



Open End PERLES

Linked to UBS Global Quality Dividend Payers Index Net Total Return (USD)
Issued by UBS AG, Zurich



Cash settled
SVSP/EUSIPA Product Type: Tracker Certificates (1300)
Valor: 18582862 / SIX Symbol: DIVQD

Final Terms

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

1. Description of the Product

Information on Underlying

Underlying(s)	Initial Underlying Level	Conversion Ratio
UBS Global Quality Dividend Payers Index Net Total Return (USD) (Bloomberg: UBCIGQDU)	156.71	1:1 (1 Unit refers to 1 Underlying)

Index Description

The UBS Global Quality Dividend Payers Index consists of 30 high-quality, strong dividend paying companies selected from the UBS global equity coverage universe. Stocks are ranked by UBS Global Equity Strategy based on metrics which can be broadly categorised as growth, leverage, valuation, and dividends. A quantitative ranking is then augmented with qualitative input from UBS's worldwide network of research analysts. The index benchmarks its sector weightings to those of the MSCI AC World Index, thereby ensuring that it represents all major industry sectors in proportion to their importance in the global economy, taking the search for yield and quality across sectors.

Product Details

Security Numbers	Valor: 18582862 / ISIN: CH0185828628 / WKN: UU0155
SIX Symbol	DIVQD
Issue Size	up to 60'000 Units (with reopening clause)
Issue Price of 1 PERLES	USD 156.71 (unit quotation)
Management Fee (MF)	1.00% p.a.
Settlement Currency	USD

Dates

Launch Date	11 May 2012
Pricing Date ("Pricing")	11 May 2012
First SIX Trading Date (anticipated)	18 May 2012
Payment Date (Issue Date)	18 May 2012
Expiration Date ("Expiry")	Open End
Redemption Date	means the 5 th Business Day following the Effective Exercise Date. In case this date is not a Business Day the next following Business Day will apply (subject to Market Disruption Event Provisions)
Closing Date (for Swiss tax purposes)	1 January, for the first time 1 January 2013

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

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

Internet: www.ubs.com/keyinvest

Product Hotline: +41-44-239 76 76*

Investors outside of Switzerland should consult their local client advisors.

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

Redemption

The Investor is entitled to receive from the Issuer on the Redemption Date an amount in the Settlement Currency, according to the following formula and taking into account the Conversion Ratio:

Expiration Value - MF_i

Management Fee (MF_i) Management Fee, if any, accruing daily based on the Open End PERLES' previous day's value from the Pricing Date or the Management Fee Adjustment Date to the Effective Exercise Day, calculated on an Actual/360 basis.

Expiration Value Official closing value of the Underlying on the Effective Exercise Date on the Related Exchange, as determined by the Index Sponsor(s).

Product Structure

The Open End PERLES allows for participation in the performance of the Underlying (converted by the Conversion Ratio)..

General Information

Issuer	UBS AG, London Branch
Issuer Rating	Aa3 Moody's / A S&P's / A Fitch
Lead Manager	UBS Limited
Calculation Agent	UBS AG, London Branch
Paying Agent	UBS AG, Zurich
Listing	SIX Swiss Exchange listing will be applied for
Index Sponsor	UBS AG
Related Exchange	The stock exchanges on which securities comprising the Underlying Index are traded, as determined by the Index Sponsor from time to time.
Secondary Market	Daily price indications will be available on Reuters/Bloomberg, www.ubs.com/keyinvest and Telekurs from 09:15-17:15 CET.
Business Days	Zurich and New York
Minimum Investment	1 Unit (subject to Selling Restrictions)
Minimum Trading Lot	1 Unit
Status	Unsecured / Unsubordinated
Clearing	SIX SIS, Euroclear, Clearstream (registered as intermediated securities with SIX SIS AG, in Switzerland)
Form of Deed	Uncertificated securities
Governing Law / Jurisdiction	Swiss / Zurich
Product	One USD-denominated Open End PERLES unit is equivalent to one (1) "Product". "Products" wherever used herein shall be construed to mean integral multiples of the same, subject to the issue size.
Public Offering	Switzerland
Issuer Call Right	The Issuer has the right to call the Open End PERLES anytime for early redemption for a value equal to Redemption (as described herein) effective 6 months after the "Notice Date" has been published to that effect ("Effective Exercise Date") (in case that any of the dates is not an Exchange Business Day, the next following Exchange Business Day applies). Subject to Market Disruption Event provisions the Open End PERLES will be redeemed on the Redemption Date.
Investor Exercise Right	In addition to the possibility to sell the Open End PERLES at any time in the Secondary Market (subject to market conditions), each Investor has an annual right, on 11 May, for the first time on 11 May 2013 ("Exercise Date"), to exercise the Open End PERLES (notice to be received not later than 10 am CET on the relevant Exercise Date) for a value equal to Redemption (as described herein) 1 year after the "Exercise Date" ("Effective Exercise Date"). The exercise will become effective as of close of business 1 year after the relevant Exercise Date (in case that any of the dates is not an Exchange Business Day, the next following Exchange Business Day applies). Subject to Market Disruption Event provisions the Open End PERLES will be redeemed on the Redemption

