already provided for in Condition 11. Further the Fiduciary will account to the Noteholders for all payments of principal, interest or any other sums received under the Fiduciary Asset Agreements and Fiduciary Assets, in such manner as to give effect to the Conditions. The Fiduciary is not obliged to account to the Noteholders in respect of any fees or expenses paid in respect of its appointment as Fiduciary (which the Fiduciary will be entitled to retain as a fee for the services it is providing as Fiduciary), unless otherwise provided in the Conditions or applicable Pricing Supplement. The Fiduciary makes no representation or warranty and assumes no liability for, or responsibility or obligation in respect of, the legality, validity or enforceability of the Fiduciary Asset Agreements, the Fiduciary Assets or any of them, the performance and observance by any Fiduciary Asset Obligor of their obligations in respect of the Fiduciary Asset Agreements or the recoverability of any monies due or to become due under the Fiduciary Asset Agreements or the Fiduciary Assets. The Fiduciary is under no obligation to seek or maintain any insurance in respect of any Fiduciary Assets or any part of the Fiduciary Assets.

The Fiduciary does not represent the Noteholders and shall be under no obligation to the Noteholders other than that of faithful performance of its undertakings, duties, rights, powers and discretions under the relevant Fiduciary Contract as set forth above and, in the event of a relevant Tax Event (as defined in Condition 7(b)) or an Illegality/Regulatory Event (as defined in Condition 7(c)) or an Administrator/Benchmark Event (as defined in Condition7(e)) or on a Fiduciary Asset settlement pursuant to Condition 7(h) or an Early Extinction of a Fiduciary Contract Event in accordance with Condition 7(d) or an Acceleration Event (as defined in Condition 10) or an early redemption of Notes pursuant to any Additional Terms and Conditions, shall be under no obligation to apply the proceeds of any rights of set-off, banker's lien or counterclaim arising out of other transactions between the Fiduciary and any Fiduciary Asset Obligor in payment of the Notes. The Fiduciary shall have no obligation to monitor the performance of any Fiduciary Asset Obligor and is further under no obligation to disclose information relating to the Fiduciary.

Neither the Fiduciary nor any of its Affiliates will be precluded from making any contracts or entering into any business transaction in the ordinary course of their business with any Fiduciary Asset Obligor or from owning in any capacity any Notes and neither the Fiduciary nor any of its Affiliates will be accountable to the Noteholders for any profits resulting therefrom. The Fiduciary may consult on any legal matter with any legal advisers selected by it and shall incur no liability for actions taken, or suffered to be taken, with respect to such matter in good faith in reliance upon the opinion of such

legal advisers, unless the Fiduciary has been grossly negligent (*faute grave*) or is guilty of wilful misconduct (*dol*).

Consistent with the Law, Noteholders have no direct right of action against any Fiduciary Asset Obligor to enforce their rights under the Notes or to compel any Fiduciary Asset Obligor to comply with its obligations under a Fiduciary Asset Agreement or in relation to a Fiduciary Asset, even in the case of the Fiduciary's failure to act or the insolvency of the Fiduciary. However, if, under the Fiduciary Assets and/or Fiduciary Asset Agreements, the Fiduciary is entitled and, furthermore, has, pursuant to the relevant Fiduciary Contracts, become obliged to take legal action against a Fiduciary Asset Obligor and has failed to take such action within a reasonable time, then (if and to the extent such failure is continuing), the Noteholders are entitled to institute indirect legal action (*action oblique*) in accordance with the relevant provisions of the Luxembourg civil code against the Fiduciary Asset Obligor *in lieu* of the Fiduciary and on its behalf.

The rights of the Fiduciary in respect of the Fiduciary Asset Agreements and other Fiduciary Assets are Fiduciary Assets of the Fiduciary and are held for the exclusive benefit and at the sole risk of the Noteholders. Pursuant to the Law, the Fiduciary Assets are segregated from all other assets of the Fiduciary (including from all other fiduciary assets the Fiduciary may hold pursuant to fiduciary contracts with third parties) and are not available to meet the claims of creditors of the Fiduciary other than creditors (including the Noteholders) whose rights derive from the Fiduciary Assets. In a liquidation of the Fiduciary, the Fiduciary Assets are, in principle, not part of the estate of the Fiduciary. They may be attached only by persons whose rights exist as a result of the creation and existence of the Fiduciary Assets.

**The Notes do not constitute direct debt obligations of UBS (Luxembourg) Issuer SA or any other entity belonging to the UBS Group, including UBS Europe SE, Luxembourg Branch, i.e. obligations that affect the personal estate of UBS (Luxembourg) Issuer SA. The ability of the Fiduciary to meet its obligations to pay principal, interest and any other sums due and perform any other obligation in respect of the Notes will be dependent and conditional upon the due and timely performance by the Fiduciary Asset Obligors of their obligations in respect of the relevant Fiduciary Assets and/or Fiduciary Asset Agreements and receipt by the Fiduciary of any monies payable or assets deliverable thereunder.**

## DESCRIPTION OF THE FIDUCIARY

### 1. History and Current Business

***Incorporation, Duration and Domicile***

UBS (Luxembourg) Issuer SA (the "**Fiduciary**") was incorporated in the Grand-Duchy of Luxembourg on 7 July 2016 for an unlimited duration of time as a public limited liability company (*société anonyme*) and has its registered office at 33A, Avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg (telephone number: (+352) 45.12.11). The Fiduciary is registered with the Luxembourg trade and companies register *(Registre de commerce et des sociétés, Luxembourg)* under number B.207565 and is subject, as a regulated securitisation undertaking (*société de titrisation agéée*), to the provisions of the Securitisation Act 2004. Pursuant to the Securitisation Act 2004, the Fiduciary is entitled to issue securities to the public on an on-going basis and is subject to the supervision of the CSSF.

The Fiduciary has been incorporated pursuant to a deed of *Maître* Jean-Paul Meyers, notary, residing in Esch-sur-Alzette, Grand Duchy of Luxembourg, published in the Luxembourg official gazette (*RESA, Recueil électronique des sociétés et associations*) on 15 July 2016 with reference RESA_2016_038.1647.

***Business overview / Corporate objects***

The principal activities of the Fiduciary are those which are set out in the Fiduciary's corporate objects clause, which is article 4 of the Fiduciary's articles of incorporation dated 7 July 2016 (the "**Articles**") incorporated by reference into this Base Prospectus.

The corporate objects of the Fiduciary are to enter into, perform and serve as a vehicle for, any securitisation transactions as permitted under the Securitisation Act 2004 and to enter into any agreement and perform any action necessary or deemed helpful for the purpose of carrying out transactions permitted by the Securitisation Act 2004, so far as they relate to securitisation transactions.

The Fiduciary may acquire or assume, directly or through another entity or vehicle, the risks relating to the holding or ownership of claims, receivables and/or other goods, either movable or immovable, tangible or intangible, and/or risks relating to liabilities or commitments of third parties or which are inherent to all or part of the activities undertaken by third parties, by issuing securities (*valeurs mobilières*) of any kind whose value or return is linked to these risks. The Fiduciary may assume or acquire these risks by acquiring, by any means, claims, structured deposits, receivables and/or other goods, structured products relating to commodities or assets, by guaranteeing the liabilities or commitments of third parties or by binding itself in any other way. The method that will be used to determine the value of the securitised assets will be set out in the relevant issue documents entered into by the Fiduciary.

The Fiduciary may, within the limits of the Securitisation Act 2004, proceed, so far as they relate to securitisation transactions, to (i) the acquisition, holding and disposal, in any form, by any means, whether directly or indirectly, of participations, rights and interests in, and obligations of, Luxembourg and foreign companies, (ii) the acquisition by purchase, subscription, or in any other manner, as well as the transfer by sale, exchange or in any other manner of stock, bonds, debentures, notes and other securities or financial instruments of any kind (including notes or parts or units issued by Luxembourg or foreign mutual funds or similar undertakings and exchangeable or convertible securities), structured products relating to commodities or assets (including debt or equity securities of any kind), receivables, claims or loans or other credit facilities (and the agreements relating thereto) as

well as all other types of assets, and (iii) the ownership, administration, development and management of a portfolio of assets (including, among other things, the assets referred to in (i) and (ii) above) in accordance with the provisions of the relevant issue documentation.

The Fiduciary may, within the limits of the Securitisation Act 2004 and for as long as it is necessary to facilitate the performance of its corporate objects, borrow in any form and enter into any type of loan agreement. It may issue notes, bonds (including exchangeable or convertible securities and securities linked to an index or a basket of indices or shares), debentures, certificates, shares, beneficiary shares or parts, warrants and any kind of debt or equity securities, including under one or more issue programmes. The Fiduciary may lend funds including the proceeds of any borrowings and/or issues of securities, within the limits of the Securitisation Act 2004 and provided such lending or such borrowing relates to securitisation transactions, to its subsidiaries or affiliated companies or to any other company.

The Fiduciary may, within the limits of the Securitisation Act 2004, give guarantees and grant security over its assets in order to secure the obligations it has assumed for the securitisation of those assets or for the benefit of investors (including their trustee or representative, if any) and/or any issuing entity participating in a securitisation transaction of the Fiduciary. The Fiduciary may not pledge, transfer, encumber or otherwise create security over some or all of its assets or transfer its assets for guarantee purposes, unless permitted by the Securitisation Act 2004.

The Fiduciary may enter into, execute and deliver and perform any swaps, futures, forwards, derivatives, options, repurchase, stock lending and similar transactions for as long as such agreements and transactions are necessary to facilitate the performance of the Fiduciary 's corporate objects. The Fiduciary may generally employ any techniques and instruments relating to investments for the purpose of their efficient management, including, but not limited to, techniques and instruments designed to protect it against credit, currency exchange, interest rate risks and other risks.

The Fiduciary may, within the limits of the Securitisation Act 2004 and in accordance with the provisions of the relevant issue documentation of the securities, assign or arrange for the assignment of the underlying assets and risks which guarantee the rights of the relevant investors.

The Fiduciary may act as fiduciary (*fiduciaire*) under the Law in order to issue, on a fiduciary basis, in its own name but at the sole risk and for the exclusive benefit of one or more investors, fiduciary instruments in accordance with the Law. The Fiduciary shall create a separate fiduciary estate (*patrimoine fiduciaire*) in connection with each series of fiduciary instruments issued by it.

