



# PERLES (Tracker Certificate)

Linked to the Strategy on the EUR-Hedged CBOE S&P 500 2% OTM BuyWrite Index  
Issued by UBS AG, Zurich



Cash settled  
SVSP/EUSIPA Product Type: Tracker Certificates (1300, Callable)  
ISIN: CH0385835316 / WKN: US7736 / Valor: 38583531

## Final Terms

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

This is a structured product which involves derivatives. Prospective purchasers of this Product should ensure that they understand the nature of the Product and the extent of their exposure to risks and that they consider the suitability of the Product as an investment in the light of their own circumstances and financial condition. This Product involves a high degree of risk, including the risk of it expiring worthless. Potential investors should be prepared to sustain a total loss of the purchase price of their investment.

Neither the Issuer nor the Calculation Agent are acting as investment advisors or providing advice of any nature and do not assume any fiduciary obligation to any investors buying the Products.

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

## 1. Description of the Product

### Information on Underlying

Underlying	Initial Underlying Level
EUR-Hedged CBOE Standard & Poor's 500 2% OTM BuyWrite Index	EUR 100

### Product Details

Security Numbers	ISIN: CH0385835316 / WKN: US7736 / Valor: 38583531
Issue Size	Up to 300,000 Units (with reopening clause)
Denomination	EUR 100
Issue Price	EUR 100.05 (Unit Quotation)
Structuring Fee ("SF")	0.55% per annum. The Structuring Fee is charged on a pro-rata daily basis as a percentage of the Strategy Level by the Calculation Agent.
Settlement Currency	EUR

### Dates

Launch Date	14 May 2018
Pricing Date ("Pricing")	18 May 2018
Payment Date (Issue Date)	25 May 2018
Last Trading Day / Time	19 May 2025 / 15:00 CET
Expiration Date ("Expiry")	19 May 2025 (subject to Market Disruption Event provisions and Issuer Call Right). Provided, in each case that if the Expiration Date is not an Index Business Day, then such Expiration Date shall be the first following day that is an Index Business Day.
Redemption Date	Means the 5 <sup>th</sup> Business Day following the Expiration Date or the Effective Exercise Date (in any case subject to Market Disruption Event Provisions).

<b>Contact:</b>	UBS AG, P.O. Box, 8098 Zürich	<b>Private Investors:</b> Please contact your client advisor or send an email to <a href="mailto:keyinvest@ubs.com">keyinvest@ubs.com</a>
<b>Internet:</b>	<a href="http://www.ubs.com/keyinvest">www.ubs.com/keyinvest</a>	<b>Product Hotline:</b> +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.

Closing Date (for Swiss Tax purposes)	1 <sup>st</sup> January of each year.
Issuer Call Right	Yes, please refer to the respective definition.

## Redemption

The Investor is entitled to receive from the Issuer on the Redemption Date an amount in the Settlement Currency of 100% of the Strategy Level on the Expiration Date or the Effective Exercise Date, as applicable.

Strategy Level On any Index Business Day  $t$  (including for the avoidance of doubt the Expiration Date or Effective Exercise Date), the Strategy Level ( $S_t$ ) is calculated as:

$$S_t = S_{t-1} \times \left( \frac{U_t}{U_{t-1}} - SF \times \frac{\text{Day Count}}{360} \right)$$

Where:

$S_{t-1}$  = The Strategy Level in respect of the Index Business Day immediately preceding Index Business Day  $t$ . The Strategy Level in respect of the Pricing Date shall be 100.00

$U_t$  = In respect of an Index Business Day that is not an Expiration Date or Effective Exercise Date, the Underlying Level in respect of Index Business Day  $t$ , calculated in accordance with the provisions in the Appendix.

In respect of an Index Business Day that is an Expiration Date or Effective Exercise Date, as the case may be, the Underlying level as determined by the Calculation Agent in its sole discretion acting in good faith in a commercially reasonable manner, taking in account the levels achieved by the Issuer in closing out its hedging transactions in respect of the Underlying;

$U_{t-1}$  = The Underlying Level in respect of Index Business Day immediately preceding Index Business Day  $t$ , calculated in accordance with the provisions in the Appendix;

SF = The Structuring Fee; and

Day Count = The number of calendar days from (and excluding) the Index Business Day immediately preceding Index Business Day  $t$ , to (and including) Index Business Day  $t$ .