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Date.

Effective Exercise Date means the day when either the Issuer Call Right or the Investor Exercise Right becomes effective (corresponds to 1 year after the "Exercise Date" in case of investor's exercise and to 6 months after the "Notice Date" in case of issuer's call and subject to Market Disruption Event provisions)

Tax Treatment Switzerland

Swiss Federal Stamp Duty	For Swiss Federal Stamp Duty purpose, the product is treated as analogous to a share/unit in a foreign investment fund. Therefore, primary and secondary market transactions are in principle subject to Swiss Federal Stamp Duty (TK24).
Swiss Federal Income Tax	For private investors with tax domicile in Switzerland this product is treated analogous to a share in a foreign investment fund. The taxable income and capital gains/losses will be kept apart and will be reported to the Swiss Federal Tax Administration annually. Taxable income is subject to Swiss Federal, cantonal and communal Income Tax.
Swiss Withholding Tax	The product is not subject to the Swiss withholding tax.
EU Savings Tax Treatment	For Swiss paying agents, the product is not subject to the EU Savings tax (TK9).

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

Product Documentation

Base Prospectus Equity (registered with BaFin and EUPD compliant).

Final Terms

This document serves as and fulfils the requirements of a 'Simplified Prospectus' in accordance with Art. 5 of the Swiss Federal Act on Collective Investment Schemes (CISA). The Simplified Prospectus together with the Base Prospectus Equity ("BP") and the respective Final Terms shall form the documentation for this Product ("Product Documentation"), and accordingly the Simplified Prospectus should always be read in conjunction with these documents. The terms "Product" respectively "Investor" as used in this Simplified Prospectus correspond to the terms "Note"/"Certificate" respectively "Securityholder" as defined in the BP.

During the whole term of this Product, the Product Documentation can be ordered free of charge from the Lead Manager at P.O. Box, CH-8098 Zurich (Switzerland), via telephone (+41-(0)44-239 47 03), fax (+41-(0)44-239 69 14) or via e-mail (swissprospectus@ubs.com). In addition, for clients outside of the United Kingdom, the Product Documentation is available on the internet at www.ubs.com/keyinvest.

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

Classification

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

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

Prudential Supervision

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

2. Prospects of Profits and Losses

Market Expectation	The Open End PERLES is a product for Investors who expect the level of the Underlying to increase over the life of the Product.
Risk Tolerance	Investors in this product should be experienced investors and familiar with both derivative products and the stock markets The Investors must be willing to make an investment that is exposed to the full down-side risk of the Underlying. The Investors do not require capital protection.
Profit Potential	The product allows full participation in the Underlying.
Loss Potential	The Investors may lose some or all of the investment as they are fully exposed to the performance of the Underlying.