The board of directors of the Fiduciary is entitled to create one or more compartments (referencing the assets of the Fiduciary relating to an issue by the Fiduciary of securities), in each case, corresponding to a separate part of the Fiduciary's estate. The Fiduciary may appoint one or more fiduciary representatives as described in articles 67 to 84 of the Securitisation Act 2004.

The descriptions above are to be understood in their broadest sense and their enumeration is not limiting. The corporate objects of the Fiduciary shall include any transaction or agreement which is entered into by the Fiduciary, provided that it is not inconsistent with the foregoing enumerated objects.

In general, the Fiduciary may take any controlling and supervisory measures and carry out any operation or transaction which it considers necessary or useful in the accomplishment and development of its corporate objects to the largest extent permitted under the Securitisation Act 2004.

***Share Capital***

As of the date of this Base Prospectus and as per 31 December 2019, the share capital of the Fiduciary was set at EUR31,000 (thirty one thousand euros) consisting of 31,000 (thirty one thousand) ordinary shares in registered form with a par value of EUR1 (one euro) each (the "**Fiduciary Shares**"). All the Fiduciary Shares have been fully paid. Each Fiduciary Share is entitled to one vote.

The Fiduciary does not have a conditional share capital or an authorised share capital.

***Ownership***

The Fiduciary is a wholly owned subsidiary of UBS AG. UBS AG acted as founder of the Fiduciary.

***Capitalisation***

Shareholders' Funds as per 31 December 2019 and as of the date of this Base Prospectus:

| | |
|---|---|
| Share capital | EUR31,000 |
| Total Capitalisation | EUR31,000 |

***Indebtedness***

As of the date of this Base Prospectus, the outstanding nominal amount of the Fiduciary's indebtedness is as follows:

(a) in respect of the Series 2016-2 EUR 8,240,000 High Yield Bond Basket Fiduciary Notes (maturity date: 9 August 2021): EUR 8,240,000;

(b) in respect of the Series 2017-1 US Treasury Enhanced Yield Fiduciary Notes (maturity date: 9 May 2024): USD 25,940,000;

(c) in respect of the Series 2017-2 US Treasury Enhanced Yield Fiduciary Notes (maturity date: 6 June 2024): USD 139,540,000;

(d) in respect of the Series 2017-3 US Treasury Enhanced Yield Fiduciary Notes (maturity date: 5 July 2024): USD 65,030,000;

(e) in respect of the Series 2017-4 US Treasury Enhanced Yield Fiduciary Notes (maturity date: 26 September 2024): USD 415,850,000;

(f) in respect of the Series 2017-5 Diversified Emerging Market Bond Fiduciary Notes (maturity date: 22 June 2027): USD 40,800,000;

(g) in respect of the Series 2017-6 US Treasury Enhanced Yield Fiduciary Notes (maturity date: 24 October 2024): USD 308,370,000;

(h) in respect of the Series 2017-9 US Treasury Enhanced Yield Fiduciary Notes (maturity date: 28 November 2024): USD 281,970,000;

(i) in respect of the 2019-2 JPY Japanese T-Bill Enhanced Yield Fiduciary Notes (maturity date: 15 August 2022): JPY 31,000,000,000; and

(j) in respect of the 2020-3 JPY Japanese T-Bill Enhanced Yield Fiduciary Notes (maturity date: 8 February 2021): JPY 80,000,000,000.

Part of the Fiduciary's indebtedness may secured by the relevant Fiduciary Assets applicable to such indebtedness, all as further described in the note documentation of the relevant indebtedness.

***Financial Year***

The financial year of the Fiduciary is the calendar year.

***Statutory Auditors***

The statutory auditors (*cabinet de revision agréé*) of the Fiduciary are Ernst & Young S.A., a public limited liability company (*société anoynme*) having its registered office at 35E, avenue John F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg and registered with the Luxembourg trade and companies register *(Registre de commerce et des sociétés, Luxembourg)* under number B.47.771. Ernst & Young S.A. is a member of the Luxembourg institute of auditors (*Institut des réviseurs d'entreprises*). Ernst & Young S.A. is supervised by the Commission de Surveillance du Secteur Financier (CSSF).

***Financial Statements***

In accordance with Articles 461-1, 461-7 and 461-8 of the Luxembourg act dated 10 August 1915 on commercial companies, as amended, the Fiduciary is obliged to publish its annual accounts on an annual basis following approval of the annual accounts by the annual general meeting of the shareholders.

The Fiduciary has commenced operation in 2016 and has since produced the financial statements (i) in respect of the financial year that commenced on 7 July 2016 (the date of incorporation of the Fiduciary) and ended on 31 December 2016, (ii) in respect of the financial year that commenced on 1 January 2017 and ended on 31 December 2017, (iii) in respect of the financial year that commenced on 1 January 2018 and ended on 31 December 2018 and (iv) in respect of the financial year that commenced on 1 January 2019 and ended on 31 December 2019.

As of 31 December 2019, the Fiduciary's total assets were €340,888.92.

**2. Administration and management**

***Board of Directors***

Pursuant to article 11 of the Articles, the Fiduciary is managed by a board of directors (the "**Board**"), which consists of not fewer than three members, who do not need to be shareholders of the Fiduciary and who are elected by the shareholders at a general meeting of the shareholders of the Fiduciary. As long as the Fiduciary has only one shareholder it may also be managed by a sole director.

The Board is composed as follows:

| **Name** | **Position of that person within the Board of Directors of the Fiduciary** | **Activities performed by that person outside the Fiduciary where these are significant with respect to the Fiduciary** |
|---|---|---|

| | | |
|---|---|---|
| Hermann Kranz | Category A Director | Managing Director at UBS Europe SE, Luxembourg Branch |
| Christian Schoen | Category A Director | Managing Director at UBS Europe SE, Luxembourg Branch |
| Julian Mieli | Category B Director | Director at UBS AG, Zurich |
| Michael Zahn | Category B Director | Executive Director at UBS AG, London Branch |

The business address of Herman Kranz and Christian Schoen is 33A, Avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg. The business address of Julian Mieli is Europastrasse 1, 8152 Opfikon, Switzerland. The business address of Michael Zahn is 5 Broadgate, London EC2M 2QS, England.

***Domiciliation Services Provider***

UBS Europe SE, acting through its Luxembourg Branch provides the Fiduciary with domiciliation.

***Corporate Services Provider***

UBS Europe SE, acting through its Luxembourg Branch provides the Fiduciary with corporate services comprising but not limited to administrative support relating to the convocation of shareholder meetings and the lodging of the Fiduciary's annual financial statements.

**3. Annual General Meeting**

In the case of plurality of shareholders of the Fiduciary, any regularly constituted meeting of the shareholders is held, in accordance with Luxembourg law, in Luxembourg at the address of the registered office of the Fiduciary or at such other place in the municipality of the registered office as may be specified in the convening notice of the meeting, on the last Tuesday in May of each year at 1.00 p.m.

**4. Publication of Inside Information**

Inside information (within the meaning of Regulation 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse, as amended (the "**MAR**")) that the Fiduciary is required to disclose publicly pursuant to the MAR will be published on the website www.ubs.com/lux-issuer.

## BOOK-ENTRY CLEARANCE SYSTEMS

*The information set out below is subject to any change in or reinterpretation of the rules, regulations and procedures of Euroclear or Clearstream, Luxembourg (together, the "***Clearing Systems***") currently in effect. The information in this section concerning the Clearing Systems has been obtained from sources that the Fiduciary believes to be reliable, but neither the Fiduciary nor any Dealer takes any responsibility for the accuracy thereof. Investors wishing to use the facilities of any of the Clearing Systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. Neither the Fiduciary nor any other party to the Agency Agreement will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Notes held through the facilities of any Clearing System or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.*

### Book-entry Systems

*Euroclear and Clearstream, Luxembourg*

Euroclear and Clearstream, Luxembourg each holds securities for its customers and facilitates the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders. Euroclear and Clearstream, Luxembourg provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg also deal with domestic securities markets in several countries through established depository and custodial relationships. Euroclear and Clearstream, Luxembourg have established an electronic bridge between their two systems across which their respective participants may settle trades with each other.

Euroclear and Clearstream, Luxembourg customers are worldwide financial institutions, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to Euroclear and Clearstream, Luxembourg is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system.

### Transfers of Notes Represented by Global Notes

Transfers of any interests in Notes represented by a Global Note within Euroclear and Clearstream, Luxembourg will be effected in accordance with the customary rules and operating procedures of the relevant clearing system.

The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium, and the address of Clearstream, Luxembourg is Clearstream Banking S.A., 42 Avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg.

## DESCRIPTION OF UBS EUROPE SE, LUXEMBOURG BRANCH

### *Establishment and Place of Business*

UBS Europe SE, Luxembourg Branch ("**UBS Luxembourg**") is a branch of UBS Europe SE, a credit institution constituted in the form of a Societas Europaea, authorised under German Law.

UBS Europe SE is subject to the joint prudential supervision of the European Central Bank (*Sonnemannstr. 22, D-60314 Frankfurt am Main*), the German Federal Financial Supervisory Authority (*Bundesanstalt für Franzdienstleistungsaufsicht*) and the central bank of Germany (*Deutsche Bundesbank*). UBS Luxembourg is furthermore supervised by the Luxembourg prudential supervisory authority, the Commission de Surveillance du Secteur Financier (the "*CSSF*", *282 Route d'Arlon, L-1150 Luxembourg*), in its role as host member state authority.

UBS Luxembourg was established on 22 June 2016 under the name "UBS Deutschland AG, Luxembourg Branch" in the context of the merger by acquisition (the "**Merger**") of UBS (Luxembourg) S.A., as transferring company, into UBS Deutschland AG, as absorbing company.

On the legal effective date of the Merger (1 December 2016):

- UBS Deutschland AG adopted the legal form of a European Company (SE) named UBS Europe SE;

- UBS Deutschland AG, Luxembourg Branch was renamed UBS Europe SE, Luxembourg Branch;

- all the assets and liabilities of UBS (Luxembourg) S.A. were transferred to UBS Europe SE; and

- UBS (Luxembourg) S.A. ceased to exist.

