



UNION BANCAIRE PRIVÉE

## **Base Prospectus**

November 30, 2023

of

**Union Bancaire Privée, UBP SA, Geneva, Switzerland**

which may also be acting through its branch:

**Union Bancaire Privée, UBP SA, Jersey Branch, St. Hélier, Jersey**

for the issuance of investment products, leverage products and debt instruments

This Base Prospectus has been approved on November 30, 2023 by SIX Exchange Regulation Ltd as reviewing body (the "Reviewing Body") under the Financial Services Act.

**The securities issued from time to time under this Base Prospectus do not constitute a collective investment scheme within the meaning of the Swiss Federal Act on Collective Investment Schemes ("CISA"). Therefore, they are not subject to authorisation by the Swiss Financial Market Supervisory Authority FINMA ("FINMA") and potential investors do not benefit from the specific investor protection provided under the CISA and are exposed to the credit risk of Union Bancaire Privée, UBP SA.**

## **Introduction to this Document**

Union Bancaire Privée, UBP SA, Geneva, Switzerland, a corporation under the laws of Switzerland, which may also be acting through its branch Union Bancaire Privée, UBP SA, Jersey Branch, (the "Issuer") may from time to time issue under this Base Prospectus investment products, leverage products and debt instruments (the "Products").

This document constitutes the Base Prospectus within the meaning of article 45 of the Swiss Financial Services Act ("FinSA"), which may be amended or supplemented from time to time, and together with the relevant Final Terms prepared for the issuance of a particular Product shall form the documentation for the issuance and contain the full legally binding terms and conditions of a particular Product.

Products issued under this Base Prospectus may be listed on the SIX Swiss Exchange Ltd ("SIX Swiss Exchange") and be admitted to trading on the SIX Swiss Exchange and/or listed and traded on any other exchange or trading venue, as specified in the relevant Final Terms.

In this Base Prospectus, the investment products, leverage products and debt instruments issued hereunder are generically referred to as "Products" without expressing any views as to their particular features or legal qualification.

Where appropriate and in accordance with the SSPA Swiss Derivative Map 2023 (see "www.sspa.ch/en"), investment products and leverage products may also be referred to more specifically as

### **Capital Protection Products (SSPA Category 11)**

Capital Protection Note with Participation (SSPA Category 1100)  
 Capital Protection Note with Barrier (SSPA Category 1130)  
 Capital Protection Note with Twin-Win (SSPA Category 1135)  
 Capital Protection Note with Coupon (SSPA Category 1140)

### **Yield Enhancement Products (SSPA Category 12)**

Discount Certificate (SSPA Category 1200)  
 Barrier Discount Certificate (SSPA Category 1210)  
 Reverse Convertible (SSPA Category 1220)  
 Barrier Reverse Convertible (SSPA Category 1230)  
 Conditional Coupon Reverse Convertible (SSPA Category 1255)  
 Conditional Coupon Barrier Reverse Convertible (SSPA Category 1260)

### **Participation Products (SSPA Category 13)**

Tracker Certificate (SSPA Category 1300)  
 Outperformance Certificate (SSPA Category 1310)  
 Bonus Certificate (SSPA Category 1320)  
 Bonus Outperformance Certificate (SSPA Category 1330)  
 Twin-Win Certificate (SSPA Category 1340)

### **Investment Products with Additional Credit Risk (SSPA Category 14)**

Credit Linked Note (SSPA Category 1400)

Conditional Capital Protection Note with Additional Credit Risk (SSPA Category 1410)  
 Yield Enhancement Certificate with Additional Credit Risk (SSPA Category 1420)  
 Participation Certificate with Additional Credit Risk (SSPA Category 1430)

### **Leverage Products (SSPA Category 20)**

Warrant (SSPA Category 2100)  
 Spread Warrant (SSPA Category 2110)  
 Warrant with Knock-Out (SSPA Category 2200)  
 Mini-Future (SSPA Category 2210)  
 Constant Leverage Certificate (SSPA Category 2300)

Further, where appropriate debt instruments may be referred to more specifically as

### **Fixed Rate Notes**

### **Floating Rate Notes**

In this Base Prospectus, the Capital Protection Products, Yield Enhancement Products, Participation Products and Investment Products with Additional Credit Risk are also referred to as "investment products"; Warrants, Spread Warrants, Warrants with Knock-Out, Mini-Futures and Constant Leverage Certificates are also referred to as "leverage products"; and Fixed Rate Notes and Floating Rate Notes are also referred to as "debt instruments".

For further information on the products issued under this Base Prospectus refer to section "Description of Products" and for information on the risk relating to the Products and the Issuer refer to sections "Risk Factors – Risk Factors Relating to the Products" and "Risk Factors – Risk Factors Relating to the Issuer".

The Products may be linked to an underlying reference asset or underlying reference assets and the settlement amount, redemption amount, interest amount, coupon amount and/or early payment amount as well as any other payment or delivery obligation under the Products may be calculated by reference to an underlying reference asset or underlying reference assets, as specified in the relevant Final Terms, such as: (a) a share or a basket of shares, (b) an index or a basket of indices, (c) a commodity or a basket of commodities, (d) a foreign exchange rate or a basket of foreign exchange rates, (e) a fund or a basket of funds, (f) a bond or a basket of bonds, (g) the credit of a specified reference entity or obligations, (h) an interest rate or a basket of interest rates, (i) a futures contract or a basket of futures contracts, (j) a reference rate or a basket of reference rates or (j) a combination of any of the above and/or one or more other types of reference assets (each an "Underlying Asset(s)" or "Underlying (s)" or "Underlying Reference Asset(s)").

The Products are subject to provisions which provide for various adjustments and modifications of their terms and alternative means of valuation of the Underlying Reference Asset(s) in certain circumstances, any of which provisions could be exercised by the Issuer and/or Calculation Agent in a manner which has an adverse effect on the market value and/or amount payable or deliverable in respect of such Products.

The Products are complex financial instruments. Accordingly, investments in the Products require a thorough understanding of the nature of Products. Potential investors in Products should ensure that they have sufficient knowledge and experience with respect to an investment in complex financial instruments, understand the Terms and Conditions to the relevant Products and be

familiar with financial markets in order to make a meaningful evaluation of the Products, the merits and risks of investing in the Products.

Potential investors in Products should consider the suitability of such an investment in light of such investor's particular circumstances and should ensure that they have sufficient financial resources to bear all risks of an investment in the respective Products and should be aware that a sale of the Products may not be possible immediately or at all.

The terms and conditions of the Products (the "Terms and Conditions") are composed of the following parts:

- the "General Terms and Conditions" set out under Section "General Terms and Conditions of the Products";
- the "Underlying Specific Terms and Conditions" set out under Section "General Terms and Conditions of the Products"; and
- the "Product Specific Terms and Conditions" set out in the relevant Final Terms.

The Product Specific Terms and Conditions contained in the Final Terms for a specific Product shall complete and/or amend the General Terms and Conditions and the Underlying Specific Terms and Conditions, if applicable, for the purpose of such Product.

## Important Notice

### General restriction on distribution of this Base Prospectus

The distribution of this Base Prospectus and the offering or sale of the Products in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus comes are required by the Issuer to inform themselves about and to observe any such restriction. **The publication of this Base Prospectus is not intended as an offer or solicitation for the purchase or sale of any financial instrument in any jurisdiction where such offer or solicitation would violate the laws of such jurisdiction.**

### No obligation to offer and sell Products

There is no obligation upon the Issuer to offer and sell all of the Products of any issue and the Issuer may at any time issue and offer fungible tranches of any Products. The Products of any issue may be offered and sold from time to time in one or more transactions in the over-the-counter market or otherwise at prevailing market prices or in negotiated transactions, at the discretion of the Issuer, as the case may be, subject as provided above.

### Not a recommendation to invest in the Products

This Base Prospectus should not be considered as a recommendation by the Issuer to invest in the Products. The Issuer does not make any representation, express or implied, as to the performance of the Products either in absolute terms or relative to competing investments. Each potential purchaser of Products should determine for himself or herself or itself the relevance of the information contained in this Base Prospectus and the relevant Final Terms and any purchase of Products should be based upon such investigation as such potential purchaser deems necessary.

**Potential investors should ensure that they have sufficient knowledge to evaluate and understand the risks and benefits of an investment in a relevant Product and to consider the suitability of the relevant Products as an investment in light of their own circumstances, investment objectives, tax position and financial condition by consulting their own professional financial, accounting, legal and tax advisors.**

### The information in this Base Prospectus is subject to change

Neither the delivery of this Base Prospectus nor any offer or sale of Products made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date of the relevant Final Terms or that there has been no adverse change in the financial position of the Issuer since the date of the relevant Final Terms or that any other information supplied in connection with the offer or sale of Products is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

### Forward looking statements

This Base Prospectus (including any document incorporated by reference) includes forward-looking statements that are based on the future financial development or future financial results, as well as other statements that are not historical facts. Forward-looking statements can be identified by the use of terms such as 'believe', 'expect', 'plan', 'project', 'estimate', 'anticipate',

'intend', 'aim', 'assume', 'may', 'could', 'will' and other similar expressions. These statements are based on assumptions and expectations that the issuer considers to be realistic as of the date of this Base Prospectus, but that could subsequently prove to be incorrect. Such statements are inherently uncertain and subject to a variety of circumstances, many of which are beyond the Issuer's control. A description of some of the risks associated with the Issuer and the Products is provided in section III headed „Risk Factors". Should one or more of these risks materialise, or should the assumptions on which the description of the risks is based prove to be incorrect, the actual outcome and results could differ significantly from the current assessment.

Due to this uncertainty of future developments, the Issuer assumes no liability in respect to or in connection with the forward-looking statements contained herein and potential investors should not rely on forward-looking statements in any way. The issuer is under no obligation to revise or update forward-looking statements and the description of risk even if new information, future events or other circumstances have made them incorrect or misleading.

### **Certain U.S. restrictions**

The Products have not been and will not be registered under the Securities Act of 1933, as amended, of the United States of America or under the securities law of any state or political subdivision of the United States and trading in the Products have not been approved by the Commodity Futures Trading Commission (the "CFTC") under the United States Commodity Exchange Act of 1936, as amended (the "CEA"). No person has registered and no person will register as a "commodity pool operator" of any Issuer under the CEA and the rules thereunder and no Issuer has been and no Issuer will be registered as an investment company under the United States Investment Company Act of 1940, as amended, and the rules and regulations thereunder. Restrictions have been imposed on offers and sales of the Products and on the distribution of documents relating thereto in the United States.

THE PRODUCTS OFFERED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED WITH, OR APPROVED BY, ANY UNITED STATES FEDERAL OR STATE SECURITIES OR COMMODITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT PASSED UPON OR ENDORSED THE MERITS OF THIS OFFERING OR THE ACCURACY OR ADEQUACY OF THIS BASE PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.

THE PRODUCTS THAT MAY BE ISSUED UNDER THIS BASE PROSPECTUS HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND WILL NOT BE AND MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO U.S. PERSONS, AS DEFINED IN RULE 902(K) OF REGULATIONS PROMULGATED UNDER THE SECURITIES ACT ("REGULATION S") UNLESS THE PRODUCTS ARE REGISTERED UNDER THE SECURITIES ACT, OR AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT IS AVAILABLE. THE PRODUCTS WILL ALSO NOT BE OFFERED TO ANY PERSON WHO COMES WITHIN THE DEFINITION OF U.S. PERSON FOR ANY PURPOSE PROVIDED UNDER THE CEA UNLESS APPLICABLE EXEMPTIONS ARE AVAILABLE FOR ALL PARTICIPANTS INVOLVED IN THE ISSUANCE OF THE PRODUCTS.

ANY UNITED STATES PERSON WHO HOLDS THE PRODUCTS WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS INCLUDING THE

LIMITATIONS PROVIDED IN SECTIONS 165 (j) AND 1287 (a) OF THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS AMENDED.

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## I. Summary

### Introduction

*This summary constitutes a Summary of this Base Prospectus, for purposes of articles 40 para. 3 and 43 of the Financial Services Act ("FinSA"). This Summary is to be read and understood as an introduction to this Base Prospectus (as supplemented from time to time). The specific information on the Products and any public offer or admission to trading of the Products will be set out in the relevant Final Terms.*

*Any decision by an investor to invest in the Products should not be based on this Summary but on a consideration of this Base Prospectus in its entirety, including any information incorporated by reference, and the relevant Final Terms. This Summary is therefore subject to the information contained in the remainder of this Base Prospectus and the relevant Final Terms.*

*Potential investors should be aware that any liabilities for this Summary under article 69 of the FinSA is limited to cases where the information contained herein is misleading, inaccurate or inconsistent when read together with the other parts of this Base Prospectus and the relevant Final Terms.*

<p><b>Information about the Issuer</b></p>	<p>Union Bancaire Privée, UBP SA is incorporated and domiciled at rue du Rhône 96-98, CH-1204 Geneva, Switzerland, as a stock corporation (<i>Aktiengesellschaft; société anonyme</i>) under Swiss law and registered with the commercial register of the Canton of Geneva under the number CHE-105.923.869 and may be acting through its branch Union Bancaire Privée, UBP SA Jersey Branch which is domiciled at 40 Esplanade, P.O. Box 526, Saint Hélier, JE4 5UH Jersey.</p>
<p><b>Product Description</b></p>	<p>Under this Base Prospectus investment products, leverage products and debt instruments may be issued.</p> <p>The product categories and product features of the investment products and leverage products issued under this Base Prospectus are based on the categories and additional product features used in the SSPA Swiss Derivative Map 2023 issued by the Swiss Structured Products Association SSPA (see: <a href="http://www.sspa.ch/en">www.sspa.ch/en</a>). These product categories and products features are not universal and, in different markets or jurisdictions, different products categories and product features may be used for the same product.</p> <p>Each Product issued under this Base Prospectus may be linked to one or more underlying reference asset(s), which may be a share, an index, a foreign exchange rate, a commodity, an interest rate, a bond, a fund, a futures contract, a reference rate, a reference entity as well as a basket or index comprising the aforementioned (the "Underlying Assets"). The performance</p>

	of the Products may depend to a certain degree on the performance of such Underlying Asset(s).
<b>Product Categories</b>	<p>The following product categories may be issued under this Base Prospectus:</p> <p>a) Capital Protection Products (SSPA Category 11)</p> <p>Capital Protection Note with Participation (SSPA Category 1100)  Capital Protection Note with Barrier (SSPA Category 1130)  Capital Protection Note with Twin-Win (SSPA Category 1135)  Capital Protection Note with Coupon (SSPA Category 1140)</p> <p>b) Yield Enhancement Products (SSPA Category 12)</p> <p>Discount Certificate (SSPA Category 1200)  Barrier Discount Certificate (SSPA Category 1210)  Reverse Convertible (SSPA Category 1220)  Barrier Reverse Convertible (SSPA Category 1230)  Conditional Coupon Reverse Convertible (SSPA Category 1255)  Conditional Coupon Barrier Reverse Convertible (SSPA Category 1260)</p> <p>c) Participation Products (SSPA Category 13)</p> <p>Tracker Certificate (SSPA Category 1300)  Outperformance Certificate (SSPA Category 1310)  Bonus Certificate (SSPA Category 1320)  Bonus Outperformance Certificate (SSPA Category 1330)  Twin-Win Certificate (SSPA Category 1340)</p> <p>d) Investment Products with Additional Credit Risk (SSPA Category 14)</p> <p>Credit Linked Note (SSPA Category 1400)  Conditional Capital Protection Note with Additional Credit Risk (SSPA Category 1410)  Yield Enhancement Certificate with Additional Credit Risk (SSPA Category 1420)  Participation Certificate with Additional Credit Risk (SSPA Category 1430)</p> <p>e) Leverage Products (SSPA Category 20)</p> <p>Warrant (SSPA Category 2100)  Spread Warrant (SSPA Category 2110)  Warrant with Knock-Out (SSPA Category 2200)</p>

	<p>Mini-Future (SSPA Category 2210) Constant Leverage Certificate (SSPA Category 2300)</p> <p>In this Base Prospectus, the Capital Protection Products, Yield Enhancement Products, Participation Products and Investment Products with Additional Credit Risk are also referred to as "investment products", whereas Warrants, Spread Warrants, Warrants with Knock-Out, Mini-Futures and Constant Leverage Certificates are also referred to as "leverage products".</p> <p>f) Fixed Rate Notes</p> <p>g) Floating Rate Notes</p>
<b>Specific Product Information</b>	<p>The specific information on the Products (including information on the offer and admission to trading) for a specific public offer or a specific admission to trading of Products will be set out in the relevant Final Terms.</p> <p>In case of a public offer or admission to trading, the relevant Final Terms will be filed with the Reviewing Body and published in accordance with the FinSA as soon as the Final Terms of such Products are available, but, in the case of an admission to trading, in any case no later than the first day of trading for such Products. Such Final Terms are not subject to review or approval by the Reviewing Body..</p>
<b>Approval of the Base Prospectus by the Reviewing Body</b>	<p>This Base Prospectus is dated and was approved as a base prospectus with the meaning of article 45 of the FinSA by SIX Exchange Regulation Ltd, Hardturmstrasse 201, CH-8005 Zurich, Switzerland, as reviewing body under the FinSA, on November 30, 2023</p>

## II. Description of Products

### A. General Information about the Products

The investment products, leverage products and debt instruments (the "**Products**") that may be issued under this Base Prospectus are generically referred to as "Products" without expressing any views as to their particular features or legal qualification. The main categories of Products that may be issued under this Base Prospectus are set out below.

In this Base Prospectus, the Capital Protection Products, Yield Enhancement Products, Participation Products and Investment Products with Additional Credit Risk are also referred to as "investment products"; Warrants, Spread Warrants, Warrants with Knock-Out, Mini-Futures and Constant Leverage Certificates are also referred to as "leverage products"; and Fixed Rate Notes and Floating Rate Notes are also referred to as "debt instruments".

The below listed product categories and product features for investment products and leverage products are based on the categories and additional product features used in the "SSPA Swiss Derivative Map 2023" issued by the Swiss Structured Products Association SSPA (see "www.sspa.ch/en"). These product categories and product features are not universal and, in different markets or jurisdictions, different products categories and product features may be used for the same product.

Each Product issued under this Base Prospectus may be linked to one or more underlying reference assets, which may be a share, an index, a foreign exchange rate, a commodity, an interest rate, a bond, a fund, a futures contract, a reference rate, a reference entity as well as a basket or index comprising the aforementioned (each an "**Underlying Asset(s)**" or "**Underlying(s)**" or "**Underlying Reference Asset(s)**"). The performance of the Product may depend to some degree on the performance of such Underlying Asset(s).

## **B. Product Categories**

The main categories of Products that may be issued under this Base Prospectus are described below. The Issuer may issue other investment products, leverage products and debt instruments under this Base Prospectus than those listed below or to modify the below listed products. Such Products may have characteristics, which partially or significantly deviate from those of the main categories of investment products, leverage products and debt instruments described below. Additional information on the Product may be included in the relevant Final Terms.

### **Capital Protection Products (SSPA Category 11)**

Capital Protection Note with Participation (SSPA Category 1100)  
 Capital Protection Note with Barrier (SSPA Category 1130)  
 Capital Protection Note with Twin-Win (SSPA Category 1135)  
 Capital Protection Note with Coupon (SSPA Category 1140)

### **Yield Enhancement Products (SSPA Category 12)**

Discount Certificate (SSPA Category 1200)  
 Barrier Discount Certificate (SSPA Category 1210)  
 Reverse Convertible (SSPA Category 1220)  
 Barrier Reverse Convertible (SSPA Category 1230)  
 Conditional Coupon Reverse Convertible (SSPA Category 1255)  
 Conditional Coupon Barrier Reverse Convertible (SSPA Category 1260)

### **Participation Products (SSPA Category 13)**

Tracker Certificate (SSPA Category 1300)  
 Outperformance Certificate (SSPA Category 1310)  
 Bonus Certificate (SSPA Category 1320)  
 Bonus Outperformance Certificate (SSPA Category 1330)  
 Twin-Win Certificate (SSPA Category 1340)

### **Investment Products with Additional Credit Risk (SSPA Category 14)**

Credit Linked Note (SSPA Category 1400)

Conditional Capital Protection Note with Additional Credit Risk (SSPA Category 1410)

Yield Enhancement Certificate with Additional Credit Risk (SSPA Category 1420)

Participation Certificate with Additional Credit Risk (SSPA Category 1430)

### **Leverage Products (SSPA Category 20)**

Warrant (SSPA Category 2100)

Spread Warrant (SSPA Category 2110)

Warrant with Knock-Out (SSPA Category 2200)

Mini-Future (SSPA Category 2210)

Constant Leverage Certificate (SSPA Category 2300)

### **Fixed Rate Notes and Floating Rate Notes**

For a more detailed explanation of the products, including calculation examples, investors should contact their relationship manager and/or professional advisor.

### **C. Description of Certain Product Features**

Products issued under this Base Prospectus may provide for one or more of the following product features.

AMC	Actively Managed Certificates. These products are based on a dynamic strategy. The composition of the underlying basket may be altered during the lifetime of the product depending on the predefined investment guidelines (discretionary or rule based).
American Barrier	In contrast to the European Barrier, any day during the term of the Product is relevant for monitoring the barrier.
Asian Option	Uses the average underlying price over a number of predefined periods (monthly, quarterly, annually) rather than the price at a specific time.
Auto-Callable	If, on an observation day, the price of the Underlying Reference Asset(s) is either on or above (bull) or on or below (bear) a previously defined barrier ("autocall trigger"), the Product is redeemed prior to maturity.
Barrier	Barriers denote a threshold for the price of the Underlying Reference Asset(s). Outperforming or failing to reach the barrier changes the Product's repayment conditions (payoff).
Bearish; with a bear feature	The Product benefits from falling prices of the Underlying Reference Asset(s).

Best-of	The return of the Product depends on the performance of the best performing Underlying Reference Asset(s). If a best-of scenario is triggered, the redemption amount or physical delivery is defined by the Underlying Reference Asset(s) with the best performance/price development on maturity.
Bullish; with a bull feature	The Product benefits from rising prices of the Underlying Reference Asset(s).
Callable / Soft-Callable	The Issuer has the right to cancel early, however, there is no obligation to do so.
Capped Participation	The Product has a maximum yield.
Cash Settlement	If a Product reaches the end of its term, the investor receives the value of the product (at the time of final fixing) in cash on the redemption date.
Conditional Coupon	A scenario exists where the coupon is not repaid (coupon at risk) or an unpaid coupon can be recouped at a later date (memory coupon).
COSI /TCM	The Issuer of Collateral Secured Instruments provides SIX Swiss Exchange with collateral covering their current value. For the investor this means protection in case of issuer default. Tri-party collateral management (TCM) offering features real-time exposure coverage and collateral structure.
European Barrier	Only the last-day closing price is relevant for monitoring the barrier.
Floor	Represents a minimum amount which is redeemed at the Product's expiry, independent of the performance of the Underlying Reference Asset(s).
Invers	The Product performs in inverse proportion to the Underlying Reference Reference Asset(s).
Knock-In/Knock-out	Is an event on a relevant valuation day, which causes a breach of a relevant barrier as defined in the terms and conditions of the Product.
Lock-in	If the lock-in level is reached, the minimum repayment is a preassigned amount regardless of future development of the Underlying Reference Asset(s).
Look-back	Barrier and/or strike are set with a time delay (look-back phase).
Open-end	The Product does not have a predetermined fixed maturity.



Outperformance	Outperformance Certificates allow client to participate disproportionately in the positive performance of the underlying upon maturity.
Partial Capital Protection	Capital protection is between 90% and 100% of the nominal value.
Participation	This indicates to what proportion the investor profits from the price performance of the Underlying Reference Asset(s). This can be 1:1, over- or underproportional.
Physical delivery	At maturity, depending on the structure of the product, there may be a physical delivery, i.e. a transfer of the Underlying Reference Asset(s) to the investor's securities account.
Puttable	The investor has the right to return the product to the issuer on certain days during the term.
Variable Coupon	The coupon amount can vary depending on a predefined scenario.
Worst-of	The return of the Product depends on the performance of the worst performing Underlying Reference Asset(s). If a worst-of scenario is triggered, the redemption amount or physical delivery is defined by the Underlying Reference Asset(s) with the worst performance/price development on maturity.

The above list of product features is not exhaustive and a particular Product may have other product features as set out in the respective Final Terms.

#### **D. Explanation of Mechanism of Certain Product Categories**

##### **1. Capital Protection Products (SSPA Category 11)**

Capital Protection Products are primarily targeted at investors that wish to at least recover their invested capital or the main part of it at maturity, irrespective of the market's performance.

"Capital Protection Products" may be targeted at investors that (i) expect the value of the Underlying Reference Asset(s) to increase (or, in the case of Products with a bear feature, to decrease) but (ii) cannot exclude a sharp decrease (or, in the case of Products with a bear feature, a sharp increase) of the value of the Underlying Reference Asset(s) throughout the term of such Products.

Capital Protection Products provide for a specific minimum redemption amount. The level of the minimum redemption amount representing the level of capital protection indicates the percentage of the nominal or par value of the Product that the investor will be entitled to at the settlement date. It is set by the Issuer at the time of the issuance and it applies only at the end of the term or at maturity. The Issuer may set the level of the minimum redemption amount representing the level of capital protection below 100% of the nominal or par value of the Product (partial capital

protection). Capital protection therefore does not mean that the investor is entitled to a redemption amount equal to the full nominal or par value of the Product. The potential loss is limited by the minimum redemption amount, subject to the credit risk of the Issuer.

The product category "Capital Protection Products" includes in particular the following product types:

### **1.1 Capital Protection Note with Participation (SSPA Category 1100)**

"Capital Protection Notes with Participation" are primarily targeted at investors that (i) expect the value of the Underlying Reference Asset(s) and its volatility to increase (or, in the case of a Product with a bear feature, the value of the Underlying Reference Asset(s) to decrease) but (ii) consider a sharp decrease of the value of the Underlying Reference Asset(s) to be possible (or, in the case of a Product with a bear feature, a sharp increase of the value of the Underlying Reference Asset(s)).

Capital Protection Notes with Participation allow investors to participate in the performance of the Underlying Reference Asset(s). If the performance is negative or zero (or, in the case of a Product with a bear future, if the performance is positive), the investor are entitled the capital protection amount. If the value of the Underlying Reference Asset(s) has developed favourably (i.e., if the value of the Underlying Reference Asset(s) has increased or, in case of Products with a bear feature, has decreased), the return will exceed the minimum redemption amount of the Product.

### **1.2 Capital Protection Note with Barrier (SSPA Category 1130)**

"Capital Protection Notes with Barrier" are primarily targeted at investors that (i) expect the value of the Underlying Reference Asset(s) to increase (or, in the case of a Product with a bear feature the value of the Underlying Reference Asset(s) to decrease) but (ii) consider a sharp decrease of the value of the Underlying Reference Asset(s) to be possible (or, in the case of a Product with a bear feature, a sharp increase of the value of the Underlying Reference Asset(s)) and (iii) expect that the value of the Underlying Reference Asset(s) will not increase above (or, in case of Products with a bear feature, fall below) the specified barrier throughout the term of such Products.

Capital Protection Notes with Barrier allow investors to participate in the performance of the Underlying Reference Asset(s) up (or, in case of Products with a bear feature, down) to such barrier. If the value of the Underlying Reference Asset(s) has developed favourably (i.e., if the value of the Underlying Reference Asset(s) has increased or, in case of Products with a bear feature, decreased), the return will exceed the minimum redemption amount of the Product but is limited by the level of the specified barrier. In case of a breach of such barrier, the redemption amount will be reduced but be at least equal to the minimum redemption amount.

### **1.3 Capital Protection Note with Twin-Win (SSPA Category 1135)**

"Capital Protection Notes with Twin-Win" are primarily targeted at investors that (i) expect the value of the Underlying Reference Asset(s) to slightly increase or fall but (ii) consider a sharp decrease of the value of the Underlying Reference Asset(s) to be possible and (iii) expect that the value of the Underlying Reference Asset(s) will not increase above a specified upper barrier and not fall below a specified lower barrier throughout the term of such Products.

Capital Protection Notes with Twin-Win allow investors to participate in the absolute performance (positive as well as negative performance) of the Underlying Reference Asset(s) within the upper and lower barrier. If the value of the Underlying Reference Asset(s) has developed favourably (i.e., if the value of the Underlying Reference Asset(s) has increased or decreased but not breached either of the barriers), the return will exceed the minimum redemption amount of the Product but is limited by the level of the upper and lower barrier, respectively. In case of a breach of a barrier, the redemption amount will be reduced but be at least equal to the minimum redemption amount.

#### **1.4 Capital Protection Note with Coupon (SSPA Category 1140)**

"Capital Protection Notes with Coupon" are primarily targeted at investors that (i) expect the value of the Underlying Reference Asset(s) to increase (or, in the case of Products with a bear feature, the value of the Underlying Reference Asset(s) to decrease) but (ii) consider a sharp decrease of the value of the Underlying Reference Asset(s) to be possible (or, in the case of Products with a bear feature, a sharp increase of the value of the Underlying Reference Asset(s)).

Capital Protection Notes with Coupon allow investors to participate in the performance of the Underlying Reference Asset(s) by receiving a periodic coupon payment. The amount of the coupon payment may be fixed or may be variable or conditional and depend on the value of the Underlying Reference Asset(s) at a specific date prior to each coupon payment date (variable coupon). In case of a variable coupon, the amount of the coupon payment increases (or, in case of Products with a bear feature, decreases) if the value of the Underlying Reference Asset(s) has developed favourably (i.e., if the value of the Underlying Reference Asset(s) has increased or, in case of Products with a bear feature, has decreased). In case of a Product with a conditional coupon, the payment of the coupon may depend on the value of the Underlying Reference Asset(s) not breaching a specified barrier (coupon at risk). If such barrier is breached, the investor will not be entitled to a coupon payment on the relevant coupon payment date.

## **2. Yield Enhancement Products (SSPA Category 12)**

Yield Enhancement Products are primarily targeted at investors that are looking for income rather than participation.

"Yield Enhancement Products" may be targeted at investors that expect (i) the value of the Underlying Reference Asset(s) to move sideways or to slightly increase (or, in the case of Products with a bear feature, to slightly decrease) and (ii) the volatility of the Underlying Reference Asset to decrease, in each case, throughout the term of the Product.

Yield Enhancement Products provide for a redemption amount that is limited to a maximum amount (cap) and may provide for (fixed or variable) periodic coupon payments during the term.

Yield Enhancement Products may be linked to several Underlying Reference Assets and may therefore offer a larger discount or coupon than Yield Enhancement Products linked to just one Underlying Reference Asset.

The product category "Yield Enhancement Products" includes in particular the following product types:

## **2.1 Discount Certificate (SSPA Category 1200)**

"Discount Certificates" are primarily targeted at investors that expect the value of the Underlying Reference Asset(s) to move sideways or to slightly increase (or, in the case of Products with a bear feature to slightly decrease), with falling volatility.

Discount Certificates are issued at a discount, i.e., a discount compared to a direct investment in the Underlying Reference Asset(s). The redemption amount depends on the value of the Underlying Reference Asset(s) at redemption. If the value of the Underlying Reference Asset(s) has developed favourably (i.e., if the value of the Underlying Reference Asset(s) at redemption is above or, in case of Products with a bear feature, below) the specified strike price (typically the initial value of the Underlying Reference Asset(s)), the redemption amount will be equal to such strike price.

## **2.2 Barrier Discount Certificate (SSPA Category 1210)**

"Barrier Discount Certificates" are primarily targeted at investors that expect the value of the Underlying Reference Asset(s) (i) to move sideways or to slightly increase (or, in the case of Products with a bear feature, to slightly decrease), with falling volatility, and (ii) not to fall below (or, in case of Products with a bear feature, rise above) the specified barrier throughout the term of the Products.

Barrier Discount Certificates are issued at a discount, i.e., a discount compared to a direct investment in the Underlying Reference Asset(s) and provide for a conditional minimum redemption amount (i.e., the redemption amount is generally at least equal to 100% of the nominal or par value of the Product if the specified barrier is not breached during the term of the Product).

If the value of the Underlying Reference Asset(s) has developed favourably (i.e., if the value of the Underlying Reference Asset(s) did not fall below or, in case of Products with a bear feature, rise above) the specified barrier throughout the term of the Products or, if the barrier is breached, the value of the Underlying Reference Assets at redemption is at or above (or, in case of Products with a bear feature, below) the specified strike price (typically the initial value of the Underlying Reference Asset(s)), the redemption amount will be equal to such strike price.

In contrast to Discount Certificates (SSPA Category 1200), the probability of receiving the maximum redemption amount under Barrier Discount Certificates is higher due to the conditional protection provided by the barrier, although the discount at which they are issued is generally smaller and therefore the return on an investment in Barrier Discount Certificates generally lower.

## **2.3 Reverse Convertible (SSPA Category 1220)**

"Reverse Convertibles" are primarily targeted at investors that expect (i) the value of the Underlying Reference Asset(s) to move sideways or to slightly increase (or, in the case of Products with a bear feature to slightly decrease) and (ii) falling volatility.

Reverse Convertibles allow investors to benefit from an enhanced return by receiving periodic coupon payments. The redemption amount depends on the value of the Underlying Reference Asset(s) at the end of the term of the Product. If the value of the Underlying Reference Asset(s) has developed favourably (i.e., if the value of the Underlying Reference Asset(s) at redemption is above or, in case of Products with a bear feature, below) the specified strike price (typically

the initial value of the Underlying Reference Asset(s)), the redemption amount will generally be equal to the relevant strike price.

#### **2.4 Barrier Reverse Convertible (SSPA Category 1230)**

"Barrier Reverse Convertibles" are primarily targeted at investors that expect the value of the Underlying Reference Asset(s) (i) to move sideways or to slightly increase (or, in the case of Products with a bear feature, to slightly decrease), with falling volatility, and (ii) not to fall below (or, in case of Products with a bear feature, rise above) the specified barrier throughout the term of the Products.

Barrier Reverse Convertibles allow investors to benefit from an enhanced return by receiving a periodic coupon payment and provide for a conditional minimum redemption amount at the end of the term of the Products (i.e., the redemption amount is generally at least equal to 100% of the nominal or par value of the Product if the specified barrier is not breached during the term of the Product).

If the value of the Underlying Reference Asset(s) has developed favourably (i.e., if the value of the Underlying Reference Asset(s) did not fall below or, in case of Products with a bear feature, rise above) the specified barrier throughout the term of the Products or, if the barrier is breached, the value of the Underlying Reference Asset(s) at redemption is at or above (or, in case of Products with a bear feature, below) the specified strike price (typically the initial value of the Underlying Reference Asset(s)), the redemption amount will generally at least be equal to 100% of the nominal or par value of the Product.

In contrast to Reverse Convertibles (SSPA Category 1220), the probability of receiving the maximum redemption amount under Barrier Reverse Convertibles is higher due to the conditional protection provided by the barrier, although the periodic coupon payment and therefore the return on an investment in Barrier Reverse Convertibles is generally lower.

#### **2.5 Conditional Coupon Reverse Convertible (SSPA Category 1255)**

"Conditional Coupon Reverse Convertibles" are primarily targeted at investors that expect the value of the Underlying Reference Asset(s) to increase or to slightly increase (or, in the case of Products with a bear feature, to decrease or slightly decrease), with falling volatility.

Conditional Coupon Reverse Convertibles typically provide for one or more coupon payments in respect of one or more coupon observation dates on which the value of the Underlying Reference Asset(s) is observed. If the value of the Underlying Reference Asset(s) has increased (or in the case of Products with a bear feature, decreased) to a specified threshold, investors are entitled to a coupon payment in respect of such coupon observation date.

If the value of the Underlying Reference Asset(s) has increased and it exceeds (or, in case of Products with a bear feature, has decreased and falls below) a specified threshold (autocall trigger level), such Products are redeemed early on the relevant autocall trigger date and investors are entitled to an early redemption amount generally equal to 100% of the nominal or par value of the Product plus a coupon.

## 2.6 Conditional Coupon Barrier Reverse Convertible (SSPA Category 1260)

"Conditional Coupon Barrier Reverse Convertibles" are primarily targeted at investors that expect (i) the value of the Underlying Reference Asset(s) to increase or to slightly increase (or, in the case of Products with a bear feature, to decrease or slightly decrease), with falling volatility, and (ii) not to fall below (or, in case of Products with a bear feature, rise above) the specified barrier throughout the term of the Product.

Conditional Coupon Barrier Reverse Convertibles typically provide for one or more coupon payments in respect of one or more coupon observation dates on which the value of the Underlying Reference Asset(s) is observed. If the value of the Underlying Reference Asset(s) has increased (or in the case of Products with a bear feature, decreased) to a specified threshold, investors are entitled to a coupon payment in respect of such coupon observation date.

If the value of the Underlying Reference Asset(s) has increased and exceeds (or, in case of Products with a bear feature, has decreased and falls below) a specified threshold (autocall trigger level), such Products are redeemed early on the relevant autocall trigger date and investors are entitled to an early redemption amount generally equal to 100% of the nominal or par value of the Product plus a coupon.

Conditional Coupon Barrier Reverse Convertibles provide for a conditional minimum redemption amount at the end of the term of the Products (i.e., the redemption amount is at least equal to 100% of the nominal or par value of the Product if the specified barrier is not breached during the term of the Product).

If the value of the Underlying Reference Asset(s) has developed favourably (i.e., if the value of the Underlying Reference Asset(s) did not fall below or, in case of Products with a bear feature, rise above) the specified barrier throughout the term of the Products or, if the barrier is breached, the value of the Underlying Reference Asset(s) at redemption is at or above (or, in case of Products with a bear feature, below) the specified strike price (typically the initial value of the Underlying Reference Asset(s)), the redemption amount will at least be equal to 100% of the nominal or par value of the Product.

## 3. Participation Products (SSPA Category 13)

"Participation Products" are primarily targeted at investors (i) that expect the value of the Underlying Reference Asset(s) to increase (or, in the case of Products with a bear feature, to decrease), (ii) but are unwilling or unable to make an investment in the amount required for a direct investment achieving the desired participation in the development of the value of the Underlying Reference Asset(s).

Participation Products generally track the performance of the Underlying Asset(s) and enable investors to participate in the performance of the Underlying Asset(s). Depending on the structure of the Participation Product, investors participate proportionate or disproportionate in the performance of the Underlying Asset(s). The profit an investor may achieve by investing in a Participation Product is theoretically unlimited (unless the Product contains a cap), on the other hand the investor is subject to the risk of a total loss.

The product category "Participation Products" includes in particular the following product types:

### **3.1 Tracker Certificate (SSPA Category 1300)**

"Tracker Certificates" are primarily targeted at investors that expect the value of the Underlying Reference Asset(s) to increase (or, in the case of Products with a bear feature, to decrease). Tracker Certificates allow an investor to participate in the performance of one or more Underlying Reference Assets, which can be equally or unequally weighted. The profit and loss potential of the Tracker Certificates corresponds largely to that of the Underlying Reference Asset(s) and is not limited, unless there is a cap or partial capital protection.

### **3.2 Outperformance Certificate (SSPA Category 1310)**

"Outperformance Certificates" are primarily targeted at investors that expect (i) the value of the Underlying Reference Asset(s) to increase (or, in the case of Products with a bear feature, to decrease) and (ii) the volatility to increase.

Outperformance Certificates allow the investors in such Products to participate in the performance of the Underlying Reference Asset(s). If the defined strike price is reached, the participation of the investor is increased by a participation factor resulting in a disproportionate participation rate in the positive performance above the strike price (or, in case of an Outperformance Certificate with a bear feature, in the negative performance below the strike price) of the Underlying Reference Asset(s). The loss potential of the Outperformance Certificates corresponds largely to that of the Underlying Reference Asset(s) and there is the risk of a total loss, unless there is a partial capital protection.

### **3.3 Bonus Certificate (SSPA Category 1320)**

"Bonus Certificates" are primarily targeted at investors that expect (i) the value of the Underlying Reference Asset(s) to move sideways or to increase (or, in the case of Products with a bear feature, to decrease) and (ii) the Underlying Reference Asset(s) not to reach or breach the defined barrier throughout the term of such Product.

Bonus Certificates allow the investor to participate in the performance of Underlying Reference Asset(s) and provide for a conditional minimum redemption amount at the end of the term of the Bonus Certificates.

If the specified barrier is not reached and not breached during the term of the Bonus Certificate, the investor will receive at least the minimum redemption amount and the potential profit corresponds largely to that of the Underlying Reference Asset(s) and is not limited (unless the Bonus Certificate contains a cap).

If the specified barrier is reached or breached, such "Bonus Certificates" change into "Tracker Certificates", with no capital protection. The loss potential then corresponds largely to that of the Underlying Asset(s) and there is the risk of a total loss, unless there is a partial capital protection.

### **3.4 Bonus Outperformance Certificate (SSPA Category 1330)**

"Bonus Outperformance Certificates" are primarily targeted at investors that expect (i) the value of the Underlying Reference Asset(s) to increase (or, in the case of Products with a bear feature, to decrease) and (ii) the Underlying Reference Asset(s) not to reach or breach the specified barrier throughout the term of such Product.

Bonus Outperformance Certificates allow the investor to participate in the performance of the Underlying Asset(s) and provide for a conditional minimum redemption amount at the end of the term of the Bonus Outperformance Certificates.

If the specified barrier is not reached and not breached during the term of the Bonus Outperformance Certificate, the investor will receive at least the minimum redemption amount.

Furthermore, if the defined strike price is reached, the participation of the investor is increased by a participation factor resulting in a disproportionate participation rate in the positive performance above the strike price (or, in case of a Bonus Outperformance Certificate with a bear feature, in the negative performance below the strike price) of the Underlying Asset(s) and the potential profit is not limited (unless the Bonus Certificate contains a cap).

If the specified barrier is reached or breached during the term of the "Bonus Outperformance Certificates", such "Bonus Outperformance Certificates" change into "Outperformance Certificates", with no capital protection. The loss potential then corresponds largely to that of the Underlying Assets and there is the risk of a total loss, unless there is a partial capital protection.

### **3.5 Twin-Win Certificate (SSPA Category 1340)**

"Twin-Win Certificates" are primarily targeted at investors that expect (i) the value of the Underlying Reference Asset(s) to increase or to slightly decrease (or, in the case of Products with a bear feature, to decrease or slightly increase) and (ii) the Underlying Reference Asset(s) not to breach the defined barrier throughout the term of such Product.

Twin-Win Certificates allow the investor to participate in the performance of the Underlying Reference Asset(s). Profits are possible with both an increasing and slightly decreasing value of the Underlying Reference Asset(s) (or, in the case of Products with a bear feature decreasing or slightly increasing value of the Underlying Reference Asset(s)).

If the value of the Underlying Reference Asset(s) increases above the strike price, the value of the Twin-Win Certificate and the profit corresponds largely to that of the Underlying Reference Asset(s) and the potential profit is not limited (unless the Twin-Win Certificate contains a cap). If the value of the Underlying Reference Asset(s) is below the strike price, but the value of the Underlying Reference Asset(s) did not touch or fall below the barrier throughout the term of such Products, then the negative performance of the Underlying Reference Asset(s) are converted into corresponding profits for investors in the Twin-Win Certificates.

Twin-Win Certificates provide for a conditional minimum redemption amount. The level of the minimum redemption amount representing the level of (partial) capital protection indicates the percentage of the nominal or par value of the Product that the investor will be entitled to at the settlement date, provided the barrier is not reached and not breached.

If the barrier is reached or breached, such Twin-Win Certificates change into Tracker Certificates and the loss potential then corresponds largely to that of the Underlying Reference Asset(s) and there is the risk of a total loss, unless there is a partial capital protection.

## **4. Investment Products with Additional Credit Risk (SSPA Category 14)**

Investment Products with Reference Entities are primarily targeted at investors that expect no credit event to occur with regard to a reference entity or reference obligation.



In addition to the features of the corresponding Capital Protection Products, Yield Enhancement Products or Participation Products on which they are based, "Investment Products with Additional Credit Risk" are also affected by the occurrence of a defined credit event in respect of a reference entity or obligation. If a credit event occurs in respect of a reference entity or reference obligation during the term of the Investment Products with Additional Credit Risk, they will be redeemed at a value which may be significantly below their initial value and as low as zero and investors will make a partial or total loss.

If no credit event occurs, Investment Products with Additional Credit Risk work in the same manner as the corresponding Capital Protection Product, Yield Enhancement Product or Participation Product on which they are based.

The product category "Investment Products with a Reference Entity" includes the following product types:

#### **4.1 Credit Linked Notes (SSPA Category 1400)**

"Credit Linked Notes" are primarily targeted at investors that expect that no credit event to occur with regard to a reference entity or reference obligation.

Generally, if during the term of a Credit Linked Note a credit event or a credit redemption event in respect of the relevant reference entity or reference entities occurs, further coupon payments and the repayment of the entire or part of the redemption amount are jeopardize as specified in the applicable terms and conditions of the respective Credit Linked Note (early redemption). In such case the amount investors receive may be significantly below its initial value and as low as zero and investors will make a partial or total loss. Therefore, in particular, the solvency of a specific reference entity is decisive.

Generally, if during the term of a Credit Linked Note no credit event or credit redemption event occurs in respect of the relevant reference entity resp. reference entities, Credit Linked Notes generally provide for a defined scheduled redemption amount equal to a certain percentage of the relevant outstanding principal amount specified in the applicable terms and conditions, which investors in such Products will receive on the defined scheduled maturity date, provided that the product is not redeemed prior to the scheduled maturity date.

