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Termsheet

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FINAL – Maturity Extension

pages 4 (including this page)

subject **Multi-Strategy Index Basket Euro Certificates**

Maturity extended from 31 March 2013 to 31 March 2018.

Issuer	UBS AG, Frankfurt
Lead Manager	UBS AG, Frankfurt
Type	Index Linked Certificate
Underlying	Multi-Strategy Index Basket (the "Basket"), a basket with a passive allocation between four actively managed Indices . The Indices within the Basket are calculated and maintained by Global Asset Management Limited, London (both the 'Index Sponsor' and the 'Index Calculation Agent'). (See Basket Components for description of Indices). The Indices comprise a number of Index Components which may include Alternative Investment (AI) Funds, a currency hedging program and from time to time cash or money market components ("Index Components"). The level of the Basket is based on the performance of the Indices (in turn dependent on the performance of the Index Components).
Closing Date	The initial period for subscription at the Initial Issue Price ends at 12:00pm CET on 26 March 2003
Issue Date	31 March 2003
Payment Date	31 March 2003
Maturity	31 March 2018 (extended from 31 March 2013), extendable at the option of the issuer for additional 5 year periods, on a rolling basis, with a notice period of 180 Calendar days. There is no limit to the number of times the issuer may extend the maturity of the Certificates.
Currency	EUR
Number of Certificates	Up to 20,000

Multiplier	10 (one certificate represents 10 Basket units)
Initial Issue Price	EUR 10,000
$Basket_{Initial}$	1,000.00 points
Basket Components	$Index_{MMN}$ = An Index whose performance reflects the weighted performance (less Index Fees and certain administration costs) of a portfolio of Alternative Investment managers engaged primarily in Market Neutral type AI strategies. $Index_{MA}$ = An Index whose performance reflects the weighted performance (less Index Fees and certain administration costs) of a portfolio of Alternative Investment managers engaged primarily in Arbitrage type AI strategies. $Index_{D2}$ = An Index whose performance reflects the weighted performance (less Index Fees and certain administration costs) of a portfolio of Alternative Investment managers engaged in a Diversified range of AI strategies. $Index_{T4}$ = An Index whose performance reflects the weighted performance (less Index Fees and certain administration costs) of a portfolio of Alternative Investment managers engaged primarily in Trading type AI strategies. Index Fees: A fee equivalent to 1.76% per annum will be charged to each Index based on the Weighted Closing Valuations of the Index Components.
Index Units in Basket	$Index\ Units_i = (Basket_{Initial} * Initial\ Allocation_i) / Index\ Strike_i$ **Initial Allocations:** $Index_{MMN}$ = 30% $Index_{MA}$ = 30% $Index_{D2}$ = 20% $Index_{T4}$ = 20%
Basket Calculation	The Basket Calculation Agent will calculate and announce on a one-month delayed basis (t + 1) (the 'Basket Calculation Date') the level of the Basket at the end of the current month (t) (the 'Basket Valuation Date'). The level of the Basket will be calculated according to the following formula:
	Basket(t) = **Basket(t-1) * [Index Aggregate(t) / Index Aggregate(t-1)] * [100%- Certificate Fee]**
	Index Aggregate = **$Index\ Value_{MMN} + Index\ Value_{MA} + Index\ Value_{D2} + Index\ Value_{T4}$**
	$Index\ Value_i = Index\ Units_i * Index\ Level_i$
	Basket (t): Closing Level of the Basket at the end of month(t)
	Basket (t-1): Closing Level of the Basket at the end of the previous month (t - 1)
	Index Aggregate(t): The sum of the individual Index on Basket Valuation Date (t), as calculated by the Basket Calculation Agent on the relevant Basket Calculation Date