As of 1 December 2016, all activities of UBS (Luxembourg) S.A. have been continued by UBS Luxembourg.

The place of business of UBS Luxembourg is at 33A, Avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg (telephone number: (+352) 45.12.11).

UBS Europe SE is established at Bockenheimer Landstraße 2-4, 60306 Frankfurt am Main, Germany.

UBS Luxembourg is registered with the Luxembourg trade and companies register *(Registre de commerce et des sociétés, Luxembourg)* under number B209123.

UBS Europe SE is registered with the Register of Commerce of Frankfurt under number HRB 107046.

### *Business*

The main activities of UBS Luxembourg are wealth management, structured solutions for key clients, custodian bank services and the service hub that provides services to other UBS Group entities.

***Share Capital***

The registered share capital of UBS Europe SE amounts to EUR 446,001,000.00 (four hundred forty six million one thousand euro). The registered share capital is divided into 446,001,000 (four hundred forty six million one thousand) shares with a nominal value of EUR 1.00 (one euro).

**Ownership**

UBS Luxembourg is a branch of UBS Europe SE. UBS Europe SE is a wholly owned subsidiary of UBS AG.

***Financial Year***

The financial year of UBS Europe SE is equivalent to the calendar year.

***Statutory Auditors***

The auditor of UBS Europe SE is Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft of Mergenthalerallee 3-5, 65760 Eschborn, Germany.

***Financial Statements***

The latest annual financial statements of UBS Europe SE are the annual financial statements for the financial year ended 31 December 2019. They were audited by Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft and contain an opinion from Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft which was not qualified. Annual financial statements of UBS Europe SE will be made available on https://www.ubs.com/de/de/ubs-germany/financial-reports.html.

# DESCRIPTION OF THE FACILITATION AGENT

## 1. DESCRIPTION OF THE FACILITATION AGENT

*Lantern Structured Asset Management Limited*

Lantern Structured Asset Management Limited ("**LSAM**") is a private company limited by shares incorporated and domiciled in the Republic of Ireland (registration number 411816) under the Irish Companies Act 2014.

LSAM is licensed as an alternative investment fund manager (AIFM) and as a UCITS Management Company by the Central Bank of Ireland. Its UCITS Management Company licence includes the provision of individual portfolio management.

LSAM's registered office is at 1st floor, College Park House, South Frederick Street, Dublin 2, Ireland. LSAM's issued share capital of EUR 2,600,000 is divided into 2,600,000 shares with a nominal value of EUR 1 each, all of which are fully paid.

Alan White and Colm Torpey each hold one ordinary share of LSAM, as nominees on behalf of UBS AG. UBS AG holds the remaining 2,599,998 shares directly.

## 2. DESCRIPTION OF THE FACILITATION AGENCY FUNCTION

The Fiduciary and Lantern Structured Asset Management Limited (in such capacity, the "**Facilitation Agent**", which expression shall include any successors or alternate entities appointed in such capacity by the Fiduciary) have entered into an amended and restated facilitation agency agreement dated 6 May 2017, as may be amended and/or supplemented and/or restated from time to time (the "**Facilitation Agency Agreement**") pursuant to which the Facilitation Agent has agreed to perform certain transactional functions on behalf of the Fiduciary (the "**Facilitation Agent Services**"). The Fiduciary and the Facilitation Agent may from time to time enter into a separate facilitation agency agreement in connection with a particular Series of Notes only. In respect of each Series of Notes, the Fiduciary will appoint the Facilitation Agent to provide Facilitation Agent Services by specifying the Facilitation Agent in the applicable Pricing Supplement. Subject to receiving the relevant Pricing Supplement, the Facilitation Agent has agreed to provide such Facilitation Agent Services in accordance with the Facilitation Agency Agreement (or such other facilitation agency agreement as may entered into between the Fiduciary and the Facilitation Agent from time to time) which include, without limitation, the following:

### (a) Purchase of Fiduciary Assets

On or after the relevant Issue Date, and on the occurrence of any Addition (as described below), the Facilitation Agent will arrange the purchase of the relevant Fiduciary Assets by the Fiduciary.

### (b) Addition

In the event that the Fiduciary is to make an issue of further Notes, the Facilitation Agent shall be required to apply the net proceeds of such issue of further Notes to an investment in additional Fiduciary Assets. In this case the Facilitation Agent shall arrange the purchase of the relevant Fiduciary Assets for such purpose.

**(c) Additional Transactions**

In addition to providing the services listed at paragraphs (a) and (b) above, the Facilitation Agent will also be responsible for carrying out any further transactions specified in the applicable Pricing Supplement.

## 3. APPOINTMENT AND REMOVAL OF FACILITATION AGENT

The Facilitation Agents will be appointed by the Fiduciary pursuant to the Facilitation Agency Agreement and have agreed to perform the Facilitation Agent Services in accordance with the Facilitation Agency Agreement.

The Facilitation Agent may resign without penalty by giving at least 10 Business Days' notice to the Fiduciary provided that, in respect of each Note issue for which a Facilitation Agent acts, there will be a replacement Facilitation Agent appointed.

The Fiduciary reserves the right to terminate the appointment of the Facilitation Agent for cause by giving at least 5 Business Days' notice to such Facilitation Agent.

## INFORMATION CONCERNING THE SWAP COUNTERPARTY

*This section entitled "Information Concerning the Swap Counterparty" has been accurately reproduced from information published by UBS AG, London Branch which may act as a Swap Counterparty. So far as the Fiduciary is aware and is able to ascertain from information published by the Swap Counterparty no facts have been omitted which would render the reproduced information inaccurate or misleading.*

The swap counterparty in relation to a particular series (the "**Swap Counterparty**") will be as specified in the applicable Pricing Supplement.

## DESCRIPTION OF UBS AG, LONDON BRANCH

UBS AG, London Branch (which is the London branch of UBS AG) may act in a number of capacities in respect of the Notes, including as Fiduciary Assets Obligor, the Swap Counterparty under the Swap Agreement, Selling Agent and/or Calculation Agent.

UBS AG with its subsidiaries (together, "UBS AG consolidated", or "UBS AG Group"; together with UBS Group AG, which is the holding company of UBS AG, and its subsidiaries, "UBS Group", "Group", "UBS" or "UBS Group AG consolidated") provides financial advice and solutions to private, institutional and corporate clients worldwide, as well as private clients in Switzerland. The operational structure of the Group is comprised of the Group Functions and four business divisions: Global Wealth Management, Personal & Corporate Banking, Asset Management and the Investment Bank. UBS concentrates on capital-efficient businesses in its targeted markets, where UBS has a strong competitive position and an attractive long-term growth or profitability outlook. UBS views capital strength as the foundation of its strategy. In delivering all of UBS as one firm to its clients, UBS intends to: strengthen its leading client franchises and grow share; position UBS for growth by expanding its services and capabilities; drive greater efficiencies and scale; and further intensify collaboration for the benefit of its clients.

On 30 September 2020, UBS Group's common equity tier 1 ("CET1") capital ratio was 13.5%, the CET1 leverage ratio was 3.84% (CET1 leverage ratio with temporary FINMA exemption was 4.21%)[2], the total loss-absorbing capacity ratio was 34.57%, and the total loss-absorbing capacity leverage ratio was 9.8%[3]. On the same date, invested assets stood at USD 3,807 billion, equity attributable to shareholders was USD 59,451 million and market capitalisation was USD 40,113 million. On the same date, UBS employed 71,230 people[4].

On 30 September 2020, UBS AG consolidated CET1 capital ratio was 13.7%, the CET1 leverage ratio was 3.89% (CET1 leverage ratio with temporary FINMA exemption was 4.15%), the total loss-absorbing capacity ratio was 34.2%, and the total loss-absorbing capacity leverage ratio was 9.7%. On the same date, invested assets stood at USD 3,807 billion and equity attributable to UBS AG shareholders was USD 57,461 million. On the same date, UBS AG Group employed 47,584 people[5].

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[2] Refer to the "*Recent developments*" sections of the UBS Group Second Quarter 2020 Report and the "*Capital management*" sections of the UBS Group First Quarter 2020 Report for further details about the temporary FINMA exemption.

[3] All figures based on the Swiss systemically relevant bank framework as of 1 January 2020. Refer to the "*Capital management*" section of the Annual Report 2019 and of the UBS Group Third Quarter 2020 Report, as defined herein, for more information.

[4] Full-time equivalents.

[5] Full-time equivalents.

UBS AG was incorporated under the name SBC AG on 28 February 1978 for an unlimited duration and entered in the Commercial Register of Canton Basel-City on that day. On 8 December 1997, the company changed its name to UBS AG. The company in its present form was created on 29 June 1998 by the merger of Union Bank of Switzerland (founded 1862) and Swiss Bank Corporation (founded 1872). UBS AG is entered in the Commercial Registers of Canton Zurich and Canton Basel-City. The registration number is CHE-101.329.561.

UBS AG is incorporated and domiciled in Switzerland and operates under the Swiss Code of Obligations as an *Aktiengesellschaft*, a corporation limited by shares. UBS AG's Legal Entity Identifier (LEI) code is BFM8T61CT2L1QCEMIK50.

According to article 2 of the articles of association of UBS AG dated 26 April 2018 ("**Articles of Association**"), the purpose of UBS AG is the operation of a bank. Its scope of operations extends to all types of banking, financial, advisory, trading and service activities in Switzerland and abroad. UBS AG may establish branches and representative offices as well as banks, finance companies and other enterprises of any kind in Switzerland and abroad, hold equity interests in these companies, and conduct their management. UBS AG is authorized to acquire, mortgage and sell real estate and building rights in Switzerland and abroad. UBS AG may borrow and invest money on the capital markets. UBS AG is part of the group of companies controlled by the group parent company UBS Group AG. It may promote the interests of the group parent company or other group companies. It may provide loans, guarantees and other kinds of financing and security for group companies.