#### **4.2 Conditional Capital Protection Note with Additional Credit Risk (SSPA Category 1410)**

"Conditional Capital Protection Notes with Additional Credit Risk" are primarily targeted at investors that (i) expect the value of the Underlying Reference Asset(s) to increase (or, in the case of Products with a bear feature, to decrease), (ii) consider a sharp decrease of the value of the Underlying Reference Asset(s) to be possible (or, in the case of a Product with a bear feature, a sharp increase of the value of the Underlying Reference Asset(s)) and (iii) and expect no credit event to occur with regard to a reference entity or reference obligation.

A Reference Entity Certificate with Conditional Capital Protection may have one or more underlying reference entities or reference obligations. If during the term of the Product no credit event occurs in respect of the reference entity or reference obligation, the investor will participate in the performance the Underlying Reference Asset(s). If the value of the Underlying Reference Asset(s) has developed favourably (i.e., if the value of the Underlying Reference Asset(s) has

increased or, in case of Products with a bear feature, decreased), the return will exceed the minimum redemption amount of the Product. Therefore, if no credit event occurs, Conditional Capital Protection Notes with Additional Credit Risk work in the same manner as the corresponding Capital Protection Product on which they are based.

If a credit event occurs in respect of the reference entity or reference obligation during the term of the " Conditional Capital Protection Notes with Additional Credit Risk", the investor loses the capital protection and the "Reference Entity Certificates with Conditional Capital Protection" and they will be redeemed at a value which may be significantly below their initial value and as low as zero and investors will make a partial or total loss.

#### **4.3 Yield Enhancement Certificate with Additional Credit Risk (SSPA Category 1420)**

"Yield Enhancement Certificates with Additional Credit Risk" are primarily targeted at investors that expect (i) the value of the Underlying Reference Asset(s) to move sideways or to slightly increase (or, in the case of Products with a bear feature to move sideways or to slightly decrease), with falling volatility, and (ii) no credit event to occur with regard to a reference entity or reference obligation.

Yield Enhancement Certificates with Additional Credit Risk may have one or more underlying reference entities or reference obligations. If during the term of the Product no credit event occurs in respect of the reference entity or reference obligation, the investor will receive a coupon or a discount and the Product will work in the same manner as the corresponding Yield Enhancement Product on which it is based. If a credit event occurs in respect of the reference entity or reference obligation during the term of the Product, it will be redeemed at a value which may be significantly below its initial value and as low as zero and the investor will make a partial or total loss.

#### **4.4 Participation Certificate with Additional Credit Risk (SSPA Category 1430)**

"Participation Certificates with Additional Credit Risk" are primarily targeted at investors that expect (i) the value of the Underlying Reference Asset(s) to increase (or, in the case of Products with a bear feature, to decrease) and (ii) no credit event to occur with regard to a reference entity or reference obligation.

Participation Certificates with Additional Credit Risk may have one or more underlying reference entities or reference obligations. If during the term of the Product no credit event occurs in respect of the reference entity or reference obligation, the investor will participate in the performance the Underlying Reference Asset(s) in the same manner as the corresponding Participation Product on which it is based.

If a credit event occurs in respect of the reference entity or reference obligation during the term of the Product, it will be redeemed at a value which may be significantly below its initial value and as low as zero and the investor will make a partial or total loss.

### **5. Leverage Products (SSPA Category 20)**

"Leverage Products" are subject to a leverage effect both in the direction of profits and losses, i.e., changes in the value of the Underlying Reference Asset(s) have a disproportionate effect on the value of Leveraged Products compared to a direct investment in the Underlying Reference Asset(s). The leverage effect permits investors to use less capital compared to investing directly in the Underlying Reference Asset(s). Leverage Products generally are subject to an increased

risk of total loss (even if limited to the initial investment) and may be for investors looking for a speculation and / or hedging opportunity.

The product category "Leverage Products" includes in particular the following product types:

### **5.1 Warrant (SSPA Category 2100)**

"Warrants" with a call feature are primarily targeted at investors that expect the value of the Underlying Reference Asset(s) and the volatility to increase. Warrants with a put feature are primarily targeted at investors that expect the value of the Underlying Reference Asset(s) to decrease and volatility to increase. A warrant is therefore suitable for hedging and speculating purposes.

The essential attribute of a Warrant is the leverage effect. The leverage effect causes the value of such Product to react proportionally more strongly to changes in the value of the Underlying Reference Asset(s) below or above the strike price, as applicable. The leverage is the result of the fact that the invested capital in such a Product is much smaller than for a direct investment in the Underlying Reference Asset(s). Therefore, a smaller investment may generate a leveraged positive or negative performance relative to the Underlying Reference Asset(s).

### **5.2 Spread Warrant (SSPA Category 2110)**

"Spread Warrants" with a bull feature are primarily targeted at investors that expect the value of the Underlying Reference Asset(s) to increase. Spread Warrants with a bear feature are primarily targeted at investors that expect the value of the Underlying Reference Asset(s) to decrease.

A Spread Warrant provides for a leverage effect, meaning the value of such Product will react proportionally more strongly to changes in the value of the Underlying Reference Asset(s) below or above the strike price, as applicable. The leverage is the result of the fact that the invested capital in such a Product is much smaller than for a direct investment in the Underlying Reference Asset(s). Therefore, a smaller investment may generate a leveraged positive or negative performance relative to the Underlying Reference Asset(s).

The potential yield of an investment in Spread Warrants is limited, namely by the upper cap in the case of Spread Warrants with a bull feature and by the lower cap in the case of Spread Warrants with a bear feature. This means that an investor may benefit from an increase (in the case of bull feature) or a decrease (in the case of a bear feature) of the value of the Underlying Reference Asset(s) up to a maximum value at the lower or upper cap, as applicable.

### **5.3 Warrant with Knock-Out (SSPA Category 2200)**

"Warrants with Knock-Out" and a call feature are primarily targeted at investors that expect the value of the Underlying Reference Asset(s) to increase. Warrants with Knock-Out and a put feature are primarily targeted at investors that expect the value of the Underlying Reference Asset(s) to decrease.

A Warrant with a Knock-Out provides for a leverage effect, meaning the value of such Product will react proportionally more strongly to changes in the value of the Underlying Reference Asset(s) below or above the knock-out, as applicable. The leverage is the result of the fact that the invested capital in such a Product is much smaller than for a direct investment in the Underlying

Reference Asset(s). Therefore, a smaller investment may generate a leveraged positive or negative performance relative to the Underlying Reference Asset(s). Volatility only has a minor effect on the value of a Warrant with a Knock-Out and also the loss of time value is marginal.

#### **5.4 Mini-Future (SSPA Category 2210)**

"Mini Futures" (long) are primarily targeted at investors that expect the value of the Underlying Reference Asset(s) to increase. Mini Futures (short) are primarily targeted at investors that expect the value of the Underlying Reference Asset(s) to decrease. A Mini Future is therefore suitable for hedging and speculating purposes.

A Mini-Future provides for a leverage effect, meaning the value of such Product will react proportionally more strongly to changes in the value of the Underlying Reference Asset(s) below or above the stop-loss barrier. The leverage effect is the result of the fact that the invested capital in such a Product is much smaller than for a direct investment in the Underlying Reference Asset(s). Therefore, a smaller investment may generate a leveraged positive or negative performance relative to the Underlying Reference Asset(s).

#### **5.5 Constant Leverage Certificate (SSPA Category 2300)**

"Constant Leverage Certificates" (long) are primarily targeted at investors that expect the value of the Underlying Reference Asset(s) to increase. Constant Leverage Certificates (short) are primarily targeted at investors that expect the value of the Underlying Reference Asset(s) to decrease. Constant Leverage Certificates allow investors to make long term-leveraged investments in an Underlying Reference Asset(s) for which the risk and leverage effect are kept constant.

A Constant Leverage Certificate provides for a leverage effect, meaning the value of such Product will react proportionally more strongly to changes in the value of the Underlying Reference Asset(s). The leverage effect is the result of the fact that the invested capital in such a Product is much smaller than for a direct investment in the Underlying Reference Asset(s). Therefore, a smaller investment may generate a leveraged positive or negative performance relative to the Underlying Reference Asset(s). Unlike other Leverage Products, the leverage effect of a Constant Leverage Certificate remains constant. A regular resetting mechanism under which the performance of the Underlying Reference Asset(s) is mirrored with a defined leverage factor (i.e., a constant leverage of, for example, 10), ensures that the leverage effect remains constant.

## **6. Debt Instruments**

### **6.1 Fixed Rate Notes**

Fixed Rate Notes are primarily targeted at investors that want to receive a fixed annual Coupon Rate but do not want to set the invested principal amount on the Final Maturity Date at risk (without taking into consideration the issuer risk).

Fixed Rate Notes provide for a Coupon Rate on the basis of which the amounts payable under the Product are calculated based on a fixed rate per annum. Therefore, the potential return on a Fixed Rate Note is limited to the positive difference between (i) the amount of all received coupon payments, plus the Redemption Amount, and (ii) the Issue Price (or, if different, the price the relevant investor paid for the Fixed Rate Notes).

## **6.2 Floating Rate Notes**

Floating Rate Notes are primarily targeted at investors that want to receive a floating annual Coupon Rate but do not want to set the invested principal amount on the Maturity Date at risk (without taking into consideration the issuer risk).

Floating Rate Notes provide for Coupon Rate which is calculated based on a Reference Rate (i.e., a variable Coupon Rate) on the relevant Coupon Determination Date. As the Reference Rate is subject to fluctuations, the coupon payments payable in respect of Floating Rate Notes are uncertain and may be substantially lower than the interest payment amount that would be payable under conventional Fixed Rate Notes of the Issuer with a comparable term.

If specified in the corresponding Final Terms, the Floating Rate Notes may provide for the application of a Minimum Coupon Rate and/or Maximum Coupon Rate in respect of the Coupon Payment Date.

### **III. Risk Factors**

#### **A. Preliminary Remarks**

An investment in Products involves substantial risks and an investment in the Products is not equivalent to investing directly in the Underlying Reference Asset(s).

The Issuer believes that the following factors may affect its ability to fulfil its respective obligations in respect of the Products and are material for the purpose of assessing the market risks and other risks associated with the Products. All of these factors are contingencies which may or may not occur and the Issuer expresses no view on the likelihood of any such contingency occurring. The factors discussed below regarding the risks of acquiring or holding any Products are not exhaustive, and additional risks and uncertainties that are not presently known to the Issuer, or that the Issuer currently believes to be immaterial, could also have a material impact on the business operations or financial condition of the Issuer or on the Products.

#### **B. Risk Factors Relating to the Products**

##### **1. General Risk Factors**

Potential investors should refer to the Swiss Bankers Association's brochure „Risks Involved in Trading Financial Instruments”, as amended, which shall be deemed to be incorporated in, and to form part of, this Base Prospectus, for a description of the risks associated with an investment in the Products and securities trading in general. Investors are deemed to have read and understood and, if necessary, discussed this brochure and the explanations contained therein with their pro-fessional financial, accounting, legal and tax advisors.

##### **2. Risk Factors relating to certain Product Categories**

###### **2.1 Capital Protection Products (SSPA Category 11)**

Investors in capital protection products should be aware that although the Products provide for either full or partial capital protection (i.e., the minimum redemption amount, which may be equal to, less than or higher than the nominal or par value of the Product, whichever is specified in the applicable terms and conditions, and may be less than the issue price or, if different, the price the relevant investor paid for such Products), they may still lose some or all of their investment therein (including the minimum redemption amount), in particular if the Issuer becomes insolvent or otherwise unable to fulfil all or part of its obligations under such Products. Moreover, investors in such Products should be aware that (i) the respective capital protection is only valid at maturity of the respective Product and (ii) that the value of such Products may fall below the respective minimum redemption amount during the lifetime of such Products.

###### **(a) Capital Protection Note with Participation (SSPA Category 1100)**

If, at redemption, the value of the Underlying Reference Asset(s) has developed unfavourably (i.e., if the value of the Underlying Reference Asset(s) has decreased, or, in case of Products with a bear feature, increased), investors in Capital Protection Notes with Participation will only receive the minimum redemption amount upon redemption. In such a case, an investor will not make a profit and an investment in such Products will result in a loss upon redemption if the issue price (or, if different, the price the relevant investor paid for such Products) is higher than the minimum redemption amount.

The value of the investment will be adversely affected and may fall to zero if the Issuer becomes insolvent or otherwise unable to fulfil all or part of its obligations.

(b) Capital Protection Note with Barrier (SSPA Category 1130)

If, at redemption, the value of the Underlying Reference Asset(s) has developed unfavourably (i.e., if the value of the Underlying Reference Asset(s) has decreased, or, in case of Products with a bear feature, increased, or if the value of the Underlying Reference Asset(s) has breached a relevant barrier), investors in Capital Protection Notes with Barrier will only receive the minimum redemption amount upon redemption. In such a case, an investor will not make a profit and an investment in such Products will result in a loss upon redemption if the issue price (or, if different, the price the relevant investor paid for such Products) is higher than the minimum redemption amount.

The value of the investment will be adversely affected and may fall to zero if the Issuer becomes insolvent or otherwise unable to fulfil all or part of its obligations.

The potential return of an investment in Capital Protection Notes with Barrier is capped.

(c) Capital Protection Note with Twin-Win (SSPA Category 1135)

If, at redemption, the value of the Underlying Reference Asset(s) has developed unfavourably (i.e., if the value of the Underlying Reference Asset(s) has breached a relevant barrier), investors in Capital Protection Notes with Twin-Win will only receive the minimum redemption amount upon redemption. In such a case, an investor will not make a profit and an investment in such Products will result in a loss upon redemption if the issue price (or, if different, the price the relevant investor paid for such Products) is higher than the minimum redemption amount.

The value of the investment will be adversely affected and may fall to zero if the Issuer becomes insolvent or otherwise unable to fulfil all or part of its obligations.

The potential return of an investment in Capital Protection Notes with Twin-Win is capped.

(d) Capital Protection Note with Coupon (SSPA Category 1140)

If, at redemption, the value of the Underlying Reference Asset(s) has developed unfavourably (i.e., if the value of the Underlying Reference Asset(s) has decreased, or, in case of Products with a bear feature, increased, or if the value of the Underlying Reference Asset(s) has breached a relevant barrier), investors in Capital Protection Notes with Coupon will only receive the minimum redemption amount upon redemption. In such a case, an investor will not make a profit and an investment in such Products will result in a loss upon redemption if the issue price (or, if different, the price the relevant investor paid for such Products) is higher than the minimum redemption amount.

The value of the investment will be adversely affected and may fall to zero if the Issuer becomes insolvent or otherwise unable to fulfil all or part of its obligations.

The potential return of an investment in Capital Protection Notes with Coupon is capped.

## 2.2 Yield Enhancement Products (SSPA Category 12)

Yield Enhancement Products do not provide for a minimum redemption amount and the redemption amount may be as low as zero. Investors in such Products bear the risk of a total loss at redemption.

The value of the investment will be adversely affected and may fall to zero if the Issuer becomes insolvent or otherwise unable to fulfil all or part of its obligations.

The potential return on an investment in Yield Enhancement Products is, in principle, capped.

The risk associated with Yield Enhancement Products linked to several Underlying Reference Assets with a "worst-of" structure (or, in case of Yield Enhancement Products with a bear feature, with a "best-of" structure) is typically higher and, if the value of the Underlying Reference Asset(s) at redemption develops unfavourably, investors will receive the Underlying Reference Asset(s) with the worst performance (or, in case of Yield Enhancement Products with a bear feature, the Underlying Reference Asset(s) with the best performance) (physical settlement) or a redemption amount depending on the value of the Underlying Reference Asset(s) with the worst performance (or, in case of Yield Enhancement Products with a bear feature, with the best performance) (cash settlement).

(a) Discount Certificate (SSPA Category 1200)

Discount Certificates directly reflect the negative performance (or, in the case of Products with a bear feature, the positive performance) of the Underlying Reference Asset(s).

If, at redemption, the value of the Underlying Reference Asset(s) has developed unfavourably (i.e., if the value of the Underlying Reference Asset(s) has decreased, or, in case of Products with a bear feature, increased), investors in Discount Certificates will only receive the specified number (ratio) of Underlying Reference Asset(s) (physical settlement) or a redemption amount depending on the value of the Underlying Reference Asset(s) (cash settlement) upon redemption. In such a case, an investor will not make a profit and an investment in such Products will result in a loss upon redemption if the issue price (or, if different, the price the relevant investor paid for such Products) is higher than the value of the specified number (ratio) of Underlying Reference Assets (physical settlement) or the redemption amount (cash settlement). The value of the Underlying Reference Asset(s) and hence the redemption amount may be as low as zero. Investors in such Products bear the risk of a total loss at redemption.

The value of the investment will be adversely affected and may fall to zero if the Issuer becomes insolvent or otherwise unable to fulfil all or part of its obligations.

The potential return of an investment in Discount Certificates is capped.

(b) Barrier Discount Certificate (SSPA Category 1210)

Upon a breach of the specified barrier, Barrier Discount Certificates directly reflect the negative performance (or, in the case of Products with a bear feature, the positive performance) of the Underlying Reference Asset(s).

If during the term of the Products, the value of the Underlying Reference Asset(s) has developed unfavourably (i.e., if the value of the Underlying Reference Asset(s) has decreased below the specified barrier or, in case of Products with a bear feature, increased above the specified barrier), investors in Barrier Discount Certificates will receive the specified number (ratio) of Underlying Reference Assets (physical settlement) or a redemption amount depending on the value of the Underlying Reference Asset(s) (cash settlement) upon redemption, unless at redemption the value of the Underlying Reference Asset(s) has developed favourably. In the unfavourable case, an investor will not make a profit and an investment in such Products will result in a loss upon redemption if the issue price (or, if different,



the price the relevant investor paid for such Products) is higher than the value of the specified number (ratio) of Underlying Reference Assets (physical settlement) or the redemption amount (cash settlement).

The value of the Underlying Reference Asset(s) and hence the redemption amount may be as low as zero. Investors in such Products bear the risk of a total loss at redemption, if the specified barrier is breached during the term of the Product.

The value of the investment will be adversely affected and may fall to zero if the Issuer becomes insolvent or otherwise unable to fulfil all or part of its obligations.

The potential return of an investment in Barrier Discount Certificates is capped.

(c) Reverse Convertible (SSPA Category 1220)

Reverse Convertibles directly reflect the negative performance (or, in the case of Products with a bear feature, the positive performance) of the Underlying Reference Asset(s).

If, at redemption, the value of the Underlying Reference Asset(s) has developed unfavourably (i.e., if the value of the Underlying Reference Asset(s) at redemption has decreased, or, in case of Products with a bear feature, increased), investors will receive the specified number (ratio) of Underlying Reference Assets (physical settlement) or a redemption amount depending on the value of the Underlying Reference Asset(s) (cash settlement) upon redemption. In such a case, an investor will not make a profit and an investment in such Products will result in a loss upon redemption if the issue price (or, if different, the price the relevant investor paid for such Products) is higher than the value of the specified number (ratio) of Underlying Reference Assets (physical settlement) or the redemption amount (cash settlement), save for the periodic coupon payments. The value of the Underlying Reference Asset(s) and hence the redemption amount may be as low as zero. Investors in such Products bear the risk of a total loss at redemption, save for the periodic coupon payment, subject to the issuer risk.

The value of the investment will be adversely affected and may fall to zero if the Issuer becomes insolvent or otherwise unable to fulfil all or part of its obligations.

The potential return of an investment in Reverse Convertibles is capped.

(d) Barrier Reverse Convertible (SSPA Category 1230)

Upon a breach of the specified barrier, Barrier Reverse Convertibles directly reflect the negative performance (or, in the case of Products with a bear feature, the positive performance) of the Underlying Reference Asset(s).

If during the term of the Products, the value of the Underlying Reference Asset(s) has developed unfavourably (i.e., if the value of the Underlying Reference Asset(s) has decreased below the specified barrier or, in case of Products with a bear feature, increased above the specified barrier), investors will receive the specified number (ratio) of Underlying Reference Assets (physical settlement) or a redemption amount depending on the value of the Underlying Reference Asset(s) (cash settlement) upon redemption, unless at redemption the value of the Underlying Reference Asset(s) has developed favourably. In the unfavourably case, an investor will not make a profit and an investment in such Products will result in a loss upon redemption if the issue price (or, if different, the price the relevant investor

paid for such Products) is higher than the value of the specified number (ratio) of Underlying Reference Assets (physical settlement) or the redemption amount (cash settlement), save for the periodic coupon payments. The value of the Underlying Reference Asset(s) and hence the redemption amount may be as low as zero. Investors in such Products bear the risk of a total loss at redemption, save for the periodic coupon payments, subject to the issuer risk, if the specified barrier is breached during the term of the Product.

The value of the investment will be adversely affected and may fall to zero, if the Issuer becomes insolvent or otherwise unable to fulfil all or part of its obligations.

The potential return of an investment in Barrier Reverse Convertibles is capped.

(e) Conditional Coupon Reverse Convertible (SSPA Category 1255)

Conditional Coupon Reverse Convertibles directly reflect the negative performance (or, in the case of Products with a bear feature, the positive performance) of the Underlying Reference Asset(s).

If, at redemption, the value of the Underlying Reference Asset(s) has developed unfavourably (i.e., if the value of the Underlying Reference Asset(s) at redemption has decreased, or, in case of Products with a bear feature, increased), investors will receive the specified number (ratio) of Underlying Reference Assets (physical settlement) or the redemption amount depending on the value of the Underlying Reference Asset(s) (cash settlement) upon redemption. In such a case, an investor will not make a profit and an investment in such Products will result in a loss upon redemption if the issue price (or, if different, the price the relevant investor paid for such Products) is higher than the value of the specified number (ratio) of Underlying Reference Assets (physical settlement) or the redemption amount (cash settlement). The value of the Underlying Reference Asset(s) and hence the redemption amount may be as low as zero. Investors in such Products bear the risk of a total loss at redemption.

The timing of redemption of Conditional Coupon Reverse Convertible is uncertain since the occurrence of an autocall trigger depends on the performance of the Underlying Reference Asset(s). If the value of the Underlying Reference Asset(s) has developed unfavourably (i.e., if the value of the Underlying Reference Asset(s) does not exceed (or, in case of Products with a bear feature, fall below) the specified threshold, Express Certificates without Barrier will not be redeemed until the end of its term.

The value of the investment will be adversely affected and may fall to zero if the Issuer becomes insolvent or otherwise unable to fulfil all or part of its obligations.

The potential return of an investment in Conditional Coupon Reverse Convertibles is capped.

(f) Conditional Coupon Barrier Reverse Convertible (SSPA Category 1260)

Upon a breach of the specified barrier, Conditional Coupon Barrier Reverse Convertibles directly reflect the negative performance (or, in the case of Products with a bear feature, the positive performance) of the Underlying Reference Asset(s).

If, at redemption, the value of the Underlying Reference Asset(s) has developed unfavourably (i.e., if the value of the Underlying Reference Asset(s) has decreased below the specified barrier or, in case of Products with a bear feature, increased above the specified barrier), investors will receive the specified number (ratio) of Underlying Reference Assets (physical settlement) or a redemption amount depending on the value of the Underlying Reference Asset(s) (cash settlement) upon redemption. In such a case, an investor may not make a profit and an investment in such Products may result in a loss upon redemption if the issue price (or, if different, the price the relevant investor paid for such Products) is higher than the value of the specified number (ratio) of Underlying Reference Assets (physical settlement) or the redemption amount (cash settlement). The value of the Underlying Reference Asset(s) and hence the redemption amount may be as low as zero. Investors in such Products bear the risk of a total loss at redemption, save for the periodic coupon payments, if any, if the specified barrier is breached during the term of the Product.

The timing of redemption of Conditional Coupon Barrier Reverse Convertibles is uncertain since the occurrence of an autocall trigger depends on the performance of the Underlying Reference Asset(s). If the value of the Underlying Reference Asset(s) has developed unfavourably (i.e., if the value of the Underlying Reference Asset(s) does not exceed (or, in case of Products with a bear feature, fall below) the specified threshold, Conditional Coupon Barrier Reverse Convertibles will not be redeemed until the end of its term.

The value of the investment will be adversely affected and may fall to zero if the Issuer becomes insolvent or otherwise unable to fulfil all or part of its obligations.

The potential return of an investment in Conditional Coupon Barrier Reverse Convertibles is capped.

### **2.3 Participation Products (SSPA Category 13)**

Participation products may directly reflect the negative performance (or, in the case of Products with a bear feature, the positive performance) of the Underlying Reference Asset(s).

The value of the Underlying Reference Asset(s) and hence the redemption amount may be as low as zero. Investors in such Products bear the risk of a total loss at redemption.

The value of the investment will be adversely affected and may fall to zero if the Issuer becomes insolvent or otherwise unable to fulfil all or part of its obligations.

The risk associated with Participation Products linked to several Underlying Reference Assets with a "worst-of" structure (or, in case of Participation Products with a bear feature, with a "best-of" structure) is typically higher and, if the value of the Underlying Reference Asset(s) at redemption develops unfavourably, investors will receive the Underlying Reference Asset(s) with the worst performance (or, in case of Participation Products with a bear feature, the Underlying Reference Asset(s) with the best performance) (physical settlement) or a redemption amount depending on the value of the Underlying Reference Asset(s) with the worst performance (or, in case of Participation Products with a bear feature, with the best performance) (cash settlement).

#### **(a) Tracker Certificate (SSPA Category 1300)**

If, at redemption, the value of the Underlying Reference Asset(s) has developed unfavourably (i.e. if the value of Underlying Reference Asset(s) has decreased or, in the case of

Products with a bear feature has increased), investors will suffer a loss on the investment at redemption. The potential loss corresponds to the negative performance of the Underlying Reference Asset(s). If at redemption the value of the Underlying Reference Asset(s) is below (or, in case of Products with a bear feature, is above) its initial value, investors will receive the specified number (ratio) of Underlying Reference Assets (physical settlement) or a redemption amount determined based on the value of the Underlying Reference Asset(s) (cash settlement) upon redemption. In such a case, an investor will not make a profit and an investment in such Products will result in a loss upon redemption if the issue price (or, if different, the price the relevant investor paid for such Products) is higher than the value of the specified number (ratio) of Underlying Reference Assets (physical settlement) or the redemption amount (cash settlement). The value of the Underlying Reference Asset(s) and hence the redemption amount may be as low as zero. Therefore, the investor in a Tracker Certificate bears the risk of a partial or total loss at redemption.

The value of the investment will be adversely affected and may fall to zero if the Issuer becomes insolvent or otherwise unable to fulfil all or part of its obligations.

(b) Outperformance Certificate (SSPA Category 1310)

If, at redemption, the value of the Underlying Reference Asset(s) has developed unfavourably (i.e. if the value of Underlying Reference Asset(s) has decreased or, in the case of Products with a bear feature has increased), investors will suffer a loss on the investment at redemption. The potential loss corresponds to the negative performance of the Underlying Reference Assets. If at redemption the value of the Underlying Reference Asset(s) is below (or, in case of Products with a bear feature, is above) its initial value, investors will receive the specified number (ratio) of Underlying Reference Assets (physical settlement) or a redemption amount determined based on the value of the Underlying Reference Asset(s) (cash settlement) upon redemption. In such a case, an investor will not make a profit and an investment in such Products will result in a loss upon redemption if the issue price (or, if different, the price the relevant investor paid for such Products) is higher than the value of the specified number (ratio) of Underlying Reference Assets (physical settlement) or the redemption amount (cash settlement). The value of the Underlying Reference Asset(s) and hence the redemption amount may be as low as zero. Therefore, the investor in an Outperformance Certificate bears the risk of a partial or total loss at redemption.

The value of the investment will be adversely affected and may fall to zero if the Issuer becomes insolvent or otherwise unable to fulfil all or part of its obligations.

(c) Bonus Certificate (SSPA Category 1320)

Upon a breach of the specified barrier, Bonus Certificates directly reflect the negative performance (or, in the case of Products with a bear feature, the positive performance) of the Underlying Reference Asset(s).

If, at redemption, the value of the Underlying Reference Asset(s) has developed unfavourably (i.e., if the value of the Underlying Reference Asset(s) has decreased below the specified barrier or, in case of Products with a bear feature, increased above the specified barrier), investors in Bonus Certificates will receive the specified number (ratio) of Underlying Reference Assets (physical settlement) or a redemption amount depending on the value of the Underlying Reference Asset(s) (cash settlement) upon redemption. In such a case, an investor will not make a profit and an investment in such Products will result in a loss upon redemption if the issue price (or, if different, the price the relevant investor paid for such

Products) is higher than the value of the specified number (ratio) of Underlying Reference Assets (physical settlement) or the redemption amount (cash settlement). The value of the Underlying Reference Asset(s) and hence the redemption amount may be as low as zero. Investors in such Products bear the risk of a total loss at redemption, if the specified barrier is breached during the term of the Product.

The value of the investment will be adversely affected and may fall to zero if the Issuer becomes insolvent or otherwise unable to fulfil all or part of its obligations.

(d) Bonus Outperformance Certificate (SSPA Category 1330)

Upon a breach of the specified barrier, Bonus Outperformance Certificates directly reflect the negative performance (or, in the case of Products with a bear feature, the positive performance) of the Underlying Reference Asset(s).

If, at redemption, the value of the Underlying Reference Asset(s) has developed unfavourably (i.e., if the value of the Underlying Reference Asset(s) has decreased below the specified barrier or, in case of Products with a bear feature, increased above the specified barrier), investors in Bonus Outperformance Certificates will receive the specified number (ratio) of Underlying Reference Assets (physical settlement) or a redemption amount depending on the value of the Underlying Reference Asset(s) (cash settlement) upon redemption. In such a case, an investor will not make a profit and an investment in such Products will result in a loss upon redemption if the issue price (or, if different, the price the relevant investor paid for such Products) is higher than the value of the specified number (ratio) of Underlying Reference Assets (physical settlement) or the redemption amount (cash settlement). The value of the Underlying Reference Asset(s) and hence the redemption amount may be as low as zero. Investors in such Products bear the risk of a total loss at redemption, if the specified barrier is breached during the term of the Product.

The value of the investment will be adversely affected and may fall to zero if the Issuer becomes insolvent or otherwise unable to fulfil all or part of its obligations.

(e) Twin Win Certificate (SSPA Category 1340)

Upon a breach of the specified barrier, Twin Win Certificates directly reflect the negative performance (or, in the case of Products with a bear feature, the positive performance) of the Underlying Reference Asset(s).

If, at redemption, the value of the Underlying Reference Asset(s) has developed unfavourably (i.e., if the value of the Underlying Reference Asset(s) has decreased below the specified barrier or, in case of Products with a bear feature, increased above the specified barrier), investors in Twin Win Certificates will receive the specified number (ratio) of Underlying Reference Assets (physical settlement) or a redemption amount depending on the value of the Underlying Reference Asset(s) (cash settlement) upon redemption. In such a case, an investor will not make a profit and an investment in such Products will result in a loss upon redemption if the issue price (or, if different, the price the relevant investor paid for such Products) is higher than the value of the specified number (ratio) of Underlying Reference Assets (physical settlement) or the redemption amount (cash settlement). The value of the Underlying Reference Asset(s) and hence the redemption amount may be as low as zero. Investors in such Products bear the risk of a total loss at redemption, if the specified barrier is breached during the term of the Product.

The value of the investment will be adversely affected and may fall to zero if the Issuer becomes insolvent or otherwise unable to fulfil all or part of its obligations.

## 2.4 Investment Products with Additional Credit Risk (SSPA Category 14)

Investment Products with Additional Credit Risk are highly complex financial products. In addition to the risks affecting the corresponding Capital Protection Products, Yield Enhancement Products or Participation Products on which they may be based, Investment Products with Additional Credit Risk are also subject to the risk that a credit event occurs in relation to the reference obligation.

(a) Credit Linked Notes (SSPA Category 1400)

Credit Linked Notes are highly complex financial products. Credit Linked Notes are subject to the risk that a credit event occurs in relation to the reference entity. If during the term of a Credit Linked Note a credit event or a credit redemption event in respect of the relevant reference entity or reference entities occurs, further coupon payments and the repayment of the entire or part of the redemption amount are jeopardized as specified in the applicable terms and conditions of the respective Credit Linked Note (early redemption). In such case the amount investors receive may be significantly below its initial value and as low as zero and investors will make a partial or total loss. Therefore, in particular, the solvency of a specific reference entity is decisive.

Furthermore, the value of the investment will be adversely affected and may fall to zero if the Issuer becomes insolvent or otherwise unable to fulfil all or part of its obligations.

(b) Conditional Capital Protection Note with Additional Credit Risk (SSPA Category 1410)

Conditional Capital Protection Notes with Additional Credit Risk are highly complex financial products. In addition to the risks affecting the corresponding Capital Protection Products on which they are based, Conditional Capital Protection Note with Additional Credit Risk are also subject to the risk that a credit event occurs in relation to the reference entity.

In addition, the occurrence of a credit event in relation to the reference entity will adversely affect the redemption amount, which may be as low as zero.

The value of the investment will be adversely affected and may fall to zero if the Issuer becomes insolvent or otherwise unable to fulfil all or part of its obligations.

(c) Yield Enhancement Certificate with Additional Credit Risk (SSPA Category 1420)

Yield Enhancement Certificates with Additional Credit Risk are highly complex financial products. In addition to the risks affecting the corresponding Yield Enhancement Products on which they are based, Yield Enhancement Certificates with Additional Credit Risk are also subject to the risk that a credit event occurs in relation to the reference entity.

In addition, the occurrence of a credit event in relation to the reference entity will adversely affect the redemption amount, which may be as low as zero.

The value of the investment will be adversely affected and may fall to zero if the Issuer becomes insolvent or otherwise unable to fulfil all or part of its obligations.

The potential return of an investment in Yield Enhancement Certificates with Additional Credit Risk is capped.

(d) Participation Certificate with Additional Credit Risk (SSPA Category 1430)

Participation Certificates with Additional Credit Risk are highly complex financial products. In addition to the risks affecting the corresponding Participation Products on which they are based, Participation Certificate with Additional Credit Risk are also subject to the risk that a credit event occurs in relation to the reference entity.

In addition, the occurrence of a credit event in relation to the reference entity will adversely affect the redemption amount, which may be as low as zero.

The value of the investment will be adversely affected and may fall to zero if the Issuer becomes insolvent or otherwise unable to fulfil all or part of its obligations.

## 2.5 Leverage Products (SSPA Category 20)

Leverage Products generate increased risk of total loss (that is limited to the initial investment) compared to direct investment in the Underlying Reference Asset(s) and thus require continuous monitoring. Such Products are in particular for investors looking for a speculation or a hedging possibility.

### (a) Warrant (SSPA Category 2100)

The leverage effect of a Warrant can also work to the disadvantage of the holder of such a Product in the case of a decreasing value of the Underlying Reference Asset(s), in the case of a Warrant with a call feature, or an increasing value in the case of a Warrant with a put feature. Warrants, therefore, have an increased risk of a total loss of the invested capital.

A continuous monitoring of such Products is required. Due to the limited term of such Products, the investor cannot expect a timely recovery of a negative (in case of a call feature) or positive (in case of a put feature) performance of the Underlying Reference Asset(s) within the term of the Warrant. Warrants expire worthless if the market value of the Underlying Reference Asset(s) lies below (call warrants) or above (put warrants) the strike price.

The value of the investment will be adversely affected and may fall to zero if the Issuer becomes insolvent or otherwise unable to fulfil all or part of its obligations.

### (b) Spread Warrant (SSPA Category 2110)

The leverage effect of a Spread Warrant can also work to the disadvantage of the holder of such a Product in the case of a decreasing value of the Underlying Reference Asset(s), in the case of a Spread Warrant with a bull feature, or an increasing value in the case of a Spread Warrant with a bear feature. Spread Warrants therefore have an increased risk of a total loss of the invested capital.

A continuous monitoring of such Product is required. Due to the limited term of such Products, the investor cannot expect a timely recovery of a negative (in case of a bull feature) or positive (in case of a bear feature) performance of the Underlying Reference Asset(s) within the term of the Spread Warrant. Spread Warrants expire worthless if the market value of the Underlying Reference Asset(s) lies below (bull feature) or above (bear feature) the strike price.

The value of the investment will be adversely affected and may fall to zero if the Issuer becomes insolvent or otherwise unable to fulfil all or part of its obligations.

The potential return of an investment in Spread Warrants is capped.

### (c) Warrant with Knock-Out (SSPA Category 2200)

A Warrant with Knock-Out immediately expires without value if the knock-out barrier is reached during the term of such Product. The reaching of the knock-out barrier, therefore, leads to the investor losing the entire initial investment.

The leverage effect of a Warrant with Knock-Out can also work to the disadvantage of the holder of such a Product in the case of a decreasing value of the Underlying Reference

Asset(s), in the case of a Warrant with Knock-Out with a bull (call) feature, or an increasing value in the case of a Warrant with Knock-Out with a bear (put) feature. A Warrant with Knock-Out therefore has an increased risk of a total loss of the invested capital.

A continuous monitoring of such Products is required. Due to the limited term of such Products, the investor cannot expect a timely recovery of a negative (in case of a bull feature) or positive (in case of a bear feature) performance of the Underlying Reference Asset(s) within the term of the Warrant with Knock-Out.

The value of the investment will be adversely affected and may fall to zero if the Issuer becomes insolvent or otherwise unable to fulfil all or part of its obligations.

(d) Mini-Future (SSPA Category 2210)

Mini-Futures do not have a fixed term, but expire immediately upon the value of the Underlying Reference Asset(s) falling below (long Mini-Futures) or reaching (short Mini-Future) the defined stop-loss barrier. Upon reaching the stop-loss barrier the residual value of the Product is redeemed. A continuous monitoring of such Product is required.

The leverage effect of a Mini-Future can also work to the disadvantage of the holder of such a Product in the case of a decreasing value of the Underlying Reference Asset, in the case of a long Mini-Future, or an increasing value in the case of a short Mini-Future. A Mini-Future therefore has an increased risk of a total loss of the invested capital.

The value of the investment will be adversely affected and may fall to zero if the Issuer becomes insolvent or otherwise unable to fulfil all or part of its obligations.

(e) Constant Leverage Certificate (SSPA Category 2300)

The leverage effect of a Constant Leverage Certificate can also work to the disadvantage of the holder of such a Product, leading to losses in the case of a decreasing value of the Underlying Reference Asset(s), in the case of a long Constant Leverage Certificate, or an increasing value in the case of a short Constant Leverage Certificate. Constant Leverage Certificates therefore have an increased risk of a total loss of the invested capital. Frequent shifts in the direction of the value of the Underlying Reference Asset(s) have a negative effect on the performance of the product.

Constant Leverage Certificate provide for an early redemption if the stop-loss barrier is reached. In such a case, the Product will be redeemed at the liquidation value of the Underlying Reference Asset(s), which may be equal to zero. Therefore, a total loss of the amount invested in such Products is possible, but any such loss is limited to the amount invested and the value of the Product cannot become negative. A continuous monitoring of such Product is required.

The value of the investment will be adversely affected and may fall to zero if the Issuer becomes insolvent or otherwise unable to fulfil all or part of its obligations.

## 2.6 Floating Rate Notes

The key difference between Floating Rate Notes with one or more interest payments based on a Reference Rate and Fixed Rate Notes with interest payments based only on a fixed rate is that the interest payments based on a Reference Rate cannot be calculated prior to the applicable fixing date with respect to the Reference Rate or, as the case may be, the relevant date on which such amounts are calculated pursuant to the Final Terms. Due to varying interest rates (see also *Risks in connection with factors affecting the performance of the Interest Rate(s) or Reference Rate(s)*), investors are not able to determine a definite



yield at the time they purchase the Floating Rate Notes, which means that their return on investment cannot be compared to that of investments having fixed interest rates.

### **3. Risk Factors relating to certain Product Features**

#### **3.1 Risks of Products with physical settlement**

In the case of such Products, delivery of the Underlying(s) will not be made on the date of valuation of the Underlying(s), but on the Final Redemption Date (or the first Delivery Day thereafter). Accordingly, an investor in any such Products will be exposed to the risk that the value of the Underlying(s) to be delivered will decline between the date of valuation and the time of delivery. Furthermore, if a Product is physically settled, any investor therein will be exposed to the risks relating to the Share Issuer and the Share, the Fund, ETF, Fund Administrator, Fund Manager, the Commodity or the foreign exchange rate, as applicable. In respect of Products linked to precious metals, investors should note that the physical delivery of precious metals will be effected by way of a credit entry to the appropriate precious metals account of the investor, thereby exposing the investor to risks related to the entity (including risks of insolvency) where such account is maintained.

If the applicable Terms and Conditions provide for a physical settlement upon redemption and the Issuer is not in a position to deliver the Underlying(s), then the Issuer is entitled to effect a cash settlement instead.

In addition, an investor in Products with physical settlement should not assume that he or she will be able to sell any Underlying(s) for a specific price after redemption of such Products (in particular, not for a price corresponding to the amount of capital such investor used to purchase such Products). Furthermore, if not sold, such Underlying(s) may decrease in value or may even become worthless and in such case, the investor runs the risk of losing all the capital used to purchase such Products (including any associated transaction costs).

Investors in such Products may also be subject to certain documentary, turnover or stamp taxes in relation to the delivery and/or disposal of such Underlying(s).

#### **3.2 Risks of an Issuer's call option**

In case of Products with an Issuer's call option, the Issuer is entitled, at its own discretion, to redeem the Products in whole but not in part prior to the Final Redemption Date pursuant to the applicable provisions of the General Terms and Conditions and / or the Product Specific Terms and Conditions. If the Issuer exercises its right to early redeem the Products, investors in such Products will not be able to participate in any performance of the Underlying(s) after the date of such early redemption and investors in such Products may incur additional transaction costs as a consequence of reinvesting proceeds received upon any early redemption and the conditions for such a reinvestment may be less favourable than the relevant investor's initial investment in the Products.

#### **3.3 Risks related to the performance of the Worst-Performing Underlying or the Best-Performing Underlying, as the case may be**

In the case of Products linked to multiple Underlyings with a "worst-of" structure (or, in case of Products with a bear feature, with a "best-of"-structure), investors in such Products are exposed to, in the case of Products without a bear feature, the negative performance of the Worst-Performing Underlying (which is the Underlying with the worst performance out of all Underlyings

determined in accordance with the applicable Terms and Conditions), or, in the case of Products with a bear feature, the positive performance of (*i.e.*, the risk of a short investment in) the Best-Performing Underlying (which is the Underlying with the best performance out of all Underlyings determined in accordance with the applicable Terms and Conditions).

### **3.4 Risks resulting from the correlation of multiple Underlyings**

In the case of Products linked to multiple Underlyings with a "worst-of" structure (or, in case of Products with a bear feature, with a "best-of"-structure), the level of correlation among the Underlyings indicates their interdependence with respect to their performance, and such level of correlation may have a significant impact on the value of the Products. For example, if all of the Underlyings originate from the same sector and the same country, a high level of correlation may generally be assumed, which could mean that, in the case of events affecting such sector or country, the value of all Underlyings may move in the same direction at substantially the same time and/or experience a substantially similar level of volatility. In such case, such coordinated movement and/or volatility may have a more substantial impact on the value of the Products linked thereto than if such Products were linked to multiple Underlyings with a low level of correlation. Alternatively, if there is a low level of correlation among the Underlyings, any change in the performance of one of the Underlyings may have a more substantial impact on the value of the Products linked thereto than if such Products were linked to multiple Underlyings with a high level of correlation. However, an investor in Products should be aware that (i) past levels of correlation among the Underlyings may not be determinative of future levels of correlation, (ii) the values of Underlyings with a high level of correlation may nevertheless move in opposite directions and/or experience different levels of volatility, and (iii) the values of Underlyings with a low level of correlation may nevertheless move in the same direction at substantially the same time and/or experience a substantially similar level of volatility.

### **3.5 Risks that an unfavourable performance of a single Underlying included in the basket may result in an unfavourable performance of the Basket as a whole**

Investors in Products linked to a basket should be aware that even in the case of the favourable performance of one or more Underlyings, the performance of the basket as a whole may be unfavourable if the unfavourable performance of one or more of the other Underlyings outweighs such favourable performance.

### **3.6 Risks of Products linked to a basket made up of a small number of Underlyings or unequally weighted Underlyings**

The performance of a basket that includes a smaller number of Underlyings will generally be more greatly affected by changes in the value of any particular Underlying included therein than a basket that includes a greater number of Underlyings.

The performance of a basket that gives greater weight to an Underlying or certain Underlyings will generally be more affected by changes in the value of such Underlying(s) than a basket that gives equal or relatively equal weight to each Underlying.

### **3.7 The profit potential of Products is capped**

Any amounts payable in accordance with the applicable Terms and Conditions of the relevant Products will be limited to such amounts specified in the applicable Terms and Conditions. Investors in such Products will not participate in any performance of the Underlying(s) that would

result in amounts exceeding the amounts payable in accordance with the applicable Terms and Conditions of the relevant Products. Therefore, an investment in such Products may lead to a lower return than if the investor had made a direct investment in the Underlying(s).

#### **4. Risk Factors relating to all Products**

##### **4.1 Risks in case of an insolvency of the Issuer**

Products, without a COSI-feature or TCM feature, are direct, unconditional, unsecured and un-subordinated obligations of the Issuer. If the Issuer were to become insolvent, claims of investors in Products will rank equally in right of payment with all other unsecured and un-subordinated obligations of the Issuer, except such obligations given priority by law.

An investment in Products will also not be covered by any compensation or insurance scheme (such as a bank deposit protection scheme) of any government agency of Switzerland or any other jurisdiction and Products do not have the benefit of any government guarantee. Products are the obligations of the Issuer only and holders of Products must look solely to the Issuer for the performance of the Issuer's obligations under such Products.