	Index Aggregate(t-1):	The sum of the individual Index on Basket Valuation Date (t - 1), as previously calculated by the Basket Calculation Agent on the relevant Basket Calculation Date
	Certificate Fee:	A monthly certificate fee equivalent to 0.90% per annum will be charged to the Basket. This fee will be accrued on a daily basis and will be based on the daily Weighted Closing Valuations of the Indices.
Index Strike	The level of each Index as observed on the Strike Date.	
Strike Date	31 March 2003	
Index Level	The level of each Index as observed on each date following the Strike Date	
Final Redemption Amount	[Basket(final) / Basket(initial)] * Multiplier * 1000	
	Basket(final):	The level of the Basket at the Maturity Date as calculated by the Basket Calculation Agent and published by the Certificate Agent based on the valuation of each Index included in the Basket multiplied by their respective weights on the Maturity Date.
Settlement of Final Redemption Amount	The Final Redemption Amount will be transferred within 8 Business days following the Basket Calculation Date relating to the Maturity date.	
Early Redemption	At the option of the Issuer in full.	
	Quarterly, based on the level of the Basket as at the calendar-quarter end, subject to 100 Calendar days notice being given prior to the relevant calendar-quarter end (the 'Early Maturity Date').	
Early Redemption Amount	[Basket(ER) / Basket(initial)] * Multiplier * 1000	
	Basket(ER):	The level of the Basket at the Early Maturity Date as calculated by the Basket Calculation Agent and published by the Certificate Agent based on the valuation of each Index included in the Basket multiplied by their respective weights on the Early Maturity Date.
Settlement of the Early Redemption Amount	The Early Redemption Amount will be transferred 8 Business days following the Index Calculation Date relating to the Early Maturity date.	
Business Days	Frankfurt, London and New York	
Banking Days	Day on which TARGET and New York are open and Clearstream settles payment	
Legal Form	Global Certificate deposited with Clearstream Banking AG, Frankfurt	
Liquidity	Daily bid/offer depending on size, market conditions and Bid Discount Fee	
Bid Discount Fee	UBS bid on the Certificates will be discounted as follows: - Prior to 31 March 2004 - 1.50%; - 31March 2004 to 31 March 2005 - 0.75% - Post 31 March 2005 - Nil %	
Governing Law	German	
Selling Restrictions	US persons (see section on selling restrictions set forth in the Private Placement Memorandum)	
Settlement	Euroclear/Clearstream	
Security Number	WKN 736396, ISIN DE0007363962, Common Code 16506796, Valoren 1571697	

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Pricing Information	Reuters page 736396=UBSF
Minimum Trading Size	1 Certificate
Index Sponsor	Global Asset Management Limited, London
Index Calculation Agent	Global Asset Management Limited, London
Basket Calculation Agent	UBS AG London Branch
Certificate Agent	UBS AG, Frankfurt
Risk Information	This product may be distributed on a Limited Offer basis to a selected range of investors without public advertising only. The Issuer is part of the UBS group and the underlying indices are maintained by a member of the UBS group. This product does not represent a share in an investment fund and thus is not subject to the supervision of the Swiss Federal Banking Commission (Eidgenössische Bankenkommission). Therefore, investors in the Certificates are not eligible for the specific investor protection under the Swiss Federal Law on Investment Funds. The proceeds of these Certificates will be used for general corporate purposes and will not be used in Switzerland. This product is a high-risk investment instrument as the Certificate holder is neither entitled to redemption of the capital invested nor to payment of interest or dividends. The amounts payable on the Certificates primarily depend on the value of the Basket of Indices, the value of which in turn depends on the value of the Index Components within each individual Index. In particular, neither UBS AG, Frankfurt, UBS AG London Branch nor Global Asset Management Limited, London assume any liability vis-à-vis the Certificate holders as to the economic success or failure of the investment in the Certificates or the performance of the Basket or the individual Indices. For additional risk information, please consult the Private Placement Memorandum.
Issuer Contacts	Risk Management Products, AIS Group, UBS , Frankfurt +49 69 1369 8989, Switzerland +41 1 239 3939, London +44 20 7568 4190

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Purchase of the security is subject to and should be read in conjunction with the terms and conditions of the security for the issue.

This security may not be offered, sold or delivered within the United States or to U.S. persons.

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