The addresses and telephone numbers of UBS AG's two registered offices and principal places of business are: Bahnhofstrasse 45, CH-8001 Zurich, Switzerland, telephone +41 44 234 1111; and Aeschenvorstadt 1, CH-4051 Basel, Switzerland, telephone +41 61 288 5050.

UBS AG complies with all relevant Swiss legal and regulatory corporate governance requirements. As a foreign private issuer with debt securities listed on the New York Stock Exchange ("**NYSE**"), UBS AG also complies with relevant NYSE corporate governance applicable to foreign private issuers.

UBS AG operates under a strict dual board structure, as mandated by Swiss banking law. The Board of Directors ("**BoD**") exercises the ultimate supervision over management, whereas the Executive Board ("**EB**"), headed by the President of the Executive Board ("**President of the EB**"), has executive management responsibility. The functions of Chairman of the BoD and President of the EB are assigned to two different people, ensuring a separation of power. This structure establishes checks and balances and preserves the institutional independence of the BoD from the day-to-day management of UBS AG, for which responsibility is delegated to the EB under the leadership of the President of the EB. No member of one board may simultaneously be a member of the other.

Based on article 31 of the Articles of Association, UBS AG shareholders elect the auditors for a term of office of one year. At the AGMs of 26 April 2018, 18 April 2019 and 29 April 2020, Ernst & Young Ltd., Aeschengraben 9, CH-4002 Basel ("**Ernst & Young**") were elected as auditors for the consolidated and standalone financial statements of UBS AG for a one-year term. Ernst & Young is a member of EXPERTsuisse, the Swiss Expert Association for Audit, Tax and Fiduciary.

As reflected in its Articles of Association most recently registered with the Commercial Register of Zurich and the Commercial Register of Basel-City, UBS AG has (i) fully paid and issued share capital of CHF 385,840,846.60, divided into 3,858,408,466 registered shares with a par value of CHF 0.10 each (article 4) and (ii) conditional capital in the amount of CHF 38,000,000, comprising 380,000,000 registered shares with a par value of CHF 0.10 each that can be issued upon the voluntary or mandatory exercise of conversion rights and/or warrants (article 4a).

UBS AG is a Swiss bank and the parent company of the UBS AG Group. It is 100% owned by UBS Group AG, which is the holding company of the UBS Group. UBS operates as a group with four business divisions and a Corporate Center.

In 2014, UBS began adapting its legal entity structure to improve the resolvability of the Group in response to too big to fail requirements in Switzerland and recovery and resolution regulation in other countries in which the Group operates. In December 2014, UBS Group AG became the holding company of the Group.

In 2015, UBS AG transferred its personal & corporate banking and wealth management businesses booked in Switzerland to the newly established UBS Switzerland AG, a banking subsidiary of UBS AG in Switzerland. In 2016, UBS Americas Holding LLC was designated as intermediate holding company for UBS's US subsidiaries and UBS merged its wealth management subsidiaries in various European countries unto UBS Europe SE, UBS's German-headquartered European subsidiary. Additionally, UBS transferred the majority of Asset Management's operating subsidiaries to UBS Asset Management AG. Effective 1 April 2019, the portion of the Asset Management business in Switzerland conducted by UBS AG was transferred from UBS AG to its indirect subsidiary, UBS Asset Management Switzerland AG.

UBS Business Solutions AG, a wholly owned subsidiary of UBS Group AG, was established in 2015 and acts as the Group service company. In 2017, UBS shared service functions in Switzerland and the UK were transferred from UBS AG to UBS Business Solutions AG. UBS also completed the transfer of shares services functions in the US to the US service company, UBS Business Solutions US LLC, a wholly owned subsidiary of UBS Americas Holding LLC.

In March 2019, UBS Limited, UBS's UK headquartered subsidiary, was merged into UBS Europe SE prior to the UK's scheduled departure from the EU at the end of March 2019. Former clients and other counterparties of UBS Limited who can be serviced by UBS AG's London Branch were migrated to UBS AG's London Branch prior to the merger.

UBS continues to consider further changes to the Group's legal structure in response to regulatory requirements and other external developments. Such changes may include further consolidation of operating subsidiaries in the EU and adjustments to the booking entity or location of products and services.

# TAXATION

## General Taxation Information

**The following information provided below does not purport to be a complete summary of the tax law and practice currently available. Potential purchasers of Notes are advised to consult their own tax advisers as to the tax consequences of transactions involving Notes.**

Purchasers and/or sellers of Notes may be required to pay stamp taxes and other charges in accordance with the laws and practices of the country of transfer, in addition to the issue price or purchase price (if different) of the Notes.

Transactions involving Notes (including purchases, transfers or redemptions), the accrual or receipt of any interest payable on the Notes and the death of a holder of any Note may have tax consequences for potential purchasers which may depend, amongst other things, upon the tax status of the potential purchaser and may relate to stamp duty, stamp duty reserve tax, income tax, corporation tax, capital gains tax and inheritance tax.

Under Condition 8(a), the Fiduciary shall not be liable for or otherwise obliged to pay any tax, duty, withholding or other payment which arises in relation to transactions involving the Notes or any payment due to the Fiduciary under the Fiduciary Assets. All payments made by the Fiduciary shall be made subject to any such tax, duty, withholding or other payment. The Fiduciary will not be obliged to make any application for treaty relief or claim a refund of tax in relation to any tax withheld in relation to any income and gains. Investors should also note the provisions of Condition 13.

The provisions relating to payment of Delivery Expenses by the relevant Noteholder on physical delivery of the Asset Amount(s) set out in Condition 6(h) on pages 118-122 should be considered carefully by all potential purchasers of Notes which may be redeemed by delivery of Asset Amount(s).

## Luxembourg Taxation

*The following information is of a general nature and is included herein solely for information purposes. It is based on the laws presently in force in Luxembourg, though it is not intended to be, nor should it construed to be, legal or tax advice. Prospective investors in the Notes should consult their professional advisers with respect to particular circumstances and the effects of state, local or foreign laws to which they may be subject. Holders of Notes who are in doubt as to their tax positions should consult their professional advisers*

*Please be aware that the residence concept used under the respective headings below applies for Luxembourg income tax assessment purposes only. Any reference in the present section to a tax, duty, levy, impost or other charge or withholding of a similar nature refers to Luxembourg tax law and/or concepts only. Also, please note that a reference to Luxembourg income tax encompasses corporate income tax (impôt sur le revenu des collectivités), municipal business tax (impôt commercial communal), a solidarity surcharge (contribution au fonds pour l'emploi) and personal income tax (impôt sur le revenu). Investors may further be subject to net wealth tax (impôt sur la fortune) as well as other duties, levies or taxes. Corporate income tax, municipal business tax as well as the solidarity surcharge invariably apply to most corporate taxpayers resident of Luxembourg for tax purposes. Individual taxpayers are generally subject to personal income tax, and the solidarity surcharge. Under certain circumstances, where an individual taxpayer acts in the course of the management of a professional or business undertaking, municipal business tax may apply as well.*

**Taxation of the Holders of the Notes**

*Investors should note that under Luxembourg law the Fiduciary is not regarded as the beneficial owner of the Fiduciary Assets. Therefore it is possible that the Noteholders' tax treatment will depend on the type of income and gains arising from the Fiduciary Assets and the Noteholders' proportionate share of such income and gains. The Fiduciary has no obligation to inquire as to tax residence or status of the holder of any of the Notes or the tax treatment of such income and gains in the hands of such holders. In particular, the Fiduciary will not be obliged to make any application for treaty relief or claim a refund of tax in relation to tax withheld at source in relation to such income and gains.*

**4. Withholding Tax**

**(i) Non-resident Noteholders**

Under Luxembourg general tax laws currently in force, there is in principle no withholding tax on payments of principal, premium or interest made to non-resident Noteholders, nor on accrued but unpaid interest in respect of the Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of the Notes held by non-resident Noteholders.

However, withholding tax may further be due on the income paid or accrued in respect of the Fiduciary Assets issued by an issuer, which is a Luxembourg resident for tax purposes. Under Luxembourg domestic tax law, a 15 % withholding tax will be applied on the gross amount of dividends paid by a Luxembourg resident issuer in respect of shares and interest in respect of bonds carrying an interest depending on the dividend distributions of the issuer, and similar instruments. A reduction of this withholding tax may be available under tax treaties entered into by Luxembourg with the jurisdiction of residence of the Noteholder, and an exemption of withholding tax may be available under the Luxembourg participation exemption.

**(ii) Resident Noteholders**

Under Luxembourg general tax laws currently in force and subject to the law of 23 December 2005, as amended (the "**Relibi Law**"), there is no withholding tax on payments of principal, premium or interest made to Luxembourg resident Noteholders, nor on accrued but unpaid interest in respect of Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of Notes held by Luxembourg resident Noteholders.

However, under the Relibi Law, payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to an individual beneficial owner who is resident of Luxembourg will be subject to a withholding tax of 20 %. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Payments of interest under the Notes/Fiduciary Assets coming within the scope of the Relibi Law would be subject to withholding tax of 20 %.

Withholding tax may further be due on the income paid or accrued in respect of the Fiduciary Assets issued by an issuer, which is a Luxembourg resident for tax purposes. Under Luxembourg domestic tax law, a 15 % withholding tax will be applied on the gross amount of dividends paid by a Luxembourg resident issuer in respect of shares and interest in respect of bonds carrying an interest depending on the dividend distributions of the issuer, and similar instruments. An exemption of withholding tax may be available under the Luxembourg participation exemption or under certain circumstances a tax credit may be available.

## 5. Income Taxation

### (i) Non-resident Noteholders

A non-resident Noteholder, not having a permanent establishment or permanent representative in Luxembourg to which such Notes/Fiduciary Assets are attributable, is not subject to Luxembourg income tax on interest accrued or received, redemption premiums or issue discounts, under the Notes/Fiduciary Assets.

A gain realised by such non-resident Noteholder on the sale or disposal, in any form whatsoever, of the Notes is further not subject to Luxembourg income tax.