3. Significant Risks for Investors

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

Risk Factors relating to the Issuer

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

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

Secondary Market

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

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

Market Risk

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

Important Information

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

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

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

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

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

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

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

Index Disclaimer

The mark and name "**UBS Global Quality Dividend Payers Index Total Return**" (the "Index") is proprietary to UBS AG ("UBS"). UBS does not make any warranty or representation or guarantee whatsoever, express or implied, either as to the results to be obtained as to the use of the Index or the figures or levels at which the Index stands at any particular day or otherwise. In addition, UBS gives no assurance regarding any modification or change in any methodology used in calculating the Index and is under no obligation to continue the calculation, publication and dissemination of the Index. No responsibility or liability is accepted by UBS (whether for negligence or otherwise) in respect of the use of and/or reference to the Index by us or any other person in connection with the Certificates, or for any inaccuracies, omissions, mistakes or errors in the computation of the Index (and UBS shall not be obliged to advise any person, including us or any investor, or any error therein) or for any economic or other loss which may be directly or indirectly sustained by us or any investors to the Securities or any other persons dealing with the Certificates as a result thereof and no claims, actions or legal proceedings may be brought against UBS (including any of its subsidiaries or affiliates) in any manner whatsoever by any investor or other person dealing with the Certificates. Any investor or other person dealing with the Certificates does so therefore in full knowledge of this disclaimer and can place no reliance whatsoever on UBS.

For avoidance of doubt, this disclaimer does not create any contractual or quasi contractual relationship between any investor other person and UBS and must not be construed to have created such relationship.

Selling Restrictions

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

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

Europe - Any public offer of this Product within a EEA jurisdiction (EU member states plus Norway, Iceland and Liechtenstein) shall only be possible if compliant with the requirements of the EUPD and with the law of that jurisdiction.

If the prospectus either does not qualify as a prospectus published in accordance with the requirements of the EUPD or is not filed with or notified to the relevant Financial Supervisory Authority, this Product may not be offered or sold in EEA jurisdictions other than 1) in minimum denominations of, or total consideration per investor of at least, EUR 50,000 (or equivalent in other currencies), provided that the offer is only being made in one or more EEA jurisdiction that will not, before the end of the offer period for the Notes, have implemented the provision under the Directive 2010/73/EU (the "PD Amending Directive") that increases this minimum denomination (or total consideration per investor) to EUR 100,000; or 2) only to Qualified Investors; and/or (aggregated for all distributors) to less than 100 or, if the relevant EEA jurisdiction has implemented the relevant provision of the 2010 PD Amending Directive, 150 natural or legal persons that are not Qualified Investors per EEA jurisdiction. "Qualified Investors" are persons or entities as defined in the Prospectus Directive.

For information on public offering in EEA jurisdictions please see under section "General Information" above.

Hong Kong – Each purchaser has represented and agreed that 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 the Products, 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 Products 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 (Cap. 571) of Hong Kong and any rules made under that Ordinance.

This is a structured product which involves derivatives. Do not invest in it unless you fully understand and are willing to assume the risks associated with it. If you are in any doubt about the risks involved in the product, you may clarify with the intermediary or seek independent professional advice.

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

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

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

Taiwan - The Certificates may not be sold to (i) any residents of The Republic of China ("ROC"), corporations in the ROC, or corporations outside the ROC which are beneficially owned by residents of the ROC and (ii) any residents of The People's Republic of China ("PRC"), corporations in the PRC, or corporations outside the PRC which are beneficially owned by residents of the PRC. No transactions involving the Certificates may take place in the ROC and PRC.

Details of the Certificates (including the identity of the Certificateholder) may, (1) upon request or order by any competent authority, regulatory or enforcement organisation, governmental or otherwise, including without limitation, the stock exchange on which the underlying shares are listed, (2) as required by applicable law, rules, regulations, codes or guidelines (whether having the force of law or otherwise), be disclosed in accordance with such request, order, law, rules, regulations, codes or guidelines (whether such disclosure is to be made to third parties or otherwise). By purchasing the Certificates, the Certificateholder agrees to such disclosure and releases UBS AG and its subsidiaries and affiliates from any duty of confidentiality owed to it in relation to such information.

Korea - The Certificates may not be directly or indirectly offered, sold or delivered or offered or sold to any person for re-offering or resale in Korea or to any resident or citizen of Korea, an affiliate of a resident or citizen of Korea, or any person with a significant interest in Korea. The Certificates may not be held by a Certificateholder as a custodian, intermediary, trustee, or any similar capacity for or on behalf of any resident

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or citizen of Korea, an affiliate of a resident or citizen of Korea, or any person with a significant interest in Korea. A person shall be deemed to be an affiliate of a resident or a citizen of Korea if such person is controlled by such resident or citizen, or both such person and such resident or such citizen are controlled by the same third party. A person shall be deemed to have a significant interest in Korea if such person has any significant assets or businesses in Korea.

USA - This Product may not be sold or offered within the United States or to U.S. persons.

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