In the event of the insolvency of the Issuer, an investor in Products may therefore lose all or some of its investment therein irrespective of any favourable development of the other value determining factors, such as the performance of the Underlying(s) or the relevant Reference Rate.

Rights of the investors of Products may be adversely affected by FINMA's broad statutory powers in the case of a restructuring proceeding in relation to the Issuer. FINMA may namely order the conversion of Products respectively the underlying claims into equity of the Issuer and/or a partial or full write-off of such Products respectively the underlying claims. In such case, investors would lose all or some of their investment in such Products. Where the FINMA orders the conversion of such Products into equity of the Issuer, the equity received by such investors may be worth significantly less than the Products and may have a significantly different risk profile.

##### **4.2 Risks related to factors that influence the market value of the Products**

During the term of a Product, the market value of, and the expected return on, such Product may be influenced by many factors, some or all of which may be unpredictable or beyond the Issuer's control, and which may offset or magnify each other, including, without limitation:

- supply and demand for such Product, including inventory positions of any other market maker;
- the expected frequency and magnitude of changes in the market value of the Underlying(s) (volatility);
- economic, financial, political or regulatory events or judicial decisions that affect the Issuer, the Underlying(s) or the financial markets generally;
- interest and yield rates in the market generally;
- the time remaining until the redemption / settlement of the Products;
- the Issuer's creditworthiness, including actual or anticipated downgrades in the Issuer's credit ratings; and
- dividend payments on the Underlying(s), if any.

Some or all of these factors may have a negative impact on the price of a Product, so that investors may only be able to sell Products on the secondary market during their lifetime incurring losses of invested capital. The impact of any of the factors set forth above may enhance or offset some or all of any change resulting from another factor or factors.

In addition, certain built-in costs are likely to adversely affect the market value of Products. The price at which the Issuer will be willing to purchase Products from a holder in secondary market transactions, if at all, will likely be lower than the original Issue Price.

#### **4.3 Risks related to investors' general appraisal of the creditworthiness of the Issuer**

The risk concerning the ability of the Issuer to meet its obligations is described by the rating of independent rating agencies. A rating is an assessment of the creditworthiness of debtors or issuers of debt securities (such as the Products) carried out on the basis of a standardized evaluation of creditworthiness. A rating gives an indication of the probability of timely and full payment of interest and principal or other amounts. The lower the assigned rating on the applicable scale, the higher is the risk estimate of the rating agency that obligations will not be met, not be met in full and/or not paid when due. A rating is not a recommendation to buy or hold any securities issued by the Issuer, but only an assessment by the rating agency with respect to the credit quality of the Issuer at a certain time and provides no assurance that losses will not occur. The rating can be changed at any time by the rating agency. The suspension, reduction or withdrawal of the rating can negatively influence the market price of the Products. The Issuer is under no obligation to obtain and/or maintain any rating until the final maturity of any Product.

The creditworthiness of the Issuer is generally also expected to be reflected in the credit spread on debt securities issued by it, i.e. the margin payable by the Issuer to an investor as a premium for the assumed credit risk. If the credit spread of the Issuer widens, this would result in a decrease in the market value of such Products.

Factors influencing the credit spread of the Issuer include, among other things, the creditworthiness and rating of the Issuer, probability of default of the Issuer, estimated recovery rate in liquidation and remaining term of the relevant Product. The liquidity situation, the general level of interest rates, overall economic, national and international political and financial regulatory developments, and the currency in which the relevant Product is denominated may also have a negative effect on the credit spread of the Issuer.

#### **4.4 Risks in connection with the performance of the Underlying(s)**

Each Product qualifying as an investment product or leverage product will represent an investment linked to the performance of one or more Underlying(s) which may be a Share, an Index, a Foreign Exchange Rate, a Commodity, an Interest Rate, a Bond, a Fund, a Futures Contract, a Reference Rate, a Reference Entity or Obligation as well as a Basket comprising the aforementioned.

Any amount payable, or other benefit to be received, under a Product will generally depend upon the performance of such Underlying(s).

The value of the Underlying(s) may be subject to sudden and large unpredictable changes over time and this degree of change is referred to as "volatility". The volatility of the Underlying(s) may be affected by, among other things, national and international financial, political, military or economic events, including governmental actions, or by the activities of participants in the relevant markets. Any of these events or activities could adversely affect the market value of Products linked to such Underlying(s).

The Issuer expects that, generally, the value and volatility of the Underlying(s) on any day will affect the market value of such Product more than any other single factor.

However, a potential investor should not expect the market value of a Product in the secondary market to vary in proportion to changes in the value of the Underlying(s). The return on a Product (if any) may bear little relation to, and may be much less than, the return that the investor therein might have achieved if such investor had invested directly in the Underlying(s).

The market value of a Product is determined not only by changes in the value of the Underlying(s), but also depends upon a number of other factors. Accordingly, the market value of a Product may decline even if the value of the Underlying(s) remains constant or slightly increases (or decreases, in the case of Products with a bear feature). Investors should also note that any information about the past performance of the Underlying(s) at the time the relevant Product is issued should not be regarded as indicative of the range of, or trends in, fluctuations in the value of such Underlying(s) that may occur in the future.

Further, if the Underlying(s) perform(s) unfavourably during the lifetime of the Products, such Products might trade considerably below the Issue Price, regardless of whether the Underlying(s) is/are at, below or above, as applicable, any threshold specified in the applicable Terms and Conditions.

#### **4.5 Risks related to potential conflicts of interest of the Issuer**

The Issuer, the dealer(s) and their respective Affiliates may deal with and engage generally in any kind of commercial or investment banking or other business with any Share Issuer or any of its Affiliates or any other person or entities having obligations relating to any Share Issuer or any of its Affiliates in the same manner as if any Products linked to Shares issued by such Share Issuer did not exist, regardless of whether any such action might have an adverse effect on the value of such Products.

The Issuer, the dealer(s) and their respective Affiliates may from time to time be engaged in transactions involving, among other things, the Underlying(s), the components of the Index or Indices linked thereto, the components of the Fund or Funds linked thereto, the components of the ETF or ETFs linked thereto or the Share Issuer(s) of the Share(s) linked thereto, which may affect the market value or liquidity of such Products and which could be deemed to be adverse to the interests of the investors in such Products.

Further, the Issuer or one of its Affiliates will be the Calculation Agent with respect to each Product. In performing its duties in its capacity as Calculation Agent, the Issuer (or such Affiliate) may have interests adverse to the interests of the investors in the relevant Products, which may affect such investors' return on such Products, particularly where the Calculation Agent is entitled to exercise discretion.

Potential Investors should also be aware that when they subscribe to, buy or sell the Products, the remuneration associated with the structuring, issuing and/or distribution of the Products may be shared between the head office, the branch concerned, and various business units of the Issuer in return for services provided as part of such subscriptions, purchases or sales. The amounts shared shall remain in the possession of each entity or business unit concerned and Potential Investors shall have no claim against the Issuer in this regard.

In addition, the Issuer may sell Products to dealers and other financial institutions at a discount to the Issue Price or reimburse a certain amount of the Issue Price to them ("Distribution Fees"). Distribution Fees, if any, may be disclosed in the Final Terms and reflect the maximum amount

a dealer or financial institution may receive from the Issuer; the actual amount may be lower. The Issuer may also sell Products within the own organisation. Potential Investors should be aware that Distribution Fees and any payments or benefits received by Union Bancaire Privée, UBP SA acting as Issuer and/or in other roles in connection with the Products, such as a Notional Portfolio Manager, a market maker and a Calculation Agent, may adversely affect and limit the Potential Investor's profit potential under the Products. Potential Investors should be aware that Distribution Fees and such other payments or benefits may, depending on the circumstances, cause potential conflicts of interests at the dealers, Union Bancaire Privée, UBP SA (acting as Issuer or in other roles in connection with the Products) and other financial institutions. Dealers, Union Bancaire Privée, UBP SA and other financial institutions are obliged, however, to implement organisational measures designed to prevent such potential conflicts of interest that may adversely affect the interests of their clients.

#### **4.6 Risks in connection with hedging transactions by the Issuer**

The Issuer may use a portion of the total proceeds from the sale of Products for transactions to hedge the risks of the Issuer relating to such Products. In such case, the Issuer or one of its Affiliates may conclude transactions that correspond to the obligations of the Issuer under such Products. As a general rule, such transactions are concluded on or prior to the Issue Date/Payment Date of such Products, but may also occur thereafter. On or before any date on which the value of the Underlying(s) is determined pursuant to the Terms and Conditions applicable to the Products, the Issuer or one of its Affiliates may take the steps necessary for closing out any such hedging transactions. It cannot, however, be ruled out that the value of the Underlying(s) will be influenced by such hedging transactions in individual cases. In addition, in the case of a Product whose value is based on the occurrence of a certain event in relation to the Underlying(s), entering into or closing out such hedging transactions may influence the probability of the occurrence or non-occurrence of such determining event.

Further, to the extent the Issuer is unable to conclude the above described hedging transactions, or such hedging transactions are difficult to conclude, the spread between the bid and offer prices relating to the relevant Products may be temporarily expanded or the provision of such bid and offer prices may be temporarily suspended, in each case in order to limit the economic risks to the Issuer. Consequently, holders of such Products may be unable to sell their Products or, if able to sell their Products on an exchange or on the over-the-counter market, may only be able to sell their Products at a price that is substantially lower than their actual value at the time of such sale, which may lead to losses to those holders.

#### **4.7 Interest rate and inflation risk**

An investment in Products may involve interest rate risk since the intrinsic value of a Product may be sensitive to fluctuations in interest rates.

Interest rates are determined by factors of supply and demand in the international money markets, which are in particular governed by macro economic factors, inflation expectations, complex political factors, speculation, central bank and government intervention and other market forces. Fluctuations in short term or long term interest rates may affect the market value of Products. Fluctuations in interest rates of the currency in which a Product or the Underlying(s) is/are denominated may also affect the market value of such Product.

The real yield on an investment in Products is reduced by inflation. Consequently, the higher the rate of inflation, the lower the real yield on a Product will be. If the inflation rate is equal to or higher than the yield under a Product, the real yield on such Product will be zero or even negative.

#### **4.8 Risks in connection with transaction costs/charges**

When Products are purchased or sold, several types of incidental costs (including transaction fees and commissions) are incurred in addition to the purchase or sale price of such Products. These incidental costs may significantly reduce or eliminate any profit from holding such Products.

In addition to such costs directly related to the purchase of securities (direct costs), potential investors in Products must also take into account any follow-up costs (such as custody fees). Potential investors should inform themselves about any additional costs incurred in connection with the purchase, custody or sale of Products before investing in such Products.

#### **4.9 Risks in connection with the secondary market in general**

The Products issued under this Base Prospectus may be illiquid financial instruments and even if the Issuer should endeavour to provide a secondary market for the Products, investors should be ready to hold the respective Products until their maturity.

Products may have no established trading market when issued and one may never develop. If a market does develop, it may not be liquid. Therefore, investors may not be able to sell their Products easily or at prices reasonably acceptable to them. This is particularly the case for Products that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Products will generally have a more limited secondary market and experience a higher price volatility than conventional debt securities. Furthermore, there may also be less liquidity in the secondary market for Products if the Products are not listed on a regulated or unregulated market or other trading venue and, depending upon the particular structure of such Products, if such Products are exclusively offered to retail investors without any offer to institutional investors. Illiquidity may have a material adverse effect on the market value of Products.

Under normal market circumstances, the Issuer will endeavour to provide a secondary market for Products, but is under no legal obligation to do so. There will be a price difference between bid and offer prices (spread). Even where the Issuer provides a secondary market for Products, investors may still be unable to sell their Products for prices reasonably acceptable to them.

#### **4.10 Risks in connection with a listing of Products**

Products may be listed on an exchange or trading venue and Products which are listed on an exchange or trading venue may also be delisted during their term. Because other dealers or market participants are not likely to make a secondary market for listed Products, the price at which a holder of Products may be able to trade listed Products is likely to depend on the bid and offer prices, if any, at which the Issuer or the Calculation Agent is willing to trade such Products.

#### **4.11 Risks in connection with discretionary rights of the Issuer and/or Calculation Agent and termination rights of the Issuer**

The Issuer and/or Calculation Agent has broad discretionary authority to make various determinations and adjustments under Products, any of which, even if made in good faith and in a reasonable manner, may have an adverse effect on the market value thereof or amounts payable or other benefits to be received thereunder. Any such discretion exercised by, or any calculation made by, the Issuer and/or Calculation Agent (in the absence of manifest error) shall be binding on the Issuer and all holders of the relevant Products.

Upon the occurrence of an Additional Adjustment Event or Extraordinary Event, if applicable, the Issuer and/or Calculation Agent has the right to, among other things, modify the terms of the Products and the Issuer may exercise a right to early redeem the relevant Products. In accordance with the applicable Terms and Conditions of the Products such events principally relate to the Product, the Issuer and the Underlying(s).

Upon the occurrence of an Additional Adjustment Event or an Extraordinary Event, if applicable, the Issuer and/or Calculation Agent has broad discretion to make certain modifications to the terms of the Products to account for such event, or any amount payable or other benefit to be received under the relevant Products. This may include substituting another underlying or underlyings for an Underlying, irrespective of whether such substitute underlying or underlyings are then currently used for purposes of the Products or changing the settlement terms of a Product from physical settlement to cash settlement. Any such modification made by the Issuer and/or Calculation Agent may have an adverse effect on the market value of or amount payable or other benefit to be received under the relevant Products. Such modification may be made without the consent of Holders of Products.

Upon the occurrence of an Additional Adjustment Event or Extraordinary Event, if applicable, the Issuer is further entitled to early terminate the Products if the Calculation Agent determines that it is unable to make any modification to the Products or any such modification would not be reasonably acceptable to the Issuer and the Holders.

If in such case the Issuer exercises the early termination right, the Products will be redeemed early at an amount which will be determined by the Calculation Agent and which may be considerably lower than the Issue Price (or, if different, the price the relevant investor paid for such Product) and/or the redemption, settlement or any other amount that would otherwise have been due after the date of such early redemption will be paid.

#### **4.12 Risks in connection with rights of ownership in the Underlying(s)**

Unless otherwise provided for in the Terms and Conditions, Potential Investors should be aware that the relevant Underlying(s) will not be held by the Issuer for the benefit of the investors into Products, and as such, investors into Products will not obtain any rights of ownership, including, without limitation, any voting rights, any rights to receive dividends or other distributions or any other rights with respect to any Underlying(s) referenced by such Product.

### **5. Risk Factors relating to certain Underlying Assets and Reference Rates**

#### **5.1 Risks of Products linked to Share(s)**

##### **(a) Risks in connection with factors affecting the performance of the Share(s)**

Factors that may affect the performance of the Share(s) may also adversely affect the market value of, and the return (if any) on, the Products linked thereto. The performance of the Share(s) is dependent upon macroeconomic factors, such as interest and price levels on the capital markets, currency developments, political factors and Share Issuer-specific factors such as earnings position, market position, risk situation, shareholder structure and distribution policy.

##### **(b) No claim against the Share Issuer or recourse to the Share(s)**

Products linked to Share(s) do not represent a claim against or an investment in the relevant Share Issuer and investors in such Products will not have any right of recourse under such Products to such Share(s) or the relevant Share Issuer. Products linked to Shares are not in



any way sponsored, endorsed, or promoted by the relevant Share Issuer and the relevant Share Issuer has no obligation to take into account the consequences of its actions on any investor in such Products. Accordingly, the relevant Share Issuer may take any actions in respect of the Share(s) without regard to the interests of the investors in Products linked thereto, and any of these actions could adversely affect the market value of such Products. The relevant Share Issuer will have no involvement in the offer and sale of Products linked to Share(s) and will have no obligation to any investor in such Products. An investment in Products linked to Share(s) does not result in any right to receive information from the relevant Share Issuer in respect of the Shares or exercise voting rights in respect of, or receive distributions on, the Share(s).

- (c) Risk that the return on the Products does not reflect the return on a direct investment in the Share(s)

An investor's return on Products linked to Share(s) may not reflect the return such investor would realise if he or she actually owned the relevant Share(s). For example, investors in Products linked to Share(s) will not receive dividends, if any, paid on such Share(s) during the term of such Products. Similarly, investors in Products linked to Share(s) will not have any voting rights in the Share(s) during the term of such Products. Accordingly, an investor in such Products may receive a lower payment (if any) upon redemption of such Products than such investor would have received if he or she had invested in the Share(s) directly.

- (d) No assurance that investors will be registered as shareholders in the share register of the Share Issuer(s) upon physical delivery of the Shares

At the time any Share is delivered to a holder of a Product pursuant to the terms thereof, the then valid registration rules of the Share Issuer will apply and there is a risk that such holder may not be registered as shareholder in the share register of the Share Issuer. The Issuer does not offer any assurance or guarantee that holders of Products will be accepted as shareholder in the share register of the Share Issuer(s) upon physical delivery of Share(s) under the Products.

## **5.2 Risks of Products linked to an Index or Indices**

- (a) Risks in connection with factors affecting the performance of the Index or Indices

Factors that may affect the performance of the Index or Indices may also adversely affect the market value of, and return (if any) on, Products linked thereto. Indices are comprised of a synthetic portfolio of shares or other components and, as such, the performance of an Index is dependent upon the macroeconomic factors affecting the performance of the shares or other components that comprise such Index, which may include interest and price levels on the capital markets, currency developments, political factors and (in the case of shares) company-specific factors, such as earnings position, market position, risk situation, shareholder structure and distribution policy.

- (b) Risk that the return on the Products does not reflect the return on a direct investment in the components included in the Index linked thereto

An investor's return on Products linked to an Index may not reflect the return such investor would realise if he or she actually owned the components included in such Index. For example, if the components of an Index are shares, investors in the Products linked to such Index will not receive any dividends paid on those shares and will not benefit from such dividends unless such Index takes such dividends into account for purposes of calculating the Index level. Similarly, investors in Products linked to an Index will not have any voting

rights in the underlying shares or any other components included in such Index. Accordingly, an investor in Products linked to an Index may receive a lower payment (if any) upon redemption of such Products than such investor would have received if he or she had invested in the components of the relevant Index directly.

(c) Risk of change in the composition or discontinuance of the Index

A change in the composition or the discontinuance of the Index could adversely affect the market value of, and return (if any) on, Products linked thereto. In principle, the Issuer and the Calculation Agent have no influence on the composition or performance of an Index (other than a proprietary index of the Issuer (risks in relation to proprietary indices of the Issuer are set out in the following paragraph)), to which a Product is linked. The relevant Licensor/Index Sponsor can add, delete or substitute the components of such Index or make methodological changes that could change the weight or method of calculation of the value of one or more components of such Index. Changing the components of an Index may affect the Index level as a newly added component may perform significantly worse or better than the component it replaces, which in turn may affect the market value of, and the payments made by the Issuer under the Products upon redemption. The relevant Licensor/Index Sponsor of any such Index may also alter, discontinue or suspend calculation or dissemination of such Index. The relevant Licensor/Index Sponsor will have no involvement in the offer and sale of Products linked to an Index and will have no obligation to any investment therein. The relevant Licensor/Index Sponsor may take any actions in respect of an Index without regard to the interests of the investors in Products linked thereto, and any of these actions could adversely affect the market value of such Products.

(d) Risks in relation to Products linked to a proprietary Index of the Issuer

Products may be linked to proprietary indices that are indices developed by the Issuer or one of its Affiliates ("Proprietary Indices" and each a "Proprietary Index") where the Issuer or its Affiliates act as Index Calculation Agent or Licensor/Index Sponsor. These indices pursue a defined strategy to achieve an investment objective as described in more detail in the relevant index description. Any potential investor in Products linked to Proprietary Indices should be aware that such indices usually have only a limited operating history with no proven track record in achieving the stated investment objective in the medium or long term. Therefore, no assurance can be given that any such strategy on which a Proprietary Index is based will be successful and that such index will perform in line with or better than the relevant market benchmark or any alternative strategy that might be used to achieve the same or similar investment objectives.

The index rules of a Proprietary Index provide the Issuer or its Affiliates in the capacity as Licensor/Index Sponsor and Index Calculation Agent with broad discretion to make certain calculations, determinations and amendments to the applicable index rules, from time to time, which calculations, determinations and amendments will, in the absence of manifest error, be binding upon Holders of Products. The applicable Terms and Conditions and the index rules of the relevant Proprietary Index contain certain guidelines for the exercise of such discretion by the Licensor/Index Sponsor and the Index Calculation Agent in accordance with applicable laws and regulations. Before making a decision to invest in Products linked to Proprietary Indices potential investors should take into consideration that any such determination by the Licensor/Index Sponsor or the Index Calculation Agent may have an adverse effect on the market value of or amount payable or other benefit to be received under the relevant Products.

Proprietary Indices rely on the Issuer's infrastructure and electronic systems (including internal data feeds). Any breakdown or impairment to such infrastructure or electronic systems could affect the performance or continued operability of the relevant Index.

### 5.3 Risks of Products linked to a Commodity or Commodities

- (a) Risks in connection with factors affecting the performance of the Commodity or Commodities

Factors that affect the performance of the Commodity or Commodities may adversely affect the market value of, and return (if any) on, the Products linked thereto. Commodity prices may be more volatile than other asset classes. Trading in Commodities is speculative and may be extremely volatile. Commodity prices are affected by a variety of factors that are unpredictable including, for example, warehousing, transportation and insurance costs, changes in supply and demand relationships, weather patterns and extreme weather conditions, governmental programmes and policies, national and international political, military, terrorist and economic events, fiscal, monetary and exchange control programmes, changes in interest and exchange rates and changes and suspensions or disruptions of market trading activities in commodities and related contracts. Commodity prices may be more volatile than other asset classes, making investments in commodities riskier than other investments.

A Commodity is either (i) a "physical" commodity, which needs to be stored and transported, and which is generally traded at a "spot" price, or (ii) a commodity contract, which is an agreement either (a) to buy or sell a set amount of an underlying physical commodity at a predetermined price and during a specified delivery period (which may be referred to as a delivery month), or (b) make and receive a cash payment based on changes in the price of the underlying physical commodity.

- (b) Risks of Commodities that reference commodities contracts that are traded on unregulated or "under regulated" exchanges

Commodity contracts may be traded on regulated specialised futures exchanges (such as futures contracts). Commodity contracts may also be traded directly between market participants "over-the-counter" on trading facilities that are subject to lesser degrees of regulation or, in some cases, no substantive regulation. Accordingly, trading in such "over-the-counter" contracts may not be subject to the same provisions of, and the protections afforded to, contracts traded on regulated specialised futures exchanges, and there may therefore be additional risks related to the liquidity and price histories of the relevant contracts.

- (c) Products linked to a Futures Contract on a particular Commodity may provide a different return than if they were linked to the physical Commodity or the Commodities

Products linked to a Commodity may be linked to a Futures Contract on such Commodity rather than to the Commodity itself. The price of a Futures Contract on a Commodity will generally be at a premium or at a discount to the spot price of the relevant Commodity. This discrepancy is due to such factors as (i) the need to adjust the spot price due to related expenses (*e.g.*, warehousing, transport and insurance costs) and (ii) different methods being used to evaluate general factors affecting the spot and the futures markets. In addition, and depending on the relevant Commodity, there can be significant differences in the liquidity of the spot and the futures markets. Accordingly, Products linked to a Futures Contract of a particular Commodity may provide a different return than if they were linked to the relevant Commodity itself.

## (d) Risks in relation to the physical delivery of a Commodity that is a precious metal

If an investor in a Product linked to a Commodity that is a precious metal with a physical delivery feature does not maintain a precious metal account with a bank, physical delivery of such Commodity on the Final Redemption Date will not be possible and no substitute cash settlement (or any other payment) will be made by the Issuer. Therefore, any such investor must sell such Product in order to realise his or her investment therein. See also "*— II. Specific risks of Products with certain features — Risks of Products with physical settlement*".

## (e) Additional risks of Products linked to Commodity Indices, including potential effects of "rolling"

Commodity Indices are Indices that track the performance of a basket of commodity contracts on certain Commodities. The weighting of the respective Commodities included in a Commodity Index will depend on the particular Index, and is generally described in the relevant index rules of the Index. Commodity contracts have a predetermined expiration date - *i.e.* a date on which trading of the commodity contract ceases. Holding a commodity contract until expiration will result in delivery of the underlying physical Commodity or a cash settlement. Alternatively, "rolling" the commodity contracts means that the commodity contracts that are nearing expiration (the "near-dated commodity contracts") are sold before they expire and commodity contracts that have an expiration date further in the future (the "longer-dated commodity contracts") are purchased. Commodity Indices "roll" the component commodity contracts in order to maintain an ongoing exposure to the relevant Commodities. Specifically, as a commodity contract is required to be rolled pursuant to the relevant index rules, the relevant Commodity Index is calculated as if exposure to the commodity contract was liquidated and exposure was taken to another (generally longer-dated) commodity contract for an equivalent exposure. "Rolling" can affect the level of a Commodity Index in a number of ways, including:

- The sensitivity of the overall level of a Commodity Index to a particular commodity contract may be increased or decreased through "rolling". Where the price of a near-dated commodity contract is greater than the price of the longer-dated commodity contract (the relevant Commodity is said to be in "*backwardation*"), then "rolling" from the former to the latter will result in exposure to a greater number of commodity contracts. Therefore, any loss or gain on the new positions for a given movement in the prices of the commodity contracts will be greater than if the Commodity Index had synthetically held the same number of commodity contracts as before the "roll". Conversely, where the price of the near-dated commodity contract is lower than the price of the longer-dated commodity contract (the relevant Commodity is said to be in "*contango*"), then "rolling" will result in exposure to a smaller number of the commodity contracts. Therefore, any gain or loss on the new positions for a given movement in the prices of the commodity contracts will be less than if the Commodity Index had synthetically held the same number of commodity contracts as before the "roll".
- Whether a Commodity is in "*contango*" or "*backwardation*" can be expected to affect the Commodity Index level over time. If a Commodity is in "*contango*", then the price of the longer-dated commodity contract will generally be expected to (but may not) decrease over time as it nears expiry. In such event, the level of the Commodity Index can generally be expected to be negatively affected. If a Commodity is in

"backwardation", then the price of the longer-dated commodity contract will generally be expected to (but may not) increase over time as it nears expiry. In such event, the level of the Commodity Index can generally be expected to be positively affected.

#### **5.4 Risks of Products linked to Foreign Exchange Rate(s)**

Factors affecting the performance of the Foreign Exchange Rate(s) may adversely affect the market value of, and return (if any) on, Products linked thereto.

The performance of Foreign Exchange Rate(s) is dependent upon the supply and demand for currencies in the international foreign exchange markets, which are subject to economic factors, including inflation rates in the countries concerned, interest rate differences between the respective countries, economic forecasts, international political factors, currency convertibility and safety of making financial investments in the currency concerned, speculation and measures taken by governments and central banks. Such measures include, without limitation, imposition of regulatory controls or taxes, issuance of a new currency to replace an existing currency, alteration of the exchange rate or exchange characteristics by devaluation or revaluation of a currency or imposition of exchange controls with respect to the exchange or transfer of a specified currency that would affect exchange rates and the availability of a specified currency.

#### **5.5 Risks of Products linked to Fund(s) and Exchange Traded Fund(s)**

- (a) Risks in connection with factors affecting the performance of the Fund(s) and of the Exchange Traded Fund(s)

Factors that affect the performance of the Fund(s) and of the Exchange Trade Fund(s) may adversely affect the market value of, and the return (if any) on, the Products linked thereto. Products may be linked to (i) Exchange Traded Funds which are open-ended or other funds traded like a share on an exchange, or (ii) to traditional Funds. Both traditional Funds and Exchange Traded Funds track the performance of a portfolio of assets. As a result, the performance of a Fund or an Exchange Traded Fund is dependent upon the macroeconomic factors affecting the performance of such assets which may include, among other things, interest and price levels on the capital markets, commodity prices, currency developments, political factors and, in the case of shares, company specific factors, such as earnings position, market position, risk situation, shareholder structure and distribution policy. Moreover, among other things, the liquidity of the Fund(s) and/or Exchange Traded Fund(s) may also affect the liquidity of the Products linked to such Fund(s) and/or Exchange Traded Fund(s).

- (b) Risk that the return on the Product does not reflect the return on a direct investment in the assets included in the portfolio of the Fund(s) or the Exchange Traded Fund(s) linked thereto

An investor's return on Products linked to Fund(s) or Exchange Traded Fund(s) may not reflect the return such investor would realise if he or she actually owned the relevant assets included in the portfolio(s) of the Fund(s) or Exchange Traded Fund(s). For example, if the portfolio of the Fund(s) or Exchange Traded Fund(s) includes shares or a share index, investors in the Products linked to such Fund or Exchange Traded Fund will not receive any dividends paid on such shares or the shares included in such share index and will not benefit from those dividends unless such Fund or Exchange Traded Fund takes such dividends into account for purposes of calculating the value of such Fund or Exchange Traded Fund, as applicable. Similarly, investors in Products linked to Fund(s) or Exchange Traded Fund(s)

will not have any voting rights in the shares or other assets that are included in the portfolio(s) of the Fund(s) or Exchange Traded Fund(s). Accordingly, an investor in Products linked to Fund(s) or Exchange Traded Fund(s) may receive a lower payment (if any) upon redemption of such Products than such investor would have received, if he or she had directly invested in the assets included in the portfolio of such Fund(s) or Exchange Traded Fund(s).

(c) Risks of a change in the composition or discontinuance of the Fund(s) or Exchange Traded Fund(s)

A change in the composition or discontinuance of the Fund(s) or Exchange Traded Fund(s) could adversely affect the market value of, and return (if any) on, Products linked thereto. In principle, the Issuer and the Calculation Agent have no influence on the composition or performance of any Fund, any Exchange Traded Fund or any index that such Fund or Exchange Traded Fund is intended to replicate. The Fund Administrator, Fund Manager or the licensor/index sponsor, as applicable, of the underlying index can add, delete or substitute the assets included in such index, respectively, or make methodological changes that could affect the value of such Fund, such Exchange Traded Fund and of such underlying index. The substitution of assets included in the portfolio of a Fund, Exchange Traded Fund or in an underlying index may affect the value of such Fund or Exchange Traded Fund, as a newly added asset may perform significantly worse or better than the asset it replaces, which in turn may affect the market value of, or payments (or other benefits to be received) under, the Products. The Fund Administrator, Fund Manager or licensor/index sponsor of any underlying index may also alter, discontinue or suspend calculation or dissemination of such Fund, such Exchange Traded Fund or such underlying index, respectively. The Fund Administrator, Fund Manager and licensor/index sponsor of such underlying index are not involved in the offer and sale of the Products and have no obligation to invest therein. The Fund Administrator, Fund Manager and licensor/index sponsor of such underlying index may take any actions in respect of such Fund, such Exchange Traded Fund or such underlying index, respectively, without regard to the interests of the investors in Products, and any of these actions could adversely affect the market value of (or amount payable under) such Products. In particular, no assurance can be given that the performance of an Exchange Traded Fund will be identical to the performance of the assets which it intends to replicate due to many factors.

(d) Risks in relation to market price

The market price of interests in Exchange Traded Fund(s) that are traded on an exchange may, due to the forces of supply and demand, as well as liquidity and scale of trading spread in the secondary market, diverge from their net asset value, *i.e.*, the market price per interest in Exchange Traded Fund(s) could be higher or lower than its net asset value, and will fluctuate during the trading day. Such fluctuations may also affect the market value of the Products linked to Exchange Traded Fund(s).

(e) The performance of Fund(s) and of Exchange Traded Fund(s) with a portfolio of assets that are concentrated in the shares of a particular industry or group of industries could be more

volatile than the performance of Funds or Exchange Traded Funds with portfolios of more diverse assets.

## 5.6 Risks of Products linked to Interest Rate(s) or Reference Rate(s)

The Products may be linked to a Reference Rate, such as Floating Rate Notes, under which the coupon payments are calculated based on a Reference Rate. The value of such Products are, therefore, dependant on the performance of the Reference Rate.

- (a) Risks in connection with factors affecting the performance of the Interest Rate(s) or Reference Rate(s)

Factors affecting the performance of the Interest Rate(s) or Reference Rate(s) may adversely affect the market value of, and return (if any) on, Products linked thereto. Interest Rates and Reference Rates are mainly dependent upon the factors of the supply and demand for credit in the money market, *i.e.*, the rates of interest paid on investments, determined by the interaction of supply of and demand for funds in the money market. The supply and demand in the money market on the other hand is dependent upon macroeconomic factors, such as interest and price levels on the capital markets, currency developments and political factors, or upon other factors, depending on the specific type of Interest Rate or Reference Rate.

- (b) Risks of a methodological change or discontinuance of the determination of the Interest Rate(s) or Reference Rate(s)

A methodological change or discontinuance of the determination of the Interest Rate(s) or Reference Rate(s) may adversely affect the market value of, and return (if any) on, Products linked thereto. In principle, the Issuer and the Calculation Agent have no influence on the determination of the Interest Rate(s) or Reference Rate(s). Interest Rates and Reference Rates are generally calculated by an independent organization or a governmental authority, often based on information provided by market participants. The entity publishing an Interest Rate or Reference Rate (*i.e.*, the Rate Source, as defined in the applicable Terms and Conditions) can modify the calculation method for determining such Interest Rate or Reference Rate or make other methodological changes that could affect the value of the Interest Rate or Reference Rate. The Rate Source may also alter, discontinue or suspend calculation or dissemination of such Interest Rate or Reference Rate. The Rate Source is not involved in the offer and sale of the Products and has no obligation to invest therein. The Rate Source may take any actions in respect of such Interest Rate or Reference Rate without regard to the interests of the investors in Products, and any of these actions could adversely affect the market value of such Products.

## 5.7 Risks of Products linked to Bond(s)

- (a) Risks in relation to the credit risk of the issuer of the Bond (the "Bond Issuer")

Bonds constitute debt obligations of the Bond Issuer. Products linked to Bonds are therefore linked to the credit risk of the Bond Issuer.

- (b) Risks in relation to the market price

The performance of the Bond(s) is, among others, dependent upon macroeconomic factors, such as interest and price levels on the capital markets, currency developments, political factors as well as specific factors in relation to the Bond Issuer, such as earnings position, market position, risk situation, shareholder structure and distribution policy. Accordingly,

the market value of the Products and the payments under the Products can be significantly impaired.

(c) Risks resulting from the indirect investment in the Bond(s)

Products linked to Bond(s) do not represent a claim against the relevant Bond Issuer and investors in such Products will not have any right of recourse under such Products to such Bond(s) or the relevant Bond Issuer. Products linked to Bonds are not in any way sponsored, endorsed, or promoted by the relevant Bond Issuer and the relevant Bond Issuer has no obligation to take into account the consequences of its actions on any investor in such Products. Accordingly, the relevant Bond Issuer may take any actions in respect of the Bond(s) without regard to the interests of the investors in Products linked thereto, and any of these actions could adversely affect the market value of such Products. The relevant Bond Issuer will have no involvement in the offer and sale of Products linked to Bond(s) and will have no obligation to any investor in such Products. An investment in Products linked to Bond(s) does not result in any right to receive information from the relevant Bond Issuer in respect of the Bonds or distributions on the Bond(s).

(d) Risk that the return on the Products does not reflect the return on a direct investment in the Bond(s)

An investor's return on Products that are linked to Bond(s) may not reflect the return such investor would realise if he or she actually owned the relevant Bond(s). For example, investors in Products linked to a Bond will not receive any interest payments on such Bond during the term of such Products. Accordingly, an investor in any such Products may receive a lower payment (if any) upon redemption of such Products than such investor would have received if he or she had invested in the Bond(s) directly

## 5.8 Risks of Products linked to Futures Contract(s)

There is generally a close correlation between the price movement of an underlying for the relevant Futures Contract on a spot market and on the corresponding futures market. However, Futures Contracts are generally traded at a premium or discount compared with the spot price of the underlying of the Futures Contract. This difference between the spot and futures prices, called the "basis" in futures exchange terminology, on the one hand is the result of taking into account the costs customarily arising in connection with spot transactions (warehousing, delivery, insurance, etc.) and/or the income customarily arising in connection with spot transactions (interest, dividends, etc.), and on the other hand the different methods used to evaluate general market factors affecting the spot and the futures market. Furthermore, depending on the relevant underlying, there can be significant differences in the liquidity of the spot and respective futures market. Investors therefore bear such risks in addition to the risks associated with the underlying of the Futures Contract.

## 5.9 Risks of Products linked to Reference Entity (so called "Investment Products with Additional Credit Risk")

(a) Risks in relation to the credit risk of the reference entity

Investment Products with Additional Credit Risk will be subject to the risk that a credit event occurs in relation to the reference entity. The creditworthiness of the reference entity is not only expected to be significantly influenced by company-specific conditions, but also by external national and international economic developments relating to the company's industry sector and political developments.



- (b) Risks resulting from the indirect investment in the Investment Products with Additional Credit Risk

Investment Products with Additional Credit Risk do not represent a claim against the reference entity, and, in the event of any loss under such Product, a potential investor will have no right of recourse against the reference entity, nor shall a potential investor have any legal, beneficial or other interest whatsoever in the reference obligation. The reference entity is not involved in the issuance of such Products in any way and has no obligation to consider the interests of the potential investors. The reference entity may, and is entitled to, take actions that will adversely affect the value of such Products. Potential investors will not have any voting rights in the reference entity or rights to receive dividends from the reference entity, or any other rights (such as rights to receive interest payments) that holders of debt obligations of the reference entity may have.

- (c) Risk that the return on the Products does not reflect the return on a direct investment in the reference entity or its obligations

An investment in Investment Products with Additional Credit Risk is not comparable to a direct investment in the reference entity or in a debt obligation issued by the reference entity (including the reference obligation of the reference entity). Changes in the value of the reference entity or the reference obligation may not necessarily lead to a comparable change in the market value of such Investment Products with Additional Credit Risk.

- (d) Risks in relation with liquidity risk of the reference obligation

The reference obligation may have no, or only a limited, trading market. The liquidity of a reference obligation will generally fluctuate with, among other things, the underlying liquidity of the loan and bond markets, general economic conditions, domestic and international political events, developments or trends in a particular industry and the financial condition of the entity which issued such reference obligation. Financial markets have experienced periods of volatility and reduced liquidity that may re-occur and reduce the market value of the reference obligations.

### **C. Risk Factors Relating to the Issuer**

The Issuer is exposed to a variety of risks that could adversely affect its results of operations, financial condition and prospects. In case one or more of these risks materialises, the Issuer may not be able to fulfil all or a part of its obligations under the Products and investors in the Products could lose all or a part of their investment in, and any expected return on, Products.

An investor assumes with the purchase of Products in addition to product specific risks also the counter-party risk, i.e. the risk that the Issuer is unable to fulfil its payment obligations. The following description, which is not exhaustive, entails significant risks, which in light of current understanding could impair the Issuer's ability to fulfil its obligations towards the investors of Products. The order in which the following risk factors are presented is not an indication of the likelihood of their occurrence or their importance. Also to be taken into account is the fact that the risk factors described below may also apply cumulatively and therefore their effect may be increased as a result.

The materialisation of one or more of the risk factors described below may have considerable negative effects on the Issuer's results of operation, business and financial position. As a result, investors may lose part or all of their investment (i.e. the total loss of their invested capital may occur). The decision on any investment must be made on the basis of an independent examination

made by the potential investor and, insofar as the investor considers it necessary, on the basis of professional advice, such as that provided by an investment advisor.

In this section the risks specific to the Issuer are set out. The assessment of materiality of each risk has been made by the Issuer as of the date of this Base Prospectus based on the probability of their occurrence and the expected magnitude of their negative impact on the Issuer.

The assessment of materiality is disclosed by specifying whether the realization of the respective risk results in adverse effects on the Issuer's business, results of operations, profitability, financial condition or prospects.

In this context the expressions "material" and "significant" denote a higher expected magnitude of materiality of the respective risk. If any of such denoted risks materialise, the market value of securities issued by the Issuer can fall significantly or even to zero. Furthermore, the Issuer may not be able to fulfil its obligations under the Products issued by it. Accordingly, investors in the Products which are issued by the Issuer may lose parts of their investment or their entire investment (risk of total loss).

The risks described below may also occur cumulatively and thus be mutually reinforcing. In particular in the event that several of the risks listed below occur cumulatively and are mutually reinforcing, the ability of the Issuer to meet its payment or delivery obligations under such securities to investors may be adversely affected.

## **1. Risks related to the financial situation of the Issuer**

### **1.1 Credit risk**

Each investor bears the risk that the financial situation of the Issuer could deteriorate. The Issuer's obligations relating to the Products are not protected by any statutory or voluntary deposit guarantee system or compensation scheme. In the event of insolvency of the Issuer, investors may thus experience a total loss of their investment in the Products.

Unless specified otherwise, the Products constitute unsecured and unsubordinated obligations of the Issuer, which, in particular 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 insolvency of the Issuer may lead to a partial or total loss of the invested capital.

The Issuer's financial situation depends, among others, on the risk that third parties that owe the Issuer money, securities or other assets default on their payment or other obligations. Furthermore, the Issuer is exposed to the risk that a foreign debtor, despite its own ability to pay its debts, is not able to make its interest and/or redemption (re-)payments or to make such payments on the respective maturity date, for example as a result of a lack of foreign exchange reserves at the involved central bank ("economic risk") or as a result of political governmental intervention ("political risk"). The Issuer is also exposed to the risk that one party fulfils its delivery or payment obligation under a transaction, the counterparty, however fails to deliver or defaults on the counter delivery or payment obligation during the applicable settlement period ("settlement risk"). The realization of any such credit risk may result in financial losses for the Issuer and, therefore, have a material adverse effect on the Issuer's results and financial condition.

### **1.2 Rating downgrade risk**

The Issuer is rated by credit rating agencies. A rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the credit rating agency at any time. As of

the date of this Prospectus the rating assigned to the Issuer by Moody's Long Term Deposit Rating is of Aa2. The Issuer monitors and manages, to the extent possible, factors that could influence its credit rating. Despite such measures, the Issuer's credit rating may be subject to changes in the future. A downgrading of the Issuer's credit ratings could for example occur in case of general market instability and/or low public confidence. Downgrading could in particular result in a limited access to capital markets and the increase of funding costs. A downgrading of the Issuer's credit rating could therefore have a material adverse effect on the Issuer's results.

### **1.3 Liquidity risk and financing risk**

Liquidity and liquidity management are of critical importance to the Issuer. Liquidity risk corresponds to the risk of the Issuer being unable to meet its payment obligations when they fall due. Financing risk is the risk of the Issuer being unable to meet its payment obligations when due in particular as a consequence of liquidity issues. Liquidity is critical to ensure the ongoing continuation of operations and business of the Issuer and to allow the Issuer to finance its planned activities and business development. Liquidity could at any given time be affected by the inability to access the long-term or short-term debt, repurchase, or securities lending markets or to draw under credit facilities at acceptable costs, whether due to factors specific to the Issuer or to general market conditions. In addition, the amount and timing of contingent events, such as unfunded commitments and guarantees, as well as unforeseen cash or capital requirements, unanticipated outflows of cash or collateral or lack of client confidence in the Issuer, financial institutions and/or financial markets overall could adversely affect the liquidity of the Issuer.

The Issuer benefits from long-term and short-term funding sources, including primary demand deposits, interbank loans, time deposits, structured products and bonds. Although deposits have been, over time, a stable source of funding, this may change and be subject to withdrawal or reallocation. In that case, the liquidity position of the Issuer could be adversely affected and it might be unable to meet deposit withdrawals on demand or at their contractual maturity, to repay borrowings as they mature or to fund new loans, investments and businesses.

A diminution of the Issuer's liquidity may be caused by events over which it has little or no control. Failure by the Issuer to effectively manage its liquidity could constrain its ability to fulfil its obligations and fund or invest in its businesses, and thereby significantly affect its results of operations.

## **2. Risks related to the business activities of the Issuer**

### **2.1 Market risk**

The Issuer is exposed to market risks arising from open positions in e.g. interest rate, foreign exchange rates and equity and commodities prices, which could have adverse effects on the Issuer's results of operations. The Issuer further provides to its customers access to global equity, bonds, forex, derivatives and commodity markets. The Issuer's results of operation depend, in particular, on factors such as the investment returns realized by its clients and the Issuer's ability to attract new business inflows. Weak investment performance in the financial markets will negatively affect the value of the assets managed for the Issuer's clients and lead to a decline in the Issuer's revenue and profitability. Furthermore, the Issuer's reporting is exposed to currency fluctuations due to different currencies of its clients' and its own portfolios and its reporting currency which is CHF. Currency fluctuations may result in reductions of profitability.

The market risk is the risk of making a loss as a result of changes in market prices, in particular as a result of changes in foreign exchange rates, interest rates, equity and commodities prices as

well as price fluctuations of goods and derivatives. Market risks result primarily because of adverse and unexpected developments in the economic environment, the competitive position, the interest rates, equity and exchange rates as well as in the prices of commodities. Changes in market price may, not least, result from the extinction of markets and accordingly no market price may any longer be determined for a product. The credit- and country-specific risk factors or company intrinsic events arising from price changes of the underlying values are to be considered also as a market risk. In times of high market uncertainty with regard to the development of the world economy, the investor should be particularly considerate of the market risk and the effect of a decline of market prices on the Issuer's overall financial results.

## **2.2 Operational risk**

The Issuer faces a wide variety of operational risks, the realisation of which could have a material adverse effect on the Issuer's profitability and results of operations.