However, a gain realised by such non-resident Noteholder on the sale or disposal, in any form whatsoever, of Fiduciary Assets (which correspond to shares in an ordinary Luxembourg company ("**LuxCo**")) is in principle (subject to the provisions of tax treaties) taxable in Luxembourg if (a) the Noteholder holds or has held (either solely or together with his spouse or partner and minor children) directly or indirectly more than 10% of the share capital of LuxCo at any time during a period of 5 years before the realisation of the capital gain (the "**Substantial Participation**") and the disposal of the shares takes place less than six months after the date on which the shares were acquired or (b) the Noteholder has been a former Luxembourg resident for more than fifteen years and has become a non-resident, less than five years before the time of the realisation of the capital gain.

A non-resident corporate Noteholder or an individual Noteholder acting in the course of the management of a professional or business undertaking, who has a permanent establishment or permanent representative in Luxembourg to which or to whom such Notes/Fiduciary Assets are attributable, is subject to Luxembourg income tax on interest accrued or received, redemption premiums or issue discounts, or any other kind of income under the Notes/Fiduciary Assets and on any gains realised upon the sale or disposal, in any form whatsoever, of the Notes/Fiduciary Assets.

### (ii) Resident Noteholders

A corporate Noteholder and an individual Noteholder, acting in the course of the management of a professional or business undertaking must include any interest accrued or received, any redemption premium or issue discount, as well as any gain realised on the sale or disposal, in any form whatsoever, of the Notes/Fiduciary Assets, in their taxable income for Luxembourg income tax assessment purposes.

If the Fiduciary Assets of a corporate Noteholder correspond to shares in LuxCo, an exemption may be available under the Luxembourg participation exemption for dividend income and capital gains. In the case where the Luxembourg participation exemption on dividend income would not apply, 50% of the amount of such dividend income may still be tax exempt at the level of corporate Noteholders.

A Noteholder that is governed by the law of 11 May 2007 on family estate management companies, as amended, or by the law of 17 December 2010 on undertakings for collective investment, as amended, or by the law of 13 February 2007 on specialised investment funds, as amended, or by the law of 23 July 2016 on reserved alternative investment funds and which does not fall under the special tax regime set out in article 48 thereof, is neither subject to Luxembourg income tax in respect of interest accrued or received, any redemption premium or issue discount, nor on gains realised on the sale or disposal, in any form whatsoever, of the Notes/Fiduciary Assets.

The tax exemption of 50% of the amount of dividend income would also be available for individual Noteholders, acting in the course of the management of a professional or business undertaking.

An individual Noteholder, acting in the course of the management of his/her private wealth, is subject to Luxembourg income tax at progressive rates in respect of interest received, redemption premiums or issue discounts, under the Notes/Fiduciary Assets, except if (i) withholding tax has been levied on such payments in accordance with the Relibi Law, or (ii) the individual Noteholder has opted for the application of a 20% tax in full discharge of income tax in accordance with the Relibi Law, which applies if a payment of interest has been made or ascribed by a paying agent established in a EU Member State (other than Luxembourg), or in a Member State of the European Economic Area (other than a EU Member State). A gain realised by an individual Noteholder, acting in the course of the management of his/her private wealth, upon the sale or disposal, in any form whatsoever, of Notes/Fiduciary Assets is not subject to Luxembourg income tax, provided this sale or disposal took place more than six months after the Notes/Fiduciary Assets were acquired. However, any portion of such gain corresponding to accrued but unpaid interest income is subject to Luxembourg income tax, except if tax has been levied on such interest in accordance with the Relibi Law.

If the Fiduciary Assets correspond to shares in LuxCo, 50% of the amount of dividend income realised by an individual Noteholder, acting in the course of the management of his/her private wealth may be tax exempt. Furthermore, a gain realised by an individual Noteholder, acting in the course of the management of his/her private wealth, upon the sale or disposal, in any form whatsoever, of Fiduciary Assets is not subject to Luxembourg income tax, provided this sale or disposal took place more than six months after the Fiduciary Assets were acquired and that the Noteholder does not hold a Substantial Participation in LuxCo.

## 6. Net Wealth Taxation

A corporate Noteholder, whether it is resident of Luxembourg for tax purposes or, if not, it maintains a permanent establishment or a permanent representative in Luxembourg to which such Notes/Fiduciary Assets are attributable, is subject to Luxembourg net wealth tax on such Notes/Fiduciary Assets, except if the Noteholder is governed by the law of 11 May 2007 on family estate management companies, as amended, or by the law of 17 December 2010 on undertakings for collective investment, as amended, or by the law of 13 February 2007 on specialised investment funds, as amended or by the law of 23 July 2016 on reserved alternative investment funds, or is a securisitation company governed by the law of 22 March 2004 on securitisation, as amended, or is a capital company governed by the law of 15 June 2004 on venture capital vehicles, as amended[6].

An individual Noteholder, whether he/she is resident of Luxembourg or not, is not subject to Luxembourg wealth tax on such Notes/Fiduciary Assets.

## 7. Inheritance tax

Where a Noteholder is a resident of Luxembourg for tax purposes at the time of his death, the Notes/Fiduciary Assets are included in his taxable estate for inheritance tax assessment purposes.

## 8. Gift Tax

Gift tax may be due on a gift or donation of Notes/Fiduciary Assets if embodied in a Luxembourg deed passed in front of a Luxembourg notary or recorded in Luxembourg.

[6] Please however note that securitisation companies governed by the law of 22 March 2004 on securitisation, as amended, or capital companies governed by the law of 15 June 2004 on venture capital vehicles, as amended, or reserved alternative investment funds governed by the law of 23 July 2016 and which fall under the special tax regime set out under article 48 thereof may, under certain conditions, be subject do minimum net wealth tax.

## 9. Other taxes

In principle, neither the issuance nor the transfer, repurchase or redemption of Notes will give rise to any Luxembourg registration tax.

However, a fixed or *ad valorem* registration duty may be due upon the registration of the Notes in Luxembourg, in the case where the Notes are physically attached to a public deed or to any other document subject to mandatory registration, as well as in the case of a registration of the Notes on a voluntary basis.

**Swiss Taxation**

The following is a summary only of the Fiduciary's understanding of current (as per the date of this Base Prospectus) law and practice in Switzerland relating to certain tax aspects of the Notes issued under the Base Prospectus. Because this summary does not address all tax considerations under Swiss law and as the specific tax situation of an investor cannot be considered in this context, prospective investors are recommended to consult their personal tax advisers as to the tax consequences of the purchase, ownership, sale or redemption of and the income derived from the Notes issued under the Base Prospectus including, in particular, the effect of tax laws of any other jurisdiction.

The Swiss Federal Tax Administration has issued on 3 October 2017 the amended version of the Circular Letter No. 15 regarding Certificates and Derivative Financial Instruments subject to Direct Federal Tax, Withholding Tax and Stamp Duty. The Notes issued under the Base Prospectus will be taxed in accordance with this Circular Letter No. 15 and its appendices, as updated from time to time. Depending on the qualification of the relevant Note by the competent Swiss tax authorities the taxation of each Note may be different.

## 1. Income Tax

***Notes are held as private assets (Privatvermögen) by investors resident in Switzerland***

**Pursuant to the principles of Swiss income taxation, capital gains are in principle Swiss personal income tax exempt for (i) federal direct tax purposes if realised upon a disposal or exchange of movable and immovable private assets and for (ii) cantonal/municipal direct tax purposes if realised upon a disposal or exchange of movable private assets whereas investment income (such as, in particular but not limited to, interest, dividends, including deemed or calculatory income etc.) deriving from private assets is subject to Swiss personal income tax. However, any capital losses sustained in relation to private assets are not tax deductible. Hence, (i) capital gains realised upon a sale of the Notes or (ii) income of any kind including deemed or calculatory income derived from the Notes stemming from capital gains are in principle Swiss personal income tax exempt for an investor resident in Switzerland holding the Notes as private assets whereas investment income deriving from the Notes is in principle subject to Swiss personal income tax.**

***Notes are held as business assets (Geschäftsvermögen) by investors resident in Switzerland***

Pursuant to the principles of Swiss income taxation, capital gains realised upon disposal, exchange or re-evaluation of business assets are in general subject to (i) either Swiss personal income tax with respect to individuals or (ii) to Swiss corporate income tax with respect to corporations in the same manner as any other commercial or investment income. However, as capital gains in relation to business assets are in principle fully taxable, it follows that capital losses in relation to business assets are tax deductible. Hence, (i) capital gains realised upon a sale, exchange, redemption or re-evaluation of the Notes or (ii) income derived from the Notes, irrespective of whether such income stems from investment income or capital gains, are in principle subject to either Swiss personal income tax with

respect to an individual investor resident in Switzerland holding the Notes as business assets or subject to Swiss corporate income tax with respect to a corporate investor resident in Switzerland.

This taxation treatment also applies to Swiss-resident individuals who, for income tax purposes, are classified as "professional securities dealers" for reasons of, inter alia, frequent dealing and leveraged investments in securities.

**2. Withholding Tax**

The Swiss federal withholding tax is in principle levied on income (such as, but not limited to, interest, pensions, profit distributions etc.) from, amongst others, bonds and other similar negotiable debt instruments issued by a Swiss tax resident (*Inländer*), from tax resident corporations, interest on deposits with Swiss banks as well as distributions of or in connection with Swiss tax resident collective investment schemes. For Swiss federal withholding tax purposes, an individual or corporation qualifies as a Swiss tax resident (*Inländer*) being subject to withholding taxation if it (i) is resident in Switzerland, (ii) has its permanent abode in Switzerland, (iii) is a company incorporated under Swiss law having its statutory seat in Switzerland, (iv) is a company incorporated under foreign law but with a registered office in Switzerland, or (v) is a company incorporated under foreign law but is managed and conducts business activities in Switzerland. Hence, as long as the Securities are not issued by an issuer qualifying as a Swiss tax resident for the purposes of the Swiss federal withholding tax, income derived from the Securities is in principle not subject to Swiss federal withholding tax.

**3. Securities transfer tax**

Swiss securities transfer tax is levied on the transfer of ownership against consideration of certain taxable securities (including, but not limited to, bonds) if a Swiss securities dealer (as defined in the Swiss Federal Stamp Tax Act) is involved as a party or an intermediary in the transaction and no exemption applies. The Swiss securities transfer tax is calculated on the purchase price or sales proceed, if the Notes are qualified as taxable securities.