In case a notional investor (in the same position as the Issuer) would be unable to unwind its investments in the Underlying on the Expiration Date or the Effective Exercise Date, as applicable, or if such unwinding on the Expiration Date or the Effective Exercise Date, as applicable, would lead to a commercially unreasonable result, as determined in the reasonable discretion of the Calculation Agent, the Issuer reserves the right to determine the Certificate Level over a period of several consecutive Index Business Days in which a notional Investor in the Underlying would be able to fully unwind the Underlying for a commercially reasonable price. In such case the Redemption Date might be postponed accordingly.

## Product Structure

With PERLES, Investors will participate 100% in the positive and negative performance of the Underlying (subject to the deduction of the Structuring Fee). PERLES are a product suitable for Investors who expect the Underlying to increase in value.

## General Information

Issuer	UBS AG, Zurich and Basel, Switzerland
Issuer Rating	A1 Moody's / A+ S&P's / AA- Fitch
Issuer Supervisory Authority	Swiss Financial Market Supervisory Authority (FINMA). London Branch additionally Financial Conduct Authority (FCA) and Prudential Regulation Authority (PRA).
Lead Manager	UBS AG, Zurich (UBS Investment Bank)
Calculation Agent	UBS AG, London Branch

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Paying Agent	UBS Switzerland AG
Listing	None
Secondary Market	The Issuer or the Lead Manager, as applicable, intends, under normal market conditions and using commercially reasonable efforts, to provide bid and/or offer prices for this Product on a regular basis. Prices will be determined by the Issuer or the Lead Manager, as applicable, in its sole discretion, will typically include a spread and therefore may deviate from the market value of the Product. Investors therefore should not rely on the ability to sell this Product at a specific price.
Minimum Investment	1 Unit(s) (subject to Selling Restrictions)
Minimum Trading Lot	1Unit(s)
Clearing	SIX SIS, Euroclear, Clearstream (registered as intermediated securities with SIX SIS AG, in Switzerland)
Form of Deed	Uncertificated Securities
Status	Unsecured / Unsubordinated
Governing Law / Jurisdiction	Swiss / Zurich
Adjustments	The terms of the Product may be subject to adjustments during its lifetime. For clients outside of the United Kingdom, any changes with regard to the terms of this Product shall be published on the internet at <a href="http://www.ubs.com/keyinvest">www.ubs.com/keyinvest</a> . Detailed information on such adjustments is to be found in the Product Documentation.
Product	One EUR-denominated 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 a right to call the Products at any time for redemption subject to giving at least 3 months prior notice by way of notifying the holders of the Products pursuant to the respective provisions in the Product Documentation the date the termination will become effective (the " <b>Effective Exercise Date</b> "). Subject to Market Disruption Event provisions the Products will be redeemed on the Redemption Date for a value determined pursuant to the Section "Redemption" described herein. In case that any of the dates is not an Index Business Day, the next following Index Business Day applies.
Investor Exercise Right	None
Related Exchange	Chicago Board Options Exchange (CBOE), Chicago Mercantile Exchange (CME), New York Stock Exchange (NYSE), NASDAQ
Index Business Day	London, New York
Business Day	London, New York
Distribution Fee	None

### **Tax Treatment Switzerland**

Swiss Transfer Stamp Duty	The product is not subject to Swiss Federal Stamp Duty.
Swiss Income Tax	The taxable income and capital gains/losses will be kept apart and will be reported to the Swiss Federal Tax Administration annually. Taxable income is subject to Swiss Federal, cantonal and communal income tax. Closing date (for Swiss tax purposes): January 1 <sup>st</sup> , for the first time January 1, 2019.
Swiss Withholding Tax	The product is not subject to the Swiss Withholding Tax. It depends on the jurisdiction of the paying agent and of the issuer whether any other withholding tax applies.

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

## Classification

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

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

## 2. Prospects of Profits and Losses

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Market Expectation	Investors in this Product expect the Underlying to trade positively.
Effect of the performance of the Underlying on redemption amount or on delivery obligation:	
- Positive performance	If the Underlying performs positively (net of the Structuring Fee), Investors realise a positive return.
- Sideways to slightly negative performance	If the Underlying performs sideways to slightly negative (net of the Structuring Fee), the value of the Product will remain constant or decreases.
- Pronounced negative performance	Investors may lose some or in the worst case all of the investment as they are fully exposed to the negative performance of the Underlying.
Maximum Return	The profit potential is unlimited.
Maximum Loss	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

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General risk warning	Potential Investors should understand the risks associated with an investment in the Product and shall only reach an investment decision after careful considerations with their legal, tax, financial and other advisors of (i) the suitability of an investment in the Product in the light of their own particular financial, fiscal and other circumstances; (ii) the information set out in this document and (iii) the Underlying(s). The following is a summary of the most significant risks. Further risks are set out in the Product Documentation.
Risk Tolerance	Investors in this Product should be experienced Investors and familiar with both derivative products and the Underlying asset class of this product.

### Product specific risks

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Loss Potential	Investors may lose some or in the worst case all of the investment as they are fully exposed to the negative performance of the Underlying.
Capital Protection (at Expiry)	None
Risk Potential in comparison to a direct investment in the Underlying	The risk potential is similar as with a direct investment in the Underlying.
Issuer Call right	Yes. Please refer to the respective definition in Section 1, «General Information».
Currency risk	Investors should be aware that the <b>Core Underlying Level (as defined in the Appendix) is calculated in USD</b> and the <b>Underlying Level is calculated in EUR</b> . As a result the value of this Product is exposed to the corresponding FX exchange rate. The currency risk is partially, and not entirely, hedged through the use of forward foreign exchange contracts.  The relevant FX spot exchange rate may be influenced by unpredictable factors, including fluctuations in currency exchange rates. The value of the Underlying, and therefore, the investment, may be affected by various and often unpredictable factors, including, but not limited to, the exchange rate and economic, financial, social and political conditions globally and in particular countries. The exchange rate and the liquidity and trading values of, and amounts payable with respect to, the Product may be affected by the actions of sovereign governments that may directly or indirectly impact the Underlying. The market value of the Product may fluctuate between the Pricing Date and the Expiration Date at the expiration time. The Calculation Agent will

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Price Source Disruption Event	<p>determine the settlement on maturity.</p> <p>It may become impossible to obtain the relevant Underlying Level or Core Underlying Level during the lifetime of the Product and/or on the Expiration Date or the Effective Exercise Date, as applicable, due to one or more of the price sources normally used in the relevant market for the Underlying or Core Underlying being unavailable because an unscheduled bank closure is declared on short notice in the relevant country or due to the occurrence of any other disruption (each a "Price Source Disruption Event"). The Calculation Agent will determine in good faith in a commercially reasonable manner whether a Price Source Disruption Event has occurred.</p> <p>A Price Source Disruption Event may lead to (i) a postponement of the Expiration Date or the Effective Exercise Date, as applicable, and therefore of the redemption payment, (ii) to the use of an alternative source for the relevant Underlying Level or Core Underlying Level and or (iii) to the unilateral determination of the applicable Underlying Level or Core Underlying Level by the Calculation Agent.</p> <p>Such postponement, use of alternative price source and/or determination of the applicable Underlying Level or Core Underlying Level by the Calculation Agent may affect, materially or otherwise, the Redemption amount which the Investor will receive.</p>
Extraordinary termination risk	<p>The Product contains terms and conditions that allow the Issuer to terminate and redeem the Product prior to the Redemption Date. In case of such extraordinary termination, the Issuer shall pay to the Investors an extraordinary termination amount as determined by the Calculation Agent which is usually equivalent to the market value of the Product. Potential Investors should note that the extraordinary termination amount may deviate from and may be considerably below the amount which would be payable pursuant to the final redemption provisions on the Redemption Date. Investors are not entitled to request any further payments on the Product after the Redemption Date.</p>
Adjustment risk	<p>Investors should be aware that it cannot be excluded that certain events occur or certain measures are taken (by parties other than the Issuer) in relation to the Underlying(s) or Core Underlying(s) which can lead to changes to the Underlying(s) or Core Underlying(s) or its concepts (e.g. corporate events of a company whose shares constitute an Underlying or Core Underlying, Market Disruption Events or other circumstances affecting normal activities). In the case of the occurrence of such events or measures, the Issuer and/or the Calculation Agent are entitled to effect adjustments according to the Product Documentation. Such adjustments might have a negative impact on the value of the Product.</p>
Illiquidity risk in secondary market	<p>The Issuer or the Lead Manager, as applicable, intends, under normal market conditions and using commercially reasonable efforts, to provide bid and/or offer prices for this Product on a regular basis. Potential Investors should note that any prices will be determined by the Issuer or the Lead Manager, as applicable, in its sole discretion, will typically include a spread and therefore may deviate from the market value of the Product. Hence, Investors might sell at a price considerably lower than the actual price of the Product at the time of its sale. By selling the Product in the secondary market Investors may receive less than the capital invested.</p>
Market Disruption risk	<p>Investors are exposed to market disruption events (such as trading disruption, exchange disruption and early closure of the relevant exchange), which could have an impact on the redemption amount through delay in payment, change in value or suspension of trading in the Product in the secondary market.</p> <p>Where the Issuer is completely unable to enter into hedging transactions, for reasons not related to activities of the Issuer, or when entering into such hedging transactions would lead to a commercially unreasonable result, for reasons not related to activities of the Issuer, as determined in the reasonable discretion of the Issuer or the Lead Manager, as applicable, the spread between the bid and offer prices in the secondary market may be temporarily expanded, in order to limit the economic risks of the Issuer.</p> <p>For a detailed description of such events and their effects please refer to the Product Documentation.</p>