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. The Issuer is subject to a number of operational risk types including information security and data privacy risk, technology risk, data processing risk, third party management risk, people management risk, model risk, business continuity and infrastructure risk as well as processing and settlement risk which may be caused by, for example, faulty information systems, unsuitable organisational structures or deficient control mechanisms.

Information security, data privacy and integrity are of critical importance for the business of the Issuer. A majority of the Issuer's business processes are administered through information systems. For instance, the loss of confidentiality, availability or integrity of its systems would deprive the Issuer from being able to serve its clients. In particular, for a private bank such as the Issuer, trust of its clients is most important to be able to maintain its franchise. Although the Issuer takes protective measures that it deems appropriate and adapts them depending on the circumstances, computer systems, software and networks may be vulnerable to unauthorised access (within the company or by third parties), computer viruses or other malicious software. A major computer failure or cyber-attack would therefore have an important impact on the continued operation, data processing abilities, transaction flow, settlement. Such event could also lead to an irretrievable loss and/or removal of data (including personal data and data protected by banking secrecy) or an interruption of the bank's services. Any such disruption of its operations, leaks or delays could result in a damage to the Issuer's reputation, ultimately affecting client and investor confidence in the Issuer and resulting in financial loss, liquidity issues, liability to affected parties and/or regulatory intervention. In addition, the Issuer relies on third parties for certain relevant services, in particular clearing systems for currency and securities transactions. Any failure of such third-party services could expose the Issuer to operational risks, negatively affecting the provision of its own services.

Furthermore, the Issuer is exposed to risk from potential non-compliance with policies, employee misconduct or negligence and fraud, which could result in regulatory sanctions and serious reputational or financial harm. Fraud risk also includes fraudulent activities or respective attempts committed by the Issuer's employees (e.g. fraudulent transactions, intentional or inadvertent release of confidential information or failure to follow internal procedures) or external third parties (e.g. payment fraud or asset misappropriation).. It is not always possible to prevent such misconduct, and the precautions the Issuer takes to prevent and detect these activities may not always be effective. The realization of operational risks described above or other operational risks not yet known to the Issuer could have a material adverse effect on the Issuer's profitability and results.

## **2.3 Reputational risk**

The Issuer is exposed to the risk that negative or adverse publicity, press speculation and threatened or actual legal proceedings concerning the Issuer's business or the Issuer's clients could damage the Issuer's reputation. Such reputational damage could (i) cause existing clients to cease doing business with and to withdraw their assets from the Issuer, (ii) impair the Issuer's ability to attract new clients, or to expand its relationships with existing clients, (iii) require the Issuer to cease its business relationship with certain clients, (iv) affect the Issuer's ability to do business with other market-participants or to access certain markets, countries or sectors or (v) diminish the Issuer's ability to hire or retain employees. In addition, negative or adverse publicity, press speculation and threatened or actual legal proceedings concerning the Issuer's business or the Issuer's clients may result in increasing regulatory scrutiny and influence the market perception of the Issuer.

Any of these negative effects could have a material adverse effect on the Issuer's business, operating results and profitability and its prospects.

## **2.4 Business risk**

The issuer is further exposed to cost pressure and must operate in a highly competitive and complex industry. Furthermore, new competitors in the financial services industry continue to emerge. Technological advances have enabled financial institutions and other companies to provide electronic and internet-based financial solutions which may be automated. These developments could require the Issuer to adapt its product and restructure its business and operations to attract and retain clients or to match products and services offered by its competitors. Ongoing competition and developments may affect the Issuer's pricing and may cause the Issuer to lose market share. Increased competition may also require the Issuer to invest additional capital in its business. The failure of the Issuer adequately to capture, assess and react to a changing technological and competition environment could therefore adversely affect the Issuer's profitability.

## **3. Legal and regulatory risks**

### **3.1 Risks resulting from non-compliance with legal and regulatory requirements**

Union Bancaire Privée, UBP SA is a Swiss bank and has operations in various jurisdictions. As such, it must comply with the laws and regulations that apply to its operations in all of the jurisdictions in which it does business and its operations / activities are subject to supervision by regulatory authorities in multiple jurisdictions. Potential non-compliance with legal and regulatory requirements may result in enforcement investigations and potentially in measures by regulatory authorities or compensation payments to third parties or subject the Issuer to significant penalties and could adversely affect the Issuer's reputation, all of which could result in a decline in assets under management and increased costs and hence, significantly affect the Issuer's financial situation, revenues and profitability. This may affect the Issuer's ability to make payments or comply with its other obligations under the Products.

### **3.2 Risks resulting from changes in laws and regulations**

Changes in laws, rules and regulations, or in their interpretation or enforcement, or the implementation of new laws, rules or regulations or expanded regulatory supervision may require the Issuer to make changes to its business and operations / activities and materially affect the Issuer's financial situation, revenues and profitability as well as its ability to conduct certain businesses.

This may affect the Issuer's ability to make payments or comply with its other obligations under the Products.

### **3.3 Risks resulting from legal or regulatory proceedings**

In the ordinary course of business the Issuer and its officers and employees are involved in, and may become involved in, legal or other regulatory proceedings. These may be costly to defend and could result in large monetary losses, including punitive damage awards, and cause significant harm to the Issuer's reputation. As a participant in the financial services industry, it is likely that the Issuer will experience a high level of litigation and regulatory investigations related to its businesses and operations/activities. Furthermore, legal, administrative and regulatory proceedings against other entities of the Issuer's group may have a material adverse effect on the Issuer (even if the Issuer is not directly involved) in the form of reputational damage or monetary losses affecting the group's financial situation.

This may require the Issuer to restructure its operations and activities or to cease offering certain products or services. All of these potential outcomes could harm the Issuer's reputation or lead to higher operational costs, thereby reducing the Issuer's profitability.

### **3.4 Risks resulting from financial crime**

The Issuer is exposed to the risk of (i) fraudulent transfer operations, and/or (ii) not complying with Anti-Money Laundering (AML), Counter Financing of Terrorism (CFT), and applicable anti-corruption / bribery laws and regulations as well as sanctions and embargos (e.g. SECO, OFAC, UN, EU and other local applicable sanctions).

Any non-compliance with the applicable laws and regulations may lead to significant reputational and/or financial damage for the Issuer including fines and penalties, costs related to remediation and external enforcement actions as well as imposed business restrictions.

Possible sanctions include, without limitation:

- the suspension or revocation of all or part of licences to operate certain businesses,
- the suspension or expulsion from a particular jurisdiction or market of any of the Issuer's business organisations or their key personnel,
- the imposition or restrictions on certain business activities, or
- the imposition of fines and other administrative sanctions on the Issuer, its officers or employees.

The measures described above could result in a decline in assets under management and increased costs and hence, significantly affect the Issuer's financial situation, revenues and profitability. This may affect the Issuer's ability to make payments or comply with its other obligations under the Products.

### **3.5 Risks resulting from insolvency proceedings**

As a Swiss bank, Union Bancaire Privée, UBP SA is subject to the special restructuring and insolvency regime set out in article 25 et seq. of the Swiss Banking Act, which gives FINMA broad powers and considerable discretion in taking measures it deems appropriate for purposes of facilitating the recovery and/or resolution of Swiss banks. Accordingly, it is uncertain which measures or actions FINMA and/or other authorities would take in connection with potential

financial difficulties or insolvency of Union Bancaire Privée, UBP SA and such measures may affect the Issuer's ability to fulfil its duties in connection with the Products.

## IV. General Terms and Conditions of the Products

### A. General Terms and Conditions

#### 1. Introduction

The following provisions are the general terms and conditions that apply to the Products (the **General Terms and Conditions**), subject to completion and amendment by the provisions contained in the relevant Final Terms (the **Product Specific Terms and Conditions**). The Product Specific Terms and Conditions contained in the Final Terms for a specific Product shall complete and/or amend the following General Terms and Conditions for the purpose of such Product, as applicable.

These General Terms and Conditions will be supplemented by the relevant underlying specific terms and conditions in respect of (i) a Share or Shares (the "Share Linked Provisions"), (ii) an Index or Indices (the "Index Linked Provisions"), (iii) a Foreign Exchange Rate or Foreign Exchange Rates (the "Foreign Exchange Rate Linked Provisions"), (iv) a Commodity or Commodities (the "Commodity Linked Provisions"), (v) a Fund or Funds (the "Fund Linked Provisions") and (vi) a Bond or Bonds (the "Bond Linked Provisions") set out under section B. "Underlying Specific Terms and Conditions" and they apply in respect of Products linked to the relevant Underlying Asset(s) specified in the relevant Final Terms, unless otherwise specified in the Final Terms for such Products.

These General Terms Conditions, as completed and/or amended by any applicable Underlying Specific Terms and Conditions, in each case subject to completion and/or amendment by the Product Specific Terms and Conditions contained in the relevant Final Terms, shall constitute the full terms and conditions of the Products (the **Terms and Conditions**). The rights and obligations of holders of the Products in relation to the Issuer are determined solely by the Terms and Conditions.

To the extent that there is any inconsistency between the Underlying Specific Terms and Conditions and these General Terms and Conditions, the Underlying Specific Terms and Conditions shall prevail. To the extent that there is any inconsistency between the Product Specific Terms and Conditions contained in the relevant Final Terms and the Underlying Specific Terms and Conditions and/or these General Terms and Conditions, the Product Specific Terms and Conditions contained in the relevant Final Terms shall prevail.

#### 2. Definitions

Capitalised terms that are not defined in these General Terms and Conditions will have the meanings given to them in the Product Specific Terms and Conditions contained in the relevant Final Terms or in the Underlying Specific Terms and Conditions.

If a capitalised term is not defined in the Terms and Conditions, it shall have the meaning in relation to a particular Product determined by the Issuer taking into account the relevant market practices that apply in respect of such Products.



**Affiliate** means any entity controlled, directly or indirectly by the Issuer, any entity that controls, directly or indirectly, the Issuer or any entity under common control with the Issuer.

**American Exercise** or **American Option** or **American Exercise Style** means that the Products can be exercised by the Holder on any Exchange Trading Day within the Exercise Period as specified in the relevant Final Terms.

**Business Day** means in connection with any payment and settlement procedure a day on which (a) relevant clearing systems are open and Products can be settled, (b) relevant commercial banks are open, (c) banks in Geneva are open, (d) foreign exchange markets execute payments in the relevant currency and (e) any other day, as specified in the Product Specific Terms and Conditions contained in the relevant Final Terms.

**Clearing System** means (i) in relation to Products listed on the SIX Swiss Exchange or BX Swiss, the SIX SIS Ltd, Olten, Switzerland (“SIX SIS”), or any additional Clearing System approved by the Regulatory Board of the SIX Exchange Regulation or BX Swiss, as applicable (ii) in relation to any Products which are not listed, SIX SIS or any Clearing System specified in the Final Terms and (iii), as the case may be, the clearing system or other appropriate method selected by the Issuer to effect the settlement and delivery of a relevant Underlying in the case of an issue of Products to which Physical Settlement applies.

**Denomination** means the nominal value of a single Product as specified in the Final Terms.

**European Exercise** or **European Option** or **European Exercise Style** means that the Product can only be exercised at the Exercise Date as specified in the relevant Final Terms.

**Exchange Trading Day** or **Exchange Business Day** means if not otherwise specified in the relevant Final Terms:

- (i) in respect of Products with a Share as Underlying a Trading Day on which the Reference Exchange is operating, on which the relevant Share is quoted on the Reference Exchange and on which such futures or options on the relevant Share (if any) are traded on the Futures and Options Exchange, subject to the provisions set forth under “Market Disruption Event” of the Underlying Specific Terms and Conditions;
- (ii) in respect of Products with an Index as Underlying a day, on which the relevant Index is calculated and announced by the Index Provider, subject to the provisions set forth under “Market Disruption Event” of the Underlying Specific Terms and Conditions;
- (iii) in respect of Products with any Underlying other than an Index or a Share, a day as determined by the Calculation Agent or as specified in the relevant Final Terms.

**Exercise Notice** means a notice in the form satisfactory to the Paying Agent.

**Exercise Period** means, in the case of Products with American Exercise Style, a period during which a Holder can exercise the American Option, as specified in the relevant Final Terms.

**Expiration Date** or **Expiry Date** means the date on which the American Option or European Option expires, as specified in the relevant Final Terms.

**Settlement Type** is either cash settlement (“Cash Settlement”) and/or physical delivery of the Underlying or a component of the Underlying (“Physical Settlement”), as specified in the Final Terms.

**SIX Swiss Exchange** means the SIX Swiss Exchange Ltd, Zurich, Switzerland, or any successor exchange thereof.

**Trading Day** means any day on which the Reference Exchange for an Underlying or of a component of the Underlying, to the extent this is an exchange or a trading system which is open for scheduled trading during regular trading hours; and, to the extent the Relevant Exchange is not a securities exchange or trading system, a Business Day, except for days on which business banks and currency markets in the country in which the Reference Exchange is located, are closed.

### 3. Form of the Products

The Products may be issued in (i) the form of a global certificate (*Globalurkunde*) pursuant to article 973b of the Swiss Code of Obligations or (ii) in uncertificated form in accordance with article 973c of the Swiss Code of Obligations as uncertificated securities (*einfache Wertrechte*).

The global certificate (*Globalurkunde*) will be issued by the Issuer.

The uncertificated securities (*einfache Wertrechte*) will be created by the Issuer by means of a registration in a register of uncertificated securities (*Wertrechtbuch*) maintained by the Issuer or the Paying Agent on behalf of the Issuer.

If "Intermediated Securities" is specified in the relevant Final Terms, the global certificate will be deposited with SIX SIS as custodian (*Verwahrungsstelle*) or any other custodian specified in the relevant Final Terms and the uncertificated securities will be entered into the main register (*Hauptregister*) of SIX SIS as custodian (*Verwahrungsstelle*) or any other custodian specified in the relevant Final Terms, and will, by operation of Swiss law, in each case constitute intermediated securities (*Bucheffekten*) (**Intermediated Securities**).

**The Holders shall not have the right to effect or demand the conversion of the Products issued (i) as uncertificated securities (*einfache Wertrechte*) into, or the delivery of, a global certificate (*Globalurkunde*) or definitive securities (*Wertpapiere*) or (ii) in the form of a global certificate (*Globalurkunde*) into, or the delivery of, a definitive securities (*Wertpapiere*). The Issuer may convert global certificates (*Globalurkunden*) into uncertificated securities and vice versa at any time and without the consent of the Holders.**

### 4. Title to the Products and transfer of the Products

In the case of Products qualifying as Intermediated Securities, (i) the legal holders of such Products (the **Holder**) are each person holding any such Products in a securities account (*Effektenkonto*) that is in such person's name or, in the case of a custodian (*Verwahrungsstelle*), each custodian (*Verwahrungsstelle*) holding any such Products for its own account in a securities account (*Effektenkonto*) that is in such custodian's name (and the expression "Holder" as used herein shall be construed accordingly), and (ii) such Products may only be transferred by the entry of the transferred Products in a securities account of the transferee.

In case of Products in the form of uncertificated securities that are not Intermediated Securities, the Products may only be transferred to the Issuer, unless otherwise specified in the relevant Final Terms.

## **5. Redemption / settlement of the Products**

If so specified in the relevant Final Terms, a Product shall be redeemed or settled, as applicable, on the Maturity Date or Settlement Date, as applicable, and each Product entitles its Holder to receive from the Issuer payment of a cash amount in the relevant currency and/or delivery of certain number of the relevant Underlying(s), as applicable, as determined and/or calculated by the Calculation Agent, against transfer of the Product in accordance with and subject to the Product Specific Terms and Conditions contained in the relevant Final Terms.

## **6. Interest / coupon payment**

If so specified in the relevant Final Terms, each Product entitles its Holder to receive from the Issuer fixed and/or floating and/or structured interest or coupon payments, as applicable, in the relevant currency on the relevant interest or coupon payment date as determined and/or calculated by the Calculation Agent in accordance with and subject to the Product Specific Terms and Conditions contained in the relevant Final Terms.

## **7. Exercise and exercise terms**

If so specified in the relevant Final Terms, a Product must be exercised by the Holder by delivering to the Paying Agent a duly completed Exercise Notice on or prior to the Expiration Date or Expiry Date, as specified in the relevant Final Terms, in order for the Holder to be entitled to receive from the Issuer payment of a cash amount in the relevant currency and/or delivery of certain number of the relevant Underlying(s), as applicable, as determined and/or calculated by the Calculation Agent in accordance with and subject to the Product Specific Terms and Conditions contained in the relevant Final Terms.

## **8. Redemption at the option of the Issuer**

If so specified in the relevant Final Terms, the Issuer may, on giving no less than 15 nor more than 30 calendar days' irrevocable notice to the Holders (or such other notice period as may be specified in the relevant Final Terms), redeem all of the Products on the date specified in the relevant Final Terms at the redemption amount specified in the relevant Final Terms.

## **9. Redemption at the option of the Holder**

If so specified in the relevant Final Terms, the Issuer shall, at the option of the Holder of any such Product, upon the Holder of such Product giving no less than 15 nor more than 30 calendar days' irrevocable notice to the Issuer by delivering to the Paying Agent a duly completed Exercise Notice (or such other notice period as may be specified in the relevant Final Terms), redeem such Product on the date specified in the relevant Final Terms at the redemption amount specified in the relevant Final Terms.

## 10. Payment day

If the date for payment of any amount in respect of any Product is not a Payment Day, the Holder 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 (unless otherwise specified in the Final Terms), **Payment Day** means any day which 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 payment; and (b) any Financial Centre specified in the Final Terms; and
- (ii) in relation to any sum payable in a specified currency, 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 relevant financial centre of the country of the relevant specified currency.

## 11. Payment disruption

In the event that the Calculation Agent, at any time and from time to time, determines that a Payment Disruption Event has occurred, then the Calculation Agent shall as soon as practicable notify the Issuer and the Holders of the relevant Products of the occurrence of a Payment Disruption Event.

Upon the occurrence of a Payment Disruption Event, the date on which the Products may be exercised or redeemed or any amount that is due and payable in respect of the relevant Products may be extended by the Issuer to a date falling 14 calendar days (or such other date as may be determined by the Calculation Agent and notified to the Holders) after the date on which the Payment Disruption Event is no longer occurring and notice thereof shall be given to the Holders and Holder are not entitled to any default interest and no liability shall attach to the Issuer in respect of the occurrence of a Payment Disruption Event.

A **Payment Disrupting Event** means any of

- (i) an event which has the effect of preventing, restricting or delaying the Calculation Agent or Issuer from:
  - (a) converting a relevant currency into another relevant currency through customary legal channels; or
  - (b) converting a relevant currency into another relevant currency at a rate at least as favourable as the rate for domestic institutions located in the relevant payment jurisdiction; or
  - (c) delivering any relevant currency from accounts inside the relevant payment jurisdiction to accounts outside the relevant payment jurisdiction; or

- (d) delivering a relevant currency between accounts inside the relevant payment jurisdiction or to a party that is a non-resident of the relevant payment jurisdiction;
- (ii) the imposition by the relevant payment jurisdiction (or any political or regulatory authority thereof) of any capital controls, or the publication of any notice of an intention to do so, which the Calculation Agent determines is likely to materially affect the Products, and notice thereof is given by the Issuer to the Holders; and
- (iii) the implementation by the relevant payment jurisdiction (or any political or regulatory authority thereof) or the publication of any notice of an intention to implement any changes to the laws or regulations relating to foreign investment in the relevant payment jurisdiction (including, but not limited to, changes in tax laws and/or laws relating to capital markets and corporate ownership), which the Calculation Agent determines are likely to affect materially the Issuer's ability to hedge its obligations under the Products; and
- (iv) an event as a result of which the Issuer is prohibited, unable, or otherwise fails to make any payment, or any portion thereof under the Products, or to perform any other obligation under the Products because or arising out of an act of war, insurrection or civil strife, an action by any government or governmental authority or instrumentality thereof (whether de jure or de facto), legal constraint, terrorism, riots or catastrophe.

## **12. Currency of the Products**

The Products may be issued in Swiss francs or any other currency and the relevant currency or currencies are specified in the relevant Final Terms.

## **13. Currency exchange rates**

Unless otherwise specified in the relevant Final Terms, any amounts to be determined by the relevant Issuer or any Agent pursuant to the Terms and Conditions of the Products, which have to be converted in a different currency shall be converted in such currency at the spot exchange rate applied by the converting person in its normal course of business.

## **14. Business Day Convention**

If any date scheduled to make a payment under the Products falls on a calendar day which is not a Business Day then (unless otherwise specified in the relevant Final Terms):

- (i) if the Business Day Convention specified in the relevant Final Terms is "Following", such date shall be postponed to the next following calendar day which is a Business Day;
- (ii) if the Business Day Convention specified in the relevant Final Terms is "Modified Following", such date shall be postponed to the next following calendar day which is a Business Day unless that calendar day falls in the next calendar month, in which case such date will be brought forward to the immediately preceding calendar day that is a Business Day;
- (iii) if the Business Day Convention specified in the relevant Final Terms is "Preceding", such date will be brought forward to the immediately preceding calendar day which is a Business Day; and

- (iv) if the Business Day Convention specified in the relevant Final Terms is "Floating Rate", such date will be postponed to the next following calendar day which is a Business Day unless that calendar day falls in the next calendar month, in which event (such date shall be brought forward to the immediately preceding Business Day and (ii) each subsequent such date (if any) shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment.

If the Final Terms do not make any reference to the applicable Business Day Convention, the Business Day Convention referred to in sub-section (i), "Following", as default convention shall apply.

### **15. Settlement Disruption Event**

If a Settlement Disruption Event prevents delivery of a relevant Underlying on a delivery date, then the delivery date will be the first succeeding date on which delivery of the Underlying can take place through the relevant Clearing System unless a Settlement Disruption Event prevents settlement on each of the eight Clearing System Business Days immediately following the original date that, but for the occurrence of the Settlement Disruption Event, would have been the delivery date. In that case, (i) if such Underlying can be delivered in any other commercially reasonable manner (in the determination of the Calculation Agent), then the delivery date will be the first date on which settlement of a sale of the Underlying executed on that eighth Clearing System Business Day customarily would take place using such other commercially reasonable manner of delivery (which other manner of delivery will be deemed the relevant Clearing System for the purposes of delivery of the relevant Underlying), and (ii) if such Underlying cannot be delivered in any other commercially reasonable manner (in the determination of the Calculation Agent), then the delivery date will be postponed until delivery can be effected through the relevant Clearing System or in any other commercially reasonable manner.

A Holder shall not be entitled to any payment, whether of interest or otherwise, on the Product in the event of any delay in the delivery of the Underlying due to the occurrence of a Settlement Disruption Event and no liability in respect thereof shall attach to the Issuer or the Paying Agent.

For so long as delivery of a relevant Underlying is not practicable by reason of a Settlement Disruption Event, then notwithstanding that "Physical Settlement" is specified to be applicable in the relevant Final Terms, or any other provision of the Terms and Conditions, the Issuer may elect to satisfy its obligations in respect of the relevant Product by payment to the relevant Holder of the Disruption Cash Settlement Price not later than on the third Clearing System Business Day following the date that the notice of such election is given to the Holders. Payment of the relevant Disruption Cash Settlement Price will be made (i) in such manner as shall be notified to the Holders or (ii) to the Relevant Clearing System for the credit of the account of the relevant account holder in the Relevant Clearing System.

**Settlement Disruption Event** means an event beyond the control of the Issuer (including illiquidity in the market for the relevant Underlying or any legal prohibition, or material restriction imposed by any law, order or regulation on the ability of the Issuer, to deliver the relevant Underlying) as a result of which, in the determination of the Calculation Agent, delivery of the

Underlying by or on behalf of the Issuer is illegal or is not practicable, or as a result of which the relevant Clearing System cannot clear the transfer of the relevant Underlying.

**Clearing System Business Day** means, in respect of any relevant Clearing System, any day on which such relevant Clearing System is (or, but for the occurrence of a Settlement Disruption Event, would have been) open for the acceptance and execution of settlement instructions.

**Disruption Cash Settlement Price** means such amount as specified in the relevant Final Terms, or, if not so specified, an amount equal to the fair market value of the relevant Product (but not taking into account any interest accrued on any Product) on such day as shall be selected by the Calculation Agent in its discretion adjusted to take account fully for any losses, expenses and costs to the Issuer and/or any affiliate of the Issuer of unwinding or adjusting any underlying or related hedging arrangements, all as calculated by the Calculation Agent.

## 16. Early redemption or termination for illegality and illiquidity

The Issuer may, at its option, redeem or terminate (as applicable) the Products early (on giving not less than 7 nor more than 30 days' irrevocable notice to the Holders (or such other notice period as may be specified in the relevant Final Terms)) (i) in the event that it determines in its sole and absolute discretion that its performance of its obligations under the terms of the Products has become unlawful in whole or in part as a result of (x) any change in financial, political or economic conditions or currency exchange rates, or (y) compliance in good faith by the Issuer or any relevant subsidiaries or affiliates with any applicable present or future law, rule, regulation, judgement, order or directive of any governmental, administrative or judicial authority or power or in interpretation thereof, or (ii) if the Issuer determines in its sole and absolute discretion that (x) the total amount invested in the Products has fallen below the amount, which is considered by the Issuer as being the minimum amount required to manage the Products in an economically efficient way, or (y) there is not sufficient liquidity in the relevant Underlying Asset(s) (each such event, a **Termination Event**). In the event of an early redemption or termination (as applicable) of the Products following a Termination Event, the Issuer will cause to be paid to each Holder in respect of each such Product held by it the Early Payment Amount.

**Early Payment Amount** means an amount determined by the Calculation Agent on the second Business Day immediately preceding the due date for the early redemption or settlement, as applicable, of the Products, representing the fair market value of such Products, determined using its internal models and methodologies by reference to such factors as the Calculation Agent may consider to be appropriate including, without limitation:

- (i) market prices or values for the underlying(s) and other relevant economic variables (such as interest rates and, if applicable, exchange rates) at the relevant time taking into account the bid or offer prices of the underlying(s) (as relevant);
- (ii) the remaining term of the Products had they remained outstanding to scheduled maturity or expiry and/or any scheduled early redemption;
- (iii) the value at the relevant time of any minimum redemption or cancellation amount which would have been payable had the Products remained outstanding to scheduled maturity or expiry and/or any scheduled early redemption or exercise date;

- (iv) if applicable, accrued interest;
- (v) internal pricing models;
- (vi) prices at which other market participants might bid for securities similar to the Products; and
- (vii) any other information which the Calculation Agent considers to be relevant (but ignoring the event which resulted in such early redemption).

### **17. Extraordinary Hedge Disruption Event**

Upon the occurrence of an Extraordinary Hedge Disruption Event in relation to any Products, the Issuer may (but shall not be obliged to) in its sole and absolute discretion redeem the Products on such day as determined by the Issuer in its sole and absolute discretion and as notified to the Holders and will, if and to the extent permitted by applicable law, pay to the Holders in respect of each such Product the Early Payment Amount.

An "**Extraordinary Hedge Disruption Event**" means, in relation to any Products, the occurrence of any of the following events (as applicable):

- (i) unless otherwise specified in the relevant Final Terms, an Extraordinary Hedge Sanctions Event;
- (ii) unless otherwise specified in the relevant Final Terms, an Extraordinary Hedge Bail-in Event; and
- (iii) unless otherwise specified in the relevant Final Terms, an Extraordinary Hedge Currency Disruption Event.

For such purpose, the following terms shall have the following meanings:

**Extraordinary Hedge Sanctions Event** means (and shall be deemed to have occurred where), in relation to any Products, the Calculation Agent determines that, on or after the Issue Date, due to:

- (i) the adoption of, or announcement of, any change in, any applicable law, rule, regulation, judgment, order, sanction, or directive of any governmental, administrative, legislative or judicial authority or power, in each case, relating to financial sanctions and embargo programmes, including but not limited to any restrictions applicable to designated or blocked persons, as enacted, administered and/or enforced, from time to time, by the U.S. Department of the Treasury's Office of Foreign Assets Control, the U.S. Department of State, the UK Treasury Department, the United Nations, the European Union, Switzerland or other relevant authority (for the purposes of this definition, "applicable law"); or
- (ii) the promulgation of, or any change in, the formal or informal interpretation of any applicable law by a court, tribunal or regulatory authority with competent jurisdiction,



- (iii) the performance by the Hedging Entity under the related Underlying Hedge Transactions has become or (based on any announcements of any of the authorities referred to in paragraph (a) above or any other publicly available information which the Calculation Agent reasonably considers relevant) there is a substantial likelihood that it will become within the next 90 days, unlawful in whole or in part, and the Hedging Entity is unable, through commercially reasonable efforts, to modify the Underlying Hedge Transactions and/or establish alternate hedging arrangements such that performance thereunder would not be unlawful and the risks and/or costs of the Issuer and the Hedging Entity would not be materially increased thereby.

**Extraordinary Hedge Bail-in Event** means (and shall be deemed to have occurred where), in relation to any Products, on or after the Issue Date, the Hedging Entity or the counterparty (or counterparties) to the Hedging Entity under the related Underlying Hedge Transactions become(s) the subject of a resolution regime by an applicable resolution authority and, as a direct or indirect result (including without limitation due to the exercise, or publicly announced exercise, or (based on any publicly available information which the Calculation Agent reasonably considers relevant) there is a substantial likelihood that the relevant resolution authority will exercise within the next 90 days, a "bail-in" or other power by such authority under such regime), the Calculation Agent determines that (i) the obligations of the Hedging Entity or the counterparty (or counterparties) to the Hedging Entity under the related Underlying Hedge Transactions are or will be the subject of the exercise of a "bail-in" or (ii) there has otherwise been (or there will be) a material adverse effect on the related Underlying Hedge Transactions, and the Hedging Entity is unable, through commercially reasonable efforts, to modify the Underlying Hedge Transactions and/or establish alternate hedging arrangements which do not materially increase the risks and/or costs of the Issuer and the Hedging Entity.

**Extraordinary Hedge Currency Disruption Event** means (and shall be deemed to have occurred where), in relation to any Products, on or after the Issue Date, the Calculation Agent determines that:

- (i) a Relevant Governmental Authority has introduced, or has announced its intention to introduce or (based on any publicly available information which the Calculation Agent reasonably considers relevant) there is a substantial likelihood that it will introduce within the next 90 days, a new currency (the "**Substitute Currency**") as the lawful currency within its territory or any part of its territory (and including beyond its territory where a bloc of countries has jointly agreed to adopt the Substitute Currency) in substitution for (or to circulate together with) its existing lawful currency (the "**Initial Currency**") (such event, a "**Currency Substitution Event**"); and/or
- (ii) a Relevant Governmental Authority has introduced, or has announced its intention to introduce or (based on any publicly available information which the Calculation Agent reasonably considers relevant) there is a substantial likelihood that it will introduce within the next 90 days, restrictions on movements of capital or on payments and transfers into or out of its territory or any part of its territory (and including beyond its territory where a bloc of countries has jointly agreed to adopt the Substitute Currency) (such event, an "**Exchange Control Event**"),

and, in the case of each of paragraphs (i) and (ii) above:

- (a) whether or not such event is in accordance with or in breach of applicable international treaties or other obligations; and
- (b) for the avoidance of doubt, including the circumstance whereby a country (a "Departing Country") within a bloc of countries in a currency union effects, or announces its intention to effect, its withdrawal from the currency bloc and the replacement of the common currency of the currency union with another currency as the lawful currency of the Departing Country; and

any of, as a direct or indirect result:

- (a) the payment obligations under the Underlying Hedge Transactions are redenominated into another currency following the Currency Substitution Event and/or the Exchange Control Event; and/or
- (b) the payment obligations under the Underlying Hedge Transactions are subject to capital controls due to the Exchange Control Event; and/or
- (c) the Underlying Hedge Transactions in respect of the Products have been (or will be) otherwise materially adversely affected by the Currency Substitution Event and/or the Exchange Control Event,
- (d) and the Hedging Entity is unable, through commercially reasonable efforts, to modify the Underlying Hedge Transactions and/or establish alternate hedging arrangements which do not materially increase the risks and/or costs of the Issuer and the Hedging Entity.

For such purpose, "**Relevant Governmental Authority**" means, in relation to any applicable territory, any de facto or de jure government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) of such territory.

## **18. Disruption Event**

If the Underlying Specific Terms and Conditions are not applicable to the Products and the Calculation Agent determines that a Disruption Event has occurred, then the Calculation Agent may, in its discretion:

- (i) make such adjustment to the exercise, settlement, payment or any other terms of the Products as the Calculation Agent determines appropriate to account for the economic effect on the Products of such Disruption Event and give Holders notice thereof; and/or
- (ii) determine and give notice to Holders that the Products shall be redeemed on a date determined by the Calculation Agent, in which event the Issuer shall redeem the Products and cause to be paid to each Holder in respect of each Product held by it an amount equal to the Early Payment Amount.

**Disruption Event** means in relation to any Products the occurrence of any of the following events (as applicable):

- (i) unless otherwise specified in the relevant Final Terms, a "Change in Law (Hedge)"; and
- (ii) unless otherwise specified in the relevant Final Terms, a "Hedging Disruption".

For such purpose, the following terms shall have the following meanings:

**Change in Law (Hedge)** means that, on or after the Issue Date of the Products (a) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (b) due to the promulgation of or any 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 that (x) it has, or it will, within the next 15 calendar days but on or prior to the Maturity Date, Redemption Date, Settlement Date or Final Payment Date, as is applicable to the Products, become illegal to hold, acquire or dispose of any asset in relation to the Underlying Hedge Transactions, or (y) the Hedging Entity will incur a materially increased cost in performing its obligations in relation to the Products (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

**Hedging Disruption** means that the Underlying Hedge Entity is unable, after using commercially reasonable efforts, to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the price risk of the Issuer issuing and the Issuer performing its obligations with respect to or in connection with the Products, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

**Hedging Entity** means the Issuer or any affiliate(s) of the Issuer or any entity (or entities) acting on behalf of the Issuer engaged in any underlying or hedging transactions relating to the Products and/or Underlying in respect of the Issuer's obligations under the Products. **Underlying Hedge Entity** means the Issuer or any affiliate(s) of the Issuer or any entity (or entities) acting on behalf of the Issuer.

**Underlying Hedge Transactions** means, in relation to the Products, any purchase, sale, entry into or maintenance of one or more (a) positions or contracts in securities, options, futures, derivatives or foreign exchange or (b) other instruments or arrangements (howsoever described) in order to hedge individually or on a portfolio basis the Issuer's obligations under such Products.

## 19. Occurrence of an Extraordinary Event

If the Calculation Agent and the Issuer determine in their reasonable discretion that an Extraordinary Event has occurred and is continuing, the Calculation Agent and the Issuer, acting together, shall have the right, but not the obligation to redeem the Products in their reasonable discretion in accordance with procedures (including fixing or valuation procedures) adopted by the Calculation Agent and the Issuer at such time, or to take any other action which the Calculation Agent and the Issuer deem to be appropriate in light of all of the circumstances which exist at the time, provided that, in their pursuit of any of the foregoing actions, the Calculation Agent

and the Issuer will use such efforts as they reasonably deem practicable to preserve the value of, or provide reasonable value for, the Products.

Upon the occurrence of any Extraordinary Event the Issuer shall, if it determines that it is reasonably practicable to do so, use its best efforts

- (i) to give notice to the Holders that an Extraordinary Event has occurred, and
- (ii) within fourteen (14) calendar days of the date of notice referred to in clause (i) above, to give notice to the Holders of the action which the Calculation Agent and the Issuer propose to take in connection with such Extraordinary Event.

**Extraordinary Event** means in relation to any Products the occurrence of any of the following events:

- (i) any event (whether or not reasonably foreseeable) beyond the reasonable control of the person or entity whose performance is affected thereby which has had or could reasonably be expected to have a material adverse effect on the ability of the Issuer to perform its obligations under, or hedge its position with respect to, the Products, including but not limited to any of the following events:
  - (a) any outbreak or escalation of hostilities or other national or international calamity or crisis,
  - (b) the enactment, publication, decree or other promulgation of any statute, regulation, rule or order of any court or other governmental authority, which affects, or would affect, the payment of any amount (or delivery of any other benefit) under the Products,
  - (c) the taking of any action by any governmental, administrative, legislative, or judicial authority or power of any Jurisdictional Event Jurisdiction, or any political subdivisions thereof, in respect of its monetary or fiscal affairs or stock exchanges which has a material adverse effect on the financial markets,
  - (d) the closing of any Clearing System with no substitution of a successor clearing organization within one week after such closing, and
  - (e) a Market Disruption Event, or
- (ii) any event similar to any of the events described in clause (i) above, which has had or could reasonably be expected to have a material adverse effect on the ability of the Issuer to perform its obligations under, or to hedge its position with respect to, any option or any other financial instrument held by the Issuer to hedge its obligations under the Products, or
- (iii) any other event as specified in the Products Specific Terms and Conditions contained in the relevant Final Terms.

## **20. Occurrence of an Additional Adjustment Event**

If upon the occurrence of an Additional Adjustment Event with respect to an Underlying, the Issuer determines that it is unable to make the applicable adjustment described in the applicable Underlying Specific Terms and Conditions, if any, having given notice to Holders, the Issuer may early terminate the Products on such day as the Issuer shall select in its reasonable discretion and redeem the Products at an amount determined by the Calculation Agent as representing their fair market value on such day. The occurrence of an Additional Adjustment Event shall be determined in accordance with the definition "Additional Adjustment Event" set forth in the Underlying Specific Terms and Conditions or as set forth in the relevant Final Terms.

## **21. Taxation and early redemption or termination for taxation**

Each Holder shall assume and be responsible for any and all taxes, duties, fees and charges imposed on or levied against (or which could be imposed on or levied against) such Holder in any jurisdiction or by any governmental or regulatory authority.

The Issuer and the Paying Agent shall have the right, but not the duty, to withhold or deduct from any amounts otherwise payable to the Holder if such amount as is necessary for the payment of such taxes, duties, fees and/or charges.

In any case where any governmental or regulatory authority imposes on the Issuer or the Paying Agent the obligation to pay any such taxes, duties, fees and/or charges the Holder shall promptly reimburse the Issuer and the Paying Agent, respectively.

In the event that any present or future taxes, duties or governmental charges would be imposed by any jurisdiction in which the Issuer or the Paying Agent is or becomes subject to tax in relation to any Products as a result of any change in laws or regulations of the relevant jurisdiction (a "Taxation Event"), the Issuer may (but shall not be obliged to) redeem the Products on such day as shall be notified to the Holders and will, if and to the extent permitted by applicable law, pay to the Holders in respect of each such Product the Early Payment Amount.

## **22. Transferability**

Unless otherwise specified in the relevant Final Terms, the Products are freely transferable but they may be subject to certain selling restrictions (including those specified in the relevant Final Terms) which may de facto restrict the transferability of the Products.

## **23. Clearing, payments and deliveries**

The Products will be cleared through SIX SIS or any other clearing system specified as clearing system in the relevant Final Terms from time to time (each a **Clearing System**).

All payments are subject in all cases to any applicable laws, regulations and directives in the place of payment and shall be made to the Clearing System or the relevant intermediary or to its order for credit to the accounts of the relevant account holders of the Clearing System or the relevant intermediary in accordance with applicable laws and regulations and the rules and regulations of the relevant Clearing System.

The delivery of any asset(s) in respect of the Products will be affected to the order of the relevant Holder and ultimately be credited to a securities account which forms part of the relevant Clearing System or the relevant intermediary to which the Products were credited to. No Holder will be entitled to receive any interest (if any) declared or paid in respect of the asset(s) to be delivered if the date of such payment falls before the date on which the asset(s) is/are credited into the securities account of the relevant Holder. All expenses arising from the delivery of such asset(s) shall be for the account of the relevant Holder and no delivery and/or transfer of the asset(s) in respect of a Product shall be made until all such expenses have been discharged to the satisfaction of the relevant Issuer by the relevant Holder.

The relevant Issuer shall be discharged from any and all of its payment and/or delivery obligations by payment or delivery to, or to the order of, the relevant Clearing System(s) or the relevant intermediary or intermediaries.

Payments due on the Products will be made without collection costs to the Holders and without any restrictions, whatever the circumstances may be, irrespective of nationality, domicile or residence of the Holders and without requiring any certification, affidavit or the fulfilment of any other formality.

All payments in relation to the Products are subject to (i) any applicable fiscal or other laws, regulations and directives, (ii) any withholding or deduction required pursuant to section 871(m) of the U.S. Internal Revenue Code of 1986 (the "IRC") and (iii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the IRC or otherwise imposed pursuant to Sections 1471 through 1474 of the IRC, any regulations or agreements thereunder, official interpretations thereof, or any law implementing an intergovernmental approach thereto.

In addition, in determining the amount that section 871(m) IRC imposes with respect to any amounts to be paid on the Products, the Issuer shall be entitled to withhold on any "dividend equivalent" (as defined for purposes of section 871(m) IRC) at the highest rate applicable to such payments regardless of any exemption from, or reduction in, such withholding otherwise available under applicable law.

## **24. Status of the Products**

Unless otherwise specified in the relevant Final Terms, the Products constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer and rank *pari passu* with all other present and future unsecured and unsubordinated obligations of the Issuer and without any preference among themselves, except for such preferences as are provided by any mandatory applicable provision of law. The Products are not covered by any compensation or insurance scheme (such as a bank deposit or protection scheme).

## **25. Default interest**

Unless otherwise specified in the relevant Final Terms, if the Issuer fails to render any payment in respect of the Products when due, interest shall accrue at the default rate of 1.00 per cent. per annum (or such other rate as specified in the relevant Final Terms) on the due amount from and including the due date to but excluding the day on which such payment is made by the Issuer, it being understood that such payment is deemed to have been made at that time it is made to, or to

the order of, the relevant Clearing System or the relevant intermediary or intermediaries. In no event shall the Issuer have any liability for indirect, incidental, consequential or other damages other than default interest.

## **26. Listing**

The Issuer will apply for a listing of the Products on SIX Swiss Exchange or any other exchange or trading venue if so specified in the relevant Final Terms. The Issuer has no duty to maintain the listing and/or admission to trading of such Products over their entire term.

Products that are listed and/or admitted to trading on any exchange or trading venue may be suspended from trading and/or delisted at any time in accordance with applicable rules and regulations of the relevant exchange or trading venue.

In addition, the Issuer may decide at any time at its sole discretion and without any further consent from the Holders to delist Products listed on the SIX Swiss Exchange or any other exchange or trading venue by giving notice to the Holders at least three months (or such other notice period provided for in the regulations of SIX Swiss Exchange or any other relevant exchange or trading venue) prior to the last trading day stating that such Products will be delisted from the SIX Swiss Exchange or any other exchange or trading venue and no longer traded on SIX Swiss Exchange.

## **27. Issuance of additional Products**

The Issuer reserves the right from time to time and without the consent of the Holders to create or issue additional tranches of products at any time, which shall be fungible with the Products (*i.e.*, identical in respect of the Terms and Conditions (other than the Issue Price and the Issue Date/Payment Date) so as to be consolidated and form a single series with the Products.

## **28. Issuer purchases and cancellation**

The Issuer may at any time directly or indirectly purchase Products in the open market or otherwise and at any price. Products purchased by the Issuer may, at the option of the Issuer, be held, resold or cancelled.

## **29. Issuer substitution**

The Issuer may at any time, without the consent of the Holders, substitute for itself as principal obligor under the Products any person that is (a) a Swiss or foreign Affiliate of the Issuer or (b) another company with which the Issuer consolidates, into which it merges or to which it sells, leases, transfers or conveys all or substantially all its assets (any such company under (a) or (b), a **Substitute Issuer**), provided that:

- (i) the Substitute Issuer has a long-term unsecured debt rating equal to or higher than that of the Issuer given by Moody's Investors Service, Inc. (or an equivalent rating from another internationally recognised rating agency) or has the benefit of a guarantee from the Issuer or another Affiliate of the Issuer with such a debt rating;
- (ii) all actions, conditions and things required to be taken, fulfilled and done (including the obtaining of any necessary consents) to ensure that the Products represent legal, valid and

binding obligations of the Substitute Issuer have been taken, fulfilled and done and are in full force and effect; and

- (iii) the Issuer has given prior notice of the date of such substitution to the Holders.

In the event of any substitution of the Issuer, the Substitute Issuer assumes in every respect the role of the Issuer and the latter shall be released as principal obligor under the Products. Any reference in the Base Prospectus and any relevant Final Terms to the previous Issuer shall be construed as a reference to the Substitute Issuer.

Any substitution shall as soon as reasonably possible be notified to the Holders.

### **30. Agents**

The Calculation Agent and the Paying Agent (**Agents**) will be specified in the relevant Final Terms. The Agents are acting solely as agents of the Issuer and do not assume any obligation or duty to, or any relationship of agency or trust for or with, the Holders. In making any determination or exercising any discretion, the Agents are not obliged to (and shall not) consider the individual interests or circumstances of any particular Holder.

The Issuer may at any time replace any Agent and appoint additional and/or other Agents who may be persons not affiliated with the Issuer and notify the Holders of such replacement or additional appointment.

The calculation functions and other discretionary actions (including, but not limited to duties to make determinations) required of the Calculation Agent may be delegated to any such person as the Calculation Agent, in its sole and absolute discretion, may decide.

### **31. Determinations and calculations**

The Issuer and any Agent shall as soon as practicably after any relevant time on such date as may be specified in the relevant Final Terms make any determination or calculation pursuant to the Terms and Conditions.

Save as otherwise provided for in the relevant Final Terms, any determination or calculation made by the Issuer or any Agent shall be made in its sole and absolute discretion having regard to standard market practices, provided such determination or calculation is made in good faith and in a commercially reasonable manner. All such determinations and calculations in respect of the Products shall (in the absence of manifest or proven error or willful misconduct) be conclusive and binding.

Unless otherwise specified in the relevant Final Terms, for the purposes of any calculations by the Issuer or any Agent,

- (i) all percentages resulting from such calculations will be rounded, if necessary, to the nearest one hundred thousandth of a percentage point (with halves being rounded up),
- (ii) all currency amounts in Swiss francs used in or resulting from such calculations will be rounded to the nearest cent (with halves being rounded up), and,



- (iii) all amounts denominated in any other currency used in or resulting from such calculations will be rounded to the nearest two decimal places in such currency (with halves being rounded up).

Investors shall not be entitled to make any claim against the Issuer or any Agent in the case where any relevant exchange, index sponsor or any third party shall have made any mis-statement in relation to any Underlying(s) of a Product.

### **32. Liability of the Issuer, the Lead Manager and the Agents**

To the extent permitted by applicable law, none of the Issuer, the Lead Manager or any Agent shall have any responsibility for any errors or omissions in the calculation, determination, communication or publication in relation to the Products, whether caused by negligence or otherwise (other than gross negligence or willful misconduct) and none of the Issuer or any Agent shall have any liability to the Holders for indirect, incidental or consequential damages (whether or not such party has been advised of the possibility of such damages). Holders are entitled to damages only and are not entitled to the remedy of specific performance of a Product.

### **33. Severability**

If any of the provisions of the Terms and Conditions is or becomes invalid or unenforceable in whole or in part, the validity and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. The invalid or unenforceable provision shall be replaced by a valid provision, which, to the extent legally possible, serves the economic purposes of the invalid or unenforceable provision.

### **34. Modifications and Amendments**

The Issuer shall be entitled to modify or amend, as the case may be, the Products (including the Terms and Conditions) in each case without the consent of the Holders in such manner as the Issuer deems necessary, if the modification or amendment (i) is of a formal, minor or technical nature; or (ii) is made to cure a manifest or proven error; or (iii) is made to cure any ambiguity; or (iv) is made to correct an error or omission such that, in the absence of such correction, the Terms and Conditions would not otherwise represent the intended terms and conditions of the Products on which the Products were issued; or (v) will not materially and adversely affect the interests of the Holders.

Notwithstanding the above, the Issuers shall be entitled to modify or amend the Terms and Conditions where the Issuer reasonably believes that such modification or amendment is necessary or appropriate as a result of a change in any law or regulation or decisions taken by courts of law or governmental authorities in Switzerland or any other relevant jurisdiction.

All modifications or amendments made in accordance with this clause shall be conclusive and binding on the Holders. The Holders will not be entitled to any compensation from the Issuer or any Agent for any losses suffered as a result of such modifications or amendments.

Any modification or amendment of the Terms and Conditions shall be notified to the Holders (but failure to give such notice shall not affect the validity of such modification or amendment).

### **35. Notices**

Notices to Holders of Products shall be valid and binding if published by way of making them available at the registered offices of Union Bancaire Privée, UBP SA at: Union Bancaire Privée, UBP SA, rue du Rhône 96-98, CH-1204 Geneva, Switzerland, and, in addition and voluntarily, by any means in the discretion of the Issuer, unless specified otherwise in the relevant Final Terms, and, in relation to Products listed on SIX Swiss Exchange, if (i) published by the Issuer on the website of the SIX Swiss Exchange ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com)), where notices are currently published under the address [www.six-swiss-exchange.com/news/official\\_notices/search\\_en.html](http://www.six-swiss-exchange.com/news/official_notices/search_en.html), or (ii) otherwise published in accordance with the regulations of the SIX Swiss Exchange or any other exchange or trading venue specified in the relevant Final Terms.

Any notice so published shall be deemed to be validly given on the date of such publication or, if published more than once, on the date of the first such publication, unless otherwise specified in the relevant notice.

Notices to the Issuer have to be given to the Paying Agent by delivering such notice in writing to Union Bancaire Privée, UBP SA at: Union Bancaire Privée, UBP SA, rue du Rhône 96-98, CH-1204 Geneva, Switzerland or such other address as may be notified to the Holders in accordance with this Section or as specified in the relevant Final Terms.

### **36. Prescription**

Claims against the Issuer in respect of Products will become time-barred after 5 years (in the case of interest payments) and 10 years (in the case any other claims) from the due date by virtue of the statute of limitations of Swiss law.

### **37. Governing Law and Jurisdiction**

Unless specified otherwise in the relevant Final Terms, the Products (incl. the Terms and Conditions) shall be subject to and governed by Swiss law.

Any dispute which might arise between the Holders, on the one hand, and the Issuer, Lead Manager or any Agent on the other hand, in respect of the Products shall fall within the jurisdiction of the ordinary courts of the Canton of Geneva, venue being in Geneva. The aforementioned jurisdiction shall also be valid for the cancellation and replacement of lost, stolen, defaced, mutilated or destroyed Products.

## B. Terms and Conditions for Fixed Rate Notes and Floating Rate Notes

### 1. Introduction

The following provisions are the product specific Terms and Condition for Fixed Rate Notes and Floating Rate Notes and apply to such Products, unless otherwise specified in the Final Terms for such Products.

Capitalised terms that are not defined in these product specific Terms and Conditions will have the meanings given to them in the General Terms and Conditions or the Product Specific Terms and Conditions contained in the relevant Final Terms.

### 2. Additional Definitions relating to Fixed Rate Notes and Floating Rate Notes

Additional Adjustment Event	in respect of a Coupon Rate, a Change in Law, Tax Disruption, Hedging Disruption, Increased Cost of Hedging, Reference Rate Replacement Event or Rate Source Disruption.
Change in Law	in respect of a Coupon Rate, on or after the Issue Date/Payment Date (i) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (ii) due to the promulgation of or any 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 Issuer determines that (a) it has become illegal for it to utilize the Reference Rate, or (b) it will incur a materially increased cost in performing its obligations under the Products (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).
Hedge Proceeds	the cash amount constituting the proceeds received by the Issuer in respect of any Hedging Arrangements; for the avoidance of doubt Hedge Proceeds shall not be less than zero.
Hedging Arrangements	any hedging arrangements entered into by the Issuer at any time for the payment of an amount equal to any amount payable under the Products, including, swaps or other derivative arrangements relating to the Coupon Rate.
Hedging Disruption	in the opinion of the Calculation Agent, the Issuer 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 price risk of entering into and performing its obligations with respect to the Products, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

Increased Cost of Hedging	in the opinion of the Calculation Agent, the Issuer would incur a materially increased (as compared to circumstances existing on the Issue Date/Payment 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 price risk of entering into and performing its obligations with respect to the Products, 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, in the opinion of the Calculation Agent, incurred solely due to the deterioration of the creditworthiness of the Issuer shall not be deemed an Increased Cost of Hedging.
Jurisdictional Event	in respect of Reference Rate, any event which occurs, whether of general application or otherwise, as a result of present or future risks in or connected with any Jurisdictional Event Jurisdiction, including, but not limited to, risks associated with fraud and/or corruption, political risk, legal uncertainty, imposition of foreign exchange controls, changes in laws or regulations and changes in the interpretation and/or enforcement of laws and regulations (including without limitation those relating to taxation) and other legal and/or sovereign risks, which has or may have, in the determination of the Calculation Agent, the effect of reducing or eliminating the value of the Hedge Proceeds at any time.
Jurisdictional Event Jurisdiction	the jurisdiction(s) or country(ies) relevant for the issue of the Products, as determined by the Issuer.
Rate Source Disruption	in respect of a Reference Rate, (i) the failure of the Rate Source to announce or publish such Reference Rate or (ii) the temporary or permanent discontinuance or unavailability of the Rate Source.
Reference Rate Replacement Event	in respect of a Reference Rate:  (i) there has been a public statement or publication of information by or on behalf of the administrator of the Reference Rate announcing that the administrator has ceased or will cease to provide the Reference Rate permanently or indefi-

nitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Reference Rate;

(ii) there has been a public statement or publication of information by the regulatory supervisor for the administrator of the Reference Rate, the central bank for the currency of the Reference Rate, an insolvency official with jurisdiction over the administrator for the Reference Rate, a resolution authority with jurisdiction over the administrator for the Reference Rate or a court or an entity with similar insolvency or resolution authority over the administrator for the Reference Rate, which states that the administrator of the Reference Rate has ceased or will cease to provide the Reference Rate permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Reference Rate;

(iii) a formal public statement or publication of information by the supervisor of the administrator or sponsor of the relevant Reference Rate, the central bank for the currency of the Reference Rate or another official body with applicable responsibility announcing that such Reference Rate is no longer representative, or as of a specified future date will no longer be capable of being representative, of any relevant underlying market(s) or economic reality that such Reference Rate is intended to measure; or

(iv) any authorisation, registration, recognition, endorsement, equivalence decision, approval or inclusion in any official register in respect of the Reference Rate or the administrator or sponsor of the Reference Rate has not been, or will not be, obtained or has been, or will be, rejected, refused, suspended or withdrawn by the relevant competent authority or other relevant official body, in each case with the effect that the Issuer or the Calculation Agent or any other entity is not, or will not be, permitted under any applicable law or regulation to use the Reference Rate to perform its or their respective obligations under the Products

#### Tax Disruption

in respect of a Reference Rate, the imposition of, change in or removal of an excise, severance, sales, use, value-added, transfer, stamp, documentary, recording or similar tax on, or measured by reference to, such Reference Rate (other than a tax on, or measured by reference to, overall gross or net income) by any government or taxation authority after the Issue Date/Payment Date, if the direct effect of such imposition, change or removal is to raise or lower such Reference

Rate on the day on which such Reference Rate would otherwise be determined from what it would have been without that imposition, change or removal.

### 3. Adjustments and Determinations relating to Fixed Rate Notes and Floating Rate Notes

#### (a) Reference Rate Replacement Event

If the Calculation Agent determines at any relevant time that an Additional Adjustment Event in respect of a Reference Rate has occurred then it will determine whether to use a substitute or successor rate for purposes of determining the Reference Rate (**Replacement Reference Rate**) on each relevant date falling on or thereafter that it has determined in its discretion (acting in good faith and in a commercially reasonable manner) is most comparable to the then current Reference Rate and which may be an interpolation of other tenors of the then current Reference Rate, if available and appropriate. If the Calculation Agent in its discretion (acting in good faith and in a commercially reasonable manner) determines that conforming changes to these Terms and Conditions are necessary in order to implement the Replacement Rate as the Reference Rate, the Calculation Agent shall be authorised to make amendments to these Terms and Conditions that are necessary to implement the Replacement Rate as the Reference Rate.

#### (b) Non-Business Days and Additional Adjustment Events

Upon the occurrence of an Additional Adjustment Event in respect of a Coupon Rate, the Calculation Agent may make such adjustment to the calculation or definition of such an Coupon Rate or any amount payable under the Products (which may include the substitution of such a Coupon Rate with a different coupon rate) as it may determine to be appropriate. If it determines that it is unable to make such an adjustment, the Issuer may early terminate the Products, in whole but not in part, on such day as the Issuer shall select in its reasonable discretion by giving notice to Holders, and redeem the Products on such day at an amount determined by the Calculation Agent as representing their fair market value on such day.

#### (c) Adjustment in respect of Jurisdictional Events

If, in the determination of the Issuer, a Jurisdictional Event in respect of a Reference Rate has occurred, the Calculation Agent may make such downward adjustment to any amount otherwise payable under the Products as it shall determine in its reasonable discretion to take account of the effect of such Jurisdictional Event on the Hedging Arrangements and any difference between the Hedge Proceeds and the amount that, but for the occurrence of such Jurisdictional Event, would otherwise be payable. The Issuer will use commercially reasonable endeavours to preserve the value of the Hedge Proceeds, but it shall not be obliged to take any measures that it determines to be commercially impracticable.

## C. Underlying Specific Terms and Conditions

### 1. Introduction

The following provisions are the Underlying Specific Terms and Conditions supplementing the General Terms and Conditions. These Underlying Specific Terms and Conditions contain specific provisions in respect of (i) Products linked to a Share or Shares ("Share Linked Provisions"),

(ii) Products linked to an Index or Indices ("Index Linked Provisions"), (iii) Products linked a Foreign Exchange Rate or Foreign Exchange Rates ("Foreign Exchange Linked Provisions") (iv) Products linked to a Commodity or Commodities ("Commodity linked Provisions"), (v) Products linked to a Fund or Funds ("Fund Linked Provisions") and (vi) Products linked to a Bond or Bonds ("Bond Linked Provisions") and they apply in respect of Products linked to the relevant Underlying Asset(s) as specified in the relevant Final Terms, unless otherwise specified in the Final Terms for such Products.

Capitalised terms that are not defined in these Underlying Specific Terms and Conditions will have the meanings given to them in the General Terms and Conditions or the Product Specific Terms and Conditions contained in the relevant Final Terms.

In case of a basket consisting of any of the above mentioned Underlyings, if in relation to a component of such basket (a "Basket Component") an adjustment (as described in the relevant provisions in the Underlying Specific Conditions) is necessary, the Issuer and/or Calculation Agent shall (in addition to the adjustments pursuant to these provisions in relation to each Basket Component) be entitled, but not obliged to either (i) remove from the Basket the affected Basket Component without replacement (if applicable by implementing correction factors with respect to the remaining Basket Components) or (ii) replace the Basket Component in whole or in part by a new Basket Component (if applicable by implementing correction factors with respect to the Basket Components contained in the Basket) (the "Successor Basket Component"). In this case the Successor Basket Component will be deemed to be the Basket Component and any reference in the Underlying Specific Conditions to the affected Basket Component, to the extent permitted by the context, shall be deemed to refer to the Successor Basket Component.

## 2. Underlying Specific Terms and Conditions in respect of a Share or Shares ("Share Linked Provisions")

### 2.1 Additional Definitions relating to a Share or Shares

<b>Additional Adjustment Event</b>	in respect of a Share, a Potential Adjustment Event, Merger Event, Tender Offer, Nationalisation, Delisting, Liquidation, Additional Disruption Event or, in respect of such Share or the Share Issuer, a change of Exchange.
<b>Additional Disruption Event</b>	in respect of a Share, a Change in Law, an Insolvency Filing or a Tax Disruption, a Hedging Disruption or Increased Cost of Hedging.
<b>Change in Law</b>	in respect of a Share, on or after the Issue Date (i) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (ii) due to the promulgation of or any 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 Issuer determines that (a) it has become illegal for it to hold, acquire or dispose of such Share, or (b) it will incur a materially increased cost in performing its obligations under the Products (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

<b>Delisting</b>	in respect of a Share, the Exchange announces that pursuant to the rules of such exchange, such Share ceases (or will cease) to be listed, traded or publicly quoted on such Exchange for any reason (other than a Merger Event or Tender Offer) and is not (or will not be) immediately re-listed, re-traded or re-quoted on an exchange or quotation system located in the same country as such Exchange (or, where such Exchange is within the European Union, in any member state of the European Union).
<b>Disrupted Day</b>	In respect of a Share, any Scheduled Trading Day on which (i) the Exchange fails to open for trading during its regular trading session, (ii) any Related Exchange fails to open for trading during its regular trading session, or (iii) a Market Disruption Event has occurred.
<b>Early Closure</b>	in respect of a Share, the closure on any Exchange Business Day of the Exchange or any Related Exchange prior to its Scheduled Closing Time, unless such earlier closing time is announced by the Exchange or such Related Exchange, as the case may be, at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on the Exchange or such Related Exchange on such Exchange Business Day, and (ii) the submission deadline for orders to be entered into the Exchange or such Related Exchange system for execution at the Valuation Time on such Exchange Business Day.
<b>Exchange</b>	in respect of a Share, (i) the exchange or quotation system specified as such in the relevant Final Terms, or (ii) such other exchange or quotation system on which such Share is, in the determination of the Calculation Agent, traded or quoted as the Calculation Agent may select, or (iii) in the case of clauses (i) and (ii) above, any transferee or successor exchange or quotation system.
<b>Exchange Business Day</b>	in respect of a Share, any Scheduled Trading Day on which the Exchange and each Related Exchange are open for trading in such Share during their respective regular trading sessions, notwithstanding the Exchange or any such Related Exchange closing prior to its Scheduled Closing Time.
<b>Exchange Disruption</b>	in respect of a Share, 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, such Share on the Exchange, or (ii) to effect transactions in, or obtain market values for, futures or options contracts relating to such Share on any Related Exchange.
<b>Hedge Proceeds</b>	the cash amount constituting the proceeds received by the Issuer in respect of any Hedging Arrangements; for the avoidance of doubt Hedge Proceeds shall not be less than zero.
<b>Hedging Arrangements</b>	any hedging arrangements entered into by the Issuer at any time for the payment of an amount equal to any amount payable under the



Products, including, without limitation, the purchase and/or sale of any securities, any options or futures on such securities and any associated foreign exchange transactions.

**Hedging Disruption**

in the opinion of the Calculation Agent, the Issuer 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 price risk of entering into and performing its obligations with respect to the Products, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

**Increased Cost of Hedging**

in the opinion of the Calculation Agent, the Issuer would incur a materially increased (as compared to circumstances existing on the Issue Date/Payment 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 price risk of entering into and performing its obligations with respect to the Products, 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, in the opinion of the Calculation Agent, incurred solely due to the deterioration of the creditworthiness of the Issuer shall not be deemed an Increased Cost of Hedging.

**Insolvency Filing**

in respect of a Share, the Calculation Agent determines that the Share Issuer has instituted, or has had instituted against it by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over the Share Issuer in the jurisdiction of its incorporation or organisation or the jurisdiction of the Share Issuer's head or home office, or the Share Issuer 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 creditor's rights, or a petition is presented for the Share Issuer's winding-up or liquidation by it or such regulator, supervisor or similar official or the Share Issuer consents to such a petition, provided that proceedings instituted or petitions presented by creditors and not consented to by the Share Issuer shall not be an Insolvency Filing.

**Jurisdictional Event**

in respect of a Share, (i) any event which occurs, whether of general application or otherwise as a result of present or future risks in or connected with any Jurisdictional Event Jurisdiction, including, but not limited to, risks associated with fraud and/or corruption, political risk, legal uncertainty, imposition of foreign exchange controls, changes in laws or regulations and changes in the interpretation and/or enforcement of laws and regulations (including without limitation those relating to taxation) and other legal and/or sovereign risks, or (ii) the Calculation Agent determines that the Issuer is not able to buy and/or sell such Share with or for a currency acceptable to the Calculation Agent on the Exchange or the Exchange fails to

calculate and publish the equivalent, in a currency acceptable to the Calculation Agent, of the Share Price on a day on which the Calculation Agent determines that such calculation and publication was otherwise expected to be made, and, in the case of (i) and (ii), which has or may have, in the determination of the Calculation Agent, the effect of reducing or eliminating the value of the Hedge Proceeds at any time.

<b>Jurisdictional Event Jurisdiction</b>		any jurisdiction or country relevant for the issue of the Products, as determined by the Issuer.
<b>Liquidation</b>		in respect of a Share, by reason of the voluntary or involuntary liquidation, winding-up, dissolution, bankruptcy or insolvency or analogous proceedings affecting the Share Issuer (i) all such Shares are required to be transferred to any trustee, liquidator or other similar official, or (ii) holders of such Shares become legally prohibited from transferring them.
<b>Market Event</b>	<b>Disruption</b>	In respect of a Share, (i) the occurrence or existence on any Scheduled Trading Day of (a) a Trading Disruption or an Exchange Disruption, which in either case the Calculation Agent determines is material and which occurs at any time during the one hour period that ends at the Valuation Time, or (b) an Early Closure, or (ii) a general moratorium declared in respect of banking activities in any Jurisdictional Event Jurisdiction, in each case without regard to whether or not the Exchange or any Related Exchange has declared an official market disruption event.
<b>Merger Event</b>		<p>in respect of a Share, any of the following:</p> <ul style="list-style-type: none"> <li>(i) a reclassification or change of such Share (unless resulting in a Potential Adjustment Event) that results in a transfer of or an irrevocable commitment to transfer all such Shares outstanding to another entity or person;</li> <li>(ii) the consolidation, amalgamation, merger or binding share exchange of the Share Issuer with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which the Share Issuer is the continuing entity and which does not result in reclassification or change of all such Shares outstanding);</li> <li>(iii) a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any other entity or person to purchase or otherwise obtain 100 per cent. of such Shares outstanding, which 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</li> <li>(iv) the consolidation, amalgamation, merger or binding share exchange of the Share Issuer or its subsidiaries with or into</li> </ul>

another entity or person in which the Share Issuer is the continuing entity and that does not result in a reclassification or change of all such Shares outstanding, but results in all such Shares outstanding (other than such Shares owned or controlled by such other entity or person) immediately prior to such event collectively representing less than 50 per cent. of all such Shares outstanding immediately following such event.

**Nationalisation**

in respect of a Share, all such Shares, or all the assets or substantially all the assets, of the Share Issuer are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality.

**Potential Adjustment Event**

in respect of a Share, any of the following:

- (i) a subdivision, consolidation or re-classification of any such Shares (unless resulting in a Merger Event), or a free distribution or dividend of any such Shares to existing holders of such Shares by way of bonus, capitalisation or similar issue;
- (ii) a distribution, issue or dividend to existing holders of such Shares of (a) any 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 Issuer equally or proportionally with such payments to such holders, or (c) share capital or other securities of another company acquired or owned (directly or indirectly) by the Share Issuer 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 (cash or other consideration) at less than the prevailing market price as determined by the Calculation Agent;
- (iii) an amount per Share that the Calculation Agent determines is an extraordinary dividend;
- (iv) a call by the Share Issuer in respect of any such Shares that are not fully paid;
- (v) a repurchase by the Share Issuer or any of its subsidiaries of any such Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
- (vi) 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 the Share Issuer 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 concentrating effect on the theoretical value of any such Shares

<b>Related Exchange(s)</b>	in respect of a Share, 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.
<b>Scheduled Closing Time</b>	in respect of the Exchange or any Related Exchange of a Share and a Scheduled Trading Day, the scheduled weekday closing time of the Exchange or such Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside the regular trading session hours.
<b>Scheduled Trading Day</b>	in respect of a Share, any day on which the Exchange and each Related Exchange are scheduled to be open for trading in such Share for their respective regular trading sessions.
<b>Settlement Cycle</b>	in respect of a Share, the period of Share Clearance System Business Days following a trade in such Share on the Exchange in which settlement will customarily occur according to the rules of the Exchange.
<b>Share Clearance System</b>	in respect of a Share, (i) the principal domestic clearance system customarily used for settling trades in such Share or (ii) if the clearance system described in clause (i) above ceases to settle trades in such Share, such other clearance system as determined by the Calculation Agent.
<b>Share Clearance System Business Day</b>	in respect of a Share, any day on which the Share Clearance System is (or, but for the occurrence of a Share Settlement Disruption Event, would have been) open for the acceptance and execution of settlement instructions.
<b>Share Price</b>	in respect of any Share, on any Scheduled Trading Day, the price of such Share quoted on the Exchange for such day, as determined by the Calculation Agent.
<b>Share Settlement Disruption Event</b>	in respect of a Share, an event that the Calculation Agent determines is beyond the control of the Issuer and/or its affiliates as a result of which the Share Clearance System cannot clear the transfer of such Share.

<b>Tax Disruption</b>	in respect of a Share, the imposition of, change in or removal of an excise, severance, sales, use, value-added, transfer, stamp, documentary, recording or similar tax on, or measured by reference to, such Share (other than a tax on, or measured by reference to, overall gross or net income) by any government or taxation authority after the Issue Date/Payment Date, if the direct effect of such imposition, change or removal is to raise or lower the Share Price on the day on which the Share Price would otherwise be determined from what it would have been without that imposition, change or removal.
<b>Tender Offer</b>	in respect of a Share, 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, more than 10 per cent. and less than 100 per cent. of the outstanding voting shares of the Share Issuer, 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 determines to be relevant.
<b>Trading Disruption</b>	in respect of a Share, any suspension of or limitation imposed on trading (i) in such Share by the Exchange or any Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the Exchange or such Related Exchange or otherwise, or (ii) in futures or options contracts relating to such Share.
<b>Valuation Time</b>	in respect of a Share, (i) the time specified as such in the Final Terms, or (ii) if no such time is specified as such in the Final Terms, the Scheduled Closing Time, or (iii) in the case of clauses (i) and (ii) above, such other time as the Calculation Agent may select; <i>provided, however</i> , that (x) if on any Scheduled Trading Day the Exchange closes prior to the Scheduled Closing Time and (y) the scheduled Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time for such Scheduled Trading Day shall be such actual closing time.

## 2.2 Adjustments and Determinations relating to a Share or Shares

### (a) Correction of Share Price

With respect to a Share, in the event that (i) the Exchange subsequently corrects any published Share Price that was utilised by the Calculation Agent (x) for purposes of determining any amount payable (or other benefit to be received) under the Products, or (y) any in any other way in connection with the Products, and (ii) such correction is published by the Exchange within one Settlement Cycle after such Share Price's original publication but in any event 2 (two) Business Days prior to the date on which such amount (or other benefit to be received) is paid, the Calculation Agent may recalculate such amount payable (or other benefit to be received) under the Products using such corrected Share Price.

### (b) Non-Business Days, Disrupted Days and Additional Adjustment Events

If a day in respect of which the Share Price is to be determined is not a Scheduled Trading Day or is a Disrupted Day, such day may be deferred for up to 8 (eight) Exchange Business Days after the original date, as determined by the Calculation Agent. If such eighth Exchange Business Day is also a Disrupted Day, the Calculation Agent shall make its own determination of the relevant Share Price.

Where a Product relates to more than one Share and if a day in respect of which the Share Price is to be determined is not a Scheduled Trading Day or is a Disrupted Day in respect of a Share, the Calculation Agent may make its own determination of the relevant Share Price for such affected Share without having to defer such day pursuant to the above paragraph.

In addition, upon the occurrence of an Additional Adjustment Event in respect of a Share, the Calculation Agent may make such adjustment to the calculation or definition of the relevant Share Price or any amount payable (or other benefit to be received) under the Products (which may include the substitution of such Share with a share or shares of another company or companies, irrespective of whether such share or shares are then currently used for the purposes of the calculation of amounts payable (or other benefit to be received) under the Products) as it may determine to be appropriate. If it determines that it is unable to make such an adjustment, the Issuer may early terminate the Products, in whole but not in part, on such day as the Issuer shall select in its reasonable discretion by giving notice to Holders, and redeem the Products on such day at an amount determined by the Calculation Agent as representing their fair market value on such day.

(c) **Adjustment in respect of Jurisdictional Events**

If, in the determination of the Issuer, a Jurisdictional Event in respect of a Share has occurred, the Calculation Agent may make such downward adjustment to any amount otherwise payable (or other benefit otherwise to be received) under the Products as it shall determine in its reasonable discretion to take account of the effect of such Jurisdictional Event on the Hedging Arrangements and any difference between the Hedge Proceeds and the amount (or other benefit) that, but for the occurrence of such Jurisdictional Event, would otherwise be payable (or received). The Issuer will use commercially reasonable endeavours to preserve the value of the Hedge Proceeds, but it shall not be obliged to take any measures which it determines to be commercially impracticable.

**3. Underlying Specific Terms and Conditions in respect of an Index or Indices ("Index Linked Provisions")**

**3.1 Additional Definitions relating to an Index or Indices**

**Additional Adjustment Event** in respect of an Index, a Disrupted Day, Change in Law, Tax Disruption, Hedging Disruption, Increased Cost of Hedging, a change in the Licensor/Index Sponsor, a change in the formula for or method of calculating such Index or such Index is not calculated and published at all.

**Change in Law** in respect of an Index, on or after the Issue Date/Payment Date (i) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (ii) due to the promulgation of or any 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 Issuer determines that (a) it has become illegal for it to hold, acquire or dispose of such Index or its Components, or (b) it will incur a materially increased cost in performing its obligations under the Products (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

<b>Component</b>	in respect of an Index, any share, security, commodity, rate, index or other component included in such Index, as determined by the Calculation Agent.
<b>Component Clearance System</b>	in respect of any Component of an Index, (i) the principal domestic clearance system customarily used for settling trades in such Component or (ii) if the component clearance system described in clause (i) above ceases to settle trades in such Component, such other clearance system as determined by the Calculation Agent.
<b>Component Clearance System Business Day</b>	in respect of any Component of an Index, any day on which the Component Clearance System is (or, but for the occurrence of an Index Settlement Disruption Event, would have been) open for the acceptance and execution of settlement instructions.
<b>Disrupted Day</b>	in respect of an Index, any Scheduled Trading Day on which (i) , in the case of a (Multi-Exchange) Index, if such Index is a (Multi-Exchange) Index, the Licensor/Index Sponsor fails to publish the Index Level, in the case of any Index other than (Multi-Exchange) Index, any Exchange fails to open for trading during its regular trading session, and in the case of multiple Indices, including both a (Multi-Exchange) Index and a non-(Multi-Exchange) Index, (x) if such Index is a (Multi-Exchange) Index, the Licensor/Index Sponsor fails to publish the Index Level, or (y) otherwise, any Exchange fails to open for trading during its regular trading session, (ii) any Related Exchange fails to open for trading during its regular trading session, or (iii) a Market Disruption Event has occurred.
<b>Early Closure</b>	in respect of an Index, the closure on any Exchange Business Day of any Exchange or Related Exchange relating to, in the case of a (Multi-Exchange) Index, any Component, in the case of any Index other than a (Multi-Exchange) Index, Components that comprise 20 per cent. or more of the Index Level, in the case of multiple Indices, including both a (Multi-Exchange) Index and a non-(Multi-Exchange) Index, (x) if such Index is a (Multi-Exchange) Index, any Component, or (y) otherwise, Components that comprise 20 per cent. or more of the Index Level, prior to its Scheduled Closing Time, unless such earlier closing time is announced by such Exchange or Related Exchange, as the case may be, at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange or Related Exchange on such Exchange Business Day, and (ii) the submission deadline for orders

to be entered into such Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day.

**Exchange**

in respect of any Component of an Index, the stock exchange(s) or quotation system(s) (from time to time) (i) on which, in the determination of the Licensor/Index Sponsor for the purposes of such Index, such Component is listed or quoted, and (ii) if the Calculation Agent so determines, on which any depositary receipts in respect of such Component is listed or quoted, in which case references to the Components may, where the Calculation Agent determines the context to permit, include such depositary receipts.

**Exchange Business Day**

in respect of an Index, in the case of any Index other than a (Multi-Exchange) Index, any Scheduled Trading Day on which each Exchange and Related Exchange is open for trading during its regular trading sessions, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time, in the case of a (Multi-Exchange) Index, any Scheduled Trading Day on which the Licensor/Index Sponsor publishes the Index Level and each Related Exchange is open for trading during its regular trading session, notwithstanding any such Related Exchange closing prior to its Scheduled Closing Time, in the case of multiple Indices, including both a (Multi-Exchange) Index and a non-(Multi-Exchange) Index, any Scheduled Trading Day on which (x) if such Index is a (Multi-Exchange) Index, each Exchange and Related Exchange is open for trading during its regular trading sessions, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time, or (y) otherwise, the Licensor/Index Sponsor publishes the Index Level and each Related Exchange is open for trading during its regular trading session, notwithstanding any such Related Exchange closing prior to its Scheduled Closing Time.

**Exchange Disruption**

in respect of an 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, in the case of a (Multi-Exchange) Index, any Component on any relevant Exchange, in the case of any Index other than a (Multi-Exchange) Index, Components that comprise 20 per cent. or more of the Index Level, in the case of multiple Indices, including both a (Multi-Exchange) Index and a non-(Multi-Exchange) Index, (x) in the case of a (Multi-Exchange) Index, any Component on any relevant Exchange, or (y) otherwise, Components that comprise 20 per cent. or more of the Index Level, or (ii) to effect transactions in, or obtain market values for, futures or options relating to such Index on any Related Exchange.

**Hedge Proceeds**

the cash amount constituting the proceeds received by the Issuer in respect of any Hedging Arrangements; for the avoidance of doubt Hedge Proceeds shall not be less than zero.



<b>Hedging Arrangements</b>	any hedging arrangements entered into by the Issuer at any time for the payment of an amount equal to any amount payable under the Products, including, without limitation, the purchase and/or sale of any Components or shares of companies whose depository receipts are Components, any options or futures on any Components and any associated foreign exchange transactions.
<b>Hedging Disruption</b>	in the opinion of the Calculation Agent, the Issuer 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 price risk of entering into and performing its obligations with respect to the Products, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s).
<b>Increased Cost of Hedging</b>	in the opinion of the Calculation Agent, the Issuer would incur a materially increased (as compared to circumstances existing on the Issue Date/Payment 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 price risk of entering into and performing its obligations with respect to the Products, 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, in the opinion of the Calculation Agent, incurred solely due to the deterioration of the creditworthiness of the Issuer shall not be deemed an Increased Cost of Hedging.
<b>Index Level</b>	in respect of an Index, on any Scheduled Trading Day, the level of such Index for such day as calculated and published by the Licensor/Index Sponsor, as determined by the Calculation Agent.
<b>Index Settlement Disruption Event</b>	in respect of any Component of an Index, an event that the Calculation Agent determines is beyond the control of the Issuer and/or its affiliates as a result of which the relevant Component Clearance System cannot clear the transfer of such Component.
<b>Jurisdictional Event</b>	in respect of an Index, (i) any event which occurs, whether of general application or otherwise, as a result of present or future risks in or connected with any Jurisdictional Event Jurisdiction, including, but not limited to, risks associated with fraud and/or corruption, political risk, legal uncertainty, imposition of foreign exchange controls, changes in laws or regulations and changes in the interpretation and/or enforcement of laws and regulations (including without limitation those relating to taxation) and other legal and/or sovereign risks, or (ii) the Calculation Agent determines that the Issuer is not able to buy and/or sell any Components or shares of any company whose depository receipts are Components (" <b>Related Shares</b> ") with or for a currency acceptable to the Calculation Agent on any relevant Exchange (or

the exchange or quotation system on which such Related Shares are listed or quoted) or any relevant Exchange (or the exchange or quotation system on which any Related Shares are listed or quoted) fails to calculate and publish the price, in a currency acceptable to the Calculation Agent, of any Components (or Related Shares) on a day on which the Calculation Agent determines that such calculation and publication was otherwise expected to be made, and, in the case of each of clauses (i) and (ii) above, which has or may have, in the determination of the Calculation Agent, the effect of reducing or eliminating the value of the Hedge Proceeds at any time.

**Jurisdictional Event  
Jurisdiction** any jurisdiction or country relevant for the issue of the Products, as determined by the Issuer.

**Licensor/Index Sponsor** in respect of an Index, (i) the corporation or other entity specified as such in the Final Terms, which is the corporation or entity that (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments if any, related to such Index, and (b) announces (directly or through an agent) the Index Level on a regular basis during each Scheduled Trading Day, or (ii) if the corporation or entity specified as such in the Final Terms fails to act as described in sub-clauses (a) and (b) of clause (i) above, such person acceptable to the Calculation Agent who calculates and announces the Index or any agent or person acting on behalf of such person.

**Market Disruption  
Event** in respect of an Index, (i) the occurrence or existence on any Scheduled Trading Day of (a) a Trading Disruption or an Exchange Disruption, which in either case the Calculation Agent determines is material and which occurs any time during the one hour period that ends at the Valuation Time, or (b) an Early Closure, in the case of a (Multi-Exchange) Index, provided that, (other than where the Market Disruption Event relates to futures or options contracts relating to such Index) the Components in respect of which an Early Closure, Exchange Disruption and/or Trading Disruption occurs or exists amount, in the determination of the Calculation Agent, in the aggregate to 20 per cent. or more of the Index Level, in the case of multiple Indices, including both a (Multi-Exchange) Index and a non-(Multi-Exchange) Index, provided that, if such Index is a (Multi-Exchange) Index and other than where the Market Disruption Event relates to futures or options contracts relating to such Index, the Components in respect of which an Early Closure, Exchange Disruption and/or Trading Disruption occurs or exists amount, in the determination of the Calculation Agent, in the aggregate to 20 per cent. or more of the Index Level, or (ii) a general moratorium declared in respect of banking activities in any Jurisdictional Event Jurisdiction, in each case without regard to whether or not any Exchange or Related Exchange has declared an official market disruption event.

For the purpose of determining whether a Market Disruption Event exists at any time in respect of any Component, the relevant percentage contribution of such Component to the Index Level shall be based on a comparison of (a) the portion of the Index Level attributable to such Component and (b) the overall Index Level, in each case immediately before the occurrence of such Market Disruption Event, as determined by the Calculation Agent.

<b>Related Exchange(s)</b>	in respect of an Index, each exchange or quotation system where trading has a material effect, in the determination of the Calculation Agent, on the overall market for futures or options contracts relating to such Index.
<b>Scheduled Closing Time</b>	in respect of any Exchange or Related Exchange of an Index and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or Related Exchange, as the case may be, on such Scheduled Trading Day, without regard to after hours or any other trading outside the regular trading session hours.
<b>Scheduled Trading Day</b>	in respect of an Index, in the case of an Index other than a (Multi-Exchange) Index, any day on which each Exchange and Related Exchange is scheduled to be open for trading for its regular trading sessions, in the case of a (Multi-Exchange) Index, any day on which the Licensor/Index Sponsor is scheduled to publish the Index Level and each Required Exchange (if any) and Related Exchange is scheduled to be open for trading for its regular trading sessions, in the case of multiple Indices, including both a (Multi-Exchange) Index and a non-(Multi-Exchange) Index, any day on which (x) if such Index is a (Multi-Exchange) Index, each Exchange and Related Exchange is scheduled to be open for trading for its regular trading sessions, or (y) otherwise, the Licensor/Index Sponsor is scheduled to publish the Index Level and each Required Exchange (if any) and Related Exchange is scheduled to be open for trading for its regular trading sessions.
<b>Settlement Cycle</b>	in respect of an Index, the period of Component Clearance System Business Days following a trade in the Components on the relevant Exchange in which settlement will customarily occur according to the rules of the Exchange (or, if there is more than one Exchange, the longest such period).
<b>Tax Disruption</b>	in respect of an Index, the imposition of, change in or removal of an excise, severance, sales, use, value-added, transfer, stamp, documentary, recording or similar tax on, or measured by reference to, such Index (other than a tax on, or measured by reference to, overall gross or net income) by any government or taxation authority after the Issue Date/Payment Date, if the direct effect of such imposition, change or removal is to raise or lower the Index Level on the day on which the Index Level would otherwise be determined from what it would have been without that imposition, change or removal.

**Trading Disruption**

in respect of an Index, any suspension of or limitation imposed on trading, whether by reason of movements in price exceeding limits permitted by any relevant Exchange or Related Exchange or otherwise, (i) on any relevant Exchange relating to, in the case of a (Multi-Exchange) Index: any Component, in the case of any Index other than a (Multi-Exchange) Index: Components that comprise 20 per cent. or more of the Index Level, in the case of multiple Indices, including both a (Multi-Exchange) Index and a non-(Multi-Exchange) Index: (x) if such Index is a (Multi-Exchange) Index, any Component, or (y) otherwise, Components that comprise 20 per cent. or more of the Index Level, or (ii) in futures or options contracts relating to such Index on any Related Exchange.

**Valuation Time**

in respect of an Index, in the case of a (Multi-Exchange) Index, (i) for the purposes of determining whether a Market Disruption Event has occurred, (a) in respect of any Component, the Scheduled Closing Time on any relevant Exchange in respect of such Component, and (b) in respect of any options or futures contracts relating to such Index, the close of trading on any Related Exchange, and (ii) in all other circumstances, the time with reference to which the Licensor/Index Sponsor calculates the closing Index Level, or such other time as the Calculation Agent may determine, in the case of any Index other than a (Multi-Exchange) Index: the time with reference to which the Licensor/Index Sponsor calculates the closing Index Level, or such other time as the Calculation Agent may determine, in the case of multiple Indices, including both a (Multi-Exchange) Index and a non-(Multi-Exchange) Index, the time with reference to which the Licensor/Index Sponsor calculates the closing Index Level, or such other time as the Calculation Agent may determine; provided, however, that, if such Index is a (Multi-Exchange) Index, the Valuation Time for the purposes of determining whether a Market Disruption Event has occurred shall be (a) in respect of any Component, the Scheduled Closing Time on any relevant Exchange in respect of such Component, and (b) in respect of any options or futures contracts relating to such Index, the close of trading on any Related Exchange.

**3.2 Adjustments and Determinations relating to Indices****(a) Correction of Index Level**

With respect to an Index, in the event that (i) the Licensor/Index Sponsor subsequently corrects any published Index Level that was utilised by the Calculation Agent (x) for purposes of determining any amount payable under the Products, or (y) in any other way in connection with the Products, and (ii) such correction is published by the Licensor/Sponsor within one Settlement Cycle after such Index Level's original publication but in any event 2 (two) Business Days prior to the date on which such amount is paid, the Calculation

Agent may recalculate such amount payable under the Products using such corrected Index Level.

(b) **Non-Business Days, Modification or Discontinuation of an Index, Disrupted Days and Additional Adjustment Events**

With respect to an Index and a day in respect of which the Index Level is to be determined, if such day is not a Scheduled Trading Day or is a Disrupted Day, such day may be deferred for up to 8 (eight) Exchange Business Days after the original date, as determined by the Calculation Agent. If such eighth Exchange Business Day is also a Disrupted Day, the Calculation Agent shall make its own determination of the relevant Index Level.

Where a Product relates to more than one Index, if a day in respect of which the Index Level is to be determined is not a Scheduled Trading Day or is a Disrupted Day in respect of an Index, the Calculation Agent may make its own determination of the relevant Index Level for such affected Index without having to defer such day pursuant to the above paragraph.

In addition, upon the occurrence of an Additional Adjustment Event in respect of an Index, the Calculation Agent may make its own determination of the relevant Index Level or make such adjustment to the calculation or definition of the relevant Index Level or any amount payable under the Products (which may include the substitution of the Index with a different index or indices, irrespective of whether such index or indices are then currently used for the purposes of the calculation of amounts payable under the Products) as it may determine in its reasonable discretion to be appropriate. If it determines that it is unable to make such an adjustment, the Issuer may early terminate the Products, in whole but not in part, on such day as the Issuer shall select in its reasonable discretion by giving notice to Holders, and redeem the Products on such day at an amount determined by the Calculation Agent as representing their fair market value on such day. Modifications regarding the composition of an Index or changes in the formula or method of calculation of an Index will generally not be published.

(c) **Adjustment in respect of Jurisdictional Events**

If, in the determination of the Issuer, a Jurisdictional Event in respect of an Index has occurred, the Calculation Agent may make such downward adjustment to any amount otherwise payable under the Products as it shall determine in its reasonable discretion to take account of the effect of such Jurisdictional Event on the Hedging Arrangements and any difference between the Hedge Proceeds and the amount that, but for the occurrence of such Jurisdictional Event, would otherwise be payable. The Issuer will use commercially reasonable endeavours to preserve the value of the Hedge Proceeds, but it shall not be obliged to take any measures that it determines to be commercially impracticable.

(d) **Responsibility**

Neither the Issuer nor the Calculation Agent shall have any responsibility in respect of any error or omission or subsequent corrections made in the calculation or announcement of an Index, whether caused by negligence or otherwise.

**4. Underlying Specific Terms and Conditions in respect of Foreign Exchange Rate or Foreign Exchange Rates ("Foreign Exchange Rate Linked Provisions")**

**4.1 Additional Definitions relating to a Foreign Exchange Rate or Foreign Exchange Rates**

<b>Additional Adjustment Event</b>	in respect of an FX Rate, a Change in Law, Tax Disruption, Hedging Disruption, Increased Cost of Hedging or Market Disruption Event.
<b>Change in Law</b>	in respect of an FX Rate, on or after the Issue Date/Payment Date (i) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (ii) due to the promulgation of or any 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 Issuer determines that (a) it has become illegal for it to hold, acquire or dispose of any Sale Currency or Purchase Currency, or (b) it will incur a materially increased cost in performing its obligations under the Products (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).
<b>FX Business Day</b>	in respect of an FX Rate, a day on which the rate for such FX Rate can, in the determination of the Calculation Agent, be determined.
<b>FX Page</b>	in respect of an FX Rate, (i) the page of the relevant screen provider specified as such in the Final Terms, or (ii) any successor page on which the Calculation Agent determines that such FX Rate is displayed.
<b>FX Rate</b>	<p>in the case of FX-Linked Products with <u>not more than one Purchase Currency</u> and the FX Page is specified in the Final Terms: in respect of an FX Rate, at any time, (i) the amount of the Sale Currency, as determined by the Calculation Agent, required for the spot purchase with the Sale Currency of one unit of the Purchase Currency as displayed as a rate as at such time on the FX Page, or (ii) if the Calculation Agent determines that, as at such time, such rate is not displayed on the FX Page, as determined by the Calculation Agent.</p> <p>in the case of FX-Linked Products <u>with not more than one Purchase Currency</u> and no FX Page is specified in the Final Terms: in respect of an FX Rate, at any time, the amount of the Sale Currency, as determined by the Calculation Agent, required for the spot purchase with the Sale Currency of one unit of the Purchase Currency at such time.</p> <p>in the case of FX-Linked Products <u>with more than one Purchase Currency</u> and the relevant FX Page is specified in the Final Terms: in respect of an FX Rate, at any time, (i) the aggregate amount of the Sale Currency, as determined by the Calculation Agent, required for the spot purchase with the Sale Currency of the specified amount of each Purchase Currency set out in the Final Terms as displayed as rates as at such time in respect of the relevant currency on the FX Page, or (ii) if the Calculation Agent</p>

determines that, as at such time, such rates are not displayed on the FX Page, as determined by the Calculation Agent.

in the case of FX-linked Products with more than one Purchase Currency and no relevant FX Page is specified in the Final Terms:

in respect of an FX Rate, at any time, the aggregate amount of the Sale Currency, as determined by the Calculation Agent, required for the spot purchase with the Sale Currency of the specified amount of each Purchase Currency set out in the Final Terms at such time.

in the case of multiple FX Rates with a combination of specified FX Pages, unspecified FX Pages, one Purchase Currency and/or multiple Purchase Currencies:

in respect of an FX Rate, at any time, (i) for which the FX Page is specified in the Final Terms, (x) in the case of only one Purchase Currency, (A) the amount of the Sale Currency, as determined by the Calculation Agent, required for the spot purchase with the Sale Currency of one unit of the Purchase Currency as displayed as a rate as at such time on the FX Page, or (B) if the Calculation Agent determines that, as at such time, such rate is not displayed on the FX Page, as determined by the Calculation Agent, and (y) in the case of more than one Purchase Currency, (A) the aggregate amount of the Sale Currency, as determined by the Calculation Agent, required for the spot purchase with the Sale Currency of the specified amount of each Purchase Currency set out in the Final Terms as displayed as rates as at such time in respect of the relevant currency on the FX Page, or (B) if the Calculation Agent determines that, as at such time, such rates are not displayed on the FX Page, as determined by the Calculation Agent, and (ii) for which the FX Page is not specified in the Final Terms, (x) in the case of only one Purchase Currency, the amount of the Sale Currency, as determined by the Calculation Agent, required for the spot purchase with the Sale Currency of one unit of the Purchase Currency at such time, and (y) in the case of more than one Purchase Currency, the aggregate amount of the Sale Currency, as determined by the Calculation Agent, required for the spot purchase with the Sale Currency of the specified amount of each Purchase Currency at such time.

**Hedge Proceeds**

the cash amount constituting the proceeds received by the Issuer in respect of any Hedging Arrangements; for the avoidance of doubt Hedge Proceeds shall not be less than zero.

**Hedging Arrangements**

any hedging arrangements entered into by the Issuer at any time for the payment of an amount equal to any amount payable under the Products, including, without limitation, the purchase and/or sale of any Sale or Purchase Currencies of which any FX Rate is composed, any options or futures on such currencies or such FX Rate and any associated foreign exchange transactions.

<b>Hedging Disruption</b>	in the opinion of the Calculation Agent, the Issuer 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 price risk of entering into and performing its obligations with respect to the Products, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s).
<b>Increased Cost of Hedging</b>	in the opinion of the Calculation Agent, the Issuer would incur a materially increased (as compared to circumstances existing on the Issue Date/Payment 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 price risk of entering into and performing its obligations with respect to the Products, 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, in the opinion of the Calculation Agent, incurred solely due to the deterioration of the creditworthiness of the Issuer shall not be deemed an Increased Cost of Hedging.
<b>Jurisdictional Event</b>	in respect of an FX Rate, (i) any event which occurs, whether of general application or otherwise, as a result of present or future risks in or connected with any Jurisdictional Event Jurisdiction, including, but not limited to, risks associated with fraud and/or corruption, political risk, legal uncertainty, imposition of foreign exchange controls, changes in laws or regulations and changes in the interpretation and/or enforcement of laws and regulations (including without limitation those relating to taxation) and other legal and/or sovereign risks, or (ii) the Calculation Agent determines that the Issuer is not able to buy and/or sell any Sale or Purchase Currencies or such FX Rate, and, in the case of each of clauses (i) and (ii) above, which has or may have, in the determination of the Calculation Agent, the effect of reducing or eliminating the value of the Hedge Proceeds at any time.
<b>Jurisdictional Event Jurisdiction</b>	the jurisdiction(s) or country(ies) relevant for the issue of the Products, as determined by the Issuer.
<b>Market Disruption Event</b>	in respect of an FX Rate, (i) the suspension or restriction of foreign exchange trading in at least one of the currencies of the currency pair (including options and futures contracts) or the limitation of the convertibility of the currencies of the currency pair or the inability to obtain an exchange rate for the same on economically reasonable terms, (ii) events other than those described above but whose effects are comparable in economic terms with the events mentioned, provided that the events referred to above are material as determined by the Issuer in its reasonable discretion.



**Tax Disruption** in respect of an FX Rate, the imposition of, change in or removal of an excise, severance, sales, use, value-added, transfer, stamp, documentary, recording or similar tax on, or measured by reference to, such FX Rate (other than a tax on, or measured by reference to, overall gross or net income) by any government or taxation authority after the Issue Date/Payment Date, if the direct effect of such imposition, change or removal is to raise or lower such FX Rate on the day on which such FX Rate would otherwise be determined from what it would have been without that imposition, change or removal.

**Valuation Time** in respect of an FX Rate, the time specified as such in the Final Terms or such other time as the Calculation Agent may determine.

#### **4.2 Adjustments and Determinations relating to a Foreign Exchange Rate or Foreign Exchange Rates**

(e) **Corrections to FX Rate**

If (i) an FX Rate used by the Calculation Agent (x) to determine any amount payable under the Products or (y) in any other way in connection with the Products is based on information published or announced by any financial information service provider, and (ii) such financial information service provider subsequently corrects such information within one hour of such information's original publication or announcement, the Calculation Agent may recalculate such amount payable under the Products using such corrected information.

Notwithstanding the preceding paragraph, if (i) an FX Rate used by the Calculation Agent (x) to determine any amount payable under the Products or (y) in any other way in connection with the Products is based on information published or announced by any governmental authority and (ii) such governmental authority subsequently corrects such information within five days of such information's original publication or announcement but in any event 2 (two) Business Days prior to the date on which such amount is paid, the Calculation Agent may recalculate such amount payable under the Products using such corrected information.

(f) **Non-Business Days, Market Disruption Events and Additional Adjustment Events**

With respect to an FX Rate and a day in respect of which such FX Rate is to be determined, if such day is not a FX Business Day or is a day on which a Market Disruption occurs in relation to such FX Rate through the suspension or limitation in trading, such day may be deferred for up to 8 (eight) FX Business Days after the original date, as determined by the Calculation Agent. If such eighth FX Business Day is also a day on which a Market Disruption Event occurs in relation to such FX Rate through the suspension or limitation in trading, the Calculation Agent shall make its own determination of the relevant FX Rate.

Where a Product relates to more than one FX Rate and with respect to an FX Rate and a day in respect of which an FX Rate is to be determined, if such day is not a FX Business Day or is a day on which a Market Disruption occurs in relation to an FX Rate through the suspension or limitation in trading, the Calculation Agent may make its own determination of the relevant FX Rate for such affected FX Rate without having to defer such day pursuant to the above paragraph.

In addition, upon the occurrence of an Additional Adjustment Event in respect of an FX Rate, the Calculation Agent may make such adjustment to the calculation or definition of such an FX Rate or any amount payable under the Products (which may include the substitution of such an FX Rate with a different foreign exchange rate or foreign exchange rates, irrespective of whether such foreign exchange rate or foreign exchange rates are then currently used for the purposes of the calculation of amounts payable under the Products) as it may determine to be appropriate. If it determines that it is unable to make such an adjustment, the Issuer may early terminate the Products, in whole but not in part, on such day as the Issuer shall select in its reasonable discretion by giving notice to Holders, and redeem the Products on such day at an amount determined by the Calculation Agent as representing their fair market value on such day.

(g) **Adjustment in respect of Jurisdictional Events**

If, in the determination of the Issuer, a Jurisdictional Event in respect of an FX Rate has occurred, the Calculation Agent may make such downward adjustment to any amount otherwise payable under the Products as it shall determine in its reasonable discretion to take account of the effect of such Jurisdictional Event on the Hedging Arrangements and any difference between the Hedge Proceeds and the amount that, but for the occurrence of such Jurisdictional Event, would otherwise be payable. The Issuer will use commercially reasonable endeavours to preserve the value of the Hedge Proceeds, but it shall not be obliged to take any measures that it determines to be commercially impracticable.

**5. Underlying Specific Terms and Conditions in respect of Commodity or Commodities ("Commodity Linked Provisions")**

**5.1 Additional Definitions relating to a Commodity or Commodities**

<b>Additional Adjustment Event</b>	in respect of a Commodity, a Market Disruption Event, Change in Law, Hedging Disruption or Increased Cost of Hedging.
<b>Change in Law</b>	in respect of a Commodity, on or after the Issue Date/Payment Date (i) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (ii) due to the promulgation of or any 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 Issuer determines that (a) it has become illegal for it to hold, acquire or dispose of such Commodity, or (b) it will incur a materially increased cost in performing its obligations under the Products (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).
<b>Commodity Business Day</b>	in the case of any Commodity for which the Commodity Reference Price is a price announced or published by an Exchange: in respect of a Commodity, a day that is (or, but for the occurrence of a Market Disruption Event, would have been) a day on which the Exchange is open for trading during its regular trading session, notwithstanding the Exchange closing prior to its Scheduled Closing Time.

in the case of any Commodity for which the Commodity Reference Price is not a price announced or published by an Exchange: in respect of a Commodity, a day in respect of which the Price Source published (or, but for the occurrence of a Market Disruption Event, would have published) a price.

in the case of multiple Commodities, including both a Commodity for which the Commodity Reference Price is a price announced or published by an Exchange and a Commodity for which the Commodity Reference Price is not a price announced or published by an Exchange: in respect of a Commodity (i) for which the Commodity Reference Price is a price announced or published by an Exchange, a day that is (or, but for the occurrence of a Market Disruption Event, would have been) a day on which the Exchange is open for trading during its regular trading session, notwithstanding the Exchange closing prior to its Scheduled Closing Time, or (ii) for which the Commodity Reference Price is not a price announced or published by an Exchange, a day in respect of which the Price Source published (or, but for the occurrence of a Market Disruption Event, would have published) a price.

**Commodity  
Reference Dealers**

in respect of a Commodity, in the case of multiple Commodities, including both a Commodity for which the Commodity Reference Price is Commodity Reference Dealers and a Commodity for which it is not, for which the Commodity Reference Price is Commodity Reference Dealers, and on any day, the Commodity Reference Price for such day will be determined on the basis of quotations provided by Reference Dealers on such day of such day's Specified Price for such Commodity for delivery on the Delivery Date. If four quotations are provided as requested, the Commodity Reference Price for such day will be the arithmetic mean of the Specified Prices for such Commodity provided by each Reference Dealer, without regard to the Specified Prices having the highest and lowest values. If exactly three quotations are provided as requested, the Commodity Reference Price for such day will be the Specified Price provided by the relevant Reference Dealer that remains after disregarding the Specified Prices having the highest and lowest values. In either case, if more than one Specified Price has the same highest value or lowest value, then one such Specified Price shall be disregarded. If fewer than three quotations are provided, it will be deemed that the Commodity Reference Price for such day cannot be determined.

**Delivery Date**

in respect of a Commodity, if:

- (i) a date is, or a month and year are, specified in the Final Terms, that date or that month and year;
- (ii) a Nearby Month is specified in Final Terms, the month of expiration of the relevant Futures Contract; or
- iii) a method for the purpose of determining the Delivery Date is specified in the Final Terms, the date or the month and year

determined pursuant to that method.

<b>Disappearance of Commodity Reference Price</b>	in respect of a Commodity and a Commodity Reference Price, (i) the disappearance of, or of trading in, such Commodity, or (ii) the disappearance or permanent discontinuance or unavailability of such Commodity Reference Price, notwithstanding the availability of the Price Source or the status of trading in such Commodity or the relevant Futures Contract, or (iii) the permanent discontinuation of trading in the relevant Futures Contract on the Exchange.
<b>Exchange</b>	in respect of a Commodity, (i) the exchange or principal trading market specified as such the Final Terms, or (ii) such other exchange or principal trading market on which such Commodity or relevant Futures Contract is traded or quoted as the Calculation Agent may determine, or (iii) in the case of clauses (i) and (ii) above, any transferee or successor exchange or principal trading market.
<b>Futures Contract</b>	in respect of a Commodity, the contract specified as such the Final Terms, which, in respect of a Commodity Reference Price, is the contract for future delivery of a contract size in respect of the Delivery Date.
<b>Hedge Proceeds</b>	the cash amount constituting the proceeds received by the Issuer in respect of any Hedging Arrangements; for the avoidance of doubt Hedge Proceeds shall not be less than zero.
<b>Hedging Arrangements</b>	any hedging arrangements entered into by the Issuer at any time for the payment of an amount equal to any amount payable under the Products, including, without limitation, the purchase and/or sale of the Commodity, any options or futures on such Commodity and any associated foreign exchange transactions.
<b>Hedging Disruption</b>	in the opinion of the Calculation Agent, the Issuer 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 price risk of entering into and performing its obligations with respect to the Products, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s).
<b>Increased Cost of Hedging</b>	in the opinion of the Calculation Agent, the Issuer would incur a materially increased (as compared to circumstances existing on the Issue Date/Payment 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 price risk of entering into and performing its obligations with respect to the Products, 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, in the opinion of the Calculation Agent, incurred solely due to the

deterioration of the creditworthiness of the Issuer shall not be deemed an Increased Cost of Hedging.

**Jurisdictional Event** in respect of an Commodity, (i) any event which occurs, whether of general application or otherwise, as a result of present or future risks in or connected with any Jurisdictional Event Jurisdiction, including, but not limited to, risks associated with fraud and/or corruption, political risk, legal uncertainty, imposition of foreign exchange controls, changes in laws or regulations and changes in the interpretation and/or enforcement of laws and regulations (including without limitation those relating to taxation) and other legal and/or sovereign risks, or (ii) the Calculation Agent determines that the Issuer is not able to buy and/or sell such Commodity with or for a currency acceptable to the Calculation Agent or the Exchange fails to calculate and publish the equivalent, in a currency acceptable to the Calculation Agent, of the Commodity Reference Price on a day which the Calculation Agent determines that such calculation and publication was otherwise expected to be made, and, in the case of each of clauses (i) and (ii) above, which has or may have, in the determination of the Calculation Agent, the effect of reducing or eliminating the value of the Hedge Proceeds at any time.

**Jurisdictional Event Jurisdiction** any jurisdiction or country relevant for the issue of the Products, as determined by the Issuer.

**Market Disruption Event** in respect of a Commodity, (i) the occurrence of a Price Source Disruption, Trading Disruption, Disappearance of Commodity Reference Price, Material Change in Formula, Material Change in Content or Tax Disruption, or (ii) a general moratorium declared in respect of banking activities in any Jurisdictional Event Jurisdiction, if the Commodity Reference Price is a price announced or published by an Exchange, in each case without regard to whether or not the Exchange has declared an official market disruption event, in the case of multiple Commodities, including both a Commodity for which the Commodity Reference Price is a price announced or published by an Exchange and a Commodity for which the Commodity Reference Price is not, in the case of each of clauses (i) and (ii) and a Commodity for which the Commodity Reference Price is a price announced or published by an Exchange, without regard to whether or not the Exchange has declared an official market disruption event.

**Material Change in Content** in respect of a Commodity, the occurrence since the Issue Date/Payment Date of a material change in the content, composition or constitution of such Commodity or relevant Futures Contract.

**Material Change in Formula** in respect of a Commodity, the occurrence since the Issue Date/Payment Date of a material change in the formula for or method of calculating the Commodity Reference Price.

**Nearby Month** when preceded by an ordinal adjective, means, in respect of a date, the month of expiration of the Futures Contract identified by that

ordinal adjective, so that: (i) "**First Nearby Month**" means the month of expiration of the first Futures Contract to expire following that date; (ii) "**Second Nearby Month**" means the month of expiration of the second Futures Contract to expire following that date; and, for example, (iii) "**Sixth Nearby Month**" means the month of expiration of the sixth Futures Contract to expire following that date.

**Price Source  
Disruption**

if the Commodity Reference Price is not Commodity Reference Dealers: in respect of a Commodity, (i) the failure of the Price Source to announce or publish the Specified Price (or the information necessary for determining the Specified Price) for the relevant Commodity Reference Price, or (ii) the temporary or permanent discontinuance or unavailability of the Price Source.

if the Commodity Reference Price is Commodity Reference Dealers: in respect of a Commodity, (i) the failure of the Price Source to announce or publish the Specified Price (or the information necessary for determining the Specified Price) for the relevant Commodity Reference Price, (ii) the temporary or permanent discontinuance or unavailability of the Price Source, (iii) the failure to obtain at least three quotations as requested from the Reference Dealers, or (iv) if a Price Materiality Percentage is specified in the Final Terms, the Specified Price for the relevant Commodity Reference Price differs from the Specified Price determined in accordance with the Commodity Reference Price by such Price Materiality Percentage.

in the case of multiple Commodities, including both a Commodity for which the Commodity Reference Price is Commodity Reference Dealers and a Commodity for which the Commodity Reference Price is not: in respect of a Commodity, (i) the failure of the Price Source to announce or publish the Specified Price (or the information necessary for determining the Specified Price) for the relevant Commodity Reference Price, (ii) the temporary or permanent discontinuance or unavailability of the Price Source, or (iii) if the Commodity Reference Price for such Commodity is Commodity Reference Dealers, (x) the failure to obtain at least three quotations as requested from the Reference Dealers, or (y) if a Price Materiality Percentage is specified in the Final Terms, the Specified Price for the relevant Commodity Reference Price differs from the Specified Price determined in accordance with the Commodity Reference Price by such Price Materiality Percentage.

**Reference Dealers**

in respect of a Commodity for which the Commodity Reference Price is Commodity Reference Dealers, the four leading dealers in the relevant market selected by the Calculation Agent.

**Relevant Commodity  
Price**

in respect of a Commodity and on any Commodity Business Day, the price of such Commodity or the relevant Futures Contract quoted on the Exchange for such day, as determined by the Calculation Agent.

**Tax Disruption**

in respect of a Commodity, the imposition of, change in or removal of an excise, severance, sales, use, value-added, transfer, stamp, documentary, recording or similar tax on, or measured by reference to, such Commodity or relevant Futures Contract (other than a tax on, or measured by reference to, overall gross or net income) by any government or taxation authority after the Issue Date/Payment Date, if the direct effect of such imposition, change or removal is to raise or lower the Commodity Reference Price on the day on which the Commodity Reference Price would otherwise be determined from what it would have been without that imposition, change or removal.

**Trading Disruption**

in respect of a Commodity, the material suspension of, or the material limitation imposed on, trading in such Commodity or relevant Futures Contract or any other futures contract or options contract relating to such Commodity (any such relevant Futures Contract or other contract, a "**Related Contract**") on the Exchange. For these purposes:

- (i) a suspension of the trading in such Commodity or any Related Contract on any Commodity Business Day shall be deemed to be material only if:
  - (a) all trading in such Commodity or Related Contract, as applicable, is suspended for the entire day; or
  - (b) all trading in such Commodity or Related Contract, as applicable, is suspended subsequent to the opening of trading on such day, trading does not recommence prior to the regularly scheduled close of trading in such Commodity or Related Contract, as applicable, on such day and such suspension is announced less than one hour preceding its commencement; and
- (ii) a limitation of trading in such Commodity or Related Contract, as applicable, on any Commodity Business Day shall be deemed to be material only if there are or the Exchange establishes limits on the range within which the price of such Commodity or Related Contract, as applicable, may fluctuate and the closing or settlement price of such Commodity or Related Contract, as applicable, on such Commodity Business Day is at the upper or lower limit of that range.

**5.2 Adjustments and Determinations relating to a Commodity or Commodities****(a) Correction to Commodity Reference Price**

With respect to a Commodity, in the event that (i) the Price Source subsequently corrects any published Commodity Reference Price that was utilised by the Calculation Agent (x) for purposes of determining any amount payable (or other benefit to be received) under the Products, or (y) in any other way in connection with the Products, and (ii) such correction is published by the Price Source within 30 days after such Commodity Reference Price's original publication but in any event 2 (two) Business Days prior to the date on which such

amount (or other benefit to be received) is paid, the Calculation Agent may recalculate such amount payable (or other benefit to be received) under the Products using such corrected Commodity Reference Price.

(b) **Non-Business Days, Market Disruption Events and Additional Adjustment Events**

With respect to a Commodity and a day in respect of which the Commodity Reference Price is to be determined, if such day is not a Commodity Business Day or is a day on which a Market Disruption Event occurs, such day may be deferred for up to 8 (eight) Commodity Business Days after the original date, as determined by the Calculation Agent. If such eighth Commodity Business Day is also a Disrupted Day, the Calculation Agent shall make its own determination of the relevant Commodity Reference Price.

Where a Product relates to more than one Commodity and with respect to a Commodity and a day in respect of which the Commodity Reference Price is to be determined, if such day is not a Commodity Business Day or is a day on which a Market Disruption Event occurs, the Calculation Agent may make its own determination of the relevant Commodity Reference Price for such affected Commodity without having to defer such day pursuant to the above paragraph.

In addition, upon the occurrence of an Additional Adjustment Event in respect of a Commodity, the Calculation Agent may make such adjustment to the calculation or definition of the relevant Commodity Reference Price or any amount payable (or other benefit to be received) under the Products (which may include the substitution of such Commodity with a different commodity or commodities, irrespective of whether such commodity or commodities are then currently used for the purposes of the calculation of amounts payable (or other benefit to be received) under the Products) as it may determine to be appropriate. If it determines that it is unable to make such an adjustment, the Issuer may early terminate the Products, in whole but not in part, on such day as the Issuer shall select in its reasonable discretion by giving notice to Holders, and redeem the Products on such day at an amount determined by the Calculation Agent as representing their fair market value on such day.

(c) **Adjustment in respect of Jurisdictional Events**

If, in the determination of the Issuer, a Jurisdictional Event in respect of a Commodity has occurred, the Calculation Agent may make such downward adjustment to any amount otherwise payable (or other benefit otherwise to be received) under the Products as it shall determine in its reasonable discretion to take account of the effect of such Jurisdictional Event on the Hedging Arrangements and any difference between the Hedge Proceeds and the amount (or other benefit) that, but for the occurrence of such Jurisdictional Event, would otherwise be payable (or be received). The Issuer will use commercially reasonable endeavours to preserve the value of the Hedge Proceeds, but it shall not be obliged to take any measures that it determines to be commercially impracticable.

**6. Underlying Specific Terms and Conditions in respect of Fund or Funds ("Fund Linked Provisions")**

**6.1 Additional Definitions relating to a Fund or Funds**

<b>Additional Adjustment Event</b>	in respect of a Fund, a Potential Adjustment Event, Merger Event, Liquidation, Lock-in Event, Disrupted Day, or Additional Disruption Event or, if such Fund is listed on an Exchange, a Delisting or change of Exchange.
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<b>Additional Disruption Event</b>	in respect of a Fund, a Change in Law, an Insolvency Filing or a Tax Disruption, a Hedging Disruption or Increased Cost of Hedging.
<b>Change in Law</b>	in respect of a Fund, on or after the Issue Date/Payment Date (i) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (ii) due to the promulgation of or any 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 Issuer determines that (a) it has become illegal for it to hold, acquire or dispose of Fund Interests, or (b) it will incur a materially increased cost in performing its obligations under the Products (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).
<b>Delisting</b>	in respect of a Fund that is listed on an Exchange, the Exchange announces that pursuant to the rules of the Exchange, the Fund Interests cease (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event) and are not (or will not be) immediately re-listed, re-traded or re-quoted on an exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union, in any member state of the European Union).
<b>Disrupted Day</b>	in respect of a Fund, any Scheduled Trading Day on which (i) a Market Disruption Event has occurred, (ii) if such Fund is listed on an Exchange, (x) the Exchange fails to open for trading during its regular trading session, or (y) any Related Exchange fails to open for trading during its regular trading session, or (iii) if such Fund is not listed on an Exchange, the Management Company fails to calculate and publish the Fund Interest Price.
<b>Early Closure</b>	in respect of a Fund, in the case of multiple Funds, including both a Fund listed on an Exchange and a Fund not listed on an Exchange, that is listed on an Exchange, the closure on any Exchange Business Day of the Exchange or any Related Exchange prior to its Scheduled Closing Time, unless such earlier closing time is announced by the Exchange or such Related Exchange, as the case may be, at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on the Exchange or such Related Exchange on such Exchange Business Day, and (ii) the submission deadline for orders to be entered into the Exchange or such Related Exchange system for execution at the Valuation Time on such Exchange Business Day.
<b>Exchange</b>	in respect of a Fund, in the case of multiple Funds, including both a Fund listed on an Exchange and a Fund not listed on an Exchange, that is listed on an Exchange, (i) the exchange or quotation system specified as such in the Final Terms, or (ii) such other exchange or quotation system on which the Fund Interests are, in the determination of the Calculation Agent, traded or quoted as the

Calculation Agent may select, or (iii) in the case of clauses (i) and (ii) above, any transferee or successor exchange or quotation system.

<b>Exchange Business Day</b>	in respect of a Fund, in the case of multiple Funds, including both a Fund listed on an Exchange and a Fund not listed on an Exchange, that is listed on an Exchange, any Scheduled Trading Day on which the Exchange and each Related Exchange are open for trading during their regular trading sessions, notwithstanding any such Exchange or Related Exchange closing prior to their Scheduled Closing Time.
<b>Exchange Disruption</b>	in respect of a Fund, in the case of multiple Funds, including both a Fund listed on an Exchange and a Fund not listed on an Exchange, that is listed on an Exchange, 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 Fund Interests on the Exchange, or (ii) to effect transactions in, or obtain market values for, futures or options relating to such Fund on any Related Exchange.
<b>Fund Business Day</b>	in respect of a Fund, in the case of multiple Funds, including both a Fund listed on an Exchange and a Fund not listed on an Exchange, that is not listed on an Exchange, a day on which the Fund Interest Price can, in the determination of the Calculation Agent, be determined.
<b>Fund Clearance System</b>	in respect of a Fund, (i) the principal domestic clearance system customarily used for settling trades in the Fund Interests or (ii) if the fund clearance system described in clause (i) above ceases to settle trades in the Fund Interests, such other clearance system as determined by the Calculation Agent.
<b>Fund Clearance System Business Day</b>	in respect of a Fund, any day on which the Fund Clearance System is (or, but for the occurrence of a Fund Settlement Disruption Event, would have been) open for the acceptance and execution of settlement instructions.
<b>Fund Interest</b>	in respect of a Fund, a share in such Fund or, if interests in such Fund are not denominated as shares, a unit of ownership in such Fund.
<b>Fund Interest Price</b>	in respect of a Fund, on any Scheduled Trading Day, (i) if such Fund is listed on an Exchange, the price of a Fund Interest quoted on the Exchange for such day, as determined by the Calculation Agent, or (ii) otherwise, the net asset value per Fund Interest, as calculated and published by, or on behalf of, the Management Company on such day.
<b>Fund Settlement Disruption Event</b>	in respect of a Fund, an event that the Calculation Agent determines is beyond the control of the Issuer and/or its affiliates as a result of which the relevant Fund Clearance System cannot clear the transfer of Fund Interests.

<b>Hedge Proceeds</b>	the cash amount constituting the proceeds received by the Issuer in respect of any Hedging Arrangements; for the avoidance of doubt Hedge Proceeds shall not be less than zero.
<b>Hedging Arrangements</b>	any hedging arrangements entered into by the Issuer at any time for the payment of an amount equal to any amount payable under the Products, including, without limitation, the purchase and/or sale of any securities, any options or futures on such securities and any associated foreign exchange transactions.
<b>Hedging Disruption</b>	in the opinion of the Calculation Agent, the Issuer 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 price risk of entering into and performing its obligations with respect to the Products, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s).
<b>Increased Cost of Hedging</b>	in the opinion of the Calculation Agent, the Issuer would incur a materially increased (as compared to circumstances existing on the Issue Date/Payment 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 price risk of entering into and performing its obligations with respect to the Products, 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, in the opinion of the Calculation Agent, incurred solely due to the deterioration of the creditworthiness of the Issuer shall not be deemed an Increased Cost of Hedging.
<b>Insolvency Filing</b>	in respect of a Fund, the Calculation Agent determines that the Fund or the Management Company has instituted, or has had instituted against it by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over the Fund or the Management Company in the jurisdiction of its incorporation or organisation or the jurisdiction of the Fund's or the Management Company's head or home office, or the Fund or the Management Company 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 creditor's rights, or a petition is presented for the Fund's or the Management Company's winding-up or liquidation by it or such regulator, supervisor or similar official or the Fund or the Management Company consents to such a petition, provided that proceedings instituted or petitions presented by creditors and not consented to by the Fund or the Management Company shall not be an Insolvency Filing.
<b>Jurisdictional Event</b>	in respect of a Fund, (i) any event that occurs, whether of general application or otherwise, as a result of present or future risks in or connected with any Jurisdictional Event Jurisdiction, including, but

not limited to, risks associated with fraud and/or corruption, political risk, legal uncertainty, imposition of foreign exchange controls, changes in laws or regulations and changes in the interpretation and/or enforcement of laws and regulations (including without limitation those relating to taxation) and other legal and/or sovereign risks, or (ii) the Calculation Agent determines that the Issuer is not able to buy and/or sell Fund Interests with or for a currency acceptable to the Calculation Agent (x) if such Fund is listed on an Exchange, the Exchange fails to publish, or (y) if such Fund is not listed on an Exchange, the Management Company fails to calculate and publish, the equivalent, in a currency acceptable to the Calculation Agent, of the Fund Interest Price on a day on which the Calculation Agent determines that such calculation and publication was otherwise expected to be made, and, in the case of each of clauses (i), (ii) and (iii) above, which has or may have, in the determination of the Calculation Agent, the effect of reducing or eliminating the value of the Hedge Proceeds at any time.

**Jurisdictional Event** any jurisdiction or country relevant for the issue of the Products, as  
**Jurisdiction** determined by the Issuer.

**Liquidation** in respect of a Fund, by reason of the voluntary or involuntary liquidation, winding-up, dissolution, bankruptcy or insolvency or analogous proceedings affecting the Fund or the Management Company (i) the Fund is required to be transferred to any trustee, liquidator or other similar official, or (ii) holders of Fund Interests become legally prohibited from transferring such Fund Interests.

**Lock-in Event** in respect of a Fund, if the Calculation Agent determines that its occurrence is material, any of the following events (for the avoidance of doubt, the Calculation Agent has no obligation actively to monitor whether or not any of the following events has occurred):

- (i) a change is made to the investment objective or restrictions of the Fund, as the case may be, or the Fund has failed to comply with its investment objective and restrictions set out in its offering documents, as applicable;
- (ii) the currency of denomination of the Fund or any class thereof is amended in accordance with its rules so that the Fund Interest Price is no longer calculated and/or published in the same currency as at the Issue Date/Payment Date;
- (iii) the activities of the Fund or the Management Company and/or any of their respective employees, directors, agents or service providers are placed under review or investigation by any regulatory authority and/or are subject to any charges or actions by any regulatory authority for reasons of wrongdoing or suspected wrongdoing, breach or suspected breach of any rule or regulation or other similar reason and/or have any of their respective registrations, authorisations, licences or memberships

- with any regulatory authority revoked, suspended, terminated, limited or qualified;
- (iv) the Fund, the Management Company or any custodian or other service provider to the Fund becomes party to any litigation or dispute;
  - (v) the Management Company ceases to be the investment manager of the Fund and the Calculation Agent determines that this could have an adverse economic impact for the Issuer or any hedging counterparty as a holder of a Fund Interest;
  - (vi) if the Issuer or any hedging counterparty were to redeem any Fund Interests, they would not receive full proceeds of such redemption in cash within the time frame specified in the prospectus in place on the Issue Date/Payment Date, as amended by any side letter;
  - (vii) the Issuer or any hedging counterparty would be obliged (whether by the Management Company or otherwise) to redeem all or some of the Fund Interests (as the case may be) that it is holding in relation to its Hedging Arrangements in respect of the Products; and
  - (viii) there is an amendment, variation or modification to the constitutional and offering documents of the Fund, which in the reasonable determination of the Calculation Agent, would adversely affect the Issuer or any hedging counterparty in relation to its Hedging Arrangements in respect of the Products.

**Management Company**

in respect of a Fund, (i) the corporation or other entity specified as such in the Final Terms, which is the corporation or entity that (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments if any, related to such Fund, and (b) if such Fund is not listed on an Exchange, announces (directly or through an agent) the Fund Interest Price on a regular basis during each Scheduled Trading Day, or (ii) if such Fund is not listed on an Exchange and the corporation or entity specified as such in the Final Terms fails to act as described in sub-clauses (a) and (b) of clause (i) above, such person acceptable to the Calculation Agent who calculates and announces the Fund Interest Price or any agent or person acting on behalf of such person.

**Market Disruption Event**

in respect of a Fund, (i) the occurrence or existence on any Scheduled Trading Day of (a) if such Fund is listed on an Exchange, (x) a Trading Disruption or an Exchange Disruption that the Calculation Agent determines is material and occurs any time during the one hour period that ends at the Valuation Time, or (y) an Early Closure, or (b) if such Fund is not listed on an Exchange, a Trading Disruption that the Calculation Agent determines is material and occurs any time during the one hour period that ends at the Valuation Time, or (ii) a

general moratorium declared in respect of banking activities in any Jurisdictional Event Jurisdiction, in each case if such Fund is traded on an Exchange, without regard to whether or not any Exchange or Related Exchange has declared an official market disruption event.

**Merger Event**

in respect of a Fund, any of the following:

- (i) a reclassification or change of such Fund (unless resulting in a Potential Adjustment Event) that results in a transfer of or an irrevocable commitment to transfer all of the outstanding Fund Interests to another entity or person;
- (ii) the consolidation, amalgamation or merger of the Fund with or into another entity or person (other than a consolidation, amalgamation or merger in which the Fund is the continuing entity and that does not result in reclassification or change of the outstanding Fund Interests);
- (iii) a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any other entity or person to purchase or otherwise obtain 100 per cent. of the outstanding Fund Interests, which results in a transfer of or an irrevocable commitment to transfer all the outstanding Fund Interests (other than the Fund Interests owned or controlled by such other entity or person); or
- (iv) the consolidation, amalgamation or merger of the Fund with or into another entity or person in which the Fund is the continuing entity and that does not result in a reclassification or change of the outstanding Fund Interests, but results in all the outstanding Fund Interests (other than the Fund Interests owned or controlled by such other entity or person) immediately prior to such event collectively representing less than 50 per cent. of all the outstanding Fund Interests immediately following such event.

**Potential Adjustment Event**

in respect of a Fund, any event (other than a Merger Event, Liquidation, Lock-in Event, Disrupted Day, Additional Disruption Event or, if such Fund is listed on an Exchange, a Delisting or change of Exchange) that may have a diluting or concentrating effect on the theoretical value of the Fund Interests, as determined by the Calculation Agent.

**Related Exchanges**

in respect of a Fund, in the case of multiple Funds, including both a Fund listed on an Exchange and a Fund not listed on an Exchange, that is listed on an Exchange, each exchange or quotation system where trading has a material effect, in the determination of the Calculation Agent, on the overall market for futures or options contracts relating to such Fund.

<b>Scheduled Closing Time</b>	in respect of any Exchange or Related Exchange of a Fund, in the case of multiple Funds, including both a Fund listed on an Exchange and a Fund not listed on an Exchange, that is listed on an Exchange, and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or Related Exchange, as the case may be, on such Scheduled Trading Day, without regard to after hours or any other trading outside the regular trading session hours.
<b>Scheduled Trading Day</b>	in respect of a Fund, (x) if such Fund is listed on an Exchange, any day on which the Exchange and each Related Exchange is scheduled to be open for trading for its regular trading sessions, or (y) if such Fund is not listed on an Exchange, any day on which the Management Company is scheduled to calculate and publish the Fund Interest Price.
<b>Settlement Cycle</b>	in respect of a Fund, the period of Fund Clearance System Business Days following a trade in Fund Interests (on, if such Fund is listed on an Exchange, the relevant Exchange) in which settlement will customarily occur (according to, if such Fund is listed on an Exchange, the rules of the Exchange).
<b>Tax Disruption</b>	in respect of a Fund, the imposition of, change in or removal of an excise, severance, sales, use, value-added, transfer, stamp, documentary, recording or similar tax on, or measured by reference to, such Fund (other than a tax on, or measured by reference to, overall gross or net income) by any government or taxation authority after the Issue Date/Payment Date, if the direct effect of such imposition, change or removal is to raise or lower the Fund Interest Price on the day on which the Fund Interest Price would otherwise be determined from what it would have been without that imposition, change or removal.
<b>Trading Disruption</b>	in respect of a Fund, any suspension of or limitation imposed on trading (if such Fund is listed on an Exchange, whether by reason of movements in price exceeding limits permitted by the Exchange or Related Exchange or otherwise, (x) on the Exchange relating to the Fund or (y) in futures or options contracts relating to such Fund on any Related Exchange).
<b>Valuation Time</b>	in respect of a Fund, (i) the time specified as such in the Final Terms, or (ii) if such Fund is listed on an Exchange and no time is specified as such in the Final Terms, the Scheduled Closing Time, or (iii) in the case of clauses (i) and (ii) above, such other time as the Calculation Agent may select; <i>provided, however</i> , that, if such Fund is listed on an Exchange, (x) if on any Scheduled Trading Day the Exchange closes prior to the Scheduled Closing Time and (y) the scheduled Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time for such Scheduled Trading Day shall be such actual closing time.

## 6.2 Adjustments and Determinations relating to a Fund or Funds

## (a) Correction of Fund Interest Price

With respect to a Fund, in the event that (i) (x) if such Fund is listed on an Exchange, the Exchange, or (y) if such Fund is not listed on an Exchange, the Management Company, subsequently corrects and publishes a Fund Interest Price that was utilised by the Calculation Agent (x) for purposes of determining any amount payable (or other benefit to be received) under the Products, or (y) in any other way, and (ii) such correction is published by the Exchange or the Management Company, as applicable, within one Settlement Cycle after such Fund Interest Price's original publication but in any event 2 (two) Business Days prior to the date on which such amount (or other benefit to be received) is paid, the Calculation Agent may recalculate such amount payable (or other benefit to be received) under the Products using such corrected Fund Interest Price.

## (b) Non-Business Days, Modification or Discontinuation of a Fund, Disrupted Days and Additional Adjustment Events

With respect to a Fund and a day in respect of which the Fund Interest Price is to be determined, if such day is not a Scheduled Trading Day or is a Disrupted Day, such day may be deferred for up to 8 (eight) Exchange Business Days (if such Fund is listed on an Exchange) or Fund Business Days (if such Fund is not listed on an Exchange) after the original date, as determined by the Calculation Agent. If such eighth Exchange Business Day or Fund Business Day, as applicable, is also a Disrupted Day, the Calculation Agent shall make its own determination of the relevant Fund Interest Price.

Where a Product relates to more than one Fund, if a day in respect of which the Fund Interest Price is to be determined is not a Scheduled Trading Day or is a Disrupted Day in respect of a Fund, the Calculation Agent may make its own determination of the relevant Fund Interest Price for such affected Fund without having to defer such day pursuant to the above paragraph.

In addition, upon the occurrence of an Additional Adjustment Event in respect of a Fund, the Calculation Agent may make its own determination of the relevant Fund Interest Price or make such adjustment to the calculation or definition of the relevant Fund Interest Price or any amount payable under the Products (which may include the substitution of the Fund with a different fund or funds, irrespective of whether such fund or funds are then currently used for the purposes of the calculation of amounts payable (or other benefit to be received) under the Products) as it may determine to be appropriate. If it determines that it is unable to make such an adjustment, the Issuer may early terminate the Products, in whole but not in part, on such day as the Issuer shall select in its reasonable discretion by giving notice to Holders, and redeem the Products on such day at an amount determined by the Calculation Agent as representing their fair market value on such day.

## (c) Adjustment in respect of Jurisdictional Events

If, in the determination of the Issuer, a Jurisdictional Event in respect of a Fund has occurred, the Calculation Agent may make such downward adjustment to any amount otherwise payable (or other benefit otherwise to be received) under the Products as it shall determine to take account of the effect of such Jurisdictional Event on the Hedging Arrangements and any difference between the Hedge Proceeds and the amount (or other benefit) that, but for the occurrence of such Jurisdictional Event, would otherwise be payable (or received). The Issuer will use commercially reasonable endeavours to preserve the value of the Hedge Proceeds, but it shall not be obliged to take any measures which it determines to be commercially impracticable.

## (d) Responsibility



Neither the Issuer nor the Calculation Agent shall have any responsibility in respect of any error or omission or subsequent corrections made in the calculation or announcement of a Fund, whether caused by negligence or otherwise.

## 7. Underlying Specific Terms and Conditions in respect of Bond or Bonds ("Bond Linked Provisions")

### 7.1 Additional Definitions relating to a Bond or Bonds

<b>Additional Adjustment Event</b>	in respect of a Bond, a Market Disruption Event, Change in Law, Hedging Disruption or Increased Cost of Hedging.
<b>Bond Business Day</b>	in respect of a Bond, a day that is (or, but for the occurrence of a Market Disruption Event, would have been) a day on which the Exchange is open for trading during its regular trading session, notwithstanding the Exchange closing prior to its Scheduled Closing Time.
<b>Bond Clearance System</b>	in respect of a Bond, (i) the principal domestic clearance system customarily used for settling trades in such Bond or (ii) if the clearance system described in clause (i) above ceases to settle trades in such Bond, such other clearance system as determined by the Calculation Agent.
<b>Bond Clearance System Business Day</b>	in respect of a Bond, any day on which the Bond Clearance System is (or, but for the occurrence of a Bond Settlement Disruption Event, would have been) open for the acceptance and execution of settlement instructions.
<b>Bond Price</b>	in respect of a Bond, (i) the price of such Bond or the relevant Futures Contract specified in the Final Terms or (ii) on any Scheduled Trading Day, the price of such Bond or the relevant Futures Contract quoted on the Exchange for such day, as determined by the Calculation Agent.
<b>Bond Settlement Disruption Event</b>	in respect of a Bond, an event that the Calculation Agent determines is beyond the control of the Issuer and/or its affiliates as a result of which the Bond Clearance System cannot clear the transfer of such Bond.
<b>Change in Law</b>	in respect of a Bond, on or after the Issue Date/Payment Date (i) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (ii) due to the promulgation of or any 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 Issuer determines that (a) it has become illegal for it to hold, acquire or dispose of Bonds or Futures Contracts, or (b) it will incur a materially increased cost in performing its obligations under the Products (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).
<b>Delivery Date</b>	in respect of a Bond, if:

- (i) a date is, or a month and year are, specified in the Final Terms, that date or that month and year;
- (ii) a Nearby Month is specified in the Final Terms, the month of expiration of the relevant Futures Contract; or
- (iii) a method for the purpose of determining the Delivery Date is specified in the Final Terms, the date or the month and year determined pursuant to that method.

<b>Disrupted Day</b>	in respect of a Bond, any Scheduled Trading Day on which (i) the Exchange fails to open for trading during its regular trading session, (ii) any Related Exchange fails to open for trading during its regular trading session, or (iii) a Market Disruption Event has occurred.
<b>Exchange</b>	in respect of a Bond or Futures Contract, (i) the exchange or principal trading market specified as such in the Final Terms, or (ii) such other exchange or principal trading market on which the Bonds or relevant Futures Contract are traded or quoted as the Calculation Agent may determine, or (iii) in the case of clauses (i) and (ii) above, any transferee or successor exchange or principal trading market.
<b>Futures Contract</b>	in respect of a Bond, the contract specified as such in the Final Terms, which, in respect of a Bond Price, is the contract for future delivery of a contract size in respect of the Delivery Date.
<b>Hedge Proceeds</b>	the cash amount constituting the proceeds received by the Issuer in respect of any Hedging Arrangements; for the avoidance of doubt Hedge Proceeds shall not be less than zero.
<b>Hedging Arrangements</b>	any hedging arrangements entered into by the Issuer at any time for the payment of an amount equal to any amount payable under the Products, including, without limitation, the purchase and/or sale of the Bond or Futures Contract, any options or futures on such Bond and any associated foreign exchange transactions.
<b>Hedging Disruption</b>	in the opinion of the Calculation Agent, the Issuer 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 price risk of entering into and performing its obligations with respect to the Products, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s).
<b>Increased Cost of Hedging</b>	in the opinion of the Calculation Agent, the Issuer would incur a materially increased (as compared to circumstances existing on the Issue Date/Payment 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 price risk of entering into and performing its obligations with respect to the Products, 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, in the opinion of the Calculation Agent, incurred solely due to the

deterioration of the creditworthiness of the Issuer shall not be deemed an Increased Cost of Hedging.

<b>Jurisdictional Event</b>	in respect of a Bond, (i) any event which occurs, whether of general application or otherwise, as a result of present or future risks in or connected with any Jurisdictional Event Jurisdiction, including, but not limited to, risks associated with fraud and/or corruption, political risk, legal uncertainty, imposition of foreign exchange controls, changes in laws or regulations and changes in the interpretation and/or enforcement of laws and regulations (including without limitation those relating to taxation) and other legal and/or sovereign risks, or (ii) the Calculation Agent determines that the Issuer is not able to buy and/or sell the Bond or Futures Contract with or for a currency acceptable to the Calculation Agent or the Exchange fails to calculate and publish the equivalent, in a currency acceptable to the Calculation Agent, of the Bond Price or Futures Contract price on a day which the Calculation Agent determines that such calculation and publication was otherwise expected to be made, and, in the case of each of clauses (i) and (ii) above, which has or may have, in the determination of the Calculation Agent, the effect of reducing or eliminating the value of the Hedge Proceeds at any time.
<b>Jurisdictional Event Jurisdiction</b>	any jurisdiction or country relevant for the issue of the Products, as determined by the Issuer.
<b>Market Disruption Event</b>	in respect of a Bond, (i) the occurrence of a Trading Disruption or Tax Disruption, or (ii) a general moratorium declared in respect of banking activities in any Jurisdictional Event Jurisdiction, in each case without regard to whether or not the Exchange has declared an official market disruption event.
<b>Nearby Month</b>	when preceded by an ordinal adjective, means, in respect of a date, the month of expiration of the Futures Contract identified by that ordinal adjective, so that: (i) " <b>First Nearby Month</b> " means the month of expiration of the first Futures Contract to expire following that date; (ii) " <b>Second Nearby Month</b> " means the month of expiration of the second Futures Contract to expire following that date; and, for example, (iii) " <b>Sixth Nearby Month</b> " means the month of expiration of the sixth Futures Contract to expire following that date.
<b>Related Exchange(s)</b>	in respect of a Bond, 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 Bond.
<b>Scheduled Trading Day</b>	in respect of a Bond, any day on which the Exchange is scheduled to be open for trading in such Bond for its respective regular trading sessions.
<b>Scheduled Closing Time</b>	in respect of the Exchange or any Related Exchange of a Bond and a Scheduled Trading Day, the scheduled weekday closing time of the Exchange or such Related Exchange on such Scheduled Trading Day,

without regard to after hours or any other trading outside the regular trading session hours.

**Settlement Cycle** the period of Bond Clearance System Business Days following a trade in the Bond on the Exchange in which settlement will customarily occur according to the rules of the Exchange.

**Tax Disruption** in respect of a Bond, the imposition of, change in or removal of an excise, severance, sales, use, value-added, transfer, stamp, documentary, recording or similar tax on, or measured by reference to, such Bond or relevant Futures Contract (other than a tax on, or measured by reference to, overall gross or net income) by any government or taxation authority after the Issue Date/Payment Date, if the direct effect of such imposition, change or removal is to raise or lower the Bond Price on the day on which the Bond Price would otherwise be determined from what it would have been without that imposition, change or removal.

**Trading Disruption** in respect of a Bond, the material suspension of, or the material limitation imposed on, trading in such Bond or relevant Futures Contract or any other futures contract or options contract relating to such Bond (any such relevant Futures Contract or other contract, a "**Related Contract**") on the Exchange. For these purposes:

- (i) a suspension of the trading in such Bond or any Related Contract on any Bond Business Day shall be deemed to be material only if:
  - (a) all trading in such Bond or Related Contract, as applicable, is suspended for the entire day; or
  - (b) all trading in such Bond or Related Contract, as applicable, is suspended subsequent to the opening of trading on such day, trading does not recommence prior to the regularly scheduled close of trading in such Bond or Related Contract, as applicable, on such day and such suspension is announced less than one hour preceding its commencement; and
- (ii) a limitation of trading in such Bond or Related Contract, as applicable, on any Bond Business Day shall be deemed to be material only if the Exchange establishes limits on the range within which the price of such Bond or Related Contract, as applicable, may fluctuate and the closing or settlement price of such Bond or Related Contract, as applicable, on such Bond Business Day is at the upper or lower limit of that range.

**Valuation Time** in respect of a Bond, (i) the time specified as such in the Final Terms, or (ii) if no such time is specified as such in Final Terms, the Scheduled Closing Time, or (iii) in the case of clauses (i) and (ii) above, such other time as the Calculation Agent may select; provided, however, that (x) if on any Scheduled Trading Day the Exchange closes prior to the Scheduled Closing Time and (y) the scheduled Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time for such Scheduled Trading Day shall be such actual closing time.

## 7.2 Adjustments and Determinations relating to a Bond or Bonds

### (a) Correction to Bond Price

With respect to a Bond, in the event that (i) the Exchange subsequently corrects any published Bond Price that was utilised by the Calculation Agent for purposes of determining (x) any amount payable (or other benefit to be received) under the Products, or (y) in any other way, and (ii) such correction is published by the Exchange within one Settlement Cycle after such Bond Price's original publication but in any event 2 (two) Business Days prior to the date on which such amount (or other benefit to be received) is paid, the Calculation Agent may recalculate such amount payable (or other benefit to be received) under the Products using such corrected Bond Price.

### (b) Non-Business Days and Market Disruption Events and Additional Adjustment Events

With respect to a Bond and a day in respect of which the Bond Price is to be determined, if such day is not a Bond Business Day or is a day on which a Market Disruption Event occurs, such day may be deferred for up to 8 (eight) Bond Business Days after the original date, as determined by the Calculation Agent. If such eighth Bond Business Day is also a Disrupted Day, the Calculation Agent shall make its own determination of the relevant Bond Price.

Where a Product relates to more than one Bond and if a day in respect of which the Bond Price is to be determined is not a Bond Business Day or is a day on which a Market Disruption Event occurs in respect of a Bond, the Calculation Agent may make its own determination of the relevant Bond Price for such affected Bond without having to defer such day pursuant to the above paragraph.

In addition, upon the occurrence of an Additional Adjustment Event in respect of a Bond, the Calculation Agent may make such adjustment to the calculation or definition of the relevant Bond Price or any amount payable (or other benefit to be received) under the Products (which may include the substitution of such Bond with a different bond or bonds, irrespective of whether such bond or bonds are then currently used for the purposes of the calculation of amounts payable (or other benefit to be received) under the Products) as it may determine to be appropriate. If it determines that it is unable to make such an adjustment, having given notice to the Holders, the Issuer may early terminate the Products on such day as the Issuer shall select in its reasonable discretion and redeem the Products at an amount determined by the Calculation Agent as representing their fair market value on such day.

### (c) Adjustment in respect of Jurisdictional Events

If, in the determination of the Issuer, a Jurisdictional Event in respect of a Bond has occurred, the Calculation Agent may make such downward adjustment to any amount otherwise payable under the Products as it shall determine in its reasonable discretion to take account of the effect of such Jurisdictional Event on the Hedging Arrangements and any difference between the Hedge Proceeds and the amount that, but for the occurrence of such Jurisdictional Event, would otherwise be payable. The Issuer will use commercially reasonable endeavours to preserve the value of the Hedge Proceeds, but it shall not be obliged to take any measures that it determines to be commercially impracticable.



## V. Form of Final Terms

### [Indicative] [Definitive] Final Terms

[DATE]<sup>1</sup>

## [Product Name]

*[This Document includes indicative information only and the terms of the Products will be finalized on the Trade Date.]*

### <sup>1</sup> Summary

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#### **NOTE TO INVESTORS**

This Summary is an introduction to the final terms ("the Final Terms" or "this Document") for the financial instrument (the "Product") referred in this Document and must be read together with the Base Prospectus.

Any investment decision in relation to the Product should not be made based only on this Summary but on the information contained in the Base Prospectus and the Final Terms. Investors should, in particular, read the section "Risk Factors" in the Base Prospectus and the section "Significant Risks for Investors" in this Document.

**Any liability for information contained in this Summary is limited to cases where the information contained herein is misleading, inaccurate or inconsistent when read together with the Base Prospectus and the other parts of the Final Terms.**

The Product does not constitute a collective investment scheme within the meaning of the Swiss Federal Act on Collective Investment Schemes ("CISA") and is therefore not subject to the authorization or supervision by the Swiss Financial Market Supervisory Authority FINMA (FINMA). Accordingly, the investor does not have the benefit of the specific protection provided under the CISA, particularly as regards the segregation of fund assets. Investors are exposed to and bear the credit risk of the Issuer.

This Document is only available in English.

#### **KEY PRODUCT INFORMATION**

<b>Issuer</b>	[Union Bancaire Privée, UBP SA Jersey Branch, 40 Esplanade. P.O. Box 526, Saint Hélier, JE4 5UH Jersey. Union Bancaire Privée, UBP SA Jersey Branch is a branch of Union Bancaire Privée, UBP SA, rue du Rhône 96-98, CH-1204 Geneva, Switzerland.]  [Union Bancaire Privée, UBP SA, rue du Rhône 96-98, CH-1204 Geneva, Switzerland.]
<b>Rating of the Issuer</b>	[Moody's Long Term Deposit Rating of Union Bancaire Privée, UBP SA is Aa2.]
<b>[Notional Portfolio Manager]</b>	[■]
<b>Product Identification</b>	[Swiss Security Number: [■]] [ISIN: [■]] [SIX Ticker: [■]]
<b>Product Category</b>	[■][for investment products and leverage products: (SSPA Category [■]; Additional Feature [■]). For more details, see the [SSPA Swiss

<sup>1</sup> [The information in this section is indicative and subject to amendment by the Issuer.]

Derivative Map 2023] ([www.sspa.ch](http://www.sspa.ch)).] [for debt instruments: [Fixed Rate Notes] [Floating Rate Notes]]

<b>Settlement Type</b>	<input type="checkbox"/>
<b>[Underlying]</b>	<input type="checkbox"/>
<b>[Denomination]</b>	<input type="checkbox"/>
<b>[Settlement Currency]</b>	<input type="checkbox"/>
<b>Issue Date</b>	<input type="checkbox"/>
<b>[Maturity Date]</b>	<input type="checkbox"/>
<b><i>[Additional items to be added as necessary]</i></b>	<input type="checkbox"/>

### **KEY OFFERING AND TRADING INFORMATION**

<b>[Offer Mode]</b>	[Public offer in Switzerland] [Private placement] [Prospectus exempt offer in Switzerland]
<b>[Issue Size] [Notional]</b>	<input type="checkbox"/> [(subject to modification at the Issuer's discretion)]
<b>[Subscription Period]</b>	[From <input type="checkbox"/> until <input type="checkbox"/>
<b>Issue Price</b>	<input type="checkbox"/>
<b>Listing</b>	[Listing on SIX Swiss Exchange will be applied for.] [None]
<b>[Minimum Investment Size]</b>	<input type="checkbox"/>
<b>[Minimum Trading Lot]</b>	<input type="checkbox"/>
<b>Selling Restrictions</b>	No action has been taken by the Issuer to permit a public offering of the Products in any jurisdiction [other than Switzerland] (for more details see section „Selling Restriction“ under “General Information” of these Final Terms below.
<b><i>[Additional items to be added as necessary]</i></b>	<input type="checkbox"/>

## **1 PRODUCT DESCRIPTION**

**[Insert short product description, as appropriate]**

The following provision constitute the Product Specific Terms and Conditions for purposes of the Terms and Conditions that apply to the Products.

### **PRODUCT DETAILS**

<b>Issuer</b>	[Union Bancaire Privée, UBP SA Jersey Branch, 40 Esplanade. P.O. Box 526, Saint Hélier, JE4 5UH Jersey. Union Bancaire Privée, UBP SA Jersey Branch is a branch of Union Bancaire Privée, UBP SA, rue du Rhône 96-98, CH-1204 Geneva, Switzerland.]  [Union Bancaire Privée, UBP SA, rue du Rhône 96-98, CH-1204 Geneva, Switzerland.]
<b>Regulatory Status of the Issuer</b>	[Union Bancaire Privée, UBP SA Jersey Branch is licensed by the Jersey Financial Services Commission to carry on deposit taking business under the Banking Business (Jersey) Law 1991 and to carry on investment business and fund services business under the Financial Services (Jersey) Law 1998.]



	Union Bancaire Privée, UBP SA is a bank licensed and supervised by the Swiss Financial Market Supervisory Authority FINMA.
<b>Rating of the Issuer</b>	[Moody's Long Term Deposit Rating of Union Bancaire Privée, UBP SA is Aa2.]
<b>[Notional Portfolio Manager]</b>	[■]
<b>Product Identification</b>	[Swiss Security Number: [■]] [ISIN: [■]] [SIX Ticker: [■]]
<b>Product Category</b>	[■][for investment products and leverage products: (SSPA Category [■], Additional Feature [■]). For more details, see the [SSPA Swiss Derivative Map 2023] (www.sspa.ch). [for debt instruments: [Fixed Rate Notes] [Floating Rate Notes]]
<b>[Trade Date]</b>	[■]
<b>Issue Date</b>	[■]
<b>Issue Price</b>	[■]
<b>[Issue Size] [Notional]</b>	[■] [(subject to modification at the Issuer's discretion)]
<b>[Denomination]</b>	[■]
<b>[Maturity Date]</b>	[■]
<b>[Settlement Date]</b>	[■]
<b>[Reimbursement Date]</b>	[■]
<b>Settlement Type</b>	[■]
<b><i>[Additional items to be added as necessary]</i></b>	[■]
<b><u>ENTITLEMENT</u></b>	
<b>[Early Redemption]</b>	[■]
<b>[Early Redemption Event]</b>	[■]
<b>[Redemption]</b>	[■]
<b>[Settlement]</b>	[■]
<b>[Barrier]</b>	[■]
<b>[Barrier Event]</b>	[■]
<b>[Strike Price]</b>	[■]
<b>[Pricing Data]</b>	[■]
<b>[Initial Fixing Date]</b>	[■]
<b>[Initial Fixing Level]</b>	[■]
<b>[Redemption Valuation Date]</b>	[■]

[Final Fixing Level]	[■]
[Observation Dates / Payment Dates / Autocall Levels]	[■]
[Final Observation Date]	[■]
[Settlement Currency]	[■]
[Exercise Style]	[American Exercise Style] [European Exercise Style]
[Exercise Period]	[■]
[Expiration Date]	[■]
[Exercise Price]	[■]
[Maximum Exercise Number]	[■]
[Minimum Exercise Number]	[■]
[Coupon]	[■]
[Coupon Rate]	[■]
[Minimum Coupon Rate]	[■]
[Maximum Coupon Rate]	[■]
[Coupon Payment Date(s)]	[■]
[Coupon Determination Date]	[■]
[Reference Rate]	[■]
[Rate Source]	[■]
[Determination of Reference Rate]	Relevant Rate Source on: [■]
[Day Count Fraction]	[■]
[Quoting]	[■]
<i>[Additional items to be added as necessary]</i>	[■]
<b>[UNDERLYING]</b>	
[Underlying] [Underlying Notional Basket]	[■]
[Underlying Information]	<p>[General Information relating to the Underlying:</p> <ul style="list-style-type: none"> <li>• general designation of the underlying instruments and, if no description of the underlying instruments is publicly accessible, a brief description of the underlying instruments;</li> <li>• where available, the ISIN of the underlying instruments; otherwise an alternative unique identifier</li> </ul>

- if the underlying instruments are traded on a trading venue: the name of the trading venue, otherwise information on where the price-setting mechanism for the underlying instruments is available to the public.]

[Additional Information for Products on participation rights and claims:]

- [note if a delivery of the underlying is planned and transferability of the underlying instruments is restricted, if applicable
- information on where the current annual reports for the issuers of the underlying instruments may be obtained free of charge for the term of the Certificate, provided they are not available on the website of the issuer of the underlying instruments or cannot be obtained via the latter.]

[Additional information for Products on collective investment schemes:

- Information on the fund management or issuing company, and details of the composition or investment universe of the collective investment scheme in question, if this information is not publicly accessible.]

[Additional information for Products on indices:

- name of the agency that calculates and publishes the index (index sponsor), if this information is not publicly accessible;
- details of where the information on the securities universe is publicly accessible and on the method of calculating the index is available;
- indication of whether the index in question is a price or performance (total return) index.]

[Additional information for Products on standardised options and futures contracts:

- contract months, including the term and the expiry, or information on the roll-over mechanism;
- contract unit and price quotation.]

[Additional information for Products on baskets of underlying instruments:

- initial fixing plus the percentage and, where appropriate, shares of the initial weighting of basket instruments;
- if the composition of the basket is subject to predefined modifications, then the permitted investment universe must be defined.]

## **[Investment Strategy]**

[in case of actively managed Products:]

- [key data on the investment strategy, such as securities universe, criteria for selecting securities,

information on how income from underlying instruments is treated;

- name or company name and place of residence or registered office of the manager of the investment strategy as well as information on the supervisory authority or, if applicable, a declaration that the manager is not prudentially supervised;
- details of all compensation paid, such as, in particular, management fees for the manager of the investment strategy for the product;
- note on where the information on the investment strategy can be obtained free of charge;
- note on where the updated and percentage-weighted composition of the underlying notional basket is available / accessible free of charge, at least on a monthly basis.]

**[Additional items to be added as necessary] [■]**

## **GENERAL INFORMATION**

<b>[Paying Agent]</b>	[Union Bancaire Privée, UBP SA]
<b>[Calculation Agent]</b>	[Union Bancaire Privée, UBP SA]
<b>[Lead Manager]</b>	[Union Bancaire Privée, UBP SA]
<b>[Business Day Convention]</b>	[Following] [Modified Following] [Preceding] [Floating Rate]
<b>[Business Days]</b>	[■]
<b>[Financial Center]</b>	[■]
<b>[Governing Law / Jurisdiction]</b>	Swiss law   Geneva, Switzerland
<b>[Clearing / Settlement]</b>	[■]
<b>[Form of the Products]</b>	[Uncertificated Securities] [Global Certificate] [Uncertificated Securities / Intermediated Securities] [Global Certificate / Intermediated Securities]
<b>[Status of the Products]</b>	[The Products represent general unsecured, unsubordinated contractual obligations of the Issuer and ranking pari passu with each other and with all other unsecured, unsubordinated contractual obligations of the Issuer.]
<b>[Listing]</b>	[Listing on SIX Swiss Exchange will be applied for.] [None]
<b>[First Trading Day]</b>	[■]
<b>[Last Trading Day]</b>	[■]
<b>[Minimum Investment Size]</b>	[■]
<b>[Minimum Trading Lot]</b>	[■]
<b>[Transfer Restrictions]</b>	[■]
<b>[Selling Restrictions]</b>	[The restrictions listed below must not be taken as definitive guidance as to whether the Products may be

sold in any particular jurisdiction. Additional restrictions on offering, selling or holding of the Products may apply in other jurisdictions. Investors should seek specific advice before purchasing any Products.][■]

**[Switzerland] [Dubai ("DIFC")] [EEA] [Hong Kong] [Israel] [Jersey] [Monaco] [Singapore] [USA] [UK] [■]**

[Further details are set out in section "Additional Information - Details of Selling Restrictions" of this Document.]

**[Switzerland]**

[The Products must not be publicly offered, directly or indirectly, in Switzerland, except pursuant to and in accordance with an exemption from the prospectus requirement of the Swiss Financial Services Act ("FinSA") and only in compliance with all other applicable laws and regulations.][■]

**Underlying Specific Terms and Conditions**

[Applicable] [Not applicable].

**Extraordinary Hedge Disruption Event**

[Applicable] [Not applicable].

**Hedging Disruption**

[Applicable] [Not applicable].

**[Notices to Investors]**

[Notices to Holders of Products shall be valid and binding if published by way of making them available at the registered offices of Union Bancaire Privée, UBP SA at: Union Bancaire Privée, UBP SA, rue du Rhône 96-98, CH-1204 Geneva, Switzerland, and, in addition and voluntarily, by any means in the discretion of the Issuer[, and, in relation to Products listed on SIX Swiss Exchange, if (i) published by the Issuer on the website of the SIX Swiss Exchange ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com)), where notices are currently published under the address [www.six-swiss-exchange.com/news/official\\_notices/search\\_en.html](http://www.six-swiss-exchange.com/news/official_notices/search_en.html), or (ii) otherwise published in accordance with the regulations of the SIX Swiss Exchange.] [■]

**[Distribution Fee]**

[■]

**[Fees charged to holders of Products after the issuance of the relevant Products and during their respective terms]**

[■]

**[Investor's Withdrawal Right]**

[If an obligation to prepare a supplement to the Base Prospectus pursuant to article 56 para 1 FinSA is triggered during the Subscription Period, subscriptions may be withdrawn within two days of publication of the supplement.][■]

***[Additional items to be added as necessary]***

[■]

**TAX INFORMATION**

**General**

[The following tax summary is valid at the time of the issuance of the Product. It is for general information only and does not purport to be a comprehensive description of all tax consequences that may be relevant to a decision to purchase, own or dispose of the Products. Tax laws and the practice of the tax authorities may change, possibly with retroactive effect. The Issuer explicitly excludes all

and any liability in respect of any tax implications based upon the information contained in this Document. Investors should consult their own independent legal and tax advisors concerning the tax consequences of purchasing, holding and disposing of the Product in the light of their particular circumstances.] [■]

<b>Swiss Federal Stamp Tax</b>	[■]
<b>Swiss Income Tax</b>	[■]
<b>Swiss Withholding Tax</b>	[■]
<b>[Section 871(m) of the U.S. Internal Revenue Code of 1986, as amended]</b>	[■]

## [PROSPECTS OF PROFITS AND LOSS]

[The following seeks to highlight certain key aspects of the profit and loss prospects of the proposed issue of Products and is qualified in its entirety by, and should be read together with, the entirety of this Document, in particular the Section "Significant Risks for Investors".]

<b>[Profit Potential]</b>	[■]
<b>[Loss Potential]</b>	[■]
<b>[Market expectations]</b>	[■]

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## SIGNIFICANT RISKS FOR INVESTORS

<b>[General]</b>	[Investing in the proposed issue of Products involves a number of risks. The following factors are material for the purpose of assessing the risks associated with the Product. The factors listed below are not exhaustive, and additional risks and uncertainties that are not presently known to the Issuer or that the Issuer currently believes to be immaterial, could also have a material impact on the Product. All of these risks are contingencies that may or may not occur and the Issuer does not express a view on the likelihood of any such contingency occurring. Further information on the risk associated with the Product, including risks relating to the Issuer are set out in the Base Prospectus.] [■]
<b>[Suitability of the Product]</b>	[The Product involves significant risks including, without limitation, the risks discussed below and in the Base Prospectus. The Investors should ensure that they understand the nature of all these risks before making a decision to invest in the Products as well as the extent of their exposure to risks associated with an investment in the Products. The Investors should carefully consider whether the Product is suitable for them in light of their experience, objectives, financial position and other relevant circumstances. If in any doubt, the Investors should obtain relevant and specific professional advice before making any investment decision.  In particular, a prospective Investor should be aware that the Products may decline in value and should be prepared to sustain a substantial or total loss of its investment in the Products and ensure that its acquisition is fully

consistent with its financial needs and investment policies, is lawful under the laws of the jurisdiction of its location or incorporation and/or in which it operates, and is a suitable investment for it to make.] [■]

**[Risks relating to the type of Product]**

[■]

**[Risks relating to a Product feature]**

[■]

**Issuer risk**

The investors bear the credit risk of the Issuer as issuer of the Products. The value of the Products is, among other factors, subject to the creditworthiness and the solvency of the Issuer, which may be negatively affected during the term of the Products. Investors bear the risk that the financial situation of the Issuer may deteriorate and the Issuer may become insolvent. If the Issuer becomes insolvent, investors will lose some or all of their investment.

**Market risk**

Market risk may have a negative impact on the value of and the return on an investment in the Product and may significantly impact the price volatility of the Product. Market risk is the risk associated with the effect of changes in market factors such as interest and foreign exchange rates, equity and commodity prices, credit spreads or implied volatilities, on the value of assets and liabilities held for both the short and long term.

**Market disruptions**

Under certain conditions, if the Issuer and/or the Calculation Agent determine that a specified Market Disruption has occurred, any resulting adjustments made by the Issuer and/or the Calculation Agent may have an adverse effect on this Product.

**Liquidity risk in connection with the secondary market**

The Issuer or a third party appointed by the Issuer intends to act as market maker in relation to the Product and it will use commercially reasonable efforts to provide indicative bid and offer prices for the Product on a regular basis under normal market conditions. However, neither the Issuer nor any third party appointed by the Issuer has an obligation to provide prices for the Product. Any market making activity if commenced may be discontinued at any time. Liquidity of the Product in the secondary market may be limited and an active trading market for the Product may not develop. Accordingly, investors may not be able to sell their Product and the Products may constitute illiquid financial instruments. Hence, investors should not rely on the possibility to buy or sell the Product in a specific moment in time or to a specific price and should be ready to hold the Product until maturity.

In the case of secondary market transactions, there is a possibility that costs, including taxes, may arise out of or in connection with the Products for Investors, which are not borne by the Issuer or are transferred from the Issuer to the investor.

**Currency risk**

If the investor's reference currency is different from the currency, in which the Product is denominated, the investor bears the currency risk between the two currencies. The fluctuations in exchange rates could have an adverse effect on the value of or return on an investment in the Product, even if the redemption amount would otherwise provide for a positive return.

**[Early termination and reinvestment risk]**

[In addition, investors may be exposed to the currency risk resulting from the discrepancy between the Settlement Currency and the currencies of the Basket Components.]

[The Product may be early redeemed prior to the maturity of the Product and investors must consider that in case of such an early redemption, investors may not receive any further coupon payments or certain other payments in connection with the Product (if applicable) after the occurrence of the early redemption and the redemption amount may be significantly below the issue / purchase price paid and the early redemption amount payable at maturity. Investors may not be able to reinvest the early redemption amount in a financial instrument with the same profit potential and additional transaction costs may be incurred as a consequence of a reinvestment of the early redemption amount.][■]

**[Underlying risks]**

[Investing in the Product is not equivalent to investing directly in the Underlying [Notional Basket]. Since the Product is linked to the Underlying [Notional Basket], investors are, however, exposed to and must assess the risks specific to the Underlying. Notional Basket resp. the Basket Components.]

[The Basket Components may have limited liquidity and/or their trading may be limited/restricted. In the event that a notional investor (in the same position as the Issuer) would be unable to sell/unwind one of the Basket Components due to such limitations, the Calculation Agent may apply a valuation of zero for the relevant Basket Component]

**[Risks Related to Reference Rates]**

[The Products are linked to a Reference Rate and the coupon payments are calculated based on a Reference Rate. The value of the Products is, therefore, dependant on the performance of the Reference Rate. Factors affecting the performance of the Reference Rate(s) may adversely affect the market value of, and return (if any) on, Products linked thereto. Reference Rates are mainly dependent upon the factors of the supply and demand for credit in the money market, i.e., the rates of interest paid on investments, determined by the interaction of supply of and demand for funds in the money market. The supply and demand in the money market on the other hand is dependent upon macroeconomic factors, such as interest and price levels on the capital markets, currency developments and political factors, or upon other factors, depending on the specific type of Interest Rate or Reference Rate]

**[Additional items to be added as necessary]**

**[■]**

## **ADDITIONAL INFORMATION**

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**General Disclaimer**

This Document shall not be used or considered as an offer, a recommendation, or a solicitation to subscribe, buy or sell the Product. This Document has been prepared and is being provided solely for the purpose of an offer of the financial instruments described in this Document and it must not be used for any other purpose or in any other context than for which it is prepared and



provided. Neither the Issuer nor any intermediary or other person undertakes to update the information contained in this Document. The Issuer does not make any representation, express or implied, as to the performance of the Products either in absolute terms or relative to competing investments. The Issuer has not taken any steps to ensure that the Product is suitable for any particular investor. Therefore, the Issuer makes no representation as to the suitability or appropriateness of the financial instrument described in this Document for any particular investor. Any individual intending to invest in such financial instrument should consult his or her professional adviser. Neither this Document nor the Base Prospectus constitute the investment policy of the Issuer as a general matter. The Issuer may or may not have long or short positions in, and buy or sell any of the financial instruments mentioned herein (including, in particular, the Underlying **[Notional Basket]**), or derivatives on any of the same.

## Documentation

[This Document serves as the "Final Terms" and is to be read together with the Base Prospectus dated [November 30, 2023] and approved by the prospectus Reviewing Body, as supplemented from time to time (the "**Base Prospectus**"). This Document as well as the Base Prospectus may be obtained free of charge from the Issuer under: Union Bancaire Privée, UBP SA, rue du Rhône 96-98, CH-1204 Geneva, Switzerland. The Base Prospectus is also available at [www.ubp.com/en/legal-aspects/information-for-ubp-clients#titre\\_7](http://www.ubp.com/en/legal-aspects/information-for-ubp-clients#titre_7). Any capitalized terms used in this Document that are not defined shall have the meaning ascribed to them in the Base Prospectus.][■]

[The Products may (continue to) be publicly offered after the expiry date of the Base Prospectus on the basis of one or more succeeding base prospectuses (each a "**Succeeding Base Prospectus**"), to the extent the Succeeding Base Prospectus envisages a continuation of the public offer of the Products. In this context, this Final Terms is, in each case, to be read in conjunction with the most recent Succeeding Base Prospectus. The respective Succeeding Base Prospectus will be approved and published prior to the expiry of the validity of the respective preceding Base Prospectus.]

[The [public] offering of the Product in Switzerland is exempt from the prospectus requirement under the Swiss Financial Services Act ("**FinSA**"). Neither this Document nor the Base Prospectus constitute a prospectus as such term is understood pursuant to the FinSA for purposes of the [public] offering of the Products.][■]

## [Confirmation and Responsibility Statement]

[As of the date of this Document, there has been no material adverse change in the assets and liabilities or financial position of the Issuer since the date of its most recently published financial statements.

The Issuer accepts responsibility for the information contained in this Document. The Issuer states that the information contained in this Document is, to the best of its knowledge, correct as of the date of this Document and

that, to the best of its knowledge, no material facts or circumstances have been omitted as of the date of this Document.][■]

**[Conflict of Interest]**

[The Issuer may have a position or a material interest in any investment referred to in this material or related investments. The Issuer or any of its Affiliates may engage in transactions involving the Underlying **[Notional Basket]** for their own account for business reasons or in connection with hedging of the obligation under the Products. Conflicts of interest may arise as a result of such transactions within the Issuer and its Affiliates and with the interest of Investors. The Issuer and its respective Affiliates have not considered, and are not required to consider, the interests of the holders of the Products in connection with entering into any of the above mentioned transactions. The Issuer expects to make a profit in connection with the issuance and offering of the Products. The investor acknowledges and agrees that Union Bancaire Privée, UBP SA may receive benefits and/or profits [(including payments/fees in connection with the Product or the Basket Components of the Underlying Notional Basket)] as a result of its multiple roles as Notional Portfolio Manager, Calculation Agent, Lead Manager, secondary market provider, distributor and Issuer (whether in the nature of a fiduciary, similar or additional duty or relationship or otherwise) and fully consents to the retention of such benefits and/or profits for the account of Union Bancaire Privée, UBP SA.] [■]

**[Secondary Market]**

[Union Bancaire Privée, UBP SA [intends to provide][provides], on a commercially reasonable effort basis only [and with no obligation to do so], bid and offer prices for the Products on a regular basis under normal market conditions.][■]

**[Index Disclaimer]**

[■]

**[Details of Selling Restrictions]**

[The restrictions listed below must not be taken as definitive guidance as to whether the Products may be sold in any particular jurisdiction. Additional restrictions on offering, selling or holding of the Products may apply in the jurisdictions listed below or in other jurisdictions. Investors should seek specific advice before purchasing any Products.]

**[General]**

No action has been or will be taken that would permit a public offering of any Products or possession or distribution of any offering material in relation to any Products in any jurisdiction [(other than Switzerland)] where action for that purpose is required. For purposes of this section "Selling Restrictions" the term "Document" shall comprise both of the terms Base Prospectus and Final Terms, unless the context requires otherwise.

No offers, sales, re-sales, deliveries or transfers of Products or the Underlying(s) (if any) to be delivered upon redemption of the Products, or distribution or publication of any offering material relating to Products, may be made in or from any jurisdiction except in circumstances which will result in compliance with any applicable laws and

regulations (including applicable sanctions and embargos) and will not impose any obligations on the Issuer or Lead Manager.

Additional restrictions on offering, selling or holding of the Products may apply in other jurisdictions.]

**[Switzerland]**

[The Products must not be publicly offered, directly or indirectly, in Switzerland, except pursuant to and in accordance with an exemption from the prospectus requirement of the Swiss Financial Services Act ("FinSA") and only in compliance with all other applicable laws and regulations.] [■]

**[Dubai International Financial Centre ("DIFC")]**

[This Document is not intended to be construed as an offer to buy or sell, or a solicitation for an offer to buy or sell any financial instruments, or to participate in any particular trading strategy in any jurisdiction unless such offer is an Exempt offer in accordance with the Markets Law No 1 of 2012 and the Market Rules of the Rulebook of DFSA and made only to persons who meet the professional clients criteria as set out in the Rule 2.3.3 of Conduct of Business module of the DFSA Rule Book.

The DFSA does not accept any responsibility for the content of the information included in this Document, including the accuracy or completeness of such information. Accordingly, the DFSA has neither approved this Document nor taken any steps to verify the information set out in this Document, and admits no responsibility. The Products to which this Document relates may be illiquid and/or subject to restrictions on their resale. The DFSA has also not assessed the suitability of the Products to which this Document relates to any particular investor or type of investor. If the potential purchasers do not understand the contents of this Document or are unsure whether the Products to which the Document relates are suitable for their individual investment objectives and circumstances, they should consult an authorised financial advisor.] [■]

**[European Economic Area]**

[The Products must not be offered, sold or otherwise made available and each offeror represents that it will not offer, sell or otherwise make available any Products which are the subject of the offering contemplated by this Document in relation thereto to any retail investor in the European Economic Area ("EEA"). 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 on Markets in Financial Instruments (as amended, "MiFID II"); (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, 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.][■]

[The Issuer may have prepared and published a Key Information Document in accordance with the Regulation (EU) No 1286/2014 of the European Parliament and of the Council (the "PRIIPs Regulation"). An offer of Products in any member state of the EEA may be made pursuant to an exemption under the Regulation (EU) 2017/1129 of the European Parliament and of the Council (the "Prospectus Regulation"), as implemented in that relevant member state, from the requirement to publish a prospectus for offers of Products. Accordingly, any person making or intending to make an offer in a member state of the EEA of Products which are the subject of a placement contemplated in this Document may only do so in circumstances in which no obligation arises for the Issuer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation in relation to such offer. The Issuer has not authorized any offer of Products which would require the Issuer or any other entity to publish a prospectus in respect of such offer under the Prospectus Regulation.] [■]

#### **[Hong Kong]**

[The Products have not been offered or sold and will not be offered or sold in Hong Kong, by means of any document, other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "SFO") and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions Ordinance (Cap. 32) of Hong Kong (the "C(WUMP)O") or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and no person may 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 the Products which are or are intended to be disposed of only to person outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.] [■]

#### **[Israel]**

[No action has been or will be taken in Israel that would permit an offering of the Products or a distribution of this Document to the public in Israel. In particular, this Document has not been reviewed or approved by the Israel Securities Authority. Accordingly, the Products shall only be offered and sold in Israel to investors of the type listed in the First Schedule to Israel's Securities Law, 1968 (an "eligible investor") and no more than 35 retail investors each 12 months.

Each investor shall be required to warrant, as a condition precedent to purchasing the Products, that he is an eligible investor, that he is aware of the implications of being treated as an eligible investor, and consents to such treatment. Further, each investor shall be required to warrant, as a condition precedent to purchasing the Products, that it is acquiring the Products for its own

account and without intent to market, re-sell, or otherwise distribute the Products to any other person.

Neither Union Bancaire Privée, UBP SA, nor its agents, are licensed under the Regulation of Investment Advice, Investment Marketing and Portfolio Management Law, 1995, nor do they carry insurance as required from a licensee thereunder unless explicitly specified otherwise. This Document and any other advertising material regarding the offered Product should not be treated as investment advice as defined therein, and does not replace and should not serve as substitute for Investment Advice services which take into account the special characteristics and needs of each investor. In making an investment decision, investors must only rely on their own examination of the Product and the terms of the offering, including the merits and risks involved, and should seek advice from appropriate advisers with respect to the legal, accounting, tax and financial ramifications of purchasing Interests.] [■]

**[Jersey]**

[This Document does not constitute an offer or solicitation to any person in Jersey.] [■]

**[Monaco]**

[This Document is not intended to constitute a public offering or a comparable solicitation under the Principality of Monaco's laws, but might be made available for information purposes to clients of Union Bancaire Privée, UBP SA, Monaco Branch, a regulated bank under the supervision of the Autorité de Contrôle Prudentiel et de Résolution (ACPR) for banking activities and under the supervision of the Commission de Contrôle des Activités Financières for financial activities.] [■]

**[Singapore]**

[This Document has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Document and any Document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Products may not be circulated or distributed, nor may the Products 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 2001 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 the Products are subscribed or purchased pursuant 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;

the securities or securities-based derivatives contracts 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 Products pursuant to an offer under Section 275 of the SFA except:

- (1) to an institutional investor or to a relevant person as 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)(c)(ii) of the SFA;
- (2) where no consideration is or will be given for the transfer;
- (3) where the transfer is by operation of law;
- (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) (Securities and Securities-based Contracts) Regulations 2018 of Singapore.

This Document and such other documents or materials have been made available to the recipients thereof solely on the basis that they are persons falling within the ambit of sections 274 and 275 of the SFA and may not be relied upon by any person. Recipients of this Document shall not reissue, circulate or distribute this Document or any part thereof in any manner whatsoever. ] [■]

#### **[United Kingdom]**

[The Products must not be offered, sold or otherwise made available and each offeror represents that it will not offer, sell or otherwise make available any Products which are the subject of the offering contemplated by this Document in relation thereto to any retail investor 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 (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("EUWA"); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000, as amended ("the FSMA") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97 (as amended, the "Insurance Distribution Directive"), where that customer would not qualify as a professional client as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA ]

[The Issuer may have prepared and published a Key Information Document in accordance with the Regulation (EU) No 1286/2014 as it forms part of domestic law by

virtue of the European Union (Withdrawal) Act 2018 (“EUWA”) (the “UK PRIIPs Regulation”). An offer of Products in the UK may be made pursuant to an exemption under Section 85 of the Financial Services and Markets Act 2000, as amended (“FSMA”) from the requirement to publish a prospectus for offers of Products. Accordingly, any person making or intending to make an offer in the United Kingdom of Products which are the subject of a placement contemplated in this Document may only do so in circumstances in which no obligation arises for the Issuer to publish a prospectus pursuant to Section 85 of the FSMA in relation to such offer. The Issuer has not authorized any offer of Products which would require the Issuer or any other entity to publish a prospectus in respect of such offer under Section 85 of the FSMA]

**[■]**

**[United States]**

[The products have not been and will not be registered under the Securities Act of 1933, as amended, of the United States of America or under the securities law of any state or political sub-division of the United States and trading in the Products have not been approved by the Commodity Futures Trading Commission (the “CFTC”) under the United States Commodity Exchange Act of 1936, as amended (the “CEA”). No person has registered and no person will register as a “commodity pool operator” of any Issuer under the CEA and the rules thereunder and no Issuer has been and no Issuer will be registered as an investment company under the United States Investment Company Act of 1940, as amended, and the rules and regulations thereunder. Restrictions have been imposed on offers and sales of the Products and on the distribution of documents relating thereto in the United States.

The Products may not be offered or sold in the United States or to U.S. persons at any time (as defined in Regulation S under the U.S. Securities Act of 1933, the CEA or the U.S. Internal Revenue Code). The Products may be subject to United States tax requirements. The Products are also not intended for any U.S. Person as such term is defined for any purpose under the CEA. In purchasing any Product, the investors represent and warrant that they are neither located in United States nor U.S. persons and that they are not purchasing for the account or benefit of any such person. The Products may not be offered, sold, transferred or delivered without compliance with all applicable securities laws and regulations.] **[■]**

***[Additional items to be added as necessary]***

**[■]**

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## **VI. Information about the Issuer**

### **A. Company name, registered office, principal place of business**

Union Bancaire Privée, UBP SA has its registered office and principal place of business at rue du Rhône 96-98, CH-1204 Geneva, Switzerland.

Union Bancaire Privée, UBP SA Jersey Branch has its registered office and principal place of business at 40 Esplanade, P.O. Box 526, Saint Hélier, JE4 5UH Jersey and is a branch of Union Bancaire Privée, UBP SA.

### **B. Legal form, jurisdiction and regulatory status**

Union Bancaire Privée, UBP SA is incorporated as a stock corporation (*Aktiengesellschaft; société anonyme*) with limited liability under the laws of Switzerland.

Union Bancaire Privée, UBP SA is a Swiss bank licensed and supervised by the Swiss Financial Market Supervisory Authority FINMA.

Union Bancaire Privée, UBP SA Jersey Branch is licensed by the Jersey Financial Services Commission to carry on deposit taking business under the Banking Business (Jersey) Law 1991 and to carry on investment business and fund services business under the Financial Services (Jersey) Law 1998.

### **C. Incorporation, registration**

Union Bancaire Privée, UBP SA was founded and registered with the Commercial Register of the Canton of Geneva on July 3, 1956. Its unique enterprise identification number (UID) is CHE-105.923.869.

### **D. Purpose**

The purpose of Union Bancaire Privée, UBP SA (as stated in article 3 of its articles of association) is to operate a bank and conduct business as a securities firm as well as to represent and distribute foreign collective investment schemes, and to distribute collective investment schemes. Within the scope of its corporate purpose, Union Bancaire Privée, UBP SA shall be involved, in particular, both in Switzerland and abroad, in asset management, commercial banking, mergers and acquisitions activity and the development of international trade. In addition, Union Bancaire Privée, UBP SA may acquire, represent and manage direct or indirect shareholdings in other companies and commercial, industrial or financial enterprises, as well as buy, sell and develop real estate in Switzerland and abroad and participate in any mortgage transaction.



**E. Articles of association**

The current version of Union Bancaire Privée, UBP SA's articles of association is dated June 25, 2021.

**F. Board of Directors**

The following table lists the members of the Board of Directors of Union Bancaire Privée, UBP SA as of the date of this Base Prospectus:

<b>Name</b>	<b>Position</b>	<b>Business Address</b>
Daniel de Picciotto	Chairman	Union Bancaire Privée, UBP SA, rue du Rhône 96-98, CH-1204 Geneva, Switzerland
Marcel Rohner	Vice-Chairman	Union Bancaire Privée, UBP SA, rue du Rhône 96-98, CH-1204 Geneva, Switzerland
Nicolas Brun-schwig	Director	Union Bancaire Privée, UBP SA, rue du Rhône 96-98, CH-1204 Geneva, Switzerland
Anne Rotman de Picciotto	Director	Union Bancaire Privée, UBP SA, rue du Rhône 96-98, CH-1204 Geneva, Switzerland
Olivier Vodoz	Director	Union Bancaire Privée, UBP SA, rue du Rhône 96-98, CH-1204 Geneva, Switzerland
Ligia Torres	Director	Union Bancaire Privée, UBP SA, rue du Rhône 96-98, CH-1204 Geneva, Switzerland
David Blumer	Director	Union Bancaire Privée, UBP SA, rue du Rhône 96-98, CH-1204 Geneva, Switzerland
Patricia Bielmann	Director	Union Bancaire Privée, UBP SA, rue du Rhône 96-98, CH-1204 Geneva, Switzerland

**G. Executive Committee**

The following table lists the member of the Executive Committee of Union Bancaire Privée, UBP SA as of the date of this Base Prospectus:

<b>Name</b>	<b>Position</b>	<b>Business Address</b>
Guy de Picciotto	Chief Executive Officer	Union Bancaire Privée, UBP SA, rue du Rhône 96-98, CH-1204 Geneva, Switzerland
Ian Cramb	Chief Operating Officer	Union Bancaire Privée, UBP SA, rue du Rhône 96-98, CH-1204 Geneva, Switzerland
Nadège Lesueur-Pène	Head of Wealth Management Developing Markets	Union Bancaire Privée, UBP SA, rue du Rhône 96-98, CH-1204 Geneva, Switzerland
Michael Blake	Head of Wealth Management Asia	Union Bancaire Privée, UBP SA, rue du Rhône 96-98, CH-1204 Geneva, Switzerland
Nicolas Faller	Co-CEO Asset Management	Union Bancaire Privée, UBP SA, rue du Rhône 96-98, CH-1204 Geneva, Switzerland
Michaël Lok	Co-CEO Asset Management	Union Bancaire Privée, UBP SA, rue du Rhône 96-98, CH-1204 Geneva, Switzerland
Philip Adler	Head of Treasury & Trading	Union Bancaire Privée, UBP SA, rue du Rhône 96-98, CH-1204 Geneva, Switzerland
Raoul Jacot-Descombes	Head of Risk & Compliance	Union Bancaire Privée, UBP SA, rue du Rhône 96-98, CH-1204 Geneva, Switzerland

## **H. External auditors**

For the financial years ended December 31, 2021, and December 31, 2022, the independent external auditors of Union Bancaire Privée, UBP SA was Ernst & Young SA (registered seat at Aeschengraben 27, CH-4051 Basel). For the financial year ending December 31, 2023, Ernst & Young SA has been elected as external auditor.

Ernst & Young SA has audited the statutory financial statements of Union Bancaire Privée, UBP SA for the financial years ended December 31, 2021 and December 31, 2022.

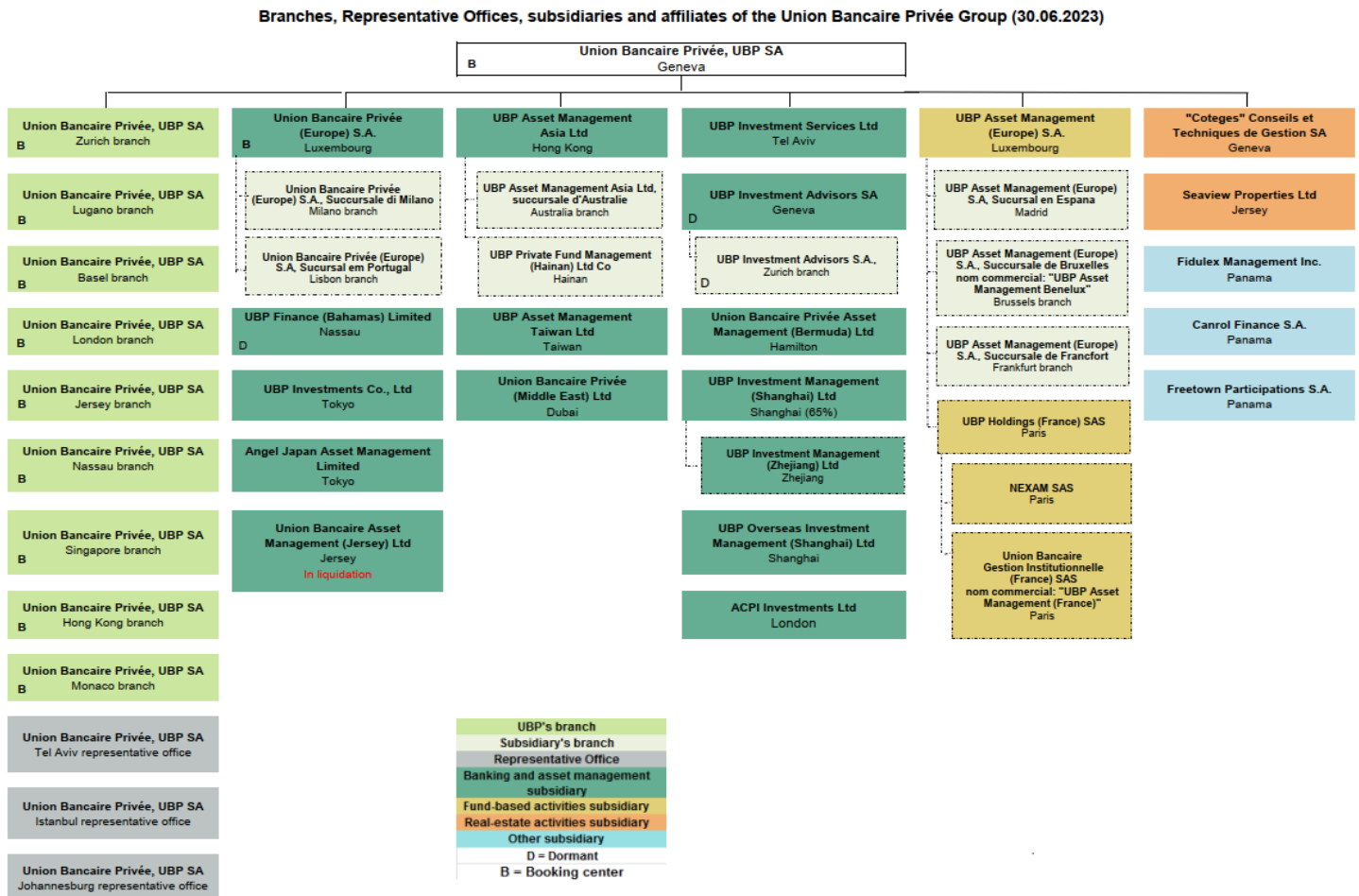
## **I. Business activities**

Union Bancaire Privée, UBP SA and its Affiliates engage in a variety of banking activities and in particular in the asset management for private and institutional clients.

According to its company purpose, Union Bancaire Privée, UBP SA's business activities may involve the following transactions in particular which may be undertaken both for its own account and on behalf of third parties:

1. Acceptance of deposits in any form.
2. Asset management and related activities, in particular safekeeping of securities and other valuables, and the rental of safedeposit boxes.
3. Consultancy and financial activities relating to international payments.
4. Establishment, management, representation and distribution of collective investment schemes.
5. Granting of credit with or without security.
6. Issuing of surety and guarantees.
7. Transactions on letters of credit.
8. Formation and management of companies.
9. Issuing, discounting and collection of Swiss or foreign bills of exchange.
10. Sale and purchase, holding and management of securities.
11. Acquisition of equity interests, operations involving new issues and syndications.
12. Transactions involving foreign exchange, foreign banknotes, precious metals and commodities as well as transactions on various financial instruments on both the forward and options markets.
13. Fiduciary transactions.
14. Commercial banking activities, including those relating to mergers and acquisitions.

The following chart represents the structure of Union Bancaire Privée, UBP SA and its Affiliates as of June 30, 2023:



## J. Court, arbitration and administrative proceedings

From time to time, Union Bancaire Privée, UBP SA and its Affiliates may be subject to litigation or other legal proceedings (including without limitation court, arbitration, criminal and administrative proceedings) in the ordinary course of its business.

As of the date of this Base Prospectus, Union Bancaire Privée, UBP SA and its Affiliates are not aware of any litigation or other proceedings that could directly and materially jeopardize the financial stability of Union Bancaire Privée, UBP SA.

## K. Historical financial information

For the financial year ended as of December 31, 2022, Union Bancaire Privée, UBP SA has prepared financial statements, comprising the consolidated financial statements and the statutory financial statements. These financial statements and the respective report of the external auditors are incorporated by reference into this Base Prospectus.

The consolidated half-year financial results as at June 30, 2023 of Union Bancaire Privée, UBP SA and the respective Interim Financial Report are incorporated by reference into this Base Prospectus.

## L. Capital structure

As of December 31, 2022, the share capital of Union Bancaire Privée, UBP SA amounts to CHF 300,000,000. The share capital is divided into 30,000,000 fully paid-up ordinary registered shares, each with a nominal amount of CHF 10. At the general meeting, each share carries one vote. There is no category of shares that carry preferential rights.

As of December 31, 2022, Union Bancaire Privée, UBP SA has neither authorised nor conditional capital and there is no capital made up of participation certificates or profit-sharing certificates.

## M. Information on main business prospects

§The Issuer intends to continue to set itself apart through the quality of its services and the performances of its investment solutions, and with its ability to innovate, enhance its offering and adapt it to shifting demands and new market patterns.

This is a strategy that the Issuer has pursued and intends to continue to pursue actively, particularly in the following ways:

- Continuing along the path of the Issuer's integrated bank model, combining wealth and asset management.
- Further tailoring the wealth management services the Issuer offers to the specific features of each of its markets.
- Keeping the digital revolution a high priority and continuing to invest in technology, including developing further functionalities on the Issuer's e-Banking system and the mobile app.
- Favouring responsible wealth and asset management by extending environmental, social and governance (ESG) criteria across the Issuer's entire investment universe, and further developing innovative investment strategies, particularly in the field of impact investing.
- Managing the Issuer's own environmental and social footprint by further developing its corporate social responsibility (CSR) approach.

With these objectives UBP seeks to maintain its profitability and remain one of the best-capitalised and strongest banks among its peers. The Issuer expects that this will give it the financial means needed to continue its development not only in Switzerland but also worldwide.

**Warning:** Please note that this outlook is a forward-looking statement, which is subject to uncertainty and may prove to be incorrect. Therefore, Potential Investors in Products should under no circumstances base their respective investment decisions and/or any other decisions in connection with the Products on the outlook provided in this section.

**N. Negative confirmation**

There has been no material change in the financial position of Union Bancaire Privée, UBP SA since June 30, 2023, the date of the Issuer's half-year financial results 2023.

## VII. Selling Restrictions

### A. General

Except as set out in this Document, no action has been or will be taken that would permit a public offering of any Products or possession or distribution of any offering material in relation to any Products in any jurisdiction where action for that purpose is required. For purposes of this section "Selling Restrictions" the term "Document" shall comprise both of the terms Base Prospectus and Final Terms, unless the context requires otherwise.

No offers, sales, re-sales, deliveries or transfers of Products or the Underlying(s) (if any) to be delivered upon redemption of the Products, or distribution or publication of any offering material relating to Products, may be made in or from any jurisdiction except in circumstances which will result in compliance with any applicable laws and regulations and will not impose any obligations on the Issuer or Lead Manager.

In addition, and subject to any specific selling restriction contained in the relevant Final Terms, the following selling restrictions apply. The restrictions listed below must not be taken as definitive guidance as to whether any Products may be sold in any particular jurisdiction. Additional restrictions on offering, selling or holding of the Products may apply in other jurisdictions.

### B. Switzerland

If so specified in the applicable Final Terms, the Products must not be publicly offered, directly or indirectly, in Switzerland, except pursuant to and in accordance with an exemption from the prospectus requirement of the FinSA and only in compliance with all other applicable laws and regulations.

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### C. Dubai International Financial Centre ("DIFC")

This Base Prospectus might be available for information purposes to clients of Union Bancaire Privée (Middle East) Limited, a regulated bank under the supervision of the *Dubai Financial Services Authority*.

This Base Prospectus is not intended to be construed as an offer to buy or sell, or a solicitation for an offer to buy or sell any financial instruments, or to participate in any particular trading strategy in any jurisdiction unless such offer is an Exempt offer in accordance with the Markets Law No 1 of 2012 and the Market Rules of the Rulebook of DFSA and made only to persons who meet the professional clients criteria as set out in the Rule 2.3.3 of Conduct of Business module of the DFSA Rule Book.

The DFSA does not accept any responsibility for the content of the information included in this Base Prospectus, including the accuracy or completeness of such information. Accordingly, the DFSA has neither approved this Document nor taken any steps to verify the information set out in this Base Prospectus, and admits no responsibility. The Products to which this Base Prospectus relates may be illiquid and/or subject to restrictions on their resale. The DFSA has also not assessed the suitability of the Products to which this Base Prospectus relates to any particular investor or type of investor. If the potential purchasers do not understand the contents of this Base

Prospectus or are unsure whether the Products to which the Base Prospectus relates are suitable for your individual investment objectives and circumstances, you should consult an authorised financial advisor.

#### **D. European Economic Area**

Except pursuant to and in accordance with an exemption under the Regulation (EU) 2017/1129 of the European Parliament and of the Council (the "Prospectus Regulation") (see next paragraph), the Products must not be offered, sold or otherwise made available and each offeror represents that it will not offer, sell or otherwise make available any Products which are the subject of the offering contemplated by the Base Prospectus as completed by the relevant Final Terms in relation thereto to any retail investor in the European Economic Area ("EEA"). 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 on Markets in Financial Instruments (as amended, "MiFID II"); (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, 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.

The Issuer may have prepared and published a Key Information Document in accordance with the Regulation (EU) No 1286/2014 of the European Parliament and of the Council (the "PRIIPs Regulation"). An offer of Products in any member state of the EEA may only be made pursuant to an exemption under the Prospectus Regulation, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of Products. Accordingly, any person making or intending to make an offer in a member State of the EEA of Products which are the subject of a placement contemplated in this Base Prospectus by the relevant Final Terms may only do so in circumstances in which no obligation arises for the Issuer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation in relation to such offer. The Issuer has not authorized any offer of Products which would require the Issuer or any other entity to publish a prospectus in respect of such offer under the Prospectus Regulations.

#### **E. Hong Kong**

The Products have not been offered or sold and will not be offered or sold in Hong Kong, by means of any document, other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "SFO") and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions Ordinance (Cap. 32) of Hong Kong (the "C(WUMP)O") or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and no person may 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 the Products which are or are intended to be disposed of only to person outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.



## **F. Israel**

No action has been or will be taken in Israel that would permit an offering of the Products or a distribution of this Document to the public in Israel. In particular, this Document has not been reviewed or approved by the Israel Securities Authority. Accordingly, the Products shall only be offered and sold in Israel to investors of the type listed in the First Schedule to Israel's Securities Law, 1968 (an "eligible investor") and no more than 35 retail investors each 12 months.

Each investor shall be required to warrant, as a condition precedent to purchasing the Products, that he is an eligible investor, that he is aware of the implications of being treated as an eligible investor, and consents to such treatment. Further, each investor shall be required to warrant, as a condition precedent to purchasing the Products, that it is acquiring the Products for its own account and without intent to market, re-sell, or otherwise distribute the Products to any other person.

Neither Union Bancaire Privée, UBP SA, nor its agents, are licensed under the Regulation of Investment Advice, Investment Marketing and Portfolio Management Law, 1995, nor do they carry insurance as required from a licensee thereunder, unless explicitly specified otherwise. This Document and any other advertising material regarding the offered product should not be treated as investment advice as defined therein, and does not replace and should not serve as substitute for Investment Advice services which take into account the special characteristics and needs of each investor. In making an investment decision, investors must only rely on their own examination of the product and the terms of the offering, including the merits and risks involved, and should seek advice from appropriate advisers with respect to the legal, accounting, tax and financial ramifications of purchasing Interests

## **G. Jersey**

This Base Prospectus does not constitute an offer or solicitation to any person in Jersey.

## **H. Monaco**

This Document is not intended to constitute a public offering or a comparable solicitation under the Principlity of Monaco's laws, but might be made available for information purposes to clients of Union Bancaire Privée, UBP SA, Monaco Branch, a regulated bank under the supervision of the *Autorité de Contrôle Prudentiel et de Résolution* (ACPR) for banking activities and under the supervision of the *Commission de Contrôle des Activités Financières* for financial activities.

## **I. Singapore**

This Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Base Prospectus and any Document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Products may not be circulated or distributed, nor may the Products 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 2001, 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 the Products are subscribed or purchased pursuant 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;

the securities or securities-based derivatives contracts 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 Products pursuant to an offer under Section 275 of the SFA except:

- (1) to an institutional investor or to a relevant person as 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)(c)(ii) of the SFA;
- (2) where no consideration is or will be given for the transfer;
- (3) where the transfer is by operation of law;
- (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) (Securities and Securities-based Contracts) Regulations 2018 of Singapore.

This Base Prospectus and such other documents or materials have been made available to the recipients thereof solely on the basis that they are persons falling within the ambit of sections 274 and 275 of the SFA and may not be relied upon by any person. Recipients of this Base Prospectus shall not reissue, circulate or distribute this Document or any part thereof in any manner whatsoever.

## **J. United Kingdom**

Except pursuant to and in accordance with an exemption under the Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union Withdrawal Act 2018 (**EUWA**) (the "**UK Prospectus Regulation**") (see next paragraph), the Products must not be offered, sold or otherwise made available and each offeror represents that it will not offer, sell or otherwise make available any Products which are the subject of the offering contemplated by the Base Prospectus as completed by the relevant Final Terms in relation thereto to any retail investor 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 (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the EUWA; (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 ("**FSMA**") and any rules and regulations made under the FSMA to implement Directive (EU) 2016/97 (as amended, the "Insurance Distribution Directive"), where that customer would not qualify as a professional client

as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA.; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA.

The Issuer may have prepared and published a Key Information Document in accordance with the Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the “**UK PRIIPs Regulation**”). An offer of Products in the UK may only be made pursuant to an exemption under the UK Prospectus Regulation, from the requirement to publish a prospectus for offers of Products. Accordingly, any person making or intending to make an offer in the UK of Products which are the subject of a placement contemplated in this Base Prospectus by the relevant Final Terms may only do so in circumstances in which no obligation arises for the Issuer to publish a prospectus pursuant to the S85 FSMA in relation to such offer. The Issuer has not authorized any offer of Products which would require the Issuer or any other entity to publish a prospectus in respect of such offer under S85 FSMA.

#### **K. United States of America, U.S. Persons**

The Products may not be offered or sold in the United States or to U.S. persons at any time (as defined in Regulation S under the U.S. Securities Act of 1933 or the U.S. Internal Revenue Code). The Products have not been and will not be registered under the U.S. Securities Act of 1933, as amended, or the securities laws of any state in the United States and may be subject to United States tax requirements. The Products have also not been approved by the CFTC nor are the Products intended for any U.S. Person as such term is defined for any purpose under the CEA. In purchasing any Product, the investors represent and warrant that they are neither located in United States nor U.S. persons and that they are not purchasing for the account or benefit of any such person. The Products may not be offered, sold, transferred or delivered without compliance with all applicable securities laws and regulations.

## VIII. Tax Description

### A. General

The following summary of certain tax considerations is of a general nature and for information purposes only and does not address every potential tax consequence of an investment in Products. Products with special features may have a different tax impact. This summary is based on treaties, laws, regulations, rulings and decisions in effect on the date of the Base Prospectus, all of which are subject to change. No investor shall rely on the following summary and each investor should consult a tax adviser as to the tax consequences relating to its particular circumstances resulting from holding Products.

### B. Switzerland

*The following discussion is a summary of certain material Swiss tax considerations relating to (i) Products issued by the Issuer where the holder is tax resident in Switzerland or has a tax presence in Switzerland or (ii) Products where the Paying Agent, custodian or securities dealer is located in Switzerland. The discussion is based on legislation as of the date of this Base Prospectus. It does not aim to be a comprehensive description of all the Swiss tax considerations that may be relevant for a decision to invest in Products. The tax treatment for each investor depends on the particular situation. All investors are advised to consult with their professional tax advisers as to the respective Swiss tax consequences of the purchase, ownership, disposition, lapse, exercise or redemption of Products (or options embedded therein) in light of their particular circumstances.*

#### 1. Swiss Withholding Tax

##### (a) *Union Bancaire Privée, UBP SA, acting through its Jersey branch*

Payments on Products and repayment of principal of Products by Union Bancaire Privée, UBP SA, Jersey Branch are not subject to Swiss withholding tax (*Verrechnungssteuer*), provided that, for so long as any Products are outstanding, (i) Union Bancaire Privée, UBP SA, Jersey Branch is licensed in Jersey to operate banking activities and constitutes a permanent establishment situated and effectively managed outside Switzerland, and (ii) Union Bancaire Privée, UBP SA, Jersey Branch receives and uses the bond related proceeds from the issuance of the Products outside Switzerland (unless their use in Switzerland is permitted under the Swiss taxation laws in force from time to time without payments in respect of the Products becoming subject to withholding or deduction by the Issuer for Swiss withholding tax as a consequence of the use of such proceeds in Switzerland).

##### (b) *Union Bancaire Privée, UBP SA acting through its Swiss head office*

Payments on Products issued by Union Bancaire Privée, UBP SA acting through its Swiss head office, which classify as interest (including payments reflecting accrued interest) may be subject to Swiss withholding tax (*Verrechnungssteuer*). The tax is currently levied at a rate of 35%. The taxable amounts depend on the tax classification of the Product (see below "—Income Taxation, Products held by Swiss resident Holders as Private Assets"). Issue discounts, repayment premiums or payments reflecting accrued interest are taxable at redemption or maturity of the Product, as applicable.

A Holder of a Product who, at the time a taxable payment on the Product is due, is the beneficial owner of the taxable payment, is entitled to a full refund of or a full tax credit for the Swiss

withholding tax, provided that certain conditions are met, in particular, (i) in the case of a Holder who is an individual resident in Switzerland and holding the Product as private asset, duly reports the gross amount of the taxable payment in his or her tax return and, (ii) in the case of a Holder who is a legal entity or an individual holding the Product in a Swiss business, includes such payment as earnings in its income statement. A Holder of a Product who is resident outside Switzerland and who during the taxation year has not engaged in a trade or business carried on through a permanent establishment or fixed place of business in Switzerland to which such Product is attributable may be able to claim a full or partial refund of the Swiss withholding tax by virtue of the provisions of a double taxation treaty, if any, between Switzerland and the country of residence of the Holder.

(c) *Proposed Amendment of the Swiss Federal Withholding Tax Act*

On 3 April 2020, the Swiss Federal Council proposed draft legislation and opened the consultation procedure regarding the reform of the Swiss withholding tax regime, which had previously been suspended. A main aspect of the draft legislation is the exemption of Swiss-domiciled legal entities and foreign investors from withholding tax on Swiss domestic interest-based investments. In essence, the draft legislation would replace the current debtor-based regime applicable to interest payments with a paying agent-based regime for Swiss withholding tax. Broadly, this paying agent-based regime would (i) subject all interest payments made through paying agents in Switzerland to individuals resident in Switzerland to Swiss withholding tax and (ii) exempt from Swiss withholding tax interest payments to all other persons, including to Swiss-domiciled legal entities and foreign investors (other than for indirect interest payments via foreign and domestic collective investments vehicles). If such a new paying agent-based regime were to be enacted and were to result in the deduction or withholding of Swiss withholding tax on any interest payments in respect of the Products, the holders of such Products would not be entitled to receive any additional amounts as a result of such deduction or withholding under the terms of such Products. However, the results of the consultation, which ended on 10 July 2020, were controversial. Consequently, on 14 April 2021, the Swiss Federal Council submitted a new draft on the reform of the Swiss withholding tax system providing for the abolition of Swiss withholding tax on interest payments on bonds for submission to the Swiss Federal Parliament, which legislation was accepted by the Swiss Parliament on 17 December 2021. The proposed legislation has been rejected in a referendum held on 25 September 2022. Therefore, it cannot be excluded that a paying agent-based regime will be proposed again. If a new paying agent-based regime were to be enacted in a comparable manner as proposed by the draft legislation published on April 3, 2020 and were to result in the deduction or withholding of Swiss withholding tax on any payment in respect of a Product by any person in Switzerland other than the Issuer, the holder of such Product would not be entitled to any additional amounts with respect to such Product as a result of such deduction or withholding under the conditions.

## **2. Income Taxation**

### **2.1 Products held as Private Assets by a Swiss resident Holder**

(a) *Structured Notes*

If a Product classifies as a structured note, *i.e.* as derivative financial instrument(s) with a bond-like prefunding component embedded therein, its income taxation depends on whether (i) the embedded bond component and the embedded derivative financial instrument(s) are reported separately from each other, or, if the Product is a standard product, alternatively the values of the embedded bond component and the embedded derivative financial instrument(s) can at any time

be determined analytically by using standard valuation programmes, and (ii) the Product classifies as a structured note with or without a predominant one-time interest payment:

*Non-transparent derivative financial instruments:* If the embedded bond is not recorded separately from the embedded derivative financial instrument(s) and if the conditions for analytical determination of the values of the embedded bond and the embedded derivative financial instrument(s) set forth above do not apply, then the Product classifies as non-transparent structured note and any return over the initial investment classifies as a taxable interest payment. Non-transparent derivative financial instruments generally include a predominant one-time interest payment and are taxed in accordance with the principles set forth below under "Transparent derivative financial instruments with a predominant one-time interest payment".

*Transparent derivative financial instruments without a predominant one-time interest payment:* If the embedded bond is recorded separately from the embedded derivative financial instrument(s) or if the values of the embedded bond and the embedded derivative financial instrument(s) can be determined analytically as set forth above and if the yield-to-maturity predominantly derives from periodic interest payments and not from a one-time-interest-payment such as an original issue discount or a repayment premium (see below "*Transparent derivative financial instruments with a predominant one-time interest payment*"), then a person, who is an individual resident in Switzerland holding such a Product as a private asset is required to include any periodic and one-time interest payments received on the Product, converted in each case into Swiss Francs at the exchange rate prevailing at the time of payment, in his or her personal income tax return for the relevant tax period and will be taxable on any net taxable income (including such amounts) for the relevant tax period. Option premium received, and a gain, including in respect of interest accrued, a loss, respectively, realised on the sale of such a Product is a tax-free private capital gain, a non-tax-deductible private capital loss, respectively.

*Transparent derivative financial instruments with a predominant one-time interest payment:* If the embedded bond is recorded separately from the embedded derivative financial instrument(s) or if the values of the embedded bond and the embedded derivative financial instrument(s) can be determined analytically as set forth above and if the yield-to-maturity predominantly derives from a one-time-interest-payment such as an original issue discount or a repayment premium and not from periodic interest payments, then a person who is an individual resident in Switzerland holding such a Product as a private asset, is required to include any periodic interest payments received on the Product and, in addition, any amount equal to the difference between the value of the Product at redemption or sale, as applicable, and its value at issuance or secondary market purchase, as applicable, and converted in each case into Swiss Francs at the exchange rate prevailing at the time of sale or redemption, issuance or purchase, respectively, in his or her personal income tax return for the relevant tax period and will be taxable on any net taxable income (including such amounts, i.e., including, *inter alia*, any gain in respect of interest accrued or foreign exchange rate) for the relevant tax period. Any compensation received by such a holder for the embedded derivative, i.e., option premium received, and any residual gain, and a loss, respectively, realised on the sale of such a Product is a tax-free private capital gain, a non-tax-deductible private capital loss, respectively. However, notwithstanding the foregoing, such a holder may offset any decrease in value realised by him or her within the same taxation period on sale or redemption of such a Product against any gain (including periodic interest payments) realised by him or her from other securities with a predominant one-time interest payment.

*(b) Bonds*

*Bonds without a predominant one-time interest payment:* If a Product classifies as a pure bond without a predominant one-time interest payment (i.e., the yield-to-maturity of which predominantly derives from periodic interest payments and not from a one-time-interest-payment such as an original issue discount or a repayment premium), then a person who is an individual resident in Switzerland holding such a Product as a private asset is required to include any periodic and one-time interest payments received on such Product, converted into Swiss Francs at the exchange rate prevailing at the time of payment, in his or her personal income tax return for the relevant tax period and will be taxable on any net taxable income (including such amounts) for the relevant tax period. A gain, including, *inter alia*, in respect of interest accrued or foreign exchange rate, a loss, respectively, realised on the sale of such a Product is a tax-free private capital gain, a non-tax-deductible private capital loss, respectively.

*Bonds with a predominant one-time interest payment:* If a Product classifies as a pure bond with a predominant one-time interest payment (the yield-to-maturity of which predominantly derives from a one-time-interest-payment such as an original issue discount or a repayment premium and not from periodic interest payments), then a person who is an individual resident in Switzerland holding such a Product as a private asset, is required to include any periodic interest payments received on the Product and, in addition, any amount equal to the difference between the value of the Product at redemption or sale, as applicable, and its value at issuance or secondary market purchase, as applicable, and converted in each case into Swiss Francs at the exchange rate prevailing at the time of sale or redemption, issuance or purchase, respectively, in his or her personal income tax return for the relevant tax period and will be taxable on any net taxable income (including such amounts, i.e., including, *inter alia*, any gain in respect of interest accrued or foreign exchange rate) for the relevant tax period. Such a holder may offset any decrease in value realised by him or her within the same taxation period on sale or redemption of such a Product against any gain (including periodic interest payments) realised by him or her from other securities with a predominant one-time interest payment.

*(c) Pure Derivative Financial Instruments*

A capital gain realised by an individual on the sale or redemption of a Product which classifies as a pure derivative financial instrument (such as pure call and put options, pure futures, static certificates replicating an index or a basket of at least five shares and with a fixed maturity or an annual redemption right and discount certificates with a maturity not exceeding twelve months) and which is held as part of the individual's private assets is a tax-free private capital gain. Conversely, a capital loss realised on the sale or redemption of such a Product cannot be set off against taxable income. Dividend equalisation payments on such a Product constitute taxable investment income.

*(d) Low Exercise Price Warrants*

A fully pre-funded call option with a term of not more than one year classifies as pure derivative financial instrument (see taxation treatment above "Pure Derivative Financial Instruments"). If the term of a call option exceeds one year and the instrument underlying the call option is pre-financed by 50 per cent. or more at the time of issuance then the interest component embedded in such an instrument (i.e., issue discount) constitutes taxable interest income (see taxation treatment above "Structured Notes").

(e) *Fund-like Products*

A Product which is classified as a fund-like instrument will be considered a pass-through instrument for Swiss tax purposes if dividend and interest income (less attributable costs) from, and capital gains and losses (less costs attributable) realised on, the underlying investments, are reported and distributed separately. Under such conditions, an individual holding a fund-like Product as part of his or her private assets receives taxable income (which he or she must report annually) over such portion of distributions (in case the fund is distributing the income realised on the underlying investments) or earnings credits (in case the fund is reinvesting the income realised on the underlying investment) as derive from dividends and interest (less attributable costs) on the underlying instruments. Any distributions or credits deriving from capital gains realised on the underlying investments constitute a tax-free private capital gain, and any respective loss is a non-tax-deductible private capital loss. Any gain realised within a taxation period on the sale of a fund-like Product (including accrued dividends and interest) is exempt from income taxation as a private capital gain, and, conversely, any loss realised on such a Product a non-tax-deductible capital loss.

## 2.2 Products held as Assets of a Swiss Business

Corporate entities and individuals who hold Products as part of a trade or business in Switzerland, in the case of residents abroad carried on through a permanent establishment or a fixed place of business in Switzerland, are required to recognise any payments on, and any capital gains or losses realised on the sale or redemption of, such Products (irrespective of their classification) in their income statement for the respective taxation period and will be taxed on any net taxable earnings for such period.

The same 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.

## 3. Capital Gains Taxation

### 3.1 Products held as Private Assets by a Swiss resident Holder

A gain, a loss, respectively, realised by an individual resident in Switzerland for tax purposes upon the sale or other disposal of a Product held as part of his or her private assets is a tax-free private capital gain, or a non-tax deductible capital loss, respectively, unless such individual is classified, for income tax purposes, as a "professional securities dealer" for reasons of, *inter alia*, frequent dealing and leveraged investments in securities. If an individual is classified as "professional securities dealer" he or she will be taxed in accordance with the principles set forth above under "*Income Taxation, Products held as Assets of a Swiss Business*". Concerning the bifurcation of a tax-exempt capital gain component, or a non-tax deductible capital loss component, respectively, from taxable income components of a Product see the bifurcation principles set forth above with regard to the different instruments under "*Income Taxation, Products held as Private Assets by a Swiss resident Holder*").



### 3.2 Products held as Assets of a Swiss Business

Capital gains realised on Products held as Assets of a Swiss Business are taxed in accordance with the taxation principles set forth above under "*Income Taxation, Products held as Assets of a Swiss Business*").

## 4. Swiss Federal Stamp Taxes

The issuance of Products on the Issue Date (primary market) is exempt from Swiss federal securities turnover tax (*Umsatzabgabe*), except that the issuance of Products which are classified as fund-like instruments may be subject to Swiss federal securities turnover tax of up to 0.3 per cent. on the offering price, however, only if a Swiss securities dealer (as defined in the Swiss federal stamp tax act) is a party or an intermediary to the transaction and, additionally, if no exemption applies.

Dealings in Products (secondary market) which classify as pure derivative financial instruments (such as pure call and put options, including low exercise price options with a maturity not exceeding twelve months, pure futures with a maximal pre-financing of 25 per cent., fully-funded Products statically replicating an index or a basket of at least five shares and with a fixed maturity or an annual redemption right) are exempt from Swiss federal securities turnover tax. Dealings in other Products may be subject to Swiss federal securities turnover tax of up to 0.3 per cent. on the consideration paid, however, only if a Swiss securities dealer (as defined in the Swiss federal stamp tax act) is a party or an intermediary to the transaction and, additionally, if no exemption applies.

The physical settlement of a security at exercise or redemption to the holder of the Product may be subject to Swiss federal securities turnover tax of 0.3 per cent. in case a security issued by an issuer outside Switzerland is delivered and of 0.15 per cent. in case a security issued by a Swiss domestic issuer is delivered, however, in each case, only if a Swiss domestic securities dealer (as defined in the Swiss federal stamp tax act) is a party or an intermediary to the delivery and, additionally, if no exemption applies.

## 5. Gift, Inheritance and Estate Taxes

Subject to an applicable tax treaty in an international situation, transfers of Products may be subject to cantonal and/or communal inheritance tax, estate tax or gift tax if the deceased person has had his or her last domicile in Switzerland, the donor is resident in Switzerland, respectively, or in the case of a foreign deceased or resident person the transfer involves an unincorporated business in Switzerland and Products are held as part of such business. No such taxes exist at the federal level. Rates depend upon the existing relationship (i.e. the relationship between the deceased and the heirs, or between the donor and the donee) and the size of the inheritance or gift. Interspousal gifts and gifts to descendants and inheritances collected by the surviving spouse and descendants are frequently exempt or taxed at low rates (up to 6 per cent.). Gifts and inheritances received from unrelated persons attract rates ranging from 20 per cent. to 40 per cent. The taxable base is usually the market value of the property transferred.

## 6. Net Worth and Capital Taxes

A holder of Products who is an individual resident in Switzerland for tax purposes or is a non-Swiss resident holding Products as part of a Swiss business operation or a Swiss permanent establishment is required to report Products as part of private wealth or as part of Swiss business

assets, as the case may be, and is subject to annual cantonal and/or communal private wealth tax on any net taxable wealth (including the Products), in the case of a non-Swiss resident individual holding Products as part of a Swiss business operation or a Swiss permanent establishment to the extent the aggregate taxable wealth is allocable to Switzerland. Incorporated holders of Products are subject to cantonal and communal capital tax on net taxable equity, in the case of non-Swiss resident person holding Products as part of a Swiss permanent establishment, to the extent the aggregate taxable equity is allocable to Switzerland. No net worth and capital taxes are levied at the federal level.

## **7. Non-Swiss resident Holders**

A holder of a Product who is not resident in Switzerland and who during the taxation year has not engaged in a trade or business carried on through a permanent establishment or fixed place of business in Switzerland will in respect of such Product not be subject to income tax in Switzerland.

## **8. Automatic Exchange of Information in Tax Matters**

On November 19, 2014, Switzerland signed the Multilateral Competent Authority Agreement (the "MCAA"). The MCAA is based on article 6 of the OECD/Council of Europe administrative assistance convention and is intended to ensure the uniform implementation of Automatic Exchange of Information (the "AEOI"). The Federal Act on the International Automatic Exchange of Information in Tax Matters (the "AEOI Act") entered into force on January 1, 2017. The AEOI Act is the legal basis for the implementation of the AEOI standard in Switzerland.

The AEOI is being introduced in Switzerland through bilateral agreements or multilateral agreements. The agreements have, and will be, concluded on the basis of guaranteed reciprocity, compliance with the principle of speciality (i.e. the information exchanged may only be used to assess and levy taxes (and for criminal tax proceedings)) and adequate data protection.

Based on such multilateral or bilateral agreements and the implementing laws of Switzerland, Switzerland exchanges data in respect of financial assets, including, as the case may be, the Products held in, and income derived thereon and credited to, accounts or deposits with a paying agent in Switzerland for the benefit of individual residents in a EU member state or in a treaty state.

## **9. Swiss Facilitation of the Implementation of the U.S. Foreign Account Tax Compliance Act**

Switzerland has concluded an intergovernmental agreement with the U.S. to facilitate the implementation of FATCA. The agreement ensures that the accounts held by U.S. persons with Swiss financial institutions are disclosed to the U.S. tax authorities either with the consent of the account holder or by means of group requests within the scope of administrative assistance. Information will not be transferred automatically in the absence of consent, and instead will be exchanged only within the scope of administrative assistance on the basis of the double taxation agreement between the U.S. and Switzerland. On 8 October 2014, the Swiss Federal Council approved a mandate for negotiations with the U.S. on changing the current direct-notification-based regime to a regime where the relevant information is sent to the Swiss Federal Tax Administration, which in turn provides the information to the U.S. tax authorities.

### C. DAC6

On 25 May 2018, the EU Council adopted a directive (2018/822 amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation) that imposes a reporting obligation on parties involved in transactions that may be associated with aggressive tax planning ("DAC6"). The reporting obligation applies to cross-border arrangements that, among others, satisfy one or more "hallmarks" provided for in DAC6 (the "Reportable Arrangements").

In the case of a Reportable Arrangement, there is relevant information that must be reported to the local tax authorities. The information reported will be automatically exchanged between the tax authorities of all Member States.

The reporting obligation in principle rests with persons that design, market or organise the Reportable Arrangement and professional advisors (intermediaries). **However, in certain cases, the taxpayers themselves can be subject to the reporting obligation.**

DAC6 applies as from 1 July 2020 in EU countries. In light of the broad scope of DAC6, a Product may fall within the scope of DAC6 and thus be reportable.

### D. United States

#### **Payments under the Products may be subject to U.S. withholding under the U.S. Internal Revenue Code**

A 30% withholding tax or other tax is imposed under Section 871(m) of the U.S. Internal Revenue Code of 1986, as amended, ("Section 871(m)") 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 Products. The withholding tax can apply even if the instrument does not provide for payments that reference dividends. U.S. Treasury Department 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 issued after 2016 and to all dividend equivalents paid or deemed paid on all other specified equity-linked instruments issued after 2022.

The Issuer will determine whether dividend equivalents on the Products are subject to withholding as of the close of the relevant market(s) on the fixing date. If withholding is required, the Issuer (or the applicable Paying Agent) will withhold 30% in respect of dividend equivalents paid or deemed paid on the Products and will not pay any additional amounts to the Holders with respect to any such taxes withheld. If the terms and conditions of the Products provide that all or a portion of the dividends on U.S. underlying equity securities are reinvested in the Underlyings during the term of the Security, the terms and conditions of the Products may also provide that only 70% of a deemed dividend equivalent will be reinvested. The remaining 30% of such deemed dividend equivalent will be treated, solely for U.S. federal income tax purposes, as having been withheld from a gross dividend equivalent payment due to the investor and remitted to the U.S. Internal Revenue Service on behalf of the investor. The Issuer will withhold amounts required pursuant to section 871(m) of the U.S. Internal Revenue Code and regulations enacted thereunder and pursuant to the terms of its Qualified Intermediary ("QI") Agreement with the U.S. Internal Revenue Service.

Even if the Issuer determines that a Holder's Products are not specified equity-linked instruments that are subject to withholding on dividend equivalents, it is possible that a Holder's Products could be deemed to be reissued for tax purposes upon the occurrence of certain events affecting the relevant Underlying or Basket Component or a Holder's Products, and following such occurrence a Holder's Products 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 under Section 871(m) could apply to the Products under these rules if a non-U.S. Holder enters, or has entered, into certain other transactions in respect of the relevant Underlying or Basket Component. As described above, if withholding is required, the Issuer will withhold 30% or at rates as otherwise required pursuant to section 871(m) of the U.S. Internal Revenue Code and regulations enacted thereunder and pursuant to the terms of its QI Agreement with the U.S. Internal Revenue Service in respect of dividend equivalents paid or deemed paid on the Products and will not pay any additional amounts to the Holders with respect to any such taxes withheld.

Additionally, in the event that withholding is required, the Issuer hereby notifies each Holder that for purposes of Section 871(m), that the Issuer will withhold in respect of dividend equivalents paid or deemed paid on the Products on the dividend payment date as described in U.S. Treasury Department regulations section 1.1441-2(e)(4) and 1.441-2(e)(7) and section 3.03(B) of the form of Qualified Intermediary Agreement contained in Revenue Procedure 2017-15, as applicable. Regardless of our good-faith efforts as required under applicable US tax rules and regulations to take into account that such investor would otherwise be entitled to an exemption from or reduction of withholding on such payments (e.g., a United States person for U.S. federal income tax purposes or a non-United States person eligible for an exemption from or reduction in withholding pursuant to an income tax treaty), there is the risk that withholding will be done at a higher rate and that Holder will not be able to successfully claim a refund of the tax withheld in excess of the tax rate that would otherwise apply to such payments.

Each Holder acknowledges and agrees that in the event that a Product references an Index as the Underlying or Basket Component, as the case may be, then regardless of whether the relevant Underlying or Basket Component is a net price return, a price return or a total return index, the payments on the Products (including any amounts deemed reinvested in the Product) will reflect the gross dividend payments paid by the issuers of the securities comprising the index 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 Issuer to the U.S. Internal Revenue Service in accordance with the U.S. withholding tax rules under Section 871(m).

**Holders should consult with their tax advisors regarding the application of Section 871(m) and the regulations thereunder in respect of their acquisition and ownership of the Products, including a non-U.S. Holder that enters, or has entered, into other transactions in respect of the relevant Underlying or Basket Component, as the case may be.**

## IX. Documents incorporated by Reference

The following documents are hereby incorporated by reference into this Base Prospectus and form an integral part of this Base Prospectus:

(a)	<p>Base Prospectus dated November 30, 2020, of Union Bancaire Privée, UBP SA, Geneva Switzerland, Section "General Terms and Conditions of the Products" (pages 59 – 117)</p> <p><a href="https://www.ubp.com/en/legal-aspects/information-for-ubp-clients#titre_7">https://www.ubp.com/en/legal-aspects/information-for-ubp-clients#titre_7</a></p> <p><a href="https://www.ubp.com/files/live/sites/ubp/files/Legal%20aspect/FINSA/UBP_Base_Prospectus_30112020.pdf?pdf=UBP_Base_Prospectus_30112020">https://www.ubp.com/files/live/sites/ubp/files/Legal%20aspect/FINSA/UBP_Base_Prospectus_30112020.pdf?pdf=UBP_Base_Prospectus_30112020</a></p>
(b)	<p>Base Prospectus dated November 30, 2021, of Union Bancaire Privée, UBP SA, Geneva Switzerland, Section "General Terms and Conditions of the Products" (pages 60 – 118)</p> <p><a href="https://www.ubp.com/en/legal-aspects/information-for-ubp-clients#titre_7">https://www.ubp.com/en/legal-aspects/information-for-ubp-clients#titre_7</a></p> <p><a href="https://www.ubp.com/files/live/sites/ubp/files/Legal%20aspect/FINSA/Update_Base_Prospectus_30-11-2021.pdf?pdf=Update_Base_Prospectus_30-11-2021">https://www.ubp.com/files/live/sites/ubp/files/Legal%20aspect/FINSA/Update_Base_Prospectus_30-11-2021.pdf?pdf=Update_Base_Prospectus_30-11-2021</a></p>
(c)	<p>Base Prospectus dated November 30, 2022, of Union Bancaire Privée, UBP SA, Geneva Switzerland, Section "General Terms and Conditions of the Products" (pages 61 – 119)</p> <p><a href="https://www.ubp.com/files/live/sites/ubp/files/Legal%20aspect/FINSA/Base_Prospectus.pdf?pdf=Base_Prospectus">https://www.ubp.com/files/live/sites/ubp/files/Legal%20aspect/FINSA/Base_Prospectus.pdf?pdf=Base_Prospectus</a></p>
(d)	<p>Financial Reports 2022 of the Issuer</p> <p><a href="https://www.ubp.com/files/live/sites/ubp/files/Discover-ubp/annual_reports/2022/UBP_Financial-Report_2022_EN.pdf?pdf=UBP_Financial-Report_2022_EN">https://www.ubp.com/files/live/sites/ubp/files/Discover-ubp/annual_reports/2022/UBP_Financial-Report_2022_EN.pdf?pdf=UBP_Financial-Report_2022_EN</a></p>
(e)	<p>Interim Financial Report 2023</p> <p><a href="https://www.ubp.com/files/live/sites/ubp/files/Discover-ubp/Publications/2023_Interim-Financial-Report_EN.pdf?pdf=2023_Interim-Financial-Report_EN">https://www.ubp.com/files/live/sites/ubp/files/Discover-ubp/Publications/2023_Interim-Financial-Report_EN.pdf?pdf=2023_Interim-Financial-Report_EN</a></p>
(f)	<p>Swiss Bankers Association's brochure "Risks Involved in Trading Financial Instruments"</p> <p><a href="https://www.swissbanking.ch/_Resources/Persistent/6/1/3/c/613cf17d17e7628788b2135114e5d399e822778d/SBA_Risks_Involved_in_Trading_Financial_Instruments_2019_EN.pdf">https://www.swissbanking.ch/_Resources/Persistent/6/1/3/c/613cf17d17e7628788b2135114e5d399e822778d/SBA_Risks_Involved_in_Trading_Financial_Instruments_2019_EN.pdf</a></p>

All document incorporated by reference into this Base Prospectus can be obtained free of charge from the Issuer under Union Bancaire Privée, UBP SA, rue du Rhône 96-98, CH-1204 Geneva, Switzerland.

## **X. Additional Information**

### **A. Authorisation**

This Base Prospectus and the issuance of Products thereunder were or will be duly authorised by the relevant bodies of Union Bancaire Privée, UBP SA as Issuer.

### **B. Consent to use this Base Prospectus**

In accordance with article 36 para. 4 lit. b FinSA, the Issuer consents, to the extent and under the terms and conditions, if any, as specified in the relevant Final Terms, to the use of this Base Prospectus and the relevant Final Terms by any financial service provider for a public offer of the Products in Switzerland (“General Consent”).

### **C. Continuation of the public offering of Products**

This Base Prospectus serves as succeeding base prospectus (the "Succeeding Base Prospectus") to the base prospectus dated November 30, 2020, dated November 30, 2021 and dated November 30, 2022 (the "Previous Base Prospectus") for Products which have been issued under the Previous Base Prospectus and which may continue to be publicly offered under the Succeeding Base Prospectus. Such Products are listed in the "List of Covered Products", which is annexed to this Base Prospectus as Annex 1, and identified in such list by means of their ISIN.

The Final Terms of such Products prepared in respect of the Previous Base Prospectus should be read, in addition to the other information contained in this Succeeding Base Prospectus, together with the General Terms and Conditions in the Previous Base Prospectus and the Product Specific Terms and Conditions in the Final Terms of such Products, which are incorporated by reference into this Succeeding Base Prospectus.

### **D. Responsibility**

Union Bancaire Privée, UBP SA accepts responsibility for the information contained in this Base Prospectus and declares that the information contained in this Base Prospectus is, to the best of its knowledge, correct as of the date of this Base Prospectus and that, to the best of its knowledge, no material facts or circumstances have been omitted as of the date of this Base Prospectus.

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## Annex 1

## List of Covered Products

ISIN	ISIN	ISIN	ISIN
CH0112620437	CH0589953709	CH0334152359	CH1184710965
CH0226060884	CH0589953717	CH1132491189	CH1184711021
CH0367535991	CH1103583220	CH1159538482	CH1184711054
CH0378933425	CH1103583238	CH1159538490	CH1184711088
CH0378933482	CH1118205629	CH0423788949	CH1184711138
CH0413237618	CH1118205637	CH0509071046	CH1184711237
CH0413237626	CH1179531822	CH0513001278	CH1184711419
CH0436964164	CH1248312006	CH1190707013	CH1234274079
CH0439289163	CH1243977308	CH1190707021	CH1234274087
CH0439289171	CH1243977316	CH1269613597	CH1234274137
			CH1234274152