**Foreign Account Tax Compliance Act**

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, withholding may be required on, among other things, (i) certain payments made by "foreign financial institutions" ("**foreign passthru payments**") and (ii) dividend equivalent payments (as described below in "*U.S. Dividend Equivalent Withholding*"), in each case, to persons that fail to meet certain certification, reporting, or related requirements. The Fiduciary may be a foreign financial institution for these purposes. A number of jurisdictions (including Luxembourg) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("**IGAs**"), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes.

Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. If withholding would be required pursuant to FATCA or an IGA with respect to foreign passthru payments, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register and Notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or before the relevant grandfathering date would be "grandfathered" for purposes of FATCA withholding unless materially modified after such date. The grandfathering date for Notes that give rise solely to foreign passthru payments, is the date that is six

months after the date on which final U.S. Treasury regulations defining the term foreign passthru payment are filed with the Federal Register. If additional instruments that are not distinguishable from such previously issued grandfathered Notes are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Notes, including the Notes offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. Holders should consult their own tax advisors regarding how these rules may apply to their investment in the Notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.

**U.S. Dividend Equivalent Withholding**

A 30% withholding tax is imposed on certain "dividend equivalents" paid or deemed paid to a non-U.S. holder with respect to a "specified equity-linked instrument" that references one or more dividend-paying U.S. equity securities. The withholding tax can apply even if the instrument does not provide for payments that reference dividends. Treasury regulations provide that the withholding tax applies to all dividend equivalents paid or deemed paid on specified equity-linked instruments that have a delta of one ("delta one specified equity-linked instruments") issued after 2016 and to all dividend equivalents paid or deemed paid on all other specified equity-linked instruments issued after 2022.

The Fiduciary will determine whether dividend equivalents on the Notes are subject to withholding as of the close of the relevant market(s) on the pricing date and the relevant Pricing Supplement will indicate whether the Notes are specified equity-linked instruments (as of the date of the Pricing Supplement) that are subject to withholding on dividend equivalents. If withholding is required, the Fiduciary (or the applicable paying agent) will withhold 30% in respect of dividend equivalents paid or deemed paid on the Notes and will not pay any additional amounts with respect to any such taxes withheld. The Fiduciary will withhold this amount regardless of whether an investor is a U.S. person for U.S. federal income tax purposes or a non U.S. person that may otherwise be entitled to an exemption of reduction of tax on U.S. source dividend payments pursuant to an income tax treaty.

Even if the Fiduciary determines that the Notes are not specified equity-linked instruments that are subject to withholding on dividend equivalents, it is possible that the Notes could be deemed to be reissued for tax purposes upon the occurrence of certain events affecting the U.S. securities underlying the Notes or the Notes themselves, and following such occurrence the Notes could be treated as specified equity-linked instruments that are subject to withholding on dividend equivalent payments. It is also possible that withholding tax or other tax related to Treasury regulations issued under Section 871(m) and applicable guidance ("**Section 871(m) Regulations**") could apply to the Notes under these rules if a non U.S. holder enters, or has entered, into certain other transactions in respect of the U.S. securities underlying the Notes. As described above, if withholding is required, the Fiduciary will withhold 30% in respect of dividend equivalents paid or deemed paid on the Notes and will not pay any additional amounts with respect to any such taxes withheld.

Additionally, in the event that withholding is required, the Fiduciary hereby notifies each holder that for purposes of Section 871(m) Regulations, the Fiduciary will withhold in respect of dividend equivalents paid or deemed paid on the Notes on the dividend payment date as described in Treasury regulations section 1.1441-2(e)(4) and section 3.03(B) of the form of Qualified Intermediary Agreement contained in Revenue Procedure 2017-15, as applicable, regardless of whether such investor would otherwise be entitled to an exemption from or reduction of withholding on such payments (e.g., a U.S. person for U.S. federal income tax purposes or a non U.S. person eligible for an exemption from or reduction in withholding pursuant to an income tax treaty). **No assurance can be given that an investor will be able to successfully claim a refund of the tax withheld in excess of the tax rate that would otherwise apply to such payments.**

The Fiduciary and the Noteholders acknowledge that in the event the Notes reference one or more U.S. equity securities, or an index which includes U.S. equity securities, then payments made by the Fiduciary pursuant to the Notes (including any amounts deemed reinvested in the Notes) will reflect the gross dividend payments paid by the issuers of such U.S. equity securities less applicable withholding tax amounts in respect of such gross dividends, which in the case of U.S. source dividends, will be paid by or on behalf of the Fiduciary (or any withholding agent) in their capacity as a withholding agent, to the IRS in accordance with Section 871(m) Regulations.

**Holders should consult with their tax advisors regarding the application of Section 871(m) Regulations in respect of their acquisition and ownership of the Notes, including a non-U.S. holder that enters, or has entered, into other transactions in respect of the U.S. equity securities underlying the Notes.**

## SUBSCRIPTION AND SALE AND TRANSFER AND SELLING RESTRICTIONS

The Fiduciary has entered into an amended and restated programme agreement with UBS AG acting through its London Branch ("**UBS AG**") dated 25 November 2020 (the "**Programme Agreement**", as the same may be amended and/or supplemented and/or restated from time to time) and has agreed the basis upon which UBS AG or any other dealer appointed under the Programme Agreement (collectively, the "**Dealers**" and each, a "**Dealer**") may from time to time agree to purchase Notes. Any such agreement will extend to those matters stated under "*Terms and Conditions of the Notes*" and "*Form of the Notes*".

### Transfer Restrictions

#### *United States*

The Notes and, in certain cases, the securities (if any) to be delivered when the Notes are redeemed, have not been and will not be registered under the Securities Act, or with any securities regulatory authority of any state or other jurisdiction of the United States. Trading in the Notes has not been and will not be approved by the CFTC under the CEA or by the SEC. Further, no person has registered nor will register as a commodity pool operator of the Fiduciary or the Fiduciary Assets under the CEA and CFTC Rules, and neither the Fiduciary nor any of the Fiduciary Assets have been registered nor will be registered as an investment company under the Investment Company Act.

The Notes are being offered and sold in reliance on an exemption from the registration requirements of the Securities Act pursuant to Regulation S. Accordingly, no Notes, or interests therein, may at any time be offered, sold, resold, pledged, delivered or transferred, directly or indirectly, within the United States or to, or for the account or benefit of, any U.S. person or to others for offer, sale, resale, pledge, delivery or transfer, directly or indirectly, within the United States or to, or for the account or benefit of, any U.S. person or under circumstances that will require the Fiduciary or the Fiduciary Assets to register as an "investment company" under the Investment Company Act or under circumstances that will require any person to register as a commodity pool operator of the Fiduciary or the Fiduciary Assets under the CEA and CFTC Rules. Terms used in this paragraph and not otherwise defined herein have the meaning given to them by Regulation S.

The Notes have not been approved or disapproved by the SEC or any other regulatory agency in the United States, nor has the SEC or any other regulatory agency in the United States passed upon the accuracy or adequacy of this document or the merits of the Notes. Any representation to the contrary is a criminal offence. Furthermore, the Notes do not constitute, and have not been marketed as, contracts for the sale of a commodity for future delivery (or options thereon) subject to the CEA, and neither trading in the Notes nor this document has been approved by the CFTC under the CEA.

Each prospective purchaser of Notes, by accepting delivery of this Base Prospectus and the Notes, will be deemed to have represented and agreed as follows:

(a) it understands that the Notes and, in certain cases, the securities (if any) to be delivered when the Notes are redeemed, have not been, and will not be, registered under the Securities Act, or with any securities regulatory authority of any state or other jurisdiction of the United States; that trading in the Notes has not been and will not be approved by the CFTC under the CEA or by the SEC; that no person has registered nor will register as a commodity pool operator of the Fiduciary or the Fiduciary Assets under the CEA and CFTC Rules; and that neither the Fiduciary nor any of the Fiduciary Assets have been registered nor will be registered as an investment company under the Investment Company Act;

(b) it is not a U.S. person and, if it is acting for the account or benefit of another person, such other person is also not a U.S. person;

(c) it will not, at any time during the term of the Notes, offer, sell, resell, pledge, deliver or otherwise transfer the Notes, except (i) in an "offshore transaction" (as defined under Regulation S) and (ii) to a Permitted Purchaser acting for its own account or for the account or benefit of another Permitted Purchaser.

(d) it understands and acknowledges that the Fiduciary has the right to compel any beneficial owner of an interest in the Notes to certify periodically that such beneficial owner is a Permitted Purchaser;

(e) it understands and acknowledges that the Fiduciary has the right to refuse to honour the transfer of an interest in the Notes in violation of the transfer restrictions applicable to such Notes;

(f) it understands and acknowledges that the Fiduciary has the right to compel any beneficial owner who is a U.S. person to (i) sell its interests in the Notes to a person who is not a U.S. person in an offshore transaction pursuant to Regulation S, or (ii) transfer its interests in the Notes to the Fiduciary or an Affiliate of the Fiduciary or redeem the Notes in whole or in part;

(g) it understands that the Notes will bear a legend to the following effect:

THIS NOTE AND, IN CERTAIN CASES, THE SECURITIES (IF ANY) TO BE DELIVERED WHEN THIS NOTE IS REDEEMED, HAS NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES, AND TRADING IN THE NOTES HAS NOT BEEN AND WILL NOT BE APPROVED BY THE U.S. COMMODITY FUTURES TRADING COMMISSION (THE "CFTC") UNDER THE U.S. COMMODITY EXCHANGE ACT OF 1936, AS AMENDED (THE "CEA"), OR BY THE U.S. SECURITIES EXCHANGE COMMISSION (THE "SEC"). FURTHER, NO PERSON HAS REGISTERED NOR WILL REGISTER AS A COMMODITY POOL OPERATOR OF THE FIDUCIARY OR THE FIDUCIARY ASSETS UNDER THE CEA AND CFTC RULES, AND NEITHER THE FIDUCIARY NOR ANY OF THE FIDUCIARY ASSETS HAVE BEEN REGISTERED NOR WILL BE REGISTERED AS AN INVESTMENT COMPANY UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED.