Calculation Agent's discretion	The Calculation Agent has a broad discretionary authority to make various determinations and adjustments under the Products, any of which may have an adverse effect on the value and/or the amounts payable under the Products. 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 Products. Where the Calculation Agent is required to make a determination it may do so without taking into account the interests of the holders of the Product.
Withholding tax	Investors in this Product should note that any payment under this Product may be subject to withholding tax (such as, inter alia, Swiss Withholding Tax, and/or withholding related to FATCA or 871(m) of the US Tax Code). <b>Any payments due under this Product are net of such tax.</b> Please refer to the General Terms and Conditions for detailed information. If the Issuer is required to withhold any amount pursuant to Section 871(m) or FATCA of the U.S. Tax Code, the Issuer will not be required to pay additional amounts with respect to the amount so withheld.

### Risk Factors relating to the Issuer

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

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

## 4. Additional Information

### Product Documentation

This document ("**Final Terms**") contains the final terms for the Product. It does not constitute a Simplified Prospectus pursuant to Article 5 CISA. The prospectus requirements of Article 652a/Article 1156 of the Swiss Code of Obligations are not applicable.

These Final Terms together with the 'General Terms and Conditions for Structured Products on Equity, Commodity and Index Underlyings', stipulated in English and as amended from time to time ("**General Terms and Conditions**") shall form the entire documentation for this Product ("**Product Documentation**"), and accordingly the Final Terms should always be read together with the General Terms and Conditions. The Final Terms may be provided in various languages, however, only the English version will be relevant and any translations are for convenience only. Definitions used in the Final Terms, but not defined therein shall have the meaning given to them in the General Terms and Conditions.

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

### Important Information

The information herein 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 Product to which this document relates. UBS may provide investment banking and/or 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 Product may have an impact on the price of the underlying asset(s) and may affect the likelihood that any relevant barrier(s) is/are 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 ("**Distribution Fees**"). Distribution Fees, if any, are disclosed in section 1 of this document and reflect the maximum amount a dealer or financial institution may receive from UBS; the actual amount may be lower.

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

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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 in the Product to which this document relates will be exclusively subject to the detailed provisions, including risk considerations, contained in 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. 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 Investors that are not paid by UBS or imposed by it. Please refer to the Product Documentation for further information.

### **Index Disclaimer**

The CBOE S&P 500 OTM BuyWrite Index is a product of S&P Dow Jones Indices LLC ("SPDJI"), and has been licensed for use by the Issuer. Standard & Poor's®, S&P® and S&P 500® are registered trademarks of Standard & Poor's Financial Services LLC ("S&P"); Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC ("Dow Jones"); and these trademarks have been licensed for use by SPDJI and sublicensed for certain purposes by the Issuer. This Product is not sponsored, endorsed, sold or promoted by SPDJI, Dow Jones, S&P, their respective affiliates, and none of such parties make any representation regarding the advisability of investing in such product(s) nor do they have any liability for any errors, omissions, or interruptions of the S&P 500 Index.

### **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.**

**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.**

**European Economic Area** - In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") no offer of the Products has been or will be made to the public in that Relevant Member State except that, with effect from and including the Relevant Implementation Date, an offer of such Products to the public may be made in that Relevant Member State:

- (a) Qualified investors: at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (b) Fewer than 150 offerees: at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive);
- (c) An offer of Products addressed to investors who acquire Products for a total consideration of at least EUR 100,000 per investor, for each separate offer; and/or
- (d) Other exempt offers: at any time in any other circumstances falling within Article 3 (2) of the Prospectus Directive, provided that no such offer of Products referred to in (a) to (c) above shall require the publication of a prospectus pursuant to Article 3 of the Prospectus Directive, or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression "offer of Securities to the public" in relation to any Products in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Products to be offered so as to enable an investor to decide to purchase or subscribe the Products, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression "Prospectus Directive" means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU), and includes any relevant implementing measure in the Relevant Member State.

**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.

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**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 (Chapter 289) of Singapore (the "SFA"), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

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

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

**UK** - For the purpose of non-discretionary accounts, this Product should not be sold with a consideration of less than EUR 100,000 or equivalent.

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

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## Appendix

This Appendix describes the methodology in accordance with which the Underlying Level in respect of any Index Business Day shall be calculated.

The Underlying is a notional strategy exposure to the CBOE Standard & Poor's 500 2% OTM BuyWrite Index (the "**Core Underlying**") along with a currency hedging overlay comprising of notional foreign exchange forward contracts. The Core Underlying is an index designed to track the performance of a hypothetical buy-write strategy which involves a notional long exposure to the S&P 500 Total Return Index and a notional short exposure (rolled periodically) to a call option with a target strike price of 102%.

### Information on Underlying

Core Underlying	Initial Core Underlying Level
<b>CBOE Standard &amp; Poor's 500 2% OTM BuyWrite Index</b> Bloomberg code: BXY Index	USD 2,015.49

### Calculation of the Underlying Level

In respect of the Pricing Date, the Underlying Level shall equal 100.00.

In respect of any subsequent Index Business Day t (with the exception of the Expiration Date or the Effective Exercise Date), the Underlying Level ( $U_t$ ) is calculated as:

$$U_t = U_r \times \left[ \frac{CU_t}{CU_r} \times \frac{USDEUR_t}{USDEUR_r} - \left( \frac{USDEUR Forward_{t,r+1}}{USDEUR Forward_{r,r+1}} - 1 \right) \right]$$

Where:

$U_r$ =	The Underlying Level in respect of the immediately preceding Rebalancing Date. For the avoidance of doubt, if Index Business Day t is also a Rebalancing Date, then the Underlying Level in respect of the immediately preceding Rebalancing Date shall be used.
$CU_t$ =	The official Core Underlying Level in respect of Index Business Day t.
$CU_r$ =	The official Core Underlying Level in respect of the immediately preceding Rebalancing Date. For the avoidance of doubt, if Index Business Day t is also a Rebalancing Date, then the official Core Underlying Level in respect of the immediately preceding Rebalancing Date shall be used.
$USDEUR_t$ =	The foreign exchange rate in the convention USD:EUR in respect of Index Business Day t, as published on the FX Rate Price Source.
$USDEUR_r$ =	The foreign exchange rate in the convention USD:EUR in respect of the immediately preceding Rebalancing Date. For the avoidance of doubt, if Index Business Day t is also a Rebalancing Date, then the foreign exchange rate in respect of the immediately preceding Rebalancing Date shall be used. In respect of the Pricing Date, $USDEUR_0$ shall be 0.84962.
$USDEUR Forward_{t,r+1}$ =	The forward foreign exchange rate in the convention USD:EUR in respect of Index Business Day t with a maturity date that is the immediately following Rebalancing Date, as determined by the Calculation Agent with reference to the foreign exchange rate published on the FX Rate Price Source.
$USDEUR Forward_{r,r+1}$ =	The forward foreign exchange rate in the convention USD:EUR in respect of the immediately preceding Rebalancing Date with a maturity date that is the immediately following Rebalancing Date, as determined by the Calculation Agent with reference to the foreign exchange rate published on the FX Rate Price Source. For the avoidance of doubt, if Index Business Day t is also a Rebalancing Date, then the forward foreign exchange rate in respect of the immediately preceding Rebalancing Date with the maturity date that is the current Index Business Day t shall be used. In respect of the Pricing Date, $USDEUR Forward_0$ shall be 0.84780.

The FX Rate Price Source is the foreign exchange rate as published on Bloomberg Page WMCO in respect of the fixing at 16:00 London time, or any successor page as determined by the Calculation Agent. For the avoidance of doubt, if the foreign exchange rate is expressed in the convention EUR:USD, then one divided by such published rate shall be used.

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The official Core Underlying Level constitutes the closing or settlement price of the Core Underlying as published on the Core Underlying Price Source, which is the Bloomberg page stated under "Information on Underlying" above.

The Rebalancing Date shall be the last Index Business Day in each calendar month.

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