THIS NOTE MAY NOT BE OFFERED, SOLD, PLEDGED, DELIVERED OR OTHERWISE TRANSFERRED EXCEPT IN ACCORDANCE WITH THE FOLLOWING. BY ITS ACQUISITION HEREOF OR OF A BENEFICIAL INTEREST HEREIN, THE ACQUIRER:

(1) REPRESENTS THAT (A) IT ACQUIRED THIS NOTE OR SUCH BENEFICIAL INTEREST IN AN OFFSHORE TRANSACTION (AS SUCH TERM IS DEFINED UNDER REGULATION S UNDER THE SECURITIES ACT ("REGULATION S"), (B) IT IS NOT (X) A "U.S. PERSON" AS DEFINED IN RULE 902(K)(1) OF REGULATION S, (Y) A PERSON WHO COMES WITHIN ANY DEFINITION OF "U.S. PERSON" FOR THE PURPOSES OF THE CEA OR ANY RULE, GUIDANCE OR ORDER PROPOSED OR ISSUED BY THE CFTC THEREUNDER (INCLUDING BUT NOT LIMITED TO ANY PERSON WHO IS NOT A "NON-UNITED STATES PERSON" UNDER CFTC RULE 4.7(A)(1)(IV) (EXCLUDING FOR PURPOSES OF SUBSECTION (D) THEREOF, THE EXCEPTION FOR QUALIFIED ELIGIBLE PERSONS WHO ARE NOT "NON-UNITED STATES PERSONS")) (ANY PERSON SATISFYING (X) AND (Y) ABOVE, A "U.S. PERSON"); AND (C) IF IT IS ACQUIRING THIS NOTE OR A BENEFICIAL INTEREST HEREIN FOR THE ACCOUNT OR BENEFIT OF ANOTHER PERSON, SUCH OTHER PERSON IS ALSO NOT A U.S. PERSON;

(2) AGREES FOR THE BENEFIT OF THE FIDUCIARY THAT IT WILL NOT, AT ANY TIME DURING THE TERM OF THIS NOTE, OFFER, SELL, RESELL, PLEDGE, DELIVER OR TRANSFER THIS NOTE, OR ANY BENEFICIAL INTEREST HEREIN, AS APPLICABLE, DIRECTLY OR INDIRECTLY, EXCEPT (X) IN AN OFFSHORE TRANSACTION AND (Y) TO A PERMITTED PURCHASER ACTING FOR ITS OWN ACCOUNT OR TO, OR FOR THE ACCOUNT OR BENEFIT OF ANOTHER PERMITTED PURCHASER, AND ACKNOWLEDGES THAT THE FIDUCIARY HAS THE RIGHT TO REFUSE TO HONOUR A TRANSFER OF ANY NOTE OR INTEREST THEREIN IN VIOLATION OF THE FOREGOING;

(3) ACKNOWLEDGES THAT ANY TRANSFER IN VIOLATION OF THE RESTRICTIONS SET FORTH HEREIN AT ANY TIME DURING THE TERM OF THIS NOTE WILL BE OF NO FORCE AND EFFECT, WILL BE VOID *AB INITIO*, AND WILL NOT OPERATE TO TRANSFER ANY RIGHTS TO THE TRANSFEREE, NOTWITHSTANDING ANY INSTRUCTIONS TO THE CONTRARY TO THE FIDUCIARY, THE REGISTRAR, THE CUSTODIAN, THE TRANSFER AGENT OR ANY INTERMEDIARY;

(4) ACKNOWLEDGES THAT IF AT ANY TIME THE ACQUIRER IS NO LONGER A PERMITTED PURCHASER, THE FIDUCIARY HAS THE RIGHT TO, AT ITS DISCRETION AND AT THE EXPENSE AND RISK OF SUCH HOLDER, (A) COMPEL THE ACQUIRER TO SELL THIS NOTE OR BENEFICIAL INTEREST THEREIN, AS APPLICABLE, TO A PERSON WHO IS A PERMITTED PURCHASER IN AN OFFSHORE TRANSACTION PURSUANT TO REGULATION S, OR (B) COMPEL THE BENEFICIAL OWNER TO TRANSFER THIS NOTE OR BENEFICIAL INTEREST THEREIN, AS APPLICABLE, TO THE FIDUCIARY OR AN AFFILIATE OF THE FIDUCIARY OR REDEEM SUCH NOTES, IN WHOLE OR IN PART;

(5) ACKNOWLEDGES THAT THE FIDUCIARY MAY COMPEL EACH BENEFICIAL OWNER OF THE NOTES TO CERTIFY PERIODICALLY THAT SUCH BENEFICIAL OWNER IS NOT A U.S. PERSON;

(6) AGREES THAT IT IS ENTITLED TO PURCHASE THE NOTES UNDER THE LAWS OF ALL RELEVANT JURISDICTIONS WHICH APPLY TO IT AND IT HAS FULLY OBSERVED SUCH LAWS AND OBTAINED ALL SUCH GOVERNMENTAL AND OTHER GUARANTEES AND OTHER CONSENTS WHICH MAY BE REQUIRED THEREUNDER AND COMPLIED WITH ALL NECESSARY FORMALITIES. IT IS EMPOWERED, AUTHORISED AND QUALIFIED TO PURCHASE THE NOTES AND TO PERFORM ALL ITS OBLIGATIONS THEREUNDER; AND

(7) AGREES THAT IT WILL DELIVER TO EACH PERSON TO WHOM THIS NOTE IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND.

THE HOLDER FURTHER AGREES THAT IT IS BUYING THE NOTES FOR ITS OWN ACCOUNT FOR INVESTMENT PURPOSES AND NOT WITH A VIEW TO ANY DISTRIBUTION OF THE NOTES. IT AGREES THAT PRIOR TO A PROPOSED TRANSFER OF ITS NOTES IT WILL NOTIFY THE PURCHASER OF THE NOTES, OR THE EXECUTING BROKER, AS APPLICABLE, OF ANY TRANSFER RESTRICTIONS THAT ARE APPLICABLE TO THE NOTES BEING SOLD.

THIS NOTE AND RELATED DOCUMENTATION (INCLUDING, WITHOUT LIMITATION, THE AGENCY AGREEMENT REFERRED TO HEREIN) MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME, WITHOUT THE CONSENT OF, BUT UPON NOTICE TO, THE HOLDERS OF NOTES TO MODIFY THE RESTRICTIONS ON AND PROCEDURES FOR RESALES AND OTHER TRANSFERS OF THIS NOTE TO REFLECT ANY CHANGE IN APPLICABLE LAW OR REGULATION (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO RESALES OR OTHER TRANSFERS OF RESTRICTED

SECURITIES GENERALLY. THE HOLDER OF A NOTE SHALL BE DEEMED, BY ITS ACCEPTANCE OR PURCHASE THEREOF, TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT (EACH OF WHICH SHALL BE CONCLUSIVE AND BINDING ON THE HOLDER THEREOF AND ALL FUTURE HOLDERS OF THE NOTE AND ANY NOTES ISSUED IN EXCHANGE OR SUBSTITUTION THEREFOR, WHETHER OR NOT ANY NOTATION THEREOF IS MADE THEREON).

(g) it has such knowledge and experience in financial and business matters and is capable of evaluating the merits and risks of purchasing the Notes, and it can bear the economic risk of an investment therein; and

(h) the Fiduciary, the Registrar, the Custodian, the Transfer Agent, the Dealers and their Affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

As used in this Base Prospectus, unless otherwise specified, "U.S. person" means a person that is any one or more of the following: (1) a "U.S. person" as defined in Rule 902(k)(l) of Regulation S, (2) a person who comes within any definition of "U.S. person" for the purposes of the CEA or any rule, guidance or order proposed or issued by the CFTC thereunder (including but not limited to any person who is not a "Non-United States person" under CFTC Rule 4.7(a)(1)(iv) (excluding for purposes of subsection (D) thereof, the exception for qualified eligible persons who are not "Non-United States persons")).

***Prohibition of sales to EEA and UK Retail Investors***

Unless the Pricing Supplement in respect of any Notes specifies "Prohibition of Sales to EEA and UK Retail Investors" as "Not Applicable", the Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Pricing Supplement in relation thereto to any retail investor in the European Economic Area (the "**EEA**") or in the United Kingdom ("**UK**"). For the purposes of this provision:

(a) the expression **retail investor** means a person who is one (or more) of the following:

  (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or

  (ii) a customer within the meaning of Directive (EU) 2016/97 (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or

  (iii) not a qualified investor as defined in the Prospectus Regulation; and

(b) the expression an **offer** includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes.

If the Pricing Supplement in respect of any Notes specifies "Prohibition of Sales to EEA and UK Retail Investors" as "Not Applicable", in relation to each Member State of the EEA and the UK (each, a "**Relevant State**"), the Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by

the prospectus or pricing supplement in relation thereto to the public in that Relevant State except that it may make an offer of such Notes to the public in that Relevant State:

(a) at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;

(b) at any time to fewer than 150, natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Fiduciary for any such offer; or

(c) at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Notes referred to in (a) to (c) above shall require the Fiduciary or Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision:

(i) the expression an "**offer of Notes to the public**" in relation to any Notes in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes; and

(ii) the expression "**Prospectus Regulation**" means Regulation (EU) 2017/1129.

***United Kingdom***

The Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

(a) in relation to any Notes which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000 ("**FSMA**")) by the Fiduciary;

(b) it has only communicated or caused to be communicated, and it will only communicate or cause to be communicated, any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA)) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA would not, if the Fiduciary was not an authorised person, apply to the Fiduciary; and

(c) it has complied and will comply with all applicable provisions of the FSMA (and all rules and regulations made pursuant to the FSMA), with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

***Australia***

No prospectus or other disclosure document (as defined in the Corporations Act 2001 of Australia (the "**Corporations Act**")) in relation to the Programme or the Notes has been, or will

be, lodged with the Australian Securities and Investments Commission ("**ASIC**"). Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that, unless the relevant Pricing Supplement (or any other supplement to this Base Prospectus) otherwise provides, it:

(a) has not offered or invited applications, and will not offer or invite applications, for the issue, sale or purchase of the Notes (or any interest in them) in, or into Australia (including an offer or invitation which is received by a person in Australia); and

(b) has not distributed or published, and will not distribute or publish, the Base Prospectus or any other offering material or advertisement relating to the Notes (or any interest in them) in Australia;

unless:

i. the aggregate consideration payable by each offeree is at least A$500,000 (or its equivalent in another currency, in either case, disregarding moneys lent by the offeror or its associates) or the offer or invitation otherwise does not require disclosure to investors in accordance with Part 6D.2 or 7.9 of the Corporations Act;

ii. the offer or invitation is not made to a person who is a "retail client" within the meaning of section 761G of the Corporations Act 2001; and

iii. such action complies with all applicable laws, regulations and directives (including without limitation, the licensing requirement set out in Chapter 7 of the Corporations Act) and does not require any document to be lodged with ASIC or any other regulatory authority in Australia.

***Japan***

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Law No.25 of 1948, as amended; the "**FIEA**") and the Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold and will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Law No. 228 of 1949, as amended)), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

***Singapore***

This Base Prospectus has not and will not be been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Base Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (a) to an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the "**Securities and Futures Act**")) pursuant to Section 274 of the Securities and Futures Act, (b) to a relevant person (as defined in Section 275(2) of the

Securities and Futures Act) under Section 275(1) of the Securities and Futures Act or to any person pursuant to Section 275(1A) of the Securities and Futures Act, and in accordance with the conditions specified in Section 275 of the Securities and Futures Act and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018 or (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the Securities and Futures Act.

Where the Notes are subscribed or purchased under Section 275 of the Securities and Futures Act by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the Securities and Futures Act)) 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 is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the Securities and Futures Act) of that corporation or the beneficiaries' rights and interests (howsoever described) in that trust shall not be transferable for 6 months after that corporation or that trust has acquired the relevant Notes pursuant to an offer under Section 275 of the Securities and Futures Act except:

(1) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the Securities and Futures Act; or

(2) where no consideration is or will be given for the transfer; or

(3) where the transfer is by operation of law; or

(4) pursuant to Section 276(7) of the Securities and Futures Act; or

(5) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

Notification under Section 309(B)(1)(c) of the Securities and Futures Act – Unless otherwise stated in the applicable Pricing Supplement in respect of any Notes, all Notes issued or to be issued under the Programme shall be capital markets products other than prescribed capital markets products (as defined in the Securities and Futures Act (Capital Markets Products) Regulations 2018 of Singapore) and Specified Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

***Hong Kong Special Administrative Region***

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that

a) it has not offered or sold and will not offer or sell in the Hong Kong Special Administrative Region of the People's Republic of China ("**Hong Kong**"), by means of any document, any Notes except for Notes which are a "structured product" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "**Securities and Futures Ordinance**") other than (i) to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under the that Ordinance; or (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance (Cap. 32) of Hong Kong (the "**Companies Ordinance**") or which do not constitute an offer to the public within the meaning of the Companies Ordinance; and

b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to any Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

***Switzerland***

The Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that in relation to the Notes that it will comply with any laws, regulations or guidelines in Switzerland from time to time, including, but not limited to, any guidelines issued or recognised by the Swiss Financial Market Supervisory Authority (FINMA) in relation to the offer, sale, delivery or transfer of the Notes or the distribution of any offering material in Switzerland in respect of such Notes.

Any additional restrictions in respect of the offering of a Tranche in Switzerland will be set out in the Pricing Supplement in respect of that Tranche.

***General***

The Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes this Base Prospectus or any prospectus and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither the Fiduciary nor any of the other Dealers shall have any responsibility therefor.

None of the Fiduciary or any of the Dealers represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

With regard to each Tranche, the relevant Dealer will be required to comply with such other restrictions as the Fiduciary and the relevant Dealer shall agree and as shall be set out in the applicable Pricing Supplement.

## GENERAL INFORMATION

### Form of Document; Approval

This Base Prospectus, including all information incorporated by reference herein, constitutes a base prospectus in accordance with article 45 of the FinSA. As such, the Base Prospectus contains the information which was known at the time the Base Prospectus has been approved. With respect to any series of Non-Exempt Swiss Notes, the Pricing Supplement constitutes the final terms (*endgültige Bedingungen*) within the meaning of article 45 para. 3 of the FinSA and article 56 of the FinSO. In case of an issue of Non-Exempt Swiss Notes, the Pricing Supplement will be published and filed with the Reviewing Body as soon as possible after the final information relating to the relevant Series is available. In case of Notes to be admitted to trading in Switzerland, a publication and filing with the Reviewing Body will take place no later than on the date the relevant Notes are admitted to trading.

This Base Prospectus has been approved by and registered with SIX Exchange Regulation Ltd. in its capacity as reviewing body under the FinSA on 25 November 2020. In addition, this Base Prospectus has been approved by the Luxembourg Stock Exchange on 25 November 2020.

### Authorisation

The Fiduciary has obtained all necessary consents, approvals and authorisations (if any) which are necessary in Luxembourg at the date of this Base Prospectus in connection with the issue and performance of its obligations in respect of the Notes.

### Listing and admission to trading

The Base Prospectus has been approved by the Luxembourg Stock Exchange in accordance with the Rules and Regulations of the Luxembourg Stock Exchange and application may been made to the Luxembourg Stock Exchange for Notes issued under the Programme to be admitted to trading on the Euro MTF Market of the Luxembourg Stock Exchange (the Euro MTF Market is not a regulated market pursuant to the provisions of MiFID II but is subject to supervision by the CSSF), and listed on the Official List of the Luxembourg Stock Exchange. In addition or as an alternative, the Fiduciary may decide to apply for listing and/or admission to trading on or inclusion of the Notes into (as applicable) any other stock exchange. However, the Fiduciary may also decide not to apply for listing and/or trading of the Notes on any securities exchange. Any listing and/or trading of the Notes (if any) will be specified in the relevant Pricing Supplement, and, if relevant, the applicable Pricing Supplement will include information on the relevant market segment of the securities exchange on which the securities are to be listed.

### Documents Available

From the date hereof and so long as any Notes are listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Euro MTF Market under the Programme, this Base Prospectus will be published on the Luxembourg Stock Exchange website (www.bourse.lu). In addition, so long as any Notes are outstanding, copies of the following documents will, when published, be available for collection during usual business hours on any week day (Saturdays, Sundays and public holidays excepted) at the specified offices of the Paying Agent in Luxembourg:

(i) the articles of incorporation of the Fiduciary;

(ii) a copy of this Base Prospectus;

(iii) any Fiduciary Asset Agreement;

(iv) the Fiduciary Asset Disclosure Documents (such as Fiduciary Asset Obligors and Fiduciary Assets, if any);

(v) the Agency Agreement;

(vi) the Programme Agreement;

(vii) the Facilitation Agency Agreement;

(viii) the audited financial statements of the Fiduciary for the financial years ending on 31 December 2018 and 31 December 2019 (in each case including the relevant audit report);

(ix) any interim financial statements of the Fiduciary (if such interim financial statements have been prepared);

(x) any future published audited annual financial statements of the Fiduciary; and

(xi) any future offering circulars, pricing supplement, programme memoranda and supplements including a Pricing Supplement to this Base Prospectus,

save that any Pricing Supplement, Fiduciary Asset Agreement and/or Fiduciary Asset Disclosure Document or other document relating to a Note which is not admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system will only be available for inspection by a holder of such Note and such holder must produce evidence satisfactory to the Fiduciary and the Paying Agent as to its holding of Notes and identity.

**Websites**

No websites that are cited or referred to in this Base Prospectus shall be deemed to form part of, or to be incorporated by reference into, this Base Prospectus.

**Clearing Systems**

Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg (which are the entities in charge of keeping the records). The appropriate Common Code, International Securities Identification Number (ISIN), CUSIP and CINS numbers and PORTAL symbol (if any) for each Series of Notes will be set out in the applicable Pricing Supplement. If the Notes are to clear through an additional or alternative clearing system, the appropriate information will be specified in the applicable Pricing Supplement.

**Conditions for determining price**

The price and amount of Notes to be issued under the Programme will be determined by the Fiduciary and the relevant Dealer at the time of issuance in accordance with prevailing market conditions.

**Significant or Material Change**

There has been no significant change in the assets, financial or revenue position of the Fiduciary and no material adverse change in the financial position or prospects of the Fiduciary, in each case since the last audited annual financial statements of the Fiduciary.

**Litigation**

There are no governmental, administrative, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Fiduciary is aware) in the 12 months preceding the date of this document which may have or have in such period had a significant effect on the financial position or profitability of the Fiduciary.

**Post–issuance information**

The Fiduciary does not intend to provide any post–issuance information in relation to the Notes or the Fiduciary Assets and/or Fiduciary Asset Agreements in relation to any issue of Notes.

**Responsibility statement**

UBS (Luxembourg) Issuer SA, having its registered office at 33A, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg (Fiduciary), accepts responsibility for the accuracy of the information contained in this Base Prospectus.

To the knowledge of the Fiduciary, such information contained in this Base Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

## REGISTERED OFFICE OF THE FIDUCIARY

**UBS (Luxembourg) Issuer SA**
33A avenue J.F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

## ARRANGER

**UBS AG, London Branch**
5 Broadgate
London EC2M 2QS
United Kingdom

## PRINCIPAL PAYING AGENT, PAYING AGENT, CALCULATION AGENT, REGISTRAR, CUSTODIAN AND TRANSFER AGENT

**UBS Europe SE, Luxembourg Branch**
33A avenue J.F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

## LEGAL ADVISERS

*To the Fiduciary*

As to Luxembourg law

**Allen & Overy**
Société en commandite simple
(*inscrite au barreau de Luxembourg*)
5, avenue J.F. Kennedy
1855 Luxembourg
Grand Duchy of Luxembourg

As to English law

**Allen & Overy LLP**
One Bishops Square
London E1 6AD
United Kingdom

As to Swiss law

**Baker McKenzie Zurich**
Holbeinstrasse 30
P.O. Box
8034 Zurich
Switzerland

## DEALER

**UBS AG, London Branch**
5 Broadgate
London EC2M 2QS
United KIngdom

## STATUTORY AUDITORS TO THE FIDUCIARY

**Ernst & Young S.A.**
35E, avenue John F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg