



The validity of the Base Prospectus dated 29 June 2016 (the "**Initial Base Prospectus**") under which the public offer for the Products described in these Final Terms is continued, expires on 3 July 2017. Following this date, the public offer will be continued 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, these Final Terms are, 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 respective Succeeding Base Prospectus will be published electronically on the website www.leonteq.com (under Products & Services – Structured Products – Services - Prospectuses).

Final Terms dated 04 May 2017

(Tranche 533)

to the Base Prospectus dated 29 June 2016

Leonteq Securities AG, Zurich, Switzerland
acting through its Guernsey Branch: Leonteq Securities AG, Guernsey Branch
(the "Issuer")

Express Certificates with Cash Settlement and without par value

linked to
a basket of shares
(the "Products")

Leonteq Securities AG, Zurich, Switzerland
(the "Lead Manager")

These Final Terms relate to the Base Prospectus dated 29 June 2016 as supplemented by the Supplements dated 08 September 2016 and 27 December 2016 and as further supplemented from time to time

Specification of the Products

The subject of the Final Terms are Express Certificates with Cash Settlement and without par value (Product No. 12). For the current Products COSI is not applicable.

Presentation of the Final Terms

The Final Terms were prepared for the purpose of Article 5 (4) of Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 (as amended, including Directive 2010/73/EU of the European Parliament and of the Council of 24 November 2010) (the "Prospectus Directive") and must be read in conjunction with the Base Prospectus dated 29 June 2016 (as supplemented by the supplements dated 08 September 2016 and 27 December 2016 and as further supplemented from time to time) (the "Base Prospectus") including the documents incorporated by reference. During the entire term of the Product, the Final Terms and the Base Prospectus and any supplements thereto will be made available free of charge at Leonteq Securities AG, Brandschenkestrasse 90, 8002 Zurich, Switzerland (Phone: +41 (0)58 800 1000, Facsimile: +41 (0)58 800 1010). Furthermore, the documents will be published in electronic form on the website www.leonteq.com (under Products & Services – Structured Products). Full information on the Issuer and the offer of the Products is only available on the basis of a combination of these Final Terms and the Base Prospectus, including the documents incorporated by reference.

The Final Terms to the Base Prospectus are represented in the form of a separate document within the meaning of Article 26 (5) of Commission Regulation (EC) No. 809/2004 of 29 April 2004 as amended (the "**Prospectus Regulation**").

An issue specific summary that has been completed for the Products is attached to these Final Terms.

PART I

INFORMATION ABOUT THE TERMS AND CONDITIONS – ISSUE SPECIFIC CONDITIONS

In respect of the Series of Products (i) the Issue Specific Conditions as replicated in these Final Terms and (ii) the General Conditions for Products governed by Swiss law as laid out in the Base Prospectus together shall constitute the Terms and Conditions applicable to the Series of Products (the "Conditions"). The Issue Specific Conditions as replicated in these Final Terms are to be read in conjunction with the General Conditions.

Part A – Product Specific Conditions

§ 1

Form and Issue Size; Definitions; Term of the Products

(1) *Currency; Issue Size*

Leonteq Securities AG, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch (the "**Issuer**") issues products without par value (each a "**Certificate**" or a "**Product**" and together the "**Certificates**" or the "**Products**"). The number (the "**Number of Products**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.

(2) *Form*

(a) **Uncertificated Securities, Holders**

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note

(*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.

(b) Custody Agent

"**Custody Agent**" is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

(c) Clearing System

"**Clearing System**" in each case is the clearing system as specified in Table 1 in the Annex.

(3) Term of the Products

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer or an early redemption.

§ 2

Status of the Products

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.

§ 3
Definitions

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

"**Share Issuer**" means the company that has issued the Basket Component.

"**Initial Fixing Level**" means the initial fixing level of the Basket Component as specified in **Table 1** in the Annex which corresponds to the Reference Price of the Basket Component on the Initial Fixing Date, as determined by the Calculation Agent.

"**Business Day**" means a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in New York and Zurich.

"**Issue Date**" means the issue date as specified in **Table 1** in the Annex.

"**Issue Price**" means the issue price as specified in **Table 1** in the Annex.

"**Autocall Observation Date**" means each of the autocall observation dates as specified in **Table 3** in the Annex or, if such date is not a Scheduled Trading Day in respect of one or more Basket Components, the next following day which is a Scheduled Trading Day in relation to the relevant Basket Component.

"**Autocall Event**" has occurred if on an Autocall Observation Date the Reference Price of all Basket Components exceeds the respective Autocall Trigger Level relevant for such date.

"**Autocall Trigger Level**" means the Autocall Trigger Level in respect of the relevant Autocall Observation Date with respect to the relevant Basket Component as specified in **Table 3** in the Annex.

"**Barrier Event**" has occurred if the Reference Price on the Final Fixing Date of at least one Basket Component is equal to or below the Barrier Level for this Basket Component as specified in **Table 2** in the Annex, as determined by the Calculation Agent.

"**Barrier Level**" means the barrier level as specified in **Table 2** in the Annex with respect to the relevant Basket Component.

"**Underlying**" means the Basket as specified in **Table 1** and **2** in the Annex.

"**Basket**" means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.

"**Basket Component**" means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.

"**Calculation Agent**" means the calculation agent as specified in **Table 1** in the Annex.

"**Exchange**" means the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the Basket Component has temporarily relocated (provided that the Issuer and/or

Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the Basket Component on such temporary substitute exchange or quotation system as on the original Exchange).

"Coupon Observation Date" means each of the coupon observation dates as specified in **Table 3** in the Annex or, if such day is not a Scheduled Trading Day in respect of one or more Basket Components, the next following day which is a Scheduled Trading Day in respect of the relevant Basket Component.

"Coupon Trigger Event" has occurred if on a Coupon Observation Date the Reference Price of all Basket Components exceeds the respective Coupon Trigger Level relevant for such date.

"Coupon Trigger Level" means the coupon trigger level as specified in **Table 3** in the Annex with respect to the relevant Basket Component.

"Coupon Payment Date" means the coupon payment date as specified in **Table 3** in the Annex or, if this date is not a Business Day, the next following Business Day. In the event of the postponement of the relevant Coupon Observation Date, the relevant Coupon Payment Date shall be postponed accordingly.

"Final Fixing Level" means the Reference Price of the respective Basket Component on the Final Fixing Date.

"Initial Fixing Date" means the initial fixing date as specified in **Table 1** in the Annex or, if such day is not a Scheduled Trading Day in respect of one or more Basket Components, the next following day which is a Scheduled Trading Day in respect of the relevant Basket Component.

"Reference Price" means the closing price of a Basket Component as determined and published on the relevant Exchange on a Scheduled Trading Day, as determined by the Calculation Agent.

"Reference Currency" means the Reference Currency as specified in **Table 2** in the Annex in respect of the relevant Basket Component.

"Redemption Date" means, subject to an Early Redemption pursuant to § 7 of the Issue Specific Conditions or subject to an extraordinary termination the redemption date as specified in **Table 1** in the Annex or, if that date is not a Business Day, the next following Business Day. In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly irrespective of whether the Redemption Date is postponed for one or more Basket Components.

"Worst Performance" means the worst performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.

"Final Fixing Date" means the final fixing date as specified in **Table 1** in the Annex or, if such day is not a Scheduled Trading Day in respect of one or more Basket Components, the next following day which is a Scheduled Trading Day in respect of the relevant Basket Component.

"Scheduled Trading Day" has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.

"**Early Redemption Date**" means each of the early redemption dates as specified in **Table 3** in the Annex or, if an Early Redemption Date is not a Business Day, the next following Business Day. In the event of the postponement of the relevant Autocall Observation Date, the relevant Early Redemption Date shall be postponed accordingly.

"**Paying Agent**" means the paying agent as specified in **Table 1** in the Annex.

§ 4 Redemption

(1) Redemption Amount

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to an Early Redemption pursuant to § 7 of the Issue Specific Conditions and a Minimum Redemption pursuant to paragraph (2) which simultaneously equals the Maximum Redemption Amount pursuant to paragraph (3), the Issue Price multiplied by the Worst Performance.

The Redemption Amount will be commercially rounded to two (2) decimal places.

(2) Minimum Redemption

Provided that no Barrier Event has occurred the Redemption Amount equals the Issue Price.

(3) Maximum Redemption

The Redemption Amount per Product equals no more than the Issue Price (the "**Maximum Redemption Amount**").

The Maximum Redemption Amount will be converted into the Settlement Currency in accordance with paragraph (4) and commercially rounded to two (2) decimal places.

§ 5 Interest, Coupon Payments

(1) Coupon Payments

Provided that on the relevant Coupon Observation Date a Coupon Trigger Event has occurred, a Coupon payment shall be made for the Products on the relevant Coupon Payment Date. The coupon rate (the "**Coupon Rate**") relevant for the respective Coupon Observation Date is the Coupon Rate for the relevant Coupon Payment Date specified in **Table 3** in the Annex.

(2) Coupon Amount

The Coupon Amount (the "**Coupon Amount**") is determined by multiplying the Issue Price by (i) the applicable Coupon Rate for the relevant Coupon Payment Date and by (ii) N.

"N" means in the case that

(a) before the applicable Coupon Observation Date_(t) no Coupon Trigger Event has occurred, the number of Coupon Observation Dates_(t) from Coupon Observation Date₍₁₎ (inclusive) to, in each case, the applicable Coupon Observation Date_(t) (inclusive), and in the case that

(b) before the applicable Coupon Observation Date_(t) a Coupon Trigger Event has already occurred, the number of Coupon Observation Dates_(t) between the Coupon Observation Date_(t) (exclusive) on which the last Coupon Trigger Event has occurred and the applicable Coupon Observation Date_(t) (inclusive) in each case.

Following an Early Redemption pursuant to § 7 of the Issue Specific Conditions, no further coupon payments are made. The Coupon Amount will be commercially rounded to two (2) decimal places.

§ 6

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§ 7

Early Redemption

(1) Conditions precedent for Early Redemption

In the event that on any Autocall Observation Date an Autocall Event has occurred, the term of the Products shall end automatically on this Autocall Observation Date without the need for a separate termination of the Products by the Issuer (the "**Early Redemption**"). In this case the Redemption Amount to be paid by the Issuer equals the Issue Price.

(2) Notification of Early Redemption

Notice of the occurrence of Early Redemption and the value of the Redemption Amount to be paid per Product in this case shall be published in accordance with § 4 of the General Conditions.

§ 8

Payments

(1) Payments

The Issuer shall cause the claimed Redemption Amount, if any, to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Early Redemption Date (in the case of an Early Redemption pursuant to § 7 of the Issue Specific Conditions) and/or the Redemption Date (in the case that no Early Redemption has occurred). The Issuer shall transfer the respective Coupon Amount in arrears by the Coupon Payment Date via the Paying Agent to the Clearing System for transmitting to the Holders. If the Early Redemption Date, the Redemption Date or a Coupon Payment Date falls on a day which is not a Business Day and is deferred in accordance with § 3 of the

Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

(2) *Declaration on Regulation S*

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

(3) *Taxes, Fees and Duties*

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

§ 9

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§ 10

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Part B – Underlying Specific Conditions

§ 11 Market Disruption

(1) *Consequences of Disrupted Days*

If an Underlying Valuation Date is a Disrupted Day in respect of a Basket Component, then the Underlying Valuation Date in respect of the relevant Basket Component shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of the relevant Basket Component, unless each of the eight (8) Scheduled Trading Days in respect of the relevant Basket Component immediately following the Underlying Valuation Date is a Disrupted Day in respect of the relevant Basket Component. In that case:

- (I) that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for the relevant Basket Component, notwithstanding the fact that such day is a Disrupted Day; and
- (II) the Issuer and/or Calculation Agent shall determine the relevant level of the relevant Basket Component on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of the relevant Basket Component in accordance with § 4 of the General Conditions.

(2) *Existence of a Market Disruption Event*

"**Market Disruption Event**" means

the occurrence or existence of (1) a Trading Disruption, (2) an Exchange Disruption, which in either case the Issuer and/or Calculation Agent regard as material, at any time during the one-hour period that ends at the relevant Valuation Time, or (3) an Early Closure.

(3) *Definitions*

"**Valuation Time**" means, in respect of the Share, the time at which the official closing price of the Share is calculated on and published by the Exchange. If the Exchange closes prior to its Scheduled Closing Time and the Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time.

"**Exchange Business Day**" means, in respect of the Share, any Scheduled Trading Day on which each Exchange and each Related Exchange are open for trading during their respective regular trading sessions, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time.

"**Exchange Disruption**" means, in respect of the Share, any event (other than an Early Closure) that disrupts or impairs (as determined by the Issuer and/or Calculation Agent) the ability of market participants in general (1) to effect transactions in, or obtain market values for, the Share on the Exchange, or (2) to effect transactions in, or obtain market values for, futures or options contracts relating to such Share on any relevant Related Exchange.

"Trading Disruption" means, in respect of the Share, any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise (1) relating to the Share on the Exchange or (2) in futures or options contracts relating to the Share on any relevant Related Exchange.

"Disrupted Day" means, in respect of the Share, any Scheduled Trading Day on which a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred.

"Related Exchange(s)" means, in respect of the Share, each exchange or quotation system, any successor to such exchange or quotation system or any substitute exchange or quotation system where trading has a material effect (as determined by the Issuer and/or Calculation Agent in its reasonable discretion) on the overall market for futures or options contracts relating to such Share.

"Scheduled Closing Time" means, in respect of the Share, and in respect of an Exchange or Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside the regular trading session hours.

"Scheduled Trading Day" means, in respect of the Share, any day on which each Exchange and each Related Exchange are scheduled to be open for trading for their respective regular trading sessions.

"Early Closure" means, in respect of the Share, the closure on any Exchange Business Day of any relevant Exchange(s) relating to the Share or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or Related Exchange(s) at least one hour prior to the earlier of (1) the actual closing time for the regular trading session on such Exchange(s) or Related Exchange(s) on such Exchange Business Day and (2) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day.

§ 12

Adjustments

(1) Conditions precedent for an adjustment

In the case of a Potential Adjustment Event or Extraordinary Event the Issuer and/or Calculation Agent are entitled to adjust the Conditions taking into account the following provisions. The Issuer and/or Calculation Agent is, however, not obliged to perform adjustments.

(2) Existence and consequences of a Potential Adjustment Event

(a) Existence of a Potential Adjustment Event

A **"Potential Adjustment Event"** is given in the case of any of the following events, as determined by the Issuer and/or Calculation Agent:

- (i) a subdivision, consolidation or reclassification of relevant Shares (unless resulting in a Merger Event) or a free distribution or dividend of any such Shares to existing holders by way of bonus, capitalisation or similar issue;
- (ii) a distribution, issue or dividend to existing holders of relevant Shares of (1) such Shares or (2) other share capital or securities granting the right to payment of dividends and/or a share in the proceeds of liquidation of the Share Issuer equally or proportionately with such payments to holders of such Shares or (3) share capital or other securities of another share issuer acquired or owned (directly or indirectly) by the Share Issuer as a result of a spin-off or other similar transaction, or (4) 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 Issuer and/or Calculation Agent;
- (iii) an amount per Share which the Issuer and/or Calculation Agent determine should be characterised as an extraordinary dividend;
- (iv) a call by the Share Issuer in respect of relevant Shares that are not fully paid;
- (v) a repurchase by the Share Issuer or any of its affiliates of relevant Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
- (vi) in respect of the Share Issuer, 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 similar 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 Issuer and/or Calculation Agent, provided that any adjustment effected as a result of such an event shall be readjusted upon any exercise of such rights; or
- (vii) any other event that may have, in the opinion of the Issuer and/or Calculation Agent, a diluting or concentrative effect on the theoretical value of the relevant Shares.

(b) Consequences of a Potential Adjustment Event

Following the declaration of any Potential Adjustment Event in relation to the Share, the Issuer and/or Calculation Agent will determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the Share and, if so, will:

- (i) make the corresponding adjustment(s), if appropriate, to the Conditions as the Issuer and/or Calculation Agent determine appropriate to account for that diluting or concentrative effect; and
- (ii) determine the effective date(s) of the adjustment(s). In such case, such adjustments shall be deemed to be so made from such date(s). The Issuer and/or Calculation Agent may (but need not) perform the appropriate adjustment(s) by reference to the adjustment(s) in respect of such Potential Adjustment Event made by the Related Exchange(s).

(3) *Existence and consequences of an Extraordinary Event*

(a) Existence of an Extraordinary Event

An "**Extraordinary Event**" is given in the case of a Merger Event, a Tender Offer, a Nationalisation, an Insolvency or a Delisting.

(b) Consequences of an Extraordinary Event

(i) In respect of a Merger Event or Tender Offer, the following will apply:

On or after the relevant Merger Date or Tender Offer Date (or such other date as the Issuer and/or Calculation Agent deem relevant), the Issuer and/or Calculation Agent shall (1) make such adjustment to the Conditions as the Issuer and/or Calculation Agent determine appropriate to account for the economic effect of such Merger Event or Tender Offer, or other event (including adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Share), which may, but need not, be determined by reference to the adjustment(s) made in respect of such Merger Event or Tender Offer by the Related Exchange(s) to options on the Share traded thereon and (2) determine the effective date of that adjustment.

(ii) In respect of a Nationalisation, Insolvency or Delisting, the following will apply:

On or after the date of the occurrence of the Nationalisation, Insolvency and/or Delisting, as determined by the Issuer and/or Calculation Agent, the Issuer and/or Calculation Agent shall (1) make such adjustment to the Conditions as the Issuer and/or Calculation Agent determine appropriate to account for the economic effect on the Products of the relevant event, (including adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Share), which may, but need not, be determined by reference to the adjustment(s) made in respect of a Nationalisation, Insolvency or Delisting by the Related Exchange(s) to options on the Share traded thereon and (2) determine the effective date of that adjustment.

(4) *Notification of Adjustments*

Upon making any adjustment pursuant to these Conditions, the Issuer and/or Calculation Agent shall give notice to the Holders in accordance with § 4 of the General Conditions, stating the relevant adjustment.

(5) *Definitions*

"**Delisting**" means, in respect of a Share, that the relevant Exchange announces that pursuant to the rules of such Exchange, the Share ceases (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or Tender Offer) and is not 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).

"Merger Event" means, in respect of a Share, any (1) reclassification or change of such Share that results in a transfer of or an irrevocable commitment to transfer all of such Shares outstanding to another entity or person, (2) 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 such Share Issuer is the continuing entity and which does not result in a reclassification or change of all such Shares outstanding), (3) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100% of the outstanding Shares of the Share Issuer that results in a transfer of or an irrevocable commitment to transfer all such Shares (other than such Shares owned or controlled by such other entity or person), or (4) consolidation, amalgamation, merger or binding share exchange of the Share Issuer or its affiliates with or into another entity in which the Share Issuer is the continuing entity and which does not result in a reclassification or change of all such Shares outstanding but results in the outstanding Shares (other than Shares owned or controlled by such other entity) immediately prior to such event collectively representing less than 50% of the outstanding Shares immediately following such event (a **"Reverse Merger"**) in each case if the Merger Date is on or before the Final Fixing Date or, if and to the extent the applicable Final Terms provide for physical settlement, the Redemption Date.

"Insolvency" means, in respect of a Share, that by reason of the voluntary or involuntary liquidation, winding-up, dissolution, bankruptcy or insolvency or any analogous proceeding affecting a Share Issuer (1) all the Shares of such Share Issuer are required to be transferred to a trustee, liquidator or other similar official or (2) holders of the Shares of such Share Issuer become legally prohibited from transferring them.

"Merger Date" means the closing date of a Merger Event (as determined by the Issuer and/or Calculation Agent) or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Issuer and/or Calculation Agent.

"Tender Offer" means, 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% and less than 100% of the outstanding voting shares of the Share Issuer, as determined by the Issuer and/or Calculation Agent, based upon filings made to governmental or self-regulatory agencies or such other information as the Issuer and/or Calculation Agent deem relevant.

"Tender Offer Date" means, in respect of a Tender Offer, the date on which voting shares in the amount of the applicable percentage threshold (which shall be more than 10% and less than 100% of the outstanding voting shares of the Share Issuer) are actually purchased or otherwise obtained (as determined by the Issuer and/or Calculation Agent).

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

(6) *Additional adjustments in the case of a Basket as Underlying*

If in relation to a Basket Component an adjustment (as described in the Conditions) is necessary, the Issuer and/or Calculation Agent shall (in addition to the adjustments pursuant to the Conditions 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 these Conditions to the affected Basket Component, to the extent permitted by the context, shall be deemed to refer to the Successor Basket Component.

§ 13

Extraordinary Termination

(1) *Existence of an Additional Termination Event*

If, in the opinion of the Issuer and/or Calculation Agent, an adjustment pursuant to § 10 is not possible or not commercially reasonable, or upon occurrence of an Additional Termination Event the Issuer may by giving not less than ten (10) nor more than thirty (30) Business Days' irrevocable notice in accordance with the procedure set out in § 4 of the General Conditions, redeem the Products early. The termination shall become valid on the day of the notice in accordance with § 4 of the General Conditions.

"Additional Termination Event" means an Increased Cost of Hedging, a Change in Law, a Hedging Disruption and an Insolvency Filing.

(2) *Redemption in the event of an Extraordinary Termination*

In the event of an extraordinary termination of the Products, the Issuer will cause to be paid to each Holder in respect of each such Product held by it an amount determined by the Issuer and/or the Calculation Agent in its/their reasonable discretion as the reasonable market price of a Product immediately prior to the event justifying the extraordinary termination. Payment will be made to the relevant Clearing System(s) pursuant to § 8.

(3) *Definitions*

"Increased Cost of Hedging" means that the Hedging Entity would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense, fee or other cost (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) the Hedging Entity deems necessary to hedge the risk in respect of entering into and performing the Issuer's obligations under the relevant Products, or

(B) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

"Change in Law" means that on or after the Issue Date (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 Issuer and/or Calculation Agent determine in good faith that (X) it has become illegal to hold, acquire or dispose of the Underlying(s) or, in the case of a Basket as Underlying, one or more Basket Components, or (Y) the Hedging Entity will incur a materially increased cost in performing its obligations arising from 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 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 in respect of the Issuer's obligations arising from the Products.

"Hedging Disruption" means that the Hedging 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) the Issuer deems necessary to hedge the risk of entering into and performing its obligations arising from the Products, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

"Insolvency Filing" means, in respect of a Share, that the Share Issuer institutes or has instituted against it by a regulator, supervisor or similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its principal or registered office, or it consents to a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official or it consents to such a petition, provided that proceedings instituted or petitions presented by creditors and not consented to by the Share Issuer shall not be deemed an Insolvency Filing.

ANNEX TO THE ISSUE SPECIFIC CONDITIONS

Table 1

| ISIN / Valor | Underlying | Number of Products*/ Minimum Trading Lot (expressed in the Settlement Currency)/ Settlement Currency | Initial Fixing Date / Final Fixing Date / Redemption Date / Issue Date | Issue Price (expressed in the Settlement Currency) | Initial Fixing Level (expressed in the Reference Currency) / Barrier Level | Custody Agent / Clearing System / Calculation Agent (including specified office) / Paying Agent (including specified office(s)) |
|----------------------------|--|---|---|--|---|--|
| CH0366218227 / 36621822 | Basket consisting of Basket Components as specified in Table 2 | 10.000/ 1 product (USD 1.000,00) / US Dollar ("USD") | 12.05.2017 / 12.05.2021 / 18.05.2021 / 18.05.2017 | USD 1'000.00 | As specified in Table 2 / As specified in Table 2 | SIX SIS AG, Brandschenkestraße 47, 8002 Zurich, Switzerland, facsimile: +41 44 288 45 12 (" SIX SIS ") / SIX SIS AG and Clearstream Banking AG, Frankfurt am Main, Mergenthalerallee 61, 65760 Eschborn, Germany (" Clearstream, Frankfurt ") / Leonteq Securities AG, Europaallee 39, 8004 Zurich, Switzerland, Facsimile: +41 (0)58 800 1010 / Leonteq Securities AG, Europaallee 39, 8004 Zurich, Switzerland, Facsimile: +41 (0)58 800 1010 |

* The actual Number of Products depends on the number of orders received by the Lead Manager and is – subject to an increase or a (partial) repurchase of the Products – limited to the Number of Products specified in **Table 1**.

Table 2

| Underlying (Basket Components) | ISIN of the Basket Component | Exchange | Domicile / Share type | Bloomberg page* | Reference Currency | web page* | Initial Fixing Level (100.00%) | Barrier Level (50.00%) | Coupon Trigger Level (60.00%) |
|---|---|-----------------|---|----------------------------|-------------------------------|--------------------|--|--|--|
| ALKERMES PLC | IE00B56GVS15 | NASDAQ | Connaught House 1 Burlington Road Dublin 4, D04 C5Y6 Ireland / registered share | ALKS UQ Equity | USD | www.nasdaq.co m | Reference Price on the Initial Fixing Date | 50.00% of the Initial Fixing Level | 60.00% of the Initial Fixing Level |
| INCYTE CORP | US45337C1027 | NASDAQ | 1801 Augustine Cut-Off Wilmington, DE 19803 United States / registered share | INCY UQ Equity | USD | www.nasdaq.co m | Reference Price on the Initial Fixing Date | 50.00% of the Initial Fixing Level | 60.00% of the Initial Fixing Level |
| IONIS PHARMACE UTICALS INC | US4622221004 | NASDAQ | 2105 CityWest Boulevard Suite 400 Houston, TX 77042-2839 United States / registered share | IONS UQ Equity | USD | www.nasdaq.co m | Reference Price on the Initial Fixing Date | 50.00% of the Initial Fixing Level | 60.00% of the Initial Fixing Level |
| SEATTLE GENETICS INC. | US8125781026 | NASDAQ | 21823 30th Drive Southeast Bothell, WA 98021 United States / registered share | SGEN UQ Equity | USD | www.nasdaq.co m | Reference Price on the Initial Fixing Date | 50.00% of the Initial Fixing Level | 60.00% of the Initial Fixing Level |

* The Issuer and the Lead Manager do not give any guarantee that the information provided on the Bloomberg page and/or web page referred to above is accurate or complete.

Table 3

| Autocall Observation Date | Autocall Trigger Level | Early Redemption Date | Coupon Rate | Coupon Observation Date | Coupon Trigger Level | Coupon Payment Date |
|----------------------------------|-------------------------------|------------------------------|--------------------|--------------------------------|-----------------------------|----------------------------|
| n/a | n/a | n/a | 1.33% | 12.06.2017 | 60.00% | 15.06.2017 |
| n/a | n/a | n/a | 1.33% | 12.07.2017 | 60.00% | 17.07.2017 |
| 14.08.2017 | 100.00% | 17.08.2017 | 1.33% | 14.08.2017 | 60.00% | 17.08.2017 |
| 12.09.2017 | 100.00% | 15.09.2017 | 1.33% | 12.09.2017 | 60.00% | 15.09.2017 |
| 12.10.2017 | 100.00% | 17.10.2017 | 1.33% | 12.10.2017 | 60.00% | 17.10.2017 |
| 13.11.2017 | 100.00% | 16.11.2017 | 1.33% | 13.11.2017 | 60.00% | 16.11.2017 |
| 12.12.2017 | 100.00% | 15.12.2017 | 1.33% | 12.12.2017 | 60.00% | 15.12.2017 |
| 12.01.2018 | 100.00% | 18.01.2018 | 1.33% | 12.01.2018 | 60.00% | 18.01.2018 |
| 12.02.2018 | 100.00% | 15.02.2018 | 1.33% | 12.02.2018 | 60.00% | 15.02.2018 |
| 12.03.2018 | 100.00% | 15.03.2018 | 1.33% | 12.03.2018 | 60.00% | 15.03.2018 |
| 12.04.2018 | 100.00% | 17.04.2018 | 1.33% | 12.04.2018 | 60.00% | 17.04.2018 |
| 14.05.2018 | 100.00% | 17.05.2018 | 1.33% | 14.05.2018 | 60.00% | 17.05.2018 |
| 12.06.2018 | 95.00% | 15.06.2018 | 1.33% | 12.06.2018 | 60.00% | 15.06.2018 |
| 12.07.2018 | 95.00% | 17.07.2018 | 1.33% | 12.07.2018 | 60.00% | 17.07.2018 |
| 13.08.2018 | 95.00% | 16.08.2018 | 1.33% | 13.08.2018 | 60.00% | 16.08.2018 |
| 12.09.2018 | 95.00% | 17.09.2018 | 1.33% | 12.09.2018 | 60.00% | 17.09.2018 |
| 12.10.2018 | 95.00% | 17.10.2018 | 1.33% | 12.10.2018 | 60.00% | 17.10.2018 |
| 13.11.2018 | 95.00% | 16.11.2018 | 1.33% | 13.11.2018 | 60.00% | 16.11.2018 |
| 12.12.2018 | 90.00% | 17.12.2018 | 1.33% | 12.12.2018 | 60.00% | 17.12.2018 |
| 14.01.2019 | 90.00% | 17.01.2019 | 1.33% | 14.01.2019 | 60.00% | 17.01.2019 |
| 12.02.2019 | 90.00% | 15.02.2019 | 1.33% | 12.02.2019 | 60.00% | 15.02.2019 |
| 12.03.2019 | 90.00% | 15.03.2019 | 1.33% | 12.03.2019 | 60.00% | 15.03.2019 |
| 12.04.2019 | 90.00% | 17.04.2019 | 1.33% | 12.04.2019 | 60.00% | 17.04.2019 |
| 13.05.2019 | 90.00% | 16.05.2019 | 1.33% | 13.05.2019 | 60.00% | 16.05.2019 |
| 12.06.2019 | 85.00% | 17.06.2019 | 1.33% | 12.06.2019 | 60.00% | 17.06.2019 |
| 12.07.2019 | 85.00% | 17.07.2019 | 1.33% | 12.07.2019 | 60.00% | 17.07.2019 |
| 12.08.2019 | 85.00% | 15.08.2019 | 1.33% | 12.08.2019 | 60.00% | 15.08.2019 |
| 12.09.2019 | 85.00% | 17.09.2019 | 1.33% | 12.09.2019 | 60.00% | 17.09.2019 |
| 15.10.2019 | 85.00% | 18.10.2019 | 1.33% | 15.10.2019 | 60.00% | 18.10.2019 |
| 12.11.2019 | 85.00% | 15.11.2019 | 1.33% | 12.11.2019 | 60.00% | 15.11.2019 |
| 12.12.2019 | 80.00% | 17.12.2019 | 1.33% | 12.12.2019 | 60.00% | 17.12.2019 |
| 13.01.2020 | 80.00% | 16.01.2020 | 1.33% | 13.01.2020 | 60.00% | 16.01.2020 |
| 12.02.2020 | 80.00% | 18.02.2020 | 1.33% | 12.02.2020 | 60.00% | 18.02.2020 |
| 12.03.2020 | 80.00% | 17.03.2020 | 1.33% | 12.03.2020 | 60.00% | 17.03.2020 |
| 13.04.2020 | 80.00% | 16.04.2020 | 1.33% | 13.04.2020 | 60.00% | 16.04.2020 |
| 12.05.2020 | 80.00% | 15.05.2020 | 1.33% | 12.05.2020 | 60.00% | 15.05.2020 |

| | | | | | | |
|------------|--------|------------|-------|------------|--------|------------|
| 12.06.2020 | 75.00% | 17.06.2020 | 1.33% | 12.06.2020 | 60.00% | 17.06.2020 |
| 13.07.2020 | 75.00% | 16.07.2020 | 1.33% | 13.07.2020 | 60.00% | 16.07.2020 |
| 12.08.2020 | 75.00% | 17.08.2020 | 1.33% | 12.08.2020 | 60.00% | 17.08.2020 |
| 14.09.2020 | 75.00% | 17.09.2020 | 1.33% | 14.09.2020 | 60.00% | 17.09.2020 |
| 13.10.2020 | 75.00% | 16.10.2020 | 1.33% | 13.10.2020 | 60.00% | 16.10.2020 |
| 12.11.2020 | 75.00% | 17.11.2020 | 1.33% | 12.11.2020 | 60.00% | 17.11.2020 |
| 14.12.2020 | 70.00% | 17.12.2020 | 1.33% | 14.12.2020 | 60.00% | 17.12.2020 |
| 12.01.2021 | 70.00% | 15.01.2021 | 1.33% | 12.01.2021 | 60.00% | 15.01.2021 |
| 12.02.2021 | 70.00% | 18.02.2021 | 1.33% | 12.02.2021 | 60.00% | 18.02.2021 |
| 12.03.2021 | 70.00% | 17.03.2021 | 1.33% | 12.03.2021 | 60.00% | 17.03.2021 |
| 12.04.2021 | 70.00% | 15.04.2021 | 1.33% | 12.04.2021 | 60.00% | 15.04.2021 |
| n/a | n/a | n/a | 1.33% | 12.05.2021 | 60.00% | 18.05.2021 |

PART II
ADDITIONAL INFORMATION

Conditions of the offer, issue price, commissions and valuation

Start of Public Offering in Italy: 18 May 2017

Minimum Investment Amount: USD 1'000.00

Issue Price: USD 1'000.00

Issue Date: 18 May 2017

Relevant Fees will be paid for these Products.

Listing and Trading

The Issuer intends to have the Products admitted for trading on the exchange(s) as specified in the table below in the relevant segment, if applicable. Bid and offer prices for the Products on the secondary market shall be quoted on each day of trading during the quoting period as specified in the table below under normal market conditions pursuant to the exchange rules and regulations.

| Products (ISIN) | Exchange/ segment | Scheduled First Trading Day | Last trading day | Market Maker | Quoting period | Quoting in consideration of accrued interest |
|------------------------|--|--|-----------------------------|---|----------------------------|---|
| CH0366218227 | EuroTLX SIM S.p.A., traded on the multilateral trading facility (MTF) EuroTLX | 18.05.2017 | 12.05.2021 | Equita SIM SpA, Via Turati 9, 20121 Milano ("Specialist") | 09.00 – 17.30 CET | yes (<i>dirty prices</i>) |

However, the Issuer does not assume any legal obligation in respect of the realisation of admission to trading on an exchange as at the Scheduled First Trading Day or the maintenance of any admission to trading that is realised.

Consent to use of Prospectus

General consent

Offer State: Italy

Offer Period: Period commencing from, and including, 18 May 2017 to, and including, the Final Fixing Date.

Information relating to the Underlying

The following table shows the relevant Underlying and the relevant publicly available web page on which information concerning the past and future performance and volatility of the relevant Underlying at the time of preparation of the Final Terms can be viewed:

| Underlyings (Share) | ISIN | Bloomberg page* | Web page* |
|--------------------------------|--------------|------------------------|------------------|
| ALKERMES PLC | IE00B56GVS15 | ALKS UQ Equity | www.nasdaq.com |
| INCYTE CORP | US45337C1027 | INCY UQ Equity | www.nasdaq.com |
| IONIS PHARMACEUTICALS INC | US4622221004 | IONS UQ Equity | www.nasdaq.com |
| SEATTLE GENETICS INC. | US8125781026 | SGEN UQ Equity | www.nasdaq.com |

* The Issuer and the Lead Manager do not give any guarantee that the information provided on the Bloomberg page and/or web page referred to above is accurate or complete and will not give notice of any updates.

ANNEX - ISSUE SPECIFIC SUMMARY

Summaries consist of specific disclosure requirements, known as "Elements". These Elements are numbered in Sections A – E (A.1 – E.7).

This summary contains all the Elements required to be included in a summary for this type of securities and Issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary because of the type of securities and Issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of "not applicable".

| Section A – Introduction and warnings | | |
|---------------------------------------|--|--|
| A.1 | Warnings | <p>The Summary is intended as an introduction to the Base Prospectus dated 29 June 2016 (as supplemented by the Supplements dated 08 September 2016 and 27 December 2016 and as further supplemented from time to time) of Leonteq Securities AG (the "Issuer").</p> <p>Investors should ensure that any decision to invest in the Products is based on a review of the entire Base Prospectus, including documents incorporated by reference, any supplements, and the Final Terms.</p> <p>Where claims relating to the information contained in a base prospectus, including documents incorporated by reference, documents incorporated by reference, any supplements, and the respective Final Terms are brought before a court, the investor acting as plaintiff may, as a result of the laws of individual member states of the European Economic Area, have to bear the cost of translating the base prospectus, the documents incorporated by reference, any supplements, and the Final Terms into the language of the court prior to the commencement of legal proceedings.</p> <p>The Issuer or the persons who have tabled the Summary may be held liable for the content of this Summary, including any translations thereof, but only in the event that the Summary is misleading, inaccurate or inconsistent when read in conjunction with the other parts of the Base Prospectus, or, when read in conjunction with the other parts of the Base Prospectus, does not convey all of the key information required.</p> |
| A.2 | - Consent to the use of the Prospectus | <p>The Issuer consents to the use of the Base Prospectus and these Final Terms by all financial intermediaries (general consent). General consent for the subsequent resale or final placement of Products by the financial intermediaries is given in relation to the Offer State during the Offer Period during which subsequent resale or final placement of the Products can be made, provided however, that the Base Prospectus is still valid according to Section 9 of the German Securities Prospectus Act.</p> <p>"Offer State" means the following Member States: Italy.</p> <p>The subsequent resale or final placement of Products by financial</p> |

| | | |
|--|---|---|
| | | intermediaries in the Offer State can be made during the Offer Period. |
| | - Offer Period | " Offer Period " means the period commencing from, and including, 18 May 2017 to, and including, the Final Fixing Date. |
| | - Conditions attached to the consent | The above consent is subject to the compliance with the applicable offer- and selling restrictions for the Products and with any applicable law. Each financial intermediary is obliged to only provide the Base Prospectus together with any supplement thereto (if any) to potential investors. The consent to the use of the Prospectus is not subject to any further conditions. |
| | - Notice that information on the terms and conditions of the offer by any financial intermediary is to be provided at the time of the offer by the financial intermediary | In the event that a financial intermediary makes an offer, that financial intermediary will inform investors at the time the offer is made of the terms and conditions of the offer as set out in the Final Terms. |
| Section B – Issuer and any guarantors | | |
| B.1 | Legal and commercial name of the Issuer | The legal and commercial name of the Issuer is Leonteq Securities AG |
| B.2 | Domicile, legal form, legislation, country of incorporation | Leonteq Securities AG, formerly EFG Financial Products AG, was incorporated and registered in Zurich, Switzerland on 24 September 2007 as a stock corporation under article 620 et seq. of the Swiss Code of Obligations for an unlimited duration. As from that day, it is registered in the Commercial Register of the Canton of Zurich, Switzerland, under the number CHE-113.829.534. The registered office of Leonteq Securities AG is at Brandschenkestrasse 90, 8002 Zurich, Switzerland, and the general telephone number is +41 58 800 1000. |
| B.4b | Known trends affecting the Issuer and the industries in which it operates | Not applicable; there are no known trends affecting the Issuer and the industries in which it operates. |
| B.5 | Description of the group | Leonteq Securities AG, which may also be acting either through its Guernsey branch (Leonteq Securities AG, Guernsey Branch) or its Amsterdam branch (Leonteq Securities AG, Amsterdam Branch), is a fully owned subsidiary of Leonteq AG, formerly EFG Financial Products Holding AG, (Leonteq AG together with its subsidiaries the "Leonteq Group"). Leonteq AG's shares are listed on the SIX Swiss Exchange and are held amongst others by Raiffeisen Switzerland Cooperative, members of the management and employees of Leonteq Group entities. |
| B.9 | Profit forecasts or estimates | Not applicable; the Issuer has not made any profit forecasts or estimates. |

| B.10 | Qualifications in the audit report | Not applicable; there are no qualifications in the audit report of the Issuer on its historical financial information. | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|--|---|--|--|--|---------------|--|--|------------------------|---------|---------|--|--------|--------|--|---------------------------------------|---------------------------------------|----------------------|--|--|--------------|-----------|-----------|--|-----------|-----------|----------------------------|---------|---------|
| B.12 | Selected historical key financial information regarding the Issuer, statement regarding trend information and significant changes in the financial or trading position of the Issuer | <p>The following financial information (according to IFRS) has been extracted from the audited financial statements of Leonteq Securities AG for the years ended 31 December 2014 and 2015.</p> <table border="1"> <thead> <tr> <th></th> <th style="text-align: right;">Year ended 31 December 2014 (audited)</th> <th style="text-align: right;">Year ended 31 December 2015 (audited)</th> </tr> </thead> <tbody> <tr> <td colspan="3">Income</td> </tr> <tr> <td>Total operating income</td> <td style="text-align: right;">170'914</td> <td style="text-align: right;">171'831</td> </tr> <tr> <td>Result from operating activities (profit before taxes)</td> <td style="text-align: right;">55'228</td> <td style="text-align: right;">58'878</td> </tr> <tr> <td></td> <td style="text-align: right;">31 December 2014 (audited)</td> <td style="text-align: right;">31 December 2015 (audited)</td> </tr> <tr> <td colspan="3">Balance Sheet</td> </tr> <tr> <td>Total assets</td> <td style="text-align: right;">6'883'992</td> <td style="text-align: right;">6'565'337</td> </tr> <tr> <td>Other financial liabilities at fair value through profit or loss</td> <td style="text-align: right;">3'691'422</td> <td style="text-align: right;">3'191'476</td> </tr> <tr> <td>Total shareholders' equity</td> <td style="text-align: right;">154'797</td> <td style="text-align: right;">193'154</td> </tr> </tbody> </table> <p>There has been no material adverse change in the prospects of the Issuer since the date of the last audited financial statements (31 December 2015).</p> <p>There has been no significant change in the financial or trading position of the Issuer since the date of the last audited financial statement (31 December 2015).</p> | | Year ended 31 December 2014 (audited) | Year ended 31 December 2015 (audited) | Income | | | Total operating income | 170'914 | 171'831 | Result from operating activities (profit before taxes) | 55'228 | 58'878 | | 31 December 2014 (audited) | 31 December 2015 (audited) | Balance Sheet | | | Total assets | 6'883'992 | 6'565'337 | Other financial liabilities at fair value through profit or loss | 3'691'422 | 3'191'476 | Total shareholders' equity | 154'797 | 193'154 |
| | Year ended 31 December 2014 (audited) | Year ended 31 December 2015 (audited) | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Income | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total operating income | 170'914 | 171'831 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Result from operating activities (profit before taxes) | 55'228 | 58'878 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | 31 December 2014 (audited) | 31 December 2015 (audited) | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Balance Sheet | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total assets | 6'883'992 | 6'565'337 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Other financial liabilities at fair value through profit or loss | 3'691'422 | 3'191'476 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total shareholders' equity | 154'797 | 193'154 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| B.13 | Description of recent events which are to a material extent relevant to the evaluation of the issuer's solvency | Not applicable; there are no recent events which are to a material extent relevant to the evaluation of the issuer's solvency. | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| B.14 | B.5 plus Dependence of the Issuer upon other entities within the group | See B.5. Not applicable; Leonteq Securities AG does not have any subsidiaries. | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| B.15 | A description of the Issuer's principal activities | <p>Leonteq Securities AG's main business activities include the development, structuring, distribution, hedging and settlement as well as the market-making and secondary market servicing of structured products and the design and investment management of certificates in relation with variable annuity products.</p> <p>Leonteq Securities AG provides certain of these core services to platform partners pursuant to cooperation agreements. Additionally, Leonteq Securities AG provides structured asset management and pension solution services to third parties in Switzerland and abroad</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | |

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| | | <p>and provides brokerage services to third parties.</p> <p>Leonteq Securities AG distributes its financial products either directly to institutional investors or indirectly to retail investors through third party financial intermediaries.</p> |
| B.16 | Major shareholders | Leonteq Securities AG's share capital is held in its entirety by Leonteq AG, which as sole shareholder controls Leonteq Securities AG. |
| Section C – Securities | | |
| C.1 | Type and class of the securities being offered; security identification number | <p>Type/Form of Securities</p> <p>The present Products have the characteristic such that the level and the time for redemption depends on the development of the Basket Components. The Products also bear a coupon. The level of the coupon is also dependent on the development of the Basket Components.</p> <p>The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (<i>Wertrechte</i>). Uncertificated Securities (<i>Wertrechte</i>) will be created by the Issuer by means of a registration in its register of uncertificated securities (<i>Wertrechtbuch</i>). Such Uncertificated Securities will then be entered into the main register (<i>Hauptregister</i>) of the Custody Agent. Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (<i>Bucheffekten</i>) in accordance with the provisions of the Swiss Federal Intermediated Securities Act (<i>Bundesgesetz über Bucheffekten</i>).</p> <p>Securities Identification</p> <p>ISIN: CH0366218227</p> <p>Valor: 36621822</p> |
| C.2 | Currency of the securities issue | The Settlement Currency of the Products is US Dollars (“USD”). |
| C.5 | Restrictions on free transferability | Not applicable; the Products will be freely transferable. |
| C.8 | Rights attached to the securities including ranking and limitations to those rights | <p>Applicable law</p> <p>The form and content of the Products and all rights and obligations of the Issuer and of the Holders will be governed by, and construed in, all respects in accordance with the laws of Switzerland.</p> <p>Rights attached to the Products</p> <p>Each Product grants the Holder a right to demand payment of the Coupon Amount on the Coupon Payment Date(s) as well as payment of the Redemption Amount on the Redemption Date as described in more detail under C.15 below.</p> |

| | | |
|------|---|---|
| | | <p>Status of the Products</p> <p>The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, pari passu with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.</p> <p>Limitations to the rights</p> <p>Under specific conditions, the Issuer has the right to terminate the Products and to amend the terms and conditions.</p> |
| C.11 | Admission to trading | Multilateral Trading Facility denominated EuroTLX organised and managed by EuroTLX SIM S.p.A. The Issuer and the Lead Manager do not assume any legal obligation in respect of the realisation of admission to trading as at the Scheduled First Trading Day or the maintenance of any admission to trading that is realised. |
| C.15 | Description of how the value of the investment is affected by the value of the underlying instrument(s) | <p>There is a relationship between the economic value of the Products and the economic value of the Underlying. The value of the Product will typically fall if the price of the Underlying falls.</p> <p>In the case of these Products, on the Redemption Date (as defined below in Element C.16) investors receive a Redemption Amount in the Settlement Currency, the amount of which depends on the performance of the Basket Components. The level of the Redemption Amount and the time for redemption of the Products depend on whether an Autocall Event has occurred. If an Autocall Event has occurred, the term of the Products ends early and the Products are redeemed early following the Autocall Observation Date on which the Autocall Event occurred. In this case, the Redemption Amount in the Settlement Currency equals the Issue Price.</p> <p>An Autocall Event occurs if on an Autocall Observation Date the Reference Prices of all Basket Components exceed the Autocall Trigger Level.</p> <p>If an early redemption does not occur, the performance of the Basket Components determines the level of the Redemption Amount:</p> <p>(i) If no Barrier Event occurred the Redemption Amount is equal to the Issue Price.</p> <p>(ii) If the preconditions set out under (i) above are not satisfied, the Redemption Amount equals the Issue Price taking into account the performance of the Basket Component with the worst performance. However, the Redemption Amount will not exceed the Issue Price which is the maximum amount an investor may receive.</p> <p>Furthermore, the Holder receives a Coupon Amount on the Coupon Payment Dates. The coupon payment is conditional on the occurrence of a certain event in relation to the Basket Components (e.g. the Underlying reaching or exceeding a certain threshold (e.g. Coupon Trigger Level)). Should such event not occur, there will be no coupon</p> |

payment for the applicable Coupon Payment Date.

With regard to coupon payments, it should also be noted that, in the case of an early redemption of the Products, the Holder will still receive the Coupon Amount for the Coupon Payment Date in respect of the early redemption date. However, he has no right to demand coupon payments for future Coupon Payment Dates.

| Underlying (Basket Component) | Initial Fixing Level (100.00%) | Barrier Level (50.00%) | Coupon Trigger Level (60.00%) |
|-------------------------------|--|------------------------------------|------------------------------------|
| ALKERMES PLC | Reference Price on the Initial Fixing Date | 50.00% of the Initial Fixing Level | 60.00% of the Initial Fixing Level |
| INCYTE CORP | Reference Price on the Initial Fixing Date | 50.00% of the Initial Fixing Level | 60.00% of the Initial Fixing Level |
| IONIS PHARMACEUTICALS INC | Reference Price on the Initial Fixing Date | 50.00% of the Initial Fixing Level | 60.00% of the Initial Fixing Level |
| SEATTLE GENETICS INC. | Reference Price on the Initial Fixing Date | 50.00% of the Initial Fixing Level | 60.00% of the Initial Fixing Level |

Issue Price: USD 1'000.00

Autocall Observation Dates: 14.08.2017, 12.09.2017, 12.10.2017, 13.11.2017, 12.12.2017, 12.01.2018, 12.02.2018, 12.03.2018, 12.04.2018, 14.05.2018, 12.06.2018, 12.07.2018, 13.08.2018, 12.09.2018, 12.10.2018, 13.11.2018, 12.12.2018, 14.01.2019, 12.02.2019, 12.03.2019, 12.04.2019, 13.05.2019, 12.06.2019, 12.07.2019, 12.08.2019, 12.09.2019, 15.10.2019, 12.11.2019, 12.12.2019, 13.01.2020, 12.02.2020, 12.03.2020, 13.04.2020, 12.05.2020, 12.06.2020, 13.07.2020, 12.08.2020, 14.09.2020, 13.10.2020, 12.11.2020, 14.12.2020, 12.01.2021, 12.02.2021, 12.03.2021, 12.04.2021

Barrier Event: A "**Barrier Event**" has occurred if the Reference Price on the Final Fixing Date of at least one Basket Component is equal to or below the Barrier Level for this Basket Component.

Autocall Trigger Level: 100.00%, 100.00%, 100.00%, 100.00%

100.00%, 100.00%, 100.00%, 100.00%, 100.00%, 100.00%, 95.00%, 95.00%, 95.00%, 95.00%, 95.00%, 90.00%, 90.00%, 90.00%, 90.00%, 90.00%, 85.00%, 85.00%, 85.00%, 85.00%, 85.00%, 85.00%, 80.00%, 80.00%, 80.00%, 80.00%, 80.00%, 80.00%, 75.00%, 75.00%, 75.00%, 75.00%, 75.00%, 75.00%, 70.00%, 70.00%, 70.00%, 70.00%, 70.00%, 70.00%

Coupon Amount: USD 13.3

Coupon Payment Date(s): 15.06.2017, 17.07.2017, 17.08.2017, 15.09.2017, 17.10.2017, 16.11.2017, 15.12.2017, 18.01.2018, 15.02.2018, 15.03.2018, 17.04.2018, 17.05.2018, 15.06.2018, 17.07.2018, 16.08.2018, 17.09.2018, 17.10.2018, 16.11.2018, 17.12.2018, 17.01.2019, 15.02.2019, 15.03.2019, 17.04.2019,

| | | 16.05.2019, 17.06.2019, 17.07.2019, 15.08.2019, 17.09.2019, 18.10.2019, 15.11.2019, 17.12.2019, 16.01.2020, 18.02.2020, 17.03.2020, 16.04.2020, 15.05.2020, 17.06.2020, 16.07.2020, 17.08.2020, 17.09.2020, 16.10.2020, 17.11.2020, 17.12.2020, 15.01.2021, 18.02.2021, 17.03.2021, 15.04.2021, 18.05.2021 | | | | | | | | | | | | | | | | | | | | | | | | | |
|-------------------------------|--|---|-------------------------------|------------------------------|----------|----------------|----------|--------------|--------------|--------|----------------|----------------|-------------|--------------|--------|----------------|----------------|----------------------------|--------------|--------|----------------|----------------|-----------------------|--------------|--------|----------------|----------------|
| C.16 | Settlement Date, Final Valuation Date | Redemption Date: 18.05.2021 Final Fixing Date: 12.05.2021 Early Redemption Date: 17.08.2017, 15.09.2017, 17.10.2017, 16.11.2017, 15.12.2017, 18.01.2018, 15.02.2018, 15.03.2018, 17.04.2018, 17.05.2018, 15.06.2018, 17.07.2018, 16.08.2018, 17.09.2018, 17.10.2018, 16.11.2018, 17.12.2018, 17.01.2019, 15.02.2019, 15.03.2019, 17.04.2019, 16.05.2019, 17.06.2019, 17.07.2019, 15.08.2019, 17.09.2019, 18.10.2019, 15.11.2019, 17.12.2019, 16.01.2020, 18.02.2020, 17.03.2020, 16.04.2020, 15.05.2020, 17.06.2020, 16.07.2020, 17.08.2020, 17.09.2020, 16.10.2020, 17.11.2020, 17.12.2020, 15.01.2021, 18.02.2021, 17.03.2021, 15.04.2021 | | | | | | | | | | | | | | | | | | | | | | | | | |
| C.17 | Settlement procedure | The Issuer shall cause the claimed Redemption Amount, if any, to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Redemption Date. | | | | | | | | | | | | | | | | | | | | | | | | | |
| C.18 | Description of how the return on derivative securities takes place. | The Issuer will be discharged of its payment and/or delivery obligations by payment and/or delivery to, or to the order of, the relevant Clearing System (or a depository or nominee thereof) in respect of the amount so paid or delivered. | | | | | | | | | | | | | | | | | | | | | | | | | |
| C.19 | Reference price of the underlying | Reference Price: " Reference Price " means the closing price of a Basket Component in US Dollars ("USD") as determined and published on the relevant Exchange | | | | | | | | | | | | | | | | | | | | | | | | | |
| C.20 | Description of the type of the underlying and where the information on the underlying can be found | Type: Basket of Shares <table border="1"> <thead> <tr> <th>Underlying (Basket Component)</th> <th>ISIN of the Basket Component</th> <th>Exchange</th> <th>Bloomberg page</th> <th>web page</th> </tr> </thead> <tbody> <tr> <td>ALKERMES PLC</td> <td>IE00B56GVS15</td> <td>NASDAQ</td> <td>ALKS UQ Equity</td> <td>www.nasdaq.com</td> </tr> <tr> <td>INCYTE CORP</td> <td>US45337C1027</td> <td>NASDAQ</td> <td>INCY UQ Equity</td> <td>www.nasdaq.com</td> </tr> <tr> <td>IONIS PHARMAC EUTICALS INC</td> <td>US4622221004</td> <td>NASDAQ</td> <td>IONS UQ Equity</td> <td>www.nasdaq.com</td> </tr> <tr> <td>SEATTLE GENETICS INC.</td> <td>US8125781026</td> <td>NASDAQ</td> <td>SGEN UQ Equity</td> <td>www.nasdaq.com</td> </tr> </tbody> </table> | Underlying (Basket Component) | ISIN of the Basket Component | Exchange | Bloomberg page | web page | ALKERMES PLC | IE00B56GVS15 | NASDAQ | ALKS UQ Equity | www.nasdaq.com | INCYTE CORP | US45337C1027 | NASDAQ | INCY UQ Equity | www.nasdaq.com | IONIS PHARMAC EUTICALS INC | US4622221004 | NASDAQ | IONS UQ Equity | www.nasdaq.com | SEATTLE GENETICS INC. | US8125781026 | NASDAQ | SGEN UQ Equity | www.nasdaq.com |
| Underlying (Basket Component) | ISIN of the Basket Component | Exchange | Bloomberg page | web page | | | | | | | | | | | | | | | | | | | | | | | |
| ALKERMES PLC | IE00B56GVS15 | NASDAQ | ALKS UQ Equity | www.nasdaq.com | | | | | | | | | | | | | | | | | | | | | | | |
| INCYTE CORP | US45337C1027 | NASDAQ | INCY UQ Equity | www.nasdaq.com | | | | | | | | | | | | | | | | | | | | | | | |
| IONIS PHARMAC EUTICALS INC | US4622221004 | NASDAQ | IONS UQ Equity | www.nasdaq.com | | | | | | | | | | | | | | | | | | | | | | | |
| SEATTLE GENETICS INC. | US8125781026 | NASDAQ | SGEN UQ Equity | www.nasdaq.com | | | | | | | | | | | | | | | | | | | | | | | |
| Section D – Risks | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| D.2 | Key information on the key risks that are specific to the Issuer | The Issuer is exposed to risks resulting primarily from the issuance of structured investment products. The Issuer is exposed to market risks, which result from mismatches between exposure to equity prices, interest rates, currencies, credit spreads and commodity prices | | | | | | | | | | | | | | | | | | | | | | | | | |

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| | | <p>resulting from the issuance of structured investment products and the instruments that the Issuer uses to hedge this exposure, and to liquidity risks relating to the need to fund hedging activities. The Issuer is exposed to credit risks resulting from exposure to trading counterparties and as a result of investment of the proceeds from the issuance of structured investment products in bonds and other fixed-income instruments. The Issuer is also exposed to model, operational and reputational risks, as well as potential changes in the regulatory and macro-economic environments.</p> <ul style="list-style-type: none"> • Financial information of the Issuer should not be relied on as evidence of future results. • The Issuer may not be able to fulfil its obligations due to a deteriorated financial situation. The Issuer may become insolvent. • The Issuer is exposed to the risk that its valuation and risk measurement model may be wrong and that its risk management measures may not prove successful. • The Issuer is exposed to market risks arising from open positions in interest rate, currency, commodity, credit, equity and other products which may adversely affect its results of operations. • The Issuer is exposed to significant and increasing competition which may adversely affect its future results of operations. • The Issuer is exposed to the risks relating to its platform partners business which may adversely affect its results of operations. • The Issuer is exposed to the credit risk of its counterparties. • The Issuer is exposed to market liquidity, liquidity and funding risk which may adversely affect its ability to operate its business and its future results of operations. • The Issuer’s risk exposure in financial instruments leads to certain risk concentrations which could result in a significant loss of the Issuer which in turn may adversely affect the Issuer’s result of operations. • The Issuer’s activities and results of operations may be adversely affected by operational risks. <p>The Issuer may be adversely affected by compliance, legal, regulatory, and reputational risks.</p> |
| D.3 D.6 | Key information on the key risks that are specific to the securities | <p><i>An investor in the Products should note that he/she may lose its entire investment or part of it.</i></p> <p><u>1. Risk factors associated with all Products</u></p> <ul style="list-style-type: none"> • The Products are risky investment instruments. Compared to other capital investments, the risk of loss – up to the total loss of the invested capital as well as the related transaction costs – is high. • The Products do not, unless expressly provided, yield any |

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| | | <p>current income and especially do not confer any claim to receive dividend payments.</p> <ul style="list-style-type: none"> • The investor's individual return depends significantly on the purchase price paid for the Product and the performance of the Product. The risk of losses already exists during the term of a Product. • The Products may be physically settled and investors will not receive a monetary amount. There is a risk that the delivered Underlying, respective basket component or reference securities may only have a very low value or may, in fact, be worthless. In this case, there is a risk of losses – up to the total loss of the invested capital as well as the related transaction costs. Furthermore, investors bear the issuer and securities risks of the deliverable Underlying. • Investors bear the credit risk of the Issuer of the Products. The Products are neither secured nor guaranteed by any deposit protection fund or any governmental agency. • The collateralization in accordance with the terms of the SIX Swiss Exchange AG «Framework Agreement for Collateral Secured Instruments» (COSI) reduces the issuer default risk only to the extent that the proceeds from the liquidation of collateral are able to meet the investors' claims. To the extent the calculation of the current value of a COSI Product proves to be incorrect, the collateral provided for the COSI Product may be insufficient. • Investors should consider that price movements of the Underlying (or the non-occurrence of an expected price movement) may decrease the value of the Products disproportionately and even render them worthless and that there is no assurance that in the case of Products with a limited term, the price of the Product will recover in time. • Investors should be aware that they may not be able to hedge their exposure from the Products. • A credit financing of the acquisition of Products significantly increases the risk of loss to investors. • Transactions of the Issuer or companies affiliated with to hedge the risk regarding the termination and fulfilling the responsibilities out of the products may have a significant effect on the performance of the Underlying and thereof to the products. • Fees and other transactions costs reduce the chances of the Investor generating a profit from the purchase of the Product. • Investors are exposed to the risk of wrong expectation with respect to the Products' liquidity due to the issue size mentioned in the Final Terms. • Investors in listed Products or in Products linked to listed underlyings and/or basket components are subject to risks arising from any eventual suspension from trading or de-listing |
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| | | <p>from the relevant exchange for reasons not attributable to the Issuer and the Lead Manager and this might have material adverse effects on the value of the Products.</p> <ul style="list-style-type: none"> • The Products may have no liquidity or the market for such Products may be limited and this may adversely impact their value or the ability of the Investor to dispose of them. • Market disruptions, adjustment measures and termination rights may negatively affect the value of the Products. • In certain circumstances the Issuer has the right of extraordinary termination of the Products. In this case Investors will receive a reasonable market price determined in the reasonable discretion of the Issuer, which may be zero. • Corrections, supplements or modifications of the Conditions may be detrimental for Investors. • Investors are subject to the risk that events which could have a negative impact on the price of the underlying are published after preparation of the Final Terms. • Changes in Tax Law could adversely affect the value and/or the market value of the Products or may change the tax treatment of the relevant Products. • Holders should note that in the case of a subscription period the Issuer reserves the right to end the subscription period early or to extend it and that the Issuer is not obliged to accept subscription applications or to issue subscribed Products. • Where payments under the Products will be made in a currency which is different from the currency of the Underlying, the Investors are exposed also to the performance of the currency of the Underlying, which cannot be predicted. A currency risk also exists if the account of the investor to which any amount owed is to be credited to is managed in a currency different from the settlement currency of the Product. • Due to the implementation of the <i>Financial Transaction Tax</i> investors may be liable itself to pay this charge or reimburse a financial institution for the charge. • Risk of tax withholding due to the legislation affecting dividend equivalent payments (Section 871(m) of the U.S. Internal Revenue Code). |
| | | <p><u>2. Risk factors associated with certain types of Products</u></p> |
| | | <p><i>Risk of total loss and risks related to early redemption</i></p> <p>The level of the Redemption Amount and the time for redemption of the Products depend on whether an Autocall Event has occurred on an Autocall Observation Date.</p> <p>If this event occurs before the Final Fixing Date, the term of the Products ends early and the Products are redeemed early in accordance with the Conditions. In the case of such early redemption, the future price performance of the Basket Components is irrelevant</p> |

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| | <p>to the Holder.</p> <p>If there has been no early redemption of the Products, the level of the Redemption Amount is dependent on the price performance of the Basket Components. If the preconditions for a minimum redemption and/or maximum redemption are not met, the Products are comparable to a direct investment in the Basket Component with the worst performance (without taking into account dividend payments). As a result, the Holder is also exposed to a risk of loss comparable to the direct investment. Therefore, the Holder bears a risk of total loss with regard to the invested capital. A total loss occurs if the Basket Component with the worst performance is worthless at the end of the term.</p> <p>Furthermore, the Products have the characteristic such that the Holder may receive a Coupon Amount on certain dates. The coupon payment is conditional on a certain event in relation to the Basket Components (e.g. reaching or exceeding a certain threshold value on a specified date). Should such event not occur, there would be no coupon payment for the applicable Coupon Payment Date. Holders should note that they will not receive a coupon payment during the entire term of the Products, as the case may be, if the prerequisites are not met on a date relevant for the determination of the coupon payment. It should be noted here that each relevant date is considered separately and there can be no catch-up payments of Coupon Amounts. The volatility of the Basket Components is an important factor for determining the likelihood of the occurrence of an event entitling receipt of the applicable Coupon Amount. The higher the volatility of the Basket Components, the higher the risk to the Holder that the condition will not be met and that the Holder will therefore not receive a Coupon Amount for the relevant Coupon Payment Date.</p> <p>With regard to coupon payments, it should also be noted that, in the case of an early redemption of the Products, the Holder will still receive the Coupon Amount for the Coupon Payment Date in respect of the Early Redemption Date. However, he has no right to demand coupon payments for future Coupon Payment Dates.</p> <p><u><i>Redemption Amount is limited to the Maximum Redemption Amount</i></u></p> <p>The Redemption Amount is limited to the Maximum Redemption Amount (without taking into account a possible Coupon Amount) which equals the Issue Price (Maximum Redemption Amount).</p> |
| | <p><u>3. Risk factors associated with certain types of Underlyings</u></p> <p>Depending on the Underlying(s) to which the Products give exposure, Holders are exposed to risks stemming from the type of Underlying and the behaviour of its market prices as the Redemption Amount or the Coupon Amount, since the case may be, that a Holder may receive according to which Conditions, depends on the development of the price of the Underlying. In the case of an unfavourable performance of the Underlying the investor may suffer losses up to a total loss of the invested capital (incl. transaction costs). The types of Underlyings provided for in the Base Prospectus differ significantly in terms of their typical price volatility. Holders should only invest in Products if they are familiar with the relevant Underlying and have a</p> |

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| | | comprehensive understanding of the type of Underlying itself, the market and other rules of the relevant Underlying. |
| Section E – Offer | | |
| E.2b | Reasons for the offer and use of proceeds when different from making profit | Not applicable; the proceeds from the sale of the Products are used for hedging the payment obligations arising from the issue of the Products and for the purposes of the Issuer’s ordinary business activities. |
| E.3 | Description of the terms and conditions of the offer | Issue Price: USD 1’000.00 Issue Date: 18 May 2017 The Products will not be placed with the public and will be admitted to trading on the MTF of EuroTLX without subscription period. |
| E.4 | Description of any interest that is material to the issue/offer including conflicting interests | <p>The Issuer and other companies in the Group deal in the underlyings or in components of the underlying or in options or futures contracts relating to the underlyings or components thereof in their normal course of business and from time to time may participate in transactions connected to the Products for their own account or on behalf of others. The Issuer and other companies in the Group can also hold interests in individual underlyings or in the companies contained in these underlyings, meaning that conflicts of interest can arise in connection with the Products.</p> <p>Furthermore, the Issuer and other companies in the Group can, in addition, exercise another function in relation to the underlying or components thereof, such as issuing agent, calculation agent, paying agent and/or administrative agent. Therefore, there can be conflicts of interest regarding the duties when determining the prices of the Products and other determinations related thereto among the relevant companies in the Group and between the companies and the investors. Furthermore, the Issuer and other companies in the Group may act as members of a consortium, financial advisor or commercial bank in connection with future offers of the underlying or components thereof; activities of this kind can also entail conflicts of interest and affect the value of the Products.</p> <p>The Issuer can use part or all of the proceeds from the sale of the Products for hedging transactions. These hedging transactions can influence the price of the underlyings or the components of the underlying that is determined on the market.</p> <p>The Issuer and other companies in the Group can issue additional derivative products in relation to the underlying or components of the underlying, including those that have the same or similar features as the Products. The introduction of products that are in competition with the Products can have an impact on the price of the underlying or components of the underlying and therefore have an impact on the price of the Products.</p> <p>The Issuer and other companies in the Group can receive non-public information regarding the underlying or components of the underlying, but are not obliged to pass such information on to the</p> |

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| | | <p> Holders. Furthermore, companies in the Group can publish research reports on the underlying or components of the underlying. Activities such as those mentioned can give rise to specific conflicts of interest and therefore have an impact on the value of the Products.</p> <p> The selling price of the Products, where appropriate in addition to fixed issue surcharges, management fees or other fees, may contain surcharges that are not transparent to the investor on the initial mathematical "fair" value of the Products (the "margin"). This margin will be determined by the Issuer in its sole discretion and can differ from surcharges that other issuers impose on comparable Products.</p> <p> It is intended that under normal market conditions the Lead Manager or, if applicable, a third party will regularly quote bid and offer prices for each issue of Products. However, no legal obligations are assumed with respect to the amount or the realisation of such quotations. It should be noted that it may not be possible to sell the Products during their term at a particular point in time or at a particular price.</p> <p> The Issuer can involve cooperation partners and external advisors in the issuance of Products, e.g. in the composition and adjustment of a basket or index. It is possible that such cooperation partners and advisors may pursue their own interests in the course of an issuance by the Issuer and when providing their associated advice. A conflict of interest of advisors may mean that they make an investment decision or suggestion in their own interest rather than in the interest of the investors.</p> |
| E.7 | Estimated expenses charged to the investor by the Issuer or the offeror | Not applicable. The Issuer or the Lead Manager will not charge the investor any further costs over and above the Issue Price or the purchase price. |

ALLEGATO – NOTA DI SINTESI DELLA SINGOLA EMISSIONE

Le note di sintesi sono costituite da una serie di informazioni denominate "Elementi". Questi elementi sono numerati nell'ambito delle Sezioni A – E (A.1 – E.7).

La presente nota di sintesi contiene tutti gli Elementi richiesti per la presente tipologia di titoli e di Emittente. La sequenza numerica degli Elementi potrebbe non essere completa nei casi in cui alcuni Elementi non debbano essere riportati.

Anche nel caso in cui un Elemento debba essere inserito in relazione alla tipologia di strumento e di Emittente, può accadere che non sia sempre possibile fornire alcuna informazione utile in merito ad esso. In questo caso la nota di sintesi riporterà una breve descrizione dell'Elemento con l'indicazione "Non Applicabile".

| Sezione A – Introduzione e Avvertenze | | |
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| A.1 | Avvertenze | <p>La presente Nota di Sintesi deve essere letta come un'introduzione al Prospetto di Base datato 29 giugno 2016 (come modificato dai supplementi datato 8 settembre 2016 e 27 Dicembre 2016 e come modificato di volta in volta) di Leonteq Securities AG (l'“Emittente”).</p> <p>Gli investitori dovrebbero basare qualsiasi decisione di investimento nei Prodotti sull'esame del Prospetto di Base nella sua interezza, inclusi i documenti incorporati mediante riferimento, ogni supplemento e le Condizioni Definitive.</p> <p>Qualora venga intrapresa un'azione legale dinnanzi all'autorità giudiziaria in uno stato membro dell'Area Economica Europea in relazione alle informazioni contenute in un presente prospetto di base, inclusi i documenti incorporati mediante riferimento, ogni supplemento e le relative Condizioni Definitive, l'investitore che agisce come ricorrente potrebbe essere tenuto, a norma della legislazione nazionale di tale stato membro, a sostenere le spese della traduzione in una lingua accettata dal tribunale del prospetto di base, dei documenti incorporati mediante riferimento, di ogni supplemento e delle Condizioni Definitive, prima dell'avvio del procedimento legale.</p> <p>La responsabilità relativa al contenuto della presente Nota di Sintesi, comprese le sue eventuali traduzioni, incombe sull'Emittente o su quei soggetti preposti alla predisposizione della Nota di Sintesi, ma solo qualora la Nota di Sintesi risulti fuorviante, imprecisa o incoerente se letta congiuntamente alle altre parti del Prospetto di Base o se non fornisca, se letta congiuntamente alle altre parti del presente Prospetto di Base, tutte le necessarie informazioni fondamentali.</p> |
| A.2 | - Consenso all'uso del Prospetto | <p>L'Emittente acconsente all'uso del Prospetto di Base e delle relative Condizioni Definitive da parte di qualsivoglia intermediario finanziario (consenso generale). Il consenso generale per la rivendita successiva o il collocamento finale dei Prodotti da parte degli intermediari finanziari viene prestato in relazione allo Stato in cui si svolge l'Offerta, durante il Periodo di Offerta nel corso del quale può svolgersi una rivendita successiva o il collocamento finale, sempreché il Prospetto di Base sia ancora valido, ai sensi dell'Articolo 9 del German Securities Prospectus Act.</p> <p>Per “Stato in cui si svolge l'Offerta” si intendono i seguenti Stati Membri: Italia.</p> |

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| | | La rivendita successiva o il collocamento finale dei Prodotti da parte degli intermediari finanziari nello Stato in cui si svolge l'Offerta può essere svolta durante il Periodo di Offerta. |
| | - Periodo di Offerta | “ Periodo di Offerta ” indica il periodo che inizia da, e che include, 18 Maggio 2017 fino a, ed inclusa, la Data di Rilevazione Finale. |
| | - Condizioni relative al consenso | Il consenso di cui sopra è soggetto al rispetto delle restrizioni applicabili in materia di offerta e vendita dei Prodotti e di qualsiasi altra normativa applicabile. Ogni intermediario finanziario è tenuto a fornire ai potenziali investitori il Prospetto di Base unitamente agli eventuali supplementi. Il consenso all'utilizzo del Prospetto non è soggetto ad ulteriori condizioni. |
| | - Avviso che le informazioni sui termini e condizioni dell'offerta da parte di qualsiasi intermediario finanziario devono essere fornite dall'intermediario finanziario contestualmente all'offerta. | In caso di offerta da parte di un intermediario finanziario, tale intermediario finanziario informerà gli investitori, nel momento in cui l'offerta viene fatta, circa i termini e le condizioni dell'offerta, definite nelle Condizioni Definitive. |
| Sezione B – Emittente ed eventuali garanti | | |
| B.1 | Denominazione legale e commerciale dell'Emittente | La denominazione legale e commerciale dell'Emittente è Leonteq Securities AG. |
| B.2 | Domicilio, forma giuridica, legislazione e paese di costituzione | Leonteq Securities AG, precedentemente EFG Financial Products AG, è stata costituita e registrata a Zurigo, Svizzera, il 24 settembre 2007, in forma di società per azioni, ai sensi degli articoli 620 e seguenti del Codice Svizzero delle Obbligazioni, per una durata illimitata. Dallo stesso giorno, è registrata nel Registro Commerciale del Cantone di Zurigo, Svizzera, con il numero CHE-113.829.534. La sede legale di Leonteq Securities AG è in Brandschenkestrasse 90, 8002 Zurigo, Svizzera, ed il numero di telefono generale è +41 58 800 1000. |
| B.4b | Tendenze note riguardanti l'Emittente e i settori in cui opera | Non applicabile; non ci sono tendenze note riguardanti l'Emittente e i settori in cui opera. |
| B.5 | Descrizione del gruppo | Leonteq Securities AG, che può anche operare tramite la succursale del Guernsey (Leonteq Securities AG, Guernsey Branch) o tramite la succursale di Amsterdam (Leonteq Securities AG, Amsterdam Branch), è un'impresa interamente controllata da Leonteq AG, precedentemente EFG Financial Products Holding AG, (Leonteq AG insieme con le proprie controllate, "Leonteq Group"). Le azioni di Leonteq AG sono quotate sul SIX Swiss Exchange e possedute, tra gli altri, dalla Raiffeisen Switzerland Cooperative e da dirigenti ed impiegati di entità del Gruppo Leonteq. |

| B.9 | Previsioni o stime degli utili | Non applicabile; l'Emittente non ha effettuato alcuna previsione o stima degli utili. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|---|---|--|---|---|------------------------|--|--|-----------------|--|--|---|---------|---------|---|--------|--------|--|--|--|---------------------------|--|--|------------------------|--|--|---|-----------|-----------|---|-----------|-----------|--|---------|---------|
| B.10 | Rilievi contenuti nella relazione di revisione | Non applicabile; non ci sono rilievi nella relazione di revisione relativa agli esercizi passati dell'Emittente. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| B.12 | Informazioni finanziarie fondamentali selezionate relative all'Emittente, dichiarazione circa gli sviluppi previsti ed i cambiamenti significativi nella posizione finanziaria o commerciale dell'Emittente | <p>Le seguenti informazioni finanziarie (secondo le norme IFRS) sono state estratte dai bilanci sottoposti a revisione di Leonteq Securities AG, relativi agli anni conclusi il 31 Dicembre 2014 e 31 dicembre 2015.</p> <p>in migliaia di CHF</p> <table border="0"> <thead> <tr> <th></th> <th>Anno concluso il 31 Dicembre 2014 (sottoposto a revisione)</th> <th>Anno concluso il 31 Dicembre 2015 (sottoposto a revisione)</th> </tr> </thead> <tbody> <tr> <td colspan="3">Conto Economico</td> </tr> <tr> <td colspan="3">(Income)</td> </tr> <tr> <td>Totale dei proventi operativi (<i>Total operating income</i>)</td> <td>170.914</td> <td>171.831</td> </tr> <tr> <td>Risultato della gestione operativa (Utili al lordo delle tasse) (<i>Result from operating activities (profit before taxes)</i>)</td> <td>55.228</td> <td>58.878</td> </tr> <tr> <td></td> <td>31 Dicembre 2014 (sottoposto a revisione)</td> <td>31 Dicembre 2015 (sottoposto a revisione)</td> </tr> <tr> <td colspan="3">Stato Patrimoniale</td> </tr> <tr> <td colspan="3">(Balance Sheet)</td> </tr> <tr> <td>Totale attività (<i>Total assets</i>)</td> <td>6.883.992</td> <td>6.565.337</td> </tr> <tr> <td>Altre passività finanziarie a fair value rilevate a conto economico (<i>Other financial liabilities at fair value through profit or loss</i>)</td> <td>3.691.422</td> <td>3.191.476</td> </tr> <tr> <td>Patrimonio netto complessivo (<i>Total shareholders' equity</i>)</td> <td>154.797</td> <td>193.154</td> </tr> </tbody> </table> <p>Non vi è stato alcun cambiamento sostanziale negativo nelle prospettive dell'Emittente dalla data dell'ultimo bilancio sottoposto a revisione (31 Dicembre 2015).</p> <p>Non vi è stato alcun cambiamento significativo nella posizione finanziaria o commerciale dell'Emittente dalla data dell'ultimo bilancio sottoposto a revisione (31 Dicembre 2015).</p> | | Anno concluso il 31 Dicembre 2014 (sottoposto a revisione) | Anno concluso il 31 Dicembre 2015 (sottoposto a revisione) | Conto Economico | | | (Income) | | | Totale dei proventi operativi (<i>Total operating income</i>) | 170.914 | 171.831 | Risultato della gestione operativa (Utili al lordo delle tasse) (<i>Result from operating activities (profit before taxes)</i>) | 55.228 | 58.878 | | 31 Dicembre 2014 (sottoposto a revisione) | 31 Dicembre 2015 (sottoposto a revisione) | Stato Patrimoniale | | | (Balance Sheet) | | | Totale attività (<i>Total assets</i>) | 6.883.992 | 6.565.337 | Altre passività finanziarie a fair value rilevate a conto economico (<i>Other financial liabilities at fair value through profit or loss</i>) | 3.691.422 | 3.191.476 | Patrimonio netto complessivo (<i>Total shareholders' equity</i>) | 154.797 | 193.154 |
| | Anno concluso il 31 Dicembre 2014 (sottoposto a revisione) | Anno concluso il 31 Dicembre 2015 (sottoposto a revisione) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Conto Economico | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (Income) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Totale dei proventi operativi (<i>Total operating income</i>) | 170.914 | 171.831 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Risultato della gestione operativa (Utili al lordo delle tasse) (<i>Result from operating activities (profit before taxes)</i>) | 55.228 | 58.878 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | 31 Dicembre 2014 (sottoposto a revisione) | 31 Dicembre 2015 (sottoposto a revisione) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Stato Patrimoniale | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (Balance Sheet) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Totale attività (<i>Total assets</i>) | 6.883.992 | 6.565.337 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Altre passività finanziarie a fair value rilevate a conto economico (<i>Other financial liabilities at fair value through profit or loss</i>) | 3.691.422 | 3.191.476 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Patrimonio netto complessivo (<i>Total shareholders' equity</i>) | 154.797 | 193.154 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| B.13 | Descrizione di eventi recenti che sono sostanzialmente rilevanti per la valutazione della solvibilità dell'emittente. | Non applicabile; non si sono verificati eventi recenti che siano sostanzialmente rilevanti per la valutazione della solvibilità dell'emittente. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

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| B.14 | B.5 plus Dipendenza dell'Emittente da altri soggetti del gruppo | Vedi B.5. Non applicabile; Leonteq Securities AG non ha alcuna società controllata. |
| B.15 | Descrizione delle attività principali dell'Emittente | <p>Le attività principali di Leonteq Securities AG includono lo sviluppo, la strutturazione, la distribuzione, la copertura del rischio, il regolamento, nonché l'attività di market-making e di servicer sul mercato secondario in relazione a prodotti strutturati, oltre che la strutturazione e gestione di certificates connessi a prodotti "variable annuity".</p> <p>Leonteq Securities AG fornisce alcuni di questi servizi fondamentali ai partner commerciali operativi sulla propria piattaforma, sulla base di accordi di cooperazione. Inoltre, Leonteq Securities AG fornisce a terze parti, in Svizzera e all'estero, servizi di gestione di titoli strutturati e di soluzioni pensionistiche oltre che servizi di intermediazione.</p> <p>Leonteq Securities AG distribuisce i prodotti finanziari direttamente agli investitori istituzionali o indirettamente ai clienti al dettaglio, attraverso intermediari finanziari terzi.</p> |
| B.16 | Principali azionisti | Il capitale azionario di Leonteq Securities AG è interamente detenuto da Leonteq AG, che, quale azionista unico, controlla Leonteq Securities AG. |
| Sezione C – Strumenti finanziari | | |
| C.1 | Tipo e classe degli strumenti finanziari offerti; codici di identificazione degli strumenti finanziari | <p>Tipo/Forma degli Strumenti Finanziari</p> <p>La struttura dei Prodotti prevede che l'ammontare ed il momento del rimborso dipenda dall'andamento dei Componenti del Paniere. I Prodotti pagano anche una cedola. Il livello della cedola è anche dipendente dall'andamento dei Componenti del Paniere.</p> <p>I Prodotti sono emessi in forma di strumenti finanziari senza certificato (<i>Wertrechte / Diritti Valori</i>), ai sensi dell'art. 973c del Codice Svizzero delle Obbligazioni. I Diritti Valori (<i>Wertrechte</i>) saranno creati dall'Emittente tramite la registrazione nel proprio registro Diritti Valori (<i>Wertrechtbuch</i>). Tali Diritti Valori saranno poi inseriti nel registro principale (<i>Hauptregister</i>) dell'Agente Depositario. Dopo la registrazione dei Diritti Valori nel Registro Principale dell'Agente Depositario e l'inserimento nei conti titoli di uno o più soggetti aderenti all'Agente Depositario, i Prodotti saranno considerati "titoli intermediati" (<i>Bucheffekten</i>), ai sensi della Legge Svizzera sui Titoli Intermediati (<i>Bucheffektengesetz</i>).</p> <p>Identificazione degli Strumenti Finanziari</p> <p>ISIN: CH0366218227</p> <p>Valor: 36621822</p> |
| C.2 | Valuta di emissione degli strumenti finanziari | La Valuta di Liquidazione dei Prodotti è US Dollari ("USD"). |
| C.5 | Restrizioni alla libera trasferibilità | Non applicabile; i prodotti saranno liberamente trasferibili. |

| | | |
|------|--|--|
| C.8 | Diritti connessi agli strumenti finanziari, compreso il ranking e le restrizioni a tali diritti | <p>Legge applicabile</p> <p>La forma ed il contenuto dei Prodotti e tutti i diritti e gli obblighi dell'Emittente e dei Portatori saranno disciplinati ed interpretati sotto tutti gli aspetti ai sensi delle leggi svizzere.</p> <p>Diritti connessi ai Prodotti</p> <p>Ogni Prodotto dà diritto al Portatore di ottenere il pagamento dell'Importo della Cedola, nei Giorni di Pagamento della Cedola nonché il pagamento dell'Importo di Rimborso nella Data di Rimborso come descritto più in dettaglio nel riquadro C.15.</p> <p>Status degli Strumenti Finanziari</p> <p>I Prodotti costituiscono obbligazioni contrattuali generali dell'Emittente che sono assistite da collaterale. I Prodotti avranno pari grado tra di loro e, fatte salve le eccezioni eventualmente previste dalla legge applicabile, concorreranno con pari grado con tutte le altre obbligazioni assistite da collaterale e non subordinate dell'Emittente.</p> <p>Limiti ai diritti</p> <p>In presenza di determinate condizioni, l'Emittente ha il diritto di estinguere i Prodotti e di modificarne i termini e le condizioni.</p> |
| C.11 | Ammissione alla negoziazione | EuroTLX SIM S.p.A., negoziati sul sistema multilaterale di negoziazione (MTF) EuroTLX. L'Emittente ed il <i>Lead Manager</i> non assumono alcun obbligo legale circa l'effettivo ottenimento dell'ammissione alla negoziazione entro il Primo Giorno di Negoziazione Programmato o circa il mantenimento di qualunque ammissione alla negoziazione eventualmente ottenuta. |
| C.15 | Descrizione di come il valore dell'investimento sia influenzato dal valore degli strumenti sottostanti | <p>Esiste una relazione tra il valore economico dei Prodotti ed il valore economico del Sottostante. Il valore dei Prodotti normalmente diminuirà al diminuire del prezzo del Sottostante.</p> <p>Ai sensi di tali Prodotti, alla Data di Rimborso, (come definita sotto nell'Elemento C.16) gli investitori ricevono un Importo di Rimborso nella Valuta di Liquidazione, il cui ammontare dipende dall'andamento dei Componenti del Paniere. L'ammontare dell'Importo di Rimborso ed il momento del rimborso dei Prodotti dipendono dal verificarsi o meno di un Evento Autocall. Se un Evento Autocall si è verificato, i Prodotti si estinguono prima della scadenza e sono rimborsati anticipatamente, dopo la Data di Osservazione Anticipata in cui l'Evento Autocall si è verificato. In questo caso, l'Importo di Rimborso nella Valuta di Liquidazione equivale al Prezzo di Emissione.</p> <p>Un Evento Autocall si verifica se in una Data di Osservazione Anticipata i Prezzi di Riferimento di tutti i Componenti del Paniere siano superiori al Livello di Attivazione Autocall.</p> <p>Se non si verifica un rimborso anticipato, la performance dei Componenti del Paniere determina l'ammontare dell'Importo di Rimborso:</p> <p>(i) Se non si è verificato alcun Evento Barriera, l'Importo di Rimborso è uguale al Prezzo di Emissione.</p> <p>(ii) Se i presupposti di cui al punto (i) non sono soddisfatti, l'Importo di Rimborso equivale al Prezzo di Emissione, considerando la performance del Componente del Paniere con la peggiore performance. Tuttavia, l'Importo di</p> |

Rimborso non eccederà il Prezzo di Emissione, che costituisce l'importo massimo che un investitore può ricevere.

Inoltre, il Portatore riceve un Importo Cedolare nelle Date di Pagamento della Cedola. Il pagamento della cedola è condizionato al verificarsi di un certo evento in relazione ai Componenti del Paniere (ad es. il raggiungimento o il superamento, da parte del Sottostante, di una certa soglia (ad es. il Livello di Attivazione della Cedola)). Qualora tale evento non si verificasse, non ci sarà alcun pagamento di cedole nella relativa Data di Pagamento della Cedola. Ogni data di riferimento viene considerata singolarmente e non può esserci alcun pagamento per recuperare gli Importi della Cedola.

Quanto ai pagamenti delle cedole, occorre altresì tenere presente che, in caso di rimborso anticipato dei Prodotti, il Portatore riceverà comunque l'Importo Cedolare per la Data di Pagamento della Cedola relativa alla data di rimborso anticipata. Tuttavia, non ha diritto di ottenere il pagamento delle cedole per le future Date di Pagamento delle Cedole.

| Sottostante (Componente del Paniere) | Livello di Rilevazione Iniziale (100.00%) | Livello Barriera (50.00%) | Livello di Attivazione della Cedola (60.00%) |
|--------------------------------------|--|--|--|
| ALKERMES PLC | chiusura ufficiale alla Data di Rilevazione Iniziale | 50.00% del Livello di Rilevazione Iniziale | 60.00% del Livello di Rilevazione Iniziale |
| INCYTE CORP | chiusura ufficiale alla Data di Rilevazione Iniziale | 50.00% del Livello di Rilevazione Iniziale | 60.00% del Livello di Rilevazione Iniziale |
| IONIS PHARMACEUTICALS INC | chiusura ufficiale alla Data di Rilevazione Iniziale | 50.00% del Livello di Rilevazione Iniziale | 60.00% del Livello di Rilevazione Iniziale |
| SEATTLE GENETICS INC. | chiusura ufficiale alla Data di Rilevazione Iniziale | 50.00% del Livello di Rilevazione Iniziale | 60.00% del Livello di Rilevazione Iniziale |

Prezzo di Emissione: USD 1'000.00

Date di Osservazione Anticipata: 14.08.2017, 12.09.2017, 12.10.2017, 13.11.2017, 12.12.2017, 12.01.2018, 12.02.2018, 12.03.2018, 12.04.2018, 14.05.2018, 12.06.2018, 12.07.2018, 13.08.2018, 12.09.2018, 12.10.2018, 13.11.2018, 12.12.2018, 14.01.2019, 12.02.2019, 12.03.2019, 12.04.2019, 13.05.2019, 12.06.2019, 12.07.2019, 12.08.2019, 12.09.2019, 15.10.2019, 12.11.2019, 12.12.2019, 13.01.2020, 12.02.2020, 12.03.2020, 13.04.2020, 12.05.2020, 12.06.2020, 13.07.2020, 12.08.2020, 14.09.2020, 13.10.2020, 12.11.2020, 14.12.2020, 12.01.2021, 12.02.2021, 12.03.2021, 12.04.2021

Evento Barriera: Un "Evento Barriera" si è verificato se il Prezzo di Riferimento alla Data di Rilevazione Finale di almeno un Componente del Paniere è uguale o inferiore alla Barriera di questo Componente del Paniere .

Livello di Attivazione Autocall: 100.00%, 100.00%, 100.00%, 100.00%,

| | | <p>100.00%, 100.00%, 100.00%, 100.00%, 100.00%, 100.00%, 95.00%, 95.00%, 95.00%, 95.00%, 95.00%, 90.00%, 90.00%, 90.00%, 90.00%, 90.00%, 90.00%, 85.00%, 85.00%, 85.00%, 85.00%, 85.00%, 85.00%, 80.00%, 80.00%, 80.00%, 80.00%, 80.00%, 80.00%, 80.00%, 80.00%, 75.00%, 75.00%, 75.00%, 75.00%, 75.00%, 70.00%, 70.00%, 70.00%, 70.00%, 70.00%</p> <p>Importo Cedolare: USD 13.3</p> <p>Date di Pagamento della Cedola: 15.06.2017, 17.07.2017, 17.08.2017, 15.09.2017, 17.10.2017, 16.11.2017, 15.12.2017, 18.01.2018, 15.02.2018, 15.03.2018, 17.04.2018, 17.05.2018, 15.06.2018, 17.07.2018, 16.08.2018, 17.09.2018, 17.10.2018, 16.11.2018, 17.12.2018, 17.01.2019, 15.02.2019, 15.03.2019, 17.04.2019, 16.05.2019, 17.06.2019, 17.07.2019, 15.08.2019, 17.09.2019, 18.10.2019, 15.11.2019, 17.12.2019, 16.01.2020, 18.02.2020, 17.03.2020, 16.04.2020, 15.05.2020, 17.06.2020, 16.07.2020, 17.08.2020, 17.09.2020, 16.10.2020, 17.11.2020, 17.12.2020, 15.01.2021, 18.02.2021, 17.03.2021, 15.04.2021, 18.05.2021</p> | | | | | | | | | | |
|----------------------|--|---|----------------------|----------------|---------|----------------|---------------|--------------|--------------|--------|----------------|----------------|
| C.16 | Data di Liquidazione, Data di Valutazione Finale | <p>Data di Rimborso: 18.05.2021</p> <p>Data di Rilevazione Finale: 12.05.2021</p> <p>Data di Rimborso Anticipata: 17.08.2017, 15.09.2017, 17.10.2017, 16.11.2017, 15.12.2017, 18.01.2018, 15.02.2018, 15.03.2018, 17.04.2018, 17.05.2018, 15.06.2018, 17.07.2018, 16.08.2018, 17.09.2018, 17.10.2018, 16.11.2018, 17.12.2018, 17.01.2019, 15.02.2019, 15.03.2019, 17.04.2019, 16.05.2019, 17.06.2019, 17.07.2019, 15.08.2019, 17.09.2019, 18.10.2019, 15.11.2019, 17.12.2019, 16.01.2020, 18.02.2020, 17.03.2020, 16.04.2020, 15.05.2020, 17.06.2020, 16.07.2020, 17.08.2020, 17.09.2020, 16.10.2020, 17.11.2020, 17.12.2020, 15.01.2021, 18.02.2021, 17.03.2021, 15.04.2021</p> | | | | | | | | | | |
| C.17 | Modalità di Regolamento | L'Emittente dovrà far sì che l'eventuale Importo di Rimborso sia trasferito tramite l'Agente di Pagamento al Sistema di Compensazione per la trasmissione ai Portatori alla Data di Rimborso. | | | | | | | | | | |
| C.18 | Descrizione delle modalità secondo le quali si generano i proventi degli strumenti derivati | L'Emittente sarà ritenuto adempiente dei propri obblighi di pagamento e/o consegna relativamente all'ammontare così pagato o consegnato, una volta effettuato il pagamento e/o la consegna di tale ammontare al, o per richiesta del, relativo Sistema di Compensazione (o ad un depositario o ad altro soggetto nominato). | | | | | | | | | | |
| C.19 | Prezzo di riferimento del sottostante | Prezzo di Riferimento: " Prezzo di Riferimento " indica il prezzo di chiusura di un Componente del Paniere in US Dollari ("USD") come deterministiche estratti e pubblicati sulla relativa borsa. | | | | | | | | | | |
| C.20 | Descrizione del tipo di sottostante e di dove siano reperibili le informazioni relative al sottostante | <p>Tipologia: Paniere di Azioni</p> <table border="1"> <thead> <tr> <th>Nome del Sottostante</th> <th>ISIN</th> <th>Mercato</th> <th>Bloomberg page</th> <th>Sito internet</th> </tr> </thead> <tbody> <tr> <td>ALKERMES PLC</td> <td>IE00B56GVS15</td> <td>NASDAQ</td> <td>ALKS UQ Equity</td> <td>www.nasdaq.com</td> </tr> </tbody> </table> | Nome del Sottostante | ISIN | Mercato | Bloomberg page | Sito internet | ALKERMES PLC | IE00B56GVS15 | NASDAQ | ALKS UQ Equity | www.nasdaq.com |
| Nome del Sottostante | ISIN | Mercato | Bloomberg page | Sito internet | | | | | | | | |
| ALKERMES PLC | IE00B56GVS15 | NASDAQ | ALKS UQ Equity | www.nasdaq.com | | | | | | | | |

| | | | | | | |
|--|--|---------------------------|--------------|--------|----------------|----------------|
| | | INCYTE CORP | US45337C1027 | NASDAQ | INCY UQ Equity | www.nasdaq.com |
| | | IONIS PHARMACEUTICALS INC | US4622221004 | NASDAQ | IONS UQ Equity | www.nasdaq.com |
| | | SEATTLE GENETICS INC. | US8125781026 | NASDAQ | SGEN UQ Equity | www.nasdaq.com |

Sezione D – Rischi

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| D.2 | Informazioni fondamentali sui rischi principali specifici per l’Emittente | <p>L’Emittente è esposto ai rischi derivanti principalmente dall’emissione di prodotti di investimento strutturati. L’Emittente è esposto ai rischi di mercato, risultanti da disallineamenti tra l’esposizione ai prezzi delle azioni, ai tassi d’interesse, alle valute, agli spread di credito ed ai prezzi delle merci derivanti dall’emissione di prodotti d’investimento strutturati e gli strumenti che l’Emittente utilizza per coprire la propria esposizione, ed ai rischi di liquidità collegati alla necessità di finanziare attività di copertura. L’Emittente è esposto ai rischi di credito derivanti dall’esposizione alle controparti e dall’investimento in obbligazioni ed altri strumenti a reddito fisso dei proventi derivanti dall’emissione di prodotti d’investimento strutturati. L’Emittente è inoltre esposto a rischi di modello, operativi e reputazionali, così come ai potenziali cambiamenti del panorama normativo e macro-economico.</p> <ul style="list-style-type: none"> • L’informazione finanziaria sull’Emittente non dovrebbe essere considerata come prova dei risultati futuri. • L’Emittente potrebbe non essere in grado di adempiere alle proprie obbligazioni a causa di una situazione finanziaria deteriorata. L’Emittente potrebbe diventare insolvente. • L’Emittente è esposto al rischio che il proprio modello di valutazione e di misurazione dei rischi possa essere sbagliato e che le misure adottate per la gestione dei rischi possano rivelarsi inefficaci. • L’Emittente è esposto ai rischi di mercato derivanti da posizioni aperte su tassi d’interesse, valute, merci, prodotti di credito, azionari e di altro genere che potrebbero pregiudicare la propria situazione patrimoniale. • L’Emittente è esposto ad una significativa e sempre maggiore concorrenza che potrebbe pregiudicare la propria situazione patrimoniale. • L’Emittente è esposto ai rischi connessi all’attività di platform partner che potrebbero pregiudicare la propria situazione patrimoniale futura. • L’Emittente è esposto al rischio di credito delle proprie controparti. • L’Emittente è esposto al rischio di liquidità del mercato, al rischio di liquidità ed al rischio di finanziamento che potrebbero pregiudicare la propria capacità di svolgere la propria attività nonché la propria situazione patrimoniale futura. • L’esposizione dell’Emittente al rischio degli strumenti finanziari porta a talune concentrazioni di rischi che potrebbero tradursi in una rilevante perdita dell’Emittente che a sua volta potrebbe pregiudicare la situazione patrimoniale dell’Emittente. • Le attività ed i risultati delle operazioni dell’Emittente possono essere |
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| | | pregiudicati dai rischi operativi. L'Emittente potrebbe essere pregiudicato da rischi di compliance, rischi legali, rischi normativi e rischi reputazionali. |
| D.3 D.6 | Informazioni fondamentali sui rischi principali specifici degli strumenti finanziari | <p><i>Chiunque investa nei Prodotti dovrebbe tenere in considerazione la possibilità che possa verificarsi una perdita totale del capitale investito o di parte di esso.</i></p> <p><u>1. Fattori di rischio relativi a tutti i Prodotti</u></p> <ul style="list-style-type: none"> • I Prodotti sono strumenti di investimento rischiosi. Rispetto ad altre forme di investimento del capitale, il rischio di perdita è elevato – e si estende fino alla perdita totale del capitale investito nonché dei costi sostenuti in relazione all'operazione. • I Prodotti, salvo espressa previsione in altro senso, non generano alcuna rendita periodica e, in particolar modo, non conferiscono alcun diritto ad ottenere il pagamento di dividendi. • La remuneratività per il singolo investitore dipende in modo significativo dal prezzo di acquisto pagato per il Prodotto e dalla performance del Prodotto. Il rischio di perdite esiste già nel corso della durata di un Prodotto. • I Prodotti possono essere liquidati mediante consegna fisica e gli investitori non riceveranno un importo monetario. Esiste un rischio che il Sottostante consegnato, il rispettivo componente del paniere o lo strumento finanziario di riferimento abbiano un valore notevolmente basso o siano, di fatto, senza valore. In tal caso, esiste un rischio di perdita – fino alla perdita totale del capitale investito nonché dei costi sostenuti in relazione all'operazione. Inoltre, gli investitori sono esposti ai rischi dell'emittente e dei titoli del Sottostante da consegnare. • Gli investitori sono esposti al rischio di credito dell'Emittente dei Prodotti. I Prodotti non sono né garantiti né assistiti da alcun fondo di protezione del deposito o da alcuna agenzia governativa. • La collateralizzazione, conformemente a quanto previsto dal SIX Swiss Exchange AG «<i>Framework Agreement for Collateral Secured Instruments</i>» (COSI (“Accordo Quadro per Strumenti Garantiti da Collaterale”), riduce il rischio di default dell'emittente solo nella misura in cui i proventi della liquidazione del collaterale siano in grado di soddisfare le pretese degli investitori. Qualora il calcolo del valore corrente di un Prodotto COSI si riveli essere non corretto, il collaterale fornito per il Prodotto COSI potrebbe risultare insufficiente. • Gli investitori dovrebbero tener presente che le oscillazioni di prezzo del Sottostante (o il non verificarsi di un'oscillazione di prezzo attesa) potrebbero ridurre il valore dei Prodotti in maniera non proporzionale o addirittura renderli senza valore e non c'è alcuna garanzia che, in caso di Prodotti con durata limitata, il prezzo dei Prodotti recuperi nel tempo. • Gli investitori dovrebbero tener presente che potrebbero non essere in grado di coprire la propria esposizione derivante dall'investimento nei Prodotti. • Il ricorso a forme di finanziamento tramite credito per l'acquisto dei Prodotti aumenta in maniera rilevante il rischio di perdita per gli investitori. |

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| | | <ul style="list-style-type: none"> • Le transazioni dell’Emittente o delle società ad esso affiliate volte a coprire i rischi relativi all’estinzione ed all’adempimento degli obblighi connessi ai prodotti possono avere un considerevole impatto sull’andamento del Sottostante e, di conseguenza, dei prodotti. • Le commissioni e gli altri costi di transazione riducono le possibilità per l’Investitore di ottenere un profitto dall’acquisto del Prodotto. • Gli investitori sono esposti al rischio di un’aspettativa errata circa la liquidità dei Prodotti ingenerata dall’ammontare dell’emissione riportato nelle Condizioni Definitive. • Coloro che investono in Prodotti quotati o in Prodotti collegati a Sottostanti e/o componenti del paniere quotati sono soggetti ai rischi derivanti da ogni eventuale sospensione della negoziazione o revoca della quotazione dal rispettivo mercato per ragioni non imputabili all’Emittente o al Lead Manager e ciò può avere un impatto negativo sul valore dei Prodotti. • I Prodotti potrebbero non avere liquidità o il mercato per tali Prodotti potrebbe essere limitato e ciò potrebbe avere un impatto negativo sul loro valore o sulla possibilità per l’Investitore di disporre. • Gli eventi di turbativa del mercato, le misure di adeguamento ed i diritti di estinzione potrebbero influire negativamente sul valore dei Prodotti. • In talune circostanze l’Emittente ha il diritto di estinguere anticipatamente i Prodotti. In tal caso, gli Investitori riceveranno un ragionevole prezzo di mercato, determinato secondo la ragionevole discrezione dell’Emittente, che potrebbe essere uguale a zero. • Le correzioni, integrazioni o modifiche alle Condizioni potrebbero risultare pregiudizievoli per gli Investitori. • Gli Investitori sono esposti al rischio che eventi che potrebbero avere un impatto negativo sul prezzo del Sottostante siano resi pubblici dopo la predisposizione delle Condizioni Definitive. • I cambiamenti nella Normativa Fiscale possono influenzare negativamente il valore di mercato dei Prodotti o modificare il trattamento fiscale dei Prodotti. • I Portatori dovrebbero tenere in considerazione che, laddove sia presente un periodo di sottoscrizione, l’Emittente si riserva il diritto di terminare anticipatamente il periodo di sottoscrizione ovvero di estenderlo. Occorre altresì tenere conto che l’Emittente non è obbligato ad accettare le domande di sottoscrizione o ad emettere i Prodotti sottoscritti. • Laddove i pagamenti legati ai Prodotti siano effettuati in una valuta differente rispetto a quella del Sottostante, gli Investitori sono esposti anche all’andamento della valuta del Sottostante, che non può essere prevista. Esiste un rischio di valuta anche laddove il conto dell’investitore su cui dev’essere accreditato ogni importo dovuto sia espresso in una valuta differente dalla Valuta di Liquidazione del Prodotto. • Per effetto dell’implementazione della Financial Transaction Tax, gli investitori potrebbero essere responsabili in prima persona del pagamento di tale onere fiscale o del rimborso dell’imposta pagata da un istituto finanziario. |
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| | | <ul style="list-style-type: none"> • Esiste un rischio di ritenuta d'acconto dovuto alla legislazione in materia di pagamento di dividendi equivalenti (Sezione 871(m) dello U.S. Internal Revenue Code). |
| | | <p><u>2. Fattori di rischio relativi ad alcune tipologie di Prodotti</u></p> |
| | | <p><u>Rischio di perdita totale e rischi collegati al rimborso anticipato</u></p> <p>L'ammontare dell'Importo di Rimborso ed il momento per il rimborso dei Prodotti dipendono dal verificarsi o meno di un Evento Autocall in una Data di Osservazione Anticipata.</p> <p>Se tale evento si verifica prima della Data di Rilevazione Finale, i Prodotti si estinguono prima della scadenza e sono rimborsati anticipatamente, secondo quanto previsto dalle Condizioni. In caso di un tale rimborso anticipato, l'andamento futuro del prezzo dei componenti del Paniere è irrilevante per il Portatore.</p> <p>Se non vi è stato alcun rimborso anticipato dei Prodotti, l'ammontare dell'Importo di Rimborso dipende dall'andamento del prezzo dei Componenti del Paniere. Se non si realizzano i presupposti per un rimborso minimo e/o per un rimborso massimo, l'investimento nei Prodotti è analogo ad un investimento diretto nel Componente del Paniere con la peggiore performance (senza considerare i pagamenti di dividendi). Da ciò ne consegue che il Portatore è anche esposto ad un rischio di perdita analogo a quello dell'investimento diretto. Pertanto, il Portatore è esposto al rischio di una perdita totale del capitale investito. Una perdita totale si verifica se il Componente del Paniere con la peggiore performance è senza valore alla scadenza.</p> <p>Inoltre, i Prodotti sono così strutturati che esiste la possibilità per il Portatore di ricevere un Importo Cedolare in alcune date. Il pagamento della cedola è condizionato al verificarsi di alcuni eventi relativi ai Componenti del Paniere (ad es. il raggiungimento o il superamento di alcune soglie di valore in una data specificata). Qualora tale evento non si verificasse, non ci sarebbe alcun pagamento di cedole nella Data di Pagamento della Cedola relativa. I Portatori dovrebbero tenere in considerazione che non riceveranno alcun pagamento di cedole durante l'intera durata dei Prodotti, a seconda del caso, qualora non ne sussistano i presupposti in una data rilevante per la determinazione del pagamento della cedola. Deve notarsi che ogni data rilevante viene considerata separatamente e non può esserci alcun pagamento per recuperare gli Importi della Cedola. La volatilità dei Componenti del Paniere è un fattore importante per determinare la probabilità del verificarsi di un evento che dia il diritto di ricevere il relativo Importo Cedolare. Maggiore è la volatilità dei Componenti del Paniere, maggiore è il rischio per il Portatore che le condizioni non si verifichino e che dunque il Portatore non riceva alcun Importo Cedolare per la relativa Data di Pagamento della Cedola.</p> <p>Quanto ai pagamenti delle cedole, dev'essere inoltre tenuto conto che, in caso di rimborso anticipato dei Prodotti, il Portatore riceverà comunque l'Importo Cedolare per la Data di Pagamento della Cedola relativa alla Data di Rimborso Anticipata. Tuttavia, non ha diritto di ottenere pagamenti di cedole per le future Date di Pagamento della Cedola.</p> <p><u>L'Importo di Rimborso è limitato all'Importo di Rimborso Massimo</u></p> <p>L'Importo di Rimborso è limitato all'Importo di Rimborso Massimo (senza considerare un possibile Importo Cedolare) che equivale al Prezzo di Emissione (Importo di Rimborso Massimo).</p> |

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| | <p><u>3. Fattori di rischio associati ad alcuni tipi di Sottostante</u></p> <p>A seconda dei Sottostanti ai quali i Prodotti generano un'esposizione, i Portatori sono esposti ai rischi propri della tipologia di Sottostante e dell'andamento dei suoi prezzi di mercato poichè l'Importo di Rimborso o l'Importo Cedolare che, a seconda del caso, il Portatore potrebbe ricevere in base alle relative Condizioni, dipendono dall'andamento del prezzo del Sottostante. In caso di andamento sfavorevole del Sottostante l'investitore potrebbe subire perdite fino alla totale perdita del capitale investito (inclusi i costi di transazione). Le tipologie di Sottostanti previste nel Prospetto di Base si differenziano significativamente quanto alla loro usuale volatilità del prezzo. I Portatori dovrebbero investire nei Prodotti soltanto se hanno familiarità con il rispettivo Sottostante ed hanno una conoscenza completa del tipo, del mercato e delle altre regole del Sottostante stesso.</p> |
| | <p><u>4. Fattori di rischio associati ai conflitti di interessi</u></p> <p><i><u>Conflitti di interessi relativi al Sottostante</u></i></p> <p>L'Emittente e le altre società del Gruppo negoziano sul Sottostante o su componenti del Sottostante o in opzioni o contratti <i>future</i> relativi al Sottostante o alle sue componenti nel normale corso dei loro affari e possono di volta in volta partecipare ad operazioni connesse ai Prodotti in conto proprio o per conto di altri. L'Emittente e le altre società del Gruppo possono anche mantenere interessi in singoli sottostanti o nelle società rientranti in tali Sottostanti, così che potrebbero sorgere conflitti d'interessi in relazione ai Prodotti.</p> <p><i><u>Conflitti di interessi relativi allo svolgimento di un'altra funzione</u></i></p> <p>Inoltre, l'Emittente e le altre società del Gruppo possono altresì svolgere ulteriori funzioni in relazione al Sottostante o ai suoi componenti, in qualità agente di emissione, agente di calcolo, agente di pagamento e/o agente amministrativo. Pertanto, potrebbero esserci conflitti di interessi connessi alle funzioni svolte al momento della determinazione dei prezzi o di altri elementi dei Prodotti tra le società del Gruppo interessate e tra le società e gli investitori. Inoltre, l'Emittente e le altre società del Gruppo possono agire in qualità di membri di un consorzio, di consulente finanziario o banca commerciale, nell'ambito di future offerte del Sottostante o dei suoi componenti; attività di questo tipo possono anche generare conflitti di interessi e incidere sul valore dei Prodotti.</p> <p><i><u>Conflitti di interessi relativi alla performance delle operazioni di copertura (hedging transactions)</u></i></p> <p>L'Emittente può utilizzare in parte o in tutto i proventi derivanti dalla vendita dei Prodotti per operazioni di copertura. Tali operazioni di copertura possono influenzare il prezzo, determinato sul mercato, dei Sottostanti o dei componenti del Sottostante.</p> <p><i><u>Conflitti di interessi relativi all'emissione di ulteriori prodotti derivati</u></i></p> <p>L'Emittente e le altre società del Gruppo possono emettere ulteriori strumenti finanziari derivati correlati al Sottostante o a componenti del Sottostante, inclusi quelli che hanno caratteristiche uguali o simili ai Prodotti. L'emissione di prodotti che sono concorrenti ai Prodotti può avere un impatto sul prezzo del Sottostante o dei componenti del Sottostante e di conseguenza sul prezzo dei Prodotti.</p> |

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| | | <p><u>Conflitti di interesse relativi ad informazioni specifiche sul Sottostante</u></p> <p>L’Emittente e le altre società del Gruppo possono ricevere informazioni non pubbliche relative al Sottostante o a componenti del Sottostante, ma non sono obbligati a trasmettere tali informazioni ai Portatori. Inoltre, società del Gruppo possono pubblicare relazioni di ricerche sul Sottostante o su componenti del Sottostante. Tali attività possono generare specifici conflitti di interessi e pertanto avere un impatto sul valore dei Prodotti.</p> <p><u>Conflitti di interesse relativi alla determinazione del prezzo di vendita dei Prodotti ed al pagamento di commissioni</u></p> <p>Il prezzo di vendita dei Prodotti può prevedere - oltre, ove opportuno, ad oneri fissi di emissione e commissioni di gestione o di altra natura – costi aggiuntivi che non sono trasparenti per l’investitore rispetto all’iniziale “<i>fair value</i>” matematico dei Prodotti (il “margin”). Tale margine sarà determinato dall’Emittente a sua esclusiva discrezione e può differire dai costi aggiuntivi fissati da altri emittenti su Prodotti analoghi.</p> <p><u>Conflitto di interessi relativo al Market Making per i Prodotti</u></p> <p>In linea di principio resta inteso che, in condizioni normali di mercato, il <i>Lead Manager</i> o, ove previsto, una terza parte, quoterà regolarmente i prezzi di acquisto e vendita per ogni emissione dei Prodotti. Tuttavia, non viene assunto alcun obbligo circa l’ammontare o la presentazione di tali quotazioni. Occorre considerare che potrebbe non essere possibile vendere i Prodotti in un particolare momento o a un particolare prezzo nel corso della loro durata.</p> <p><u>Interessi di terze parti coinvolte nell’emissione</u></p> <p>L’Emittente può coinvolgere altre parti in stretta cooperazione nonché consulenti esterni nell’emissione dei Prodotti, ad esempio nella composizione ed adeguamento di un paniere o di un indice. È possibile che tali parti e consulenti perseguano i loro propri interessi nel corso di un’emissione da parte dell’Emittente e quando forniscono la propria consulenza. L’esistenza di un conflitto di interessi dei consulenti può significare che gli stessi prendano una decisione di investimento o forniscano un parere nel proprio interesse anziché nell’interesse degli investitori.</p> |
| Sezione E – Offerta | | |
| E.2b | Ragioni dell’offerta e impiego dei proventi, se diversi dalla ricerca del profitto | Non applicabile; i proventi derivanti dalla vendita dei Prodotti sono utilizzati per coprire le obbligazioni di pagamento derivanti dall’emissione dei prodotti e per finalità connesse all’ordinaria attività dell’Emittente. |
| E.3 | Descrizione dei termini e delle condizioni dell’offerta | <p>Prezzo di Emissione: USD 1’000.00</p> <p>Data di Emissione: 18 Maggio 2017</p> <p>I Prodotti non saranno oggetto di collocamento presso il pubblico e saranno ammessi alla negoziazione sul MTF di EuroTLX senza previo periodo di sottoscrizione.</p> |
| E.4 | Descrizione di eventuali interessi significativi per l’emissione/l’offerta compresi interessi in conflitto | L’Emittente e le altre società del Gruppo negoziano sul Sottostante o su componenti del Sottostante o in opzioni o contratti <i>future</i> relativi al Sottostante o alle sue componenti nel normale corso dei loro affari e possono di volta in volta partecipare ad operazioni connesse ai Prodotti in conto proprio o per conto di altri. L’Emittente e le altre società del Gruppo possono anche mantenere interessi in singoli sottostanti o nelle società rientranti in tali |

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| | | <p>Sottostanti, così che potrebbero sorgere conflitti d'interessi in relazione ai Prodotti.</p> <p>Inoltre, l'Emittente e le altre società del Gruppo possono altresì svolgere ulteriori funzioni in relazione al Sottostante o ai suoi componenti, in qualità agente di emissione, agente di calcolo, agente di pagamento e/o agente amministrativo. Pertanto, potrebbero esserci conflitti di interessi connessi alle funzioni svolte al momento della determinazione dei prezzi o di altri elementi dei Prodotti tra le società del Gruppo interessate e tra le società e gli investitori. Inoltre, l'Emittente e le altre società del Gruppo possono agire in qualità di membri di un consorzio, di consulente finanziario o banca commerciale, nell'ambito di future offerte del Sottostante o dei suoi componenti; attività di questo tipo possono anche generare conflitti di interessi e incidere sul valore dei Prodotti.</p> <p>L'Emittente può utilizzare in parte o in tutto i proventi derivanti dalla vendita dei Prodotti per operazioni di copertura. Tali operazioni di copertura possono influenzare il prezzo, determinato sul mercato, dei Sottostanti o dei componenti del Sottostante.</p> <p>L'Emittente e le altre società del Gruppo possono emettere ulteriori strumenti finanziari derivati correlati al Sottostante o a componenti del Sottostante, inclusi quelli che hanno caratteristiche uguali o simili ai Prodotti. L'emissione di prodotti che sono concorrenti ai Prodotti può avere un impatto sul prezzo del Sottostante o dei componenti del Sottostante e di conseguenza sul prezzo dei Prodotti.</p> <p>L'Emittente e le altre società del Gruppo possono ricevere informazioni non pubbliche relative al Sottostante o a componenti del Sottostante, ma non sono obbligati a trasmettere tali informazioni ai Portatori. Inoltre, società del Gruppo possono pubblicare relazioni di ricerche sul Sottostante o su componenti del Sottostante. Tali attività possono generare specifici conflitti di interessi e pertanto avere un impatto sul valore dei Prodotti.</p> <p>Il prezzo di vendita dei Prodotti può prevedere - oltre, ove opportuno, ad oneri fissi di emissione e commissioni di gestione o di altra natura – costi aggiuntivi che non sono trasparenti per l'investitore rispetto all'iniziale “<i>fair value</i>” matematico dei Prodotti (il “margin”). Tale margine sarà determinato dall'Emittente a sua esclusiva discrezione e può differire dai costi aggiuntivi fissati da altri emittenti su Prodotti analoghi.</p> <p>In linea di principio resta inteso che, in condizioni normali di mercato, il <i>Lead Manager</i> o, ove previsto, una terza parte, quoterà regolarmente i prezzi di acquisto e vendita per ogni emissione dei Prodotti. Tuttavia, non viene assunto alcun obbligo legale circa l'ammontare o la presentazione di tali quotazione. Occorre considerare che potrebbe non essere possibile vendere i Prodotti in un particolare momento o a un particolare prezzo nel corso della loro durata.</p> <p>L'Emittente può coinvolgere altre parti in stretta cooperazione nonché consulenti esterni nell'emissione dei Prodotti, ad esempio nella composizione ed adeguamento di un paniere o di un indice. È possibile che tali parti e consulenti perseguano i loro propri interessi nel corso di un'emissione da parte dell'Emittente e quando forniscono la propria consulenza. L'esistenza di un conflitto di interessi dei consulenti può significare che gli stessi prendano una decisione di investimento o forniscano un parere nel proprio interesse anziché nell'interesse degli investitori.</p> |
| E.7 | Spese stimate addebitate | Non applicabile. L'Emittente o il Lead Manager non addebiteranno all'investitore alcun costo ulteriore al di là del Prezzo di Emissione o del prezzo |

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| | all'investitore dall'emittente dall'offerente | o | di acquisto. |
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Zurich, 12 May 2017

NOTICE | RELATING TO THE FINAL TERMS OF THE PRODUCT CH0366218227

According to the provisions of the Final Terms dated 04.05.2017, on 12.05.2017, the Initial Fixing Date, the following values have been fixed:

| Underlying | Bloomberg Ticker | Initial Fixing Level (100.00%) | Barrier Level (50.00%) | Coupon Trigger Level (60.00%) | Autocall Trigger Level (100.00%) / (95.00%) / (90.00%) / (85.00%) / (80.00%) / (75.00%) / (70.00%) |
|---------------------------|-------------------------|---------------------------------------|-------------------------------|--------------------------------------|---|
| ALKERMES PLC | ALKS UQ | USD 58.41 | USD 29.21 | USD 35.05 | USD 58.41 / USD 55.4895 / USD 52.569 / USD 49.6485 / USD 46.728 / USD 43.8075 / USD 40.887 |
| INCYTE CORP | INCY UQ | USD 115.19 | USD 57.60 | USD 69.11 | USD 115.19 / USD 109.4305 / USD 103.671 / USD 97.9115 / USD 92.152 / USD 86.3925 / USD 80.633 |
| IONIS PHARMACEUTICALS INC | IONS UQ | USD 47.08 | USD 23.54 | USD 28.25 | USD 47.08 / USD 44.726 / USD 42.372 / USD 40.018 / USD 37.664 / USD 35.31 / USD 32.956 |
| SEATTLE GENETICS INC. | SGEN UQ | USD 63.11 | USD 31.56 | USD 37.87 | USD 63.11 / USD 59.9545 / USD 56.799 / USD 53.6435 / USD 50.488 / USD 47.3325 / USD 44.177 |

Leonteq Securities AG

Base Prospectus dated 29 June 2016



LEONTEQ SECURITIES AG, ZURICH, SWITZERLAND
(incorporated in Switzerland)
as Issuer

which may also be acting through its Guernsey branch (Leonteq Securities AG, Guernsey Branch) or its Amsterdam branch (Leonteq Securities AG, Amsterdam Branch)

European Issuance and Offering Programme

Base Prospectus for Bonus Certificates, Inverse Bonus Certificates, Reverse Convertibles, Barrier Reverse Convertibles, Express Certificates, Tracker Certificates, Open End Tracker Certificates, Mini Future Certificates, Discount Certificates and Certificates with unconditional minimum redemption

This Base Prospectus dated 29 June 2016 is a base prospectus relating to non-equity securities according to Art. 22 Para. 6 No. 4 of the Commission Regulation (EC) No. 809/2004 dated 29 April 2004, as amended (the "**Prospectus Regulation**"). Competent authority for the approval of the Base Prospectus pursuant to Section 6 and Section 13 of the German Securities Prospectus Act (the "**WpPG**") that implements Directive 2003/71/EC dated 4 November 2003 (as amended, including Directive 2010/73/EU of the European Parliament and of the Council of 24 November 2010) (the "**Prospectus Directive**") into German law is the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin)*) (the "**Competent Authority**" or "**BaFin**"). It should, however, be noted that pursuant to Section 13 paragraph 1 of the WpPG the review by BaFin was limited to completeness of the Base Prospectus (including coherence and comprehensibility of the presented information). In respect of the individual series of Products (as defined below) issued under the Base Prospectus in case of public offerings and/or admission to trading on a regulated market final terms (the "**Final Terms**") will be filed with the Competent Authority. Any decision to purchase the Products should be made on a consideration of the whole Base Prospectus, as supplemented from time to time, including the documents incorporated by reference and including the Final Terms. The Final Terms will specify whether or not an application for listing or for trading by or on any listing authority, stock exchange or quotation system will be made.

Under the terms of its European Issuance and Offering Programme (the "**European Programme**"), Leonteq Securities AG, which may also be acting either through its Guernsey branch (Leonteq Securities AG, Guernsey Branch) or its Amsterdam branch (Leonteq Securities AG, Amsterdam Branch) (the "**Issuer**"), may from time to time issue certificates (the "**Certificates**") and notes (the "**Notes**") linked to any kind of

underlying, i.e. shares, participation certificates (*Genussscheine*), securities representing shares, indices, currency exchange rates, commodities, futures contracts, fixed rate instruments, derivative instruments, fund units and baskets thereof (the "**Products**").

No person is authorised to give any information or to make any representation not contained in or not consistent with the Base Prospectus and the applicable Final Terms and, if given or made, such information or representation must not be relied upon as having been authorised or made by all or any of the Issuer, the Lead Manager or the Calculation Agent (as described in the applicable Final Terms).

The Products have not been and shall not be registered under the United States Securities Act of 1933, as amended. They may not be offered, sold, traded or delivered, directly or indirectly, in the United States by or to or for the account of a US person (as defined in Regulation S in accordance with the United States Securities Act of 1933). In the event of a Redemption of the Products in accordance with the Conditions, a certification as to non-United States beneficial ownership shall be deemed to have been given by the relevant Holders (as described in § 8 (2) of the Issue Specific Conditions).

**Lead Manager
Leonteq Securities AG, Zurich, Switzerland**

COSI[®] Collateral Secured Instruments – Investor Protection engineered by SIX.¹

¹ The relevant Final Terms will specify whether COSI will be applicable for the respective Products.

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I. SUMMARY

Summaries consist of specific disclosure requirements, known as "Elements". These Elements are numbered in Sections A – E (A.1 – E.7).

This summary contains all the Elements required to be included in a summary for this type of securities and Issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary because of the type of securities and Issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of "not applicable".

| Section A – Introduction and warnings | | |
|---------------------------------------|--|--|
| A.1 | Warnings | <p>The Summary is intended as an introduction to the Base Prospectus dated 29 June 2016 (as [supplemented by [<i>insert supplements, as the case may be</i>: ●] and as] further supplemented from time to time) of Leonteq Securities AG (the "Issuer").</p> <p>Investors should ensure that any decision to invest in the Products is based on a review of the entire Base Prospectus, including documents incorporated by reference, any supplements, and the Final Terms.</p> <p>Where claims relating to the information contained in a base prospectus, including documents incorporated by reference, documents incorporated by reference, any supplements, and the respective Final Terms are brought before a court, the investor acting as plaintiff may, as a result of the laws of individual member states of the European Economic Area, have to bear the cost of translating the base prospectus, the documents incorporated by reference, any supplements, and the Final Terms into the language of the court prior to the commencement of legal proceedings.</p> <p>The Issuer or the persons who have tabled the Summary may be held liable for the content of this Summary, including any translations thereof, but only in the event that the Summary is misleading, inaccurate or inconsistent when read in conjunction with the other parts of the Base Prospectus, or, when read in conjunction with the other parts of the Base Prospectus, does not convey all of the key information required.</p> |
| A.2 | - Consent to the use of the Prospectus | <p>[<i>insert in the case of a general consent</i>: The Issuer consents to the use of the Base Prospectus and these Final Terms by all financial intermediaries (general consent). General consent for the subsequent resale or final placement of Products by the financial intermediaries is given in relation to the Offer State[s] during the Offer Period during which subsequent resale or final placement of the Products can be made, provided however, that the Base Prospectus is still valid according to Section 9 of the German Securities Pro-</p> |

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| | | <p>spectus Act.]</p> <p><i>[insert in the case of an individual consent if the specified financial intermediaries shall be entitled to use the prospectus in all Offer States:</i> The Issuer consents to the use of the Base Prospectus and the Final Terms by the following financial intermediaries (individual consent): <i>[insert name and address of specific intermediary: ●]</i>. Individual consent for the subsequent resale or final placement of Products by the specified financial intermediaries is given in relation to the Offer State[s] during the Offer Period during which subsequent resale or final placement of the Products can be made, provided however, that the Base Prospectus is still valid according to Section 9 of the German Securities Prospectus Act. Any new information with respect to financial intermediaries unknown at the time of the approval of the Base Prospectus or the filing of the Final Terms will be published [on the website www.leonteq.com (under Products & Services – Structured Products – Services - Notices)] <i>[insert other website: ●]</i>.</p> <p><i>[insert in the case of an individual consent if the specified financial intermediaries shall be entitled to use the prospectus in different selected jurisdictions only:</i> The Issuer consents to the use of the Base Prospectus and the Final Terms by the financial intermediaries set out in the table below (individual consent) for the subsequent resale or final placement of Products in relation to such Offer State[s] as selected in the table below during the Offer Period during which subsequent resale or final placement of the Products can be made, provided however, that the Base Prospectus is still valid according to Section 9 of the German Securities Prospectus Act.</p> <p>Name and address of Selected Offer State(s) financial intermediary</p> <p>[●] [Germany][,] [and] [France][,] [and] [the United Kingdom] [and] [Italy]</p> <p>[●] [Germany][,] [and] [France][,] [and] [the United Kingdom] [and] [Italy]</p> <p>Any new information with respect to financial intermediaries unknown at the time of the approval of the Base Prospectus or the filing of the Final Terms will be published [on the website www.leonteq.com (under Products & Services – Structured Products – Services - Notices)] <i>[insert other website: ●]</i>.</p> <p>["Offer State[s]"] means the following Member States: [Germany][,] [and] [France][,] [and] [the United Kingdom] [and] [Italy].]</p> <p>[The subsequent resale or final placement of Products by financial intermediaries in the Offer State[s] can be made [during the Offer Period] [during the period this Base Prospectus is valid according to Section 9 of the German Securities Prospectus Act] <i>[insert offer period: ●]</i>.</p> |
| | - Offer Period | ["Offer Period" means the period commencing from[, and includ- |

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| | | ing,] [the date of these Final Terms] [<i>insert date: ●</i>] [to[, and including,] [the expiring of the validity of the Base Prospectus pursuant to Section 9 of the German Securities Prospectus Act] [the Final Fixing Date] [<i>insert date: ●</i>]].] |
| | - Conditions attached to the consent | [The above consent is subject to the compliance with the applicable offer- and selling restrictions for the Products and with any applicable law. Each financial intermediary is obliged to only provide the Base Prospectus together with any supplement thereto (if any) to potential investors.] [The consent to the use of the Prospectus is not subject to any further conditions.] [Further, such consent is subject to and given under the condition [<i>●</i>]].] |
| | - Notice that information on the terms and conditions of the offer by any financial intermediary is to be provided at the time of the offer by the financial intermediary | In the event that a financial intermediary makes an offer, that financial intermediary will inform investors at the time the offer is made of the terms and conditions of the offer as set out in the Final Terms. |
| Section B – Issuer and any guarantors | | |
| B.1 | Legal and commercial name of the Issuer | The legal and commercial name of the Issuer is Leonteq Securities AG |
| B.2 | Domicile, legal form, legislation, country of incorporation | Leonteq Securities AG, formerly EFG Financial Products AG, was incorporated and registered in Zurich, Switzerland on 24 September 2007 as a stock corporation under article 620 et seq. of the Swiss Code of Obligations for an unlimited duration. As from that day, it is registered in the Commercial Register of the Canton of Zurich, Switzerland, under the number CHE-113.829.534. The registered office of Leonteq Securities AG is at Brandschenkestrasse 90, 8002 Zurich, Switzerland, and the general telephone number is +41 58 800 1000. |
| B.4b | Known trends affecting the Issuer and the industries in which it operates | Not applicable; there are no known trends affecting the Issuer and the industries in which it operates. |
| B.5 | Description of the group | Leonteq Securities AG, which may also be acting either through its Guernsey branch (Leonteq Securities AG, Guernsey Branch) or its Amsterdam branch (Leonteq Securities AG, Amsterdam Branch), is a fully owned subsidiary of Leonteq AG, formerly EFG Financial Products Holding AG, (Leonteq AG together with its subsidiaries the "Leonteq Group"). Leonteq Securities AG's shares are listed on the SIX Swiss Exchange and are held amongst others by Raiffeisen Switzerland Cooperative, members of the management |

| | | and employees of Leonteq Group entities. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|--|---|-------------------------|--|--|--|------------------|------------------|---------------|--|--|------------------------|---------|---------|--|--------|--------|--|-------------------------|-------------------------|--|------------------|------------------|----------------------|--|--|--------------|-----------|-----------|--|-----------|-----------|----------------------------|---------|---------|
| B.9 | Profit forecasts or estimates | Not applicable; the Issuer has not made any profit forecasts or estimates. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| B.10 | Qualifications in the audit report | Not applicable; there are no qualifications in the audit report of the Issuer on its historical financial information. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| B.12 | Selected historical key financial information regarding the Issuer, statement regarding trend information and significant changes in the financial or trading position of the Issuer | <p>The following financial information (according to IFRS) has been extracted from the audited financial statements of Leonteq Securities AG for the years ended 31 December 2014 and 2015.</p> <table> <thead> <tr> <th style="text-align: left;">in CHF thousands</th> <th style="text-align: right;">Year ended 31 December 2014</th> <th style="text-align: right;">Year ended 31 December 2015</th> </tr> <tr> <td></td> <th style="text-align: right;">(audited)</th> <th style="text-align: right;">(audited)</th> </tr> </thead> <tbody> <tr> <td>Income</td> <td></td> <td></td> </tr> <tr> <td>Total operating income</td> <td style="text-align: right;">170'914</td> <td style="text-align: right;">171'831</td> </tr> <tr> <td>Result from operating activities (profit before taxes)</td> <td style="text-align: right;">55'228</td> <td style="text-align: right;">58'878</td> </tr> <tr> <td></td> <th style="text-align: right;">31 December 2014</th> <th style="text-align: right;">31 December 2015</th> </tr> <tr> <td></td> <th style="text-align: right;">(audited)</th> <th style="text-align: right;">(audited)</th> </tr> <tr> <td>Balance Sheet</td> <td></td> <td></td> </tr> <tr> <td>Total assets</td> <td style="text-align: right;">6'883'992</td> <td style="text-align: right;">6'565'337</td> </tr> <tr> <td>Other financial liabilities at fair value through profit or loss</td> <td style="text-align: right;">3'691'422</td> <td style="text-align: right;">3'191'476</td> </tr> <tr> <td>Total shareholders' equity</td> <td style="text-align: right;">154'797</td> <td style="text-align: right;">193'154</td> </tr> </tbody> </table> <p>There has been no material adverse change in the prospects of the Issuer since the date of the last audited financial statements (31 December 2015).</p> <p>There has been no significant change in the financial or trading position of the Issuer since the date of the last audited financial statement (31 December 2015).</p> | in CHF thousands | Year ended 31 December 2014 | Year ended 31 December 2015 | | (audited) | (audited) | Income | | | Total operating income | 170'914 | 171'831 | Result from operating activities (profit before taxes) | 55'228 | 58'878 | | 31 December 2014 | 31 December 2015 | | (audited) | (audited) | Balance Sheet | | | Total assets | 6'883'992 | 6'565'337 | Other financial liabilities at fair value through profit or loss | 3'691'422 | 3'191'476 | Total shareholders' equity | 154'797 | 193'154 |
| in CHF thousands | Year ended 31 December 2014 | Year ended 31 December 2015 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | (audited) | (audited) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Income | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total operating income | 170'914 | 171'831 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Result from operating activities (profit before taxes) | 55'228 | 58'878 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | 31 December 2014 | 31 December 2015 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | (audited) | (audited) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Balance Sheet | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total assets | 6'883'992 | 6'565'337 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Other financial liabilities at fair value through profit or loss | 3'691'422 | 3'191'476 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total shareholders' equity | 154'797 | 193'154 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| B.13 | Description of recent events which are to a material extent relevant to the evaluation of the issuer's solvency | Not applicable; there are no recent events which are to a material extent relevant to the evaluation of the issuer's solvency. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| B.14 | B.5 plus | See B.5. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

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| | Dependence of the Issuer upon other entities within the group | Not applicable; Leonteq Securities AG does not have any subsidiaries. |
| B.15 | A description of the Issuer's principal activities | <p>Leonteq Securities AG's main business activities include the development, structuring, distribution, hedging and settlement as well as the market-making and secondary market servicing of structured products and the design and investment management of certificates in relation with variable annuity products.</p> <p>Leonteq Securities AG provides certain of these core services to platform partners pursuant to cooperation agreements. Additionally, Leonteq Securities AG provides structured asset management and pension solution services to third parties in Switzerland and abroad and provides brokerage services to third parties.</p> <p>Leonteq Securities AG distributes its financial products either directly to institutional investors or indirectly to retail investors through third party financial intermediaries.</p> |
| B.16 | Major shareholders | Leonteq Securities AG's share capital is held in its entirety by Leonteq AG, which as sole shareholder controls Leonteq Securities AG. |
| Section C – Securities | | |
| C.1 | Type and class of the securities being offered; security identification number | <p>Type/Form of Securities</p> <p>The present Products have the characteristic such that the level [[and the time] for redemption][and the settlement type (cash payment or physical delivery)] depend[s] on the development of the [Underlying][Basket Components]. [The Products also bear a coupon. [The level of the coupon is [likewise] [does not depend] [dependent] on the development of the [Underlying][Basket Components].] [The payment of the coupon does not depend on the development of the [Underlying][Basket Components].]]</p> <p><i>[insert in case of Swiss Uncertificated Securities: The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (Wertrechte). Uncertificated Securities (Wertrechte) will be created by the Issuer by means of a registration in its register of uncertificated securities (Wertrechtbuch). Such Uncertificated Securities will then be entered into the main register (Hauptregister) of the Custody Agent. Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (Bucheffekten) in accordance with the provisions of the Swiss Federal Intermediated Securities Act (Bucheffektengesetz).]</i></p> <p><i>[insert in the case of Swiss Clearstream Banking AG, Frankfurt ("CBF") Bearer Securities: During their term the Products are</i></p> |

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| | | <p>represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "Permanent Global Note"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied.]</p> <p><i>[insert in the case of Swiss SIX SIS Bearer Securities: During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations in bearer form which shall be deposited by the Paying Agent with a custody agent pursuant to the Swiss Federal Intermediated Securities Act (Bundesgesetz über Bucheffekten). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (Bucheffekten) in accordance with the provisions of the Swiss Federal Intermediated Securities Act (Bundesgesetz über Bucheffekten).]</i></p> <p><i>[insert in the case of German CBF Bearer Securities: Products issued by the Issuer are bearer notes. The Products are represented by a Permanent Global Note, kept in custody during the term of the Products by or on behalf of the Clearing System.]</i></p> <p><i>[insert in the case of German SIX SIS Bearer Securities: Products issued by the Issuer are bearer notes. The Products are represented by a Permanent Global Note, kept in custody by SIX SIS AG or any other custody agent according to SWISS Federal Intermediated Securities Act. As soon as the Permanent Global Note has been deposited with the Custody Agent pursuant to the provisions of the Swiss Federal Intermediated Securities Act (Bundesgesetz über Bucheffekten). and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities (Bucheffekten) pursuant to the provisions of the Swiss Federal Intermediated Securities Act (Bundesgesetz über Bucheffekten).]</i></p> <p>Securities Identification</p> <p>[ISIN: [●]]</p> <p>[WKN: [●]]</p> <p>[Valor: [●]]</p> <p>[Common Code: [●]]</p> <p><i>[insert additional identifier for the Products: ●]</i></p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]</i></p> |
| C.2 | Currency of the securities issue | The Settlement Currency of the Products is [●]. |
| C.5 | Restrictions on free | Not applicable; the Products will be freely transferable. |

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| | transferability | |
| C.8 | Rights attached to the securities including ranking and including limitations to those rights | <p>Applicable law</p> <p>The form and content of the Products and all rights and obligations of the Issuer and of the Holders will be governed by, and construed in all respects in accordance with the laws of [<i>insert in the case of Products governed by German law: Germany</i>] [<i>insert in the case of Products governed by Swiss law: Switzerland</i>].</p> <p>Rights attached to the Products</p> <p>Each Product grants the Holder a right to demand [<i>insert in the case of Products with interest payment: payment of the Coupon Amount on the Coupon Payment Date(s) as well as</i>] [payment of the [Redemption Amount][Partial Redemption Amount] [and/or] [delivery of [the Underlying][a Basket Component] on the [Redemption Date][respective Partial Redemption Date] as described in more detail under C.15 below. [The Products do not bear interest.] [The Holder is entitled to exercise the Products on certain Exercise Dates.] [The Issuer has the right of [ordinary and] extraordinary termination of the Products.]</p> <p>Status of the Products</p> <p>[<i>insert in the case COSI (Collateral Secured Instruments) is not applicable: The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, pari passu with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.</i>]</p> <p>[<i>insert in the case COSI is applicable: The Products constitute general contractual obligations of the Issuer and are. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, pari passu with all other collateralized and unsubordinated obligations of the Issuer.</i>]</p> <p>Limitations to the rights</p> <p>The Issuer has the right to terminate the Products and to amend the terms and conditions.</p> |
| C.11 | Admission to trading | <p>[[Open market (<i>Freiverkehr</i>)] of [●][Frankfurt Stock Exchange].][SIX Swiss Exchange][<i>insert other exchange: ●</i>] The Issuer and the Lead Manager do not assume any legal obligation in respect of the realisation of admission to trading as at the Scheduled First Trading Day or the maintenance of any admission to trading that is realised.]</p> <p>[Not applicable. An admission to trading or listing of the Products is not intended.]</p> |

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| C.15 | Description of how the value of the investment is affected by the value of the underlying instrument(s) | <p>There is a relationship between the economic value of the Products and the economic value of the Underlying. <i>[insert in the case of Products without inverse structure: The value of the Product will typically fall if the price of the Underlying falls.] [insert in the case of Products with inverse structure: The Products are structured in a way so that a Product typically decreases in value if the value of the Underlying increases.]</i></p> |
| | | <p><i>[insert in the case of Bonus Certificates with Cash Settlement (Product No. 1):</i></p> <p>In the case of these Products, on the Redemption Date (as defined below in Element C.16) investors receive a Redemption Amount in the Settlement Currency, the amount of which depends on the performance of the Underlying.</p> <p>(i) If [(a)] no Barrier Event occurs [and (b) the Final Basket Value (as defined below in Element C.19) is equal to or below the Initial Basket Value multiplied by the Bonus Level], the Redemption Amount equals the [Final Fixing Level (as defined below in Element C.19) multiplied by the Conversion Ratio][Issue Price taking into account the performance of the Underlying] [Issue Price multiplied by the quotient of the Final Basket Value and the Initial Basket Value][, and the Redemption Amount equals at least the Bonus Level multiplied by the [Conversion Ratio][Issue Price] (minimum redemption)].</p> <p>(ii) If a Barrier Event has occurred, the Redemption Amount is no longer at least equal to the Bonus Level multiplied by the [Conversion Ratio][Issue Price], but is [[always equal to the Final Fixing Level multiplied by the Conversion Ratio][equal to the Issue Price taking into account] (1:1 participation in the performance of the Underlying)] [Issue Price multiplied by the quotient of the Final Basket Value and the Initial Basket Value].</p> <p>[[Issue Price: [●]]</p> <p>[Conversion Ratio: [●]]</p> <p>[Initial Basket Value: [●]]</p> <p>Barrier: [●]</p> <p>[Barrier Observation Period: [●]]</p> <p>Barrier Event: [●]</p> <p>Barrier Level: [●]</p> <p>Bonus Level: [●]]</p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]]</i></p> <p><i>[insert in the case of Bonus Certificates with potential Physical Settlement (Product No. 2):</i></p> |

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| | <p>In the case of these Products, on the Redemption Date (as defined below in Element C.16) investors receive a Redemption Amount in the Settlement Currency or the physical delivery of the Underlying depending on the performance of the Underlying.</p> <p>(i) If (a) no Barrier Event occurs and (b) the Final Fixing Level (as defined below in Element C.19) is equal to or below the Initial Fixing Price multiplied by the Bonus Level, the Redemption Amount equals the Minimum Redemption Amount (which is equal to the Bonus Level multiplied by the Issue Price).</p> <p>(ii) In all other cases the Holder receives delivery of a certain number of the Underlying expressed by the Conversion Ratio. Fractions of the Underlying are not delivered, but are compensated by a cash payment, the so-called Cash Payment Amount for Fractions.</p> <p>[Initial Fixing Price: [●]]</p> <p>[Issue Price: [●]]</p> <p>[Conversion Ratio: [●]]</p> <p>Barrier: [●]</p> <p>[Barrier Observation Period: [●]]</p> <p>Barrier Event: [●]</p> <p>Barrier Level: [●]</p> <p>Bonus Level: [●]]</p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]</i></p> <hr/> <p><i>[insert in the case of Capped Bonus Certificates with Cash Settlement and with par value (Product No. 3):</i></p> <p>In the case of these Products, on the Redemption Date (as defined below in Element C.16) investors receive a Redemption Amount in the Settlement Currency, the amount of which depends on the performance of the Underlying.</p> <p>(i) If (a) no Barrier Event occurs and (b) the Final Basket Value (as defined below in Element C.19) is equal to or below the Initial Basket Value multiplied by the Bonus Level, the Redemption Amount equals the Minimum Redemption Amount (which is equal to the Denomination multiplied by the Bonus Level).</p> <p>(ii) In all other cases the Redemption Amount equals the Denomination taking into account the performance of the Underlying, whereby the Redemption Amount does not exceed the Maximum Redemption Amount (which is equal to the Denomination multiplied by the Cap Level).</p> <p>[Initial Basket Value: [●]]</p> <p>Issue Price: [●]</p> |
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| | | <p>Barrier: [●] [Barrier Observation Period: [●]] Barrier Event: [●] Barrier Level: [●] Bonus Level: [●] Cap Level: [●] Denomination: [●]]</p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]</i></p> <hr/> <p><i>[insert in the case of Capped Bonus Certificates with Cash Settlement and without par value (Product No. 4):</i></p> <p>In the case of these Products, on the Redemption Date (as defined below in Element C.16) investors receive a Redemption Amount in the Settlement Currency, the amount of which depends on the performance of the Underlying.</p> <p>(i) If no Barrier Event occurs [or a Barrier Event occurs and the Final Fixing Level (as defined below in Element C.19) is above the Initial Fixing Level multiplied by the Bonus Level], the Redemption Amount equals the Minimum Redemption Amount (which is equal to the Bonus Level multiplied by the Issue Price).</p> <p>(ii) In all other cases the Redemption Amount equals the Issue Price taking into account the performance of the Underlying, whereby the Redemption Amount does not exceed the Maximum Redemption Amount (which is equal to the Issue Price multiplied by the Cap Level).</p> <p>[[Initial Fixing Price: [●]] Issue Price: [●] [Conversion Ratio: [●]] Barrier: [●] [Barrier Observation Period: [●]] Barrier Event: [●] Barrier Level: [●] Bonus Level: [●] Cap Level: [●]]</p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]</i></p> <hr/> <p><i>[insert in the case of Capped Bonus Certificates with potential Physical Settlement (Product No. 5):</i></p> |
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| | | <p>In the case of these Products, on the Redemption Date (as defined below in Element C.16) investors receive a Redemption Amount in the Settlement Currency or the physical delivery of the Underlying depending on the performance of the Underlying.</p> <p>(i) If [(a)] no Barrier Event occurs [or (b) a Barrier Event occurs and the Final Fixing Level (as defined below in Element C.19) is above the Issue Price multiplied by the Bonus Level], the Redemption Amount equals the Minimum Redemption Amount (which is equal to the Bonus Level multiplied by the Issue Price). The Redemption Amount does not exceed the Maximum Redemption Amount (which is equal to the Issue Price multiplied by the Cap Level).</p> <p>(ii) In all other cases the Holder receives delivery of a certain number of the Underlying expressed by the Conversion Ratio. Fractions of the Underlying are not delivered, but are compensated by a cash payment, the so-called Cash Payment Amount for Fractions.</p> <p>Initial Fixing Price: [●]</p> <p>Issue Price: [●]</p> <p>[Conversion Ratio: [●]]</p> <p>Barrier: [●]</p> <p>[Barrier Observation Period: [●]]</p> <p>Barrier Event: [●]</p> <p>Barrier Level: [●]</p> <p>Bonus Level: [●]</p> <p>Cap Level: [●]]</p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]]</i></p> <hr/> <p><i>[insert in the case of Notes (Reverse Convertibles) with Cash Settlement (Product No. 6):</i></p> <p>In the case of these Products, on the Redemption Date (as defined below in Element C.16) investors receive a Redemption Amount in the Settlement Currency, the amount of which depends on the performance of the Underlying.</p> <p>(i) If the Final Fixing Level (as defined below in Element C.19) is above the Strike Level, the Holder receives the Denomination. The Denomination is the maximum amount that the Holder may receive as a Redemption Amount.</p> <p>(ii) If the Final Fixing Level is equal to or below the Strike Level, the Holder receives a Redemption Amount in the amount of the Denomination taking into account the performance of the Underlying. This amount is generally less than the Denomination.</p> |
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| | | <p>The Holder receives a Coupon Amount on [each] Coupon Payment Date. The coupon payment is independent of the performance of the Underlying.</p> <p>[[Initial Fixing Price: [●]]</p> <p>[Issue Price: [●]]</p> <p>Strike Level: [●]</p> <p>Coupon Amount : [●]</p> <p>[Coupon Payment Date[s]: [●]]</p> <p>Denomination: [●]]</p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]]</i></p> <hr/> <p><i>[insert in the case of Notes (Reverse Convertibles) with potential Physical Settlement (Product No. 7):</i></p> <p>In the case of these Products, on the Redemption Date (as defined below in Element C.16) investors receive a Redemption Amount in the Settlement Currency or the physical delivery of the Underlying depending on the performance of the Underlying.</p> <p>(i) If the Final Fixing Level (as defined below in Element C.19) is above the Strike Level, the Holder receives the Denomination. The Denomination is the maximum amount that the Holder may receive as a Redemption Amount.</p> <p>(ii) If the Final Fixing Level is equal to or below the Strike Level, the Holder receives a certain number of the Underlying expressed by the Conversion Ratio. Fractions of the Underlying are not delivered, but are compensated by a cash payment, the so-called Cash Payment Amount for Fractions. The equivalent value of the delivered Underlyings is generally less than the Denomination.</p> <p>The Holder receives a Coupon Amount on [each] Coupon Payment Date. The coupon payment is independent of the performance of the Underlying.</p> <p>[Initial Fixing Price: [●]</p> <p>[Issue Price: [●]]</p> <p>Strike Level: [●]</p> <p>[Conversion Ratio: [●]]</p> <p>[Coupon Amount: [●]]</p> <p>[Coupon Payment Date[s]: [●]]</p> <p>Denomination: [●]]</p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]]</i></p> |
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| | <p><i>[insert in the case of Notes (Barrier Reverse Convertibles) with Cash Settlement (Product No. 8):</i></p> <p>In the case of these Products, on the Redemption Date (as defined below in Element C.16) investors receive a Redemption Amount in the Settlement Currency, the amount of which depends on the performance of the Underlying.</p> <p>(i) If no Barrier Event has occurred [or a Barrier Event has occurred and the Final Fixing Level (as defined below in Element C.19) is above the Initial Fixing Level,] the Holder receives the Denomination. The Denomination is the maximum amount that the Holder may receive as a Redemption Amount.</p> <p>(ii) In all other cases the Holder receives a Redemption Amount in the amount of the Denomination taking into account the performance of the [Underlying] [Basket Component with the worst performance].</p> <p>Furthermore, the Holder receives a Coupon Amount on the Coupon Payment Date[s]. The coupon payment is independent of the performance of the Underlying.</p> <p>[[Initial Fixing Level: [●]]</p> <p>[Issue Price: [●]]</p> <p>Barrier: [●]</p> <p>Barrier Event: [●]</p> <p>Barrier Level: [●]</p> <p>[Barrier Observation Period: [●]]</p> <p>Coupon Amount: [●]</p> <p>Coupon Payment Date[s]: [●]</p> <p>Denomination: [●]]</p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]]</i></p> <hr/> <p><i>[insert in the case of Notes (Barrier Reverse Convertibles) with potential Physical Settlement (Product No. 9):</i></p> <p>In the case of these Products, on the Redemption Date (as defined below in Element C.16) investors receive a Redemption Amount in the Settlement Currency or the physical delivery of the [Underlying][Basket Component with the worst performance], depending on the performance of the [Underlying][Basket Components].</p> <p>(i) If no Barrier Event has occurred [or a Barrier Event has occurred and the Final Fixing Level (as defined below in Element C.19) is above the Initial Fixing Level], the Holder receives the Denomination. The Denomination is the maximum amount that the Holder may receive as a Redemption Amount.</p> |
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| | | <p>(ii) In all other cases, the Holder receives delivery of a certain number of the [Underlying] [Basket Component with the worst performance], expressed by the Conversion Ratio. Fractions of the [Underlying] [Basket Component] are not delivered, but are compensated by a cash payment, the so-called Cash Payment Amount for Fractions.</p> <p>Furthermore, the Holder receives a Coupon Amount on the Coupon Payment Date[s]. The coupon payment is independent of the performance of the [Underlying][Basket Components].</p> <p>[[Initial Fixing Level: [●]]</p> <p>[Issue Price: [●]]</p> <p>Conversion Ratio: [●]</p> <p>Barrier: [●]</p> <p>Barrier Event: [●]</p> <p>Barrier Level: [●]</p> <p>[Barrier Observation Period: [●]]</p> <p>Coupon Amount: [●]</p> <p>Coupon Payment Date[s]: [●]</p> <p>Denomination: [●]]</p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]]</i></p> <hr/> <p><i>[insert in the case of Discount Certificates with Cash Settlement (Product No. 10):</i></p> <p>In the case of these Products, on the Redemption Date (as defined below in Element C.16) investors receive a Redemption Amount in the Settlement Currency, the amount of which depends on the performance of the Underlying.</p> <p>(i) If the Final Fixing Level (as defined below in Element C.19) is equal to or below the Cap Level, the Redemption Amount equals the Final Fixing Level multiplied by the Conversion Ratio.</p> <p>(ii) If the Final Fixing Level is above the Cap Level, the Redemption Amount equals the Maximum Redemption Amount (which is equal to the Cap Level taking into account the Conversion Ratio).</p> <p>[Conversion Ratio: [●]</p> <p>Cap Level: [●]]</p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]]</i></p> <hr/> <p><i>[insert in the case of Discount Certificates with potential Physical Settlement (Product No. 11):</i></p> |
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| | <p>In the case of these Products, on the Redemption Date (as defined below in Element C.16) investors receive a Redemption Amount in the Settlement Currency or a certain number of the Underlying depending on the performance of the Underlying.</p> <p>(i) If the Final Fixing Level (as defined below in Element C.19) is above the Cap Level, the Redemption Amount equals the Maximum Redemption Amount (which is equal to the Cap Level taking into account the Conversion Ratio).</p> <p>(ii) If the Final Fixing Level is equal to or below the Cap Level, the Holder receives delivery of a certain number of the Underlying expressed by the Conversion Ratio. Fractions of the Underlying are not delivered, but are compensated by a cash payment, the so-called Cash Payment Amount for Fractions.</p> <p>[Conversion Ratio: [●]]</p> <p>Cap Level: [●]]</p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]]</i></p> <hr/> <p><i>[insert in the case of Express Certificates with Cash Settlement and without par value (Product No. 12):</i></p> <p>The level of the Redemption Amount and the time for redemption of the Products depend on whether an Autocall Event has occurred which depends on the performance of the [Underlying][Basket Components]. If an Autocall Event has occurred, the term of the Products ends early and the Products are redeemed early following the Autocall Observation Date on which the Autocall Event occurred. In this case, the Redemption Amount in the Settlement Currency equals the Issue Price.</p> <p>An Autocall Event occurs if on an Autocall Observation Date [the Reference Price of the Underlying (as defined below in Element C.19) exceeds the Autocall Trigger Level][the Reference Prices of all Basket Components exceed the Autocall Trigger Level].</p> <p>If an early redemption does not occur, the performance of the [Underlying][Basket Components] determines the level of the Redemption Amount:</p> <p>(i) If no Barrier Event occurred the Redemption Amount is equal to the Issue Price. [The Redemption Amount also equals the Issue Price, if a Barrier Event has occurred, but the Final Fixing Level is above the [Initial Fixing Level][Strike Level].]</p> <p>(ii) If the preconditions set out under (i) above are not satisfied, the Redemption Amount equals the Issue Price taking into account [the performance of the Underlying][the performance of the Basket Component with the worst performance]. However, the Redemption Amount will not exceed the Issue Price which is the maximum amount an investor may receive.</p> |
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| | | <p>Furthermore, the Holder receives a Coupon Amount on the Coupon Payment Date[s]. [The coupon payment is independent of the performance of the [Underlying][Basket Components].][The coupon payment is conditional on a certain event in relation to the [Underlying][Basket Components] (e.g. the Underlying reaching or exceeding a certain threshold (e.g. Coupon Trigger Level)). Should such event not occur, there will be no coupon payment for the applicable Coupon Payment Date. [Each relevant date is considered separately and there can be no catch-up payments of Coupon Amounts.] [Investors should note that [also] the amount of the [respective] coupon payment depends on the development of the [Underlying][Basket Components].]</p> <p>With regard to coupon payments, it should also be noted that, in the case of an early redemption of the Products, the Holder will still receive the Coupon Amount for the Coupon Payment Date in respect of the early redemption date. However, he has no right to demand coupon payments for future Coupon Payment Dates.</p> <p>[[Initial Fixing Level: [●]]</p> <p>Issue Price: [●]</p> <p>[Strike Level: [●]]</p> <p>Autocall Observation Date[s]: [●]</p> <p>Autocall Trigger Level: [●]</p> <p>Barrier: [●]</p> <p>Barrier Event: [●]</p> <p>Barrier Level: [●]</p> <p>[Barrier Observation Period: [●]]</p> <p>Coupon Amount: [●]</p> <p>Coupon Payment Date[s]: [●]</p> <p>[Coupon Trigger Level: [●]]]</p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]]</i></p> <hr/> <p><i>[insert in the case of Express Certificates with Cash Settlement and with par value (Product No. 13):</i></p> <p>The level of the Redemption Amount and the time for redemption of the Products depend on whether an Autocall Event has occurred which depends on the performance of the [Underlying][Basket Components]. If an Autocall Event has occurred, the term of the Products ends early and the Products are redeemed early following the Autocall Observation Date on which the Autocall Event occurred. In this case, the Redemption Amount in the Settlement Currency equals the Denomination.</p> <p>An Autocall Event occurs if on an Autocall Observation Date [the</p> |
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| | <p>Reference Price (as defined below in Element C.19) exceeds the Autocall Trigger Level][the Reference Prices (as defined below in Element C.19) of all Basket Components exceed the Autocall Trigger Level].</p> <p>If an early redemption does not occur, the performance of the [Underlying][Basket Components] determines the level of the Redemption Amount on the Redemption Date (as defined below in Element C.16).</p> <p>The Redemption Amount is determined as follows:</p> <p>(i) [If no Barrier Event has occurred][If the Final Fixing Level is above the Strike Level] the Redemption Amount is equal to the Denomination.</p> <p>(ii) If the conditions set out under (i) are not met the Redemption Amount equals the Denomination taking into account [the performance of the Underlying][the performance of the Basket Component with the worst performance]. However, the Redemption Amount will not exceed the Denomination which is the maximum amount an investor may receive.</p> <p>Furthermore, the Holder receives a Coupon Amount on the Coupon Payment Date[s]. [The coupon payment is independent of the performance of the [Underlying][Basket Components].][The coupon payment is conditional on a certain event in relation to the [Underlying][Basket Components] (e.g. reaching or exceeding a certain threshold (e.g. Coupon Trigger Level)). Should such event not occur, there will be no coupon payment for the applicable Coupon Payment Date. [Each relevant date is considered separately and there can be no catch-up payments of Coupon Amounts.]]</p> <p>With regard to coupon payments, it should also be noted that, in the case of an early redemption of the Products, the Holder will still receive the Coupon Amount for the Coupon Payment Date in respect of the early redemption date. However, he has no right to demand coupon payments for future Coupon Payment Dates.</p> <p>[[Initial Fixing Level: [●]]</p> <p>[Strike Level: [●]]</p> <p>Autocall Observation Date[s]: [●]</p> <p>Autocall Trigger Level: [●]</p> <p>Barrier Event: [●]</p> <p>Barrier Level: [●]</p> <p>[Barrier Observation Period: [●]]</p> <p>Coupon Amount: [●]</p> <p>Coupon Payment Date[s]: [●]</p> <p>[Coupon Trigger Level: [●]]</p> <p>Denomination: [●]]</p> |
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| | | <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]</i></p> <p><i>[insert in the case of Tracker Certificates with Cash Settlement (Product No. 14):</i></p> <p>In the case of these Products, Holders receive a Redemption Amount in the Settlement Currency on the Redemption Date, the amount of which depends on the performance of the [Underlying][Basket Components]. The Redemption Amount equals the [Final Fixing Level][Basket Performance] (as defined below in Element C.19) multiplied by the Conversion Ratio [and the Management Factor] [and taking into account the Exchange Factor].</p> <p>[Conversion Ratio: [●]</p> <p>[Exchange Factor: [●]]</p> <p>[Management Factor: [●]]]</p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]</i></p> <p><i>[insert in the case of Open End Tracker Certificates with Cash Settlement (Product No. 15):</i></p> <p>Open End Tracker Certificates do not have a specified limited term. The term of the Products ends either (i) on the exercise of the Products by the Holders or (ii) on ordinary termination by the Issuer or (iii) on extraordinary termination by the Issuer.</p> <p>In the case of these Products, Holders receive a Redemption Amount in the Settlement Currency on the Redemption Date (as defined below in Element C.16), the amount of which depends on the performance of the Underlying. The Redemption Amount equals the Final Fixing Level (as defined below in Element C.19) taking into account the Conversion Ratio [and the Management Factor] [and taking into account the Exchange Factor].</p> <p>[[Issue Price: [●]]</p> <p>Conversion Ratio: [●]</p> <p>[Exchange Factor: [●]]</p> <p>[Management Factor: [●]]]</p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]</i></p> |
| | | <p><i>[insert in the case of Express Certificates with potential Physical Settlement and with par value (Product No. 16):</i></p> <p>The level of the Redemption Amount and the time for redemption of the Products depend on whether an Autocall Event has occurred. If this is the case, the term of the Products ends early and the</p> |

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| | <p>Products are redeemed early following the Autocall Observation Date on which the Autocall Event occurred. In this case, the Redemption Amount equals the Denomination.</p> <p>An Autocall Event occurs if on an Autocall Observation Date the [Reference Price (as defined below in Element C.19) exceeds the Autocall Trigger Level][Reference Prices of all Basket Components exceed the Autocall Trigger Level].</p> <p>If an early redemption does not occur, the performance of the [Underlying][Basket Components] determines the level of the Redemption Amount and the settlement type (cash settlement or physical delivery):</p> <p>(i) If [no Barrier Event has occurred][the Final Fixing Level (as defined below in Element C.19) is above the Strike Level] the Redemption Amount is equal to the Denomination.</p> <p>(ii) Otherwise, the Holder receives delivery of a certain number of the [Underlying][Basket Component with the Worst Performance], expressed by the Conversion Ratio. Fractions of the [Underlying][Basket Component] are not delivered, but are compensated by a cash payment, the so-called Cash Payment Amount for Fractions.</p> <p>Furthermore, the Holder receives a Coupon Amount on the Coupon Payment Date[s]. [The payment of the applicable Coupon Amount is independent of the performance of the [Underlying][Basket Components].] [The coupon payment is conditional on a certain event in relation to the [Underlying][Basket Components] (e.g. the Underlying reaching or exceeding a certain threshold (e.g. Coupon Trigger Level)). Should such event not occur, there would be no coupon payment for the applicable Coupon Payment Date.] [Each relevant date is considered separately and there can be no catch-up payments of Coupon Amounts.]</p> <p>With regard to coupon payments, it should [also] be noted that, in the case of an early redemption of the Products, the Holder will still receive the Coupon Amount for the Coupon Payment Date in respect of the early redemption date. However, he has no right to demand coupon payments for future Coupon Payment Dates.</p> <p>[[Initial Fixing Level: [●]]</p> <p>Issue Price: [●]</p> <p>[Strike Level: [●]]</p> <p>Conversion Ratio: [●]</p> <p>[Strike Level: [●]]</p> <p>Autocall Observation Date[s]: [●]</p> <p>Autocall Trigger Level: [●]</p> <p>Barrier: [●]</p> <p>Barrier Event: [●]</p> |
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| | | <p>Barrier Level: [●] [Barrier Observation Period: [●]] Coupon Amount: [●] Coupon Payment Date[s]: [●] [Coupon Trigger Level: [●]] Denomination: [●]]</p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]]</i></p> |
| | | <p><i>[insert in the case of Express Certificates with potential Physical Settlement and without par value (Product No. 17):</i></p> <p>The level of the Redemption Amount and the time for redemption of the Products depend on whether an Autocall Event has occurred. If this is the case, the term of the Products ends early and the Products are redeemed early following the Autocall Observation Date on which the Autocall Event occurred. In this case, the Redemption Amount equals the Issue Price.</p> <p>An Autocall Event occurs if on an Autocall Observation Date [the Reference Price of the Underlying (as defined below in Element C.19) exceeds the Autocall Trigger Level][the Reference Prices of all Basket Components exceed the Autocall Trigger Level].</p> <p>If an early redemption does not occur, the performance of the [Underlying][Basket Components] determines the level of the Redemption Amount and the settlement type (cash settlement or physical delivery):</p> <p>(i) If [no Barrier Event has occurred][the Final Fixing Level is above the Strike Level] the Redemption Amount is equal to the Issue Price.</p> <p>(ii) Otherwise, the Holder receives delivery of a certain number of the [Underlying][Basket Component with the Worst Performance], expressed by the Conversion Ratio. Fractions of the [Underlying][Basket Component] are not delivered, but are compensated by a cash payment, the so-called Cash Payment Amount for Fractions.</p> <p>Furthermore, the Holder receives a Coupon Amount on the Coupon Payment Date[s]. [The coupon payment is independent of the performance of the [Underlying][Basket Components].] [The coupon payment is conditional on a certain event in relation to the [Underlying][Basket Components] (e.g. reaching or exceeding a certain threshold (e.g. Coupon Trigger Level)). Should such event not occur, there would be no coupon payment for the applicable Coupon Payment Date.] [Each relevant date is considered separately and there can be no catch-up payments of Coupon Amounts.]</p> |

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| | | <p>With regard to coupon payments, it should also be noted that, in the case of an early redemption of the Products, the Holder will still receive the Coupon Amount for the Coupon Payment Date in respect of the early redemption date. However, he has no right to demand coupon payments for future Coupon Payment Dates.</p> <p>[[Initial Fixing Level: [●]]</p> <p>Issue Price: [●]</p> <p>Conversion Ratio: [●]</p> <p>[Strike Level: [●]]</p> <p>Autocall Observation Date[s]: [●]</p> <p>Autocall Trigger Level: [●]</p> <p>Barrier: [●]</p> <p>Barrier Event: [●]</p> <p>Barrier Level: [●]</p> <p>[Barrier Observation Period: [●]]</p> <p>Coupon Amount: [●]</p> <p>Coupon Payment Date[s]: [●]</p> <p>[Coupon Trigger Level: [●]]</p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]</i></p> |
| | | <p><i>[insert in the case of Inverse Discount Certificates with Cash Settlement (Product No. 18):</i></p> <p>In the case of these Products, on the Redemption Date (as defined below in Element C.16) investors receive a Redemption Amount, the amount of which is inversely dependent on the performance of the Underlying. The following cases may be distinguished:</p> <p>(i) If the Final Fixing Level (as defined below in Element C.19) is above the Cap Level, the investor receives on the Redemption Date payment of the difference between the Inverse Level and the Final Fixing Level taking into account the Conversion Ratio. However, the Redemption Amount equals in this case at least zero (0).</p> <p>(ii) If the Final Fixing Level is at or below the Cap Level, the Redemption Amount equals the Maximum Redemption Amount (which equals difference between the Inverse Level and the Cap Level taking into account the Conversion Ratio).</p> <p>[[Initial Fixing Level: [●]]</p> <p>Conversion Ratio: [●]</p> <p>Cap Level: [●]</p> <p>Inverse Level: [●]]</p> |

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| | | <i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]]</i> |
| | | <p><i>[insert in the case of Master Discount Certificates with Cash Settlement (Product No. 19):</i></p> <p>In the case of these Products, on the Redemption Date (as defined below in Element C.16) the investor receives the total of the Proportionate Redemption Amounts calculated on the basis of the individual Basket Components. The Basket Components are considered individually and are included (with the number of Basket Components specified on the Initial Fixing Date) in the calculation of the Proportionate Redemption Amount and the Redemption Amount. The number of the Basket Component is a factor by means of which an equal weighting of the respective Basket Component, based on the value of the Product, is reproduced.</p> <p>The following cases may be differentiated:</p> <p>(i) if the Final Fixing Level of the applicable Basket Component is equal to or falls below the respective Cap Level, the Proportionate Redemption Amount equals the Final Fixing Level multiplied by the number of the Basket Component; and</p> <p>(ii) if the Final Fixing Level of the applicable Basket Component exceeds the respective Cap Level, the Proportionate Redemption Amount equals the respective Cap Level multiplied by the number of Basket Component; and</p> <p>In the case where the Final Fixing Levels of all Basket Components are above their individual Cap Levels, the investor receives the Maximum Redemption Amount.</p> <p>[[Initial Fixing Level: [●]] Number of Basket Components: [●] Cap Level: [●] Fixing Date: [●] Maximum Redemption Amount: [●]]</p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]]</i></p> |
| | | <p><i>[insert in the case of Express Certificates with Cash Settlement and with par value and unconditional minimum redemption (Product No. 20):</i></p> <p>The level of the Redemption Amount and the time for redemption of the Products depend on whether an Autocall Event has occurred. If this is the case, the term of the Products ends early and the Products are redeemed early following the Autocall Observation Date on which the Autocall Event occurred. In this case, the Redemption Amount equals the Denomination.</p> |

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| | | <p>An Autocall Event occurs if on an Autocall Observation Date the Reference Prices of all Basket Components reach or exceed the relevant Autocall Trigger Level.</p> <p>If an early redemption does not occur, the performance of the Basket Components determines the level of the Redemption Amount.</p> <p>The investor receives the Denomination, which simultaneously equals the Maximum Redemption, if the Final Fixing Levels of all Basket Components (as defined below in Element C.19) is at or above the respective Autocall Trigger Level. If this is not the case, the Products are redeemed for a Minimum Redemption Amount. The Minimum Redemption Amount corresponds to the Minimum Redemption Factor multiplied by the Denomination.</p> <p>Furthermore, the Holder receives a Coupon Amount on the Coupon Payment Date[s]. [The coupon payment is independent of the performance of the Basket Component.] [The coupon payment is conditional on a certain event in relation to the Basket Components (e.g. reaching or exceeding a certain threshold (e.g. Coupon Trigger Level)). Should such event not occur, there will be no coupon payment for the applicable Coupon Payment Date.] [Each relevant date is considered separately and there are no catch-up payments of the Coupon Amount.]</p> <p>With regard to coupon payments, it should also be noted that, in the case of an early redemption of the Products, the Holder will still receive the Coupon Amount for the Coupon Payment Date in respect of the Early Redemption Date. However, he has no right to demand coupon payments for future Coupon Payment Dates.</p> <p>[[Initial Fixing Level: [●]]</p> <p>Autocall Observation Date[s]: [●]</p> <p>Autocall Trigger Level: [●]</p> <p>Coupon Amount: [●]</p> <p>Coupon Payment Date[s]: [●]</p> <p>[Coupon Trigger Level: [●]]</p> <p>Minimum Redemption Factor: [●]</p> <p>Denomination : [●]]</p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]]</i></p> |
| | | <p><i>[insert in the case of Express Certificates with Cash Settlement and with par value and with Downside Participation Factor (Product No. 21):</i></p> <p>The level of the Redemption Amount and the time for redemption of the Products depend on whether an Autocall Event has occurred. If this is the case, the term of the Products ends early and the</p> |

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| | | <p>Products are redeemed early following the Autocall Observation Date on which the Autocall Event occurred. In this case, the Redemption Amount equals the Denomination.</p> <p>An Autocall Event occurs if on an Autocall Observation Date the Reference Prices of all Basket Components exceed the Autocall Trigger Level.</p> <p>If there has been no early redemption of the Products, the level of the Redemption Amount is dependent on the price performance of the Basket Component with the Worst Performance. Furthermore, the Downside Participation Factor determines the ratio in which the Holder participates disproportionately in the loss in value of the Basket Component with the Worst Performance. The Redemption Amount equals the Denomination taking into account the development of the Basket Component with the Worst Performance and taking into account the Downside Participation Factor. The Redemption Amount may fall below the Denomination.</p> <p>Furthermore, the Holder receives a Coupon Amount on the Coupon Payment Date[s]. [The coupon payment is independent of the price performance of the Basket Component.] [The coupon payment is conditional on a certain event in relation to the Basket Component (e.g. reaching or exceeding a certain threshold (e.g. Coupon Trigger Level)). Should such event not occur, there would be no coupon payment for the applicable Coupon Payment Date.] [Each relevant date is considered separately and there can be no catch-up payments of Coupon Amounts.]</p> <p>With regard to coupon payments, it should also be noted that, in the case of an early redemption of the Products, the Holder will still receive the Coupon Amount for the Coupon Payment Date in respect of the early redemption date. However, he has no right to demand coupon payments for future Coupon Payment Dates.</p> <p>[[Initial Fixing Level: [●]]</p> <p>Issue Price: [●]</p> <p>Autocall Observation Date[s]: [●]</p> <p>Autocall Trigger Level: [●]</p> <p>Coupon Amount: [●]</p> <p>Coupon Payment Date[s]: [●]</p> <p>[Coupon Trigger Level: [●]]</p> <p>Downside Participation Factor: [●]</p> <p>Denomination: [●]]</p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]]</i></p> |
| | | <p><i>[insert in the case of Certificates with Cash Settlement and with par</i></p> |

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| | <p><i>value and with unconditional minimum redemption and Partial Redemption Amounts (Product No. 22):</i></p> <p>The Products have the characteristic such that on various Partial Redemption Dates spread over the term a partial redemption is made in the amount of the Denomination multiplied by the Partial Redemption Factor, where the payment is independent of the performance of the Basket Components. The total of the Partial Redemption Amounts paid on all Partial Redemption Dates equals at the end of the term the Denomination multiplied by the Minimum Redemption Factor. The total of the Partial Redemption Amounts also equals simultaneously the Maximum Redemption Amount.</p> <p>Furthermore, the Holder receives a Coupon Amount on the Coupon Payment Date[s]. The investor receives a coupon payment, if the Reference Price of all Basket Components on the respective Coupon Observation Date [reaches or] exceeds its respective Coupon Trigger Level (so-called "Coupon Trigger Event"). The Coupon Amount is determined by multiplying the Denomination by (i) the applicable Coupon Rate for the respective Coupon Payment Date and by (ii) N. N equals, where:</p> <ul style="list-style-type: none"> • before the respective Coupon Observation Date no Coupon Trigger Event has occurred, the number of Coupon Observation Dates from the first Coupon Observation Date (inclusive) until the relevant Coupon Observation Date (inclusive) and where • before the respective Coupon Observation Date a Coupon Trigger Event has already occurred, the number of Coupon Observation Dates between the Coupon Observation Date (exclusive) on which the final Coupon Trigger Event has occurred and the respective relevant Coupon Observation Date (inclusive). <p>If a Coupon Trigger Event has not occurred on any Coupon Observation Date, the investor does not receive a coupon payment.</p> <p>[Coupon Rate: [●]]</p> <p>Coupon Payment Date[s]: [●]</p> <p>[Coupon Trigger Level: [●]]</p> <p>[Minimum Redemption Factor: [●]]</p> <p>Denomination: [●]</p> <p>[Partial Redemption Factor: [●]]</p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]</i></p> |
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| | | <p><i>[insert in the case of Certificates with Cash Settlement and with par value and with unconditional minimum redemption (Product No. 23):</i></p> <p>The level of the Redemption Amount at the end of the term depends on the price performance of the Basket Components. The investor receives on the Redemption Date (as defined below in Element C.16) a cash payment specified at issuance, the level of which depends on the performance of the Basket Component with the Worst Performance.</p> <p>However, the investor receives a minimum of the Denomination multiplied by the Minimum Redemption Factor. The level of the Redemption Amount is limited to the Maximum Redemption Amount, which equals the Denomination taking into account the Maximum Redemption Factor.</p> <p>[[Initial Fixing Level: [●]]</p> <p>Maximum Redemption Factor: [●]</p> <p>Minimum Redemption Factor: [●]</p> <p>Denomination: [●]]</p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]]</i></p> |
| | | <p><i>[insert in the case of Capped Certificates with Cash Settlement and with par value and with unconditional minimum redemption (Product No. 24):</i></p> <p>The Product entitles the investor to receive a cash payment on the Redemption Date (as defined below in Element C.16), which equals the Minimum Redemption Factor multiplied by the Denomination. Investors should note that the Minimum Redemption Amount may be lower than the capital invested for the purchase of the Product (including, as the case may be, the Issue Surcharge and related transaction costs). If the Final Fixing Level [exceeds the Initial Fixing Level] [of the Basket Component with the Worst Performance exceeds its Initial Fixing Level], the investor participates up to the Cap Level in the increase in value of the [Underlying][Basket Component with the Worst Performance] taking into account the Participation Factor. If the Final Fixing Level (as defined below in Element C.19) [exceeds the Initial Fixing Level multiplied by the Cap Level][of the Basket Component with the Worst Performance exceeds its Initial Fixing Level multiplied by the Cap Level], the investor receives the Maximum Redemption Amount. Investors therefore do not participate beyond the Cap Level in an increase in value of the [Underlying][Basket Component with the Worst Performance].</p> <p>[[Initial Fixing Level: [●]]</p> <p>Cap Level: [●]</p> |

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| | | <p>Minimum Redemption Factor: [●] Denomination: [●] [Participation Factor: [●]] <i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]</i></p> |
| | | <p><i>[insert in the case of Inverse Bonus Certificates with Cash Settlement (Product No. 25):</i></p> <p>The Product entitles the investor to receive a cash payment on the Redemption Date (as defined below in Element C.16). Provided that a Barrier Event has occurred the Redemption Amount is equal to the product of the Issue Price and the quotient of (i) the difference between the Cap Level and the Final Fixing Level and (ii) the Initial Fixing Level.</p> <p>If no Barrier Event has occurred, the Redemption Amount will be determined as follows:</p> <p>(i) if the Final Fixing Level is below the Strike Level, the Redemption Amount is equal to the product of the Issue Price and the quotient of (i) the difference between the Cap Level and the Final Fixing Level and (ii) the Initial Fixing Level; or</p> <p>(ii) if the Final Fixing Level is equal to above the Strike Level the Redemption Amount is equal to the Issue Price multiplied by the Bonus Level.</p> <p>Initial Fixing Level: [●] Issue Price: [●] Strike Level: [●] Barrier: [●] Barrier Event: [●] [Barrier Observation Period: [●]] Bonus Level: [●] Cap Level: [●] Final Fixing Level: [●] <i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]</i></p> |
| | | <p><i>[insert in the case of Capped Inverse Bonus Certificates with Cash Settlement (Product No. 26):</i></p> <p>The Product entitles the investor to receive a cash payment on the Redemption Date (as defined below in Element C.16). Provided that no Barrier Event has occurred, the Redemption Amount equals the Bonus Level multiplied by the Initial Fixing Level.</p> |

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| | | <p>If a Barrier Event has occurred the Redemption Amount [will be calculated as follows:</p> <p>(i) if a Barrier Event has occurred and the Final Fixing Level is equal to or above the Strike Level, the Redemption Amount is equal to the product of the Initial Fixing Level and the quotient of (i) the difference between the Cap Level and the Final Fixing Level and (ii) the Initial Fixing Level, or</p> <p>(ii) if a Barrier Event has occurred and the Final Fixing Level is below the Strike Level, the Redemption Amount is equal to the Initial Fixing Level multiplied by the Bonus Level.] [is equal to the product of the Initial Fixing Level and the quotient of (i) the difference between the Cap Level and the Final Fixing Level and (ii) the Initial Fixing Level.]</p> <p>Initial Fixing Level: [●]</p> <p>Strike Level: [●]</p> <p>Barrier: [●]</p> <p>Barrier Event: [●]</p> <p>[Barrier Observation Period: [●]]</p> <p>Bonus Level: [●]</p> <p>Cap Level: [●]</p> <p>Final Fixing Level: [●]</p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]</i></p> |
| | | <p><i>[insert in the case of Mini Future Certificates with Cash Settlement (Product No. 27):</i></p> <p>The Product entitles the investor to receive a cash payment on the Redemption Date (as defined below in Element C.16), which equals the product of (i) the Conversion Ratio and (ii) the difference between the Final Fixing Level and the Strike Level subject to the occurrence of a Stop-Loss Event.</p> <p>In the event that a Stop-Loss Event has occurred, the term of the Products shall end automatically on the day of the occurrence of the Stop-Loss Event without the need for a separate termination of the Products by the Issuer. In this case the Redemption Amount to be paid by the Issuer equals the product of (i) the Conversion Ratio and (ii) the difference between the Stop-Loss Price and the Strike Level, whereby the Redemption Amount is at least zero.</p> <p>Initial Fixing Level: [●]</p> <p>Strike Level: [●]</p> <p>Conversion Ratio: [●]</p> <p>Final Fixing Level: [●]</p> |

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| | | <p>Stop-Loss Barrier: [●]</p> <p>[Stop-Loss Observation Period: [●]]</p> <p>Stop-Loss Event: [●]</p> <p>Stop-Loss Price: [●]</p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]</i></p> |
| C.16 | Settlement Date, Final Valuation Date | <p>[[Redemption Date: [●]]</p> <p>[Partial Redemption Date: [●]]</p> <p>[Final Fixing Date: [●]]</p> <p>[Early Redemption Date: [●]]</p> <p>[Coupon Payment Date(s): [●]]</p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]</i></p> |
| C.17 | Settlement procedure | The Issuer shall cause the claimed Redemption Amount, if any, to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Redemption Date. |
| C.18 | Description of how the return on derivative securities takes place. | The Issuer will be discharged of its payment and/or delivery obligations by payment and/or delivery to, or to the order of, the relevant Clearing System (or a depository or nominee thereof) in respect of the amount so paid or delivered. |
| C.19 | Reference price of the underlying | <p>[[Basket Performance: [●]]</p> <p>[Price: [●]]</p> <p>[Final Fixing Level: [●]]</p> <p>[Final Basket Value: [●]]</p> <p>[Reference Price: [●]]</p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]</i></p> |
| C.20 | Description of the type of the underlying and where the information on the underlying can be found | <p>Type: [Basket of][Share[s]] [Participation Certificate[s] (Genussschein[e])] [Securities representing Shares] [Index][Indices][Foreign Exchange Rate[s]] [Commodity] [Commodities][Futures Contract[s]][Fixed Rate Instrument] [Derivative Instrument][Fund Unit[s]]</p> <p>[[Name of Underlying: [●]]</p> <p>[ISIN: [●]]</p> <p>[WKN: [●]]</p> <p><i>[insert additional identifier for the Underlying: ●]</i></p> |

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| | | <p>[Share Issuer: [●]]</p> <p>[Index Sponsor: [●]]</p> <p>[Fund manager: [●]]</p> <p>[Exchange(s): [●]]</p> <p>[Underlying Price: [●]]</p> <p>[Reference Currency: [●]]</p> <p>[Screen Page: [●]]</p> <p>[Website: [●]]</p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]</i></p> |
| Section D – Risks | | |
| D.2 | Key information on the key risks that are specific to the Issuer | <p>The Issuer is exposed to risks resulting primarily from the issuance of structured investment products. The Issuer is exposed to market risks, which result from mismatches between exposure to equity prices, interest rates, currencies, credit spreads and commodity prices resulting from the issuance of structured investment products and the instruments that the Issuer uses to hedge this exposure, and to liquidity risks relating to the need to fund hedging activities. The Issuer is exposed to credit risks resulting from exposure to trading counterparties and as a result of investment of the proceeds from the issuance of structured investment products in bonds and other fixed-income instruments. The Issuer is also exposed to model, operational and reputational risks, as well as potential changes in the regulatory and macro-economic environments.</p> <ul style="list-style-type: none"> • Financial information of the Issuer should not be relied on as evidence of future results. • The Issuer may not be able to fulfil its obligations due to a deteriorated financial situation. The Issuer may become insolvent. • The Issuer is exposed to the risk that its valuation and risk measurement model may be wrong and that its risk management measures may not prove successful. • The Issuer is exposed to market risks arising from open positions in interest rate, currency, commodity, credit, equity and other products which may adversely affect its results of operations. • The Issuer is exposed to significant and increasing competition which may adversely affect its future results of operations. • The Issuer is exposed to the risks relating to its platform partners business which may adversely affect its results of operations. |

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| | | <ul style="list-style-type: none"> • The Issuer is exposed to the credit risk of its counterparties. • The Issuer is exposed to market liquidity, liquidity and funding risk which may adversely affect its ability to operate its business and its future results of operations. • The Issuer's risk exposure in financial instruments leads to certain risk concentrations which could result in a significant loss of the Issuer which in turn may adversely affect the Issuer's result of operations. • The Issuer's activities and results of operations may be adversely affected by operational risks. <p>The Issuer may be adversely affected by compliance, legal, regulatory, and reputational risks.</p> |
| D.3 D.6 | Key information on the key risks that are specific to the securities | <p><i>An investor in the Products should note that he/she may lose its entire investment or part of it.</i></p> <p><u>1. Risk factors associated with all Products</u></p> <ul style="list-style-type: none"> • The Products are risky investment instruments. Compared to other capital investments, the risk of loss – up to the total loss of the invested capital as well as the related transaction costs – is high. • The Products do not, unless expressly provided, yield any current income and especially do not confer any claim to receive dividend payments. • The investor's individual return depends significantly on the purchase price paid for the Product and the performance of the Product. The risk of losses already exists during the term of a Product. • The Products may be physically settled and investors will not receive a monetary amount. There is a risk that the delivered Underlying, respective basket component or reference securities may only have a very low value or may, in fact, be worthless. In this case, there is a risk of losses – up to the total loss of the invested capital as well as the related transaction costs. Furthermore, investors bear the issuer and securities risks of the deliverable Underlying. • Investors bear the credit risk of the Issuer of the Products. The Products are neither secured nor guaranteed by any deposit protection fund or any governmental agency. • The collateralization in accordance with the terms of the SIX Swiss Exchange AG «Framework Agreement for Collateral Secured Instruments» (COSI) reduces the issuer default risk only to the extent that the proceeds from the liquidation of collateral are able to meet the investors' claims. To the extent the calculation of the current value of a COSI Product proves to be incorrect, the collateral provided for the COSI |

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| | | <p>Product may be insufficient.</p> <ul style="list-style-type: none"> • Investors should consider that price movements of the Underlying (or the non-occurrence of an expected price movement) may decrease the value of the Products disproportionately and even render them worthless and that there is no assurance that in the case of Products with a limited term, the price of the Product will recover in time. • Investors should be aware that they may not be able to hedge their exposure from the Products. • A credit financing of the acquisition of Products significantly increases the risk of loss to investors. • Transactions of the Issuer or companies affiliated with to hedge the risk regarding the termination and fulfilling the responsibilities out of the products may have a significant effect on the performance of the Underlying and thereof to the products. • Fees and other transactions costs reduce the chances of the Investor generating a profit from the purchase of the Product. • Investors are exposed to the risk of wrong expectation with respect to the Products' liquidity due to the issue size mentioned in the Final Terms. • Investors in listed Products or in Products linked to listed underlyings and/or basket components are subject to risks arising from any eventual suspension from trading or delisting from the relevant exchange for reasons not attributable to the Issuer and the Lead Manager and this might have material adverse effects on the value of the Products. • The Products may have no liquidity or the market for such Products may be limited and this may adversely impact their value or the ability of the Investor to dispose of them. • Market disruptions, adjustment measures and termination rights may negatively affect the value of the Products. • In certain circumstances the Issuer has the right of extraordinary termination of the Products. In this case Investors will receive a reasonable market price determined in the reasonable discretion of the Issuer, which may be zero. • Corrections, supplements or modifications of the Conditions may be detrimental for Investors. • Investors are subject to the risk that events which could have a negative impact on the price of the underlying are published after preparation of the Final Terms. • Changes in Tax Law could adversely affect the value and/or the market value of the Products or may change the tax treatment of the relevant Products. |
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| | | <ul style="list-style-type: none"> • Holders should note that in the case of a subscription period the Issuer reserves the right to end the subscription period early or to extend it and that the Issuer is not obliged to accept subscription applications or to issue subscribed Products. • Where payments under the Products will be made in a currency which is different from the currency of the Underlying, the Investors are exposed also to the performance of the currency of the Underlying, which cannot be predicted. A currency risk also exists if the account of the investor to which any amount owed is to be credited to is managed in a currency different from the settlement currency of the Product. • Due to the implementation of the <i>Financial Transaction Tax</i> investors may be liable itself to pay this charge or reimburse a financial institution for the charge. • Risk of tax withholding due to the legislation affecting dividend equivalent payments (Section 871(m) of the U.S. Internal Revenue Code). |
| | | <u>2. Risk factors associated with certain types of Products</u> |
| | | <p><i>[insert in the case of Bonus Certificates with Cash Settlement (Product No. 1):</i></p> <p><u><i>Risk of total loss in the case of a Barrier Event</i></u></p> <p>If a Barrier Event has occurred the claim to the minimum redemption expires and the Bonus Certificate is comparable with a direct investment in the underlying (irrespective of dividend payments). In this case the investor will be exposed to the risk of a total loss of the invested capital including the related transaction costs arising, if the Underlying is worthless at the end of the term of the Product, i.e. if [the Final Fixing Level] [the Final Basket Value] is zero.]</p> |
| | | <p><i>[insert in the case of Bonus Certificates with potential Physical Settlement (Product No. 2):</i></p> <p><u><i>Risk of total loss in the case of a Barrier Event</i></u></p> <p>If a Barrier Event has occurred the claim to the minimum redemption expires and the Products provide for a physical delivery of the Underlying. In this case the investor will be exposed to the risk of a total loss of the invested capital including the related transaction costs arising, if the Underlying is worthless at the end of the term of the Product.]</p> |
| | | <p><i>[insert in the case of Capped Bonus Certificates with Cash Settlement and with par value (Product No. 3):</i></p> <p><u><i>Risk of total loss in the case of a Barrier Event</i></u></p> <p>If a Barrier Event has occurred the claim to the minimum redemp-</p> |

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| | | <p>tion expires and the Capped Bonus Certificate is comparable with a direct investment in the underlying (irrespective of dividend payments). In this case the investor will be exposed to the risk of a total loss of the invested capital including the related transaction costs arising, if the Underlying is worthless at the end of the term of the Product.</p> <p><u><i>Redemption Amount is limited to Maximum Redemption Amount</i></u></p> <p>Irrespective of whether or not a Barrier Event has occurred, the Redemption Amount will not exceed the Maximum Redemption Amount. This means that the Holder does not participate in a price movement of the Underlying above the Cap Level, with the result that the possible yield on Capped Bonus Certificates has an upper limit.]</p> |
| | | <p><i>[insert in the case of Capped Bonus Certificates with Cash Settlement and without par value (Product No. 4):</i></p> <p><u><i>Risk of total loss in the case of a Barrier Event</i></u></p> <p>If a Barrier Event has occurred [and the Final Fixing Level reaches or falls below the Initial Fixing Level multiplied by the Bonus Level] the claim to the minimum redemption expires and the Capped Bonus Certificate is comparable with a direct investment in the underlying (irrespective of dividend payments). In this case the investor will be exposed to the risk of a total loss of the invested capital including the related transaction costs, arising, if the Final Fixing Level of the underlying is zero (0).</p> <p><u><i>Redemption Amount is limited to Maximum Redemption Amount</i></u></p> <p>Irrespective of whether or not a Barrier Event has occurred, the Redemption Amount will not exceed the Maximum Redemption Amount. This means that the Holder does not participate in a price movement of the Underlying above the Cap Level, with the result that the possible yield on Capped Bonus Certificate has an upper limit.]</p> |
| | | <p><i>[insert in the case of Capped Bonus Certificates with potential Physical Settlement (Product No. 5):</i></p> <p><u><i>Risk of total loss in the case of a Barrier Event</i></u></p> <p>If a Barrier Event has occurred the claim to the minimum redemption expires and the Capped Bonus Certificate is comparable with a direct investment in the underlying (irrespective of dividend payments). In this case the Holder receives delivery of the Underlying. In this case the investor will be exposed to the risk of a total loss of the invested capital including the related transaction costs arising, if the Final Fixing Level of the underlying is zero (0).</p> <p><u><i>Redemption Amount is limited to Maximum Redemption Amount</i></u></p> <p>Irrespective of whether or not a Barrier Event has occurred, the Redemption Amount will not exceed the Maximum Redemption</p> |

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| | | <p>Amount. This means that the Holder does not participate in a price movement of the Underlying above the Cap Level, with the result that the possible yield on Capped Bonus Certificate has an upper limit.]</p> |
| | | <p>[insert in the case of Notes (Reverse Convertibles) with Cash Settlement (Product No. 6):</p> <p><u>Redemption Amount is limited to Maximum Redemption Amount</u></p> <p>The Redemption Amount (regardless of possible coupon payments during the term) will not exceed the Denomination in any case.</p> <p><u>Risk of total loss</u></p> <p>If the Final Fixing Level is equal to or falls below the Strike Level, the Redemption Amount equals the Denomination multiplied by the Performance of the Underlying. In this scenario, the Redemption Amount will generally be lower than the Denomination. This means that from a certain point the fixed coupon payment(s) may no longer be able to offset the negative performance of the Underlying and the capital loss experienced, and the Holder may suffer a loss. The loss in this case is equal to the difference between (i) the purchase price paid for the Product (plus transaction costs) and (ii) the Redemption Amount plus coupon payment(s). In an extreme case, this may lead to the total loss of the invested capital – irrespective of the amount of the fixed coupon payment(s) – if the Underlying is worthless at the end of the term.]</p> |
| | | <p>[insert in the case of Notes (Reverse Convertibles) with potential Physical Settlement (Product No. 7):</p> <p><u>Redemption Amount is limited to Maximum Redemption Amount</u></p> <p>The Redemption Amount (regardless of possible coupon payments during the term) will not exceed the Denomination in any case.</p> <p><u>Risk of total loss</u></p> <p>If the Final Fixing Level is equal to or falls below the Strike Level, the Products provide for a physical delivery of the Underlying. In the case of a settlement of the Products by physical delivery of the Underlying, it is to be noted that the equivalent value of the delivered Underlyings is generally lower than the Denomination. This means that from a certain point the fixed coupon payment(s) may no longer be able to offset the negative performance of the Underlying and the capital loss suffered, and the Holder may suffer a loss. The loss in this case is equal to the difference between (i) the purchase price paid for the Product (plus transaction costs) and (ii) the equivalent value of the delivered Underlyings plus coupon payment(s). In an extreme case, this may lead to the total loss of the invested capital – irrespective of the amount of the fixed coupon payment(s) – if the Underlying is worthless at the end of the term.]</p> |

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| | <p><i>[insert in the case of Notes (Barrier Reverse Convertibles) with Cash Settlement (Product No. 8):</i></p> <p><u>Redemption Amount is limited to Maximum Redemption Amount</u></p> <p>The Redemption Amount (regardless of possible coupon payments during the term) will not exceed the Denomination in any case.</p> <p><u>Risk of total loss</u></p> <p>If a Barrier Event has occurred [and the Final Fixing Level is equal to or falls below the Initial Fixing Level], the Redemption Amount equals the Denomination multiplied by the performance of the [Underlying] [Basket Component with the worst performance]. In this scenario, the Redemption Amount will be lower than the Denomination. This means that from a certain point the fixed coupon payment(s) may no longer be able to offset the negative performance of the [Underlying] [Basket Component with the worst performance] and the capital loss suffered, and the Holder may suffer a loss. The loss in this case is equal to the difference between (i) the purchase price paid for the Product (plus transaction costs) and (ii) the Redemption Amount plus coupon payment(s). In an extreme case, this may lead to the total loss of the invested capital – irrespective of the amount of the fixed coupon payment(s) – if the [Underlying] [Basket Component with the worst performance] is worthless at the end of the term.]</p> |
| | <p><i>[insert in the case of Notes (Barrier Reverse Convertibles) with potential Physical Settlement (Product No. 9):</i></p> <p><u>Redemption Amount is limited to Maximum Redemption Amount</u></p> <p>The Redemption Amount (regardless of possible coupon payments during the term) will not exceed the Denomination in any case.</p> <p><u>Risk of total loss</u></p> <p>If a Barrier Event has occurred [and the Final Fixing Level reaches or falls below the Initial Fixing Level], the Products provide for a physical delivery of the [Underlying] [Basket Component with the worst performance]. In the case of a settlement of the Products by physical delivery of the [Underlying] [Basket Component with the worst performance], it is to be noted that the equivalent value of the delivered [Underlyings] [Basket Components] is generally lower than the Denomination. This means that from a certain point the fixed coupon payment(s) may no longer be able to offset the negative performance of the [Underlying] [Basket Component with the Worst Performance] and the capital loss suffered, and the Holder may suffer a loss. The loss in this case is equal to the difference between (i) the purchase price paid for the Product (plus transaction costs) and (ii) the equivalent value of the delivered [Underlyings] [Basket Components] plus coupon payment(s). In an extreme case, this may lead to the total loss of the invested capital – irrespective of the amount of the fixed coupon payment(s) – if the</p> |

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| | | [Underlying] [Basket Component] is worthless at the end of the term.] |
| | | <p>[insert in the case of Discount Certificates with Cash Settlement (Product No. 10):</p> <p><u>Redemption Amount is limited to Maximum Redemption Amount</u></p> <p>In the case of Discount Certificates, the Redemption Amount will not exceed the Maximum Redemption Amount. This means that the Holder does not participate in a price movement of the Underlying above the Cap Level, with the result that the possible yield on Discount Certificates has an upper limit.</p> <p><u>Risk of total loss</u></p> <p>Below the Cap Level, Discount Certificates are comparable with a direct investment in the Underlying (without taking into account dividend payments). In this case there is a risk of a total loss of the Holder's invested capital. A total loss will occur if the Underlying is worthless at the end of the term.]</p> |
| | | <p>[insert in the case of Discount Certificates with potential Physical Settlement (Product No. 11):</p> <p><u>Redemption Amount is limited to Maximum Amount</u></p> <p>In the case of Discount Certificates, the Redemption Amount will not exceed the Maximum Redemption Amount. This means that the Holder does not participate in a price movement of the Underlying above the Cap Level, with the result that the possible yield on Discount Certificates has an upper limit.</p> <p><u>Risk of total loss</u></p> <p>The Discount Certificates provide for a settlement by physical delivery of the Underlying, if the Final Fixing Level is equal to or below the Cap Level. In this case there is a risk of a total loss of the Holder's invested capital. A total loss will occur if the Underlying is worthless at the end of the term.]</p> |
| | | <p>[insert in the case of Express Certificates with Cash Settlement and without par value (Product No. 12):</p> <p><u>Risk of total loss and risks related to early redemption</u></p> <p>The level of the Redemption Amount and the time for redemption of the Products depend on whether an Autocall Event has occurred on an Autocall Observation Date.</p> <p>If this event occurs before the Final Fixing Date, the term of the Products ends early and the Products are redeemed early in accordance with the Conditions. In the case of such early redemption, the future price performance of the [Underlying][Basket Components] is irrelevant to the Holder.</p> <p>If there has been no early redemption of the Products, the level of</p> |

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| | | <p>the Redemption Amount is dependent on the price performance of the [Underlying][Basket Components]. If the preconditions for a minimum redemption and/or maximum redemption are not met, the Products are comparable to a direct investment in the [Underlying][Basket Component with the worst performance] (without taking into account dividend payments). As a result, the Holder is also exposed to a risk of loss comparable to the direct investment. Therefore, the Holder bears a risk of total loss with regard to the invested capital. A total loss occurs if the [Underlying][Basket Component with the worst performance] is worthless at the end of the term.</p> <p>Furthermore, the Products have the characteristic such that the Holder may receive a Coupon Amount on certain dates. [The payment of the applicable Coupon Amount is independent of the price performance of the [Underlying][Basket Components.] [The coupon payment is conditional on a certain event in relation to the [Underlying][Basket Components] (e.g. reaching or exceeding a certain threshold value on a specified date). Should such event not occur, there would be no coupon payment for the applicable Coupon Payment Date. Holders should note that they will not receive a coupon payment during the entire term of the Products, as the case may be, if the prerequisites are not met on a date relevant for the determination of the coupon payment. [It should be noted here that each relevant date is considered separately and there can be no catch-up payments of Coupon Amounts.] The volatility of the [Underlying][Basket Components] is an important factor for determining the likelihood of the occurrence of an event entitling receipt of the applicable Coupon Amount. The higher the volatility of the [Underlying][Basket Components], the higher the risk to the Holder that the condition will not be met and that the Holder will therefore not receive a Coupon Amount for the relevant Coupon Payment Date.] [The amount of the [respective] coupon payment depends on the development of the [Underlying] [Basket Components]. The coupon payment can be zero, if the price of the [Underlying] [Basket Components] is equal to or below the Initial Fixing Level on the respective Coupon Observation Date.]</p> <p>With regard to coupon payments, it should [also] be noted that, in the case of an early redemption of the Products, the Holder will still receive the Coupon Amount for the Coupon Payment Date in respect of the Early Redemption Date. However, he has no right to demand coupon payments for future Coupon Payment Dates.</p> <p><u>Redemption Amount is limited to the Maximum Redemption Amount</u></p> <p>The Redemption Amount is limited to the Maximum Redemption Amount (without taking into account a possible Coupon Amount) which equals the Issue Price (Maximum Redemption Amount).]</p> |
| | | <p>[insert in the case of Express Certificates with Cash Settlement and with par value (Product No. 13):</p> |

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| | <p><u><i>Risk of total loss and risks related to early redemption</i></u></p> <p>The level of the Redemption Amount and the time for redemption of the Products depend on whether an Autocall Event has occurred on an Autocall Observation Date.</p> <p>If this event occurs before the Final Fixing Date, the term of the Products ends early and the Products are redeemed early in accordance with the Conditions. In the case of such early redemption, the future price performance of the [Underlying][Basket Components] is irrelevant to the Holder.</p> <p>If there has been an early redemption of the Products, the level of the Redemption Amount is dependent on the price performance of the [Underlying][Basket Components]. If the preconditions for a minimum redemption and/or maximum redemption are not met, the Products are comparable to a direct investment in the [Underlying][Basket Component with the worst performance] (without taking into account dividend payments). As a result, the Holder is also exposed to a risk of loss comparable to the direct investment. Therefore, the Holder bears a risk of total loss with regard to the invested capital. A total loss occurs if the [Underlying][Basket Component with the worst performance] is worthless at the end of the term.</p> <p>Furthermore, the Products have the characteristic such that the Holder may receive a Coupon Amount on certain dates. [The payment of the applicable Coupon Amount is independent of the price performance of the [Underlying][Basket Components].] [The coupon payment is conditional on a certain event in relation to the [Underlying][Basket Components] (e.g. reaching or exceeding a certain threshold value on a specified date). Should such event not occur, there would be no coupon payment for the applicable Coupon Payment Date. Holders should note that they will not receive a coupon payment during the entire term of the Products, as the case may be, if the prerequisites are not met on a date relevant for the determination of the coupon payment. [It should be noted here that each relevant date is considered separately and there can be no catch-up payments of Coupon Amounts.] The volatility of the [Underlying][Basket Components] is an important factor for determining the likelihood of the occurrence of an event entitling receipt of the applicable Coupon Amount. The higher the volatility of the [Underlying][Basket Components], the higher the risk to the Holder that the condition will not be met and that the Holder will therefore not receive a Coupon Amount for the relevant Coupon Payment Date.]</p> <p>With regard to coupon payments, it should [also] be noted that, in the case of an early redemption of the Products, the Holder will still receive the Coupon Amount for the Coupon Payment Date in respect of the Early Redemption Date. However, he has no right to demand coupon payments for future Coupon Payment Dates.</p> |
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| | | <p><u>Redemption Amount is limited to the Maximum Redemption Amount</u></p> <p>The Redemption Amount is limited to the Denomination (Maximum Redemption Amount).]</p> |
| | | <p>[insert in the case of Tracker Certificates with Cash Settlement (Product No. 14):</p> <p><u>Risk of total loss</u></p> <p>[Tracker Certificates linked to a single Underlying are comparable with a direct investment in the Underlying (irrespective of dividend payments). Consequently, the Holder is exposed to a risk of loss comparable to the direct investment. Therefore, there is a risk of total loss with regard to the invested capital if the Underlying is worthless at the end of the term.] [Tracker Certificates linked to a Basket as Underlying reflect the development of the Basket Components contained in the Underlying and the Products are comparable with a direct investment in the Basket Components (irrespective of dividend payments). Therefore, there is a risk of total loss with regard to the invested capital if all Basket Components are worthless at the end of the term.]</p> <p><u>[Risk factors in relation to the Management Fee</u></p> <p>A certain Management Fee is deducted from the Redemption Amount payable.</p> <p>It should be noted that a Management Fee not only reduces the Redemption Amount payable by the Issuer, but also reduces the value of the Products on the secondary market during their term. Such a Management Fee is incorporated in the calculation of the bid and ask prices for Products on the secondary market according to the portion of the term of the Products that has already expired.</p> <p>The Issuer may be entitled to adjust the level of the Management Fee during the term of the Products. In the case of a Management Fee greater than zero (0), the effect of the Management Fee will be greater, the longer the holding period in which it applies to the Products.]</p> <p><u>[Return and reinvestment risk in the case of ordinary or extraordinary termination by the Issuer</u></p> <p>Holders should note that the term of the Products may be ended prematurely by an ordinary or extraordinary termination by the Issuer. In the case of a termination, the Holder bears the risk that his expectations with respect to an increase in the value of the Products may no longer be satisfied due to the ending of the term. In the case of a termination, it must also be considered that the Holder bears the reinvestment risk. This means that he or she may only be able to reinvest the amount paid by the Issuer in the event of a termination on more unfavourable market terms compared</p> |

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| | | with those existing when the Product was purchased.]] |
| | | <p><i>[insert in the case of Open End Tracker Certificates with Cash Settlement (Product No. 15):</i></p> <p><u><i>Risk factors related to the unlimited term of the Products and/or to the Issuer's ability to terminate</i></u></p> <p>The Products do not have a specified limited term (Open End). The term of the Products ends either (i) on the exercise of the Products by the Holders or (ii) on ordinary termination by the Issuer or (iii) on extraordinary termination by the Issuer.</p> <p>The Products may be exercised by the Holder on certain Exercise Dates during their term by submitting an Exercise Notice. The Redemption Amount for exercised Products is calculated based on the Final Fixing Level of the Underlying on the relevant Exercise Date.</p> <p>The Products may be terminated on notice by the Issuer by way of ordinary termination in accordance with the Conditions. It is to be noted that the Issuer has no further obligations in relation to the exercise of its termination right.</p> <p>The Issuer is furthermore entitled to extraordinary termination of the Products by notice if an adjustment is no longer possible or in the case of an Additional Termination Event. It is to be noted that the Issuer exercises its termination right at its reasonable discretion and has no further obligations in relation to its termination right. The exercise of the right to extraordinary termination may occur at short notice, so that, in certain circumstances, the Holder may no longer be able to sell his or her Product on the secondary market.</p> <p>The exercise of the termination right by the Issuer is generally more likely, the greater the volatility of the Underlying or the more illiquid the market in financial instruments related to the Underlying (including the forward and loan markets). Owing to the Issuer's termination right, Holders may not assume that the Products will have an unlimited term. Holders should therefore not rely on being able to maintain a position in the Products over a long period. Furthermore, Holders may not rely on the timely movement of the Underlying in a favourable direction before a Termination Date.</p> <p><u><i>Return and reinvestment risk in the case of ordinary or extraordinary termination by the Issuer</i></u></p> <p>Holders should note that the unlimited term of the Products may be ended by an ordinary or extraordinary termination by the Issuer. In the case of a termination, the Holder bears the risk that his expectations with respect to an increase in the value of the Products may no longer be satisfied due to the ending of the term. In the case of a termination, it must also be considered that the Holder bears the reinvestment risk. This means that he or she may only be able to reinvest the amount paid by the Issuer in the event of a termination on more unfavourable market terms compared with those existing when the Product was purchased.</p> |

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| | | <p><u>Risk of total loss</u></p> <p>Open End Tracker Certificates are comparable with a direct investment in the Underlying (irrespective of dividend payments). Consequently, the Holder is exposed to a risk of loss comparable to the direct investment. Therefore, there is a risk of total loss with regard to the invested capital if the Underlying is worthless at the end of the term</p> <p><u>Risk factors in relation to the Management Fee</u></p> <p>A certain Management Fee is deducted from the Redemption Amount payable.</p> <p>It should be noted that a Management Fee not only reduces the Redemption Amount payable by the Issuer, but also reduces the value of the Products on the secondary market during their term. Such a Management Fee is incorporated in the calculation of the bid and ask prices for Products on the secondary market according to the portion of the term of the Products that has already expired.</p> <p>The Issuer may be entitled to adjust the level of the Management Fee during the term of the Products. In the case of a Management Fee greater than zero (0), the effect of the Management Fee will be greater, the longer the holding period in which it applies to the Products.]]</p> |
| | | <p>[insert in the case of Express Certificates with potential Physical Settlement and with par value (Product No. 16):</p> <p><u>Risk of total loss and risks related to early redemption</u></p> <p>The Redemption Amount and the time for redemption of the Products depend on whether an Autocall Event has occurred on an Autocall Observation Date.</p> <p>If this event occurs before the Final Fixing Date, the term of the Products ends early and the Products are redeemed early in accordance with the Conditions. In the case of such early redemption, the future price performance of the [Underlying][Basket Components] is irrelevant to the Holder.</p> <p>If there has been no early redemption of the Products, the level of the Redemption Amount and/or the type of settlement (cash settlement or physical delivery) is dependent on the price performance of the [Underlying][Basket Components].</p> <p>If [a Barrier Event has occurred][the Final Fixing Level is equal to or below the Strike Level], the Products provide for a physical delivery of the [Underlying][Basket Component with the Worst Performance]. In the case of a settlement of the Products by physical delivery of the [Underlying][Basket Component with the Worst Performance], it is to be noted that the equivalent value of the delivered [Underlyings][Basket Components] is generally lower than the Denomination. This means that from a certain point the poten-</p> |

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| | | <p>tial coupon payment(s) may no longer be able to offset the negative performance of the [Underlying][Basket Component with the Worst Performance] and the capital loss suffered, and the Holder may suffer a loss. The loss in this case is equal to the difference between (i) the purchase price paid for the Product (plus transaction costs) and (ii) the equivalent value of the delivered [Underlyings][Basket Components] plus coupon payment(s). In an extreme case, this may lead to the total loss of the invested capital – irrespective of the amount of the potential coupon payment(s) – if the [Underlying][Basket Component] is worthless at the end of the term.</p> <p>Furthermore, the Products have the characteristic such that the Holder may receive a Coupon Amount on certain dates. [The payment of the applicable Coupon Amount is independent of the price performance of the [Underlying][Basket Components].] [The coupon payment is conditional on a certain event in relation to the [Underlying][Basket Components] (e.g. reaching or exceeding a certain threshold value on a specified date). Should such event not occur, there would be no coupon payment for the applicable Coupon Payment Date. Holders should note that they will not receive a coupon payment during the entire term of the Products, as the case may be, if the prerequisites are not met on a date relevant for the determination of the coupon payment.] [Each relevant date is considered separately and there can be no catch-up payments of Coupon Amounts.] The volatility of the [Underlying][Basket Components] is an important factor for determining the likelihood of the occurrence of an event entitling receipt of the applicable Coupon Amount. The higher the volatility of the [Underlying][Basket Components], the higher the risk to the Holder that the condition will not be met and that the Holder will therefore not receive a Coupon Amount for the relevant Coupon Payment Date.</p> <p>With regard to coupon payments, it should also be noted that, in the case of an early redemption of the Products, the Holder will still receive the Coupon Amount for the Coupon Payment Date in respect of the Early Redemption Date. However, he has no right to demand coupon payments for future Coupon Payment Dates.</p> <p><u>Redemption Amount is limited to the Maximum Redemption Amount</u></p> <p>The Redemption Amount is limited to the Maximum Redemption Amount (without taking into account a possible Coupon Amount) which equals the Denomination.]</p> |
| | | <p><i>[insert in the case of Express Certificates with potential Physical Settlement and without par value (Product No. 17):</i></p> <p><u>Risk of total loss and risks related to early redemption</u></p> <p>The level of the Redemption Amount and the time for redemption of the Products depend on whether an Autocall Event has occurred on an Autocall Observation Date.</p> |

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| | <p>If this event occurs before the Final Fixing Date, the term of the Products ends early and the Products are redeemed early in accordance with the Conditions. In the case of such early redemption, the future price performance of the [Underlying][Basket Components] is irrelevant to the Holder.</p> <p>If there has been no early redemption of the Products, the level of the Redemption Amount and/or the type of settlement (cash settlement or physical delivery) is dependent on the price performance of the [Underlying][Basket Component].</p> <p>If [a Barrier Event has occurred][the Final Fixing Level is equal to or below the Strike Level] the Products provide for a physical delivery of the [Underlying][Basket Component with the Worst Performance]. In the case of a settlement of the Products by physical delivery of the [Underlying][Basket Component with the Worst Performance], it is to be noted that the equivalent value of the delivered [Underlyings][Basket Components] is generally lower than the Denomination. This means that from a certain point the potential coupon payment(s) may no longer be able to offset the negative performance of the [Underlying][Basket Component with the Worst Performance] and the capital loss suffered, and the Holder may suffer a loss. The loss in this case is equal to the difference between (i) the purchase price paid for the Product (plus transaction costs) and (ii) the equivalent value of the delivered [Underlyings][Basket Components] plus coupon payment(s). In an extreme case, this may lead to the total loss of the invested capital – irrespective of the amount of the potential coupon payment(s) – if the [Underlying][Basket Component] is worthless at the end of the term.</p> <p>Furthermore, the Products have the characteristic such that the Holder may receive a Coupon Amount on certain dates. [The payment of the applicable Coupon Amount is independent of the price performance of the [Underlying][Basket Components].] [The coupon payment is conditional on a certain event in relation to the [Underlying][Basket Components] (e.g. reaching or exceeding a certain threshold value on a specified date). Should such event not occur, there would be no coupon payment for the applicable Coupon Payment Date. Holders should note that they will not receive a coupon payment during the entire term of the Products, as the case may be, if the prerequisites are not met on a date relevant for the determination of the coupon payment.] [Each relevant date is considered separately and there can be no catch-up payments of Coupon Amounts.] The volatility of the [Underlying][Basket Component] is an important factor for determining the likelihood of the occurrence of an event entitling receipt of the applicable Coupon Amount. The higher the volatility of the [Underlying][Basket Component], the higher the risk to the Holder that the condition will not be met and that the Holder will therefore not receive a Coupon Amount for the relevant Coupon Payment Date.</p> |
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| | | <p>With regard to coupon payments, it should [also] be noted that, in the case of an early redemption of the Products, the Holder will still receive the Coupon Amount for the Coupon Payment Date in respect of the Early Redemption Date. However, he has no right to demand coupon payments for future Coupon Payment Dates.</p> <p><u>Redemption Amount is limited to the Maximum Redemption Amount</u></p> <p>The Redemption Amount is limited to the Maximum Redemption Amount (without taking into account a possible Coupon Amount) which equals the Issue Price.]</p> |
| | | <p>[insert in the case of Inverse Discount Certificates with Cash Settlement (Product No. 18):</p> <p><u>Redemption Amount is limited to Maximum Amount</u></p> <p>In the case of Inverse Discount Certificates, the Redemption Amount will not exceed the Maximum Redemption Amount, with the result that the possible yield on Inverse Discount Certificates has an upper limit.</p> <p><u>Risk of total loss</u></p> <p>Investors should note that they bear the risk of an unfavourable performance of the Underlying, i.e. an increase of the Underlying. In this scenario the investor may incur losses. In the worst case, the investor may suffer a total loss of the invested capital including related transaction costs, which arises if the Final Fixing Level is at or above the Inverse Level.]</p> |
| | | <p>[insert in the case of Master Discount Certificates with Cash Settlement (Product No. 19):</p> <p><u>Redemption Amount is limited to Maximum Amount</u></p> <p>In the case of Master Discount Certificates, the Redemption Amount will not exceed the Maximum Redemption Amount, with the result that the possible yield on Master Discount Certificates has an upper limit.</p> <p><u>Risk of total loss</u></p> <p>Investors should note that the investment in the Product is comparable with a direct investment in the respective Underlying and thus in the Basket Components underlying the Product (without taking into account possible dividend payments). If a Basket Component becomes worthless, the investor suffers a loss in the amount of the Basket Component taking into account the number of each Basket Component. Since the Basket Components and the applicable Cap Levels are considered individually, such a loss may not be compensated by the performance of the other Basket Components. If all Basket Components become worthless, the investor is consequently exposed to the risk of total loss of the invested capital including</p> |

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| | | <p>related transaction costs. It should also be noted that the Cap Level may be below the Initial Fixing Level. In this case there is no possibility of the investor participating in an increase in value of the Basket Component.]</p> |
| | | <p><i>[insert in the case of Express Certificates with Cash Settlement and with par value and unconditional minimum redemption (Product No. 20):</i></p> <p><u><i>Risk factors related to the early redemption and the unconditional minimum redemption</i></u></p> <p>The level of the Redemption Amount and the time for redemption of the Products depend on whether an Autocall Event has occurred on an Autocall Observation Date.</p> <p>If this event occurs before the Final Fixing Date, the term of the Products ends early and the Products are redeemed early in accordance with the Conditions. In the case of such early redemption, the future price performance of the Underlying is irrelevant to the Holder.</p> <p>If an early redemption of the Products has not occurred, the amount of the redemption is dependent on the Performance of the Basket Components. If the Final Fixing Levels of all Basket Components are at or above the Autocall Trigger Level, the Holder receives the Denomination. If this is not the case, the Holder receives in advance the Minimum Redemption Amount, the amount of which is independent of the performance of the Basket Components. Investors should note that the Minimum Redemption Amount may be lower than the Denomination and/or than the capital invested to purchase the Product (including the related transaction costs).</p> <p>Investors should note that the Minimum Redemption Amount may apply only in the case of a redemption at the end of the term. Investors must be prepared to hold their Product until the Redemption Date. Investors will still be exposed to the risk of default by the Issuer meaning that they may lose their entire capital invested to purchase the Products (including related transaction costs) should the Issuer become insolvent.</p> <p>In the case of these Products, the payment of the Coupon Amount is dependent on the occurrence of a Coupon Trigger Event, i.e. whether the Reference Prices of all Basket Components on a Coupon Observation Date reach or exceed the relevant Coupon Trigger Level for this date. If a Coupon Trigger Event does not occur on any Coupon Observation Date, the investor does not receive a Coupon Payment. In the case of an Early Redemption, the investor is not entitled to demand any further Coupon Payments for future Coupon Payment Dates.</p> <p><u><i>Redemption Amount is limited to the Maximum Redemption Amount</i></u></p> |

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| | The Redemption Amount is limited to the Denomination.] |
| | <p>[insert in the case of Express Certificates with Cash Settlement and with par value and with Downside Participation Factor (Product No. 21):</p> <p><u>Risk of total loss</u></p> <p>The level of the Redemption Amount and the time for redemption of the Products depend on whether an Autocall Event has occurred on an Autocall Observation Date.</p> <p>If this event occurs before the Final Fixing Date, the term of the Products ends early and the Products are redeemed early in accordance with the provisions of the Conditions. In the case of such early redemption, the future price performance of the Basket Components is irrelevant to the Holder.</p> <p>If there has been no early redemption of the Products, the level of the Redemption Amount is dependent on the price performance of the Basket Components. If the preconditions for redemption at the Maximum Redemption Amount are not met, the Holder participates on the basis of the Downside Participation Factor disproportionately in the loss in value of the Basket Component with the Worst Performance, so that as a result the Holder is exposed to a risk of loss greater than a direct investment. Therefore, the Holder bears a risk of total loss with regard to the invested capital. Even if the Basket Component with the Worst Performance is greater than zero (0) at the end of the term, a total loss may still occur if the Downside Participation in the loss in value of the Basket Component with the Worst Performance leads to the Product being worthless.</p> <p>Furthermore, the Products have the characteristic such that the Holder may receive a Coupon Amount on certain dates. [The payment of the applicable Coupon Amount is independent of the price performance of the Basket Components.] [The coupon payment is conditional on a certain event in relation to the Basket Components (e.g. reaching or exceeding a certain threshold on a specified date). Should such event not occur, there will be no coupon payment for the applicable Coupon Payment Date. Holders should note that, in the case of a coupon payment which is dependent on the Underlying, they will not receive a coupon payment during the entire term of the Products, as the case may be, if the prerequisites are not met on a date relevant for the determination of the coupon payment.] [Each relevant date is considered separately and there are no catch-up payments of the Coupon Amount.] The volatility of the Basket Components is an important factor for determining the likelihood of the occurrence of an event entitling receipt of the applicable Coupon Amount. The higher the volatility of the Basket Components, the higher the risk to the Holder that the condition will not be met and that the Holder will therefore not receive a Coupon Amount for the relevant Coupon Payment Date.</p> |

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| | | <p>With regard to coupon payments, it should also be noted that, in the case of an early redemption of the Products, the Holder will still receive the Coupon Amount for the Coupon Payment Date in respect of the Early Redemption Date. However, he has no right to demand coupon payments for future Coupon Payment Dates.</p> <p><u><i>Redemption Amount is limited to Maximum Redemption Amount</i></u></p> <p>The Redemption Amount will not exceed the Denomination (Maximum Redemption Amount), with the result that the possible yield has an upper limit.]</p> |
| | | <p><i>[insert in the case of Certificates with Cash Settlement and with par value and with unconditional minimum redemption and Partial Redemption Amounts (Product No. 22):</i></p> <p> Holders should note that the level of the Redemption Amount is limited to the Minimum Redemption Amount, which simultaneously equals the Maximum Redemption Amount. In contrast to a direct investment in the Basket Components, the investor does not participate in the positive performance of the Basket Components.</p> <p>The Minimum Redemption Amount may be lower than the Denomination or the capital invested for the purchase of the Product (including related transaction costs).</p> <p>The Minimum Redemption Amount is applicable only in the case of a redemption at the end of the term. The investors must be prepared to hold their Product until the Redemption Date. If (i) an investor sells the Product before the Redemption Date on the secondary market or (ii) the Products are redeemed before the end of the term or (iii) a Market Disruption Event lasting several Scheduled Trading Days has occurred pursuant to the terms and conditions of the Product, such a Minimum Redemption does not occur. In such a case the investor bears the risk of a total loss of the capital invested (including related transaction costs). Furthermore, investors remain exposed to the credit risk of the Issuer, so they may lose all of the capital invested for the purchase of the Products (including related transaction costs) on an insolvency of the Issuer. For this reason among others, Products with an unconditional Minimum Redemption may be traded throughout their term at a price that is below the Minimum Redemption Amount. Investors should therefore not rely on being able to sell their purchased Products at any time during their term for at least the Minimum Redemption Amount.</p> <p>Furthermore, the Certificates have the characteristic such that the payment and the level of a Coupon Amount depend on whether and at what time a Coupon Trigger Event has occurred. If by the final Coupon Observation Date (inclusive) no Coupon Trigger Event has occurred, the investor does not receive a coupon payment throughout the entire term of the Product.</p> <p>The volatility of the Basket Components is an important factor for</p> |

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| | | <p>determining the likelihood of the occurrence of a Coupon Trigger Event. The higher the volatility of Basket Components, the higher the risk to the investor that no Coupon Trigger Event occurs and therefore there is no coupon payment.</p> <p>If a Coupon Trigger Event has not occurred on a Coupon Observation Date, the investor only receives the Minimum Redemption Amount. The investor suffers a loss if the Minimum Redemption Amount is less than the capital invested (including related transaction costs) for the purchase of the Products.]</p> |
| | | <p><i>[insert in the case of Certificates with Cash Settlement and with par value and with unconditional minimum redemption (Product No. 23):</i></p> <p>The level of the Redemption Amount at the end of the term depends on the price performance of the Basket Components, since the investor receives on the Redemption Date a cash payment specified at issuance, the level of which depends on the performance of the Basket Component with the Worst Performance. The investor receives at least the Minimum Redemption Amount. The Minimum Redemption Amount may be lower than the Denomination or the capital invested for the purchase of the Product (including related transaction costs).</p> <p>The Minimum Redemption Amount is applicable only in the case of a redemption at the end of the term. Investors must be prepared to hold their Product until the Redemption Date. If (i) an investor sells the Product before the Redemption Date on the secondary market or (ii) the Products are redeemed before the end of the term or (iii) a Market Disruption Event lasting several Scheduled Trading Days has occurred pursuant to the terms and conditions of the Product, such a Minimum Redemption does not occur. In such a case the investor bears the risk of a total loss of the capital invested, including related transaction costs. Furthermore, investors remain exposed to the credit risk of the Issuer, so they may lose all of the capital invested for the purchase of the Products (including related transaction costs) on an insolvency of the Issuer. For this reason among others, Products with an unconditional Minimum Redemption may be traded throughout their term at a price that is below the Minimum Redemption Amount. Investors should therefore not rely on being able to sell the purchased Products at any time during their term for at least the Minimum Redemption Amount.</p> <p>The Redemption Amount is limited to the Denomination multiplied by the Maximum Redemption Factor.]</p> |
| | | <p><i>[insert in the case of Capped Certificates with Cash Settlement and with par value and with unconditional minimum redemption (Product No. 24):</i></p> <p>The Products are redeemed at the end of the term for at least the</p> |

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| | | <p>amount specified in advance. The Minimum Redemption Amount may be lower than the Denomination or the capital invested for the purchase of the Product (including related transaction costs). Furthermore, investors remain exposed to the credit risk of the Issuer, so they may lose all of the capital invested for the purchase of the Products (including related transaction costs) on an insolvency of the Issuer.</p> <p>The Minimum Redemption Amount is applicable only in the case of a redemption at the end of the term. The investors must be prepared to hold their Product until the Redemption Date. If (i) an investor sells the Product before the Redemption Date on the secondary market or (ii) the Products are redeemed before the end of the term or (iii) a Market Disruption Event lasting several Scheduled Trading Days has occurred pursuant to the terms and conditions of the Product, such a Minimum Redemption does not occur. In such a case the investor bears the risk of a total loss of the capital invested, including related transaction costs.</p> <p>For this reason among others, Products with an unconditional Minimum Redemption may be traded throughout their term at a price that is below the Minimum Redemption Amount. Investors should therefore not rely on being able to sell the purchased Products at any time during their term for at least the Minimum Redemption Amount.</p> <p><i><u>Risk Factors applicable to the Participation Factor</u></i></p> <p>Investors should note that the application of a Participation Factor means that the Products are economically similar to a direct investment in the Underlying, although they are not totally comparable with such an investment because the Holders do not participate in the respective price performance of the Underlying in the ratio of 1:1, but to the extent of a certain factor. Depending on the structure of the Products a Participation Factor may have the effect that the investor participates to a [greater][lesser] extent in any changes in value of the Underlying, subject to the value effects of any other product characteristics.</p> <p><i><u>Redemption Amount is limited to Maximum Redemption Amount</u></i></p> <p>The Redemption Amount is limited to the Maximum Redemption Amount, so the possible yield has an upper limit. Investors do not participate in an increase in value of the [Underlying][Basket Component with the Worst Performance] above the Cap Level.]</p> |
| | | <p><i>[insert in the case of Inverse Bonus Certificates with Cash Settlement (Product No. 25):</i></p> <p><i><u>Risks related to the performance of Inverse Bonus Certificates owing to the reverse structure</u></i></p> <p>In the case of Inverse Bonus Certificates, the performance of the Products conversely depends on the performance of the Underly-</p> |

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| | | <p>ing. This means that the Products enable the Holders to profit from a loss in value of the Underlying. An Inverse Bonus Certificate typically declines in value (i.e. irrespective of other features and factors that determine the price of Products), if the value of the Underlying increases.</p> <p><u><i>Risk of a total loss in the case of a Barrier Event</i></u></p> <p> Holders should consider that if a Barrier Event occurs, the entitlement to a minimum redemption expires and the Holder bears 1:1 a risk of loss if the value of the Underlying increases. In this case, the Holder has a risk of total loss with regard to the invested capital. A total loss occurs when the Underlying is equal to or above the Cap Level at the end of the term.</p> <p><u><i>Limited yield potential due to reverse structure and irrespective of a cap</i></u></p> <p> Holders should note that the yield potential is limited (regardless of a cap) due to the reverse structure, i.e. in the case of Inverse Bonus Certificates the Settlement Amount is limited to the product of (i) the Issue Price and (ii) the quotient of the Cap Level minus the Final Fixing Level and the Initial Fixing Level.]</p> |
| | | <p>[insert in the case of Capped Inverse Bonus Certificates with Cash Settlement (Product No. 26):</p> <p><u><i>Risks related to the performance of Capped Inverse Bonus Certificates due to the reverse structure</i></u></p> <p> In the case of Capped Inverse Bonus Certificates, the performance of the Products reversely depends on the performance of the Underlying. This means that the Products enable the Holders to profit from a loss in value of the Underlying up to the level of the Bonus Level. Accordingly, a Capped Inverse Bonus Certificate typically declines in value (i.e. irrespective of other features and factors that determine the price of Products), if the value of the Underlying increases.</p> <p><u><i>Risk of a total loss in the case of a Barrier Event</i></u></p> <p> Holders should note that if a Barrier Event occurs, the entitlement to a minimum redemption expires and the Holder bears 1:1 a risk of loss if the value of the Underlying increases. In this case, the Holder has a risk of total loss with regard to the invested capital. A total loss occurs when the Underlying is equal to or above the Cap Level at the end of the term.</p> <p><u><i>Redemption Amount is limited to Maximum Amount</i></u></p> <p> In the case of Capped Inverse Bonus Certificates, the Redemption Amount will not exceed the Initial Fixing Level multiplied by the Bonus Level. This amount is the maximum amount an investor may receive.]</p> |
| | | <p>[insert in the case of Mini Future Certificates with Cash Settlement</p> |

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| | | <p><i>(Product No. 27):</i></p> <p><u><i>Risk of a total loss in the case of the occurrence of a Stop-Loss Event</i></u></p> <p>Holders in Mini Future Certificates bear the risk that the Products expire worthless during their term, if a so-called Stop-Loss Event has occurred. If a Stop-Loss Event occurs, the term of the Products ends automatically and the Products are repaid at an amount which is equal to the difference between the Stop-Loss Price and the Strike Level taking into account the Conversion Ratio. It must also be considered that the Holders may suffer a total loss of the invested capital, if the Issuer should not succeed in cancelling the hedge position for a Stop-Loss Price above the Strike Level.</p> <p>Holders should note that the price of the Products is reduced disproportionately compared to classical warrants, if the price of the Underlying approaches the Stop-Loss Level.</p> <p><u><i>Risk due to the leverage effect</i></u></p> <p>Due to the leverage effect the Products involve disproportionate risks of loss compared to a direct investment in the Underlying.]</p> |
| | | <p><u>3. Risk factors associated with certain types of Underlyings</u></p> <p>Depending on the Underlying(s) to which the Products give exposure, Holders are exposed to risks stemming from the type of Underlying and the behaviour of its market prices as the Redemption Amount or the Coupon Amount, since the case may be, that a Holder may receive according to which Conditions, depends on the development of the price of the Underlying. In the case of an unfavourable performance of the Underlying the investor may suffer losses up to a total loss of the invested capital (incl. transaction costs). The types of Underlyings provided for in the Base Prospectus differ significantly in terms of their typical price volatility. Holders should only invest in Products if they are familiar with the relevant Underlying and have a comprehensive understanding of the type of Underlying itself, the market and other rules of the relevant Underlying.</p> |
| | | <p><u>4. Risk factors associated with conflicts of interest</u></p> <p><u><i>Conflicts of interest related to the underlying</i></u></p> <p>The Issuer and other companies in the Group deal in the underlyings or in components of the underlying or in options or futures contracts relating to the underlyings or components thereof in their normal course of business and from time to time may participate in transactions connected to the Products for their own account or on behalf of others. The Issuer and other companies in the Group can also hold interests in individual underlyings or in the companies contained in these underlyings, meaning that conflicts of interest can arise in connection with the Products.</p> |

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| | <p><u><i>Conflicts of interest related to the performance of another function</i></u></p> <p>Furthermore, the Issuer and other companies in the Group can, in addition, exercise another function in relation to the underlying or components thereof, such as issuing agent, calculation agent, paying agent and/or administrative agent. Therefore, there can be conflicts of interest regarding the duties when determining the prices of the Products and other determinations related thereto among the relevant companies in the Group and between the companies and the investors. Furthermore, the Issuer and other companies in the Group may act as members of a consortium, financial advisor or commercial bank in connection with future offers of the underlying or components thereof; activities of this kind can also entail conflicts of interest and affect the value of the Products.</p> <p><u><i>Conflicts of interest related to the performance of hedging transactions</i></u></p> <p>The Issuer can use part or all of the proceeds from the sale of the Products for hedging transactions. These hedging transactions can influence the price of the underlyings or the components of the underlying that is determined on the market.</p> <p><u><i>Conflicts of interest related to the issuance of additional derivative products</i></u></p> <p>The Issuer and other companies in the Group can issue additional derivative products in relation to the underlying or components of the underlying, including those that have the same or similar features as the Products. The introduction of products that are in competition with the Products can have an impact on the price of the underlying or components of the underlying and therefore have an impact on the price of the Products.</p> <p><u><i>Conflicts of interest related to information specific to the Underlying</i></u></p> <p>The Issuer and other companies in the Group can receive non-public information regarding the underlying or components of the underlying, but are not obliged to pass such information on to the Holders. Furthermore, companies in the Group can publish research reports on the underlying or components of the underlying. Activities such as those mentioned can give rise to specific conflicts of interest and therefore have an impact on the value of the Products.</p> <p><u><i>Conflicts of interest related to the determination of the selling price of the Products and commission payment</i></u></p> <p>The selling price of the Products, where appropriate in addition to fixed issue surcharges, management fees or other fees, may contain surcharges that are not transparent to the investor on the initial mathematical "fair" value of the Products (the "margin"). This margin will be determined by the Issuer in its sole discretion and can differ from surcharges that other issuers impose on comparable</p> |
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| | | <p>Products.</p> <p><u><i>Conflicts of interest related to Market Making for the Products</i></u></p> <p>It is intended that under normal market conditions the Lead Manager or, if applicable, a third party will regularly quote bid and offer prices for each issue of Products. However, no legal obligations are assumed with respect to the amount or the realisation of such quotations. It should be noted that it may not be possible to sell the Products during their term at a particular point in time or at a particular price.</p> <p><u><i>Interests of third parties involved in the issue</i></u></p> <p>The Issuer can involve cooperation partners and external advisors in the issuance of Products, e.g. in the composition and adjustment of a basket or index. It is possible that such cooperation partners and advisors may pursue their own interests in the course of an issuance by the Issuer and when providing their associated advice. A conflict of interest of advisors may mean that they make an investment decision or suggestion in their own interest rather than in the interest of the investors.</p> |
| Section E – Offer | | |
| E.2b | Reasons for the offer and use of proceeds when different from making profit | Not applicable; the proceeds from the sale of the Products are used for hedging the payment obligations arising from the issue of the Products and for the purposes of the Issuer’s ordinary business activities. |
| E.3 | Description of the terms and conditions of the offer | <p>Issue Price [for subscriptions during the subscription period] [on the Issue Date]: [●] [<i>in the case of series of products, insert as necessary table: ●</i>]</p> <p>Issue Date: [●]</p> <p>[The Products are offered for subscription during the subscription period, i.e. from [●] to including [●]. The Issuer reserves the right to end the subscription period early [or to extend it]. The Issuer is not obliged to accept subscription applications. Partial allocations are possible (in particular in the event of oversubscription). The Issuer is not obliged to issue subscribed Products.] [The Issuer reserves the right to cancel the offer.]</p> <p>[<i>insert, where required, further information to describe the conditions of the offer: ●</i>]</p> <p>[●, with registered office in ●, will act as “Italian Deal Manager” (“<i>Responsabile del collocamento</i>” as defined by Article 93-bis of Legislative Decree n. 58/1998), for the purposes of Article 13(2) of CONSOB Regulation n.11971/1999 (“CONSOB Regulation on Issuer”).]</p> |
| E.4 | Description of any interest that is materi- | The Issuer and other companies in the Group deal in the underly-ings or in components of the underlying or in options or futures |

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| | <p>al to the issue/offer including conflicting interests</p> | <p>contracts relating to the underlyings or components thereof in their normal course of business and from time to time may participate in transactions connected to the Products for their own account or on behalf of others. The Issuer and other companies in the Group can also hold interests in individual underlyings or in the companies contained in these underlyings, meaning that conflicts of interest can arise in connection with the Products.</p> <p>Furthermore, the Issuer and other companies in the Group can, in addition, exercise another function in relation to the underlying or components thereof, such as issuing agent, calculation agent, paying agent and/or administrative agent. Therefore, there can be conflicts of interest regarding the duties when determining the prices of the Products and other determinations related thereto among the relevant companies in the Group and between the companies and the investors. Furthermore, the Issuer and other companies in the Group may act as members of a consortium, financial advisor or commercial bank in connection with future offers of the underlying or components thereof; activities of this kind can also entail conflicts of interest and affect the value of the Products.</p> <p>The Issuer can use part or all of the proceeds from the sale of the Products for hedging transactions. These hedging transactions can influence the price of the underlyings or the components of the underlying that is determined on the market.</p> <p>The Issuer and other companies in the Group can issue additional derivative products in relation to the underlying or components of the underlying, including those that have the same or similar features as the Products. The introduction of products that are in competition with the Products can have an impact on the price of the underlying or components of the underlying and therefore have an impact on the price of the Products.</p> <p>The Issuer and other companies in the Group can receive non-public information regarding the underlying or components of the underlying, but are not obliged to pass such information on to the Holders. Furthermore, companies in the Group can publish research reports on the underlying or components of the underlying. Activities such as those mentioned can give rise to specific conflicts of interest and therefore have an impact on the value of the Products.</p> <p>The selling price of the Products, where appropriate in addition to fixed issue surcharges, management fees or other fees, may contain surcharges that are not transparent to the investor on the initial mathematical "fair" value of the Products (the "margin"). This margin will be determined by the Issuer in its sole discretion and can differ from surcharges that other issuers impose on comparable Products.</p> <p>It is intended that under normal market conditions the Lead Manager or, if applicable, a third party will regularly quote bid and offer prices for each issue of Products. However, no legal obliga-</p> |
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| | | <p>tions are assumed with respect to the amount or the realisation of such quotations. It should be noted that it may not be possible to sell the Products during their term at a particular point in time or at a particular price.</p> <p>The Issuer can involve cooperation partners and external advisors in the issuance of Products, e.g. in the composition and adjustment of a basket or index. It is possible that such cooperation partners and advisors may pursue their own interests in the course of an issuance by the Issuer and when providing their associated advice. A conflict of interest of advisors may mean that they make an investment decision or suggestion in their own interest rather than in the interest of the investors.</p> |
| E.7 | Estimated expenses charged to the investor by the Issuer or the offeror | <p>[Not applicable. The Issuer or the Lead Manager will not charge the investor any further costs over and above the Issue Price [(plus a surcharge, if applicable) or the purchase price.][In addition to the Issue Price (plus a surcharge, if applicable) or the purchase price the Issuer or the Lead Manager will charge to the investor further costs in the amount of [●].]</p> <p>[Information about expenses additional to the Issue Price or the purchase price can to be obtained from the relevant distributor.]</p> |

DEUTSCHE ÜBERSETZUNG DER ZUSAMMENFASSUNG

Zusammenfassungen bestehen aus bestimmten Offenlegungspflichten, den sogenannten “Punkten”. Diese Punkte sind in den nachfolgenden Abschnitten A – E gegliedert und nummeriert (A.1 – E.7).

Diese Zusammenfassung enthält alle Punkte, die in eine Zusammenfassung für diese Art von Wertpapieren und für Emittenten dieses Typs aufzunehmen sind. Da einige Punkte nicht zu berücksichtigen sind, ist die Nummerierung zum Teil nicht durchgängig und es kann zu Lücken kommen.

Auch wenn ein Punkt aufgrund der Art des Wertpapiers bzw. für Emittenten dieses Typs in die Zusammenfassung aufgenommen werden muss, ist es möglich, dass bezüglich dieses Punkts keine relevante Information zu geben ist. In diesem Fall enthält die Zusammenfassung an der entsprechenden Stelle eine kurze Beschreibung der Schlüsselinformation und den Hinweis “Entfällt”.

| Abschnitt A - Einleitung und Warnhinweise | | |
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| A.1 | Warnhinweise | <p>Die Zusammenfassung ist als Einführung zum Basisprospekt vom [●]. 29. Juni 2016 ([wie nachgetragen durch [<i>gegebenenfalls Nachträge einfügen</i>: ●] und] inklusive etwaiger zukünftiger Nachträge) der Leonteq Securities AG (die “Emittentin”) zu verstehen.</p> <p>Der Anleger sollte jede Entscheidung zur Anlage in die Produkte auf die Prüfung des gesamten Basisprospekts, einschließlich der durch Verweis einbezogenen Dokumente, etwaiger Nachträge und der Endgültigen Bedingungen stützen.</p> <p>Für den Fall, dass vor einem Gericht Ansprüche aufgrund der in einem Basisprospekt, durch Verweis einbezogenen Dokumenten, etwaigen Nachträgen sowie den in den jeweiligen Endgültigen Bedingungen enthaltenen Informationen geltend gemacht werden, könnte der klagende Anleger aufgrund einzelstaatlicher Rechtsvorschriften von Mitgliedstaaten des Europäischen Wirtschaftsraums die Kosten für eine Übersetzung des Basisprospekts, der durch Verweis einbezogenen Dokumente, etwaiger Nachträge und der Endgültigen Bedingungen in die Gerichtssprache vor Prozessbeginn zu tragen haben.</p> <p>Die Emittentin oder Personen, von denen der Erlass ausgeht, können für den Inhalt dieser Zusammenfassung, einschließlich etwaiger Übersetzungen davon, haftbar gemacht werden, jedoch nur für den Fall, dass die Zusammenfassung irreführend, unrichtig oder widersprüchlich ist, wenn sie zusammen mit den anderen Teilen des Basisprospekts gelesen wird oder sie, wenn sie zusammen mit den anderen Teilen des Basisprospekts gelesen wird, nicht alle erforderlichen Schlüsselinformationen vermittelt.</p> |
| A.2 | - Zustimmung zur Verwendung des Prospekts | <p>[<i>im Fall eines Generalkonsens, einfügen</i>: Die Emittentin stimmt der Nutzung des Basisprospekts und dieser Endgültigen Bedingungen durch alle Finanzintermediäre (Generalkonsens (<i>general consent</i>))</p> |

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| | | <p>zu. Die generelle Zustimmung für die spätere Weiterveräußerung oder endgültige Platzierung der Produkte ist durch die Finanzintermediäre in Bezug auf [den] [die] Angebotsstaat[en] und für die Angebotsfrist, während der die Produkte weiterverkauft oder endgültig platziert werden können, gegeben, vorausgesetzt der Basisprospekt ist weiterhin gemäß § 9 WpPG gültig.]</p> <p><i>[im Fall eines Individualkonsens zur Nutzung des Prospekts durch bestimmte Finanzintermediäre in allen Angebotsstaaten, einfügen:</i> Die Emittentin stimmt der Nutzung des Basisprospekts und der Endgültigen Bedingungen für Angebote durch die folgenden Finanzintermediäre (Individualkonsens (<i>individual consent</i>)) zu: <i>[Name und Adresse des bestimmten Finanzintermediärs einfügen: •]</i>. Die individuelle Zustimmung für die anschließende Weiterveräußerung oder endgültige Platzierung der Produkte ist durch die festgelegten Finanzintermediäre in Bezug auf [den][die] Angebotsstaat[en] und für die Angebotsfrist, während der die Produkte weiterverkauft oder endgültig platziert werden können, gegeben, vorausgesetzt der Basisprospekt ist weiterhin gemäß § 9 WpPG gültig. Jede neue Information bezüglich der Finanzintermediäre die zum Zeitpunkt der Billigung des Basisprospekts oder der Hinterlegung der Endgültigen Bedingungen unbekannt ist, wird [auf der Internetseite www.leonteq.com (unter Produkte & Services - Strukturierte Produkte – Service – Bekanntmachungen)][andere Internetseite einfügen: •]] veröffentlicht.]</p> <p><i>[im Fall eines Individualkonsens zur Nutzung des Prospekts durch bestimmte Finanzintermediäre in verschiedenen, ausgewählten, Jurisdiktionen, einfügen:</i> Die Emittentin stimmt der Nutzung des Basisprospekts und der Endgültigen Bedingungen für die anschließende Weiterveräußerung oder endgültige Platzierung der Produkte durch die in untenstehender Tabelle aufgeführten Finanzintermediäre (Individualkonsens (<i>individual consent</i>)) bezüglich [des][der] in untenstehender Tabelle ausgewählten Angebotsstaat[s][en] für die Dauer der Angebotsfrist, während der die Produkte weiterverkauft oder endgültig platziert werden können, zu, vorausgesetzt der Basisprospekt ist weiterhin gemäß § 9 WpPG gültig.</p> <p>Name und Adresse des Ausgewählte[r] Angebotsstaat[en] Finanzintermediärs</p> <p>[•] [Deutschland][,] [und] [Frankreich][,] [und] [das Vereinigte Königreich] [und] [Italien]</p> <p>[•] [Deutschland][,] [und] [Frankreich][,] [und] [das Vereinigte Königreich] [und] [Italien]]</p> <p>Jede neue Information bezüglich der Finanzintermediäre die zum Zeitpunkt der Billigung des Basisprospekts oder der Hinterlegung der Endgültigen Bedingungen unbekannt ist, wird [auf der Internetseite www.leonteq.com (unter Produkte & Services - Strukturierte Produkte – Service – Bekanntmachungen)][andere Internetseite</p> |
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| | | <p><i>einfügen: ●</i>] veröffentlicht.]</p> <p>[“Angebotsstaat[en]” bezeichnet [den][die] folgenden Mitgliedstaat[en]: [Deutschland] [,][und] [Frankreich] [,][und] [das Vereinigte Königreich] [und] [Italien].]</p> <p>[Die anschließende Weiterveräußerung oder endgültige Platzierung der Produkte durch die Finanzintermediäre in [dem] [den] Angebotsstaat[en] kann während [der Angebotsfrist] [dem Gültigkeitszeitraum des Basisprospekts gemäß § 9 des Wertpapierprospektgesetzes] vorgenommen werden [<i>Angebotszeitraum einfügen: ●</i>].]</p> |
| | - [Angebotsfrist] | <p>[“Angebotsfrist” bezeichnet den Zeitraum beginnend ab [Datum dieser Endgültigen Bedingungen] [<i>Datum einfügen: ●</i>][(einschließlich)] [bis [zum Ablauf der Gültigkeit des Basisprospekts gemäß § 9 WpPG] [zum Verfallstag] [<i>Datum einfügen: ●</i>][(einschließlich)]]].]</p> |
| | - Bedingungen, an die die Zustimmung gebunden ist | <p>[Die vorstehende Zustimmung erfolgt vorbehaltlich der Einhaltung der für die Produkte geltenden Angebots- und Verkaufsbeschränkungen und aller jeweils anwendbaren gesetzlichen Vorschriften. Jeder Finanzintermediär ist verpflichtet, den Prospekt potenziellen Investoren nur zusammen mit etwaigen Nachträgen (sofern vorhanden) auszuhändigen.] [Die Zustimmung zur Nutzung des Prospekts ist darüber hinaus an keine weiteren Bedingungen gebunden.] [Des Weiteren wird die Zustimmung vorbehaltlich und unter der Voraussetzung erteilt, dass [●].]</p> |
| | - Hinweis, dass Informationen über die Bedingungen des Angebots eines Finanzintermediärs von diesem zum Zeitpunkt der Vorlage des Angebots zur Verfügung zu stellen sind | <p>Anlegern sind im Falle eines Angebots durch einen Finanzintermediär von diesem zum Zeitpunkt der Vorlage des Angebots die Angebotsbedingungen zur Verfügung zu stellen.</p> |
| Abschnitt B – Emittent und etwaige Garantiegeber | | |
| B.1 | Juristische und kommerzielle Bezeichnung des Emittenten | Die juristische und kommerzielle Bezeichnung der Emittentin lautet Leonteq Securities AG. |
| B.2 | Sitz, Rechtsform, Rechtsordnung, Land der Gründung der Gesellschaft | Leonteq Securities AG, vormalig EFG Financial Products AG, wurde am 24. September 2007 gemäss Art. 620ff. des Schweizer Obligationenrechts als Aktiengesellschaft in der Schweiz für unbestimmte Zeit gegründet und in Zürich (Schweiz) eingetragen. Seit diesem Datum ist sie im Handelsregister des Kantons Zürich (Schweiz) unter der Nummer CHE-113.829.534 registriert. Der eingetragene Sitz der Leonteq Securities AG ist Brandschenkestrasse 90, 8002 Zürich (Schweiz), und die zentrale Telefonnummer lautet +41 58 |

| | | 800 1000. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| B.4b | Trends, die sich auf den Emittenten und die Branchen, in denen er tätig ist, auswirken | Entfällt; es gibt keine bekannten Trends, die sich auf die Emittentin und die Branchen, in denen sie tätig ist, auswirken. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| B.5 | Konzernstruktur | Die Leonteq Securities AG gegebenenfalls handelnd durch eine ihrer Zweigniederlassungen in Guernsey (Leonteq Securities AG, Guernsey Branch) oder in Amsterdam (Leonteq Securities AG, Amsterdam Branch,) ist eine hundertprozentige Tochtergesellschaft der Leonteq AG, ehemals EFG Financial Products Holding AG, (Leonteq AG gemeinsam mit ihren Tochtergesellschaften die “Leonteq Gruppe”). Die Aktien der Leonteq AG sind an der SIX Swiss Exchange notiert und werden unter anderen durch die Raiffeisen Schweiz Genossenschaft, Mitglieder des Managements und Mitarbeitende von Gesellschaften der Leonteq Gruppe gehalten. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| B.9 | Gewinnprognosen oder -schätzungen | Entfällt; die Emittentin hat keine Gewinnprognose oder -schätzung abgegeben. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| B.10 | Beschränkungen im Bestätigungsvermerk | Entfällt; es gibt keine Beschränkungen im Bestätigungsvermerk der Emittentin zu ihren historischen Finanzinformationen. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| B.12 | Ausgewählte wesentliche historische Finanzinformationen über den Emittenten, Erklärung zu Trendinformationen sowie wesentliche Veränderungen der Finanzlage oder Handelsposition des Emittenten | <p>Die nachfolgenden Finanzinformationen (nach IFRS) wurden dem geprüften Jahresabschluss der Leonteq Securities AG für die zum 31. Dezember 2014 und 2015 geendeten Jahre entnommen.</p> <table> <thead> <tr> <th style="text-align: left;">in Tausend CHF</th> <th style="text-align: right;">zum 31. Dezember 2014</th> <th style="text-align: right;">zum 31. Dezember 2015</th> </tr> <tr> <th></th> <th style="text-align: right;">(geprüft)</th> <th style="text-align: right;">(geprüft)</th> </tr> </thead> <tbody> <tr> <td>Umsatz</td> <td></td> <td></td> </tr> <tr> <td>Ergebnis der gesamten Geschäftstätigkeit</td> <td style="text-align: right;">170.914</td> <td style="text-align: right;">171.831</td> </tr> <tr> <td>Ergebnis der operativen Geschäftstätigkeit (Gewinn vor Steuern)</td> <td style="text-align: right;">55.228</td> <td style="text-align: right;">58.878</td> </tr> <tr> <td></td> <td style="text-align: right;">31 Dezember 2014</td> <td style="text-align: right;">31 Dezember 2015</td> </tr> <tr> <td></td> <td style="text-align: right;">(geprüft)</td> <td style="text-align: right;">(geprüft)</td> </tr> <tr> <td>Bilanz</td> <td></td> <td></td> </tr> <tr> <td>Summe der Aktiva</td> <td style="text-align: right;">6.883.992</td> <td style="text-align: right;">6.565.337</td> </tr> <tr> <td>Erfolgswirksam zum beizulegenden Zeitwert bewertete finanzielle Verbindlichkeiten</td> <td style="text-align: right;">3.691.422</td> <td style="text-align: right;">3.191.476</td> </tr> </tbody> </table> | in Tausend CHF | zum 31. Dezember 2014 | zum 31. Dezember 2015 | | (geprüft) | (geprüft) | Umsatz | | | Ergebnis der gesamten Geschäftstätigkeit | 170.914 | 171.831 | Ergebnis der operativen Geschäftstätigkeit (Gewinn vor Steuern) | 55.228 | 58.878 | | 31 Dezember 2014 | 31 Dezember 2015 | | (geprüft) | (geprüft) | Bilanz | | | Summe der Aktiva | 6.883.992 | 6.565.337 | Erfolgswirksam zum beizulegenden Zeitwert bewertete finanzielle Verbindlichkeiten | 3.691.422 | 3.191.476 |
| in Tausend CHF | zum 31. Dezember 2014 | zum 31. Dezember 2015 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | (geprüft) | (geprüft) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Umsatz | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Ergebnis der gesamten Geschäftstätigkeit | 170.914 | 171.831 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Ergebnis der operativen Geschäftstätigkeit (Gewinn vor Steuern) | 55.228 | 58.878 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | 31 Dezember 2014 | 31 Dezember 2015 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | (geprüft) | (geprüft) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Bilanz | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Summe der Aktiva | 6.883.992 | 6.565.337 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Erfolgswirksam zum beizulegenden Zeitwert bewertete finanzielle Verbindlichkeiten | 3.691.422 | 3.191.476 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

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| | | <p>Summe Eigenkapital 154.797 193.154</p> <p>Seit dem Stichtag des letzten geprüften Jahresabschlusses (31. Dezember 2015) hat es keine wesentlichen negativen Veränderungen in den Geschäftsaussichten der Emittentin gegeben.</p> <p>Seit dem Stichtag des letzten geprüften Jahresabschlusses (31. Dezember 2015) sind keine wesentlichen Veränderungen in der Finanzlage oder Handelsposition der Emittentin eingetreten.</p> |
| B.13 | Beschreibung aller Ereignisse aus der jüngsten Zeit, die für die Bewertung der Zahlungsfähigkeit des Emittenten in hohem Maße relevant sind | Entfällt; es gibt keine Ereignisse aus der jüngsten Zeit, die für die Bewertung der Zahlungsfähigkeit des Emittenten in hohem Masse relevant sind. |
| B.14 | B.5, sowie Abhängigkeit des Emittenten von anderen Konzerngesellschaften | Siehe B.5 Entfällt; Leonteq Securities AG hat keine Tochtergesellschaften. |
| B.15 | Beschreibung der Haupttätigkeiten des Emittenten | <p>Zu den Haupttätigkeiten der Leonteq Securities AG zählen Entwicklung, Strukturierung, Vertrieb, Absicherung (<i>Hedging</i>), Abrechnung sowie Market-Making und Sekundärmarktdienste für strukturierte Produkte sowie ferner die Konzeption und das Investment Management von Zertifikaten im Hinblick auf variable Annuitäten-Produkte.</p> <p>Die Leonteq Securities AG erbringt einige dieser Hauptdienstleistungen an Dritte, ihre <i>Plattform-Partners</i>, nach Massgabe der jeweiligen Zusammenarbeitsverträgen. Ferner bietet die Leonteq Securities AG strukturierte Asset Management- und Pensionslösungen für Dritte in der Schweiz und im Ausland sowie Brokerage-Dienstleistungen für Dritte.</p> <p>Die Leonteq Securities AG vertreibt ihre Finanzprodukte entweder direkt an institutionelle Anleger oder indirekt über dritte Finanzintermediäre an Privatanleger.</p> |
| B.16 | Unmittelbare oder mittelbare Beteiligungen oder Beherrschungsverhältnisse | Das Aktienkapital der Leonteq Securities AG wird in seiner Gesamtheit von der Leonteq AG gehalten, die als Einzelaktionär die Leonteq Securities AG kontrolliert. |
| Abschnitt C – Wertpapiere | | |
| C.1 | Art und Gattung der Wertpapiere, einschließlich Wertpapierkennung | <p>Art/Form der Wertpapiere</p> <p>Die vorliegenden Produkte sind dadurch gekennzeichnet, dass die Höhe [[und der Zeitpunkt] der Rückzahlung] [sowie die Art der Tilgung (Barausgleich oder physische Lieferung)] von der Entwicklung [des Basiswerts][der Korbbestandteile] [unabhängig] [abhängig] [ist][sind]. [Weiterhin werden die Produkte verzinst. [Die Höhe der Verzinsung ist [ebenfalls] abhängig von der Entwicklung</p> |

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| | | <p>[des Basiswerts][der Korbbestandteile.][Die Verzinsung erfolgt unabhängig von der Entwicklung [des Basiswerts][der Korbbestandteile].]</p> <p><i>[im Fall von Schweizerischen Wertrechten einfügen:</i> Die Produkte werden in unverbriefter Form gemäß Art. 973c des Schweizerischen Obligationenrechts als Wertrechte ausgegeben. Wertrechte werden von der Emittentin durch Eintrag in einem von der Emittentin geführten Wertrechtbuch geschaffen. Diese Wertrechte werden dann in das Hauptregister der Verwahrungsstelle eingetragen. Mit der Eintragung der Wertrechte im Hauptregister der Verwahrungsstelle und deren Gutschrift in einem oder mehreren Effektenkonten entstehen Bucheffekten im Sinne des Bundesgesetzes über Bucheffekten.]</p> <p><i>[im Fall von Schweizerischen Clearstream Banking AG, Frankfurt (“CBF”) Inhaberpapieren einfügen:</i> Während ihrer Laufzeit sind die Produkte in einer Globalurkunde gemäß Art. 973b des Schweizerischen Obligationenrechts (die “Dauerglobalurkunde”) verbrieft. Die Dauerglobalurkunde wird solange von einem Clearingsystem oder im Auftrag eines Clearingsystems verwahrt, bis sämtliche Verpflichtungen der Emittentin aus den Produkten erfüllt sind.]</p> <p><i>[im Fall von Schweizerischen SIX SIS Inhaberpapieren einfügen:</i> Während ihrer Laufzeit sind die Produkte in der Form einer Globalurkunde gemäß Art. 973b des Schweizerischen Obligationenrechts verbrieft, welche durch die Zahlstelle bei einer Verwahrungsstelle gemäß den Bestimmungen des schweizerischen Bundesgesetzes über Bucheffekten, hinterlegt wird. Sobald die Dauerglobalurkunde bei der Verwahrungsstelle hinterlegt ist und den Effektenkonten eines oder mehreren Teilnehmern der Verwahrungsstelle gutgeschrieben wurde, stellen die Produkte Bucheffekten gemäß den Bestimmungen des schweizerischen Bundesgesetzes über Bucheffekten dar.]</p> <p><i>[im Fall von deutschen CBF Inhaberpapieren einfügen:</i> Bei den von der Emittentin begebenen Produkten handelt es sich um Inhaberschuldverschreibungen. Die Produkte sind in einer Dauerglobalurkunde verbrieft, die während der Laufzeit der Produkte von dem Clearingsystem oder im Auftrag des Clearingsystems verwahrt wird.]</p> <p><i>[im Fall von deutschen SIX SIS Inhaberpapieren einfügen:</i> Bei den von der Emittentin begebenen Produkten handelt es sich um Inhaberschuldverschreibungen. Die Produkte sind in einer Dauerglobalurkunde verbrieft, die von der SIX SIS AG oder einer anderen Verwahrstelle gemäß Bundesgesetz über Bucheffekten verwahrt wird. Sobald die Dauerglobalurkunde bei einer Verwahrungsstelle gemäß den Bestimmungen des schweizerischen Bundesgesetzes über Bucheffekten hinterlegt ist und den Effektenkonten eines oder mehreren Teilnehmern der Verwahrungsstelle gutgeschrieben wurde, stellen die Produkte</p> |
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| | | <p>Bucheffekten gemäß den Bestimmungen des schweizerischen Bundesgesetzes über Bucheffekten dar.]</p> <p>Wertpapierkennung</p> <p>[ISIN: [●]]</p> <p>[WKN: [●]]</p> <p>[Valorenummer: [●]]</p> <p>[Common Code: [●]]</p> <p>[weitere Kennung für die Produkte einfügen: ●]]</p> <p>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]]</p> |
| C.2 | Währung der Wertpapieremission | Die Auszahlungswährung der Produkte ist [●]. |
| C.5 | Beschränkung der freien Übertragbarkeit | Entfällt; die Produkte sind frei übertragbar. |

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| C.8 | Rechte, die mit den Wertpapieren verbunden sind, einschließlich der Rangordnung und der Beschränkungen dieser Rechte | <p>Anwendbares Recht</p> <p>Form und Inhalt der Produkte sowie alle Rechte und Pflichten der Emittentin und der Inhaber bestimmen sich nach [<i>im Fall von Produkten, die deutschem Recht unterliegen, einfügen:</i> dem Recht der Bundesrepublik Deutschland] [<i>im Fall von Produkten, die schweizerischem Recht unterliegen, einfügen:</i> dem Recht der Schweiz].</p> <p>Mit den Produkten verbundene Rechte</p> <p>Jedes Produkt gewährt dem Inhaber einen Anspruch auf [<i>im Fall von Produkten mit Couponzahlung einfügen:</i> Zahlung des Couponbetrags an dem/den Couponzahlungstag(en)] sowie [Zahlung des Rückzahlungsbetrags][Zahlung des jeweiligen Teilrückzahlungsbetrags] [bzw.] [die Lieferung [des Basiswerts][eines Korbbestandteils] [am Rückzahlungstag][am jeweiligen Teilrückzahlungstag] wie unter C.15 ausführlicher beschrieben. [Die Produkte werden nicht verzinst.] [Die Inhaber haben das Recht, die Produkte zu bestimmten Einlösungstagen einzulösen.] [Die Emittentin ist berechtigt, die Produkte außerordentlich [und ordentlich] zu kündigen.]</p> <p>Status der Produkte</p> <p>[<i>einfügen für den Fall, dass COSI (Collateral Secured Instruments – Pfandbesicherte Produkte) nicht anwendbar ist:</i> Die Produkte stellen allgemeine vertragliche Verbindlichkeiten der Emittentin dar, die nicht dinglich durch Vermögen der Emittentin besichert sind. Die Produkte stehen untereinander sowie, vorbehaltlich entgegenstehender zwingender gesetzlicher Regelungen, mit allen sonstigen unbesicherten und nicht nachrangigen Verbindlichkeiten der Emittentin, mit Ausnahme nachrangiger Verbindlichkeiten und solcher Verbindlichkeiten, denen aufgrund zwingender gesetzlicher Regelungen Vorrang zukommt, im gleichen Rang.]</p> <p>[<i>einfügen für den Fall, dass COSI anwendbar ist:</i> Die Produkte stellen allgemeine vertragliche Verbindlichkeiten der Emittentin dar, die dinglich besichert sind. Die Produkte stehen untereinander sowie, vorbehaltlich entgegenstehender zwingender gesetzlicher Regelungen, mit allen sonstigen dinglich besicherten und nicht nachrangigen Verbindlichkeiten der Emittentin im gleichen Rang.]</p> <p>Beschränkungen der Rechte</p> <p>Die Emittentin ist unter bestimmten Voraussetzungen zur Kündigung der Produkte und zu Anpassungen der Produktbedingungen berechtigt.</p> |
| C.11 | Zulassung zum Handel | <p>[[Freiverkehr] der [Frankfurter Wertpapierbörse][●].][SIX Swiss Exchange]][<i>andere Börse einfügen:</i> ●] Die Emittentin und die Anbieterin übernehmen keine Rechtspflicht hinsichtlich des Zustandekommens einer Börseneinführung zum Beabsichtigten Ersten Handelstag oder der Aufrechterhaltung einer gegebenenfalls zu Stande gekommenen Börseneinführung.]</p> |

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| | | [Entfällt. Eine Zulassung zum Handel oder eine Börsennotierung der Produkte ist nicht beabsichtigt.] |
| C.15 | Beeinflussung des Wertes der Wertpapiere durch den Basiswert | <p>Zwischen dem wirtschaftlichen Wert der Produkte und dem wirtschaftlichen Wert des Basiswerts besteht ein Zusammenhang. [<i>im Fall von Produkten ohne Inverse Struktur einfügen</i>: Ein Produkt verliert regelmäßig dann an Wert, wenn der Kurs des Basiswerts fällt.] [<i>im Fall von Produkten mit Inverse Struktur einfügen</i>: Die Produkte sind so ausgestaltet, dass ein Produkt regelmäßig dann an Wert verliert, wenn der Kurs des Basiswerts steigt.]</p> <p>[<i>im Fall von Bonus Zertifikaten mit Barauszahlung (Produkt Nr. 1) einfügen</i>]:</p> <p>Bei diesen Produkten erhalten die Anleger am Rückzahlungstag (wie untenstehend unter Punkt C.16 definiert) einen Rückzahlungsbetrag in der Auszahlungswährung, dessen Höhe von der Entwicklung des Basiswerts abhängt.</p> <p>(i) Sofern [(a) kein Barrier Event eintritt [und (b) der Endwert des Korbs (wie untenstehend unter Punkt C.19 definiert) auf oder unter dem Anfangswert des Korbs multipliziert mit dem Bonus Level liegt], entspricht der Rückzahlungsbetrag [dem mit dem Ausübungsverhältnis multiplizierten Endlevel (wie untenstehend unter Punkt C.19 definiert)] [dem Ausgabepreis unter Berücksichtigung der Entwicklung des Basiswerts] [dem Ausgabepreis multipliziert mit dem Quotienten aus dem Endwert des Korbs und dem Anfangswert des Korbs], mindestens aber dem mit dem [Ausübungsverhältnis] [Ausgabepreis] multiplizierten Bonus Level (Mindestrückzahlung)].</p> <p>(ii) Sofern ein Barrier Event eingetreten ist, entspricht der Rückzahlungsbetrag nicht mehr mindestens dem mit dem [Ausübungsverhältnis] [Ausgabepreis] multiplizierten Bonus Level, sondern [[immer dem mit dem Ausübungsverhältnis multiplizierten Endlevel] [dem Ausgabepreis unter Berücksichtigung der Entwicklung des Basiswerts] (1:1 Partizipation an der Entwicklung des Basiswerts)] [dem Ausgabepreis multipliziert mit dem Quotienten aus dem Endwert des Korbs und dem Anfangswert des Korbs].</p> <p>[[Ausgabepreis: [●]]</p> <p>[Ausübungsverhältnis: [●]]</p> <p>[Anfangswert des Korbs: [●]]</p> <p>Barrier: [●]</p> <p>[Barrier Beobachtungsperiode: [●]]</p> <p>Barrier Event: [●]</p> <p>Barrier Level: [●]</p> <p>Bonus Level: [●]]</p> <p>[<i>im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben</i></p> |

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| | <p><i>genannten maßgeblichen Definitionen einfügen: ●</i>]</p> <p><i>[im Fall von Bonus Zertifikaten mit etwaiger Physischer Lieferung (Produkt Nr. 2) einfügen:</i></p> <p>Bei diesen Produkten erhalten die Anleger am Rückzahlungstag (wie untenstehend unter Punkt C.16 definiert) einen Rückzahlungsbetrag in der Auszahlungswährung oder die physische Lieferung des Basiswerts, abhängig von der Entwicklung des Basiswerts.</p> <p>(i) Sofern (a) kein Barrier Event eintritt und (b) das Endlevel (wie untenstehend unter Punkt C.19 definiert) dem Anfangslevel multipliziert mit dem Bonus Level entspricht oder diesen Wert unterschreitet, entspricht der Rückzahlungsbetrag dem Mindestrückzahlungsbetrag (der dem Bonus Level multipliziert mit dem Ausgabepreis entspricht).</p> <p>(ii) In allen anderen Fällen erhält der Inhaber eine bestimmte Anzahl des Basiswerts geliefert, die durch das Ausübungsverhältnis ausgedrückt wird. Bruchteile des Basiswerts werden dabei nicht geliefert, sondern durch Zahlung eines Barbetrags, des sog. Spitzenausgleichsbetrags, ausgeglichen.</p> <p>[Anfangslevel: ●]</p> <p>[Ausgabepreis: ●]</p> <p>[Ausübungsverhältnis: ●]</p> <p>Barrier: ●]</p> <p>[Barrier Beobachtungsperiode: ●]</p> <p>Barrier Event: ●]</p> <p>Barrier Level: ●]</p> <p>Bonus Level: ●]</p> <p><i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]</i></p> <p><i>[im Fall von Capped Bonus Zertifikaten mit Barauszahlung und mit Nennbetrag (Produkt Nr. 3) einfügen:</i></p> <p>Bei diesen Produkten erhalten die Anleger am Rückzahlungstag (wie untenstehend unter Punkt C.16 definiert) einen Rückzahlungsbetrag in der Auszahlungswährung, dessen Höhe von der Entwicklung des Basiswerts abhängt.</p> <p>(i) Sofern (a) kein Barrier Event eintritt und (b) der Endwert des Korbs (wie untenstehend unter Punkt C.19 definiert) dem Anfangswert des Korbs multipliziert mit dem Bonus Level entspricht oder diesen Wert unterschreitet, entspricht der Rückzahlungsbetrag dem Mindestrückzahlungsbetrag (der dem mit dem Nennbetrag multiplizierten Bonus Level entspricht).</p> <p>(ii) In allen anderen Fällen entspricht der Rückzahlungsbetrag dem Nennbetrag unter Berücksichtigung der Entwicklung des Basiswerts, wobei der Rückzahlungsbetrag höchstens dem</p> |
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| | | <p>Höchstrückzahlungsbetrag (der dem Nennbetrag multipliziert mit dem Cap Level entspricht) entspricht.</p> <p>[Anfangswert des Korbs: [●]]</p> <p>Ausgabepreis: [●]</p> <p>Barrier: [●]</p> <p>[Barrier Beobachtungsperiode: [●]]</p> <p>Barrier Event: [●]</p> <p>Barrier Level: [●]</p> <p>Bonus Level: [●]</p> <p>Cap Level: [●]</p> <p>Nennbetrag: [●]]</p> <p><i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]]</i></p> <hr/> <p><i>[im Fall von Capped Bonus Zertifikaten mit Barauszahlung und ohne Nennbetrag (Produkt Nr. 4) einfügen:</i></p> <p>Bei diesen Produkten erhalten die Anleger am Rückzahlungstag (wie untenstehend unter Punkt C.16 definiert) einen Rückzahlungsbetrag in der Auszahlungswährung, dessen Höhe von der Entwicklung des Basiswerts abhängt.</p> <p>(i) Sofern kein Barrier Event eintritt [oder ein Barrier Event eintritt und das Endlevel (wie untenstehend unter Punkt C.19 definiert) über dem mit dem Bonus Level multiplizierten Anfangslevel liegt], entspricht der Rückzahlungsbetrag dem Mindestrückzahlungsbetrag (der dem mit dem Ausgabepreis multiplizierten Bonus Level entspricht).</p> <p>(ii) In allen anderen Fällen entspricht der Rückzahlungsbetrag dem Ausgabepreis unter Berücksichtigung der Entwicklung des Basiswerts, wobei der Rückzahlungsbetrag höchstens dem Höchstrückzahlungsbetrag (der dem Ausgabepreis multipliziert mit dem Cap Level entspricht) entspricht.</p> <p>[[Anfangslevel: [●]]</p> <p>Ausgabepreis: [●]</p> <p>[Ausübungsverhältnis: [●]]</p> <p>Barrier: [●]</p> <p>[Barrier Beobachtungsperiode: [●]]</p> <p>Barrier Event: [●]</p> <p>Barrier Level: [●]</p> <p>Bonus Level: [●]</p> <p>Cap Level: [●]]</p> |
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| | <p><i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]</i></p> <p><i>[im Fall von Capped Bonus Zertifikaten mit etwaiger Physischer Lieferung (Produkt Nr. 5) einfügen:</i></p> <p>Bei diesen Produkten erhalten die Anleger am Rückzahlungstag (wie untenstehend unter Punkt C.16 definiert) einen Rückzahlungsbetrag in der Auszahlungswährung oder die physische Lieferung des Basiswerts, abhängig von der Entwicklung des Basiswerts.</p> <p>(i) Sofern [(a)] kein Barrier Event eintritt [oder (b) ein Barrier Event eintritt und das Endlevel (wie untenstehend unter Punkt C.19 definiert) den Ausgabepreis multipliziert mit dem Bonus Level überschreitet], entspricht der Rückzahlungsbetrag dem Mindestrückzahlungsbetrag (der dem Bonus Level multipliziert mit dem Ausgabepreis entspricht). Der Rückzahlungsbetrag entspricht maximal dem Höchstrückzahlungsbetrag (der dem Ausgabepreis multipliziert mit dem Cap Level entspricht).</p> <p>(ii) In allen anderen Fällen erhält der Inhaber eine bestimmte Anzahl des Basiswerts geliefert, die durch das Ausübungsverhältnis ausgedrückt wird. Bruchteile des Basiswerts werden dabei nicht geliefert, sondern durch Zahlung eines Barbetrags, des sog. Spitzenausgleichsbetrags, ausgeglichen.</p> <p>[[Anfangslevel: [●]]</p> <p>Ausgabepreis: [●]</p> <p>[Ausübungsverhältnis: [●]]</p> <p>Barrier: [●]</p> <p>[Barrier Beobachtungsperiode: [●]]</p> <p>Barrier Event: [●]</p> <p>Barrier Level: [●]</p> <p>Bonus Level: [●]</p> <p>Cap Level: [●]]</p> <p><i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]</i></p> <p><i>[im Fall von Anleihen (Reverse Convertibles) mit Barauszahlung (Produkt Nr. 6) einfügen:</i></p> <p>Bei diesen Produkten erhalten die Anleger am Rückzahlungstag (wie untenstehend unter Punkt C.16 definiert) einen Rückzahlungsbetrag in der Auszahlungswährung, dessen Höhe von der Entwicklung des Basiswerts abhängt.</p> <p>(i) Liegt das Endlevel (wie untenstehend unter Punkt C.19 definiert) über dem Ausübungspreis, erhält der Inhaber den Nennbetrag. Der Nennbetrag ist der maximale Betrag, den der Inhaber als Rückzahlungsbetrag erhalten kann.</p> |
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| | <p>(ii) Liegt das Endlevel auf oder unter dem Ausübungspreis, erhält der Inhaber einen Rückzahlungsbetrag in Höhe des Nennbetrags unter Berücksichtigung der Entwicklung des Basiswerts. Dieser Betrag liegt regelmäßig unter dem Nennbetrag.</p> <p>[An dem][An den] Couponzahlungstag[en] erhält der Inhaber einen Couponbetrag. Die Couponzahlung erfolgt unabhängig von der Entwicklung des Basiswerts.</p> <p>[[Anfangslevel: [●]]</p> <p>[Ausgabepreis: [●]]</p> <p>Ausübungspreis: [●]</p> <p>Couponbetrag: [●]</p> <p>[Couponzahlungstag[e]: [●]]</p> <p>Nennbetrag: [●]]</p> <p><i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]]</i></p> <hr/> <p><i>[im Fall von Anleihen (Reverse Convertibles) mit etwaiger Physischer Lieferung (Produkt Nr. 7) einfügen:</i></p> <p>Bei diesen Produkten erhalten die Anleger am Rückzahlungstag (wie untenstehend unter Punkt C.16 definiert) einen Rückzahlungsbetrag in der Auszahlungswährung oder die physische Lieferung des Basiswerts, abhängig von der Entwicklung des Basiswerts.</p> <p>(i) Liegt das Endlevel (wie untenstehend unter Punkt C.19 definiert) über dem Ausübungspreis, erhält der Inhaber den Nennbetrag. Der Nennbetrag ist der maximale Betrag, den der Inhaber als Rückzahlungsbetrag erhalten kann.</p> <p>(ii) Liegt das Endlevel auf oder unter dem Ausübungspreis, erhält der Inhaber eine bestimmte Anzahl des Basiswerts geliefert, die durch das Ausübungsverhältnis ausgedrückt wird. Bruchteile des Basiswerts werden dabei nicht geliefert, sondern durch Zahlung eines Barbetrags, des sog. Spitzenausgleichsbetrags, ausgeglichen. Der Gegenwert der gelieferten Basiswerte liegt regelmäßig unter dem Nennbetrag.</p> <p>[An dem][An den] Couponzahlungstag[en] erhält der Inhaber einen Couponbetrag. Die Couponzahlung erfolgt unabhängig von der Entwicklung des Basiswerts.</p> <p>[Anfangslevel: [●]</p> <p>[Ausgabepreis: [●]]</p> <p>Ausübungspreis: [●]</p> <p>[Ausübungsverhältnis: [●]]</p> <p>[Couponbetrag: [●]]</p> <p>[Couponzahlungstag[e]: [●]]</p> |
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| | | <p>Nennbetrag: [●]</p> <p><i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]</i></p> <hr/> <p><i>[im Fall von Anleihen (Barrier Reverse Convertibles) mit Barauszahlung (Produkt Nr. 8) einfügen:</i></p> <p>Bei diesen Produkten erhalten die Anleger am Rückzahlungstag (wie untenstehend unter Punkt C.16 definiert) einen Rückzahlungsbetrag in der Auszahlungswährung, dessen Höhe von der Entwicklung des Basiswerts abhängt.</p> <p>(i) Sofern kein Barrier Event eingetreten ist [oder ein Barrier Event eingetreten ist und das Endlevel (wie untenstehend unter Punkt C.19 definiert) über dem Anfangslevel liegt,], erhält der Inhaber den Nennbetrag. Der Nennbetrag ist der maximale Betrag, den der Inhaber als Rückzahlungsbetrag erhalten kann.</p> <p>(ii) In allen anderen Fällen erhält der Inhaber einen Rückzahlungsbetrag in Höhe des Nennbetrags unter Berücksichtigung der Kursentwicklung des [Basiswerts] [Korbbestandteils mit der schlechtesten Kursentwicklung].</p> <p>Weiterhin erhält der Inhaber an [dem][den] Couponzahlungstag[en] einen Couponbetrag. Die Couponzahlung erfolgt unabhängig von der Entwicklung des Basiswerts.</p> <p>[[Anfangslevel: [●]]</p> <p>[Ausgabepreis: [●]]</p> <p>Barrier: [●]</p> <p>Barrier Event: [●]</p> <p>Barrier Level: [●]</p> <p>[Barrier Beobachtungsperiode: [●]]</p> <p>[Couponbetrag: [●]]</p> <p>[Couponzahlungstag[e]: [●]]</p> <p>Nennbetrag: [●]</p> <p><i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]</i></p> <hr/> <p><i>[im Fall von Anleihen (Barrier Reverse Convertibles) mit etwaiger Physischer Lieferung (Produkt Nr. 9) einfügen:</i></p> <p>Bei diesen Produkten erhalten die Anleger am Rückzahlungstag (wie untenstehend unter Punkt C.16 definiert) einen Rückzahlungsbetrag in der Auszahlungswährung oder die physische Lieferung [des Basiswerts][des Korbbestandteils mit der schlechtesten Kursentwicklung], abhängig von der Entwicklung [des Basiswerts][der Korbbestandteile].</p> <p>(i) Sofern kein Barrier Event eingetreten ist [oder ein Barrier Event</p> |
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| | | <p>eingetreten ist und das Endlevel (wie untenstehend unter Punkt C.19 definiert) über dem Anfangslevel liegt], erhält der Inhaber den Nennbetrag. Der Nennbetrag ist der maximale Betrag, den der Inhaber als Rückzahlungsbetrag erhalten kann.</p> <p>(ii) In allen anderen Fällen, erhält der Inhaber eine bestimmte Anzahl des [Basiswerts] [Korbbestandteils mit der schlechtesten Kursentwicklung] geliefert, ausgedrückt durch das Ausübungsverhältnis. Bruchteile des [Basiswerts] [Korbbestandteils] werden dabei nicht geliefert, sondern durch Zahlung eines Barbetrags, des sog. Spitzenausgleichsbetrags, ausgeglichen.</p> <p>Weiterhin erhält der Inhaber an [dem][den] Couponzahlungstag[en] einen Couponbetrag. Die Couponzahlung erfolgt unabhängig von der Entwicklung [des Basiswerts][der Korbbestandteile].</p> <p>[[Anfangslevel: [●]]</p> <p>[Ausgabepreis: [●]]</p> <p>Ausübungsverhältnis: [●]</p> <p>Barrier: [●]</p> <p>Barrier Event: [●]</p> <p>Barrier Level: [●]</p> <p>[Barrier Beobachtungsperiode: [●]]</p> <p>Couponbetrag: [●]</p> <p>Couponzahlungstag[e]: [●]</p> <p>Nennbetrag: [●]]</p> <p><i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]]</i></p> <hr/> <p><i>[im Fall von Discount Zertifikaten mit Barauszahlung (Produkt Nr. 10) einfügen:</i></p> <p>Bei diesen Produkten erhalten die Anleger am Rückzahlungstag (wie untenstehend unter Punkt C.16 definiert) einen Rückzahlungsbetrag in der Auszahlungswährung, dessen Höhe von der Entwicklung des Basiswerts abhängt.</p> <p>(i) Sofern das Endlevel (wie untenstehend unter Punkt C.19 definiert) unter dem Cap Level liegt oder diesem entspricht, entspricht der Rückzahlungsbetrag dem Endlevel multipliziert mit dem Ausübungsverhältnis.</p> <p>(ii) Sofern das Endlevel über dem Cap Level liegt, entspricht der Rückzahlungsbetrag dem Höchstrückzahlungsbetrag (der dem Cap Level unter Berücksichtigung des Ausübungsverhältnisses entspricht).</p> <p>[Ausübungsverhältnis: [●]</p> <p>Cap Level: [●]]</p> |
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| | <p><i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]</i></p> <p><i>[im Fall von Discount Zertifikaten mit etwaiger Physischer Lieferung (Produkt Nr. 11) einfügen:</i></p> <p>Bei diesen Produkten erhalten die Anleger am Rückzahlungstag (wie untenstehend unter Punkt C.16 definiert) einen Rückzahlungsbetrag in der Auszahlungswährung oder eine bestimmte Anzahl des Basiswerts, abhängig von der Entwicklung des Basiswerts.</p> <p>(i) Sofern das Endlevel (wie untenstehend unter Punkt C.19 definiert) über dem Cap Level liegt, entspricht der Rückzahlungsbetrag dem Höchstrückzahlungsbetrag (der dem Cap Level unter Berücksichtigung des Ausübungsverhältnisses entspricht).</p> <p>(ii) Sofern das Endlevel unter dem Cap Level liegt oder diesem entspricht, erhält der Inhaber eine bestimmte Anzahl des Basiswerts geliefert, ausgedrückt durch das Ausübungsverhältnis. Bruchteile des Basiswerts werden dabei nicht geliefert, sondern durch Zahlung eines Barbetrags, des sog. Spitzenausgleichsbetrags, ausgeglichen.</p> <p>[Ausübungsverhältnis: [●]]</p> <p>Cap Level: [●]]</p> <p><i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]</i></p> <p><i>[im Fall von Express Zertifikaten mit Barauszahlung und ohne Nennbetrag (Produkt Nr. 12) einfügen:</i></p> <p>Bei diesen Produkten erhalten die Anleger am Rückzahlungstag (wie untenstehend unter Punkt C.16 definiert) einen Rückzahlungsbetrag in der Auszahlungswährung, dessen Höhe von der Entwicklung [des Basiswerts][der Korbbestandteile] abhängt. Die Höhe des Rückzahlungsbetrags und der Zeitpunkt der Rückzahlung der Produkte sind davon abhängig, ob ein Autocall Ereignis eingetreten ist. Sofern dies der Fall ist, endet die Laufzeit der Produkte vorzeitig und die Produkte werden vorzeitig nach dem Autocall Beobachtungstag, an dem das Autocall Ereignis eingetreten ist, zurückgezahlt. Der Rückzahlungsbetrag in der Auszahlungswährung entspricht in diesem Fall dem Ausgabepreis.</p> <p>Ein Autocall Ereignis tritt ein, wenn [der Referenzkurs (wie untenstehend unter Punkt C.19 definiert) an einem Autocall Beobachtungstag den Autocall Trigger Level überschreitet][die Referenzkurse sämtlicher Korbbestandteile an einem Autocall Beobachtungstag das jeweils maßgebliche Autocall Trigger Level überschreiten].</p> <p>Sofern eine vorzeitige Rückzahlung nicht erfolgt, ist für die Höhe des Rückzahlungsbetrags die Entwicklung [des Basiswerts][der Korbbestandteile] am Rückzahlungstag maßgeblich:</p> |
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| | <p>(i) Sofern kein Barrier Event eingetreten ist, entspricht der Rückzahlungsbetrag dem Ausgabepreis. [Der Rückzahlungsbetrag entspricht ebenfalls dem Ausgabepreis, wenn zwar ein Barrier Event eingetreten ist, aber das Endlevel über dem [Anfangslevel][Ausübungspreis] notiert.]</p> <p>(ii) Sofern die unter (i) angegebenen Voraussetzungen nicht erfüllt sind, entspricht der Rückzahlungsbetrag dem Ausgabepreis unter Berücksichtigung der Entwicklung [des Basiswerts][des Korbbestandteils mit der schlechtesten Kursentwicklung]. Der Rückzahlungsbetrag wird aber den Höchstrückzahlungsbetrag, der dem Ausgabepreis entspricht, nicht übersteigen.</p> <p>Weiterhin erhält der Inhaber an [dem][den] Couponzahlungstag[en] einen Couponbetrag. [Die Couponzahlung ist von der Entwicklung [des Basiswerts][der Korbbestandteile] unabhängig.][Die Couponzahlung ist von einem bestimmten Ereignis [des Basiswerts][der Korbbestandteile] abhängig (z.B. Erreichen oder Überschreiten einer bestimmten Schwelle (z.B. Coupon Trigger Level)). Im Fall des Nichteintritts des Ereignisses wird für den entsprechenden Couponzahlungstag keine Couponzahlung erfolgen. [Jeder maßgebliche Tag wird hierbei gesondert betrachtet und eine Nachholung von Zahlungen des Couponbetrags findet nicht statt.] [Die Höhe der [jeweiligen] Couponzahlung ist [ebenfalls] von der Entwicklung [des Basiswerts][der Korbbestandteile] abhängig.]]</p> <p>Im Hinblick auf die Couponzahlungen ist weiterhin zu beachten, dass der Inhaber im Fall einer vorzeitigen Rückzahlung der Produkte noch den Couponbetrag für den dem vorzeitigen Rückzahlungstag zugeordneten Couponzahlungstag erhält. Er ist aber nicht berechtigt, Couponzahlungen für zukünftige Couponzahlungstage zu verlangen.</p> <p>[[Anfangslevel: [●]]</p> <p>Ausgabepreis: [●]</p> <p>[Ausübungspreis: [●]]</p> <p>Autocall Beobachtungstag[e]: [●]</p> <p>Autocall Trigger Level: [●]</p> <p>Barrier: [●]</p> <p>Barrier Event: [●]</p> <p>Barrier Level: [●]</p> <p>[Barrier Beobachtungsperiode: [●]]</p> <p>Couponbetrag: [●]</p> <p>Couponzahlungstag[e]: [●]</p> <p>[Coupon Trigger Level: [●]]]</p> <p><i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]]</i></p> |
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| | <p><i>[im Fall von Express Zertifikaten mit Barauszahlung und mit Nennbetrag (Produkt Nr. 13) einfügen:</i></p> <p>Die Höhe des Rückzahlungsbetrags und der Zeitpunkt der Rückzahlung der Produkte sind davon abhängig, ob ein Autocall Ereignis eingetreten ist, was von der Entwicklung [des Basiswerts][der Korbbestandteile] abhängt. Sofern dies der Fall ist, endet die Laufzeit der Produkte vorzeitig und die Produkte werden vorzeitig nach dem Autocall Beobachtungstag, an dem das Autocall Ereignis eingetreten ist, zurückgezahlt. Der Rückzahlungsbetrag in der Auszahlungswährung entspricht in diesem Fall dem Nennbetrag.</p> <p>Ein Autocall Ereignis tritt ein, wenn [der Referenzkurs (wie untenstehend unter Punkt C.19 definiert) an einem Autocall Beobachtungstag den Autocall Trigger Level überschreitet][die Referenzkurse (wie untenstehend unter Punkt C.19 definiert) sämtlicher Korbbestandteile an einem Autocall Beobachtungstag das jeweils maßgebliche Autocall Trigger Level überschreiten].</p> <p>Sofern eine vorzeitige Rückzahlung nicht erfolgt, ist für die Höhe des Rückzahlungsbetrags am Rückzahlungstag (wie untenstehend unter Punkt C. 16 definiert) die Entwicklung [des Basiswerts] [der Korbbestandteile] maßgeblich.</p> <p>Der Rückzahlungsbetrag wird wie folgt bestimmt:</p> <p>(i) [Sofern kein Barrier Event eingetreten ist][Sofern das Endlevel über dem Ausübungspreis liegt], entspricht der Rückzahlungsbetrag dem Nennbetrag.</p> <p>(ii) Sofern die unter (i) angegebenen Voraussetzungen nicht vorliegen, entspricht der Rückzahlungsbetrag dem Nennbetrag unter Berücksichtigung [der Entwicklung des Basiswerts][der Entwicklung des Korbbestandteils mit der schlechtesten Kursentwicklung]. Der Rückzahlungsbetrag wird aber den Höchstrückzahlungsbetrag, der dem Nennbetrag entspricht, nicht übersteigen.</p> <p>Weiterhin erhält der Inhaber an [dem][den] Couponzahlungstag[en] einen Couponbetrag. [Die Couponzahlung ist von [der Entwicklung des Basiswerts][der Entwicklung der Korbbestandteile] unabhängig.][Die Couponzahlung ist von einem bestimmten Ereignis [des Basiswerts][der Korbbestandteile] abhängig (z.B. Erreichen oder Überschreiten einer bestimmten Schwelle (z.B. Coupon Trigger Level)). Im Fall des Nichteintritts des Ereignisses wird für den entsprechenden Couponzahlungstag keine Couponzahlung erfolgen. [Jeder maßgebliche Tag wird hierbei gesondert betrachtet und eine Nachholung von Zahlungen des Couponbetrags findet nicht statt.]]</p> <p>Im Hinblick auf die Couponzahlungen ist weiterhin zu beachten, dass der Inhaber im Fall einer vorzeitigen Rückzahlung der Produkte noch den Couponbetrag für den dem vorzeitigen Rückzahlungstag zugeordneten Couponzahlungstag erhält. Er ist aber nicht berechtigt,</p> |
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| | | <p>Couponzahlungen für zukünftige Couponzahlungstage zu verlangen. [[Anfangslevel: [●]] [Ausübungspreis: [●]] Autocall Beobachtungstag[e]: [●] Autocall Trigger Level: [●] Barrier Event: [●] Barrier Level: [●] [Barrier Beobachtungsperiode: [●]] Couponbetrag: [●] Couponzahlungstag[e]: [●] [Coupon Trigger Level: [●]] Nennbetrag: [●]]</p> <p><i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]]</i></p> <hr/> <p><i>[im Fall von Tracker Zertifikaten mit Barauszahlung (Produkt Nr. 14) einfügen:</i></p> <p>Bei diesen Produkten erhalten Inhaber am Rückzahlungstag einen Rückzahlungsbetrag in der Auszahlungswährung, dessen Höhe von der Entwicklung [des Basiswerts][der Korbbestandteile] abhängt. Der Rückzahlungsbetrag entspricht [dem Endlevel][der Korbperformance] (wie untenstehend unter Punkt C.19 definiert) multipliziert mit dem Ausübungsverhältnis [und dem Verwaltungsfaktor] [und unter Berücksichtigung des Umrechnungsfaktors].</p> <p>[Ausübungsverhältnis: [●]] [Umrechnungsfaktor: [●]] [Verwaltungsfaktor: [●]]</p> <p><i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]]</i></p> <hr/> <p><i>[im Fall von Open End Tracker Zertifikaten mit Barauszahlung (Produkt Nr. 15) einfügen:</i></p> <p>Open End Tracker Zertifikate sind nicht mit einer festgelegten Laufzeitbegrenzung ausgestattet. Die Laufzeit der Produkte endet entweder (i) durch Ausübung der Produkte durch die Inhaber oder (ii) durch ordentliche Kündigung durch die Emittentin oder (iii) durch außerordentliche Kündigung durch die Emittentin.</p> <p>Bei diesen Produkten erhalten Inhaber am Rückzahlungstag (wie untenstehend unter Punkt C.16 definiert) einen Rückzahlungsbetrag in der Auszahlungswährung, dessen Höhe von der Entwicklung des Basiswerts abhängt. Der Rückzahlungsbetrag entspricht dem Endlevel (wie untenstehend unter Punkt C.19 definiert) unter</p> |
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| | | <p>Berücksichtigung des Ausübungsverhältnisses [und des Verwaltungsfaktors] [und unter Berücksichtigung des Umrechnungsfaktors].</p> <p>[[Ausgabepreis: [●]]</p> <p>Ausübungsverhältnis: [●]</p> <p>[Umrechnungsfaktor: [●]]</p> <p>[Verwaltungsfaktor: [●]]]</p> <p><i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]</i></p> |
| | | <p><i>[im Fall von Express Zertifikaten mit etwaiger Physischer Lieferung und mit Nennbetrag (Produkt Nr. 16) einfügen:</i></p> <p>Die Höhe des Rückzahlungsbetrags und der Zeitpunkt der Rückzahlung der Produkte sind davon abhängig, ob ein Autocall Ereignis eingetreten ist. Sofern dies der Fall ist, endet die Laufzeit der Produkte vorzeitig und die Produkte werden vorzeitig nach dem Autocall Beobachtungstag, an dem das Autocall Ereignis eingetreten ist, zurückgezahlt. Der Rückzahlungsbetrag entspricht in diesem Fall dem Nennbetrag.</p> <p>Ein Autocall Ereignis tritt ein, wenn [der Referenzkurs (wie untenstehend unter Punkt C.19 definiert) an einem Autocall Beobachtungstag den Autocall Trigger Level überschreitet][die Referenzkurse sämtlicher Korbbestandteile an einem Autocall Beobachtungstag das jeweils maßgebliche Autocall Trigger Level überschreiten].</p> <p>Sofern eine vorzeitige Rückzahlung nicht erfolgt, ist für die Höhe des Rückzahlungsbetrags bzw. die Art der Tilgung (Barauszahlung oder Physische Lieferung) die Entwicklung [des Basiswerts][der Korbbestandteile] maßgeblich:</p> <p>(i) Sofern [kein Barrier Event eingetreten ist][das Endlevel (wie untenstehend unter Punkt C.19 definiert) den Ausübungspreis überschreitet], entspricht der Rückzahlungsbetrag dem Nennbetrag.</p> <p>(ii) Andernfalls erhält der Inhaber eine bestimmte Anzahl [des Basiswerts][des Korbbestandteils mit der Schlechtesten Kursentwicklung] geliefert, ausgedrückt durch das Ausübungsverhältnis. Bruchteile [des Basiswerts][des Korbbestandteils] werden dabei nicht geliefert, sondern durch Zahlung eines Barbetrags, des sog. Spitzenausgleichsbetrags, ausgeglichen.</p> <p>Weiterhin erhält der Inhaber an [dem][den] Couponzahlungstag[en] einen Couponbetrag. [Die Couponzahlung ist dabei von der Entwicklung [des Basiswerts][der Korbbestandteile] unabhängig.] [Die Couponzahlung ist von einem bestimmten Ereignis [des Basiswerts] [der Korbbestandteile] abhängig (z.B. Erreichen oder Überschreiten einer bestimmten Schwelle (z.B. Coupon Trigger Level)). Im Fall des Nichteintritts des Ereignisses würde für den entsprechenden Couponzahlungstag keine Couponzahlung erfolgen.] [Jeder maßgebliche Tag wird hierbei gesondert betrachtet und eine Nachholung</p> |

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| | <p>von Zahlungen des Couponbetrags findet nicht statt.]</p> <p>Im Hinblick auf die Couponzahlungen ist [weiterhin] zu beachten, dass der Inhaber im Fall einer vorzeitigen Rückzahlung der Produkte noch den Couponbetrag für den dem vorzeitigen Rückzahlungstag zugeordneten Couponzahlungstag erhält. Er ist aber nicht berechtigt, Couponzahlungen für zukünftige Couponzahlungstage zu verlangen.</p> <p>[[Anfangslevel: [●]]</p> <p>Ausgabepreis: [●]</p> <p>[Ausübungspreis: [●]]</p> <p>Ausübungsverhältnis: [●]</p> <p>[Ausübungspreis: [●]]</p> <p>Autocall Beobachtungstag[e]: [●]</p> <p>Autocall Trigger Level: [●]</p> <p>Barrier: [●]</p> <p>Barrier Event: [●]</p> <p>Barrier Level: [●]</p> <p>[Barrier Beobachtungsperiode: [●]]</p> <p>Couponbetrag: [●]</p> <p>Couponzahlungstag[e]: [●]</p> <p>[Coupon Trigger Level: [●]]</p> <p>Nennbetrag: [●]]</p> <p><i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]]</i></p> |
| | <p><i>[im Fall von Express Zertifikaten mit etwaiger Physischer Lieferung und ohne Nennbetrag (Produkt Nr. 17) einfügen:</i></p> <p>Die Höhe des Rückzahlungsbetrags und der Zeitpunkt der Rückzahlung der Produkte sind davon abhängig, ob ein Autocall Ereignis eingetreten ist. Sofern dies der Fall ist, endet die Laufzeit der Produkte vorzeitig und die Produkte werden vorzeitig nach dem Autocall Beobachtungstag, an dem das Autocall Ereignis eingetreten ist, zurückgezahlt. Der Rückzahlungsbetrag entspricht in diesem Fall dem Ausgabepreis.</p> <p>Ein Autocall Ereignis tritt ein, wenn [der Referenzkurs des Basiswerts (wie untenstehend unter Punkt C.19 definiert) an einem Autocall Beobachtungstag den Autocall Trigger Level überschreitet][die Referenzkurse sämtlicher Korbbestandteile an einem Autocall Beobachtungstag das jeweils maßgebliche Autocall Trigger Level überschreiten].</p> <p>Sofern eine vorzeitige Rückzahlung nicht erfolgt, ist für die Höhe des Rückzahlungsbetrags bzw. die Art der Tilgung (Barauszahlung oder Physische Lieferung) die Entwicklung des Basiswerts bzw. der</p> |

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| | | <p>Korbbestandteile maßgeblich:</p> <p>(i) Sofern [kein Barrier Event eingetreten][das Endlevel über dem Ausübungspreis liegt], entspricht der Rückzahlungsbetrag dem Ausgabepreis. (ii) Andernfalls erhält der Inhaber eine bestimmte Anzahl [des Basiswerts][des Korbbestandteils mit der Schlechtesten Kursentwicklung] geliefert, ausgedrückt durch das Ausübungsverhältnis. Bruchteile des [Basiswerts][Korbbestandteils] werden dabei nicht geliefert, sondern durch Zahlung eines Barbetrags, des sog. Spitzenausgleichsbetrags, ausgeglichen.</p> <p>Weiterhin erhält der Inhaber an [dem][den] Couponzahlungstag[en] einen Couponbetrag. [Die Couponzahlung ist dabei von der Entwicklung [des Basiswerts][der Korbbestandteile] unabhängig.] [Die Couponzahlung ist von einem bestimmten Ereignis [des Basiswerts][der Korbbestandteile] abhängig ist (z.B. Erreichen oder Überschreiten einer bestimmten Schwelle (z.B. Coupon Trigger Level)). Im Fall des Nichteintritts des Ereignisses würde für den entsprechenden Couponzahlungstag keine Couponzahlung erfolgen.] [Jeder maßgebliche Tag wird hierbei gesondert betrachtet und eine Nachholung von Zahlungen des Couponbetrags findet nicht statt.]</p> <p>Im Hinblick auf die Couponzahlungen ist weiterhin zu beachten, dass der Inhaber im Fall einer vorzeitigen Rückzahlung der Produkte noch den Couponbetrag für den dem vorzeitigen Rückzahlungstag zugeordneten Couponzahlungstag erhält. Er ist aber nicht berechtigt, Couponzahlungen für zukünftige Couponzahlungstage zu verlangen.</p> <p>[[Anfangslevel: [●]]</p> <p>Ausgabepreis: [●]</p> <p>Ausübungsverhältnis: [●]</p> <p>[Ausübungspreis: [●]]</p> <p>Autocall Beobachtungstag[e]: [●]</p> <p>Autocall Trigger Level: [●]</p> <p>Barrier: [●]</p> <p>Barrier Event: [●]</p> <p>Barrier Level: [●]</p> <p>[Barrier Beobachtungsperiode: [●]]</p> <p>Couponbetrag: [●]</p> <p>Couponzahlungstag[e]: [●]</p> <p>[Coupon Trigger Level: [●]]]</p> <p><i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]</i></p> |
| | | <p><i>[im Fall von Inverse Discount Zertifikaten mit Barauszahlung (Produkt Nr. 18) einfügen:</i></p> <p>Bei diesen Produkten erhalten die Anleger am Rückzahlungstag (wie</p> |

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| | | <p>untenstehend unter Punkt C.16 definiert) einen Rückzahlungsbetrag, dessen Höhe in entgegengesetzter Richtung von der Entwicklung des Basiswerts abhängt. Es sind die folgenden Fälle zu unterscheiden:</p> <p>(i) Sofern das Endlevel (wie untenstehend unter Punkt C.19 definiert) über dem Cap Level liegt, erhält der Anleger am Rückzahlungstag die Differenz zwischen Inverse Level und Endlevel unter Berücksichtigung des Ausübungsverhältnisses ausgezahlt. Der Rückzahlungsbetrag beträgt in diesem Fall jedoch mindestens null (0).</p> <p>(ii) Sofern das Endlevel auf oder unter dem Cap Level liegt, entspricht der Rückzahlungsbetrag dem Höchstrückzahlungsbetrag (welcher der Differenz zwischen dem Inverse Level und dem Cap Level unter Berücksichtigung des Ausübungsverhältnisses entspricht).</p> <p>[[Anfangslevel: [●]] Ausübungsverhältnis: [●] Cap Level: [●] Inverse Level: [●]]</p> <p><i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]]</i></p> |
| | | <p><i>[im Fall von Master Discount Zertifikaten mit Barauszahlung (Produkt Nr. 19) einfügen:</i></p> <p>Bei diesen Produkten erhalten die Anleger am Rückzahlungstag (wie untenstehend unter Punkt C.16 definiert) die Summe der auf der Grundlage der einzelnen Korbbestandteile berechneten Anteiligen Rückzahlungsbeträge. Die Korbbestandteile werden dabei einzeln betrachtet und fließen mit der am Fixierungstag festgelegten Anzahl Korbbestandteil in die Berechnung des Anteiligen Rückzahlungsbetrags und damit des Rückzahlungsbetrags ein. Die Anzahl Korbbestandteil ist ein Faktor mittels dessen am Fixierungstag eine gleichgewichtete Gewichtung des jeweiligen Korbbestandteils gemessen am Wert des Produkts abgebildet wird.</p> <p>Bei der Berechnung der Anteiligen Rückzahlungsbeträge lassen sich die folgenden Fälle unterscheiden:</p> <p>(i) sofern das Endlevel des jeweiligen Korbbestandteils dem jeweiligen Cap Level entspricht oder dieses unterschreitet, entspricht der Anteilige Rückzahlungsbetrag dem Endlevel multipliziert mit der Anzahl Korbbestandteil; und</p> <p>(ii) sofern das Endlevel des jeweiligen Korbbestandteils das jeweilige Cap Level überschreitet, entspricht der Anteilige Rückzahlungsbetrag dem jeweiligen Cap Level multipliziert mit der Anzahl Korbbestandteil.</p> <p>Für den Fall, dass die Endlevel aller Korbbestandteile über ihren individuellen Cap Level liegen, erhält der Anleger den Höchstrück-</p> |

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| | | <p>zahlungsbetrag. [[Anfangslevel: [●]] Anzahl Korbbestandteil: [●] Cap Level: [●] Fixierungstag: [●] Höchstrückzahlungsbetrag: [●]] <i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]]</i></p> |
| | | <p><i>[im Fall von Express Zertifikaten mit Barauszahlung und mit Nennbetrag sowie unbedingter Mindestrückzahlung (Produkt Nr. 20) einfügen:</i></p> <p>Die Höhe des Rückzahlungsbetrags und der Zeitpunkt der Rückzahlung der Produkte sind davon abhängig, ob ein Autocall Ereignis eingetreten ist. Sofern dies der Fall ist, endet die Laufzeit der Produkte vorzeitig und die Produkte werden vorzeitig nach dem Autocall Beobachtungstag, an dem das Autocall Ereignis eingetreten ist, zurückgezahlt. Der Rückzahlungsbetrag entspricht in diesem Fall dem Nennbetrag.</p> <p>Ein Autocall Ereignis tritt ein, wenn die Referenzkurse sämtlicher Korbbestandteile an einem Autocall Beobachtungstag das jeweils maßgebliche Autocall Trigger Level erreichen oder überschreiten.</p> <p>Sofern eine vorzeitige Rückzahlung nicht erfolgt, ist für die Höhe des Rückzahlungsbetrags die Entwicklung der Korbbestandteile maßgeblich.</p> <p>Der Anleger erhält den Nennbetrag, der gleichzeitig der Höchstrückzahlung entspricht, sofern die Endlevel sämtlicher Korbbestandteile (wie untenstehend unter Punkt C.19 definiert) auf oder über dem jeweiligen Autocall Trigger Level liegen. Sofern dies nicht der Fall ist, werden die Produkte zu einem Mindestrückzahlungsbetrag zurückgezahlt. Der Mindestrückzahlungsbetrag entspricht dem mit dem Nennbetrag multiplizierten Mindestrückzahlungsfaktor.</p> <p>Weiterhin erhält der Inhaber an [dem][den] Couponzahlungstag[en] einen Couponbetrag. [Die Couponzahlung ist dabei von der Entwicklung der Korbbestandteile unabhängig.] [Die Couponzahlung ist von einem bestimmten Ereignis [der Korbbestandteile] abhängig (z.B. Erreichen oder Überschreiten einer bestimmten Schwelle (z.B. Coupon Trigger Level)). Im Fall des Nichteintritts des Ereignisses würde für den entsprechenden Couponzahlungstag keine Couponzahlung erfolgen.] [Jeder maßgebliche Tag wird hierbei gesondert betrachtet und eine Nachholung von Zahlungen des Couponbetrags findet nicht statt.]</p> <p>Im Hinblick auf die Couponzahlungen ist weiterhin zu beachten, dass der Inhaber im Fall einer vorzeitigen Rückzahlung der Produkte noch den Couponbetrag für den dem vorzeitigen Rückzahlungstag</p> |

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| | <p>zugeordneten Couponzahlungstag erhält. Er ist aber nicht berechtigt, Couponzahlungen für zukünftige Couponzahlungstage zu verlangen.]</p> <p>[[Anfangslevel: [●]]</p> <p>Autocall Beobachtungstag[e]: [●]</p> <p>Autocall Trigger Level: [●]</p> <p>Couponbetrag: [●]</p> <p>Couponzahlungstag[e]: [●]</p> <p>[Coupon Trigger Level: [●]]</p> <p>Mindestrückzahlungsfaktor: [●]</p> <p>Nennbetrag: [●]]</p> <p><i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]]</i></p> |
| | <p><i>[im Fall von Express Zertifikaten mit Barauszahlung und mit Nennbetrag sowie mit Downside-Partizipationsfaktor (Produkt Nr. 21) einfügen:</i></p> <p>Die Höhe des Rückzahlungsbetrags und der Zeitpunkt der Rückzahlung der Produkte sind davon abhängig, ob ein Autocall Ereignis eingetreten ist. Sofern dies der Fall ist, endet die Laufzeit der Produkte vorzeitig und die Produkte werden vorzeitig nach dem Autocall Beobachtungstag, an dem das Autocall Ereignis eingetreten ist, zurückgezahlt. Der Rückzahlungsbetrag entspricht in diesem Fall dem Nennbetrag.</p> <p>Ein Autocall Ereignis tritt ein, wenn die Referenzkurse sämtlicher Korbbestandteile das jeweils maßgebliche Autocall Trigger Level überschreiten.</p> <p>Sofern eine vorzeitige Rückzahlung nicht erfolgt, ist für die Höhe des Rückzahlungsbetrags die Entwicklung des Korbbestandteils mit der schlechtesten Wertentwicklung maßgeblich. Darüber hinaus bestimmt der Downside-Partizipationsfaktor, in welchem Verhältnis der Inhaber überproportional am Wertverlust des Korbbestandteils mit der schlechtesten Wertentwicklung teilnimmt. Der Rückzahlungsbetrag entspricht dem Nennbetrag unter Berücksichtigung der Entwicklung des Korbbestandteils mit der schlechtesten Kursentwicklung und unter Berücksichtigung des Downside-Partizipationsfaktor. Der Rückzahlungsbetrag kann dabei den Nennbetrag unterschreiten.</p> <p>Weiterhin erhält der Inhaber an [dem][den] Couponzahlungstag[en] einen Couponbetrag. [Die Couponzahlung ist dabei von der Entwicklung der Korbbestandteile unabhängig. [Die Couponzahlung ist von einem bestimmten Ereignis der Korbbestandteile abhängig (z.B. Erreichen oder Überschreiten einer bestimmten Schwelle (z.B. Coupon Trigger Level)). Im Fall des Nichteintritts des Ereignisses würde für den entsprechenden Couponzahlungstag keine Couponzahlung</p> |

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| | | <p>erfolgen.] [Jeder maßgebliche Tag wird hierbei gesondert betrachtet und eine Nachholung von Zahlungen des Couponbetrags findet nicht statt.]</p> <p>Im Hinblick auf die Couponzahlungen ist weiterhin zu beachten, dass der Inhaber im Fall einer vorzeitigen Rückzahlung der Produkte noch den Couponbetrag für den dem vorzeitigen Rückzahlungstag zugeordneten Couponzahlungstag erhält. Er ist aber nicht berechtigt, Couponzahlungen für zukünftige Couponzahlungstage zu verlangen.</p> <p>[[Anfangslevel: [●]]</p> <p>Ausgabepreis: [●]</p> <p>Autocall Beobachtungstag[e]: [●]</p> <p>Autocall Trigger Level: [●]</p> <p>Couponbetrag: [●]</p> <p>Couponzahlungstag[e]: [●]</p> <p>[Coupon Trigger Level: [●]]</p> <p>Downside-Partizipationsfaktor: [●]</p> <p>Nennbetrag: [●]]</p> <p><i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]]</i></p> |
| | | <p><i>[im Fall von Zertifikaten mit Barauszahlung und mit Nennbetrag sowie unbedingter Mindestrückzahlung und Teilrückzahlungsbeträgen (Produkt Nr. 22) einfügen:</i></p> <p>Die Produkte sind dadurch gekennzeichnet, dass an mehreren über die Laufzeit verteilten Teilrückzahlungstagen (wie untenstehend unter C.16 definiert) jeweils eine Teilrückzahlung in Höhe des Nennbetrags multipliziert mit dem Teilrückzahlungsfaktor erfolgt, wobei die Zahlung unabhängig von der Entwicklung der Korbbestandteile ist. Die Summe der an sämtlichen Teilrückzahlungstagen gezahlten Teilrückzahlungsbeträgen, entspricht am Ende der Laufzeit insgesamt dem Nennbetrag multipliziert mit dem Mindestrückzahlungsfaktor. Die Summe der Teilrückzahlungsbeträge entspricht gleichzeitig auch dem Höchstrückzahlungsbetrag.</p> <p>Weiterhin erhält der Inhaber an [dem][den] Couponzahlungstag[en] einen Couponbetrag. Die Couponzahlung hängt davon ab, dass der Referenzkurs sämtlicher Korbbestandteile am jeweiligen Coupon Beobachtungstag ihr jeweiliges Coupon Trigger Level [erreichen oder dieses] überschreiten. Dabei wird der Couponbetrag ermittelt, indem der Nennbetrag mit (i) dem für den jeweiligen Couponzahlungstag geltenden Couponsatz sowie (ii) mit N multipliziert wird. Dabei bezeichnet N für den Fall, dass</p> <ul style="list-style-type: none"> ● vor dem jeweiligen Coupon Beobachtungstag noch kein Coupon Trigger Event stattgefunden hat, die Anzahl Coupon Beobachtungstage vom ersten Coupon Beobachtungstag (inklusive) bis |

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| | | <p>zum jeweiligen maßgeblichen Coupon Beobachtungstag (inklusive) und für den Fall, dass</p> <ul style="list-style-type: none"> • vor dem jeweiligen Coupon Beobachtungstag bereits ein Coupon Trigger Event stattgefunden hat, die Anzahl Coupon Beobachtungstage zwischen dem Coupon Beobachtungstag (exklusive), an welchem das letzte Coupon Trigger Event stattgefunden hat und dem jeweiligen maßgeblichen Coupon Beobachtungstag (inklusive). <p>Sofern an keinem Coupon Beobachtungstag ein Coupon Trigger Event vorliegt, erhält der Anleger keine Couponzahlung.</p> <p>[Couponsatz: [●]]</p> <p>Couponzahlungstag[e]: [●]</p> <p>[Coupon Trigger Level: [●]]</p> <p>[Mindestrückzahlungsfaktor: [●]]</p> <p>Nennbetrag: [●]</p> <p>[Teilrückzahlungsfaktor: [●]]</p> <p><i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]</i></p> |
| | | <p><i>[im Fall von Zertifikaten mit Barauszahlung und mit Nennbetrag sowie unbedingter Mindestrückzahlung (Produkt Nr. 23) einfügen:</i></p> <p>Die Höhe des Rückzahlungsbetrags am Laufzeitende ist von der Kursentwicklung der Korbbestandteile abhängig. Dabei erhält der Anleger am Rückzahlungstag (wie untenstehend unter Punkt C.16 definiert) eine bei Emission festgelegte Barauszahlung, deren Höhe von der Entwicklung des Korbbestandteils mit der schlechtesten Kursentwicklung abhängig ist.</p> <p>Der Anleger erhält jedoch mindestens den Nennbetrag multipliziert mit dem Mindestrückzahlungsfaktor. Der Rückzahlungsbetrag entspricht maximal dem Höchstrückzahlungsbetrag, der dem Nennbetrag unter Berücksichtigung des Höchstrückzahlungsfaktors entspricht.</p> <p>[[Anfangslevel: [●]]</p> <p>Höchstrückzahlungsfaktor: [●]</p> <p>Mindestrückzahlungsfaktor: [●]</p> <p>Nennbetrag: [●]]</p> <p><i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]</i></p> |
| | | <p><i>[im Fall von Capped Zertifikaten mit Barauszahlung und mit Nennbetrag sowie unbedingter Mindestrückzahlung (Produkt Nr. 24) einfügen:</i></p> <p>Das Produkt berechtigt den Anleger am Rückzahlungstag (wie untenstehend unter Punkt C. 16 definiert) eine Barauszahlung zu erhal-</p> |

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| | <p>ten, die dem Mindestrückzahlungsfaktor multipliziert mit dem Nennbetrag entspricht. Anleger sollten beachten, dass der Mindestrückzahlungsbetrag niedriger sein kann als das für den Erwerb des Produkts eingesetzte Kapital (einschließlich gegebenenfalls des Ausgabeaufschlag und aufgewendeter Transaktionskosten). Überschreitet das Endlevel (wie untenstehend unter Punkt C. 19 definiert) [das Anfangslevel][des Korbbestandteils mit der schlechtesten Kursentwicklung sein Anfangslevel], partizipiert der Anleger bis zum Cap Level an der Wertsteigerung [des Basiswerts][des Korbbestandteils mit der schlechtesten Kursentwicklung] unter Berücksichtigung des Partizipationsfaktors. Überschreitet das Endlevel [das Anfangslevel multipliziert mit dem Cap Level][des Korbbestandteils mit der Schlechtesten Kursentwicklung sein Anfangslevel multipliziert mit dem Cap Level] erhält der Anleger den Höchstrückzahlungsbetrag. Anleger partizipieren somit nicht an einer über das Cap Level hinausgehenden Wertsteigerung [des Basiswerts][des Korbbestandteils mit der schlechtesten Kursentwicklung].</p> <p>[[Anfangslevel: [●]] Cap Level: [●] Mindestrückzahlungsfaktor: [●] Nennbetrag: [●] [Partizipationsfaktor: [●]]]</p> <p><i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]</i></p> |
| | <p><i>[im Fall von Inverse Bonus Zertifikaten mit Barauszahlung (Produkt Nr. 25) einfügen:</i></p> <p>Das Produkt berechtigt den Anleger am Rückzahlungstag (wie untenstehend unter Punkt C. 16 definiert) eine Barauszahlung zu erhalten. Sofern ein Barrier Event eingetreten ist, entspricht der Rückzahlungsbetrag dem Produkt aus dem Ausgabepreis und dem Quotienten aus (i) der Differenz aus dem Cap Level und dem Endlevel und (ii) dem Anfangslevel.</p> <p>Sofern kein Barrier Event eingetreten ist, wird der Rückzahlungsbetrag wie folgt ermittelt:</p> <p>(i) sofern das Endlevel unter dem Ausübungspreis notiert, entspricht der Rückzahlungsbetrag dem Produkt aus dem Ausgabepreis und dem Quotienten aus (i) der Differenz aus dem Cap Level und dem Endlevel und (ii) dem Anfangslevel; bzw.</p> <p>(ii) sofern das Endlevel auf oder über dem Ausübungspreis notiert, entspricht der Rückzahlungsbetrag dem Produkt aus dem Ausgabepreis und dem Bonus Level.</p> <p>Anfangslevel: [●] Ausgabepreis: [●]</p> |

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| | | <p>Ausübungspreis: [●] Barrier: [●] Barrier Event: [●] [Barrier Beobachtungsperiode: [●]] Bonus Level: [●] Cap Level: [●] Endlevel: [●]</p> <p><i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]</i></p> |
| | | <p><i>[im Fall von Capped Inverse Bonus Zertifikaten mit Barauszahlung (Produkt Nr. 26) einfügen:</i></p> <p>Das Produkt berechtigt den Anleger am Rückzahlungstag (wie untenstehend unter Punkt C. 16 definiert) eine Barauszahlung zu erhalten. Sofern kein Barrier Event eingetreten ist, entspricht der Rückzahlungsbetrag dem Produkt aus dem Bonus Level und dem Anfangslevel.</p> <p>Sofern ein Barrier Event eingetreten ist[, wird der Rückzahlungsbetrag wie folgt ermittelt:</p> <p>(i) sofern ein Barrier Event eingetreten ist und das Endlevel auf oder über dem Ausübungspreis notiert, entspricht der Rückzahlungsbetrag dem Produkt aus dem Anfangslevel und dem Quotienten aus (i) der Differenz aus dem Cap Level und dem Endlevel und (ii) dem Anfangslevel; bzw.</p> <p>(ii) sofern ein Barrier Event eingetreten ist und das Endlevel unter dem Ausübungspreis notiert, entspricht der Rückzahlungsbetrag dem Anfangslevel multipliziert mit dem Bonus Level.] [entspricht der Rückzahlungsbetrag dem Produkt aus dem Anfangslevel und dem Quotienten aus (i) der Differenz aus dem Cap Level und dem Endlevel und (ii) dem Anfangslevel.]</p> <p>Anfangslevel: [●] Ausübungspreis: [●] Barrier: [●] Barrier Event: [●] [Barrier Beobachtungsperiode: [●]] Bonus Level: [●] Cap Level: [●] Endlevel: [●]</p> <p><i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]</i></p> |
| | | <p><i>[im Fall von Mini Future Zertifikaten mit Barauszahlung (Produkt</i></p> |

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| | | <p><i>Nr. 27) einfügen:</i></p> <p>Das Produkt berechtigt den Anleger am Rückzahlungstag (wie untenstehend unter Punkt C. 16 definiert) eine Barauszahlung zu erhalten, die, vorbehaltlich des Eintritts eines Stop-Loss Events, dem Produkt aus (i) dem Ausübungsverhältnis und (ii) der Differenz aus dem Endlevel und dem Ausübungspreis entspricht.</p> <p>Im Falle, dass ein Stop-Loss Event eingetreten ist, endet die Laufzeit der Produkte an dem Tage des Eintritts des Stop-Loss Events automatisch, ohne dass es einer gesonderten Kündigung der Produkte durch die Emittentin bedarf. In diesem Fall entspricht der von der Emittentin zu zahlende Rückzahlungsbetrag dem Produkt aus (i) dem Ausübungsverhältnis und (ii) der Differenz aus dem Stop-Loss Preis und dem Ausübungspreis, wobei der Rückzahlungsbetrag mindestens null entspricht.</p> <p>Anfangslevel: [●]</p> <p>Ausübungspreis: [●]</p> <p>Ausübungsverhältnis: [●]</p> <p>Endlevel: [●]</p> <p>Stop-Loss Barrier: [●]</p> <p>[Stop-Loss Beobachtungsperiode: [●]]</p> <p>Stop-Loss Events: [●]</p> <p>Stop-Loss Preis: [●]</p> <p><i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]</i></p> |
| C.16 | Bewertungstag, Fälligkeitstag | <p>[[Rückzahlungstag: [●]]</p> <p>[Teilrückzahlungstag: [●]]</p> <p>[Verfallstag: [●]]</p> <p>[Vorzeitiger Rückzahlungstag: [●]]</p> <p>[Couponzahlungstag(e): [●]]</p> <p><i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]</i></p> |
| C.17 | Abrechnungsverfahren | <p>Die Emittentin wird bis zu dem Rückzahlungstag über die Zahlstelle die Überweisung des gegebenenfalls zu beanspruchenden Rückzahlungsbetrags an das Clearingsystem zur Weiterleitung an die Inhaber veranlassen.</p> |
| C.18 | Ertragsmodalitäten | <p>Die Emittentin wird von ihren Zahlungs- bzw. Lieferverpflichtungen durch Zahlung bzw. Lieferung an das, oder an die Order des, maßgeblichen Clearing Systems (oder an dessen Verwahrer bzw. Bevollmächtigten) hinsichtlich des gezahlten bzw. gelieferten Betrags frei werden.</p> |
| C.19 | Referenzpreis des | [[Korbperformance: [●]] |

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| | Basiswerts | <p>[Kurs: [●]]</p> <p>[Endlevel: [●]]</p> <p>[Endwert des Korbs: [●]]</p> <p>[Referenzkurs: [●]]</p> <p><i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]</i></p> |
| C.20 | Art des Basiswerts und Angabe des Ortes, an dem Informationen über den Basiswert erhältlich sind | <p>Typ: [Korb von] [Aktie[n]][Genussscheine[n]][aktienvertretende Wertpapiere][Index][Indizes][Währungs-Wechselkurs[en]] [Rohstoff[en]] [Futures Kontrakt[en]][festverzinsliches Finanzinstrument][derivatives Finanzinstrument][Fondsanteil[en]]</p> <p>[[Name des Basiswerts: [●]]</p> <p>[ISIN: [●]]</p> <p>[WKN: [●]]</p> <p><i>[weitere Kennung für den Basiswert einfügen: ●]</i></p> <p>[Aktienemittent: [●]]</p> <p>[Index-Sponsor: [●]]</p> <p>[Fondsmanager: [●]]</p> <p>[Börse(n): [●]]</p> <p>[Kursreferenz: [●]]</p> <p>[Preiswährung: [●]]</p> <p>[Bildschirmseite: [●]]</p> <p>[Internetseite: [●]]</p> <p><i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]</i></p> |
| Abschnitt D – Risiken | | |
| D.2 | Zentrale Angaben zu den zentralen Risiken, die dem Emittenten eigen sind | <p>Die Emittentin ist Risiken ausgesetzt, die sich vor allem aus der Emission strukturierter Anlageprodukte ergeben. Die Emittentin ist Marktrisiken ausgesetzt, die sich aus der Diskrepanz zwischen dem Exposure zu Aktienkursen, Zinsen, Währungen, Credit Spreads) und Rohstoffpreisen aus der Emission strukturierter Anlageprodukte und den Instrumenten, die die Emittentin verwendet, um sich gegen dieses Exposure abzusichern, ergeben können. Darüber hinaus unterliegt sie Liquiditätsrisiken im Zusammenhang mit der Finanzierung dieser Absicherungsaktivitäten. Die Emittentin ist Kreditrisiken ausgesetzt, die sich aus Geschäften mit Handelsgegenparteien ergeben bzw. die sich durch die Investition der Erlöse aus den Emissionen von strukturierten Anlageprodukten in Anleihen und andere festverzinsliche Instrumente ergeben. Ferner ist die Emittentin Risiken aufgrund ihrer Modelle, operationellen Risiken, Reputationsrisiken sowie Risiken aufgrund etwaiger Veränderungen im regulatorischen und makroökonomischen Umfeld ausgesetzt.</p> |

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| | | <ul style="list-style-type: none"> • Auf die Finanzinformationen der Emittentin für eine bestimmte Finanzperiode sollte nicht als Indiz für zukünftige Ergebnisse vertraut werden. • Die Emittentin könnte aufgrund einer verschlechterten finanziellen Lage nicht fähig sein, ihre Verpflichtungen zu erfüllen. Die Emittentin könnte zahlungsunfähig werden. • Die Emittentin ist dem Risiko ausgesetzt, dass ihr Modell für Bewertung und Risikobemessung falsch sein könnte und, dass sich ihre Massnahmen zum Risikomanagement als nicht erfolgreich erweisen. • Die Emittentin ist Marktrisiken aufgrund offener Positionen bei Zins-, Währungs-, Rohstoff-, Kredit-, Equity- und anderen Produkten ausgesetzt, welche ihre Ertragslage negativ beeinflussen könnten. • Die Emittentin ist einem erheblichen und steigenden Wettbewerb ausgesetzt, der ihre künftige Ertragslage negativ beeinflussen könnte. • Die Emittentin ist den Risiken im Zusammenhang mit ihrem Plattform-Partner-Geschäft ausgesetzt, welche ihre Ertragslage negativ beeinflussen könnten. • Die Emittentin ist dem Kreditrisiko ihrer Gegenparteien ausgesetzt. • Die Emittentin unterliegt einem Marktliquiditätsrisiko sowie einem Liquiditäts- und Finanzierungsrisiko, welche ihre Fähigkeit, ihr Geschäft zu betreiben, sowie ihre künftige Ertragslage negativ beeinflussen könnte. • Das Risikoexposure der Emittentin in Finanzinstrumenten führt zu bestimmten Risikokonzentrationen, die zu einem erheblichen Verlust der Emittentin führen können, was wiederum die Ertragslage der Emittentin negativ beeinflussen könnte. • Die Aktivitäten der Emittentin und ihre Ertragslage könnten durch operationelle Risiken negativ beeinflusst werden. • Die Emittentin könnte durch Compliance-, rechtliche und regulatorische Risiken sowie durch Reputationsrisiken negativ beeinflusst werden. |
| D.3 D.6 | Zentrale Angaben zu den zentralen Risiken, die den Wertpapieren eigen sind | <p><i>Ein Anleger in die Produkte sollte beachten, dass er sein Investment ganz oder teilweise verlieren kann.</i></p> <p><u>1. Risikofaktoren im Hinblick auf sämtliche Produkte</u></p> <ul style="list-style-type: none"> • Die Produkte sind risikoreiche Instrumente der Vermögensanlage. Im Vergleich zu anderen Kapitalanlagen ist bei ihnen das Risiko von Verlusten – bis hin zum Totalverlust des eingesetzten Kapitals einschließlich der aufgewendeten Transaktionskosten – hoch. |

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| | | <ul style="list-style-type: none"> • Die Produkte werfen, soweit nicht ausdrücklich vorgesehen, keinen laufenden Ertrag ab und gewähren insbesondere keinen Anspruch auf Dividendenzahlungen. • Die persönliche Rendite des Anlegers hängt maßgeblich von dem bezahlten Kaufpreis für das Produkt und von der Wertentwicklung des Produkts ab. Das Risiko von Wertverlusten besteht bereits während der Laufzeit eines Produkts. • Die Produkte können eine physische Lieferung des Basiswerts vorsehen und Investoren folglich keinen Geldbetrag erhalten. Es besteht das Risiko, dass der zu liefernde Basiswert bzw. Korbbestandteil bzw. das zu liefernde Referenzwertpapier nur einen sehr niedrigen oder auch gar keinen Wert aufweist. In diesem Fall besteht das Risiko von Verlusten – bis hin zum Totalverlust des eingesetzten Kapitals einschließlich der aufgewendeten Transaktionskosten. Darüber hinaus tragen Investoren die Emittenten- und Wertpapierrisiken des zu liefernden Basiswerts. • Anleger tragen das Kreditrisiko der Emittentin der Produkte. Die Produkte sind weder durch einen Einlagensicherungsfonds noch durch eine staatliche Einrichtung abgesichert oder garantiert. • Die Pfandbesicherung nach den Bestimmungen des "Rahmenvertrages für Pfandbesicherte Zertifikate" der SIX Swiss Exchange AG (COSI) reduziert das Ausfallrisiko des Emittenten nur insoweit, als die Erlöse aus der Verwertung der Sicherheiten, die Ansprüche der Anleger zu decken vermögen. Sofern sich die Berechnung des aktuellen Wertes eines Pfandbesicherten Produkts als fehlerhaft erweist, kann die Besicherung des Pfandbesicherten Produkts ungenügend sein. • Anleger sollten beachten, dass Kursänderungen (oder auch schon das Ausbleiben einer erwarteten Kursänderung) des Basiswerts den Wert des Produkts überproportional bis hin zur Wertlosigkeit mindern können, und dass bei Produkten mit Laufzeitbegrenzung nicht darauf vertraut werden sollte, dass sich der Preis des Produkts rechtzeitig wieder erholen wird. • Anlegern sollte bewusst sein, dass sie eventuell nicht in der Lage sein werden, sich gegen Risiken aus den Produkten abzusichern. • Eine Kreditfinanzierung des Erwerbs von Produkten erhöht das Verlustrisiko der Anleger erheblich. • Geschäfte der Emittentin oder von mit ihr verbundenen Unternehmen zur Absicherung des Risikos bezüglich des Abschlusses und der Erfüllung der Verpflichtungen aus den Produkten können erheblichen Einfluss auf die Kursentwicklung des Basiswerts und somit auf die Produkte haben. |
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| | | <ul style="list-style-type: none"> • Gebühren und andere Transaktionskosten vermindern die Chancen der Anleger, mit dem Erwerb des Produkts einen Gewinn zu erzielen. • Anleger sind dem Risiko einer falschen Erwartung im Hinblick auf die Liquidität der Produkte aufgrund des in den Endgültigen Bedingungen angegebenen Angebotsvolumens ausgesetzt. • Anleger in börsennotierte Produkte bzw. in Produkte, die auf börsennotierte Basiswerte bzw. Korbbestandteile bezogen sind, unterliegen den Risiken, die sich aus einer Suspendierung oder Rücknahme (Dekotierung) vom Handel an der maßgeblichen Börse, aus Gründen die die Emittentin und der Lead Manager nicht zu vertreten haben, ergeben können und dem Risiko, dass dies negative Auswirkungen auf den Wert der Produkte haben kann. • Die Produkte könnten keine Liquidität aufweisen oder der Markt für solche Produkte könnte eingeschränkt sein, wodurch der Wert der Produkte oder die Möglichkeit der Anleger, diese zu veräußern, negativ beeinflusst werden könnte. • Marktstörungen, Anpassungsmaßnahmen und Kündigungsrechte können negative Auswirkungen auf den Wert der Produkte haben. • Im Fall des Vorliegens bestimmter Umstände hat die Emittentin das Recht zur außerordentlichen Kündigung der Produkte. Anleger erhalten in diesem Fall einen nach billigem Ermessen bestimmten Marktpreis zurückgezahlt, der auch null betragen kann. • Berichtigungen, Änderungen oder Ergänzungen der Bedingungen können nachteilig für Anleger sein. • Anleger unterliegen dem Risiko, dass Ereignisse, die den Basiswert betreffen, nach Erstellung der Endgültigen Bedingungen bekannt werden und den Kurs des Basiswerts negativ beeinflussen. • Änderungen im Steuerrecht können sich negativ auf den Wert bzw. den Marktpreis der Produkte auswirken oder dazu führen, dass sich die steuerliche Beurteilung der betreffenden Produkte ändert. • Inhaber sollten beachten, dass sich die Emittentin im Fall einer Zeichnungsfrist die vorzeitige Beendigung bzw. Verlängerung der Zeichnungsfrist vorbehält und die Emittentin nicht verpflichtet ist, Zeichnungsaufträge anzunehmen oder gezeichnete Produkte zu emittieren. • Falls Auszahlungen auf die Produkte in einer Währung vorgenommen werden, die sich von der Währung des Basiswerts unterscheidet, hängt das Verlustrisiko der Investoren auch von der Entwicklung der Währung des Basiswerts ab, welche nicht vor- |
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| | | <p>hersehbar ist. Ein Währungsrisiko besteht auch dann, wenn das Konto des Anlegers, dem ein geschuldeter Betrag gutgeschrieben werden soll, in einer von der Auszahlungswährung des Produkts abweichenden Währung geführt wird.</p> <ul style="list-style-type: none"> • Aufgrund der Einführung einer Finanztransaktionssteuer kann der Anleger gegebenenfalls selbst zur Zahlung der Finanztransaktionssteuer oder zum Ausgleich einer Steuerzahlung gegenüber einem an der Transaktion beteiligten Finanzinstitut herangezogen werden. • Risiko eines Quellensteuereinbehalts aufgrund von Rechtsvorschriften betreffend dividendenäquivalente Zahlungen (<i>Section 871(m) of the U.S. Internal Revenue Code</i>). |
| | | <p><u>2. Risikofaktoren im Hinblick auf bestimmte Arten von Produkten</u></p> |
| | | <p>[im Fall von Bonus Zertifikaten mit Barauszahlung (Produkt Nr. 1) einfügen:</p> <p><i><u>Risiko eines Totalverlusts im Fall eines Barrier Events</u></i></p> <p>Sofern ein Barrier Event eingetreten ist, erlischt der Anspruch auf die Mindestrückzahlung und das Bonus Zertifikat ist mit einem Direktinvestment in den Basiswert (ohne Berücksichtigung von Dividendenzahlungen) vergleichbar. In diesem Fall ist der Anleger dem Risiko eines Totalverlustes des eingesetzten Kapitals einschließlich aufgewendeter Transaktionskosten ausgesetzt, der dann eintritt, wenn der Basiswert am Ende der Laufzeit des Produkts wertlos ist, d.h. wenn [das Endlevel] [der Endwert des Korbs] null beträgt.]</p> |
| | | <p>[im Fall von Bonus Zertifikaten mit etwaiger Physischer Lieferung (Produkt Nr. 2) einfügen:</p> <p><i><u>Risiko eines Totalverlusts im Fall eines Barrier Events</u></i></p> <p>Sofern ein Barrier Event eingetreten ist, erlischt der Anspruch auf die Mindestrückzahlung und es erfolgt eine Tilgung der Produkte durch physische Lieferung des Basiswerts. In diesem Fall ist der Anleger dem Risiko eines Totalverlustes des eingesetzten Kapitals einschließlich aufgewendeter Transaktionskosten ausgesetzt, der dann eintritt, wenn der Basiswert am Ende der Laufzeit des Produkts wertlos ist.]</p> |
| | | <p>[im Fall von Capped Bonus Zertifikaten mit Barauszahlung und mit Nennbetrag (Produkt Nr. 3) einfügen:</p> <p><i><u>Risiko eines Totalverlusts im Fall eines Barrier Events</u></i></p> <p>Sofern ein Barrier Event eingetreten ist, erlischt der Anspruch auf die Mindestrückzahlung und das Capped Bonus Zertifikat ist mit einem Direktinvestment in den Basiswert (ohne Berücksichtigung von Dividendenzahlungen) vergleichbar. In diesem Fall ist der Anleger dem Risiko eines Totalverlustes des eingesetzten Kapitals einschließlich aufgewendeter Transaktionskosten ausgesetzt, der</p> |

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| | | <p>dann eintritt, wenn der Basiswert am Ende der Laufzeit des Produkts wertlos ist.</p> <p><u>Rückzahlungsbetrag ist auf Höchstrückzahlungsbetrag begrenzt</u></p> <p>Unabhängig davon, ob ein Barrier Event eingetreten ist oder nicht, entspricht der Rückzahlungsbetrag maximal dem Höchstrückzahlungsbetrag. Das bedeutet, der Inhaber partizipiert nicht an einer über das Cap Level hinausgehenden Entwicklung des Basiswerts, weshalb die Ertragsmöglichkeit bei Capped Bonus Zertifikaten nach oben hin beschränkt ist.]</p> |
| | | <p>[im Fall von Capped Bonus Zertifikaten mit Barauszahlung und ohne Nennbetrag (Produkt Nr. 4) einfügen:</p> <p><u>Risiko eines Totalverlusts im Fall eines Barrier Events</u></p> <p>Sofern ein Barrier Event eingetreten ist[und das Endlevel das mit dem Anfangslevel multiplizierte Bonus Level erreicht oder unterschreitet], erlischt der Anspruch auf die Mindestrückzahlung und das Capped Bonus Zertifikat ist mit einem Direktinvestment in den Basiswert (ohne Berücksichtigung von Dividendenzahlungen) vergleichbar. In diesem Fall ist der Anleger dem Risiko eines Totalverlustes des eingesetzten Kapitals einschließlich aufgewendeter Transaktionskosten ausgesetzt, der dann eintritt, wenn das Endlevel des Basiswerts bei null (0) liegt.</p> <p><u>Rückzahlungsbetrag ist auf Höchstrückzahlungsbetrag begrenzt</u></p> <p>Unabhängig davon, ob ein Barrier Event eingetreten ist oder nicht, entspricht der Rückzahlungsbetrag maximal dem Höchstrückzahlungsbetrag. Das bedeutet, der Inhaber partizipiert nicht an einer über das Cap Level hinausgehenden Entwicklung des Basiswerts, weshalb die Ertragsmöglichkeit bei Capped Bonus Zertifikaten nach oben hin beschränkt ist.]</p> |
| | | <p>[im Fall von Capped Bonus Zertifikaten mit etwaiger Physischer Lieferung (Produkt Nr. 5) einfügen:</p> <p><u>Risiko eines Totalverlusts im Fall eines Barrier Events</u></p> <p>Sofern ein Barrier Event eingetreten ist, erlischt der Anspruch auf die Mindestrückzahlung und das Capped Bonus Zertifikat ist mit einem Direktinvestment in den Basiswert (ohne Berücksichtigung von Dividendenzahlungen) vergleichbar. Der Anleger erhält in diesem Fall den Basiswert geliefert. In diesem Fall ist der Anleger dem Risiko eines Totalverlustes des eingesetzten Kapitals einschließlich aufgewendeter Transaktionskosten ausgesetzt, der dann eintritt, wenn das Endlevel des Basiswerts bei null (0) liegt.</p> <p><u>Rückzahlungsbetrag ist auf Höchstrückzahlungsbetrag begrenzt</u></p> <p>Unabhängig davon, ob ein Barrier Event eingetreten ist oder nicht, entspricht der Rückzahlungsbetrag maximal dem Höchstrückzahlungsbetrag. Das bedeutet, der Inhaber partizipiert nicht an einer über das Cap Level hinausgehenden Entwicklung des Basiswerts, weshalb die Ertragsmöglichkeit bei Capped Bonus</p> |

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| | | Zertifikaten nach oben hin beschränkt ist.] |
| | | <p>[im Fall von Anleihen (Reverse Convertibles) mit Barauszahlung (Produkt Nr. 6) einfügen:</p> <p><u>Rückzahlungsbetrag ist auf Höchstrückzahlungsbetrag begrenzt</u></p> <p>Der Rückzahlungsbetrag (ohne Berücksichtigung etwaiger Couponzahlungen während der Laufzeit) entspricht in jedem Fall maximal dem Nennbetrag.</p> <p><u>Totalverlustrisiko</u></p> <p>Sofern das Endlevel den Ausübungspreis erreicht oder unterschreitet, entspricht der Rückzahlungsbetrag dem Nennbetrag multipliziert mit der Performance des Basiswerts. In diesem Szenario wird der Rückzahlungsbetrag in der Regel geringer sein als der Nennbetrag. Die festgelegte(n) Couponzahlung(en) kann bzw. können in diesem Fall die negative Entwicklung des Basiswerts und den dadurch erlittenen Kapitalverlust ab einem bestimmten Punkt nicht mehr abfangen und der Inhaber erleidet einen Verlust. Der Verlust entspricht der Differenz zwischen (i) dem für das Produkt aufgewandten Kaufpreis (zuzüglich Transaktionskosten) und (ii) dem Rückzahlungsbetrag zuzüglich der Couponzahlung(en). Dies kann im Extremfall – abgesehen von der bzw. den in der Höhe festgelegten Couponzahlung(en) – bis hin zum Totalverlust des eingesetzten Kapitals führen, sofern der Basiswert am Ende der Laufzeit wertlos ist.]</p> |
| | | <p>[im Fall von Anleihen (Reverse Convertibles) mit etwaiger Physischer Lieferung (Produkt Nr. 7) einfügen:</p> <p><u>Rückzahlungsbetrag ist auf Höchstrückzahlungsbetrag begrenzt</u></p> <p>Der Rückzahlungsbetrag (ohne Berücksichtigung etwaiger Couponzahlungen während der Laufzeit) entspricht in jedem Fall maximal dem Nennbetrag.</p> <p><u>Totalverlustrisiko</u></p> <p>Sofern das Endlevel den Ausübungspreis erreicht oder unterschreitet, sehen die Produkte eine physische Lieferung des Basiswerts vor. Sofern die Tilgung der Produkte durch physische Lieferung des Basiswerts erfolgt, ist zu beachten, dass der Gegenwert der gelieferten Basiswerte in der Regel geringer als der Nennbetrag ist. Die festgelegte(n) Couponzahlung(en) kann bzw. können in diesem Fall die negative Entwicklung des Basiswerts und den dadurch erlittenen Kapitalverlust ab einem bestimmten Punkt nicht mehr abfangen und der Inhaber erleidet einen Verlust. Der Verlust entspricht der Differenz zwischen (i) dem für das Produkt aufgewandten Kaufpreis (zuzüglich Transaktionskosten) und (ii) dem Gegenwert der gelieferten Basiswerte zuzüglich der Couponzahlung(en). Dies kann im Extremfall – abgesehen von der bzw. den in der Höhe festgelegten Couponzahlung(en) – bis hin zum Totalverlust des eingesetzten Kapitals führen, sofern der Basiswert am Ende der Laufzeit wertlos ist.]</p> |

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| | <p><i>[im Fall von Anleihen (Barrier Reverse Convertibles) mit Barauszahlung (Produkt Nr. 8) einfügen:</i></p> <p><u>Rückzahlungsbetrag ist auf Höchstrückzahlungsbetrag begrenzt</u></p> <p>Der Rückzahlungsbetrag entspricht (ohne Berücksichtigung etwaiger Couponzahlungen während der Laufzeit) in jedem Fall maximal dem Nennbetrag.</p> <p><u>Totalverlustrisiko</u></p> <p>Sofern ein Barrier Event eingetreten ist [und das Endlevel den Anfangslevel erreicht oder unterschreitet], entspricht der Rückzahlungsbetrag dem Nennbetrag multipliziert mit der [Performance des Basiswerts] [Kursentwicklung des Korbbestandteils mit der schlechtesten Kursentwicklung]. In diesem Szenario wird der Rückzahlungsbetrag geringer sein als der Nennbetrag. Die festgelegte(n) Couponzahlung(en) kann bzw. können in diesem Fall die negative Entwicklung des [Basiswerts] [Korbbestandteils mit der schlechtesten Kursentwicklung] und den dadurch erlittenen Kapitalverlust ab einem bestimmten Punkt nicht mehr abfangen und der Inhaber erleidet einen Verlust. Der Verlust entspricht der Differenz zwischen (i) dem für das Produkt aufgewandten Kaufpreis (zuzüglich Transaktionskosten) und (ii) dem Rückzahlungsbetrag zuzüglich der Couponzahlung(en). Dies kann im Extremfall – abgesehen von der bzw. den in der Höhe festgelegten Couponzahlung(en) – bis hin zum Totalverlust des eingesetzten Kapitals führen, sofern der [Basiswert] [Korbbestandteil mit der schlechtesten Kursentwicklung] am Ende der Laufzeit wertlos ist.]</p> |
| | <p><i>[im Fall von Anleihen (Barrier Reverse Convertibles) mit etwaiger Physischer Lieferung (Produkt Nr. 9) einfügen:</i></p> <p><u>Rückzahlungsbetrag ist auf Höchstrückzahlungsbetrag begrenzt</u></p> <p>Der Rückzahlungsbetrag entspricht (ohne Berücksichtigung etwaiger Couponzahlungen während der Laufzeit) in jedem Fall maximal dem Nennbetrag.</p> <p><u>Totalverlustrisiko</u></p> <p>Sofern ein Barrier Event eingetreten ist[und das Endlevel das Anfangslevel erreicht oder unterschreitet], sehen die Produkte eine physische Lieferung des [Basiswerts] [Korbbestandteils mit der schlechtesten Kursentwicklung] vor. Sofern die Tilgung der Produkte durch physische Lieferung des [Basiswerts] [Korbbestandteils mit der schlechtesten Kursentwicklung] erfolgt, ist zu beachten, dass der Gegenwert der gelieferten [Basiswerte] [Korbbestandteile] in der Regel geringer als der Nennbetrag ist. Die festgelegte(n) Couponzahlung(en) kann bzw. können in diesem Fall die negative Entwicklung des [Basiswerts] [Korbbestandteils mit der schlechtesten Kursentwicklung] und den dadurch erlittenen Kapitalverlust ab einem bestimmten Punkt nicht mehr abfangen und der Inhaber erleidet einen Verlust. Der Verlust entspricht der</p> |

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| | | <p>Differenz zwischen (i) dem für das Produkt aufgewandten Kaufpreis (zuzüglich Transaktionskosten) und (ii) dem Gegenwert der gelieferten [Basiswerte] [Korbbestandteile] zuzüglich der Couponzahlung(en). Dies kann im Extremfall – abgesehen von der bzw. den in der Höhe festgelegten Couponzahlung(en) – bis hin zum Totalverlust des eingesetzten Kapitals führen, sofern der [Basiswert] [Korbbestandteil] am Ende der Laufzeit wertlos ist.]</p> |
| | | <p>[im Fall von Discount Zertifikaten mit Barauszahlung (Produkt Nr. 10) einfügen:</p> <p><u>Rückzahlungsbetrag ist auf Höchstrückzahlungsbetrag begrenzt</u></p> <p>Der Rückzahlungsbetrag bei Discount Zertifikaten entspricht maximal dem Höchstrückzahlungsbetrag. Das bedeutet, der Inhaber partizipiert nicht an einer über das Cap Level hinausgehenden Entwicklung des Basiswerts, weshalb die Ertragsmöglichkeit bei Discount Zertifikaten nach oben hin beschränkt ist.</p> <p><u>Risiko eines Totalverlusts</u></p> <p>Unterhalb des Cap Levels sind Discount Zertifikate mit einem Direktinvestment in den Basiswert (ohne Berücksichtigung von Dividendenzahlungen) vergleichbar. In diesem Fall besteht ein Totalverlustrisiko des Inhabers im Hinblick auf das von ihm eingesetzte Kapital. Ein Totalverlust tritt dann ein, wenn der Basiswert am Ende der Laufzeit wertlos ist.]</p> |
| | | <p>[im Fall von Discount Zertifikaten mit etwaiger Physischer Lieferung (Produkt Nr. 11) einfügen:</p> <p><u>Rückzahlungsbetrag ist auf Höchstbetrag begrenzt</u></p> <p>Der Rückzahlungsbetrag bei Discount Zertifikaten entspricht maximal dem Höchstrückzahlungsbetrag. Das bedeutet, der Inhaber partizipiert nicht an einer über das Cap Level hinausgehenden Entwicklung des Basiswerts, weshalb die Ertragsmöglichkeit bei Discount Zertifikaten nach oben hin beschränkt ist.</p> <p><u>Risiko eines Totalverlusts</u></p> <p>Die Discount Zertifikate sehen eine Tilgung durch physische Lieferung des Basiswerts vor, wenn das Endlevel auf oder unter dem Cap Level notiert. In diesem Fall besteht ein Totalverlustrisiko des Inhabers im Hinblick auf das von ihm eingesetzte Kapital. Ein Totalverlust tritt dann ein, wenn der Basiswert am Ende der Laufzeit wertlos ist.]</p> |
| | | <p>[im Fall von Express Zertifikaten mit Barauszahlung und ohne Nennbetrag (Produkt Nr. 12) einfügen:</p> <p><u>Totalverlustrisiko und Risiken im Hinblick auf die vorzeitige Rückzahlung</u></p> <p>Die Höhe des Rückzahlungsbetrags und der Zeitpunkt der Rückzahlung der Produkte ist davon abhängig, ob an einem Autocall Beobachtungstag ein Autocall Ereignis eingetreten ist.</p> |

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| | <p>Sofern dieses Ereignis vor dem Verfallstag eintritt, endet die Laufzeit der Produkte vorzeitig und die Produkte werden nach den Bestimmungen der Bedingungen vorzeitig zurückgezahlt. Im Fall einer solchen vorzeitigen Rückzahlung spielt die weitere Wertentwicklung [des Basiswerts][der Korbbestandteile] für den Inhaber keine Rolle mehr.</p> <p>Sofern eine vorzeitige Rückzahlung der Produkte nicht erfolgt ist, ist die Höhe des Rückzahlungsbetrags von der Entwicklung [des Basiswerts][der Korbbestandteile] abhängig. Sofern die Voraussetzungen für eine Mindest- bzw. Höchstrückzahlung nicht vorliegen, sind die Produkte mit einem Direktinvestment in [den Basiswert][den Korbbestandteil mit der schlechtesten Kurentwicklung] (ohne Berücksichtigung von Dividendenzahlungen) vergleichbar, mit der Folge, dass der Inhaber auch einem dem Direktinvestment vergleichbaren Verlustrisiko ausgesetzt ist. Aus diesem Grund besteht ein Totalverlustrisiko des Inhabers im Hinblick auf das von ihm eingesetzte Kapital. Ein Totalverlust tritt dann ein, wenn [der Basiswert][der Korbbestandteil mit der schlechtesten Kursentwicklung] am Ende der Laufzeit wertlos ist.</p> <p>Darüber hinaus sind die Produkte dadurch gekennzeichnet, dass der Inhaber an bestimmten Tagen einen Couponbetrag erhalten kann. [Die Zahlung des jeweiligen Couponbetrags ist von der Entwicklung [des Basiswerts][der Korbbestandteile] unabhängig.] [Die Couponzahlung ist von einem bestimmten Ereignis [des Basiswerts][der Korbbestandteile] abhängig (z.B. Erreichen oder Überschreiten eines bestimmten Schwellenwerts an einem bestimmten Tag). Im Fall des Nichteintritts des Ereignisses würde für den entsprechenden Couponzahlungstag keine Couponzahlung erfolgen. Inhaber sollten beachten, dass sie im Fall einer basiswertabhängigen Couponzahlung gegebenenfalls während der gesamten Laufzeit der Produkte keine Couponzahlung erhalten, sofern die Voraussetzungen an keinem Tag, der für die Bestimmung der Couponzahlung maßgeblich ist, gegeben sind. [Dabei ist zu beachten, dass, jeder maßgebliche Tag gesondert betrachtet wird und eine Nachholung von Zahlungen des Couponbetrags nicht stattfindet.] Für die Wahrscheinlichkeit des Eintritts des Ereignisses, das zum Erhalt des jeweiligen Couponbetrags berechtigt, ist die Volatilität [des Basiswerts][der Korbbestandteile] ein wichtiger Einflussfaktor. Je höher die Volatilität [des Basiswerts][der Korbbestandteile] ist, desto höher ist das Risiko für den Inhaber, dass die Bedingung nicht eintritt und der Inhaber entsprechend keinen Couponbetrag für den jeweiligen Couponzahlungstag erhält.] [Die Höhe der [jeweiligen] Couponzahlung ist [ebenfalls] von der Entwicklung [des Basiswerts][der Korbbestandteile] abhängig. Die Zinszahlung an einem Zinszahlungstermin kann auch null betragen, sofern der Kurs [des Basiswerts] [der Korbbestandteile] an dem entsprechenden Zinsbeobachtungstag auf oder unterhalb des Anfangslevels notiert.]</p> <p>Im Hinblick auf die Couponzahlungen ist [weiterhin] zu beachten, dass der Inhaber im Fall einer vorzeitigen Rückzahlung der Produkte</p> |
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| | <p>noch den Couponbetrag für den dem Vorzeitigen Rückzahlungstag zugeordneten Couponzahlungstag erhält. Er ist aber nicht berechtigt, Couponzahlungen für zukünftige Couponzahlungstage zu verlangen.</p> <p><u>Rückzahlungsbetrag ist auf Höchstrückzahlungsbetrag begrenzt</u></p> <p>Der Rückzahlungsbetrag entspricht (ohne Berücksichtigung eines etwaigen Couponbetrags) maximal dem Ausgabepreis (Höchstrückzahlungsbetrag).]</p> |
| | <p>[im Fall von Express Zertifikaten mit Barauszahlung und mit Nennbetrag (Produkt Nr. 13) einfügen:</p> <p><u>Totalverlustrisiko und Risiken im Hinblick auf die vorzeitige Rückzahlung</u></p> <p>Die Höhe des Rückzahlungsbetrags und der Zeitpunkt der Rückzahlung der Produkte ist davon abhängig, ob an einem Autocall Beobachtungstag ein Autocall Ereignis eingetreten ist.</p> <p>Sofern dieses Ereignis vor dem Verfallstag eintritt, endet die Laufzeit der Produkte vorzeitig und die Produkte werden nach den Bestimmungen der Bedingungen vorzeitig zurückgezahlt. Im Fall einer solchen vorzeitigen Rückzahlung spielt die weitere Wertentwicklung [des Basiswerts][der Korbbestandteile] für den Inhaber keine Rolle mehr.</p> <p>Sofern eine vorzeitige Rückzahlung der Produkte nicht erfolgt ist, ist die Höhe des Rückzahlungsbetrags von der Entwicklung [des Basiswerts][der Korbbestandteile] abhängig. Sofern die Voraussetzungen für eine Mindest- bzw. Höchstrückzahlung nicht vorliegen, sind die Produkte mit einem Direktinvestment in den [Basiswert][Korbbestandteil mit der schlechtesten Kursentwicklung] (ohne Berücksichtigung von Dividendenzahlungen) vergleichbar, mit der Folge, dass der Inhaber auch einem dem Direktinvestment vergleichbaren Verlustrisiko ausgesetzt ist. Aus diesem Grund besteht ein Totalverlustrisiko des Inhabers im Hinblick auf das von ihm eingesetzte Kapital. Ein Totalverlust tritt dann ein, wenn der [Basiswert][Korbbestandteil mit der schlechtesten Kursentwicklung] am Ende der Laufzeit wertlos ist.</p> <p>Darüber hinaus sind die Produkte dadurch gekennzeichnet, dass der Inhaber an bestimmten Tagen einen Couponbetrag erhalten kann. [Die Zahlung des jeweiligen Couponbetrags ist von der Entwicklung [des Basiswerts][der Korbbestandteile] unabhängig.] [Die Couponzahlung ist von einem bestimmten Ereignis [des Basiswerts][der Korbbestandteile] abhängig (z.B. Erreichen oder Überschreiten eines bestimmten Schwellenwerts an einem bestimmten Tag). Im Fall des Nichteintritts des Ereignisses würde für den entsprechenden Couponzahlungstag keine Couponzahlung erfolgen. Inhaber sollten beachten, dass sie im Fall einer basiswertabhängigen Couponzahlung gegebenenfalls während der gesamten Laufzeit der Produkte keine Couponzahlung erhalten, sofern die Voraussetzungen an keinem Tag, der für die Bestimmung der Couponzahlung maßgeblich ist, gegeben sind.] [Dabei ist zu beachten, dass, jeder maßgebliche Tag</p> |

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| | | <p>gesondert betrachtet wird und eine Nachholung von Zahlungen des Couponbetrags nicht stattfindet.] Für die Wahrscheinlichkeit des Eintritts des Ereignisses, das zum Erhalt des jeweiligen Couponbetrags berechtigt, ist die Volatilität [des Basiswerts][der Korbbestandteile] ein wichtiger Einflussfaktor. Je höher die Volatilität [des Basiswerts][der Korbbestandteile] ist, desto höher ist das Risiko für den Inhaber, dass die Bedingung nicht eintritt und der Inhaber entsprechend keinen Couponbetrag für den jeweiligen Couponzahlungstag erhält.]</p> <p>Im Hinblick auf die Couponzahlungen ist [weiterhin] zu beachten, dass der Inhaber im Fall einer vorzeitigen Rückzahlung der Produkte noch den Couponbetrag für den dem Vorzeitigen Rückzahlungstag zugeordneten Couponzahlungstag erhält. Er ist aber nicht berechtigt, Couponzahlungen für zukünftige Couponzahlungstage zu verlangen.</p> <p><u>Rückzahlungsbetrag ist auf Höchstrückzahlungsbetrag begrenzt</u></p> <p>Der Rückzahlungsbetrag entspricht (ohne Berücksichtigung eines etwaigen Couponbetrags) maximal dem Nennbetrag (Höchstrückzahlungsbetrag).]</p> |
| | | <p>[im Fall von Tracker Zertifikaten mit Barauszahlung (Produkt Nr. 14) einfügen:</p> <p><u>Risiko eines Totalverlusts</u></p> <p>[Tracker Zertifikate bezogen auf einen einzelnen Basiswert sind mit einem Direktinvestment in den Basiswert (ohne Berücksichtigung von Dividendenzahlungen) vergleichbar, mit der Folge, dass der Inhaber auch einem dem Direktinvestment vergleichbaren Verlustrisiko ausgesetzt ist. Aus diesem Grund besteht ein Totalverlustrisiko des eingesetzten Kapitals für den Fall, dass der Basiswert am Ende der Laufzeit wertlos ist.][Tracker Zertifikate bezogen auf einen Korb als Basiswert spiegeln die Preisentwicklung der im Basiswert enthaltenen Korbbestandteile wider und die Produkte sind mit einer Direktanlage in die Korbbestandteile vergleichbar. Ein Totalverlustrisiko des eingesetzten Kapitals tritt dann ein, wenn die Endlevel sämtlicher Korbbestandteile am Ende der Laufzeit bei null liegen.]</p> <p><u>Risikofaktoren im Hinblick auf die Verwaltungsgebühr</u></p> <p>Von dem zu zahlenden Rückzahlungsbetrag eine Verwaltungsgebühr in einer bestimmten Höhe in Abzug gebracht.</p> <p>Es ist zu beachten, dass eine Verwaltungsgebühr nicht nur den gegebenenfalls von der Emittentin zu zahlenden Rückzahlungsbetrag mindert, sondern auch während der Laufzeit der Produkte ihren Wert im Sekundärmarkt mindert. Bei den für die Produkte im Sekundärmarkt gestellten An- und Verkaufspreisen wird eine solche Verwaltungsgebühr rechnerisch entsprechend der bereits abgelaufenen Laufzeit der Produkte in die jeweiligen Preise miteinbezogen.</p> <p>Die Emittentin kann zu einer Anpassung der Höhe der Verwaltungsgebühr während der Laufzeit der Produkte berechtigt sein. Bei einer Verwaltungsgebühr größer als null (0) wird sich die Verwaltungsge-</p> |

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| | | <p>bühr umso stärker auswirken, je länger die Verwaltungsgebühr während der Haltedauer der Produkte berücksichtigt wird.]</p> <p><u>[Rendite- und Wiederanlagerisiko bei ordentlicher bzw. außerordentlicher Kündigung durch die Emittentin</u></p> <p>Inhaber sollten beachten, dass die Laufzeit der Produkte durch eine ordentliche oder eine außerordentliche Kündigung der Emittentin vorzeitig beendet werden kann. Im Fall einer Kündigung trägt der Inhaber das Risiko, dass seine Erwartungen auf einen Wertzuwachs der Produkte aufgrund der vorzeitigen Laufzeitbeendigung nicht mehr erfüllt werden können. Zudem ist im Fall einer Kündigung zu berücksichtigen, dass der Inhaber das Wiederanlagerisiko trägt. Dies bedeutet, dass er den durch die Emittentin im Fall einer Kündigung zu zahlenden Kündigungsbetrag möglicherweise nur zu ungünstigeren Marktkonditionen wiederanlegen kann als denen, die beim Erwerb des Produkts vorlagen.]]</p> |
| | | <p>[im Fall von Open End Tracker Zertifikaten mit Barauszahlung (Produkt Nr. 15) einfügen:</p> <p><u>Risikofaktoren im Hinblick auf die unbestimmte Laufzeit der Produkte bzw. im Hinblick auf die Kündigungsmöglichkeit der Emittentin</u></p> <p>Die Produkte sind nicht mit einer festgelegten Laufzeitbegrenzung ausgestattet (Open End). Die Laufzeit der Produkte endet entweder (i) durch Ausübung der Produkte durch die Inhaber oder (ii) durch ordentliche Kündigung durch die Emittentin oder (iii) durch außerordentliche Kündigung durch die Emittentin.</p> <p>Die Produkte können während der Laufzeit durch den Inhaber zu bestimmten Einlösungsterminen durch Abgabe einer Einlösungserklärung ausgeübt werden. Der Rückzahlungsbetrag bei ausgeübten Produkten wird auf Grundlage des Endlevels des Basiswerts an dem betreffenden Einlösungstermin berechnet.</p> <p>Die Emittentin ist berechtigt, die Produkte durch Bekanntmachung gemäß den Bedingungen ordentlich zu kündigen. Es ist zu beachten, dass die Emittentin hinsichtlich der Ausübung ihres Kündigungsrechts darüber hinaus keinen Bedingungen unterliegt.</p> <p>Die Emittentin ist darüber hinaus berechtigt, die Produkte außerordentlich durch Bekanntmachung zu kündigen, sofern eine Anpassung nicht möglich ist oder wenn gegebenenfalls ein Zusätzlicher Beendigungsgrund vorliegt. Es ist dabei zu beachten, dass die Emittentin ihr Kündigungsrecht nach billigem Ermessen ausübt und hinsichtlich der Ausübung ihres Kündigungsrechts keinen Bedingungen unterliegt. Die Ausübung des außerordentlichen Kündigungsrechts durch die Emittentin kann gegebenenfalls kurzfristig erfolgen, so dass der Inhaber unter Umständen keine Möglichkeit mehr hat, sein Produkt am Sekundärmarkt zu verkaufen.</p> <p>Die Ausübung des Kündigungsrechts durch die Emittentin ist in der Regel um so wahrscheinlicher, je höher die Volatilität im Basiswert bzw. je illiquider der Markt in auf den Basiswert bezogenen Finan-</p> |

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| | | <p>zinstrumenten (einschließlich des Termin- und Leihemarkts) ist. Aufgrund des Kündigungsrechts der Emittentin können Inhaber nicht darauf vertrauen, dass die Produkte eine unbegrenzte Laufzeit haben. Inhaber sollten daher nicht darauf vertrauen, eine Position in den Produkten über einen längeren Zeitraum halten zu können. Inhaber können weiterhin nicht darauf vertrauen, dass sich der Kurs des Basiswerts rechtzeitig vor einem Kündigungstermin in eine für sie positive Richtung entwickelt.</p> <p><u><i>Rendite- und Wiederanlagerisiko bei ordentlicher bzw. außerordentlicher Kündigung durch die Emittentin</i></u></p> <p>Inhaber sollten beachten, dass die unbegrenzte Laufzeit der Produkte durch eine ordentliche oder eine außerordentliche Kündigung der Emittentin beendet werden kann. Im Fall einer Kündigung trägt der Inhaber das Risiko, dass seine Erwartungen auf einen Wertzuwachs der Produkte aufgrund der Laufzeitbeendigung nicht mehr erfüllt werden können. Zudem ist im Fall einer Kündigung zu berücksichtigen, dass der Inhaber das Wiederanlagerisiko trägt. Dies bedeutet, dass er den durch die Emittentin im Fall einer Kündigung zu zahlenden Kündigungsbetrag möglicherweise nur zu ungünstigeren Marktkonditionen wiederanlegen kann als denen, die beim Erwerb des Produkts vorlagen.</p> <p><u><i>Risiko eines Totalverlusts</i></u></p> <p>Open End Tracker Zertifikate sind mit einem Direktinvestment in den Basiswert (ohne Berücksichtigung von Dividendenzahlungen) vergleichbar, mit der Folge, dass der Inhaber auch einem dem Direktinvestment vergleichbaren Verlustrisiko ausgesetzt ist. Aus diesem Grund besteht ein Totalverlustrisiko des eingesetzten Kapitals für den Fall, dass der Basiswert am Ende der Laufzeit wertlos ist.</p> <p><u><i>[Risikofaktoren im Hinblick auf die Verwaltungsgebühr</i></u></p> <p>Von dem zu zahlenden Rückzahlungsbetrag eine Verwaltungsgebühr in einer bestimmten Höhe in Abzug gebracht.</p> <p>Es ist zu beachten, dass eine Verwaltungsgebühr nicht nur den gegebenenfalls von der Emittentin zu zahlenden Rückzahlungsbetrag mindert, sondern auch während der Laufzeit der Produkte ihren Wert im Sekundärmarkt mindert. Bei den für die Produkte im Sekundärmarkt gestellten An- und Verkaufspreisen wird eine solche Verwaltungsgebühr rechnerisch entsprechend der bereits abgelaufenen Laufzeit der Produkte in die jeweiligen Preise miteinbezogen.</p> <p>Die Emittentin kann zu einer Anpassung der Höhe der Verwaltungsgebühr während der Laufzeit der Produkte berechtigt sein. Bei einer Verwaltungsgebühr größer als null (0) wird sich die Verwaltungsgebühr umso stärker auswirken, je länger die Verwaltungsgebühr während der Haltedauer der Produkte berücksichtigt wird.]]</p> |
| | | <p><i>[im Fall von Express Zertifikaten mit etwaiger Physischer Lieferung und mit Nennbetrag (Produkt Nr. 16) einfügen:</i></p> |

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| | <p><u><i>Totalverlustrisiko und Risiken im Hinblick auf die vorzeitige Rückzahlung</i></u></p> <p>Die Höhe des Rückzahlungsbetrags und der Zeitpunkt der Rückzahlung der Produkte ist davon abhängig, ob an einem Autocall Beobachtungstag ein Autocall Ereignis eingetreten.</p> <p>Sofern dieses Ereignis vor dem Verfalltag eintritt, endet die Laufzeit der Produkte vorzeitig und die Produkte werden nach den Bestimmungen der Bedingungen vorzeitig zurückgezahlt. Im Fall einer solchen vorzeitigen Rückzahlung spielt die weitere Wertentwicklung [des Basiswerts][der Korbbestandteile] für den Inhaber keine Rolle mehr.</p> <p>Sofern eine vorzeitige Rückzahlung der Produkte nicht erfolgt ist, ist die Höhe des Rückzahlungsbetrags bzw. die Art der Tilgung (Barauszahlung oder physische Lieferung) von der Entwicklung [des Basiswerts][der Korbbestandteile] abhängig.</p> <p>Sofern [ein Barrier Event eingetreten ist][das Endlevel auf oder unter dem Ausübungspreis notiert], sehen die Produkte eine physische Lieferung des [Basiswerts][Korbbestandteils mit der Schlechtesten Kursentwicklung] vor. Sofern die Tilgung der Produkte durch physische Lieferung des [Basiswerts][Korbbestandteils mit der Schlechtesten Kursentwicklung] erfolgt, ist zu beachten, dass der Gegenwert der gelieferten [Basiswerte][Korbbestandteile] in der Regel geringer als der Nennbetrag ist. Die etwaigen Couponzahlung(en) kann bzw. können in diesem Fall die negative Entwicklung des [Basiswerts][Korbbestandteils mit der Schlechtesten Kursentwicklung] und den dadurch erlittenen Kapitalverlust ab einem bestimmten Punkt nicht mehr abfangen und der Inhaber erleidet einen Verlust. Der Verlust entspricht der Differenz zwischen (i) dem für das Produkt aufgewandten Kaufpreis (zuzüglich Transaktionskosten) und (ii) dem Gegenwert der gelieferten [Basiswerte]Korbbestandteile] zuzüglich der Couponzahlung(en). Dies kann im Extremfall – abgesehen von den etwaigen Couponzahlung(en) – bis hin zum Totalverlust des eingesetzten Kapitals führen, sofern der [Basiswert][Korbbestandteil] am Ende der Laufzeit wertlos ist.</p> <p>Darüber hinaus sind die Produkte dadurch gekennzeichnet, dass der Inhaber an bestimmten Tagen einen Couponbetrag erhalten kann. [Die Zahlung des jeweiligen Couponbetrags ist dabei von der Entwicklung [des Basiswerts][der Korbbestandteile] unabhängig.] [Die Zahlung des jeweiligen Couponbetrags ist dabei von einem bestimmten Ereignis [des Basiswerts][der Korbbestandteile] abhängig (z.B. Erreichen oder Überschreiten eines bestimmten Schwellenwerts an einem bestimmten Tag). Im Fall des Nichteintritts des Ereignisses würde für den entsprechenden Couponzahlungstag keine Couponzahlung erfolgen. Inhaber sollten beachten, dass sie im Fall einer basiswertabhängigen Couponzahlung gegebenenfalls während der gesamten Laufzeit der Produkte keine Couponzahlung erhalten, sofern die Voraussetzungen an keinem Tag, der für die Bestimmung der Couponzahlung maßgeblich ist, gegeben sind.] [Dabei ist zu</p> |
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| | <p>beachten, dass, jeder maßgebliche Tag gesondert betrachtet wird und eine Nachholung von Zahlungen des Couponbetrags nicht stattfindet.] Für die Wahrscheinlichkeit des Eintritts des Ereignisses, das zum Erhalt des jeweiligen Couponbetrags berechtigt, ist die Volatilität [des Basiswerts][der Korbbestandteile] ein wichtiger Einflussfaktor. Je höher die Volatilität [des Basiswerts][der Korbbestandteile] ist, desto höher ist das Risiko für den Inhaber, dass die Bedingung nicht eintritt und der Inhaber entsprechend keinen Couponbetrag für den jeweiligen Couponzahlungstag erhält.]</p> <p>Im Hinblick auf die Couponzahlungen ist [weiterhin] zu beachten, dass der Inhaber im Fall einer vorzeitigen Rückzahlung der Produkte noch den Couponbetrag für den dem Vorzeitigen Rückzahlungstag zugeordneten Couponzahlungstag erhält. Er ist aber nicht berechtigt, Couponzahlungen für zukünftige Couponzahlungstage zu verlangen.</p> <p><i><u>Rückzahlungsbetrag ist auf Höchstrückzahlungsbetrag begrenzt</u></i></p> <p>Der Rückzahlungsbetrag entspricht (ohne Berücksichtigung eines etwaigen Couponbetrags) maximal dem Höchstrückzahlungsbetrag, der dem Nennbetrag entspricht.]</p> |
| | <p>[im Fall von Express Zertifikaten mit etwaiger Physischer Lieferung und ohne Nennbetrag (Produkt Nr. 17) einfügen:</p> <p><i><u>Totalverlustrisiko und Risiken im Hinblick auf die vorzeitige Rückzahlung</u></i></p> <p>Die Höhe des Rückzahlungsbetrags und der Zeitpunkt der Rückzahlung der Produkte ist davon abhängig, ob an einem Autocall Beobachtungstag ein Autocall Ereignis eingetreten.</p> <p>Sofern dieses Ereignis vor dem Verfallstag eintritt, endet die Laufzeit der Produkte vorzeitig und die Produkte werden nach den Bestimmungen der Bedingungen vorzeitig zurückgezahlt. Im Fall einer solchen vorzeitigen Rückzahlung spielt die weitere Wertentwicklung [des Basiswerts][der Korbbestandteile] für den Inhaber keine Rolle mehr.</p> <p>Sofern eine vorzeitige Rückzahlung der Produkte nicht erfolgt ist, ist die Höhe des Rückzahlungsbetrags bzw. die Art der Tilgung (Barauszahlung oder physische Lieferung) von der Entwicklung [des Basiswerts][der Korbbestandteile] abhängig.</p> <p>Sofern [ein Barrier Event eingetreten ist][das Endlevel auf oder unter dem Ausübungspreis notiert], sehen die Produkte eine physische Lieferung des [Basiswerts][Korbbestandteils mit der Schlechtesten Kursentwicklung] vor. Sofern die Tilgung der Produkte durch physische Lieferung des [Basiswerts][Korbbestandteils mit der Schlechtesten Kursentwicklung] erfolgt, ist zu beachten, dass der Gegenwert der gelieferten [Basiswerte][Korbbestandteile] in der Regel geringer als der Nennbetrag ist. Die etwaigen Couponzahlung(en) kann bzw. können in diesem Fall die negative Entwicklung des [Basiswerts][Korbbestandteils mit der Schlechtesten Kursentwicklung] und den dadurch erlittenen Kapitalverlust ab einem bestimmten Punkt</p> |

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| | <p>nicht mehr abfangen und der Inhaber erleidet einen Verlust. Der Verlust entspricht der Differenz zwischen (i) dem für das Produkt aufgewandten Kaufpreis (zuzüglich Transaktionskosten) und (ii) dem Gegenwert der gelieferten [Basiswerte][Korbbestandteile] zuzüglich der Couponzahlung(en). Dies kann im Extremfall – abgesehen von den etwaigen Couponzahlung(en) – bis hin zum Totalverlust des eingesetzten Kapitals führen, sofern der [Basiswert][Korbbestandteil] am Ende der Laufzeit wertlos ist.</p> <p>Darüber hinaus sind die Produkte dadurch gekennzeichnet, dass der Inhaber an bestimmten Tagen einen Couponbetrag erhalten kann. [Die Zahlung des jeweiligen Couponbetrags ist dabei von der Entwicklung [des Basiswerts][der Korbbestandteile] unabhängig.] [Die Zahlung des jeweiligen Couponbetrags ist dabei von einem bestimmten Ereignis [des Basiswerts][der Korbbestandteile] abhängig (z.B. Erreichen oder Überschreiten eines bestimmten Schwellenwerts an einem bestimmten Tag). Im Fall des Nichteintritts des Ereignisses würde für den entsprechenden Couponzahlungstag keine Couponzahlung erfolgen. Inhaber sollten beachten, dass sie im Fall einer basiswertabhängigen Couponzahlung gegebenenfalls während der gesamten Laufzeit der Produkte keine Couponzahlung erhalten, sofern die Voraussetzungen an keinem Tag, der für die Bestimmung der Couponzahlung maßgeblich ist, gegeben sind.] [Dabei ist zu beachten, dass, jeder maßgebliche Tag gesondert betrachtet wird und eine Nachholung von Zahlungen des Couponbetrags nicht stattfindet.] Für die Wahrscheinlichkeit des Eintritts des Ereignisses, das zum Erhalt des jeweiligen Couponbetrags berechtigt, ist die Volatilität [des Basiswerts][der Korbbestandteile] ein wichtiger Einflussfaktor. Je höher die Volatilität [des Basiswerts][der Korbbestandteile] ist, desto höher ist das Risiko für den Inhaber, dass die Bedingung nicht eintritt und der Inhaber entsprechend keinen Couponbetrag für den jeweiligen Couponzahlungstag erhält.]</p> <p>Im Hinblick auf die Couponzahlungen ist [weiterhin] zu beachten, dass der Inhaber im Fall einer vorzeitigen Rückzahlung der Produkte noch den Couponbetrag für den dem Vorzeitigen Rückzahlungstag zugeordneten Couponzahlungstag erhält. Er ist aber nicht berechtigt, Couponzahlungen für zukünftige Couponzahlungstage zu verlangen.</p> <p><u>Rückzahlungsbetrag ist auf Höchstrückzahlungsbetrag begrenzt</u></p> <p>Der Rückzahlungsbetrag entspricht (ohne Berücksichtigung eines etwaigen Couponbetrags) maximal dem Höchstrückzahlungsbetrag, der dem Nennbetrag entspricht.]</p> |
| | <p>[im Fall von Inverse Discount Zertifikaten mit Barauszahlung (Produkt Nr. 18) einfügen:</p> <p><u>Rückzahlungsbetrag ist auf Höchstrückzahlungsbetrag begrenzt</u></p> <p>Der Rückzahlungsbetrag bei Inverse Discount Zertifikaten entspricht maximal dem Höchstrückzahlungsbetrag, weshalb die Ertragsmöglichkeit bei Inverse Discount Zertifikaten beschränkt ist.</p> <p><u>Risiko eines Totalverlusts</u></p> |

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| | <p>Anleger sollten beachten, dass sie das Risiko einer für sie ungünstigen Wertentwicklung des Basiswerts, nämlich eines Anstiegs des Basiswerts, tragen. In dieser Konstellation kann es für den Anleger zu Verlusten kommen. Im schlimmsten Fall erleidet der Anleger einen Totalverlust des eingesetzten Kapitals einschließlich aufgewendeter Transaktionskosten, der dann eintritt, wenn das Endlevel auf oder über dem Inverse Level notiert.]</p> |
| | <p>[im Fall von Master Discount Zertifikaten mit Barauszahlung (Produkt Nr. 19) einfügen:</p> <p><u>Rückzahlungsbetrag ist auf Höchstrückzahlungsbetrag begrenzt</u></p> <p>Der Rückzahlungsbetrag bei Master Discount Zertifikaten entspricht maximal dem Höchstrückzahlungsbetrag, weshalb die Ertragsmöglichkeit bei Master Discount Zertifikaten nach oben hin beschränkt ist.</p> <p><u>Risiko eines Totalverlusts</u></p> <p>Anleger sollten beachten, dass die Investition in das Produkt mit einem Direktinvestment in den jeweiligen Basiswert und somit in die dem Produkt zugrundeliegenden Korbbestandteile (ohne Berücksichtigung eventueller Dividendenzahlungen) vergleichbar ist. Sofern ein Korbbestandteil wertlos wird, erleidet der Anleger einen Verlust in Höhe des Korbbestandteils unter Berücksichtigung der Anzahl je Korbbestandteile; aufgrund der Einzelbetrachtung der Korbbestandteile und der jeweiligen Cap Level kann ein solcher Verlust nicht durch die Wertentwicklung der übrigen Korbbestandteile kompensiert werden. Sofern alle Korbbestandteile wertlos werden, ist der Anleger somit dem Risiko eines Totalverlustes des eingesetzten Kapitals einschließlich aufgewendeter Transaktionskosten ausgesetzt. Zu beachten ist zudem, dass das Cap Level unter dem Anfangslevel liegen kann. In diesem Fall ist es ausgeschlossen, dass der Anleger an einer Wertsteigerung des Korbbestandteils partizipiert.]</p> |
| | <p>[im Fall von Express Zertifikaten mit Barauszahlung und mit Nennbetrag sowie unbedingter Mindestrückzahlung (Produkt Nr. 20) einfügen:</p> <p><u>Risiken im Hinblick auf die vorzeitige Rückzahlung und die unbedingte Mindestrückzahlung</u></p> <p>Die Höhe des Rückzahlungsbetrags und der Zeitpunkt der Rückzahlung der Produkte ist davon abhängig, ob an einem Autocall Beobachtungstag ein Autocall Ereignis eingetreten ist.</p> <p>Sofern dieses Ereignis vor dem Verfallstag eintritt, endet die Laufzeit der Produkte vorzeitig und die Produkte werden nach den Bestimmungen der Bedingungen vorzeitig zurückgezahlt. Im Fall einer solchen vorzeitigen Rückzahlung spielt die weitere Wertentwicklung der Korbbestandteile für den Inhaber keine Rolle mehr.</p> <p>Sofern eine vorzeitige Rückzahlung der Produkte nicht erfolgt ist, ist</p> |

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| | | <p>die Höhe des Rückzahlungsbetrags von der Entwicklung der Korbbestandteile abhängig. Sofern die Endlevel sämtlicher Korbbestandteile auf oder über dem Autocall Trigger Level liegen, erhält der Inhaber den Nennbetrag. Sofern dies nicht der Fall ist, erhält der Inhaber den im Vorhinein festgelegten Mindestrückzahlungsbetrag, dessen Höhe von der Entwicklung der Korbbestandteile unabhängig ist. Anleger sollten beachten, dass der Mindestrückzahlungsbetrag gegebenenfalls niedriger sein kann als der Nennbetrag bzw. als das für den Erwerb des Produkts eingesetzte Kapital (einschließlich aufgewendeter Transaktionskosten).</p> <p>Anleger sollten ebenfalls beachten, dass der Mindestrückzahlungsbetrag gegebenenfalls lediglich im Fall einer Rückzahlung am Laufzeitende Anwendung findet. Die Anleger müssen bereit sein, ihr Produkt bis zum Rückzahlungstag zu halten. Anleger bleiben weiterhin dem Ausfallrisiko der Emittentin ausgesetzt, sodass sie bei einer Zahlungsunfähigkeit der Emittentin ihr gesamtes für den Erwerb der Produkte eingesetztes Kapital (einschließlich aufgewendeter Transaktionskosten) verlieren können.</p> <p>Bei den vorliegenden Produkten ist die Zahlung des Couponbetrags davon abhängig, ob ein Coupon Trigger Event eintritt, d.h. ob die Referenzkurse sämtlicher Korbbestandteile an einem Coupon Beobachtungstag das für diesen Tag maßgebliche Coupon Trigger Level erreichen oder überschreiten. Sofern an keinem Coupon Beobachtungstag ein Coupon Trigger Event stattfindet, erhält der Anleger keine Couponzahlung. Im Fall einer vorzeitigen Rückzahlung ist ein Anleger nicht berechtigt, etwaige weitere Couponzahlungen für zukünftige Couponzahlungstage zu verlangen.</p> <p><u>Rückzahlungsbetrag ist auf Höchstrückzahlungsbetrag begrenzt</u></p> <p>Der Rückzahlungsbetrag entspricht (ohne Berücksichtigung eines etwaigen Couponbetrags) maximal dem Höchstrückzahlungsbetrag, der dem Nennbetrag entspricht.]</p> |
| | | <p>[im Fall von Express Zertifikaten mit Barauszahlung und mit Nennbetrag sowie mit Downside-Partizipationsfaktor (Produkt Nr. 21) einfügen:</p> <p><u>Risiko eines Totalverlusts</u></p> <p>Die Höhe des Rückzahlungsbetrags und der Zeitpunkt der Rückzahlung der Produkte ist davon abhängig, ob an einem Autocall Beobachtungstag ein Autocall Ereignis eingetreten ist.</p> <p>Sofern dieses Ereignis vor dem Verfallstag eintritt, endet die Laufzeit der Produkte vorzeitig und die Produkte werden nach den Bestimmungen der Bedingungen vorzeitig zurückgezahlt. Im Fall einer solchen vorzeitigen Rückzahlung spielt die weitere Wertentwicklung der Korbbestandteile für den Inhaber keine Rolle mehr.</p> <p>Sofern eine vorzeitige Rückzahlung der Produkte nicht erfolgt ist, ist die Höhe des Rückzahlungsbetrags von der Entwicklung der Korb-</p> |

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| | | <p>bestandteile abhängig. Sofern die Voraussetzungen für eine Rückzahlung zum Höchstrückzahlungsbetrag nicht vorliegen, nimmt der Inhaber aufgrund des Downside-Partizipationsfaktors überproportional am Wertverlust des Korbbestandteils mit der schlechtesten Kursentwicklung teil, mit der Folge, dass der Inhaber einem im Vergleich zu einem Direktinvestment höheren Verlustrisiko ausgesetzt ist. Aus diesem Grund besteht ein Totalverlustrisiko des Inhabers im Hinblick auf das von ihm eingesetzte Kapital. Auch wenn der Korbbestandteil mit der schlechtesten Kursentwicklung am Ende der Laufzeit größer als null (0) ist, kann dennoch ein Totalverlust eintreten, wenn die Downside Partizipation an dem Wertverlust des Korbbestandteils mit der schlechtesten Wertentwicklung, bis zur Wertlosigkeit des Produkts führt.</p> <p>Darüber hinaus sind die Produkte dadurch gekennzeichnet, dass der Inhaber an bestimmten Tagen einen Couponbetrag erhalten kann. [Die Zahlung des jeweiligen Couponbetrags ist von der Entwicklung der Korbbestandteile unabhängig. [Die Couponzahlung ist von einem bestimmten Ereignis der Korbbestandteile abhängig (z.B. Erreichen oder Überschreiten eines bestimmten Schwellenwerts an einem bestimmten Tag). Im Fall des Nichteintritts des Ereignisses würde für den entsprechenden Couponzahlungstag keine Couponzahlung erfolgen. Inhaber sollten beachten, dass sie im Fall einer basiswertabhängigen Couponzahlung gegebenenfalls während der gesamten Laufzeit der Produkte keine Couponzahlung erhalten, sofern die Voraussetzungen an keinem Tag, der für die Bestimmung der Couponzahlung maßgeblich ist, gegeben sind.] [Dabei ist zu beachten, dass jeder maßgebliche Tag gesondert betrachtet wird und eine Nachholung von Zahlungen des Couponbetrags nicht stattfindet.] Für die Wahrscheinlichkeit des Eintritts des Ereignisses, das zum Erhalt des jeweiligen Couponbetrags berechtigt, ist die Volatilität der Korbbestandteile ein wichtiger Einflussfaktor. Je höher die Volatilität der Korbbestandteile ist, desto höher ist das Risiko für den Inhaber, dass die Bedingung nicht eintritt und der Inhaber entsprechend keinen Couponbetrag für den jeweiligen Couponzahlungstag erhält.</p> <p>Im Hinblick auf die Couponzahlungen ist [weiterhin] zu beachten, dass der Inhaber im Fall einer vorzeitigen Rückzahlung der Produkte noch den Couponbetrag für den dem Vorzeitigen Rückzahlungstag zugeordneten Couponzahlungstag erhält. Er ist aber nicht berechtigt, Couponzahlungen für zukünftige Couponzahlungstage zu verlangen.</p> <p><i><u>Rückzahlungsbetrag ist auf Höchstrückzahlungsbetrag begrenzt</u></i></p> <p>Der Rückzahlungsbetrag entspricht maximal dem Nennbetrag (Höchstrückzahlungsbetrag), weshalb die Ertragsmöglichkeit nach oben hin beschränkt ist.]</p> |
| | | <p><i>[im Fall von Zertifikaten mit Barauszahlung und mit Nennbetrag sowie unbedingter Mindestrückzahlung und Teilrückzahlungsbeträgen (Produkt Nr. 22) einfügen:</i></p> <p>Inhaber sollten beachten, dass der Rückzahlungsbetrag maximal dem</p> |

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| | <p>Mindestrückzahlungsbetrag, der gleichzeitig den Höchstrückzahlungsbetrag darstellt, entspricht. Im Gegensatz zu einem Direktinvestment in die Korbbestandteile partizipiert der Anleger in einem solchen Fall nicht an der positiven Wertentwicklung der Korbbestandteile.</p> <p>Der Mindestrückzahlungsbetrag kann gegebenenfalls niedriger sein als der Nennbetrag bzw. als das für den Erwerb des Produkts eingesetzte Kapital (einschließlich aufgewendeter Transaktionskosten).</p> <p>Der Mindestrückzahlungsbetrag findet lediglich im Fall einer Rückzahlung am Laufzeitende Anwendung. Die Anleger müssen bereit sein, ihr Produkt bis zum Rückzahlungstag zu halten. Sofern (i) ein Anleger das Produkt vor dem Rückzahlungstag im Sekundärmarkt verkauft oder (ii) die Produkte vor Laufzeitende zurückgezahlt werden oder (iii) eine mehrere Vorgesehene Handelstage andauernde Marktstörung gemäß den Produktbedingungen eingetreten ist, tritt eine solche Mindestrückzahlung nicht ein. In einem solchen Fall trägt der Anleger das Risiko eines Totalverlustes des eingesetzten Kapitals einschließlich aufgewendeter Transaktionskosten. Anleger bleiben [weiterhin] dem Ausfallrisiko der Emittentin ausgesetzt, sodass sie bei einer Zahlungsunfähigkeit der Emittentin ihr gesamtes für den Erwerb der Produkte eingesetztes Kapital (einschließlich aufgewendeter Transaktionskosten) verlieren können. Unter anderem aus diesem Grund können Produkte mit einer unbedingten Mindestrückzahlung während ihrer Laufzeit zu einem Preis gehandelt werden, der unterhalb des Mindestrückzahlungsbetrages liegt. Anleger sollten daher nicht darauf vertrauen, die erworbenen Produkte jederzeit während ihrer Laufzeit mindestens zum Mindestrückzahlungsbetrag veräußern zu können.</p> <p>Darüber hinaus sind die Zertifikate dadurch gekennzeichnet, dass die Zahlung und die Höhe eines Couponbetrags davon abhängt, ob und zu welchem Zeitpunkt ein Coupon Trigger Event eingetreten ist. Sollte bis zum letzten Coupon Beobachtungstag (einschließlich) kein Coupon Trigger Event eingetreten sein, erhält der Anleger während der gesamten Laufzeit des Produktes keine Couponzahlung.</p> <p>Für die Wahrscheinlichkeit des Eintritts eines Coupon Trigger Events ist die Volatilität der Korbbestandteile ein wichtiger Einflussfaktor. Dabei ist zu beachten, dass je höher die Volatilität der Korbbestandteile ist, desto höher ist das Risiko für den Anleger, dass kein Coupon Trigger Event eintritt und dementsprechend keine Couponzahlung erfolgt.</p> <p>Falls an keinem Coupon Beobachtungstag ein Coupon Trigger Event eingetreten ist, erhält der Anleger lediglich den Mindestrückzahlungsbetrag. Der Anleger erleidet einen Verlust sofern der Mindestrückzahlungsbetrag geringer ist als das eingesetzte Kapital (einschließlich aufgewendeter Transaktionskosten) für den Erwerb der Produkte.]</p> |
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| | <p><i>[im Fall von Zertifikaten mit Barauszahlung und mit Nennbetrag sowie unbedingter Mindestrückzahlung (Produkt Nr. 23) einfügen:</i></p> <p>Die Höhe des Rückzahlungsbetrags am Laufzeitende hängt von der Kursentwicklung der Korbbestandteile ab, da der Anleger am Rückzahlungstag eine bei Emission festgelegte Barauszahlung erhält, deren Höhe von der Entwicklung des Korbbestandteils mit der schlechtesten Kursentwicklung abhängig ist. Der Anleger erhält aber mindestens den Mindestrückzahlungsbetrag. Der Mindestrückzahlungsbetrag kann gegebenenfalls niedriger sein als der Nennbetrag bzw. als das für den Erwerb des Produkts eingesetzte Kapital (einschließlich aufgewendeter Transaktionskosten).</p> <p>Der Mindestrückzahlungsbetrag findet lediglich im Fall einer Rückzahlung am Laufzeitende Anwendung. Die Anleger müssen bereit sein, ihr Produkt bis zum Rückzahlungstag zu halten. Sofern (i) ein Anleger das Produkt vor dem Rückzahlungstag im Sekundärmarkt verkauft oder (ii) die Produkte vor Laufzeitende zurückgezahlt werden oder (iii) eine mehrere Vorgesehene Handelstage andauernde Marktstörung gemäß den Produktbedingungen eingetreten ist, tritt eine solche Mindestrückzahlung nicht ein. In einem solchen Fall trägt der Anleger das Risiko eines Totalverlustes des eingesetzten Kapitals einschließlich aufgewendeter Transaktionskosten. Anleger bleiben weiterhin dem Ausfallrisiko der Emittentin ausgesetzt, sodass sie bei einer Zahlungsunfähigkeit der Emittentin ihr gesamtes für den Erwerb der Produkte eingesetztes Kapital (einschließlich aufgewendeter Transaktionskosten) verlieren können.</p> <p>Unter anderem aus diesem Grund können Produkte mit einer unbedingten Mindestrückzahlung während ihrer Laufzeit zu einem Preis gehandelt werden, der unterhalb des Mindestrückzahlungsbetrages liegt. Anleger sollten daher nicht darauf vertrauen, die erworbenen Produkte jederzeit während ihrer Laufzeit mindestens zum Mindestrückzahlungsbetrag veräußern zu können.</p> <p>Der Rückzahlungsbetrag entspricht maximal dem Nennbetrag multipliziert mit dem Höchstrückzahlungsfaktor.]</p> |
| | <p><i>[im Fall von Capped Zertifikaten mit Barauszahlung und mit Nennbetrag sowie unbedingter Mindestrückzahlung (Produkt Nr. 24) einfügen:</i></p> <p><u><i>Risikofaktoren im Hinblick auf die unbedingte Mindestrückzahlung</i></u></p> <p>Die Produkte werden am Laufzeitende mindestens zu einem im Vorhinein festgelegten Betrag zurückgezahlt. Der Mindestrückzahlungsbetrag kann niedriger sein als der Nennbetrag bzw. als das für den Erwerb des Produkts eingesetzte Kapital (einschließlich aufgewendeter Transaktionskosten). Anleger bleiben weiterhin dem Ausfallrisiko der Emittentin ausgesetzt, sodass sie bei einer Zahlungsunfähigkeit der Emittentin ihr gesamtes für den Erwerb der Produkte eingesetztes Kapital (einschließlich aufgewendeter Transaktionskosten) verlieren können.</p> |

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| | <p>Der Mindestrückzahlungsbetrag findet lediglich im Fall einer Rückzahlung am Laufzeitende Anwendung. Die Anleger müssen bereit sein, ihr Produkt bis zum Rückzahlungstag zu halten. Sofern (i) ein Anleger das Produkt vor dem Rückzahlungstag im Sekundärmarkt verkauft oder (ii) die Produkte vor Laufzeitende zurückgezahlt werden oder (iii) eine mehrere Vorgesehene Handelstage andauernde Marktstörung gemäß den Produktbedingungen eingetreten ist, tritt eine solche Mindestrückzahlung nicht ein. In einem solchen Fall trägt der Anleger das Risiko eines Totalverlustes des eingesetzten Kapitals einschließlich aufgewendeter Transaktionskosten.</p> <p>Unter anderem aus diesen Gründen können Produkte mit einer unbedingten Mindestrückzahlung während ihrer Laufzeit zu einem Preis gehandelt werden, der unterhalb des Mindestrückzahlungsbetrages liegt. Anleger sollten daher nicht darauf vertrauen, die erworbenen Produkte jederzeit während ihrer Laufzeit mindestens zum Mindestrückzahlungsbetrag veräußern zu können.</p> <p><i><u>Risikofaktoren im Hinblick auf den Partizipationsfaktor</u></i></p> <p>Die Anwendbarkeit eines Partizipationsfaktors führt dazu, dass die Produkte zwar wirtschaftlich einer Direktinvestition in den Basiswert ähnlich sind, mit einer solchen jedoch insbesondere deshalb nicht vollständig vergleichbar sind, weil die Inhaber an der entsprechenden Kursentwicklung des Basiswerts nicht im Verhältnis 1:1 sondern in Höhe eines bestimmten Faktors partizipieren. Der Anleger partizipiert, vorbehaltlich der Wertbeeinflussung durch weitere Ausstattungsmerkmale, an eventuellen Wertveränderungen des Basiswerts [unterproportional][überproportional].</p> <p><i><u>Rückzahlungsbetrag ist auf Höchstrückzahlungsbetrag begrenzt</u></i></p> <p>Der Rückzahlungsbetrag entspricht maximal dem Höchstrückzahlungsbetrag, weshalb die Ertragsmöglichkeit nach oben hin beschränkt ist. Anleger partizipieren nicht an einer über das Cap Level hinausgehenden Wertsteigerung des [Basiswerts][Korbbestandteils mit der schlechtesten Kursentwicklung].</p> |
| | <p>[im Fall von Inverse Bonus Zertifikaten mit Barauszahlung (Produkt Nr. 25) einfügen:</p> <p><i><u>Risiken im Hinblick auf die Wertentwicklung von Inverse Bonus Zertifikaten aufgrund der Reverse-Struktur</u></i></p> <p>Bei Inverse Bonus Zertifikaten ist die Entwicklung des Werts des Produkts umgekehrt abhängig von der Entwicklung des Basiswerts. Das bedeutet, dass diese Produkte eine positive Beteiligung des Inhabers an einem Wertverlust des Basiswerts ermöglichen. Entsprechend verliert ein Inverse Bonus Zertifikat regelmäßig (d.h. unter Nichtberücksichtigung sonstiger Ausstattungsmerkmale und sonstiger für die Preisbildung von Produkten maßgeblicher Faktoren) dann an Wert, wenn der Wert des Basiswerts steigt.</p> |

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| | <p><u><i>Risiko eines Totalverlusts im Fall eines Barrier Events</i></u></p> <p>Inhaber sollten beachten, dass im Fall des Eintritts eines Barrier Events der Anspruch auf die Mindestrückzahlung erlischt und der Inhaber 1:1 das Verlustrisiko im Fall eines steigenden Kurses des Basiswerts trägt. In diesem Fall besteht ein Totalverlustrisiko für den Inhaber im Hinblick auf das von ihm eingesetzte Kapital. Ein Totalverlust tritt dann ein, wenn der Basiswert am Ende der Laufzeit dem Cap Level entspricht oder dieses überschreitet.</p> <p><u><i>Beschränkte Ertragsmöglichkeit aufgrund der Reverse-Struktur auch ohne Berücksichtigung eines Caps</i></u></p> <p>Inhaber sollten beachten, dass die Ertragsmöglichkeit aufgrund der Reverse-Struktur auch ohne Berücksichtigung eines Caps beschränkt ist, da die negative Entwicklung des Basiswerts nicht mehr als 100% betragen kann, d.h. der Rückzahlungsbetrag entspricht maximal dem Produkt aus (i) dem Ausgabepreis und (ii) dem Quotienten aus dem Cap Level abzüglich des Endlevels und dem Anfangslevel.]</p> |
| | <p>[im Fall von Capped Inverse Bonus Zertifikaten mit Barauszahlung (Produkt Nr. 26) einfügen:</p> <p><u><i>Risiken im Hinblick auf die Wertentwicklung von Capped Inverse Bonus Zertifikaten aufgrund der Reverse-Struktur</i></u></p> <p>Bei Capped Inverse Bonus Zertifikaten ist die Entwicklung des Werts des Produkts umgekehrt abhängig von der Entwicklung des Basiswerts. Das bedeutet, dass diese Produkte eine positive Beteiligung des Inhabers an einem Wertverlust des Basiswerts bis zum Bonus Level ermöglichen. Entsprechend verliert ein Capped Inverse Bonus Zertifikat regelmäßig (d.h. unter Nichtberücksichtigung sonstiger Ausstattungsmerkmale und sonstiger für die Preisbildung von Produkten maßgeblicher Faktoren) dann an Wert, wenn der Wert des Basiswerts steigt.</p> <p><u><i>Risiko eines Totalverlusts im Fall eines Barrier Events</i></u></p> <p>Inhaber sollten beachten, dass im Fall des Eintritts eines Barrier Events der Anspruch auf die Mindestrückzahlung erlischt und der Inhaber 1:1 das Verlustrisiko im Fall eines steigenden Kurses des Basiswerts trägt. In diesem Fall besteht ein Totalverlustrisiko für den Inhaber im Hinblick auf das von ihm eingesetzte Kapital. Ein Totalverlust tritt dann ein, wenn der Basiswert am Ende der Laufzeit dem Cap Level entspricht oder dieses überschreitet.</p> <p><u><i>Rückzahlungsbetrag ist auf einen Höchstbetrag begrenzt</i></u></p> <p>Der Rückzahlungsbetrag bei Capped Inverse Bonus Zertifikaten entspricht maximal dem Anfangslevel multipliziert mit dem Bonus Level. Dieser Betrag stellt den Höchstbetrag dar, den der Anleger erhalten kann.]</p> |
| | <p>[im Fall von Mini Future Zertifikaten mit Barauszahlung (Produkt Nr. 27) einfügen:</p> |

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| | <p><u><i>Risiko eines Totalverlusts bei Eintritt eines Stop-Loss Events</i></u></p> <p>Inhaber von Mini Future Zertifikaten tragen das Risiko, dass die Produkte während ihrer Laufzeit wertlos verfallen, falls ein sogenanntes Stop-Loss Event eingetreten ist. Wenn ein Stop-Loss Event eintritt, endet die Laufzeit der Produkte automatisch und die Produkte werden zu einem Betrag zurückgezahlt, der der Differenz aus dem Stop-Loss Preis und dem Ausübungspreis unter Berücksichtigung des Ausübungsverhältnisses entspricht. Den Inhabern droht ein Totalverlust des eingesetzten Kapitals, falls es der Emittentin nicht gelingt, die Absicherungsposition zu einem Stop-Loss Preis oberhalb des Ausübungspreises aufzulösen.</p> <p>Inhaber sollten beachten, dass sich der Wert der Produkte im Vergleich zu klassischen Optionsscheinen überproportional verringert, wenn sich der Kurs des Basiswerts dem Stop-Loss Level nähert.</p> <p><u><i>Risiko aufgrund des Hebeleffekts</i></u></p> <p>Auf Grund des Hebeleffekts sind die Produkte, verglichen mit einem Direktinvestment in den Basiswert, mit einem überproportionalen Verlustrisiko verbunden.]</p> |
| | <p><u>3. Risikofaktoren im Hinblick auf bestimmte Arten von Basiswerten</u></p> <p>Je nachdem welcher Basiswert bzw. welche Basiswerte den Produkten zugrunde liegen, sind die Inhaber Risiken ausgesetzt, welche sich aus der Art des Basiswerts und der Verhaltensweise von dessen Marktpreisen ergeben, da der Rückzahlungsbetrag sowie gegebenenfalls der Couponbetrag, den ein Inhaber nach den Bedingungen erhält, von der Wertentwicklung des Basiswerts abhängt. Im Fall einer für den Anleger ungünstigen Entwicklung des Basiswerts, kann der Anleger einen Verlust, bis hin zum Totalverlust des eingesetzten Kapitals (inkl. der Transaktionskosten) erleiden. Die in dem Basisprospekt angelegten Basiswerte unterscheiden sich signifikant in ihrer typischen Preisvolatilität. Inhaber sollten nur in die Produkte investieren, sofern sie auch mit dem jeweiligen Basiswert vertraut sind und ein umfassendes Verständnis bezüglich der Art des Basiswerts als solchem und der Markt- und anderweitigen Regeln des Basiswerts haben.</p> |
| | <p><u>4. Risikofaktoren im Hinblick auf Interessenkonflikte</u></p> <p><u><i>Interessenkonflikte in Bezug auf den Basiswert</i></u></p> <p>Die Emittentin und andere Gesellschaften der Gruppe betreiben im Rahmen ihrer normalen Geschäftstätigkeit Handel in den Basiswerten bzw. in Bestandteilen des Basiswerts bzw. in darauf bezogenen Options- oder Terminkontrakten und können sich von Zeit zu Zeit für eigene oder fremde Rechnung an Transaktionen beteiligen, die mit den Produkten in Verbindung stehen. Die Emittentin und andere Gesellschaften der Gruppe können ferner Beteiligungen an einzelnen Basiswerten oder in diesen enthaltenen Gesellschaften halten, wodurch Interessenkonflikte im</p> |

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| | <p>Zusammenhang mit den Produkten entstehen können.</p> <p><u><i>Interessenkonflikte in Bezug auf Ausübung einer anderen Funktion</i></u></p> <p>Zudem können die Emittentin und andere Gesellschaften der Gruppe gegebenenfalls in Bezug auf den Basiswert oder Bestandteile des Basiswerts zusätzlich eine andere Funktion ausüben, zum Beispiel als Ausgabestelle, Berechnungsstelle, Zahl- und/oder Verwaltungsstelle. Daher können hinsichtlich der Pflichten bei der Ermittlung der Kurse der Produkte und anderen damit verbundenen Feststellungen sowohl unter den betreffenden Gesellschaften der Gruppe als auch zwischen diesen und den Anlegern Interessenkonflikte auftreten. Ferner können die Emittentin und andere Gesellschaften der Gruppe in Verbindung mit künftigen Angeboten des Basiswerts oder Bestandteilen des Basiswerts als Konsortialmitglied, als Finanzberater oder als Geschäftsbank fungieren; auch Tätigkeiten dieser Art können Interessenkonflikte mit sich bringen und sich auf den Wert der Produkte auswirken.</p> <p><u><i>Interessenkonflikte in Bezug auf die Vornahme von Absicherungsgeschäften</i></u></p> <p>Die Emittentin kann einen Teil der oder die gesamten Erlöse aus dem Verkauf der Produkte für Absicherungsgeschäfte verwenden. Diese Absicherungsgeschäfte können Einfluss auf den sich am Markt bildenden Kurs der Basiswerte oder der Bestandteile des Basiswerts haben.</p> <p><u><i>Interessenkonflikte in Bezug auf die Emission weiterer derivativer Produkte</i></u></p> <p>Die Emittentin und andere Gesellschaften der Gruppe können weitere derivative Produkte in Bezug auf den Basiswert oder Bestandteile des Basiswerts ausgeben einschließlich solcher, die gleiche oder ähnliche Ausstattungsmerkmale wie die Produkte haben. Die Einführung solcher mit den Produkten im Wettbewerb stehender Produkte kann sich auf den Kurs des Basiswerts bzw. der Bestandteile des Basiswerts und damit auf den Kurs der Produkte auswirken.</p> <p><u><i>Interessenkonflikte in Bezug auf basiswertspezifische Informationen</i></u></p> <p>Die Emittentin und andere Gesellschaften der Gruppe können nicht-öffentliche Informationen in Bezug auf den Basiswert bzw. Bestandteile des Basiswerts erhalten, sind jedoch nicht zur Weitergabe solcher Informationen an die Inhaber verpflichtet. Zudem können Gesellschaften der Gruppe Research-Berichte in Bezug auf den Basiswert oder Bestandteile des Basiswerts publizieren. Tätigkeiten der genannten Art können bestimmte Interessenkonflikte mit sich bringen und sich auf den Wert der Produkte auswirken.</p> <p><u><i>Interessenkonflikte in Zusammenhang mit der Festsetzung des Verkaufspreises der Produkte und Provisionszahlungen</i></u></p> <p>In dem Verkaufspreis für die Produkte kann, gegebenenfalls</p> |
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| | | <p>zusätzlich zu festgesetzten Ausgabeaufschlägen, Verwaltungs- oder anderen Entgelten, ein für den Anleger nicht erkennbarer Aufschlag auf den ursprünglichen mathematischen (“fairen”) Wert der Produkte enthalten sein (die “Marge”). Diese Marge wird von der Emittentin nach ihrem freien Ermessen festgesetzt und kann sich von Aufschlägen unterscheiden, die andere Emittenten für vergleichbare Produkte erheben.</p> <p><u><i>Interessenkonflikte in Zusammenhang mit dem Market-Making für die Produkte</i></u></p> <p>Es ist beabsichtigt, dass der Lead Manager oder gegebenenfalls eine dritte Partei unter gewöhnlichen Marktbedingungen regelmäßige Ankaufs- und Verkaufskurse für die Produkte einer Emission stellen wird. Es wird jedoch keinerlei Rechtspflicht hinsichtlich der Höhe oder des Zustandekommens derartiger Kurse übernommen. Es ist zu beachten, dass die Produkte während ihrer Laufzeit gegebenenfalls nicht zu einem bestimmten Zeitpunkt oder einem bestimmten Kurs veräußert werden können.</p> <p><u><i>Interessen an der Emission beteiligter Dritter</i></u></p> <p>Die Emittentin kann bei der Emission von Produkten Kooperationspartner und externe Berater einschalten, z.B. für die Zusammenstellung und Anpassungen eines Korbs oder Index. Möglicherweise verfolgen diese Kooperationspartner und Berater eigene Interessen an einer Emission der Emittentin und ihrer hiermit verbundenen Beratungstätigkeit. Ein Interessenkonflikt der Berater kann zur Folge haben, dass sie eine Anlageentscheidung oder Empfehlung nicht im Interesse der Anleger, sondern im Eigeninteresse treffen bzw. abgeben.</p> |
| Abschnitt E – Angebot | | |
| E.2b | Gründe für das Angebot und Verwendung der Erträge, sofern nicht zur Gewinnerzielung | Entfällt; der Erlös aus dem Verkauf der Produkte wird zur Absicherung der aus der Begebung der Produkte entstehenden Zahlungsverpflichtungen und zu Zwecken der üblichen Geschäftstätigkeit der Emittentin verwendet. |
| E.3 | Beschreibung der Angebotskonditionen | <p>Ausgabepreis [für Zeichnungen während der Zeichnungsfrist] [am Ausgabetag]: [●] [<i>im Fall von Serien von Produkten, gegebenenfalls Tabelle einfügen</i>: ●]</p> <p>Ausgabetag: [●]</p> <p>[Die Produkte werden während der Zeichnungsfrist, d.h. vom [●] bis einschließlich zum [●], zur Zeichnung angeboten. Die Emittentin behält sich vor, die Zeichnungsfrist vorzeitig zu beenden [bzw. zu verlängern]. Die Emittentin ist nicht verpflichtet, Zeichnungsaufträge anzunehmen. Teilzuteilungen sind möglich (insbesondere bei Überzeichnung). Die Emittentin ist nicht verpflichtet, gezeichnete Produkte zu emittieren.]</p> <p>[<i>gegebenenfalls weitere Informationen zur Beschreibung der Angebotskonditionen einfügen</i>: ●]</p> |

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| E.4 | Beschreibung aller für die Emission/das Angebot wesentlichen Interessenkonflikte | <p>Die Emittentin und andere Gesellschaften der Gruppe betreiben im Rahmen ihrer normalen Geschäftstätigkeit Handel in den Basiswerten bzw. in Bestandteilen des Basiswerts bzw. in darauf bezogenen Options- oder Terminkontrakten und können sich von Zeit zu Zeit für eigene oder fremde Rechnung an Transaktionen beteiligen, die mit den Produkten in Verbindung stehen. Die Emittentin und andere Gesellschaften der Gruppe können ferner Beteiligungen an einzelnen Basiswerten oder in diesen enthaltenen Gesellschaften halten, wodurch Interessenkonflikte im Zusammenhang mit den Produkten entstehen können. Zudem können die Emittentin und andere Gesellschaften der Gruppe gegebenenfalls in Bezug auf den Basiswert oder Bestandteile des Basiswerts zusätzlich eine andere Funktion ausüben, zum Beispiel als Ausgabestelle, Berechnungsstelle, Zahl- und/oder Verwaltungsstelle. Daher können hinsichtlich der Pflichten bei der Ermittlung der Kurse der Produkte und anderen damit verbundenen Feststellungen sowohl unter den betreffenden Gesellschaften der Gruppe als auch zwischen diesen und den Anlegern Interessenkonflikte auftreten. Ferner können die Emittentin und andere Gesellschaften der Gruppe in Verbindung mit künftigen Angeboten des Basiswerts oder Bestandteilen des Basiswerts als Konsortialmitglied, als Finanzberater oder als Geschäftsbank fungieren; auch Tätigkeiten dieser Art können Interessenkonflikte mit sich bringen und sich auf den Wert der Produkte auswirken.</p> <p>Die Emittentin kann einen Teil der oder die gesamten Erlöse aus dem Verkauf der Produkte für Absicherungsgeschäfte verwenden. Diese Absicherungsgeschäfte können Einfluss auf den sich am Markt bildenden Kurs der Basiswerte oder der Bestandteile des Basiswerts haben.</p> <p>Die Emittentin und andere Gesellschaften der Gruppe können weitere derivative Produkte in Bezug auf den Basiswert oder Bestandteile des Basiswerts ausgeben einschließlich solcher, die gleiche oder ähnliche Ausstattungsmerkmale wie die Produkte haben. Die Einführung solcher mit den Produkten im Wettbewerb stehender Produkte kann sich auf den Kurs des Basiswerts bzw. der Bestandteile des Basiswerts und damit auf den Kurs der Produkte auswirken.</p> <p>Die Emittentin und andere Gesellschaften der Gruppe können nicht-öffentliche Informationen in Bezug auf den Basiswert bzw. Bestandteile des Basiswerts erhalten, sind jedoch nicht zur Weitergabe solcher Informationen an die Inhaber verpflichtet. Zudem können Gesellschaften der Gruppe Research-Berichte in Bezug auf den Basiswert oder Bestandteile des Basiswerts publizieren. Tätigkeiten der genannten Art können bestimmte Interessenkonflikte mit sich bringen und sich auf den Wert der Produkte auswirken.</p> <p>In dem Verkaufspreis für die Produkte kann, gegebenenfalls zusätzlich zu festgesetzten Ausgabeaufschlägen, Verwaltungs- oder anderen Entgelten, ein für den Anleger nicht erkennbarer Aufschlag auf den ursprünglichen mathematischen (“fairen”) Wert der Produkte enthalten sein (die “Marge”). Diese Marge wird von der Emittentin nach ihrem</p> |
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| | | <p>freien Ermessen festgesetzt und kann sich von Aufschlägen unterscheiden, die andere Emittenten für vergleichbare Produkte erheben.</p> <p>Es ist beabsichtigt, dass der Lead Manager oder gegebenenfalls eine dritte Partei unter gewöhnlichen Marktbedingungen regelmäßig Ankaufs- und Verkaufskurse für die Produkte einer Emission stellen wird. Es wird jedoch keinerlei Rechtspflicht hinsichtlich der Höhe oder des Zustandekommens derartiger Kurse übernommen. Es ist zu beachten, dass die Produkte während ihrer Laufzeit gegebenenfalls nicht zu einem bestimmten Zeitpunkt oder einem bestimmten Kurs veräußert werden können.</p> <p>Die Emittentin kann bei der Emission von Produkten Kooperationspartner und externe Berater einschalten, z.B. für die Zusammenstellung und Anpassungen eines Korbs oder Index. Möglicherweise verfolgen diese Kooperationspartner und Berater eigene Interessen an einer Emission der Emittentin und ihrer hiermit verbundenen Beratungstätigkeit. Ein Interessenkonflikt der Berater kann zur Folge haben, dass sie eine Anlageentscheidung oder Empfehlung nicht im Interesse der Anleger, sondern im Eigeninteresse treffen bzw. abgeben.</p> |
| E.7 | Schätzung der Ausgaben, die dem Anleger vom Emittenten oder Anbieter in Rechnung gestellt werden | <p>[Entfällt. Von der Emittentin oder dem Lead Manager werden dem Anleger über den Ausgabepreis [(gegebenenfalls zuzüglich Ausgabeaufschlag)] bzw. den Verkaufspreis hinaus keine weiteren Beträge in Rechnung gestellt.]</p> <p>[Von der Emittentin oder dem Lead Manager werden dem Anleger über den Ausgabepreis (gegebenenfalls zuzüglich Ausgabeaufschlag) bzw. den Verkaufspreis hinaus Kosten in Höhe von [●] in Rechnung gestellt.][Ausgaben neben dem Ausgabe- bzw. Verkaufspreis sind bei dem jeweiligen Vertriebspartner zu erfragen.]</p> |

II. RISK FACTORS

Prospective purchasers of the Products which are the subject of the Base Prospectus or the Final Terms should consider the following risk factors described herein which are material to assess the risks associated with the Products when making an investment decision and should make such decision only on the basis of the Base Prospectus as a whole including the documents incorporated by reference, any supplements and the applicable Final Terms.

No one should acquire Products without a thorough understanding of the mechanics of the relevant Products and without being aware of the potential risk of loss. Any prospective purchaser of Products should carefully examine whether an investment in the Products is appropriate given his personal circumstances and financial situation and should consult a financial advisor to discuss any questions.

The risk factors herein are organised into the following sub-sections:

1. Risk factors associated with the Issuer
2. Risk factors associated with all Products
3. Risk factors associated with certain types of Products
4. Risk factors associated with certain types of Underlyings
5. Risk factors associated with conflicts of interest

1. **Risk factors associated with the Issuer**

The following is a disclosure of risk factors that are material to the specific situation of the Issuer and may affect the Issuer's ability to fulfil its respective obligations as issuer of any issued products.

The Issuer is exposed to risks resulting primarily from the issuance of structured investment products. The Issuer is exposed to market risks, which result from mismatches between exposure to equity prices, interest rates, currencies, credit spreads and commodity prices resulting from the issuance of structured investment products and the instruments that the Issuer uses to hedge this exposure, and to liquidity risks relating to the need to fund hedging activities. The Issuer is exposed to credit risks resulting from exposure to trading counterparties and as a result of investment of the proceeds from the issuance of structured investment products in bonds and other fixed-income instruments. The Issuer is also exposed to model, operational and reputational risks, as well as potential changes in the regulatory and macro-economic environments.

Financial information of the Issuer should not be relied on as evidence of future results.

As a financial services provider, the business activities of the Issuer are affected by the prevailing market situation. Different risk factors can impair the Issuers ability to implement business strategies and may have a direct, negative impact on earnings. Accordingly, the Issuer's revenues and earnings are subject to fluctuations. The revenues and earnings figure from a specific period, thus, are not evidence of results in any future period. They can vary from one year to the next and may affect the Issuer's ability to achieve

its strategic objectives. Taking into account that the Issuer has only a short financial history this might be of particular relevance.

The Issuer may not be able to fulfil its obligations due to a deteriorated financial situation. The Issuer may become insolvent.

The financial situation of the Issuer could deteriorate and may prevent the Issuer from fulfilling its obligations. Investors are therefore exposed to the credit risk of the Issuer. The default or insolvency of the Issuer may lead to a partial or total loss of the claims of investors. The Issuer is subject to the Swiss bank insolvency rules and the Swiss Financial Market Supervisory Authority's ("FINMA") bank insolvency ordinance, which empowers FINMA as the competent authority to apply certain recovery and resolution measures. If FINMA applies such measures this may have a significant negative impact on the investor's rights by suspending, modifying and/or wholly extinguishing obligations of the Issuer under structured products and may lead to a partial or total loss of the invested capital.

The Issuer is exposed to the risk that its valuation and risk measurement model may be wrong and that its risk management measures may not prove successful.

Model risk is the risk of financial loss due to inappropriate model assumptions or inadequate model usage. In the Issuer's business, the major model risks arise when models are used to value financial securities and to calculate hedging ratios. The consequence of an inadequate model could be a wrong valuation leading to an incorrect risk measurement and a wrong hedging position, both of which could lead to a financial loss.

The Issuer is exposed to the risk that its risk management and mitigation measures do not prove successful. Management of the Issuer's risks can be very complex given the highly complex nature of many of the products, structured solutions and other operations. The Issuer's risk management strategies and procedures may leave it exposed to unidentified or unanticipated risks. If the measures used to assess and mitigate risk prove insufficient, that may lead to adverse effects on the Issuer's operations and financial condition.

The Issuer is exposed to market risks arising from open positions in interest rate, currency, commodity, credit, equity and other products which may adversely affect its results of operations.

Market risk is the risk of loss resulting from adverse movements of the market price or model price of financial assets. The Issuer distinguishes five types of market risks:

- Equity risk, which is the risk of adverse movements in share prices and related derivatives;
- Interest rate risk, which is the risk of adverse movements in yield curve and corresponding movements in the valuation of fixed-income based assets;
- Credit spread risk, which is the risk that the widening of credit spreads negatively impacts asset prices, credit spread risk relates primarily to the investment portfolio;

- Foreign exchange risk (FX risk), which is the risk of adverse movements in currency exchange rates and related derivative instruments; and
- Commodity risk, which is the risk of adverse movements in commodity prices and related derivatives.

The Issuer's market risk arises primarily from the issuance of structured products and the related hedging activity. Any risk mitigation strategies of the Issuer can expose the firm to remaining sources of risk as the hedge instrument and the position being hedged may not always move in parallel. Interest rate risks and foreign exchange risks may also arise in the normal course of business. The Issuer is also exposed to interest rate risk as a result of its Pension Solutions business. The Issuer gives guarantees to its insurance cooperation partners on minimum returns, and this exposes the Issuer to risks involving falling interest rates and risks involving the increasing volatility of interest rates. Market risk may adversely affect the results of operations of the Issuer.

The Issuer is exposed to significant and increasing competition which may adversely affect its future results of operations.

All aspects of the Issuer's business are highly competitive and the competitive conditions are expected to continue to intensify. The Issuer's ability to compete depends on many factors, including its reputation, the quality of its services and advice, intellectual capital, product innovation, execution ability, pricing, sales efforts, and the talent of its employees. The significant and increasing competition may adversely affect the Issuer's future results of operations.

The Issuer is exposed to the risks relating to its platform partners business which may adversely affect its results of operations.

The Issuer offers services in connection with development, structuring, distribution, hedging and settlement as well as the market-making and secondary market servicing of structured products to third parties, platform partners, pursuant to cooperation arrangements. The Issuer's platform partners business is based on a novel business model that is largely untested and there may not be sufficient demand to enable the Issuer to achieve meaningful operating income or cash flow or profitable operations.

The Issuer is further exposed to reputational and potentially regulatory risks should one of its platform partner's default which might have a significant impact on the Issuer's operations.

The Issuer is exposed to the credit risk of its counterparties.

Credit risk is the general risk of financial loss if a counterparty or an issuer of financial securities does not meet its contractual obligations. The Issuer distinguishes the following credit risks:

- Counterparty credit risk is the risk of the counterparty defaulting on a derivative instrument that has a positive replacement value.
- Issuer risk is the risk of a default by the issuer of an equity or debt instrument held as a direct position or as an underlying of a derivative.
- Country risk is the risk of financial loss due to a country-specific event.

The Issuer is exposed to credit risks related to over-the-counter (OTC) derivatives and securities lending and borrowing activities with counterparties, and through the investment of proceeds from the issuance of structured investment products in bonds or other fixed-income instruments.

Large credit risks are primarily with banks and insurance companies as a result of the Issuer's OTC derivatives, securities lending and Pension Solutions business.

The Issuer is exposed to market liquidity, liquidity and funding risk which may adversely affect its ability to operate its business and its future results of operations.

Since the Issuer hedges its liabilities under issued structured investment products through the sale or purchase of derivatives or other financial assets, the Issuer is exposed to the risk that it will be unable to sell or buy such hedging assets at fair value or at all when it is required to do so to cover its liabilities under the corresponding structured investment products. The Issuer refers to this risk as market liquidity risk.

Furthermore, the Issuer is exposed to liquidity and refinancing risk primarily due to its structured product issuances and issuances by its platform partners for whom it provides derivative hedges. In addition, the Issuer is required to post collateral in order to secure the obligations relating to certain (collateralized) structured products.

The funding liquidity risk represents the risk that the Issuer will not be able to efficiently meet both expected and unexpected cash flows.

Liquidity and funding risks may realise if the Issuer is not able to implement mitigation measures or if such measures do not prove successful. If the Issuer does not effectively manage its liquidity and funding, its business could be negatively affected.

The Issuer's risk exposure in financial instruments leads to certain risk concentrations which could result in a significant loss of the Issuer which in turn may adversely affect the Issuer's result of operations.

The Issuer considers that a risk concentration exists when an individual or group of financial instruments is exposed to changes in the same risk factor, and that exposure could result in a significant loss of the Issuer based on plausible adverse future market developments which in turn may adversely affect the Issuer's result of operations. At 31 December 2015, the Issuer has identified three large exposures.

The Issuer's activities and results of operations may be adversely affected by operational risks.

Operational risk is the risk of losses resulting from inadequate or failed internal processes, people and systems or due to external causes. "Losses" can be direct financial losses or in the form of regulatory sanctions or foregone revenues, for example due to the failure of a service or system. Such events may also lead to reputational damage which could result in longer term financial consequences. Operational risks may adversely affect the Issuer's activities and results of operations.

The Issuer may be adversely affected by compliance, legal, regulatory, and reputational risks.

The Issuer operates in an industry that is highly regulated and may be adversely affected by compliance, legal or regulatory risks and reputational implications from the legal and regulatory environment. Compliance risk and legal risk are the risks arising from violations of, or non-conformance with, laws, rules,

regulations, prescribed practices or internal policies and procedures, or the non-enforceability of legal, including contractual, rights. Legislation and rules adopted around the world have imposed substantial new or more stringent regulations, internal practices, capital requirements, procedures and controls and disclosure requirements in different areas. The trend and scope of increased compliance requirements may require the Issuer to invest in additional resources to ensure compliance.

The Issuer is exposed to the risk of fines, civil financial penalties, payment of damages and the voiding of contracts. Compliance and legal risks can lead to diminished reputation, limited business opportunities, reduced expansion potential and an inability to enforce contracts.

Furthermore, the Issuer is exposed to the risk that changes in law or interpretations thereof, including regulatory and tax laws, may have a material negative impact on its results. Regulatory or similar changes in any jurisdiction in which the Issuer operates may adversely affect its business, results of operations and financial condition.

Reputational risk is the potential loss in reputation due to a financial loss or due to any other real or perceived event with a negative impact on reputation. This includes, in particular, the risk arising from deviations from good ethical behavior. The Issuer's reputation is critical in maintaining its relationships with clients, investors, regulators and the general public, and is a key focus in its risk management efforts.

2. Risk factors associated with all Products

An investor in the Products should note that he/she may lose its entire investment or part of it. The Products are highly risky instruments to invest in. When investing in the Products there is a risk of loss of the invested capital including the related transaction costs. Under certain circumstances it is even possible that the investor may lose all of the capital invested including the related transaction costs.

Prospective investors must decide for themselves whether the Products are a suitable investment for them given their personal circumstances and financial situation. In particular, prospective investors should

- possess sufficient know-how and sufficient experience in order to adequately assess the Products and the risks associated with an investment therein as well as the information contained in the Base Prospectus, any supplements thereto and the respective Final Terms and/or information incorporated by reference into the foregoing documents;
- possess sufficient financial resources and liquidity in order to bear all risks associated with an investment in the Products and also, in the extreme case, a total loss of the capital invested;
- understand the Final Terms of the Products in detail and be familiar with the behaviour of the financial markets; and
- be in a position to assess the possible consequences of economic effects and other factors that may affect the value of the investment (either alone or with the aid of a financial advisor) and to bear the risks associated herewith.

The Products are risky investment instruments. Compared to other capital investments, the risk of loss – up to the total loss of the invested capital as well as the related transaction costs – is high.

The Products confer the right of the Holders to receive payment of a redemption amount at maturity of the Products and payment of coupon amounts (provided the Terms and Conditions stipulate such coupon payment) and/or to receive the underlying or a basket component or a reference security related to the underlying or to the basket component (provided the Terms and Conditions stipulate redemption by physical settlement). Claims for delivery of definitive securities are precluded.

The calculation of the redemption amount payable or, in the case of Products with redemption by physical settlement, the number of the Underlying or a basket component or a reference security related to the underlying or to the basket component to be delivered at maturity and, if and to the extent that the Products have a variable interest rate, the coupon amounts, may depend on the performance of an underlying during the term. Furthermore, the Products can also relate to a comparison between the performance of multiple basket components contained in one basket.

This means that there is a connection between the economic value of the Products and the economic value of the underlying to which the Products relate. A Product will regularly fall in value (i.e. not taking into account other features and factors relevant for the pricing of Products) if the price of the underlying falls. However, Products can also be designed such that a Product (not taking into account other features and factors relevant for the pricing of Products) falls in value if the price of the underlying rises.

Investors should be aware that there may not be a direct relationship between the market value of the Products and the current price of the underlying since the market value of the Products may also be affected by other factors than the current price of the underlying, such as volatility of the underlying, dividend payments or movements in the general interest rates etc. Therefore, positive changes in the price of the underlying do not necessarily lead to a change in the market value of the Product which is positive for the investor. A depreciation of the Product moreover may even occur if the relevant price of the underlying remains constant. Investors should note that changes in the price of the underlying (or even a situation where an expected price change does not occur) can reduce the value of the Products to a disproportionately high extent and even render them worthless, unless the Products provide for an unconditional minimum redemption amount. In particular, it is not safe to assume that the price of the Products will recover in time in view of the limited life of the Products. There is then the risk of losing **some or all of the capital invested including related transaction costs**. This risk exists regardless of the financial strength of the Issuer.

The Products do not, unless expressly provided, yield any current income and especially do not confer any claim to receive dividend payments.

A Product does not confer any claim to receive dividend payments and therefore, without prejudice to any coupon payments, does not yield any current income. This means that potential losses in value of the Product normally cannot be compensated by current income generated by the Product.

The investor's individual return depends significantly on the purchase price paid for the Product and the performance of the Product. The risk of losses already exists during the term of a Product.

The performance of the Products, the value of the redemption amount and – in the case of Products with the possibility of physical settlement – the form of settlement are yet to be determined when issuing the Products. The investor's individual return depends significantly on the purchase price paid for the Product and the performance of the Product. The risk of losses already exists during the term of a Product. Even during the term the value of a Product can be lower than the invested purchase price. If the underlying develops in a direction that is unfavourable for the investor, the investor should not rely on the underlying and thus, the value of the Products then developing in the opposite direction. The investor should rely even less on such expectation if the term of the Product is limited, since the underlying would have to recover by the final fixing date in order to avoid a loss being incurred by the investor.

The Products may be physically settled and investors will not receive a monetary amount. There is a risk that the delivered Underlying, respective basket component or reference securities may only have a very low value or may, in fact, be worthless. In this case, there is a risk of losses – up to the total loss of the invested capital as well as the related transaction costs. Furthermore, investors bear the issuer and securities risks of the deliverable Underlying.

If redemption of the Products by physical settlement is stipulated in the Terms and Conditions, investors should consider that upon maturity of the Products the delivery of the underlying or of a basket component may be effected instead of the payment of a monetary amount or, in the case of underlyings or basket components that cannot be delivered (e.g. indices), the delivery of reference securities in respect of the underlying or a basket component. Investors should therefore note that in the case of redemption of the Products by way of delivery they will not receive a monetary amount, but possibly a right in the securities concerned that is transferable in accordance with the terms and conditions of the respective security depository system. Here the number of units of the underlying or a basket component or the reference securities to be delivered is determined by the conversion ratio of the Products or the conversion ratio of the basket component.

In such a case, since investors will be exposed to the specific issuer and securities risks associated with the underlying or basket component or reference security to be delivered, when purchasing the Products they should acquaint themselves with the underlying or basket component or reference security potentially to be delivered. Investors should therefore not assume that the underlying or basket component or reference security to be delivered after redemption of the Products can be sold at a specific price, in particular not at a price equivalent to the capital used to purchase the Products. In certain circumstances the delivered underlying or basket component or reference security may only have a very low value or may in fact be worthless. In this case the investor runs the risk of losing all of the capital used to purchase the Products (including related transaction costs).

Investors should therefore consider that any fluctuations in the price of the underlying or in the price of the basket component or reference security after the end of the term of the Products will be borne by the Holders until the respective actual delivery. Losses in the value of the underlying or basket component or

reference security to be delivered may occur after the end of the term and are to be borne by the Holder. This means that the actual gain or loss can only be determined after delivery of the underlying or the basket component or the reference security.

If the share to be delivered is a registered share, investors should consider that the rights associated with the shares (e.g. participation in the general meeting, exercise of voting rights, etc.) can generally only be exercised by shareholders who are registered in the share register or a comparable official list of shareholders of the company. The obligation of the Issuer to deliver shares is limited to provision of the shares effected with the characteristics and in the form that allow delivery via an exchange and does not cover registration in the share register or list of shareholders. Any claims due to non-fulfilment, in particular rescission or damage claims, are excluded in such cases.

Lastly, it should be noted that should the delivery of the underlying or of the basket component or of the reference security, for whatever reason, be economically or actually impeded or not possible, the Issuer shall then have the right to pay a compensation amount in lieu of delivery of the underlying or the basket component or the reference security.

Investors bear the credit risk of the Issuer of the Products. The Products are neither secured nor guaranteed by any deposit protection fund or any governmental agency.

Investors are exposed to the risk of deterioration of the Issuer's financial situation.

Investors bear the credit risk of the Issuer of the Products. In the case of unsecured Products, the Products are unsecured and unsubordinated obligations of the Issuer and shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any obligations for the time being preferred by applicable law and any subordinated obligations. In the case collateralized Products, the Products constitute general contractual obligations of the Issuer and are collateralized in accordance with the Terms and Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.

In the event of the insolvency of the Issuer, investors in the Products may lose their claim to repayment of the capital invested by them in whole or in part. In the event of the insolvency of the Issuer, any payment claims under the Products are neither secured nor guaranteed by any deposit protection fund or any governmental agency.

The collateralization in accordance with the terms of the SIX Swiss Exchange AG «Framework Agreement for Collateral Secured Instruments» (COSI) reduces the issuer default risk only to the extent that the proceeds from the liquidation of collateral are able to meet the investors' claims. To the extent the calculation of the current value of a COSI Product proves to be incorrect, the collateral provided for the COSI Product may be insufficient.

In the case of collateralized Products it should be noted that collateralized Products ("**COSI Products**") are collateralized in accordance with the terms of the SIX Swiss Exchange AG «Framework Agreement

for Collateral Secured Instruments». The Issuer (the "**Collateral Provider**") undertakes to secure the value of the COSI Products at any given time as well as the further claims listed in the Framework Agreement. Security must be provided to SIX Swiss Exchange AG in the form of a regular right of lien under Swiss law. The collateral is booked to a SIX Swiss Exchange AG account with SIX SIS AG. Investors do not themselves have a surety right to the collateral.

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a liquidation event (less the costs of liquidation and payout) are able to meet the investors' claims.

The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Products rises or the value of the collateral decreases; (ii) in a liquidation event, the collateral cannot be liquidated immediately by SIX Swiss Exchange AG because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Products in a foreign currency according to the Framework Agreement may result in losses for the investor because the current value to be determined for each COSI Product (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Products.

The costs for the service provided by SIX Swiss Exchange AG with respect to the collateralization of COSI Products may be taken into account in pricing a COSI Product and may therefore be borne by the investors, as the case may be.

In case of a liquidation event the payment of the pro-rata share of the net liquidation proceeds to the investor shall be effected by SIX Swiss Exchange AG and the financial intermediaries along the payout chain. Investors bear the risk that possible liquidation proceeds will not or not fully be paid out because of an insolvency of SIX Swiss Exchange AG and/or the financial intermediaries. The possible insolvency of SIX Swiss Exchange AG and/or the financial intermediaries may bear a solvency risk, to what the Investor is exposed to in case of a liquidation event.

The payment to the investors may be delayed for factual or legal reasons.

To the extent the calculation of the current value of a COSI Product proves to be incorrect, the collateral provided for the COSI Product may be insufficient.

Apart from the primary listing of the COSI Products on SIX Swiss Exchange AG the issuer may apply for a listing or admission to trading on one or more secondary exchanges. All aspects and events related to a listing or admission to trading of the COSI Products on a secondary exchange shall be disregarded under the Framework Agreement. In particular, events which are related to a listing or admission to trading of

the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange AG is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a listing or admission to trading of the COSI Products on a secondary exchange is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

Investors should consider that price movements of the Underlying (or the non-occurrence of an expected price movement) may decrease the value of the Products disproportionately and even render them worthless and that there is no assurance that in the case of Products with a limited term, the price of the Product will recover in time.

The prices of the Products are determined based on various factors during their term. In addition to the term of the Products and the redemption amount to be paid as well as the value of any interest granted which may depend on the performance of the underlying, other factors include the creditworthiness of the Issuer in particular.

The Products can be traded on or off-exchange throughout their term. However, the price of the Products is not determined according to the principle of supply and demand, since the intention is that the Issuer, the Lead Manager or a third party, as the case may be, will in its function as Market Maker quote independently calculated bid and offer prices for the Products on the secondary market. This price calculation is performed on the basis of customary pricing models in which the theoretical value of the Products is basically determined on the basis of the value of the underlying and other adjustable parameters. The other parameters may include derivative components, expected income from the underlying (e.g. dividends), interest rates, the term or remaining term of the Product, the volatility of the underlying and the supply and demand situation for hedging instruments. These or other value-determining parameters may lead to a depreciation in value of the Product, even if during the term the underlying develops favourably for the investor (regarding the determination of the selling price, see also "Conflicts of interest related to the determination of the selling price of the Products and commission payments" in Section II.5 of the Base Prospectus).

Investors should be aware that they may not be able to hedge their exposure from the Products.

Investors should not rely on their ability to engage in transactions during the term of the Products that will exclude or limit their initial risk. This ability depends on the market conditions and the terms of the Products. Under certain circumstances, it is possible that such transactions can only be executed by investors at unfavourable market prices with the result that the investors may suffer a loss.

A credit financing of the acquisition of Products significantly increases the risk of loss to investors.

Investors should note that if their purchase of Products is financed by loans, they will not only incur the losses if their expectations are not realised but will also have to repay the loan and pay interest. This increases the loss risk considerably. Thus, investors should not rely on their ability to repay the loan or pay

the interest from the returns on the Products. Instead, investors should examine their financial situation in advance to determine their ability to make interest and loan repayments, if necessary at short notice, in the event that losses are incurred rather than the expected returns.

Transactions of the Issuer or its respective affiliates to hedge the risk relating to the execution and performance of obligations arising out of the Products may have a significant effect on the performance of the Underlying and thus on the Products.

Fluctuations in the price of the underlying and consequently the Products may among other things be attributed to the fact that the Issuer or its respective affiliates (the "**Hedging Entity**") conduct significant volumes of hedging or other types of large transactions in or relating to the underlying. Investors should also note in this respect that, especially in unfavourable conditions (e.g. low liquidity of the underlying), such transactions can have a significant impact on the value of the underlying and/or of the components contained therein and thus on the price of the Products, the level of any redemption amount as well as – in the case of Products which may stipulate a redemption by way of delivery – on the type of redemption and possibly lead to certain barrier levels stipulated in the Terms and Conditions being exceeded or fallen short of.

The Hedging Entity shall execute its trading and hedging activities (including the liquidation and termination of already executed hedging transactions) with due consideration for the effect on the market and consequently to limit its activities in or related to the underlying. In regards to the due consideration for the the market impact the Hedging Entity is entitled to suspend or to stop entirely its trading activities in or related to an underlying. This market conduct of the Hedging Entity as well as the limitation of its trading or hedging activities in or related to the underlying may impact the Products, in particular it may lead to

- an occurrence or non-occurrence of a barrier event;
- an extended bid-ask spread; and
- an occurrence of a stop loss event, which could impact the liquidation price negatively and which could even be zero.

Investors should consider that this market conduct of the Hedging Entity respectively the limitations of its trading activities may impact the redemption amount or the liquidation price of the Product negatively and may influence the redemption.

Fees and other transactions costs reduce the chances of the Investor generating a profit from the purchase of the Product.

Commission and other transaction costs which are incurred when buying or selling Products may, especially in conjunction with a low contract value, result in cost burdens which may reduce any returns expected from the Product. Therefore, before purchasing a Product investors should obtain information regarding all costs arising when purchasing and selling the Product.

Investors are exposed to the risk of wrong expectation with respect to the Products' liquidity due to the issue size mentioned in the Final Terms.

The specified size of the offer represents the maximum amount of the Products being offered but does not give any indication as to the volume of the Products being effectively issued. This volume is determined according to the market conditions and may change during the term of the Products. Therefore, investors should note that it is not possible to predict the liquidity of the Products in the secondary market based on the specified size of the offer.

Investors in listed Products or in Products linked to listed underlyings and/or basket components are subject to risks arising from any eventual suspension from trading or de-listing from the relevant exchange for reasons not attributable to the Issuer and the Lead Manager and this might have material adverse effects on the value of the Products.

In the case of listed Products or Products linked to listed underlyings and/or basket components investors should note that applicable exchange rules may stipulate specific rules on permitted underlying of derivatives, including structured products.

It cannot be excluded that during the lifetime of the Product, the underlying and/or the respective basket component is suspended from trading on or de-listed from the relevant exchange, reference market or quotation system for reasons not attributable to the Issuer. In case the underlying and/or the respective basket component of a Product is suspended from trading or de-listed, this might have material adverse effects on the value and tradability of the Product and/or, among other possible consequences, might also lead to the suspension or de-listing of the Product.

In addition, it cannot be excluded that the Products may be suspended from trading on or de-listed from the relevant exchange or quotation system during the lifetime of the respective Product for other reasons.

The Products may have no liquidity or the market for such Products may be limited and this may adversely impact their value or the ability of the Investor to dispose of them.

Investors should note that the procurement of price information regarding the Products is impeded if the Products are not or are no longer listed or traded an exchange. Moreover, the liquidity of the Products may be diminished. Restrictions in respect of the purchase and/or sale of the Products in some jurisdictions may also have an impact on the liquidity of the Products.

Market disruptions, adjustment measures and termination rights may negatively affect the value of the Products.

Pursuant to the Terms and Conditions, the Issuer and/or the Calculation Agent may determine that a market disruption event has occurred or exists at a certain time. Such an event or the resulting postponement of a date on which the Issuer and/or the Calculation Agent is to establish a price relevant for the Products can impair the value of the Products and/or delay the settlement of the Products or calculations in respect of the underlying and in certain circumstances entitle the Issuer and/or the Calculation Agent to estimate the relevant price of the underlying.

Adjustments will be made in accordance with the Terms and Conditions. In the event of adjustments relating to the underlying it cannot be ruled out that the estimates on which an adjustment was based turn out to be incorrect and that the adjustment turns out to be unfavourable for the investor at a later stage and that due to the adjustment the investor may be in a financially worse position than before an adjustment or than he would be in as a result of a different adjustment.

Prospective investors should review the Terms and Conditions as to whether and in what way such provisions apply to the Products and what is considered to be a market disruption event or relevant adjustment event.

In certain circumstances the Issuer has the right of extraordinary termination of the Products. In this case Investors will receive a reasonable market price determined in the reasonable discretion of the Issuer, which may be zero.

The Issuer may have the right of extraordinary termination in certain circumstances stipulated in the Terms and Conditions of the relevant Final Terms, for example if an adjustment is not possible or upon occurrence of an Additional Termination Event pursuant to the Terms and Conditions. If the Issuer exercises this right of extraordinary termination at short notice, the Holder may no longer be able to sell the Products on the secondary market. If it should exercise such right, the Issuer will redeem the Products at a reasonable market price determined in its reasonable discretion, i.e. in the event of an extraordinary termination there will be no right to payment of any amount provided for in the Terms and Conditions to be calculated on the basis of a redemption formula at the end of the term or for payment of a specified unconditional minimum redemption amount. Investors should note that the determined market price may be zero in the worst case, i.e. the investor may suffer a total loss of the capital invested. In the case of an extraordinary termination there is a reinvestment risk. Reinvestment risk means that the investor may only be able to reinvest the amount to be paid by the Issuer in the event of an extraordinary termination on more unfavourable market terms compared with those existing when the Product was purchased. Furthermore investors bear the risk that their expectations with respect to an increase in the value of the Products can no longer be satisfied due to the early termination of the Products.

Corrections, supplements or modifications of the Conditions may be detrimental for Investors.

Investors should note that in certain cases specified in the Terms and Conditions the Issuer is entitled to correct, change or amend provisions in the Terms and Conditions. In this regard it has to be considered that such correction, change or amendment of a provision in the Terms and Conditions may be disadvantageous for the investor compared with the originally stipulated provision.

Investors are subject to the risk that events which could have a negative impact on the price of the underlying are published after preparation of the Final Terms.

The information on the underlying contained in the Final Terms consists of extracts or summaries of information relating to the underlying which was publicly available at the date of preparation of the Final Terms. The Issuer does not represent or warrant that all the events which could influence the price of the underlying (and thus the price of the Product) have been publicly announced. If such events are published

later or if material future events are published or not published, it cannot be ruled out that such events will have a negative impact on the price of the underlying (and thus on the price of the Product).

Changes in Tax Law could adversely affect the value and/or the market value of the Products or may change the tax treatment of the relevant Products.

Investors should note that it cannot be excluded that the tax regime applicable to the Products may be changed, also in a manner not foreseeable at the time the Products are issued. A risk of changes in the tax treatment of the Products exists for all relevant jurisdictions. Any statements made in the Base Prospectus regarding the tax treatment of the Products only relate to the purchase of the Products immediately after the issue (primary purchase). Both in the case of primary purchase and if investors purchase the Products later, they should therefore seek advice from a tax advisor about the tax effects in connection with the purchase, holding, exercising or the sale of the Products prior to the purchase. Furthermore, it cannot be excluded that the tax authorities may come to a different conclusion than the Issuer regarding tax treatment when interpreting and applying the relevant tax rules to the investor's investment in the Products.

Holder should note that in the case of a subscription period the Issuer reserves the right to end the subscription period early or to extend it and that the Issuer is not obliged to accept subscription applications or to issue subscribed Products.

The applicable Final Terms may provide for the Products to be offered during a particular subscription period. Holders should note in this case that the Issuer reserves the right to end the subscription period early or to extend it. In the case of an early ending or an extension of the subscription period, the Initial Valuation Date, as the case may be, which determines certain characteristics of the Products, may be postponed along with the Issue Date. The Issuer is not obliged to accept subscription applications. Partial allocations are possible (in particular in the event of oversubscription). The Issuer is not obliged to issue subscribed Products.

Where payments under the Products will be made in a currency which is different from the currency of the Underlying, the Investors are exposed also to the performance of the currency of the Underlying, which cannot be predicted. A currency risk also exists if the account of the investor to which any amount owed is to be credited to is managed in a currency different from the settlement currency of the Product.

If the Products represent a claim that is calculated with reference to a foreign currency, currency unit or unit of account or if the price of the underlying or the basket component(s), as the case may be, is determined in a foreign currency, currency unit or unit of account, the investor's risk of loss not only depends on the development of the value of the underlying or the basket component(s), as the case may be, but also on adverse movements in the value of the foreign currency, currency unit or unit of account. Such developments may additionally increase your risk of loss when

- (i) an unfavourable development in the currency exchange rate concerned results in the value of the purchased Products decreasing accordingly during their term, or
- (ii) the level of the redemption amount possibly to be received on maturity decreases accordingly.

A currency risk also exists if the account of the investor to which any amount owed is to be credited to is managed in a currency different from the settlement currency of the Product and the relevant amount is being converted into the respective currency of the account.

Exchange rates are determined by supply and demand factors on international foreign exchange markets, which are subject to economic factors, speculation and actions by governments and central banks (such as currency controls or restrictions).

Due to the implementation of the Financial Transaction Tax investors may be liable itself to pay this charge or reimburse a financial institution for the charge.

On 14 February 2013, the European Commission published a proposal (the "**Commission's Proposal**") for a Directive for a common Financial Transaction Tax ("**FTT**") in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia. However, Estonia has since stated that it will not participate.

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in the Products (including secondary market transactions) in certain circumstances.

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

However, the FTT proposal remains subject to negotiation between participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate.

Prospective holders of Products should therefore note, in particular, that in future any sale, purchase or exchange of the Products might be subject to the FTT. The holder of Products may be liable to itself pay this charge or reimburse a financial institution for the charge, and/or the charge may affect the value of the Products.

Prospective holders of the Products should consult their own tax advisers in relation to the consequences of the FTT associated with subscribing for, purchasing, holding and disposing of the Products.

Risk of tax withholding due to the legislation affecting dividend equivalent payments (Section 871(m) of the U.S. Internal Revenue Code).

The U.S. Treasury Department has issued regulations under Section 871(m) of the U.S. Internal Revenue Code (the "**Code**") which impose U.S. federal withholding tax on "dividend equivalent" payments made on certain financial instruments linked to U.S. corporations (which the regulations refer to as "**specified ELIs**") that are owned by non-U.S. holders. However this withholding tax will not apply to financial instruments issued prior to January 1, 2017 (the "**Grandfather Date**"). Accordingly, it is anticipated that non-U.S. holders of Products that are issued before the Grandfather Date will not be subject to tax under Section 871(m) of the Code. However, there are certain circumstances in which the Products could be deemed reissued after the Grandfather Date, in which case payments on Products that are directly or indirectly linked to U.S. corporations could be subject to tax under Section 871(m) of the Code. The Issuer will not pay any additional amounts in respect of this withholding tax or any other tax, so if this withholding applies, the investor will receive less than the amount he would have otherwise received.

3. **Risk factors associated with certain types of Products**

Product No. 1. Risk factors applicable to Bonus Certificates with Cash Settlement

Risk of total loss in the case of a Barrier Event

Investors should note that if a Barrier Event has occurred the claim to the minimum redemption expires and the Bonus Certificate is comparable with a direct investment in the underlying (irrespective of dividend payments). In this case the investor will be exposed to the risk of a **total loss** of the invested capital including the related transaction costs, arising, if the Underlying is worthless at the end of the term of the Product i.e. if the Final Fixing Level and/or the Final Basket Value is zero.

An important determinant for the probability of the occurrence of a Barrier Event is the volatility of the Underlying and/or the Basket Components. The term "**Volatility**" means the fluctuation margin or price movements of the Underlying and/or the Basket Components. The higher the volatility of an Underlying and/or the Basket Components, the higher the risk to the Holder that the (respective) Barrier will be broken. An increasing probability of a Barrier break tends to result in a declining price of the Product.

Product No. 2. Risk factors applicable to Bonus Certificates with potential Physical Settlement

Risk of total loss in the case of a Barrier Event

Investors should note that if a Barrier Event has occurred the claim to the minimum redemption expires and the Products provide for a physical delivery of the Underlying. In this case the investor will be exposed to the risk of a **total loss** of the invested capital including the related transaction costs, arising, if the Underlying is worthless at the end of the term of the Product.

An important determinant for the probability of the occurrence of a Barrier Event is the volatility of the Underlying. The term "**Volatility**" means the fluctuation margin or price movements of the Underlying.

The higher the volatility of an Underlying, the higher the risk to the Holder that the Barrier will be broken. An increasing probability of a Barrier break tends to result in a declining price of the Product.

Product No. 3. Risk factors applicable to Capped Bonus Certificates with Cash Settlement and with par value

Risk of total loss in the case of a Barrier Event

Investors should note that if a Barrier Event has occurred the claim to the minimum redemption expires and the Capped Bonus Certificate is comparable with a direct investment in the underlying (irrespective of dividend payments). In this case the investor will be exposed to the risk of a **total loss** of the invested capital including the related transaction costs, arising, if the Underlying is worthless at the end of the term of the Product.

An important determinant for the probability of the occurrence of a Barrier Event is the volatility of the Underlying and/or the Basket Components. The term "**Volatility**" means the fluctuation margin or price movements of the Underlying and/or the Basket Components. The higher the volatility of an Underlying and/or the Basket Components, the higher the risk to the Holder that the (respective) Barrier will be broken. An increasing probability of a Barrier break tends to result in a declining price of the Product.

Redemption Amount is limited to Maximum Redemption Amount

Irrespective of whether or not a Barrier Event has occurred, the Redemption Amount will not exceed the Maximum Redemption Amount. This means that the Holder does not participate in a price movement of the Underlying above the Cap Level, with the result that the possible yield on Capped Bonus Certificate has an upper limit.

Product No. 4. Risk factors applicable to Capped Bonus Certificates with Cash Settlement and without par value

Risk of total loss in the case of a Barrier Event

Investors should note that if a Barrier Event has occurred and, if provided for in the Final Terms, the Final Fixing Level reaches or falls below the Initial Fixing Level multiplied by the Bonus Level the claim to the minimum redemption expires and the Capped Bonus Certificate is comparable with a direct investment in the underlying (irrespective of dividend payments). In this case the investor will be exposed to the risk of a **total loss** of the invested capital including the related transaction costs, arising, if the Final Fixing Level of the underlying is zero (0).

An important determinant for the probability of the occurrence of a Barrier Event is the volatility of the Underlying. The term "**Volatility**" means the fluctuation margin or price movements of the Underlying. The higher the volatility of an Underlying, the higher the risk to the Holder that the Barrier will be broken. An increasing probability of a Barrier break tends to result in a declining price of the Product.

Redemption Amount is limited to Maximum Redemption Amount

Irrespective of whether or not a Barrier Event has occurred, the Redemption Amount will not exceed the Maximum Redemption Amount. This means that the Holder does not participate in a price movement of

the Underlying above the Cap Level, with the result that the possible yield on Capped Bonus Certificate has an upper limit.

Product No. 5. Risk factors applicable to Capped Bonus Certificates with potential Physical Settlement

Risk of total loss in the case of a Barrier Event

Investors should note that if a Barrier Event has occurred and, if provided for in the Final Terms, the Final Fixing Level is equal to or below the Issue Price multiplied by the Bonus Level the claim to the minimum redemption expires and the Products provide for a physical delivery of the Underlying. In this case the investor will be exposed to the risk of a **total loss** of the invested capital including the related transaction costs, arising, if the Underlying is worthless at the end of the term of the Product.

An important determinant for the probability of the occurrence of a Barrier Event is the volatility of the Underlying. The term "**Volatility**" means the fluctuation margin or price movements of the Underlying. The higher the volatility of an Underlying, the higher the risk to the Holder that the Barrier will be broken. An increasing probability of a Barrier break tends to result in a declining price of the Product.

Redemption Amount is limited to Maximum Redemption Amount

Irrespective of whether or not a Barrier Event has occurred, the Redemption Amount will not exceed the Maximum Redemption Amount. This means that the Holder does not participate in a price movement of the Underlying above the Cap Level, with the result that the possible yield on Capped Bonus Certificate has an upper limit.

Product No. 6. Risk factors applicable to Notes (Reverse Convertibles) with Cash Settlement

Redemption Amount is limited to Maximum Redemption Amount

Holders should consider that the Redemption Amount (regardless of possible coupon payments during the term) will not exceed the Denomination in any case.

Risk of total loss

If the Final Fixing Level is equal to or falls below the Strike Level, the Redemption Amount equals the Denomination multiplied by the Performance of the Underlying. In this scenario, the Redemption Amount will generally be lower than the Denomination. This means that from a certain point the fixed coupon payment(s) may no longer be able to offset the negative performance of the Underlying and the capital loss experienced, and the Holder may suffer a loss. The loss in this case is equal to the difference between (i) the purchase price paid for the Product (plus transaction costs) and (ii) the Redemption Amount plus coupon payment(s). In an extreme case, this may lead to the total loss of the invested capital – irrespective of the amount of the fixed coupon payment(s) – if the Underlying is worthless at the end of the term.

Product No. 7. Risk factors applicable to Notes (Reverse Convertibles) with potential Physical Settlement***Redemption Amount is limited to Maximum Redemption Amount***

Holders should consider that the Redemption Amount (regardless of possible coupon payments during the term) will not exceed the Denomination in any case.

Risk of total loss

If the Final Fixing Level is equal to or falls below the Strike Level, the Products provide for a physical delivery of the Underlying. In the case of a settlement of the Products by physical delivery of the Underlying, it is to be noted that the equivalent value of the delivered Underlyings is generally lower than the Denomination. This means that from a certain point the fixed coupon payment(s) may no longer be able to offset the negative performance of the Underlying and the capital loss suffered, and the Holder may suffer a loss. The loss in this case is equal to the difference between (i) the purchase price paid for the Product (plus transaction costs) and (ii) the equivalent value of the delivered Underlyings plus coupon payment(s). In an extreme case, this may lead to the total loss of the invested capital – irrespective of the amount of the fixed coupon payment(s) – if the Underlying is worthless at the end of the term.

Product No. 8. Risk factors applicable to Notes (Barrier Reverse Convertibles) with Cash Settlement***Redemption Amount is limited to Maximum Redemption Amount***

Holders should consider that the Redemption Amount (regardless of possible coupon payments during the term) will not exceed the Denomination in any case.

Risk of total loss

If a Barrier Event has occurred and, if provided in the Final Terms, the Final Fixing Level is equal to or falls below the Initial Fixing Level, the Redemption Amount equals the Denomination multiplied by the Performance of the Underlying and/or the Denomination multiplied by the performance of the Basket Component with the worst performance. In this scenario, the Redemption Amount will normally be lower than the Denomination. This means that from a certain point the fixed coupon payment(s) may no longer be able to offset the negative performance of the Underlying and/or the Basket Component with the worst performance and the capital loss suffered, and the Holder may suffer a loss. The loss in this case is equal to the difference between (i) the purchase price paid for the Product (plus transaction costs) and (ii) the Redemption Amount plus coupon payment(s). In an extreme case, this may lead to the total loss of the invested capital – irrespective of the amount of the fixed coupon payment(s) – if the Underlying and/or the Basket Component with the worst performance is worthless at the end of the term.

Product No. 9. Risk factors applicable to Notes (Barrier Reverse Convertibles) with potential Physical Settlement***Redemption Amount is limited to Maximum Redemption Amount***

Holders should consider that the Redemption Amount (regardless of possible coupon payments during the term) will not exceed the Denomination in any case.

Risk of total loss

If a Barrier Event has occurred and, if provided for in the Final Terms, the Final Fixing Level reaches or falls below the Initial Fixing Level the Products provide for a physical delivery of the Underlying and/or the Basket Component with the Worst Performance. In the case of a settlement of the Products by physical delivery of the Underlying and/or the Basket Component with the Worst Performance, it is to be noted that the equivalent value of the delivered Underlyings and/or Basket Components is generally lower than the Denomination. This means that from a certain point the fixed coupon payment(s) may no longer be able to offset the negative performance of the Underlying and/or the Basket Component with the Worst Performance and the capital loss suffered, and the Holder may suffer a loss. The loss in this case is equal to the difference between (i) the purchase price paid for the Product (plus transaction costs) and (ii) the equivalent value of the delivered Underlyings and/or Basket Components plus coupon payment(s). In an extreme case, this may lead to the total loss of the invested capital – irrespective of the amount of the fixed coupon payment(s) – if the Underlying and/or Basket Component is worthless at the end of the term.

Product No. 10. Risk factors applicable to Discount Certificates with Cash SettlementRedemption Amount is limited to Maximum Redemption Amount

In the case of Discount Certificates, the Redemption Amount will not exceed the Maximum Redemption Amount. This means that the Holder does not participate in a price movement of the Underlying above the Cap Level, with the result that the possible yield on Discount Certificates has an upper limit.

Risk of total loss

Below the Cap Level, Discount Certificates are comparable with a direct investment in the Underlying (without taking into account dividend payments). In this case there is a risk of a total loss of the Holder's invested capital. A total loss will occur if the Underlying is worthless at the end of the term.

Product No. 11. Risk factors applicable to Discount Certificates with potential Physical SettlementRedemption Amount is limited to maximum amount

In the case of Discount Certificates, the Redemption Amount will not exceed the Maximum Redemption Amount. This means that the Holder does not participate in a price movement of the Underlying above the Cap Level, with the result that the possible yield on Discount Certificates has an upper limit.

Risk of total loss

The Discount Certificates provide for provide for a settlement by physical delivery of the Underlying, if the Final Fixing Level is equal to or below the Cap Level. In this case there is a risk of a total loss of the Holder's invested capital. A total loss will occur if the Underlying is worthless at the end of the term.

Product No. 12. Risk factors applicable to Express Certificates with Cash Settlement and without par value

Risk of total loss and risks related to early redemption

In the case of Express Certificates it should be noted that the level of the Redemption Amount and the time for redemption of the Products depend on whether an Autocall Event specified in the Conditions has occurred on a Autocall Observation Date.

If this event occurs before the Final Fixing Date, the term of the Products ends early and the Products are redeemed early in accordance with the Conditions. In the case of such early redemption, the future price performance of the Underlying or, in the case of a Basket as Underlying, the Basket Components is irrelevant to the Holder.

If there has been no early redemption of the Products, the level of the Redemption Amount is dependent on the price performance of the Underlying or, in the case of a Basket as Underlying, the Basket Components. If neither the preconditions for a minimum redemption nor a maximum redemption are met, the Products are comparable to a direct investment in the Underlying (without taking in to account dividend payments) or, in the case of a Basket as Underlying, the Basket Component with the worst performance. As a result, the Holder is also exposed to a risk of loss comparable to the direct investment. Therefore, the Holder bears a risk of total loss with regard to the invested capital. A total loss occurs if the Underlying or, in the case of a Basket as Underlying, the Basket Component with the worst performance is worthless at the end of the term.

Furthermore, the Products have the characteristic such that the Holder may receive a Coupon Amount on certain dates specified in the applicable Final Terms. The payment of the applicable Coupon Amount may be independent of the price performance of the Underlying. Where provided in the applicable Final Terms, the coupon payment may also be structured in such a way that the payment is conditional on a certain event in relation to the Underlying or, in the case of a Basket as Underlying, the Basket Components (e.g. the Underlying or, in the case of a Basket as Underlying, the Basket Components reaching or exceeding a certain threshold value on a specified date). Should such event not occur, there would be no coupon payment for the applicable Coupon Payment Date. Holders should note that they will not receive a coupon payment during the entire term of the Products, as the case may be, if the prerequisites are not met on a date relevant for the determination of the coupon payment. It should be noted here that, unless provided otherwise in the Final Terms, each relevant date is considered separately and there can be no catch-up payments of Coupon Amounts. The volatility of the Underlying or, in the case of a Basket as Underlying, the Basket Components is an important factor for determining the likelihood of the occurrence of an event entitling receipt of the applicable Coupon Amount. The higher the volatility of the Underlying or, in the case of a Basket as Underlying, the Basket Components, the higher the risk to the Holder that the condition will not be met and that the Holder will therefore not receive a Coupon Amount for the relevant Coupon Payment Date. If provided for in the applicable Final Terms, also the amount of the respective coupon payment may depend on the development of the Underlying and/or the Basket

Components. The coupon payment can be zero, if the price of the Underlying and/or Basket Components is equal to or below the Initial Fixing Level on the respective Coupon Observation Date.

With regard to coupon payments, it should also be noted that, in the case of an early redemption of the Products, the Holder will still receive the Coupon Amount for the Coupon Payment Date in respect of the Early Redemption Date. However, he has no right to demand coupon payments for future Coupon Payment Dates.

Redemption Amount is limited to the Maximum Redemption Amount

The Redemption Amount is limited to the Issue Price (Maximum Redemption Amount).

Product No. 13. Risk factors applicable to Express Certificates with Cash Settlement and with par value

Risk of total loss and risks related to early redemption

In the case of Express Certificates it should be noted that the level of the Redemption Amount and the time for redemption of the Products depend on whether an Autocall Event specified in the Conditions has occurred on a Autocall Observation Date.

If this event occurs before the Final Fixing Date, the term of the Products ends early and the Products are redeemed early in accordance with the Conditions. In the case of such early redemption, the future price performance of the Underlying or, in the case of a Basket as Underlying, the Basket Components is irrelevant to the Holder.

If there has been no early redemption of the Products, the level of the Redemption Amount is dependent on the price performance of the Underlying or, in the case of a Basket as Underlying, the Basket Components. If neither the preconditions for a minimum redemption nor a maximum redemption are met, the Products are comparable to a direct investment in the Underlying (without taking in to account dividend payments) or, in the case of a Basket as Underlying, the Basket Component with the worst performance. As a result, the Holder is also exposed to a risk of loss comparable to the direct investment. Therefore, the Holder bears a risk of total loss with regard to the invested capital. A total loss occurs if the Underlying or, in the case of a Basket as Underlying, the Basket Component with the worst performance is worthless at the end of the term.

Furthermore, the Products have the characteristic such that the Holder may receive a Coupon Amount on certain dates specified in the applicable Final Terms. The payment of the applicable Coupon Amount may be independent of the price performance of the Underlying. Where provided in the applicable Final Terms, the coupon payment may also be structured in such a way that the payment is conditional on a certain event in relation to the Underlying or, in the case of a Basket as Underlying, the Basket Components (e.g. the Underlying or, in the case of a Basket as Underlying, the Basket Components reaching or exceeding a certain threshold value on a specified date). Should such event not occur, there would be no coupon payment for the applicable Coupon Payment Date. Holders should note that they will not receive a coupon payment during the entire term of the Products, as the case may be, if the prerequisites are not met on a date relevant for the determination of the coupon payment. It should be noted here that, unless

provided otherwise in the Final Terms, each relevant date is considered separately and there can be no catch-up payments of Coupon Amounts. The volatility of the Underlying or, in the case of a Basket as Underlying, the Basket Components is an important factor for determining the likelihood of the occurrence of an event entitling receipt of the applicable Coupon Amount. The higher the volatility of the Underlying or, in the case of a Basket as Underlying, the Basket Components, the higher the risk to the Holder that the condition will not be met and that the Holder will therefore not receive a Coupon Amount for the relevant Coupon Payment Date.

With regard to coupon payments, it should also be noted that, in the case of an early redemption of the Products, the Holder will still receive the Coupon Amount for the Coupon Payment Date in respect of the Early Redemption Date. However, he has no right to demand coupon payments for future Coupon Payment Dates.

Redemption Amount is limited to the Maximum Redemption Amount

The Redemption Amount is limited to the Denomination (Maximum Redemption Amount).

Product No. 14. Risk factors applicable to Tracker Certificates with Cash Settlement

Risk of total loss

If the Products are linked to a single underlying the Products are comparable with a direct investment in the Underlying (irrespective of dividend payments). Consequently, the Holder is exposed to a risk of loss comparable to the direct investment. Therefore, there is a risk of total loss with regard to the invested capital if the Underlying is worthless at the end of the term. If the Products are linked to a Basket as Underlying, the Products reflect the development of the Basket Components contained in the Underlying and the Products are comparable with a direct investment in the Basket Components (irrespective of dividend payments). Therefore, there is a risk of total loss with regard to the invested capital if all Basket Components are worthless at the end of the term.

If the applicable Final Terms provide for a participation in dividend payments, this occurs only in the amount of net dividends actually received by the Issuer.

Risk factors in relation to the Management Fee

To the extent provided in the applicable Final Terms, a certain Management Fee is deducted from the Redemption Amount payable.

The Management Fee compensates the Issuer or entities associated with the Issuer for costs incurred by it in entering into transactions related to the Underlying on the capital markets, which serve to hedge the fulfilment risks associated with the issuance of the Products ("**Hedging Transactions**").

It should be noted that a Management Fee not only reduces the Redemption Amount payable by the Issuer, but also reduces the value of the Products on the secondary market during their term. Such a Management Fee is incorporated in the calculation of the bid and ask prices for Products on the secondary market according to the portion of the term of the Products that has already expired.

The Issuer may be entitled to adjust the level of the Management Fee during the term of the Products. In the case of a Management Fee greater than zero (0), the effect of the Management Fee will be greater, the longer the holding period in which it applies to the Products.

Return and reinvestment risk in the case of ordinary or extraordinary termination by the Issuer

Holder should note that the term of the Products, if provided for in the Final Terms, may be ended prematurely by an ordinary or extraordinary termination by the Issuer. In the case of a termination, the Holder bears the risk that his expectations with respect to an increase in the value of the Products may no longer be satisfied due to the ending of the term. In the case of a termination, it must also be considered that the Holder bears the reinvestment risk. This means that he or she may only be able to reinvest the amount paid by the Issuer in the event of a termination on more unfavourable market terms compared with those existing when the Products was purchased.

Product No. 15. Risk factors applicable to Open End Tracker Certificates with Cash Settlement

Risk factors related to the unlimited term of the Products and/or to the Issuer's ability to terminate

The Products do not have a specified limited term (Open End). The term of the Products ends either (i) on the exercise of the Products by the Holders or (ii) on ordinary termination by the Issuer or (iii) on extraordinary termination by the Issuer.

The Products may be exercised by the Holder on certain Exercise Dates during their term by submitting an Exercise Notice. The Redemption Amount for exercised Products is calculated based on the Final Fixing Level of the Underlying on the relevant Exercise Date.

The Products may be terminated on notice by the Issuer by way of ordinary termination in accordance with the Conditions. It is to be noted that the Issuer has no further obligations in relation to the exercise of its termination right.

The Issuer is furthermore entitled to extraordinary termination of the Products by notice if an adjustment is no longer possible or in the case of an Additional Termination Event. It is to be noted that the Issuer exercises its termination right at its reasonable discretion and has no further obligations in relation to its termination right. The exercise of the right to extraordinary termination may occur at short notice, so that, in certain circumstances, the Holder may no longer be able to sell his or her Product on the secondary market.

The exercise of the termination right by the Issuer is generally more likely, the greater the volatility of the Underlying or the more illiquid the market in financial instruments related to the Underlying (including the forward and loan markets). Owing to the Issuer's termination right, Holders may not assume that the Products will have an unlimited term. Holders should therefore not rely on being able to maintain a position in the Products over a long period. Furthermore, Holders may not rely on the timely movement of the Underlying in a favourable direction before a Termination Date.

Return and reinvestment risk in the case of ordinary or extraordinary termination by the Issuer

Holders should note that the unlimited term of the Products may be ended by an ordinary or extraordinary termination by the Issuer. In the case of a termination, the Holder bears the risk that his expectations with respect to an increase in the value of the Products may no longer be satisfied due to the ending of the term. In the case of a termination, it must also be considered that the Holder bears the reinvestment risk. This means that he or she may only be able to reinvest the amount paid by the Issuer in the event of a termination on more unfavourable market terms compared with those existing when the Products was purchased.

Risk of total loss

Open End Tracker Certificates are comparable with a direct investment in the Underlying (irrespective of dividend payments). Consequently, the Holder is exposed to a risk of loss comparable to the direct investment. Therefore, there is a risk of total loss with regard to the invested capital if the Underlying is worthless at the end of the term.

Risk factors in relation to the Management Fee

To the extent provided in the applicable Final Terms, a certain Management Fee is deducted from the Redemption Amount payable.

The Management Fee compensates the Issuer or entities associated with the Issuer for costs incurred by it in entering into transactions related to the Underlying on the capital markets, which serve to hedge the fulfilment risks associated with the issuance of the Products ("**Hedging Transactions**").

It should be noted that a Management Fee not only reduces the Redemption Amount payable by the Issuer, but also reduces the value of the Products on the secondary market during their term. Such a Management Fee is incorporated in the calculation of the bid and ask prices for Products on the secondary market according to the portion of the term of the Products that has already expired.

The Issuer may be entitled to adjust the level of the Management Fee during the term of the Products. In the case of a Management Fee greater than zero (0), the effect of the Management Fee will be greater, the longer the holding period in which it applies to the Products.

Product No. 16. Risk factors applicable to Express Certificates with potential Physical Settlement and with par value*Risk of total loss and risks related to early redemption*

In the case of Express Certificates it should be noted that the level of the Redemption Amount and the time for redemption of the Products depend on whether an Autocall Event specified in the Conditions has occurred on a Autocall Observation Date.

If this event occurs before the Final Fixing Date, the term of the Products ends early and the Products are redeemed early in accordance with the Conditions. In the case of such early redemption, the future price performance of the Underlying and/or Basket Components is irrelevant to the Holder.

If there has been no early redemption of the Products, the level of the Redemption Amount and/or the type of settlement (cash settlement or physical delivery) is dependent on the price performance of the Underlying and/or Basket Components.

If a Barrier Event has occurred or, if provided for in the Final Terms, the Final Fixing Level is equal to or below the Strike Level, as the case may be, the Products provide for a physical delivery of the Underlying and/or the Basket Component with the Worst Performance. In the case of a settlement of the Products by physical delivery of the Underlying and/or the Basket Component with the Worst Performance, it is to be noted that the equivalent value of the delivered Underlyings and/or Basket Components is generally lower than the Denomination. This means that from a certain point the potential coupon payment(s) may no longer be able to offset the negative performance of the Underlying and/or the Basket Component with the Worst Performance and the capital loss suffered, and the Holder may suffer a loss. The loss in this case is equal to the difference between (i) the purchase price paid for the Product (plus transaction costs) and (ii) the equivalent value of the delivered Underlyings and/or Basket Components plus coupon payment(s). In an extreme case, this may lead to the total loss of the invested capital – irrespective of the amount of the potential coupon payment(s) – if the Underlying and/or Basket Component is worthless at the end of the term.

Furthermore, the Products have the characteristic such that the Holder may receive a Coupon Amount on certain dates specified in the applicable Final Terms. The payment of the applicable Coupon Amount may be independent of the price performance of the Underlying and/or the Basket Components. Where provided in the applicable Final Terms, the coupon payment may also be structured in such a way that the payment is conditional on a certain event in relation to the Underlying and/or the Basket Components (e.g. reaching or exceeding a certain threshold value on a specified date). Should such event not occur, there would be no coupon payment for the applicable Coupon Payment Date. Holders should note that they will not receive a coupon payment during the entire term of the Products, as the case may be, if the prerequisites are not met on a date relevant for the determination of the coupon payment. It should be noted here that, unless provided otherwise in the Final Terms, each relevant date is considered separately and there can be no catch-up payments of Coupon Amounts. The volatility of the Underlying and/or Basket Components is an important factor for determining the likelihood of the occurrence of an event entitling receipt of the applicable Coupon Amount. The higher the volatility of the Underlying and/or the Basket Components, the higher the risk to the Holder that the condition will not be met and that the Holder will therefore not receive a Coupon Amount for the relevant Coupon Payment Date.

With regard to coupon payments, it should also be noted that, in the case of an early redemption of the Products, the Holder will still receive the Coupon Amount for the Coupon Payment Date in respect of the Early Redemption Date. However, he has no right to demand coupon payments for future Coupon Payment Dates.

Redemption Amount is limited to the Maximum Redemption Amount

The Redemption Amount is limited to the Maximum Redemption Amount (without taking into account a possible Coupon Amount) which equals the Denomination.

Product No. 17. Risk factors applicable to Express Certificates with potential Physical Settlement and without par value

Risk of total loss and risks related to early redemption

In the case of Express Certificates it should be noted that the level of the Redemption Amount and the time for redemption of the Products depend on whether an Autocall Event specified in the Conditions has occurred on a Autocall Observation Date.

If this event occurs before the Final Fixing Date, the term of the Products ends early and the Products are redeemed early in accordance with the Conditions. In the case of such early redemption, the future price performance of the Underlying and/or Basket Components is irrelevant to the Holder.

If there has been no early redemption of the Products, the level of the Redemption Amount and/or the type of settlement (cash settlement or physical delivery) is dependent on the price performance of the Underlying and/or Basket Components.

If a Barrier Event has occurred or the Final Fixing Level is equal to or below the Strike Level, as the case may be, the Products provide for a physical delivery of the Underlying and/or the Basket Component with the Worst Performance. In the case of a settlement of the Products by physical delivery of the Underlying and/or the Basket Component with the Worst Performance, it is to be noted that the equivalent value of the delivered Underlyings and/or Basket Components is generally lower than the Denomination. This means that from a certain point the potential coupon payment(s) may no longer be able to offset the negative performance of the Underlying and/or the Basket Component with the Worst Performance and the capital loss suffered, and the Holder may suffer a loss. The loss in this case is equal to the difference between (i) the purchase price paid for the Product (plus transaction costs) and (ii) the equivalent value of the delivered Underlyings and/or Basket Components plus coupon payment(s). In an extreme case, this may lead to the total loss of the invested capital – irrespective of the amount of the potential coupon payment(s) – if the Underlying and/or Basket Component is worthless at the end of the term.

Furthermore, the Products have the characteristic such that the Holder may receive a Coupon Amount on certain dates specified in the applicable Final Terms. The payment of the applicable Coupon Amount may be independent of the price performance of the Underlying and/or Basket Components. Where provided in the applicable Final Terms, the coupon payment may also be structured in such a way that the payment is conditional on a certain event in relation to the Underlying and/or Basket Components (e.g. reaching or exceeding a certain threshold value on a specified date). Should such event not occur, there would be no coupon payment for the applicable Coupon Payment Date. Holders should note that they will not receive a coupon payment during the entire term of the Products, as the case may be, if the prerequisites are not met on a date relevant for the determination of the coupon payment. It should be noted here that, unless provided otherwise in the Final Terms, each relevant date is considered separately and there can be no catch-up payments of Coupon Amounts. The volatility of the Underlying and/or Basket Components is an important factor for determining the likelihood of the occurrence of an event entitling receipt of the applicable Coupon Amount. The higher the volatility of the Underlying and/or Basket Components, the higher

the risk to the Holder that the condition will not be met and that the Holder will therefore not receive a Coupon Amount for the relevant Coupon Payment Date.

With regard to coupon payments, it should also be noted that, in the case of an early redemption of the Products, the Holder will still receive the Coupon Amount for the Coupon Payment Date in respect of the Early Redemption Date. However, he has no right to demand coupon payments for future Coupon Payment Dates.

Redemption Amount is limited to the Maximum Redemption Amount

The Redemption Amount is limited to the Maximum Redemption Amount (without taking into account a possible Coupon Amount) which equals the Issue Price.

Product No. 18. Risk factors applicable to Inverse Discount Certificates with Cash Settlement

Redemption Amount is limited to maximum amount

In the case of Inverse Discount Certificates, the Redemption Amount will not exceed the Maximum Redemption Amount, with the result that the possible yield on Inverse Discount Certificates has an upper limit.

Risk of total loss

Investors should note that they bear the risk of an unfavourable performance of the Underlying, i.e. an increase of the Underlying. In this scenario the investor may incur losses. In the worst case, the investor may suffer a total loss of the invested capital including related transaction costs, which arises if the Final Fixing Level is at or above the Inverse Level.

Product No. 19. Risk factors applicable to Master Discount Certificates with Cash Settlement

Redemption Amount is limited to maximum amount

In the case of Master Discount Certificates, the Redemption Amount will not exceed the Maximum Redemption Amount, with the result that the possible yield on Master Discount Certificates has an upper limit.

Risk of total loss

Investors should note that the investment in the Product is comparable with a direct investment in the respective Underlying and thus in the Basket Components underlying the Product (without taking into account possible dividend payments). If a Basket Component becomes worthless, the investor suffers a loss in the amount of the Basket Component taking into account the number of each Basket Component. Since the Basket Components and the **applicable Cap Levels** are considered individually, such a loss may not be compensated by the performance of the other Basket Components. If all Basket Components become worthless, the investor is consequently exposed to the risk of **total loss** of the invested capital including related transaction costs. **It should also be noted that the Cap Level may be below the Initial Fixing Level. In this case there no possibility of the investor participating in an increase in value of the Basket Component.**

Product No. 20. Risk factors applicable to Express Certificates with Cash Settlement and and with par value and unconditional minimum redemption

Risk factors related to the early redemption and the unconditional minimum redemption

In the case of Express Certificates it should be noted that the level of the Redemption Amount and the time for redemption of the Products depend on whether an Autocall Event specified in the Conditions has occurred on an Autocall Observation Date.

If this event occurs before the Final Fixing Date, the term of the Products ends early and the Products are redeemed early in accordance with the Conditions. In the case of such early redemption, the future price performance of the Basket Components is irrelevant to the Holder.

If an early redemption of the Products has not occurred, the amount of the redemption is dependent on the Performance of the Basket Components. If the Final Fixing Levels of all Basket Components lie at or above the Autocall Trigger Level, the Holder receives the Denomination. If this is not the case, the Holder receives the Minimum Redemption Amount, the amount of which is independent of the performance of the Basket Components. **Investors should note that the Minimum Redemption Amount may be lower than the Denomination and/or than the capital invested to purchase the Product (including the related transaction costs).**

Investors should note that the Minimum Redemption Amount may apply only in the case of a redemption at the end of the term. Investors must be prepared to hold their Product until the Redemption Date. If (i) an investor sells the Product on the secondary market prior to the Redemption Date or (ii) the Products are redeemed before the end of the term or (iii) a market disruption event lasting several Scheduled Trading Days has occurred in accordance with the Conditions, such minimum redemption shall not occur. **In such case the investor shall bear the risk of a total loss of the invested capital including the related transaction costs.** Investors will still be exposed to the risk of default by the Issuer meaning that they may lose their entire capital invested to purchase the Products (including related transaction costs) should the Issuer become insolvent. **This is one of the reasons that Products with unconditional minimum redemption can be traded during their term at prices which are below their Minimum Redemption Amount. Investors should therefore not rely on being able to sell the purchased Products at their Minimum Redemption Amount at any time during their term.**

In the case of these Products, the payment of the Coupon Amount is dependent on the occurrence of a Coupon Trigger Event, i.e. whether the Reference Prices of all Basket Components on a Coupon Observation Date reach or exceed the relevant Coupon Trigger Level for this date. If a Coupon Trigger Event does not occur on any Coupon Observation Date, the investor does not receive a Coupon Payment. In the case of an Early Redemption, the investor is not entitled to demand any further Coupon Payments for future Coupon Payment Dates. The volatility of the Basket Components is an important factor for determining the likelihood of the occurrence of an event entitling receipt of the applicable Coupon Amount. The higher the volatility of the Basket Components, the higher the risk to the Holder that the condition will not be met and that the Holder will therefore not receive a Coupon Amount for the relevant Coupon Payment Date.

Redemption Amount is limited to the Maximum Redemption Amount

The Redemption Amount is limited to the Maximum Redemption Amount (without taking into account a possible Coupon Amount) which equals the Denomination.

Product No. 21. Risk factors applicable to Express Certificates with Cash Settlement and with par value and with Downside Participation Factor

Risk of total loss

Holders should note that the level of the Redemption Amount and the time for redemption of the Products depend on whether an Autocall Event specified in the Final Terms has occurred on an Autocall Observation Date.

If this event occurs before the Final Fixing Date, the term of the Products ends early and the Products are redeemed early in accordance with the provisions of the Conditions. In the case of such early redemption, the future price performance of the Basket Components is irrelevant to the Holder.

If there has been no early redemption of the Products, the level of the Redemption Amount is dependent on the price performance of the Basket Components. If the preconditions for redemption at the Maximum Redemption Amount are not met, **the Holder participates on the basis of the Downside Participation Factor disproportionately in the loss in value of the Basket Component with the Worst Performance, so that as a result the Holder is exposed to a risk of loss greater than a direct investment.** Therefore, the Holder bears a risk of total loss with regard to the invested capital. Even if the Basket Component with the Worst Performance is greater than zero (0) at the end of the term, a total loss may still occur if the Downside Participation in the loss in value of the Basket Component with the Worst Performance leads to the Product being worthless.

Furthermore, the Products have the characteristic such that the Holder may receive a Coupon Amount on certain dates specified in the applicable Final Terms. The payment of the applicable Coupon Amount may be independent of the price performance of the Basket Components. Where provided in the applicable Final Terms, the coupon payment may also be structured in such a way that the payment is conditional on a certain event in relation to the Basket Components (e.g. reaching or exceeding a certain threshold on a specified date). Should such event not occur, there will be no coupon payment for the applicable Coupon Payment Date. Holders should note that, in the case of a coupon payment which is dependent on the Underlying, they will not receive a coupon payment during the entire term of the Products, as the case may be, if the prerequisites are not met on a date relevant for the determination of the coupon payment. It should be noted that, unless provided otherwise in the applicable Final Terms, each relevant date is considered separately and there are no catch-up payments of the Coupon Amount. The volatility of the Basket Components is an important factor for determining the likelihood of the occurrence of an event entitling receipt of the applicable Coupon Amount. The higher the volatility of the Basket Components, the higher the risk to the Holder that the condition will not be met and that the Holder will therefore not receive a Coupon Amount for the relevant Coupon Payment Date.

With regard to coupon payments, it should also be noted that, in the case of an early redemption of the Products, the Holder will still receive the Coupon Amount for the Coupon Payment Date in respect of the Early Redemption Date. However, he has no right to demand coupon payments for future Coupon Payment Dates.

Redemption Amount is limited to Maximum Redemption Amount

The Redemption Amount will not exceed the Denomination, with the result that the possible yield has an upper limit.

Product No. 22. Risk factors applicable to Certificates with Cash Settlement and with par value and with unconditional minimum redemption and Partial Redemption Amounts

Holders should note that the level of the Redemption Amount is limited to the Minimum Redemption Amount, which simultaneously equals the Maximum Redemption Amount. In contrast to a direct investment in the Basket Components, the investor does not participate in the further positive performance of the Basket Components.

Investors should note that the Minimum Redemption Amount may be lower than the Denomination or the capital invested for the purchase of the Product (including related transaction costs).

Investors should also note that the Minimum Redemption Amount is applicable only in the case of a redemption at the end of the term. The investors must be prepared to hold their Product until the Redemption Date. If (i) an investor sells the Product before the Redemption Date on the secondary market or (ii) the Products are redeemed before the end of the term or (iii) a Market Disruption Event lasting several Scheduled Trading Days has occurred pursuant to the terms and conditions of the Product, such a Minimum Redemption does not occur. **In such a case the investor bears the risk of a total loss of the capital invested (including related transaction costs).** Furthermore, investors remain exposed to the credit risk of the Issuer, so they may lose all of the capital invested for the purchase of the Products (including related transaction costs) on an insolvency of the Issuer. **For this reason among others, Products with an unconditional Minimum Redemption may be traded throughout their term at a price that is below the Minimum Redemption Amount. Investors should therefore not rely on being able to sell their purchased Products at any time during their term for at least the Minimum Redemption Amount.**

Furthermore, the Certificates have the characteristic such that the payment and the level of a Coupon Amount depend on whether and at what time a Coupon Trigger Event has occurred. If by the final Coupon Observation Date (inclusive) no Coupon Trigger Event has occurred, the investor does not receive a coupon payment throughout the entire term of the Product.

The volatility of the Basket Components is an important factor for determining the likelihood of the occurrence of a Coupon Trigger Event. The higher the volatility of the Basket Components, the higher the risk to the investor that no Coupon Trigger Event occurs and therefore there is no coupon payment.

If a Coupon Trigger Event has not occurred on a Coupon Observation Date, the investor only receives the Minimum Redemption Amount. The investor suffers a loss if the Minimum Redemption Amount is less than the capital invested (including related transaction costs) for the purchase of the Products.

Product No. 23. Risk factors applicable to Certificates with Cash Settlement and with par value and with unconditional minimum redemption

Investors should note that the level of the Redemption Amount at the end of the term depends on the price performance of the Basket Components, since the investor receives on the Redemption Date a cash payment specified at issuance, the level of which depends on the performance of the Basket Component with the Worst Performance. The investor receives at least the Minimum Redemption Amount. **Investors should note that the Minimum Redemption Amount may be lower than the Denomination or the capital invested for the purchase of the Product (including related transaction costs).**

Investors should also note that the Minimum Redemption Amount is applicable only in the case of a redemption at the end of the term. Investors must be prepared to hold their Product until the Redemption Date. If (i) an investor sells the Product before the Redemption Date on the secondary market or (ii) the Products are redeemed before the end of the term or (iii) a Market Disruption Event lasting several Scheduled Trading Days has occurred pursuant to the terms and conditions of the Product, such a Minimum Redemption does not occur. **In such a case the investor bears the risk of a total loss of the capital invested, including related transaction costs.** Furthermore, investors remain exposed to the credit risk of the Issuer, so they may lose all of the capital invested for the purchase of the Products (including related transaction costs) on an insolvency of the Issuer. **For this reason among others, Products with an unconditional Minimum Redemption may be traded throughout their term at a price that is below the Minimum Redemption Amount. Investors should therefore not rely on being able to sell the purchased Products at any time during their term for at least the Minimum Redemption Amount.**

Investors should also note that the Redemption Amount is limited to the Denomination multiplied by the Maximum Redemption Factor.

Product No. 24. Risk factors applicable to Capped Certificates with Cash Settlement and with par value and with unconditional minimum redemption

Risk Factors applicable to the unconditional Minimum Redemption

The Products are redeemed at the end of the term for at least the amount specified in advance. **Investors should note that the Minimum Redemption Amount may be lower than the Denomination or the capital invested for the purchase of the Product (including related transaction costs).** Furthermore, investors remain exposed to the credit risk of the Issuer, so they may lose all of the capital invested for the purchase of the Products (including related transaction costs) on an insolvency of the Issuer.

Investors should also note that the Minimum Redemption Amount is applicable only in the case of a redemption at the end of the term. The investors must be prepared to hold their Product until the Redemption Date. If (i) an investor sells the Product before the Redemption Date on the secondary market or (ii)

the Products are redeemed before the end of the term or (iii) a Market Disruption Event lasting several Scheduled Trading Days has occurred pursuant to the terms and conditions of the Product, such a Minimum Redemption does not occur. **In such a case the investor bears the risk of a total loss of the capital invested (including related transaction costs).**

For this reason among others, Products with an unconditional Minimum Redemption may be traded throughout their term at a price that is below the Minimum Redemption Amount. Investors should therefore not rely on being able to sell the purchased Products at any time during their term for at least the Minimum Redemption Amount.

Risk Factors applicable to the Participation Factor

Investors should note that the application of a Participation Factor means that the Products are economically similar to a direct investment in the Underlying and/or the Basket Component with the Worst Performance, although they are not totally comparable with such an investment because the Holders do not participate in the respective price performance of the Underlying and/or the Basket Component with the Worst Performance in the ratio of 1:1, but to the extent of a certain factor which, for example, may be expressed as a percentage. Depending on the structure of the Products a Participation Factor may have the effect that the investor participates to a greater or lesser extent in any changes in value of the Underlying and/or the Basket Component with the Worst Performance, subject to the value effects of any other product characteristics.

Redemption Amount is limited to Maximum Redemption Amount

The Redemption Amount is limited to the Maximum Redemption Amount, so the possible yield has an upper limit. **Investors do not participate in an increase in value of the Underlying above the Cap Level and/or the Basket Component with the Worst Performance.**

Product No. 25. Risk factors applicable to Inverse Bonus Certificates with Cash Settlement

Risks related to the performance of Inverse Bonus Certificates owing to the reverse structure

In the case of Inverse Bonus Certificates, the performance of the Products conversely depends on the performance of the Underlying. In contrast to typical participation securities, which represent a so-called "long position" (synthetic "purchase" of the Underlying), Inverse Bonus Certificates represent a so-called "short position" (synthetic "short sale" of the Underlying). This means that the Products enable the Holders to profit from a loss in value of the Underlying. **An Inverse Bonus Certificate typically declines in value (i.e. irrespective of other features and factors that determine the price of Products), if the value of the Underlying increases.**

Risk of a total loss in the case of a Barrier Event

Holders should consider that if a Barrier Event occurs, the entitlement to a minimum redemption expires and the Holder bears 1:1 a risk of loss if the value of the Underlying increases. In this case, the Holder has a risk of total loss with regard to the invested capital. A total loss occurs when the Underlying is equal to or above the Cap Level at the end of the term.

An important determinant of the probability of the occurrence of a Barrier Event is the volatility of the Underlying. The term "**Volatility**" means the fluctuation margin or price fluctuations of the Underlying. The higher the Volatility of an Underlying, the higher the risk to the Holder that the Barrier will be broken. An increasing probability of a Barrier break tends to result in the price of the Product declining.

Limited yield potential due to reverse structure and irrespective of a cap

Holders should note that the yield potential is limited (regardless of a cap) due to the reverse structure, i.e. in the case of Inverse Bonus Certificates the Settlement Amount is limited to the product of (i) the Issue Price and (ii) the quotient of the Cap Level minus the Final Fixing Level and the Initial Fixing Level.

Accordingly, in the case of Inverse Bonus Securities, the following relationship exists in principle between the economic value of the Securities and the economic value of the Underlying: **An Inverse Bonus Certificate typically declines in value (i.e. irrespective of other features and factors that determine the price of Products), if the value of the Underlying increases. Accordingly, a Holder may suffer a total loss of the invested capital if the level of the Underlying increases and reaches or exceeds the Cap Level.**

Product No. 26. Risk factors applicable to Capped Inverse Bonus Certificates with Cash Settlement

Risks related to the performance of Capped Inverse Bonus Certificates due to the reverse structure

In the case of Capped Inverse Bonus Certificates, the performance of the Products reversely depends on the performance of the Underlying. In contrast to typical participation securities, which represent a so-called "long position" (synthetic "purchase" of the Underlying), Capped Inverse Bonus Certificates represent a so-called "short position" (synthetic "short sale" of the Underlying). This means that the Products enable the Holders to profit from a loss in value of the Underlying up to the level of the Bonus Level. **Accordingly, a Capped Inverse Bonus Certificate typically declines in value (i.e. irrespective of other features and factors that determine the price of Products), if the value of the Underlying increases.**

Risk of a total loss in the case of a Barrier Event

Holders should note that if a Barrier Event occurs, the entitlement to a minimum redemption expires and the Holder bears 1:1 a risk of loss if the value of the Underlying increases. In this case, the Holder has a risk of total loss with regard to the invested capital. A total loss occurs when the Underlying is equal to or above the Cap Level at the end of the term.

An important determinant of the probability of the occurrence of a Barrier Event is the volatility of the Underlying. The term "**Volatility**" means the fluctuation margin or price fluctuations of the Underlying. The higher the Volatility of an Underlying, the higher the risk to the Holder that the Barrier will be broken. An increasing probability of a Barrier break tends to result in the price of the Product declining.

Redemption Amount is limited to Maximum Amount

In the case of Capped Inverse Bonus Certificates, the Redemption Amount will not exceed the Initial Fixing Level multiplied by the Bonus Level. This amount is the maximum amount an investor may re-

ceive. This means that the Holder does not participate in a negative price movement of the Underlying above the Bonus Level, with the result that the possible yield on Capped Inverse Bonus Certificates has an upper limit.

Product No. 27. Risk factors applicable to Mini Future Certificates with Cash Settlement

Risk of a total loss in the case of the occurrence of a Stop-Loss Event

Holders in Mini Future Certificates bear the risk that the Products expire worthless during their term, if a so-called Stop-Loss Event has occurred.

A Stop-Loss Event occurs, if an event defined in the Terms and Conditions occurs, which relates to the development of the price of the Underlying compared to a predefined price or value threshold (the so-called "Stop-Loss Level"). If a Stop-Loss Event occurs, the term of the Products ends automatically and the Products are repaid at an amount which is equal to the difference between the Stop-Loss Price and the Strike Level taking into account the Conversion Ratio. It must also be considered that the Holders may suffer a total loss of the invested capital, if the Issuer should not succeed in cancelling the hedge position for a Stop-Loss Price above the Strike Level.

Holders should note in this context that the price of the Products is reduced disproportionately compared to classical warrants, if the price of the Underlying approaches the Stop-Loss Level.

It must be noted that no continuous bid and ask prices for the Products are quoted by the Issuer on the secondary market outside of the trading hours of the Underlying, if the Issuer expects a Stop-Loss Event to occur due to different price indicators than the official price of the Underlying. Holders should consider in this context that the Issuer does not commit or is not under any obligation legal or otherwise towards the Holders to quote bid and ask prices for the Products. Holders should therefore not rely on being able to purchase or sell the Products at any time.

Risk due to the leverage effect

Due to the leverage effect the Products involve disproportionate risks of loss compared to a direct investment in the Underlying.

4. Risk factors associated with certain types of Underlyings

Risk factors related to a basket as underlying

The Terms and Conditions may stipulate that the basket components of which the basket is composed have different weightings within the basket. In this case it has to be considered that the lower the weighting of this basket component is, the lower the impact of the performance of the respective basket component will be on the performance of the entire basket.

The Terms and Conditions may further stipulate that the selection of the basket components and/or the determination of the composition of the basket may be adjusted by the Issuer during the term. If the Issuer has such an adjustment right, investors may not assume that the composition of the basket will remain constant during the term of the Products. Investors therefore purchase a Product linked to an underlying with an unknown future composition.

If in accordance with the respective Terms and Conditions only one basket component or one type of basket components, e.g. the basket component with the worst performance or the one whose performance is negative, is significant for the determination of the redemption amount or of coupon amounts, investors should consider that a loss may occur even if the remaining basket component(s) have performed favourably for the investor. This risk may exist regardless of the number of basket components contained in the basket.

Depending on the Product, a basket component may be quoted in a currency different from the settlement currency. In that case, the investor is additionally exposed to a currency risk which may negatively affect the performance of the respective basket component or of the basket.

Correlation risk for Products related to a basket

In the case of Products whose performance during the term or whose redemption at the end of the term is determined by the performance of several basket components, it has to be considered that the number and the correlation of the basket components has a significant effect on the redemption and risk profile of the respective Product.

Depending on the features of the Product, a high number and/or low correlation of the basket components for example may increase the risk of the condition for a more favourable redemption for the investor not being fulfilled. In the case of Products with an overall consideration of the basket a high correlation of the basket components may increase the risk of a negative performance of the basket as a whole. "Correlation of the basket components", put simply, indicates the level of interdependence among the individual basket components with respect to their performance. Correlation has a value ranging from "-1" to "+1", with a correlation of "+1", i.e. a positive correlation, meaning that the performance of the individual basket components moves in the same direction. A correlation of "-1", i.e. a negative correlation, means that the performance of the basket components is diametrically opposed. A correlation of "0" indicates that it is not possible to make a statement on the relationship between the basket components. If, for example, in the case of shares as Basket Component all of the basket components originate from the same sector and the same country, a high positive correlation can generally be assumed. However, the correlation may fall, for example, when the stock corporation whose shares are included in the basket are engaged in intense competition for market shares and the same markets.

Risk factors related to Products linked to shares

The performance of the shares is decisive for the development of the value of the Products linked to shares. The performance of the respective share cannot be predicted and is determined by macroeconomic factors, for example interest and price levels on the capital markets, currency developments, political factors as well as company-specific factors such as earnings position, market position, risk situation, shareholder structure and distribution policy.

As investors in the Products, the investors will not have any voting rights or rights to dividends or interest payments or other distributions or other rights relating to the share.

It should also be noted that neither the Issuer nor any of its affiliates have conducted any inquiries or reviews regarding the companies issuing the shares including any publicly available documents and notices. Prospective investors should not assume that the choice of a share as underlying or basket component represents an investment recommendation. Accordingly, there is no guarantee that all events occurring before the respective issue date that might have an impact on the trading price of the share(s) have been publicised. A subsequent disclosure or failure to disclose material future events with respect to a company which has issued a share underlying the Product might have an impact on the trading price of the share and thus the trading price of the Product.

Risk factors related to Products linked to participation certificates (Genussscheine)

The performance of the participation certificates (*Genussscheine*) is decisive for the development of the value of the Products linked to participation certificates (*Genussscheine*). The performance of the respective participation certificate (*Genussschein*) cannot be predicted and is determined by macroeconomic factors, for example interest and price levels on the capital markets, currency developments, political factors as well as company-specific factors such as earnings position, market position, risk situation and distribution policy.

As investors in the Products, the investors will not have any rights to distributions or other rights relating to the participation certificate (*Genussschein*).

It should also be noted that neither the Issuer nor any of its affiliates have conducted any inquiries or reviews regarding the companies issuing the participation certificates (*Genussscheine*) including any publicly available documents and notices. Prospective investors should not assume that the choice of a participation certificate (*Genussschein*) as underlying or basket component represents an investment recommendation. Accordingly, there is no guarantee that all events occurring before the respective issue date that might have an impact on the trading price of the participation certificate(s) (*Genussschein(e)*) has/have been publicised. A subsequent disclosure or failure to disclose material future events with respect to a company which has issued a participation certificate (*Genussschein*) underlying the Product might have an impact on the trading price of the participation certificate (*Genussschein*) and thus the trading price of the Product.

Risk factors related to Products linked to securities representing shares

The Products may relate to securities representing shares (mostly in the form of ADRs or GDRs, together "**Depository Receipts**"). Compared with a direct investment in shares, such securities representing shares may carry further-reaching risks.

American Depositary Receipts ("**ADRs**") are securities which are issued in the United States of America in the form of share certificates in a portfolio of shares which is held in the country of domicile of the issuer of the underlying shares outside the United States of America. Global Depositary Receipts ("**GDRs**") are also securities in the form of share certificates in a portfolio of shares which is held in the country of domicile of the issuer of the underlying shares. As a rule they are distinguished from share

certificates referred to as ADRs in that they are normally publicly offered and/or issued outside the United States of America.

Each Depositary Receipt represents one or more shares or a fraction of the security of a non-domestic stock corporation. The legal owner of the underlying shares is for both types of Depositary Receipts the depositary, which is also the issuing agent of the Depositary Receipts. Depending on the jurisdiction under which the Depositary Receipts have been issued and under which the depositary agreement is governed, it cannot be ruled out that the jurisdiction will not accept the holder of the Depositary Receipts as the actual beneficial owner of the underlying shares. In particular in the event that the depositary becomes insolvent or is subject to foreclosure, it is possible that a restraint on disposal of the underlying shares of the Depositary Receipts will be imposed or that such shares will be disposed of in the context of a foreclosure against the depositary. In this case, the holder of the Depositary Receipts will lose the rights over the underlying shares which are certified in the Depositary Receipt. The Depositary Receipt as the underlying of the Products and therefore the Products relating to such Depositary Receipt will become worthless.

In such a scenario the Holder is exposed to the risk of the value of the redemption of such Products being less than the capital invested for the Product (including related transaction costs) or zero.

Any fees and costs that the custodian bank – generally having its registered office in the home country of the issuer of the shares underlying the Depositary Receipts – or the depositary incur can have a negative impact on the value of the Depositary Receipts and thus on the value of the Products.

Risk factors related to Products linked to indices

In the case of Products linked to indices, the redemption amount depends on the performance of the index and thus of the components contained in the index. During the term, the market value of the Products can, however, also deviate from the performance of the index or components contained in the index since other factors such as the correlation, volatilities, interest level and, e.g. in the case of performance indices, the reinvestment of any dividend payments relating to the components contained in the index, may have an impact on the performance of the Products. The investor can therefore not rely on the Product being recoverable. In the case of a price index as Underlying, investors should note that dividend payments are in principle not taken into account (whereas in the case of performance indices the calculation of such index takes into account all dividend payments). Therefore, investors should note that they do not participate in any dividend payments with regard to the components contained in the underlying.

Investors should note that the Index-Sponsor or the person responsible for the composition of the Index as well as the Issuer may be subject to new regulatory requirements with regard to the publication and the use of an Index during the term of the Products which may require an admission or a registration of the respective Index and an index modification in order to comply with the statutory provisions. Therefore, it cannot be excluded that an Index will be modified, cancelled or may no longer be used. In each of these cases the Issuer and/or the Calculation Agent is entitled to make adjustments pursuant to the Product Conditions and to make determinations with respect to the price of the Index in its discretion in order to

calculate the amount owed at the end of the term of the Product and/or after an exercise or in the case of a termination of the Products.

Risk factors related to Products linked to futures contracts

Futures contracts – also known as forward contracts – are standardised forward transactions relating to financial instruments (e.g. shares, indices, interest rates or foreign currencies) – known as financial futures contracts – or to commodities (e.g. precious metals, wheat or sugar) – known as commodity futures contracts.

A futures contract represents a contractual obligation to buy or sell a fixed amount of the underlying commodity or financial instrument on a fixed date at an agreed price. Futures contracts are traded on futures exchanges and are for this purpose standardised in terms of contract size, type, and quality of the underlying commodity or financial instrument as well as places and dates of delivery where applicable.

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.

As the Products are linked to the market price of the futures contracts specified in the Terms and Conditions, it is recommended that investors understand how futures transactions work and are valued in addition to knowing about the market in the underlying of the relevant futures contract, since only then can the investor properly assess the risks inherent in purchasing the Products.

Since futures contracts as an underlying of the Products may have a fixed expiry date, the current futures contract is replaced by the Issuer, at the time specified in the Terms and Conditions, with a futures contract that has the same contract specifications as that futures contract except for the expiry date which is more distant than that of the current futures contract (referred to as "roll-over").

Risk factors related to whole-day trading of currencies and commodities

If the right embodied by the Products is determined on the basis of currencies or commodities, investors should consider that those are traded 24 hours a day as a result of the time zones of Australia, Asia, Europe and America. For this reason it is possible that an event that is material in accordance with the respective Terms and Conditions or a factor relevant for the determination of the right granted by the Product may occur or be determined outside the business hours of the place where the Products are offered and/or traded.

Risk factors related to Products linked to currency exchange rates

Currency exchange rates indicate the relationship between one particular currency and another currency. For example the exchange rate "EUR/USD 1.11823" indicates that USD 1.11823 has to be paid to purchase one euro. An increase in this currency exchange rate therefore means an increase in the value of the euro against the US dollar. The currency exchange rate "USD/EUR 0.89416", on the other hand, indicates that EUR 0.89416 has to be paid to purchase one US dollar. An increase in this currency exchange rate therefore means an increase in the value of the US dollar against the euro.

A country's currency may appreciate, for example, as a result of an increase in this country's key interest rate since in such case demand for the country's government bonds normally rises. Conversely, a country's currency may depreciate if the key interest rate falls. Generally, exchange rates are determined by supply and demand for currencies on the international money markets which are, among other things, subject to economic factors, speculation and actions taken by governments and central banks (e.g. exchange controls or restrictions).

Currency exchange rates are influenced by a wide variety of factors, including inflation rates in the countries concerned, interest rate differences between the respective countries, economic forecasts, international political factors, currency convertibility and the safety of making financial investments in the currency concerned. Apart from these assessable factors there may be factors that are almost impossible to predict, for instance factors of a psychological nature such as a loss of faith in the political leadership of a country, which can also have a major impact on the value of the currency concerned.

Risk factors related to Products linked to commodities

Commodities are generally divided into three main categories: mineral commodities (such as oil, gas, aluminium and copper), agricultural products (such as wheat and maize) and precious metals (such as gold and silver). The majority of commodities are traded globally on specialised exchanges or directly between market participants (interbank trading) over-the-counter by means of largely standardised contracts.

The price risks involved in commodities are often complex. Commodity prices are more volatile than other investment categories and, in particular, commodity markets are less liquid than bond, currency or stock markets. This means that changes in the supply and demand have a larger impact on prices and volatility, making commodities investments riskier and more complex than other investments.

The factors that influence commodity prices are both numerous and complex. The following are examples of some typical factors affecting commodities prices.

The planning and management of commodities supplies are very time-consuming. This means that the scope for action on the supply side is limited and it is not always possible to adjust production swiftly to take account of demand. Demand can also vary on a regional basis. Transport costs for commodities in regions where these are needed also affect their prices. The fact that some commodities take a cyclical pattern, such as agricultural products which are only produced at certain times of the year, can also result in major price fluctuations.

Direct investments in commodities involve costs related to storage, insurance and tax. Moreover, no interest or dividends are paid on commodities. The total returns from commodities investments are therefore influenced by these factors.

Not all commodities markets are liquid and able to quickly and adequately react to changes in supply and demand. The fact that there are only a few market participants on the commodities markets means that speculative investments can have negative consequences and may distort prices.

Unfavourable weather conditions can influence the supply of certain commodities for the entire year. This kind of supply crisis can lead to severe and unpredictable price fluctuations. Diseases and epidemics can also influence the prices for agricultural commodities.

Commodities are often produced in emerging market countries, with demand coming principally from industrialised nations. However, the political and economic situation of emerging markets is often far less stable than in industrialised nations. They are generally much more susceptible to the risks of rapid political change and economic setbacks. Political crises can affect investor confidence, which can as a consequence influence commodity prices. Armed conflicts can also have impact on the supply and demand for certain commodities. It is also possible for industrialised nations to impose embargos on imports and exports of goods and services. This can directly and indirectly impact commodity prices. Furthermore, numerous commodity producers have joined forces to establish organisations or cartels in order to regulate supply and influence prices.

Changes in tax rates and customs duties may have a positive or a negative impact on the profitability margins for commodities producers. If these costs are passed on to buyers, these changes will affect the prices of the relevant commodities.

Risk factors related to Products linked to funds

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

A Fund is either (i) an exchange traded fund ("ETF"), which is an open ended or other fund traded like a share on an exchange, or (ii) other unlisted fund, in each case that tracks the performance of a portfolio of assets. As a result, the performance of a 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. These factors affecting the performance of the Fund(s) may adversely affect the market value of, and the return (if any) on, the Products linked thereto

Exposure to the risk that the return on the Product does not reflect the return on a direct investment in the fund units or the assets included in the portfolio of the Fund(s) linked thereto

An investor's return on Products linked to Fund(s) may not reflect the return such investor would realise if he or she actually owned the relevant fund units or assets included in the portfolio(s) of the Fund(s). For example, if the portfolio of the Fund(s) includes shares or a share index, investors in the Products linked

to such 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 takes such dividends into account for purposes of calculating the value of such Fund. Similarly, investors in Products linked to 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). Accordingly, an investor in Products linked to 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 fund units or assets included in the portfolio of such Fund(s).

A change in the composition or discontinuance of the 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 or any index that such Fund is intended to replicate. The Management Company or the licensor/index sponsor, as applicable, of an 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 or of such underlying index, respectively. The substitution of assets included in the portfolio of a Fund or in an underlying index, respectively, may affect the value of such 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 Management Company or licensor/index sponsor of any underlying index may also alter, discontinue or suspend calculation or dissemination of information on such Fund or such underlying index, respectively. The Management Company 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 Management Company and licensor/index sponsor of such underlying index may take any actions in respect of such 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 a Fund will be identical to the performance of the assets included in the portfolio of the Fund(s) or which the Fund intends to replicate, respectively, due to many factors.

Risks in relation to market price

The market price of interests in the Fund 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 the Fund could be higher or lower than its net asset value, and will fluctuate during the trading day.

The performance of Fund(s) with a portfolio of assets that are concentrated in the assets of a particular industry or group of industries could be more volatile than the performance of Funds with portfolios of more diverse assets

Investors in Products linked to Fund(s) with a portfolio of assets that are concentrated in the assets of a particular industry or group of industries should be aware that the performance of such Fund(s) could be more volatile than the performance of Funds with portfolios of more diverse assets.

Risk factors related to underlyings related to emerging markets

Investments in so-called emerging markets contain further risk factors in addition to the risks normally associated with the investment in the respective underlying. These include the unstable economic situation, high inflation, increased currency risks as well as political and legal risks. The political and economic structures in emerging markets are sometimes subject to considerable transitions and rapid developments and these countries often lack social, political and economic stability if compared with more industrialised nations. Of particular importance is the increased risk of currency fluctuations. Instability in these countries can also be caused by authoritarian governments or military interference in political and economic decision making. This also includes anti-constitutional (attempted) regime change, civil unrest relating to demands for improved political, economic and social conditions, hostile relations with neighbouring countries or conflicts based on ethnic, religious or racial reasons.

There is also the possibility of restrictions being imposed on foreign investors, expropriation of assets, confiscatory taxation, confiscation or nationalisation of foreign bank deposits or other assets, the introduction of currency controls or other detrimental developments which may adversely affect the success of investments in such countries. Such adverse effects can, under certain circumstances, last for long periods of time, i.e. months or years. Each of these adverse effects may cause what is known as a market disruption in relation to the Products and one of the results of this may be that during this period no prices will be quoted for the Products affected by the market disruption.

The small size and lack of experience on the securities markets in certain countries as well as the limited trading volume of securities can cause an underlying to be less liquid and/or considerably more volatile than underlyings in more established markets. It is possible that very little financial information is available on local issuers, which can make it difficult to assess the value of and/or prospects of the underlying.

In addition, if the underlyings of the Products are quoted in local currency, i.e. not hedged against the euro, there is an increased foreign exchange risk. Experience shows that the currency exchange rates in emerging markets are subject to particularly high fluctuations. This may result in a considerable negative performance of the Product, even though the performance of the underlying during the term of the Product has essentially remained unchanged or even risen. This may mean that some or all of the total performance of the underlying may be eroded by currency losses and that the performance of the underlying even may become negative.

Regulation and reform of "benchmarks", including LIBOR, EURIBOR and other interest rate, equity, commodity, foreign exchange rate and other types of benchmarks

The London Interbank Offered Rate ("**LIBOR**"), the Euro Interbank Offered Rate ("**EURIBOR**") and other interest rate, equity, commodity, foreign exchange rate and other types of indices which are deemed to be "benchmarks" are the subject of recent national, international and other regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such "benchmarks" to perform differently than in the past, or to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Products linked to such a "benchmark".

Key international proposals for reform of "benchmarks" include IOSCO's *Principles for Financial Market Benchmarks* (July 2013) and the *EU Regulation on indices used as benchmarks in certain financial instruments and financial contracts* (the "**Benchmark Regulation**").

On 28 April 2016, the European Parliament adopted the final compromise text of the Benchmark Regulation, which is subject to the publication in the Official Journal expected by mid-2016. While still unclear, the Benchmark Regulation is expected to be applied from the first quarter of 2018.

The Benchmark Regulation will apply to "contributors", "administrators" and "users" of "benchmarks" in the EU, and will, among other things, (i) require benchmark administrators to be authorised (or, if non-EU-based, to have satisfied certain "equivalence" conditions in its local jurisdiction, to be "recognised" by the authorities of a Member State pending an equivalence decision or to be "endorsed" for such purpose by an EU competent authority) and to comply with requirements in relation to the administration of "benchmarks" and (ii) ban the use of "benchmarks" of unauthorised administrators. The scope of the Benchmark Regulation is wide and, in addition to so-called "critical benchmark" indices such as LIBOR and EURIBOR, will also apply to many other interest rate indices, as well as equity, commodity and foreign exchange rate indices and other indices (including "proprietary" indices or strategies) which are referenced in certain financial instruments (securities or derivatives listed on an EU regulated market, EU multilateral trading facility (MTF), EU organised trading facility (OTF) or "systematic internaliser"), certain financial contracts and investment funds. Different types of "benchmark" are subject to more or less stringent requirements, and in particular a lighter touch regime may apply where a "benchmark" is not based on interest rates or commodities and the value of financial instruments, financial contracts or investment funds referring to a benchmark is less than €50 bn, subject to further conditions, and consequently considered to be a so-called "non-significant benchmark".

The Benchmark Regulation could have a material impact on Securities linked to a "benchmark" rate or index, including in any of the following circumstances:

- a rate or index which is a "benchmark" could not be used or could only be used for a limited transitional period which may be permitted by the competent authority as such if its administrator does not obtain authorisation or is based in a non-EU jurisdiction which (subject to applicable transitional provisions) does not satisfy the "equivalence" conditions, is not "recognised" pending such a decision and is not "endorsed" for such purpose. In such event, depending on the particular "benchmark" and the applicable terms of the Securities, the Securities could be de-listed, adjusted, redeemed prior to maturity or otherwise impacted; and
- the methodology or other terms of the "benchmark" could be changed in order to comply with the terms of the Benchmark Regulation, and such changes could have the effect of reducing or increasing the rate or level or affecting the volatility of the published rate or level, and could lead to adjustments to the terms of the Products, including Calculation Agent determination of the rate or level in its discretion.

Any of the international, national or other proposals for reform or the general increased regulatory scrutiny of "benchmarks" could increase the costs and risks of administering or otherwise participating in the

setting of a "benchmark" and complying with any such regulations or requirements. Such factors may have the effect of discouraging market participants from continuing to administer or contribute to certain "benchmarks", trigger changes in the rules or methodologies used in certain "benchmarks" or lead to the disappearance of certain "benchmarks". The disappearance of a "benchmark" or changes in the manner of administration of a "benchmark" could result in adjustment to the terms and conditions, early redemption, discretionary valuation by the Calculation Agent, delisting or other consequence in relation to Products linked to such "benchmark". Any such consequence could have a material adverse effect on the value of and return on any such Products.

5. **Risk factors associated with conflicts of interest**

Conflicts of interest related to the underlying

The Issuer and other companies in the Group deal in the underlyings or in components of the underlying or in options or futures contracts relating to the underlyings or components thereof in their normal course of business and from time to time may participate in transactions connected to the Products for their own account or on behalf of others. The Issuer and other companies in the Group can also hold interests in individual underlyings or in the companies contained in these underlyings, meaning that conflicts of interest can arise in connection with the Products.

Conflicts of interest related to the performance of another function

Furthermore, the Issuer and other companies in the Group can, in addition, exercise another function in relation to the underlying or components thereof, such as issuing agent, calculation agent, paying agent and/or administrative agent. Therefore, there can be conflicts of interest regarding the duties when determining the prices of the Products and other determinations related thereto among the relevant companies in the Group and between the companies and the investors. Furthermore, the Issuer and other companies in the Group may act as members of a consortium, financial advisor or commercial bank in connection with future offers of the underlying or components thereof; activities of this kind can also entail conflicts of interest and affect the value of the Products.

Conflicts of interest related to the performance of hedging transactions

The Issuer can use parts or all of the proceeds from the sale of the Products for hedging transactions. These hedging transactions can influence the price of the underlyings or the components of the underlying that is determined on the market.

Conflicts of interest related to the issuance of additional derivative products

The Issuer and other companies in Group can issue additional derivative products in relation to the underlying or components of the underlying, including those that have the same or similar features as the Products. The introduction of products that are in competition with the Products can have an impact on the price of the underlying or components of the underlying and therefore have an impact on the price of the Products.

Conflicts of interest related to information specific to the Underlying

The Issuer and other companies in the Group can receive non-public information regarding the underlying or components of the underlying, but are not obliged to pass such information on to the Holders. Furthermore, companies in the Group can publish research reports on the underlying or components of the underlying. Activities such as those mentioned can give rise to specific conflicts of interest and therefore have an impact on the value of the Products.

Conflicts of interest related to the determination of the selling price of the Products and commission payments

The selling price of the Products, where appropriate in addition to fixed issue surcharges, management fees or other fees, may contain surcharges that are not transparent to the investor on the initial mathematical "fair" value of the Products (the "**margin**"). This margin will be determined by the Issuer in its sole discretion and can differ from surcharges that other issuers impose on comparable Products.

It should be noted that the selling price of the Products may contain commission which is charged by the Lead Manager for the issue or which is passed on to distribution partners as payment for distribution services. This may give rise to a difference between the fair value of the Product and the bid and offer prices quoted by the Market Maker. Any commission contained in the Products affects the investor's potential rate of return. Furthermore, it should be noted that conflicts of interest detrimental to the investor may arise due to payment of such commission to distribution partners, since it could create an incentive for the partner to sell its customers products with higher commission. Therefore, we recommend that you ask your principal bank or financial advisor about such conflicts of interest.

Conflicts of interest related to Market Making for the Products

It is intended that under normal market conditions the Lead Manager or, if applicable, a third party will regularly quote bid and offer prices for each issue of Products. However, no legal obligations are assumed with respect to the amount or the realisation of such quotations. It should be noted that it may not be possible to sell the Products during their term at a particular point in time or at a particular price.

Furthermore it should be taken into account that the bid and offer prices for the Products quoted by the Lead Manager or a third party (the "**Market Maker**"), if applicable, will be calculated on the basis of the standard price models for the sector that are used by the Market Maker and other traders and which determine the fair value of the Products by taking into account various factors influencing prices.

Such circumstances on which the Market Maker bases its determination of the bid and offer prices on the secondary market include, in particular, the fair value of the Products, which among other things depends on the value of the underlying and the spread between bid and offer prices desired by the Market Maker. In addition, an issue surcharge that is originally imposed on the Products and any fees or costs that are deducted from the redemption amount at maturity, such as commission, administrative fees, transaction costs or comparable costs, will generally be considered. Furthermore, the margin contained in the selling price of the Products, for example, has an impact on pricing in the secondary market (see also "Conflicts of interest related to the determination of the selling price of the Products and commission payments" in

Section II.5 of the Base Prospectus) or other returns, such as paid or expected dividends or any other returns on the Underlying or its components if the Issuer is entitled to these due to the features of the Products.

The spread between bid and offer prices is set by the Market Maker based on supply and demand for the Products and yield considerations.

Certain costs such as any administrative fees charged are often during pricing not spread equally over the term of the Products (*pro rata temporis*), thereby reducing the price, but instead are deducted in full from the fair value of the Products at an earlier point in time determined at the discretion of the Market Maker. The same applies for the margin, if any, contained in the selling price of the Products as well as for dividends and other returns on the underlying if the Issuer is entitled to these due to the features of the Products. These are often not only deducted from the price when the underlying or its components are traded "ex dividend", but are deducted at an earlier point during the term on the basis of the expected dividends for the whole term or a particular period. The speed of the deduction depends among other things on the amount of any net return flow from the Products to the Market Maker. The prices quoted by the Market Maker can therefore deviate considerably from the fair value or value of the Products to be expected based on the above mentioned factors at the relevant point in time. Furthermore, the Market Maker can change the methodology by which the prices are determined at any time, e.g. by increasing or decreasing the spread. The result of such deviation from the fair value of the Products can be that bid and offer prices quoted by other traders for the Products deviate significantly (both up-wards and downwards) from the prices quoted by the Market Maker.

Interests of third parties involved in the issue

The Issuer can involve cooperation partners and external advisors in the issuance of Products, e.g. in the composition and adjustment of a basket or index. It is possible that such cooperation partners and advisors may pursue their own interests in the course of an issuance by the Issuer and when providing their associated advice. A conflict of interest of advisors may mean that they make an investment decision or suggestion in their own interest rather than in the interest of the investors.

III. INFORMATION ABOUT THE ISSUER

In respect of information that is required to be disclosed in relation to the Issuer is contained in the Registration Document of Leonteq Securities AG dated 29 April 2016 (the "**Registration Document**"), which was approved by BaFin. The information about the Issuer contained in the Registration Document is herewith incorporated into this Base Prospectus by reference pursuant to Section 11 of the WpPG (see also section "X. Documents Incorporated by Reference" of the Base Prospectus).

IV. INFORMATION ABOUT THE PRODUCTS

The following information relating to the Products will be specified and/or completed by the information contained in the applicable Final Terms which are applicable to the respective issuance. The Base Prospectus provides for the preparation of Final Terms in the following two scenarios: (i) start of a new offer of Products and (ii) increase of issue size of Products already issued under this Base Prospectus.

1. **General information about the Products**

(a) Interest of individuals or legal entities involved in the issue

Conflicts of interest related to the underlying

The Issuer and other companies in the Group deal in the underlyings or in components of the underlying or in options or futures contracts relating to the underlyings or components thereof in their normal course of business and from time to time may participate in transactions connected to the Products for their own account or on behalf of others. The Issuer and other companies in the Group can also hold interests in individual underlyings or in the companies contained in these underlyings, meaning that conflicts of interest can arise in connection with the Products.

Conflicts of interest related to the performance of another function

Furthermore, the Issuer and other companies in the Group can, in addition, exercise another function in relation to the underlying or components thereof, such as issuing agent, calculation agent, paying agent and/or administrative agent. Therefore, there can be conflicts of interest regarding the duties when determining the prices of the Products and other determinations related thereto among the relevant companies in the Group and between the companies and the investors. Furthermore, the Issuer and other companies in the Group may act as members of a consortium, financial advisor or commercial bank in connection with future offers of the underlying or components thereof; activities of this kind can also entail conflicts of interest and affect the value of the Products.

Conflicts of interest related to the performance of hedging transactions

The Issuer can use parts or all of the proceeds from the sale of the Products for hedging transactions. These hedging transactions can influence the price of the underlyings or the components of the underlying that is determined on the market.

Conflicts of interest related to the issuance of additional derivative products

The Issuer and other companies in Group can issue additional derivative products in relation to the underlying or components of the underlying, including those that have the same or similar features as the Products. The introduction of products that are in competition with the Products can have an impact on the price of the underlying or components of the underlying and therefore have an impact on the price of the Products.

Conflicts of interest related to information specific to the Underlying

The Issuer and other companies in the Group can receive non-public information regarding the underlying or components of the underlying, but are not obliged to pass such information on to the Holders. Furthermore, companies in the Group can publish research reports on the underlying or components of the underlying. Activities such as those mentioned can give rise to specific conflicts of interest and therefore have an impact on the value of the Products.

Conflicts of interest related to the determination of the selling price of the Products and commission payments

The selling price of the Products, where appropriate in addition to fixed issue surcharges, management fees or other fees, may contain surcharges that are not transparent to the investor on the initial mathematical "fair" value of the Products (the "**margin**"). This margin will be determined by the Issuer in its sole discretion and can differ from surcharges that other issuers impose on comparable Products.

It should be noted that the selling price of the Products may contain commission which is charged by the Lead Manager for the issue or which is passed on to distribution partners as payment for distribution services. This may give rise to a difference between the fair value of the Product and the bid and offer prices quoted by the Market Maker. Any commission contained in the Products affects the investor's potential rate of return. Furthermore, it should be noted that conflicts of interest detrimental to the investor may arise due to payment of such commission to distribution partners, since it could create an incentive for the partner to sell its customers products with higher commission. Therefore, we recommend that you ask your principal bank or financial advisor about such conflicts of interest.

Conflicts of interest related to Market Making for the Products

It is intended that under normal market conditions the Lead Manager or, if applicable, a third party will regularly quote bid and offer prices for each issue of Products. However, no legal obligations are assumed with respect to the amount or the realisation of such quotations. It should be noted that it may not be possible to sell the Products during their term at a particular point in time or at a particular price.

Furthermore it should be taken into account that the bid and offer prices for the Products quoted by the Lead Manager or a third party (the "**Market Maker**"), if applicable, will be calculated on the basis of the standard price models for the sector that are used by the Market Maker and other traders and which determine the fair value of the Products by taking into account various factors influencing prices.

Such circumstances on which the Market Maker bases its determination of the bid and offer prices on the secondary market include, in particular, the fair value of the Products, which among other things depends on the value of the underlying and the spread between bid and offer prices desired by the Market Maker. In addition, an issue surcharge that is originally imposed on the Products and any fees or costs that are deducted from the redemption amount at maturity, such as commission, administrative fees, transaction costs or comparable costs, will generally be considered. Furthermore, the margin contained in the selling price of the Products, for example, has an impact on pricing in the secondary market (see also "Conflicts

of interest related to the determination of the selling price of the Products and commission payments" in Section II.5 of the Base Prospectus) or other returns, such as paid or expected dividends or any other returns on the Underlying or its components if the Issuer is entitled to these due to the features of the Products.

The spread between bid and offer prices is set by the Market Maker based on supply and demand for the Products and yield considerations.

Certain costs such as any administrative fees charged are often during pricing not spread equally over the term of the Products (*pro rata temporis*), thereby reducing the price, but instead are deducted in full from the fair value of the Products at an earlier point in time determined at the discretion of the Market Maker. The same applies for the margin, if any, contained in the selling price of the Products as well as for dividends and other returns on the underlying if the Issuer is entitled to these due to the features of the Products. These are often not only deducted from the price when the underlying or its components are traded "ex dividend", but are deducted at an earlier point during the term on the basis of the expected dividends for the whole term or a particular period. The speed of the deduction depends among other things on the amount of any net return flow from the Products to the Market Maker. The prices quoted by the Market Maker can therefore deviate considerably from the fair value or value of the Products to be expected based on the above mentioned factors at the relevant point in time. Furthermore, the Market Maker can change the methodology by which the prices are determined at any time, e.g. by increasing or decreasing the spread. The result of such deviation from the fair value of the Products can be that bid and offer prices quoted by other traders for the Products deviate significantly (both up-wards and downwards) from the prices quoted by the Market Maker.

Interests of third parties involved in the issue

The Issuer can involve cooperation partners and external advisors in the issuance of Products, e.g. in the composition and adjustment of a basket or index. It is possible that such cooperation partners and advisors may pursue their own interests in the course of an issuance by the Issuer and when providing their associated advice. A conflict of interest of advisors may mean that they make an investment decision or suggestion in their own interest rather than in the interest of the investors.

Additional product-specific interests (including conflicting ones) of individuals or legal entities involved in the issue are set out, if relevant, in the applicable Final Terms under "Interests of natural and legal persons involved in the issue/offer" under "Part II - Additional Information".

(b) Description of the Products

The Products are derivative instruments. The amount due at maturity of a Product is dependent on the value of the underlying at the corresponding time. The Products may be linked to Shares, Participation Certificates (*Genussscheine*), Indices, Securities representing shares, Currency Exchange Rates, Com-

modities, Futures Contracts, Shares in a Fund, Fixed Rate Instruments and/or Derivative Instruments or baskets thereof.

In case of an index and if such index is provided by a legal entity or a natural person acting in association with, or on behalf of, the respective Issuer the respective Issuer makes the following statements:

- the complete set of rules of the index and information on the performance of the index are freely accessible on the Issuer's or the Index Sponsor's website; and
- the governing rules (including methodology of the index for the selection and the rebalancing of the components of the index, description of market disruption events and adjustment rules) are based on predetermined and objective criteria.

A description and the source of information regarding information about the past and the future performance and volatility of the Underlying and/or Basket Components is specified under "Information relating to the Underlying" in the applicable Final Terms.

The relevant German securities identification number (WKN) and/or the International Securities Identification Number (ISIN) and/or the Valor Number or any other relevant identification number as well as the SIX Symbol of a Product are specified in Table 1 of the annex to the Issue Specific Conditions in the applicable Final Terms.

(c) Applicable law

The form and content of the Products and the rights and duties of the Issuer and the Holders will be governed by German law or Swiss law, as set out for each series of Products in the applicable Final Terms.

(d) Currency of the Products

The Settlement Currency of the issue is set out in Table 1 of the annex to the Issue Specific Conditions in the applicable Final Terms.

(e) Form, delivery

In the case of **Swiss law** as applicable law it has to be distinguished between the following cases:

- (i) In the case of uncertificated securities the Products are issued during their term as uncertificated securities (*Wertrechte*) (the "**Uncertificated Securities**") created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*). Once the uncertificated securities are registered in the main register (*Hauptregister*) of the Custody Agent (*Verwahrungsstelle*) and entered into one or more securities accounts, the Products constitute intermediated securities (*Bucheffekten*) in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*). Intermediated securities may only be disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bun-*

desgesetz über Bucheffekten). Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by the entry of the transferred Products in a securities account of the transferee. Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

(ii) In the case of a Permanent Global Note kept in custody by Clearstream Banking AG, Frankfurt am Main, Mergenthalerallee 61, 65760 Eschborn, Germany ("**CBF**") the Products are represented during their term by a Permanent Global Note which is kept in custody by or on behalf of the Clearing System. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions.

(iii) In the case of a Permanent Global Note kept in custody by SIX SIS AG, Brandschenkestraße 47, 8002 Zurich, Switzerland or any other custody agent according to Swiss Federal Intermediated Securities Act the Products are represented during their term by a permanent global note (*Dauerglobalurkunde*) which is deposited with the Custody Agent and entered into one or more securities accounts. Once entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Intermediated securities may be only disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities. Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*).

In the case of intermediated securities irrespective of whether created based on a Permanent Global Note or uncertificated securities the records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents

(*Verwahrungsstellen*) holding the Products for their own account. No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Security Papers may only be printed for the Products, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful. Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Security Papers shall be delivered to the Holders only against cancellation of the Intermediated Securities in the Holder's securities accounts.

Via the account relation of a Swiss custody agent with foreign central custodians (*Zentralverwahrer*), it is secured that in case of an offering in Germany with Clearstream Banking AG, Frankfurt the Products will be fungible for investors outside Switzerland.

In the case of **German law** as governing law the Products are bearer notes. The Products are represented by a Permanent Global Note.

In the case of a Permanent Global Note kept in custody by Clearstream Banking AG, Frankfurt am Main, Mergenthalerallee 61, 65760 Eschborn, Germany, the Permanent Global Note is kept in custody during the term of the Products by or on behalf of the Clearing System. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests or rights, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and applicable law.

In the case of a Permanent Global Note kept in custody by SIX SIS AG, Brandschenkestraße 47, 8002 Zurich, Switzerland or any other custody agent according to Swiss Federal Intermediated Securities Act, the Permanent Global Note is kept in custody by the Custody Agent. As soon as the Permanent Global Note has been deposited with the Custody Agent pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities (*Bucheffekten*) pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). For as long as the Permanent Global Note is deposited with the Custody Agent, the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act, i.e. by crediting the Products to be transferred in a securities account of the recipient. The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For Products which constitute intermediated securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products.

(f) Description of the rights attached to the Products and consequences of market disruptions

The right to demand payment of the Redemption Amount and/or delivery under the Products is specified in § 4 of the Issue Specific Conditions.

Any consequences of market disruptions are specified in the Underlying Specific Conditions.

Any consequences of adjustments are specified in the Underlying Specific Conditions.

(g) Ranking of the Products

The ranking of the Products is set out in § 2 of the Issue Specific Conditions.

In the case of COSI (*Collateral Secured Instruments – Pfandbesicherte Produkte*) the Products are collateralised pursuant to the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.

In the case of Products that are not collateralized, i.e. in the case of Products for which COSI is not applicable, the Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.

(h) Resolutions in respect of the issue of the Products

An internal general resolution on the issue of Products under the European Programme was passed by the Issuer on 18 April 2012. No further authorisations are required in relation to the individual issues.

(i) Use of proceeds from the sale of the Products

The proceeds from the sale of the Products are used for hedging the payment obligations arising from the issue of the Products and for the purposes of the Issuer's ordinary business activities.

(j) Conditions of the offer, issue price, issue date, commissions and valuation

Leonteq Securities AG, Brandschenkestrasse 90, 8002 Zurich, Switzerland will be acting as Lead Manager (the "**Lead Manager**") with respect to the Products issued under the European Programme.

The start of the public offering of the Products, any applicable subscription period, the description of the subscription process, manner and date in which results of the offer are to be made public, the Minimum Investment Amount, the Maximum Investment Amount, the Issue Price (as well as any further costs in addition to the Issue Price (plus a surcharge, if applicable) or the purchase price charged to the investor by the Issuer or the Lead Manager), the Issue Date and the Issue Size will be specified in the applicable Final

Terms. In the case of Products with a subscription period the Issuer reserves the right to end the subscription period prematurely or, as the case may be, to extend it. It is not obliged to accept subscription orders. Partial allocations are possible (in particular in the event of oversubscription). The Issuer is not obliged to issue subscribed Products. If the subscription period is ended early or, as the case may be, is extended or if no issue takes place, the Issuer shall publish a notice.

The Issue Price and the selling prices quoted on the secondary market may include commissions paid to distribution partners from the proceeds of the issue as payment for distribution services. Any commission may be based on turnover and may be paid as a one-off payment or on a pro-rata basis over the term of the Products. A distinction is to be made between sales commission and trailer fees. Sales commission is paid as a one-off payment from the proceeds of the issue; alternatively, the Lead Manager grants the distribution partner a corresponding discount on the Issue Price (including any agio) or the selling price quoted in the secondary market. Trailer fees shall be paid to the distribution partners periodically, for example from the Management Fee, based on the portfolio.

Depending on its value, the commission can be a) relevant fees ("**Relevant Fees**") of up to 2% p.a. of the Issue Price, b) significant fees ("**Significant Fees**") of up to 3.5% p.a. of the Issue Price or c) substantial fees ("**Substantial Fees**") of more than 3.5% p.a. of the Issue Price.

The applicable Final Terms will stipulate whether Relevant Fees, Significant Fees or Substantial Fees will be paid to distribution partners or whether no commissions will be paid for a Product.

The selling prices are in addition to the costs and fees charged to the investor by its bank or financial services provider. The initial settlement date shall be the Issue Date shown in the applicable Final Terms. No specific method of delivery has been stipulated for the Products.

If relevant, information about the entities agreeing to underwrite the issue, the date of underwriting agreement and the name and the address of financial intermediaries may be set out in "Part II – Additional Information" in the applicable Final Terms.

(k) Pricing of the Products and factors influencing the price of the Products

The Issue Price of the Products is set by the Issuer by taking into account several price relevant factors, including the price of the Underlying, the current interest rate, anticipated dividends and other product-specific criteria. Furthermore, the Issue Price may include an issue premium which is intended to cover commissions for the Issuer or other ancillary costs arising in connection with the issue and hedging of the respective Securities. The Issue Price is set out in the applicable Final Terms, and any further prices of the Products are determined at the Issuer's reasonable discretion according to market conditions.

Any costs and disbursements incurred by a Holder in connection with a secondary purchase of the Products are beyond the control of the Issuer.

(l) Listing and trading

The Issuer may introduce or apply for admission of the Products to one or more stock exchange(s) (e.g. to the SIX Swiss Exchange or to the Open Market of the Frankfurt Stock Exchange) or multilateral trading system(s) or unregulated market(s). However, the Issuer and the Lead Manager do not assume any legal obligation in respect of the realisation of admission to trading on an exchange as at the Scheduled First Trading Day specified in the applicable Final Terms or the maintenance of any admission to trading that is realised. An admission to trading on a regulated market is not intended.

The Issuer may also issue Products which are not admitted to trading or listed on any market.

Products of the same class may have been admitted to trading on the same or another market already.

Information in relation to an intended listing and the intended first trading date will be set out in the applicable Final Terms. Furthermore, information concerning a public offer attaching to the issue of the Products will be set out in the applicable Final Terms, if any.

Bid and offer prices for the Products on the secondary market shall be quoted on each day of trading during the quoting period as specified in the applicable Final Terms under normal market conditions by the Market Maker and pursuant to the exchange rules and regulations. Information about the relevant market and the secondary market will be set out in the applicable Final Terms.

(m) Publication of post-issuance information

Unless otherwise specified in the applicable Final Terms, the Issuer does not intend to publish any post-issuance information with the exception of the notices referred to in the Terms and Conditions.

2. Explanation of mechanism of Products***Product No. 1. Explanation of mechanism of Bonus Certificates with Cash Settlement***

In the case of these Products, on the Redemption Date investors receive a Redemption Amount in the Settlement Currency, the amount of which depends on the performance of the Underlying.

(i) If no Barrier Event occurs, the Redemption Amount equals the Final Fixing Level taking into account the Conversion Ratio or, if provided for in the Final Terms the Issue Price taking into account the performance of the Underlying or, if provided for in the Final Terms, the Issue Price multiplied by the quotient of the Final Basket Value and the Initial Basket Value. However, the Redemption Amount equals at least the Minimum Redemption Amount (which is equal to the Bonus Level multiplied by the Conversion Ratio or the Issue Price, as the case may be), if no Barrier Event has occurred and, if provided for in the Final Terms, the Final Basket Value is equal to or below the Initial Basket Value multiplied by the Bonus Level.

(ii) If a Barrier Event has occurred, the Redemption Amount is no longer at least equal to the Minimum Redemption Amount, but is always equal to the Final Fixing Level taking into account the Conversion Ratio or, if provided for in the Final Terms, the Issue Price taking into account the performance of the Underlying or, if provided for in the Final Terms, the Issue Price multiplied by the quotient of the Final Basket Value and the Initial Basket Value. In this case the Holder participates 1:1 in the performance of the Underlying.

A Barrier Event occurs if a Price of the Underlying specified in the applicable Final Terms falls below or, as the case may be, reaches the Barrier. The Bonus Level is a minimum redemption factor as defined in § 3 of the Issue Specific Conditions in the applicable Final Terms.

The investors do not have any claim to or arising out of the Underlying (e.g. voting rights, dividends).

Product No. 2. Explanation of mechanism of Bonus Certificates with potential Physical Settlement

In the case of these Products, on the Redemption Date investors receive a Redemption Amount in the Settlement Currency or the physical delivery of the Underlying depending on the performance of the Underlying.

(i) If (a) no Barrier Event occurs and (b) the Final Fixing Level is equal to or below the Initial Fixing Price multiplied by the Bonus Level, the Redemption Amount equals the Minimum Redemption Amount (which is equal to the Bonus Level multiplied by the Issue Price).

(ii) In all other cases the Holder receives delivery of a certain number of the Underlying expressed by the Conversion Ratio. Fractions of the Underlying are not delivered, but are compensated by a cash payment, the so-called Cash Payment Amount for Fractions.

A Barrier Event occurs if a Price of the Underlying specified in the applicable Final Terms falls below or, as the case may be, reaches the Barrier. The Final Fixing Level is the closing price of the Underlying at the end of the term of the Product or any other value of the Underlying as defined in § 3 of the Issue Specific Conditions in the applicable Final Terms. The Bonus Level is a minimum redemption factor as defined in § 3 of the Issue Specific Conditions in the applicable Final Terms.

Product No. 3. Explanation of mechanism of Capped Bonus Certificates with Cash Settlement and with par value

In the case of these Products, on the Redemption Date investors receive a Redemption Amount in the Settlement Currency, the amount of which depends on the performance of the Underlying.

(i) If (a) no Barrier Event occurs and (b) the Final Basket Value is equal to or below the Initial Basket Value multiplied by the Bonus Level, the Redemption Amount equals the Minimum Redemption Amount (which is equal to the Denomination multiplied by the Bonus Level).

(ii) In all other cases the Redemption Amount equals the Denomination taking into account the performance of the Underlying, whereby the Redemption Amount does not exceed the Maximum Redemption Amount (which is equal to the Denomination multiplied by the Cap Level).

A Barrier Event occurs if a Price of a certain number of Basket Components specified in the applicable Final Terms falls below or, as the case may be, reaches the respective Barrier. The Bonus Level is a minimum redemption factor as defined in § 3 of the Issue Specific Conditions in the applicable Final Terms. The Cap Level is a maximum redemption factor as defined in § 3 of the Issue Specific Conditions in the applicable Final Terms.

Product No. 4. Explanation of mechanism of Capped Bonus Certificates with Cash Settlement and without par value

In the case of these Products, on the Redemption Date investors receive a Redemption Amount in the Settlement Currency, the amount of which depends on the performance of the Underlying.

(i) If no Barrier Event occurs or, if provided for in the applicable Final Terms, a Barrier Event occurs and the Final Fixing Level is above the Initial Fixing Level multiplied by the Bonus Level, the Redemption Amount equals the Minimum Redemption Amount (which is equal to the Bonus Level multiplied by the Issue Price).

(ii) In all other cases the Redemption Amount equals the Issue Price taking into account the performance of the Underlying, whereby the Redemption Amount does not exceed the Maximum Redemption Amount (which is equal to the Issue Price multiplied by the Cap Level).

A Barrier Event occurs if a Price of the Underlying specified in the applicable Final Terms falls below or, as the case may be, reaches the Barrier. The Final Fixing Level is the closing price of the Underlying at the end of the term of the Product or any other value of the Underlying as defined in § 3 of the Issue Specific Conditions in the applicable Final Terms. The Bonus Level is a minimum redemption factor as defined in § 3 of the Issue Specific Conditions in the applicable Final Terms. The Cap Level is a maximum redemption factor as defined in § 3 of the Issue Specific Conditions in the applicable Final Terms.

The investors do not have any claim to or arising out of the Underlying (e.g. voting rights, dividends).

Product No. 5. Explanation of mechanism of Capped Bonus Certificates with potential Physical Settlement

In the case of these Products, on the Redemption Date investors receive a Redemption Amount in the Settlement Currency or the physical delivery of the Underlying depending on the performance of the Underlying.

(i) If (a) no Barrier Event occurs or – if provided for in the Final Terms - (b) a Barrier Event occurs and the Final Fixing Level is above the Issue Price multiplied by the Bonus Level, the Redemption Amount equals the Minimum Redemption Amount (which is equal to the Bonus Level multiplied by the Issue Price). The Redemption Amount does not exceed the Maximum Redemption Amount (which is equal to the Issue Price multiplied by the Cap Level).

(ii) In all other cases the Holder receives delivery of a certain number of the Underlying expressed by the Conversion Ratio. Fractions of the Underlying are not delivered, but are compensated by a cash payment, the so-called Cash Payment Amount for Fractions.

A Barrier Event occurs if a Price of the Underlying specified in the applicable Final Terms falls below or, as the case may be, reaches the Barrier. The Final Fixing Level is the closing price of the Underlying at the end of the term of the Product or any other value of the Underlying as defined in § 3 of the Issue Specific Conditions in the applicable Final Terms. The Bonus Level is a minimum redemption factor as defined in § 3 of the Issue Specific Conditions in the applicable Final Terms. The Cap Level is a maximum redemption factor as defined in § 3 of the Issue Specific Conditions in the applicable Final Terms.

Product No. 6. Explanation of mechanism of Notes (Reverse Convertibles) with Cash Settlement

In the case of these Products, on the Redemption Date investors receive a Redemption Amount in the Settlement Currency, the amount of which depends on the performance of the Underlying.

(i) If the Final Fixing Level is above the Strike Level, the Holder receives the Denomination. The Denomination is the maximum amount that the Holder may receive as a Redemption Amount.

(ii) If the Final Fixing Level is equal to or below the Strike Level, the Holder receives a Redemption Amount in the amount of the Denomination taking into account the performance of the Underlying. This amount is generally less than the Denomination.

The Final Fixing Level is the closing price of the Underlying at the end of the term of the Product or any other value of the Underlying as defined in § 3 of the Issue Specific Conditions in the applicable Final Terms.

A further feature of the Products is that the Holder receives a Coupon Amount on one or more Coupon Payment Dates specified in the Final Terms. The coupon payment is independent of the performance of the Underlying.

Product No. 7. Explanation of mechanism of Notes (Reverse Convertibles) with potential Physical Settlement

In the case of these Products, on the Redemption Date investors receive a Redemption Amount in the Settlement Currency or the physical delivery of the Underlying depending on the performance of the Underlying.

(i) If the Final Fixing Level is above the Strike Level, the Holder receives the Denomination. The Denomination is the maximum amount that the Holder may receive as a Redemption Amount.

(ii) If the Final Fixing Level is equal to or below the Strike Level, the Holder receives a certain number of the Underlying expressed by the Conversion Ratio. Fractions of the Underlying are not delivered, but are compensated by a cash payment, the so-called Cash Payment Amount for Fractions. This equivalent value of the delivered Underlyings is generally less than the Denomination.

The Final Fixing Level is the closing price of the Underlying at the end of the term of the Product or any other value of the Underlying as defined in § 3 of the Issue Specific Conditions in the applicable Final Terms.

A further feature of the Products is that the Holder receives a Coupon Amount on one or more Coupon Payment Dates specified in the Final Terms. The coupon payment is independent of the performance of the Underlying.

Product No. 8. Explanation of mechanism of Notes (Barrier Reverse Convertibles) with Cash Settlement

In the case of these Products the Holder receives a Redemption Amount in the Settlement Currency on the Redemption Date, determined as follows:

(i) If no Barrier Event has occurred or, if provided in the Final Terms, a Barrier Event has occurred and the Final Fixing Level is above the Initial Fixing Level, the Holder receives the Denomination. The Denomination is the maximum amount that the Holder may receive as a Redemption Amount.

(ii) In all other cases the Holder receives a Redemption Amount in the amount of the Denomination taking into account the performance of the Underlying or, in the case of a Basket as Underlying, of the Denomination taking into account the performance of the Basket Component with the worst performance.

A Barrier Event occurs if a Price of the Underlying and/or the respective Basket Components specified in the applicable Final Terms falls below or, as the case may be, reaches the (relevant) Barrier.

The Final Fixing Level is the closing price of the Underlying at the end of the term of the Product or any other value of the Underlying as defined in § 3 of the Issue Specific Conditions in the applicable Final Terms.

A further feature of the Product is that the Holder receives a coupon payment on one or more Coupon Payment Dates specified in the Final Terms. The coupon payment is independent of the performance of the Underlying.

Product No. 9. Explanation of mechanism of Notes (Barrier Reverse Convertibles) with potential Physical Settlement

In the case of these Products the Holder receives a settlement amount in the Settlement Currency (cash amount or delivery of the Underlying) on the Redemption Date, determined as follows:

- (i) If no Barrier Event has occurred or, if provided for in the Final Terms, a Barrier Event has occurred and the Final Fixing Level is above the Initial Fixing Level the Holder receives the Denomination. The Denomination is the maximum amount that the Holder may receive as a Redemption Amount.
- (ii) In all other cases, the Holder receives delivery of a certain number of the Underlying or, in the case of a Basket as Underlying, of the Basket Component with the Worst Performance, expressed by the Conversion Ratio. Fractions of the Underlying or the Basket Component are not delivered, but are compensated by a cash payment, the so-called Cash Payment Amount for Fractions.

A Barrier Event occurs if a Price of the Underlying and/or the respective Basket Components specified in the applicable Final Terms falls below or, as the case may be, reaches the (relevant) Barrier. The Final Fixing Level is the closing price of the Underlying and/or the respective Basket Component at the end of the term of the Product or any other value of the Underlying as defined in § 3 of the Issue Specific Conditions in the applicable Final Terms.

A further feature of the Product is that the Holder receives a coupon payment on one or more Coupon Payment Dates specified in the Final Terms. The coupon payment is independent of the performance of the Underlying.

Product No. 10. Explanation of mechanism of Discount Certificates with Cash Settlement

In the case of these Products, on the Redemption Date investors receive a Redemption Amount in the Settlement Currency, the amount of which depends on the performance of the Underlying.

- (i) If the Final Fixing Level is equal to or below the Cap Level, the Redemption Amount equals the Final Fixing Level taking into account the Conversion Ratio.
- (ii) If the Final Fixing Level is above the Cap Level, the Redemption Amount equals the Maximum Redemption Amount (which is equal to the Cap Level taking into account the Conversion Ratio).

The Final Fixing Level is the closing price of the Underlying at the end of the term of the Product or any other value of the Underlying as defined in § 3 of the Issue Specific Conditions in the applicable Final

Terms. The Cap Level is a maximum redemption factor as defined in § 3 of the Issue Specific Conditions in the applicable Final Terms.

Investors do not have any claim to or arising out of the Underlying (e.g. voting rights, dividends).

Product No. 11. Explanation of mechanism of Discount Certificates with potential Physical Settlement

In the case of these Products, on the Redemption Date investors receive a Redemption Amount in the Settlement Currency or a certain number of the Underlying depending on the performance of the Underlying.

(i) If the Final Fixing Level is above the Cap Level, the Redemption Amount equals the Maximum Redemption Amount (which is equal to the Cap Level taking into account the Conversion Ratio).

(ii) If the Final Fixing Level is equal to or below the Cap Level, the Holder receives delivery of a certain number of the Underlying expressed by the Conversion Ratio. Fractions of the Underlying are not delivered, but are compensated by a cash payment, the so-called Cash Payment Amount for Fractions.

The Final Fixing Level is the closing price of the Underlying at the end of the term of the Product or any other value of the Underlying as defined in § 3 of the Issue Specific Conditions in the applicable Final Terms. The Cap Level is a maximum redemption factor as defined in § 3 of the Issue Specific Conditions in the applicable Final Terms.

Product No. 12. Explanation of mechanism of Express Certificates with Cash Settlement and without par value

The Products have the characteristic such that the level of the Redemption Amount and the time for redemption of the Products depend on whether an Autocall Event has occurred. If this is the case, the term of the Products ends early and the Products are redeemed early following the Autocall Observation Date on which the Autocall Event occurred. In this case, the Redemption Amount in the Settlement Currency equals the Issue Price.

An Autocall Event occurs if on an Autocall Observation Date the Reference Price exceeds the Autocall Trigger Level or, in the case of a Basket as Underlying, if the Reference Price of all Basket Components exceed the Autocall Trigger Level.

If an early redemption does not occur, the performance of the Underlying and/or the Basket Components determines the level of the Redemption Amount:

(i) If no Barrier Event occurred the Redemption Amount is equal to the Issue Price. If provided for in the applicable Final Terms, the Redemption Amount is equal to the Issue Price as well if a Barrier Event has occurred, but the Final Fixing Level is above the Initial Fixing Level and/or the Strike Level.

(ii) If the preconditions set out under (i) above are not satisfied the Redemption Amount equals the Issue Price taking into account the performance of the Underlying or, in the case of a Basket as Underlying, the development of the Basket Component with the worst performance. However, the Redemption Amount will not exceed the Issue Price.

A Barrier Event occurs if a price of the Underlying specified in the applicable Final Terms falls below or, as the case may be, reaches the Barrier or, in the case of a Basket as Underlying, if a price of at least one Basket Component specified in the applicable Final Terms falls below or, as the case may be, reaches the respective Barrier.

Furthermore, the Products have the characteristic such that the Holder may receive a Coupon Amount on certain dates specified in the applicable Final Terms. The payment of the applicable Coupon Amount may be independent of the price performance of the Underlying and/or Basket Components. Where provided in the applicable Final Terms, the coupon payment may also be structured in such a way that the payment is conditional on a certain event in relation to the Underlying and/or the Basket Components (e.g. the Underlying reaching or exceeding a certain threshold (e.g. Coupon Trigger Level)). Should such event not occur, there would be no coupon payment for the applicable Coupon Payment Date. Unless provided otherwise in the Final Terms, each relevant date is considered separately and there can be no catch-up payments of Coupon Amounts. If provided for in the applicable Final Terms, also the amount of the respective coupon payment may depend on the development of the Underlying and/or the Basket Components.

With regard to coupon payments, it should also be noted that, in the case of an early redemption of the Products, the Holder will still receive the Coupon Amount for the Coupon Payment Date in respect of the early redemption date. However, he has no right to demand coupon payments for future Coupon Payment Dates.

Product No. 13. Explanation of mechanism of Express Certificates with Cash Settlement and with par value

The Products have the characteristic such that the level of the Redemption Amount and the time for redemption of the Products depend on whether an Autocall Event has occurred. If this is the case, the term of the Products ends early and the Products are redeemed early following the Autocall Observation Date on which the Autocall Event occurred. In this case, the Redemption Amount in the Settlement Currency equals the Denomination.

An Autocall Event occurs if on an Autocall Observation Date the Reference Price exceeds the Autocall Trigger Level or, in the case of a Basket as Underlying, if the Reference Price of all Basket Components exceed the Autocall Trigger Level.

If an early redemption does not occur, the performance of the Underlying and/or the Basket Components determines the level of the Redemption Amount.

(i) If no Barrier Event occurred and/or, if provided for in the Final Terms, the Final Fixing Level is above the Strike Level, the Redemption Amount is equal to the Denomination.

(ii) If the preconditions set out under (i) above are not satisfied the Redemption Amount equals the Denomination taking into account the performance of the Underlying or, in the case of a Basket as Underlying, the development of the Basket Component with the worst performance. However, the Redemption Amount will not exceed the Denomination.

A Barrier Event occurs if a price of the Underlying specified in the applicable Final Terms falls below or, as the case may be, reaches the Barrier or, in the case of a Basket as Underlying, if a price of at least one Basket Component specified in the applicable Final Terms falls below or, as the case may be, reaches the respective Barrier.

Furthermore, Express Certificates with Cash Settlement and with par value have the characteristic such that the Holder may receive a Coupon Amount on certain dates specified in the applicable Final Terms. The payment of the applicable Coupon Amount may be independent of the price performance of the Underlying and/or Basket Components. Where provided in the applicable Final Terms, the coupon payment may also be structured in such a way that the payment is conditional on a certain event in relation to the Underlying and/or Basket Components (e.g. the Underlying reaching or exceeding a certain threshold (e.g. Coupon Trigger Level)). Should such event not occur, there would be no coupon payment for the applicable Coupon Payment Date. Unless provided otherwise in the Final Terms, each relevant date is considered separately and there can be no catch-up payments of Coupon Amounts.

With regard to coupon payments, it should also be noted that, in the case of an early redemption of the Products, the Holder will still receive the Coupon Amount for the Coupon Payment Date in respect of the early redemption date. However, he has no right to demand coupon payments for future Coupon Payment Dates.

Product No. 14. Explanation of mechanism of Tracker Certificates with Cash Settlement

In the case of these Products, Holders receive a Redemption Amount in the Settlement Currency on the Redemption Date, the amount of which depends on the performance of the Underlying and/or the Basket Components. The Redemption Amount equals the Final Fixing Level taking into account the Conversion Ratio and, as the case may be, the Management Factor and/or the Basket Performance taking into account the Conversion Ratio and, as the case may be, the Management Factor.

The Final Fixing Level is the closing price of the Underlying at the end of the term of the Product or any other value of the Underlying as defined in § 3 of the Issue Specific Conditions in the applicable Final

Terms. The Basket Performance is the total of the Performances of the Basket Components contained in the Basket.

If provided for in the Final Terms, the Issuer has the right of ordinary termination of the Products. Furthermore the Final Terms may provide that the Holder is entitled to exercise the Products on Exercise Dates specified in the applicable Final Terms.

If the applicable Final Terms provide for a participation in dividend payments, this occurs only in the amount of net dividends actually received by the Issuer.

Product No. 15. Explanation of mechanism of Open End Tracker Certificates with Cash Settlement

Open End Tracker Certificates do not have a specified limited term. The term of the Products ends either (i) on the exercise of the Products by the Holders or (ii) on ordinary termination by the Issuer or (iii) on extraordinary termination by the Issuer.

In the case of these Products, Holders receive a Redemption Amount in the Settlement Currency on the Redemption Date, the amount of which depends on the performance of the Underlying. The Redemption Amount equals the Final Fixing Level taking into account the Conversion Ratio and, as the case may be, the Management Factor and/or the Basket Performance taking into account the Conversion Ratio and, as the case may be, the Management Factor.

The Final Fixing Level is the closing price of the Underlying at the end of the term of the Product or any other value of the Underlying as defined in § 3 of the Issue Specific Conditions in the applicable Final Terms. The Basket Performance is the total of the Performances of the Basket Components contained in the Basket.

If the applicable Final Terms provide for a participation in dividend payments, this occurs only in the amount of net dividends actually received by the Issuer.

Product No. 16. Explanation of mechanism of Express Certificates with potential Physical Settlement and with par value

The Products have the characteristic such that the level of the Redemption Amount and the time for redemption of the Products depend on whether an Autocall Event has occurred. If this is the case, the term of the Products ends early and the Products are redeemed early following the Autocall Observation Date on which the Autocall Event occurred. In this case, the Redemption Amount equals the Denomination.

An Autocall Event occurs if on an Autocall Observation Date the Reference Price of the Underlying exceeds the Autocall Trigger Level or, in the case of a Basket as Underlying, if the Reference Price of all Basket Components exceed the Autocall Trigger Level.

If an early redemption does not occur, the performance of the Underlying and/or the Basket Components determines the level of the Redemption Amount and/or the type of settlement (cash settlement or physical delivery):

(i) If no Barrier Event has occurred or, if provided for in the Final Terms, the Final Fixing Level is above the Strike Level the Redemption Amount is equal to the Denomination.

(ii) Otherwise, the Holder receives delivery of a certain number of the Underlying or, in the case of a Basket as Underlying, of the Basket Component with the Worst Performance, expressed by the Conversion Ratio. Fractions of the Underlying or the Basket Component are not delivered, but are compensated by a cash payment, the so-called Cash Payment Amount for Fractions.

A Barrier Event occurs if a Price of the Underlying and/or the respective Basket Components specified in the applicable Final Terms falls below or, as the case may be, reaches the (relevant) Barrier.

Furthermore, the Products have the characteristic such that the Holder may receive a Coupon Amount on certain dates specified in the applicable Final Terms. The payment of the applicable Coupon Amount may be independent of the price performance of the Underlying and/or Basket Components. Where provided in the applicable Final Terms, the coupon payment may also be structured in such a way that the payment is conditional on a certain event in relation to the Underlying and/or Basket Components (e.g. reaching or exceeding a certain threshold (e.g. Coupon Trigger Level)). Should such event not occur, there would be no coupon payment for the applicable Coupon Payment Date. Unless provided otherwise in the Final Terms, each relevant date is considered separately and there can be no catch-up payments of Coupon Amounts.

With regard to coupon payments, it should also be noted that, in the case of an early redemption of the Products, the Holder will still receive the Coupon Amount for the Coupon Payment Date in respect of the early redemption date. However, he has no right to demand coupon payments for future Coupon Payment Dates.

Product No. 17. Explanation of mechanism of Express Certificates with potential Physical Settlement and without par value

The Products have the characteristic such that the level of the Redemption Amount and the time for redemption of the Products depend on whether an Autocall Event has occurred. If this is the case, the term of the Products ends early and the Products are redeemed early following the Autocall Observation Date on which the Autocall Event occurred. In this case, the Redemption Amount equals the Issue Price.

An Autocall Event occurs if on an Autocall Observation Date the Reference Price of the Underlying exceeds the Autocall Trigger Level or, in the case of a Basket as Underlying, if the Reference Price of all Basket Components exceed the Autocall Trigger Level.

If an early redemption does not occur, the performance of the Underlying and/or the Basket Components determines the level of the Redemption Amount and/or the type of settlement (cash settlement or physical delivery):

(i) If no Barrier Event has occurred or, if provided for in the Final Terms, the Final Fixing Level is above the Strike Level the Redemption Amount is equal to the Issue Price.

(ii) Otherwise, the Holder receives delivery of a certain number of the Underlying or, in the case of a Basket as Underlying, of the Basket Component with the Worst Performance, expressed by the Conversion Ratio. Fractions of the Underlying or the Basket Component are not delivered, but are compensated by a cash payment, the so-called Cash Payment Amount for Fractions.

A Barrier Event occurs if a Price of the Underlying and/or the respective Basket Components specified in the applicable Final Terms falls below or, as the case may be, reaches the (relevant) Barrier. The Final Fixing Level is the closing price of the Underlying and/or the respective Basket Component at the end of the term of the Product or any other value of the Underlying as defined in § 3 of the Issue Specific Conditions in the applicable Final Terms.

Furthermore, the Products have the characteristic such that the Holder may receive a Coupon Amount on certain dates specified in the applicable Final Terms. The payment of the applicable Coupon Amount may be independent of the price performance of the Underlying and/or Basket Components. Where provided in the applicable Final Terms, the coupon payment may also be structured in such a way that the payment is conditional on a certain event in relation to the Underlying and/or Basket Components (e.g. reaching or exceeding a certain threshold (e.g. Coupon Trigger Level)). Should such event not occur, there would be no coupon payment for the applicable Coupon Payment Date. Unless provided otherwise in the Final Terms, each relevant date is considered separately and there can be no catch-up payments of Coupon Amounts.

With regard to coupon payments, it should also be noted that, in the case of an early redemption of the Products, the Holder will still receive the Coupon Amount for the Coupon Payment Date in respect of the early redemption date. However, he has no right to demand coupon payments for future Coupon Payment Dates.

Product No. 18. Explanation of mechanism of Inverse Discount Certificates with Cash Settlement

In the case of these Products, on the Redemption Date investors receive a Redemption Amount, the amount of which is inversely dependent on the performance of the Underlying. The following cases may be distinguished:

(i) If the Final Fixing Level is above the Cap Level, the investor receives on the Redemption Date payment of the difference between the Inverse Level and the Final Fixing Level taking into account the Conversion Ratio. However, the Redemption Amount equals in this case at least zero (0). **Investors should**

note that they bear the risk of an unfavourable performance of the Underlying, i.e. an increase in the Underlying. In this scenario the investor may incur losses. In the worst case, the investor may suffer a total loss of the invested capital including related transaction costs, which arises if the Final Fixing Level is at or above the Inverse Level.

(ii) If the Final Fixing Level is above the Cap Level, the Redemption Amount equals the Maximum Redemption Amount (which equals the Difference between the Inverse Level and the Cap Level taking into account the Conversion Ratio).

The Final Fixing Level is the closing price of the Underlying at the end of the term of the Product or any other value of the Underlying as defined in § 3 of the Issue Specific Conditions in the applicable Final Terms.

The investors do not have any claim to or arising out of the Underlying (e.g. voting rights, dividends).

Product No. 19. Explanation of mechanism of Master Discount Certificates with Cash Settlement

On the Redemption Date, the investor receives the total of the Proportionate Redemption Amounts calculated on the basis of the individual Basket Components. The Basket Components are considered individually and are included (with the number of Basket Components specified on the Initial Fixing Date) in the calculation of the Proportionate Redemption Amount and the Redemption Amount. The number of the Basket Component is a factor by means of which an equal weighting of the respective Basket Component, based on the value of the Product, is reproduced.

The following cases may be differentiated when calculating the Proportionate Redemption Amounts:

(i) if the Final Fixing Level of the applicable Basket Component is equal to or falls below the respective Cap Level, the Proportionate Redemption Amount equals the Final Fixing Level multiplied by the number of the Basket Component; and

(ii) if the Final Fixing Level of the applicable Basket Component exceeds the respective Cap Level, the Proportionate Redemption Amount equals the respective Cap Level multiplied by the number of Basket Component.

In the case where the Final Fixing Levels of all Basket Components are above their individual Cap Levels, the investor receives the Maximum Redemption Amount.

If the Final Fixing Level of a Basket Component falls to zero, the investor suffers a loss in the amount of the total value of the Basket Component taking into account the number of the Basket Component. Since the Basket Components and the applicable Cap Levels are considered individually, such a loss may not necessarily be compensated by the performance of the other Basket Components. There is the risk of a total loss, which arises if the Final Fixing Levels of all Basket Com-

ponents are zero. It should also be noted that at present the Cap Level lies below the Initial Fixing Level, i.e. there is no possibility of the investor participating in an increase in value of the Basket Component, and the Redemption Amount is limited to the Maximum Redemption Amount – in contrast the Proportionate Redemption Amount of the respective Basket Component only lies below the greatest possible Proportionate Redemption Amount if the applicable Final Fixing Level falls below the relevant Cap Level.

Product No. 20. Explanation of mechanism of Express Certificates with Cash Settlement and with par value and unconditional minimum redemption

The Products have the characteristic such that the level of the Redemption Amount and the time for redemption of the Products depend on whether an Autocall Event has occurred. If this is the case, the term of the Products ends early and the Products are redeemed early following the Autocall Observation Date on which the Autocall Event occurred. In this case, the Redemption Amount equals the Denomination.

An Autocall Event occurs if on an Autocall Observation Date the Reference Prices of all Basket Components reach or exceed the relevant Autocall Trigger Level.

If an early redemption does not occur, the performance of the Basket Components determines the level of the Redemption Amount.

The investor receives the Denomination, which simultaneously equals the Maximum Redemption, if the Final Fixing Levels of all Basket Components are at or above the Autocall Trigger Level specified in the Final Terms. If this is not the case, the Products are redeemed for a Minimum Redemption Amount, which may, however, also be below the Denomination.

Furthermore, the Products have the characteristic such that the Holder may receive a Coupon Amount on certain dates specified in the applicable Final Terms. The payment of the applicable Coupon Amount may be independent of the price performance of the Basket Components. Where provided in the applicable Final Terms, the coupon payment may also be structured in such a way that the payment is conditional on a certain event in relation to the Basket Components (e.g. reaching or exceeding a certain threshold (e.g. Coupon Trigger Level)). Should such event not occur, there will be no coupon payment for the applicable Coupon Payment Date. Unless provided otherwise in the Final Terms, each relevant date is considered separately and there are no catch-up payments of the Coupon Amount.

With regard to coupon payments, it should also be noted that, in the case of an early redemption of the Products, the Holder will still receive the Coupon Amount for the Coupon Payment Date in respect of the Early Redemption Date. However, he has no right to demand coupon payments for future Coupon Payment Dates.

Product No. 21. Explanation of mechanism of Express Certificates with Cash Settlement and with par value and with Downside Participation Factor

The Products have the characteristic such that the level of the Redemption Amount and the time for redemption of the Products depend on whether an Autocall Event has occurred. If this is the case, the term of the Products ends early and the Products are redeemed early following the Autocall Observation Date on which the Autocall Event occurred. In this case, the Redemption Amount equals the Denomination.

An Autocall Event occurs if on an Autocall Observation Date the Reference Price of all Basket Components exceed the relevant Autocall Trigger Level.

If there has been no early redemption of the Products, the level of the Redemption Amount is dependent on the price performance of the Basket Component with the Worst Performance. Furthermore, the Downside Participation Factor determines the ratio in which the Holder participates disproportionately in the loss in value of the Basket Component with the Worst Performance. The Redemption Amount equals the Denomination taking into account the development of the Basket Component with the Worst Performance and taking into account the Downside Participation Factor. The Redemption Amount may fall below the Denomination.

Furthermore, the Products have the characteristic such that the Holder may receive a Coupon Amount on certain dates specified in the applicable Final Terms. The payment of the applicable Coupon Amount may be independent of the price performance of the Basket Components. Where provided in the applicable Final Terms, the coupon payment may also be structured in such a way that the payment is conditional on a certain event in relation to the Basket Component (e.g. reaching or exceeding a certain threshold (e.g. Coupon Trigger Level)). Should such event not occur, there would be no coupon payment for the applicable Coupon Payment Date. Unless provided otherwise in the Final Terms, each relevant date is considered separately and there can be no catch-up payments of Coupon Amounts.

With regard to coupon payments, it should also be noted that, in the case of an early redemption of the Products, the Holder will still receive the Coupon Amount for the Coupon Payment Date in respect of the early redemption date. However, he has no right to demand coupon payments for future Coupon Payment Dates.

Product No. 22. Explanation of mechanism of Certificates with Cash Settlement and with par value and with unconditional minimum redemption and Partial Redemption Amounts

The Products have the characteristic such that on various Partial Redemption Dates spread over the term an Partial Redemption is made in the amount of the Denomination multiplied by the Partial Redemption Factor, where the payment is independent of the performance of the Basket Components. The total of the Partial Redemption Amounts paid on all Partial Redemption Dates equals at the end of the term the Denomination multiplied by the Minimum Redemption Factor. The total of the Partial Redemption Amounts also equals simultaneously the Maximum Redemption Amount.

This Product offers the investor the further chance to receive a coupon payment, if - as specified in the applicable Final Terms - the Reference Price of all Basket Components on the respective Coupon Observation Date reaches and/or exceeds its respective Coupon Trigger Level (so-called "**Coupon Trigger Event**"). The Coupon Amount is determined by multiplying the Denomination by (i) the applicable Coupon Rate for the respective Coupon Payment Date and by (ii) $N \cdot N$ equals, where:

- before the respective Coupon Observation Date no Coupon Trigger Event has occurred, the number of Coupon Observation Dates from the first Coupon Observation Date (inclusive) until the relevant Coupon Observation Date (inclusive) and where
- before the respective Coupon Observation Date a Coupon Trigger Event has already occurred, the number of Coupon Observation Dates between the Coupon Observation Date (exclusive) on which the last Coupon Trigger Event has occurred and the respective relevant Coupon Observation Date (inclusive).

If a Coupon Trigger Event has not occurred on any Coupon Observation Date, the investor does not receive a coupon payment.

Product No. 23. Explanation of mechanism of Certificates with Cash Settlement and with par value and with unconditional minimum redemption

The Products have the characteristic such that the level of the Redemption Amount at the end of the term depends on the price performance of the Basket Components. The investor receives on the Redemption Date a cash payment specified at issuance, the level of which depends on the performance of the Basket Component with the Worst Performance.

However, the investor receives a minimum of the Denomination multiplied by the Minimum Redemption Factor. **Investors should note that the Minimum Redemption Amount may be lower than the capital invested for the purchase of the Product (including related transaction costs).**

The Certificates have the further characteristic such that the level of the Redemption Amount is limited to the Maximum Redemption Amount, which equals the Denomination taking into account the Maximum Redemption Factor.

Product No. 24. Explanation of mechanism of Capped Certificates with Cash Settlement and with par value and with unconditional minimum redemption

The Product entitles the investor to receive a cash payment on the Redemption Date, which equals the Minimum Redemption Factor multiplied by the Denomination. **Investors should note that the Minimum Redemption Amount may be lower than the capital invested for the purchase of the Product (including, as the case may be, the Issue Surcharge and related transaction costs).** If the Final Fixing Level exceeds the Initial Fixing Level or, in the case of a basket as Underlying, the Final Fixing Level of the Basket Component with the Worst Performance exceeds its Initial Fixing Level, the investor partici-

pates up to the Cap Level in the increase in value of the Underlying or the Basket Component with the Worst Performance taking into account the Participation Factor. If the Final Fixing Level exceeds the Initial Fixing Level multiplied by the Cap Level or, in the case of a basket as Underlying, if the Final Fixing Level of the Basket Component with the Worst Performance exceeds its Initial Fixing Level multiplied by the Cap Level, the investor receives the Maximum Redemption Amount. **Investors therefore do not participate beyond the Cap Level in an increase in value of the Underlying or the Basket Component with the Worst Performance.**

Product No. 25. Explanation of mechanism of Inverse Bonus Certificates with Cash Settlement

In the case of these Products, investors receive a cash payment on the Redemption Date the amount of which depends on the performance of the Underlying. A particular feature is that the participation of the Holders is **inverse** to the performance of the Underlying. The Redemption Amount is calculated as follows:

(i) If no Barrier Event has occurred

- and the Final Fixing Level is below the Strike Level, the Redemption Amount equals the product of the Issue Price and the quotient of (i) the difference between the Cap Level and the Final Fixing Level and (ii) the Initial Fixing Level;
- and the Final Fixing Level is equal to or above the Strike Level, the Redemption Amount equals the Issue Price multiplied by the Bonus Level.

(ii) If a Barrier Event has occurred, the Redemption Amount equals the product of the Issue Price and the quotient of (i) the difference between the Cap Level and the Final Fixing Level and (ii) the Initial Fixing Level.

A Barrier Event occurs if a Price of the Underlying specified in the applicable Final Terms is above or, as the case may be, reaches the Barrier.

The investors do not have any claim to or arising out of the Underlying (e.g. voting rights, dividends).

Product No. 26. Explanation of mechanism of Capped Inverse Bonus Certificates with Cash Settlement

In the case of these Products, investors receive a cash payment on the Redemption Date the amount of which depends on the performance of the Underlying. A particular feature is that the participation of the Holders is **inverse** to the performance of the Underlying. The Redemption Amount is calculated as follows:

(i) If no Barrier Event has occurred the Redemption Amount equals the Initial Fixing Level multiplied by the Bonus Level.

(ii) If a Barrier Event has occurred

- and the Final Fixing Level is equal to or above the Strike Level, the Redemption Amount equals the product of the Initial Fixing Level and the quotient of (i) the difference between the Cap Level and the Final Fixing Level and (ii) the Initial Fixing Level;
- and the Final Fixing Level is equal to or above the Strike Level, the Redemption Amount equals the Initial Fixing Level multiplied by the Bonus Level.

The respective Final Terms may also provide that the Redemption Amount is equal to the product of the Initial Fixing Level and the quotient of (i) the difference between the Cap Level and the Final Fixing Level and (ii) the Initial Fixing Level in any case that a Barrier Event has occurred.

A Barrier Event occurs if a Price of the Underlying specified in the applicable Final Terms is above or, as the case may be, reaches the Barrier.

The investors do not have any claim to or arising out of the Underlying (e.g. voting rights, dividends).

Product No. 27. Explanation of mechanism of Mini Future Certificates with Cash Settlement

Holders of Mini Future Certificates with Cash Settlement expect the market price of the Underlying to rise.

The Products have a fixed term. Subject to the occurrence of a Stop-Loss Event, investors receive a cash payment on the Redemption Date the amount of which depends on the performance of the Underlying. The Redemption Amount equals the Product of (i) the Conversion Ratio and (ii) the difference between the Final Fixing Level and the Strike Level.

A Stop-Loss Event occurs if the Underlying is equal to or below the Stop-Loss Level. In the event that a Stop-Loss Event has occurred, the term of the Products shall end automatically on the day of the occurrence of the Stop-Loss Event without the need for a separate termination of the Products by the Issuer. In this case the Redemption Amount to be paid by the Issuer equals the product of (i) the Conversion Ratio and (ii) the difference between the Stop-Loss Price and the Strike Level, whereby the Redemption Amount is at least zero. The investor can suffer a total loss of the invested capital if the Stop-Loss Price is equal to or below the Strike Level.

The leverage effect is one of the main characteristics of Turbo Warrants. Security Holders will participate disproportionately (with leverage) in the performance of the Underlying. Accordingly, a Security Holder may earn significant profits or incur significant losses.

3. Collateralisation (COSI)

Collateralization of the Product

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange AG «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange AG in the form of a regular right of lien under Swiss law. The collateral is booked to a SIX Swiss Exchange AG account with SIX SIS AG. Holders do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day in Zurich (the "**Banking Day**"). The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange AG on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange AG a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

Documentation

The collateralization in favour of SIX Swiss Exchange AG is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange AG, SIX SIS AG, the issuer and the Collateral Provider dated 10 September 2010, in the case of products issued by Leonteq Securities AG, or dated 5 October 2012 in the case of Products issued by Leonteq Securities AG, Guernsey Branch («Framework Agreement»). The investor is not party to the Framework Agreement. The issuer shall, upon request, provide the Framework Agreement to investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG, Brandschenkestrasse 90, 8002 Zurich, Switzerland, via telephone +41 (0)58 800 1000, fax +41 (0)58 800 1010. The core elements of collateralization of the COSI Product are summarised in a SIX Swiss Exchange AG information sheet, which is available at «www.six-swiss-exchange.com» (under “Issuer” – “Services”, “COSI”).

Collateralization method

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon

application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange AG. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange AG. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange AG. The Current Value of Product shall be determined according to either Method A: Fair Value Method or Method B: Bond Floor Method of these Special Conditions of SIX Swiss Exchange AG, as specified in the relevant Final Terms.

Distribution and market making

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

Liquidation of collateral

If the Collateral Provider fails to fulfil its obligations, the collateral will be liquidated by SIX Swiss Exchange AG or a liquidator under the terms of the applicable legal regulations. The collateral may be liquidated («Liquidation Events») if (i) the Collateral Provider fails to furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS AG ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted

upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

Determination of a Liquidation Event

SIX Swiss Exchange AG is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange AG determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

Procedure in case of a Liquidation Event

If a Liquidation Event occurs, SIX Swiss Exchange AG is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange AG website (www.six-swiss-exchange.com under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange AG and the issuer

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange AG shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange AG website (www.six-swiss-exchange.com under the section „News“). Investors' claims against SIX Swiss Exchange AG for the payment of their pro-rata share of the net liquidation proceeds arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange AG are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange AG, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange AG and SIX SIS AG, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange AG will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. Investors' claims against the issuer will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange AG shall make public the applicable Current Values of the COSI Products.

Costs of liquidation and payout for the benefit of the investors

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange AG shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange AG shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange AG will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS AG participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SISAG. If the issuer which, according to the Framework Agreement, is affected by the maturity of its COSI Products, is a SIX SIS AG participant, then SIX Swiss Exchange AG and SIX SIS AG shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange AG may transfer the pro-rata share of net liquidation proceeds for these investors to one or more other SIX SIS AG participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange AG is released from all further obligations. SIX Swiss Exchange AG may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS AG participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange AG is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Cur-

rent Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange AG shall, with binding effect for the parties to the Framework Agreement and the investors, convert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS AG on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange AG to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange AG shall make public these values of the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange AG, SIX SIS AG or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

Secondary Listing

Apart from the primary listing of the COSI Products on SIX Swiss Exchange AG the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange AG is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

Liability

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange AG shall only be lia-

ble for third parties, which are mandated with the valuation of COSI Products, in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS AG participants to the extent these participants hold the COSI Products in accounts at SIX SIS AG, SIX Swiss Exchange AG and SIX SIS AG are liable only for the careful instruction of these SIX SIS AG participants. If the payment is made via third parties or via SIX SIS AG participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS AG, then SIX Swiss Exchange AG and SIX SIS AG are liable only for the careful selection and instruction.

No authorisation

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

V. TERMS AND CONDITIONS

The Terms and Conditions consist of the following parts (referred to together as the "**Terms and Conditions**"):

- (a) the Issue Specific Conditions as set out under V.1 (the "**Issue Specific Conditions**"), which comprise
 - (i) Part A. Product Specific Conditions; and
 - (ii) Part B. Underlying Specific Conditions; together with
- (b) the General Conditions as set out under V.2 a) and b) (the "**General Conditions**").

*The respective Final Terms will (A) (i) replicate the applicable optional Issue Specific Conditions and (ii) contain new issue specific information in connection with these applicable Issue Specific Conditions (the "**Replication Conditions**") or (B) (i) specify and complete the relevant Product Specific Conditions and Underlying Specific Conditions and (ii) contain new issue specific information (the "**Reference Conditions**"). New information shall be included in the Final Terms solely in compliance with the requirements for Category B and Category C information items in Annex XX of the Prospectus Regulation. With respect to each individual series of Products, the Issue Specific Conditions, (A) in the form in which they are replicated in the Final Terms (in the case of Replication Conditions) and/or (B) in the form in which they are specified and completed (in the case of Reference Conditions), and the General Conditions shall contain the Terms and Conditions applicable to the respective series of Products (the "**Conditions**"). The Issue Specific Conditions, in the form in which they are (A) replicated in the Final Terms (in the case of Replication Conditions) or (B) specified and completed in the Final Terms (in the case of Reference Conditions), must be read together with the General Conditions.*

1. Issue Specific Conditions

Part A. Product Specific Conditions

[in the case of Bonus Certificates with Cash Settlement (Product No. 1), insert:

§ 1

Form and Issue Size; Definitions; Term of the Products

(1) Currency; Issue Size

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "**Issuer**") issues products without par value (each a "**Certificate**" or a "**Product**" and together the "**Certificates**" or the "**Products**"). The number (the "**Number of Products**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.

(2) Form

[insert in the case of Swiss Uncertificated Securities:

(a) Uncertificated Securities, Holders

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

"**Holder**" means the person holding the Products in a securities account in its own name and for its

own account.

(b) Custody Agent

"**Custody Agent**" is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

[insert in the case of Swiss Bearer Securities:

(a) Bearer Securities

The Products are issued in bearer form ("**Bearer Securities**").

(b) Permanent Global Note, Holder

[insert in the case of Swiss CBF Bearer Securities:

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of Swiss SIX SIS Bearer Securities:

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the

Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.]

[insert in the case of German Bearer Securities:

(a) Bearer Securities

The Products are issued in bearer form.

[insert in the case of German CBF Bearer Securities:

(b) Permanent Global Note, Holder

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be

transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of German SIX SIS Bearer Securities:

(a) Permanent Global Note, Holder

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security

Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

(b) Clearing System

"Clearing System" in each case is the clearing system as specified in Table 1 in the Annex.

(3) Term of the Products

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer [*insert in the case COSI is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific conditions*].

§ 2

Status of the Products

[insert in the case COSI is not applicable:

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.]

[insert in the case COSI is applicable:

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

§ 3

Definitions

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

[insert in the case of a share as Underlying or Basket Component: "Share Issuer" means the company that has issued the [Underlying][Basket Component].]

["**Initial Fixing Level**" means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the arithmetic mean of the Reference Prices of the Underlying during the Initial Fixing Period.] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.]

["**Initial Fixing Period**" means the initial fixings period as specified in **Table 1** in the Annex.]

["**Initial Basket Value**" means the initial basket value as specified in **Table 1** in the Annex.]

["**Number of Basket Component_(i)**" [means the relevant Number of Basket Component_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level_(i) [and the [EUR][●]/Reference Currency_(i) exchange rate] and takes into account the Initial Weighting_(i) of the respective Basket Component_(i), corresponding to the weighted share of the respective Basket Component_(i) in the Initial Basket Value on the Initial Fixing Date.] [means the weighted share of the respective Basket Component_(i) in the Initial Basket Value as determined by the Issuer and/or Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level_(i), and taking into account the Initial Weighting_(i) of the respective Basket Component_(i). The relevant Number of Basket Component_(i) corresponds to the [Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting_(i) (dividend) and the Initial Fixing Level_(i) (converted into the Settlement Currency, if applicable) (divisor): Number of Basket Component_(i)= [Denomination][Initial Basket Value] * Initial Weighting_(i) / Initial Fixing Level_(i).] [Initial Weighting means the Initial Weighting_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex.]

["**Business Day**" means

[insert in the case of Products with Swiss Francs as Settlement Currency: [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]

[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency: [(in the case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in [insert principal financial centre for such currency: ●].]

[insert in the case of Products with Euro as Settlement Currency: [(in the case of Products with Euro as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks

and foreign exchange markets settle payments in Zurich.]

[insert in the case of Products with US Dollar as Settlement Currency: [(in the case of Products with US Dollar as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in New York and Zurich.]

[insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [insert currency: •]] [in the Business Centre[s]] [if no currency is indicated, insert: in each of the Business Centres].]

"Issue Price" means the issue price as specified in **Table 1** in the Annex.]

"Issue Surcharge" means the issue surcharge as specified in **Table 1** in the Annex.]

"Issue Date" means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

"Conversion Ratio" means [the conversion ratio as specified in **Table 1** in the Annex.][the conversion ratio in respect of the relevant Basket Component as specified in **Table 2** in the Annex.] [If the Issuer has received ordinary dividend payments between the Initial Fixing Date (exclusive) and the Final Fixing Date [(exclusive)] [(inclusive)] in respect of the Underlying, the applicable net dividend (i.e. the dividend amount minus taxes) is reinvested, whereby the Conversion Ratio is adjusted • Business Days after the receipt of the dividend payment by the Issuer.]]

"Barrier Observation Period" means the barrier observation period as specified in **Table 1** in the Annex.]

"Barrier Event" has occurred if [the Final Fixing Level is [equal to or] below the Barrier Level] [the [Price][Reference Price] is [equal to or] below the Barrier Level at any time during the Barrier Observation Period] *[insert in the case of a Basket as Underlying if appropriate: [the Final Basket Value equals or falls below the Barrier Level as determined by the Calculation Agent] [the [Price][Reference Price] of the Basket is equal to or below the Barrier Level during the Observation Period, as determined by the Calculation Agent] [the [Price][Reference Price] of a Basket Component is [equal to or] below the Barrier Level for this Basket Component as specified in **Table [1][2]** in the Annex at any time during the Barrier Observation Period], as determined by the Calculation Agent.]]]*

"Barrier Level" means the barrier level as specified in **Table 1** in the Annex [with respect to the relevant Basket Component].]

"Underlying" means[, subject to a replacement in accordance with these Conditions,] the [Underlying] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"]["**Share**"]["**Participation Certificate (Genussschein)**"]["**Security representing Shares**"]["**Commodity**"]["**Currency Exchange Rate**"] ["**Futures Contract**"]["**Fixed Rate Instrument**"]["**Derivative Instrument**"]["**Fund Unit**"]) *[insert in the case of a share as Underlying or Basket Component:, as issued by the Share Issuer].]*

["**Underlying Valuation Date**" means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

["**Basket**" means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

["**Basket Component**" means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.]

["**Calculation Agent**" means the calculation agent as specified in **Table 1** in the Annex.]

*[insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket Component: "Exchange" means[, in respect of the Share] the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]*

["**Bonus Level**" means the bonus level as specified in **Table 1** in the Annex.]

["**Fiscal Agent**" means the fiscal agent as specified in **Table 1** in the Annex.]

["**Final Fixing Period**" means the period from (and including) the fifth (5th) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

["**Final Fixing Level**" means [the Reference Price [of the respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.]]

["**Final Basket Value**" means the sum of the Final Levels of all Basket Components.]

["**Final Level of a Basket Component**" means the Final Fixing Level of the Basket Component multiplied by the Number of Basket Component. Accordingly, the Final Level of a Basket Component will be calculated as follows:

$$\text{Final Level of a Basket Component} = W_{(i)} * Ff_{(i)}$$

whereby

" $W_{(i)}$ " means Number of Basket Component and

" $Ff_{(i)}$ " means the Final Fixing Level of the Basket Component.]

["**Initial Fixing Date**" means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General

Conditions]. [*insert in the case of Products with subscription period: In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.*]

["**Business Centre**" means the business centre as specified in **Table 1** in the Annex.]

[*insert in the case of an index as Underlying or Basket Component: "Index Sponsor"* means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].]

["**Initial Weighting_(i)**" means [the Initial Weighting_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Price**" [means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [relevant Reuters] [relevant Bloomberg] page [●] [*insert Internet site: ●*] [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Relevant Performance**" [of the relevant Basket Component] means [the quotient of the End Level (dividend) and the Initial Fixing Level (divisor)].]

["**Relevant Reference Price**" [of a Basket Component means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate [of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate sponsor on the designated Exchange Rate Page] [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page of another screen service] [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any replacement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service] [*insert other method for determining Relevant Exchange Rate: ●*]. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Reference Price**" means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of the Underlying] [of a Basket Component] [in [*insert currency: ●*]] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg] [●] [*insert Internet site: ●*] [or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Reference Currency**" means the Reference Currency as specified in **Table 2** in the Annex [in re-

spect of the relevant Basket Component].]

["**Redemption Date**" means, subject to an extraordinary termination [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one or more Basket Components].] [the fifth (5th) Business Day following the Final Fixing Date]]

["**Worst Performance**" means [the worst performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]]

["**TARGET2 System**" means the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET2) payment system which utilises a single shared platform and which was launched on 19 November 2007, or any successor thereto.]

["**Final Fixing Date**" means [the final fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]].] [In the event of the postponement of the Underlying Valuation Date corresponding to the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

["**Scheduled Trading Day**" has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Website**" means the Website as specified in **Table 1** in the Annex.]

["**Exchange Rate Page**" means the exchange rate page as specified in **Table 2** in the Annex.]

["**Exchange Rate Sponsor**" means the exchange rate sponsor as specified in **Table 2** in the Annex.]

["**Paying Agent**" means the paying agent as specified in **Table 1** in the Annex.]

§ 4

Redemption

[insert if COSI is applicable:

(1) Redemption Amount

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to a Minimum Redemption pursuant to paragraph (2) or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions the [Final Fixing Level multiplied by the Conversion Ratio][Issue Price multiplied by the Performance of the Underlying] [Issue Price multiplied by the quotient of the Final Basket Value (dividend) [on the Final Fixing Date] and the Initial Basket Value (divisor)].[The "**Performance of the Underlying**" equals the quotient of the Final Fixing Level (dividend) and the Initial Fixing Level (divisor).]

The Redemption Amount will be *[insert if Currency Conversion is applicable:* converted into the Set-

tlement Currency in accordance with paragraph (3), as the case may be, and] commercially rounded to two (2) decimal places.

(2) Minimum Redemption

Provided that [(i)] no Barrier Event has occurred [and (ii) the Final Basket Value is equal to or below the Initial Basket Value multiplied by the Bonus Level], the Redemption Amount equals at least the Bonus Level multiplied by the [Issue Price][Conversion Ratio] (the "**Minimum Redemption Amount**"). The Minimum Redemption Amount will be [*insert if Currency Conversion is applicable:* converted into the Settlement Currency in accordance with paragraph (3) and] commercially rounded to two (2) decimal places.

[*insert if Currency Conversion is applicable:*

(3) Currency exchange

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent [*insert if Quanto is not applicable:* on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.][*insert if Quanto is applicable:* at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("**Quanto**").]

[*insert if COSI is not applicable:*

(1) Redemption Amount

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to a Minimum Redemption pursuant to paragraph (2) the [Final Fixing Level multiplied by the Conversion Ratio][Issue Price multiplied by the Performance of the Underlying] [Issue Price multiplied by the quotient of the Final Basket Value (dividend) [on the Final Fixing Date] and the Initial Basket Value (divisor)].

[The "**Performance of the Underlying**" equals the quotient of the Final Fixing Level (dividend) and the Initial Fixing Level (divisor).]

The Redemption Amount will be [*insert if Currency Conversion is applicable:* converted into the Settlement Currency in accordance with paragraph (3), as the case may be, and] commercially rounded to two (2) decimal places.

(2) Minimum Redemption

Provided that [(i)] no Barrier Event has occurred [and (ii) the Final Basket Value is equal to or below the Initial Basket Value multiplied by the Bonus Level], the Redemption Amount equals at least the Bonus Level multiplied by the [Issue Price] [Conversion Ratio] (the "**Minimum Redemption Amount**").

The Minimum Redemption Amount will be [*insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (3) and*] commercially rounded to two (2) decimal places.

[insert if Currency Conversion is applicable:

(3) Currency exchange

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent [*insert if Quanto is not applicable: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.*][*insert if Quanto is applicable: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("Quanto").*]

§ 5**Interest, Coupon Payments**

The Products bear no interest.

§ 6**(intentionally left blank)****§ 7****(intentionally left blank)****§ 8****Payments****(1) *Payments***

The Issuer shall cause the claimed Redemption Amount, if any, to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Redemption Date.

If the Redemption Date falls on a day which is not a Business Day and is deferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

(2) *Declaration on Regulation S*

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

(3) *Taxes, Fees and Duties*

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

§ 9**(intentionally left blank)**

[insert in the case COSI is applicable:]

§ 10**Collateral Secured Instruments (COSI)****(1) *Collateralization of the Product***

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

(2) Documentation

The collateralization in favour of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, the issuer and the Collateral Provider dated 10 September 2010, in the case of Products issued by Leonteq Securities AG, or dated 5 October 2012, in the case of Products issued by Leonteq Securities AG, Guernsey Branch («Framework Agreement»). The issuer shall, upon request, provide the Framework Agreement to investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG, Brandschenkestrasse 90, 8002 Zurich, Switzerland, via telephone +41 (0)58 800 1000, fax +41 (0)58 800 1010. The core elements of collateralization of the COSI Product are summarised in a SIX Swiss Exchange information sheet, which is available at «www.six-swiss-exchange.com» (under the section „Issuers“ – „Services“, „COSI“).

(3) Collateralization method

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to

[Method A: Fair Value Method] [Method B: Bond Floor Method] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

(4) *Distribution and market making*

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

(5) *Risks*

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

(6) *Liquidation of collateral*

If the Collateral Provider fails to fulfil its obligations, the collateral will be liquidated by SIX Swiss Exchange or a liquidator under the terms of the applicable legal regulations. The collateral may be liquidated («Liquidation Events») if (i) the Collateral Provider fails to furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing

conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

(7) Determination of a Liquidation Event

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

(8) Procedure in case of a Liquidation Event

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website (www.six-swiss-exchange.com under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

(9) Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website (www.six-swiss-exchange.com under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

(10) *Costs of liquidation and payout for the benefit of the investors*

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, con-

vert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

(11) *Secondary Listing*

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

(12) *Liability*

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

(13) No authorisation

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

(14) Congruence with the Conditions

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

| Term used in this | Corresponding definition in these Conditions |
|--|---|
| § 10 "Collateral Secured Instruments (COSI)" | |
| investor | Holder |
| issuer | Issuer |
| issuing conditions | Terms and Conditions, Conditions |
| maturity | Redemption, Redemption Date, Final Fixing Date] |

[insert in the case COSI is not applicable:

**§ 10
(intentionally left blank)]]**

[in the case of Bonus Certificates with potential Physical Settlement (Product No. 2), insert:

§ 1

Form and Issue Size; Definitions; Term of the Products

(1) *Currency; Issue Size*

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "**Issuer**") issues products without par value (each a "**Certificate**" or a "**Product**" and together the "**Certificates**" or the "**Products**"). The number (the "**Number of Products**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.

(2) *Form*

[insert in the case of Swiss Uncertificated Securities:

(a) **Uncertificated Securities, Holders**

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their

own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.

(b) Custody Agent

"**Custody Agent**" is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

[insert in the case of Swiss Bearer Securities:

(a) Bearer Securities

The Products are issued in bearer form ("**Bearer Securities**").

(b) Permanent Global Note, Holder

[insert in the case of Swiss CBF Bearer Securities:

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of Swiss SIX SIS Bearer Securities:

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.]

[insert in the case of German Bearer Securities:

(a) Bearer Securities

The Products are issued in bearer form.

[insert in the case of German CBF Bearer Securities:]

(b) Permanent Global Note, Holder

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of German SIX SIS Bearer Securities:]

(a) Permanent Global Note, Holder

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

(b) Clearing System

"**Clearing System**" in each case is the clearing system as specified in Table 1 in the Annex.

(3) Term of the Products

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer [*insert in the case COSI is applicable*: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific conditions].

§ 2

Status of the Products

[*insert in the case COSI is not applicable*:

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.]

[*insert in the case COSI is applicable*:

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

§ 3

Definitions

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

[*insert in the case of a share as Underlying or Basket Component: "Share Issuer" means the company that has issued the [Underlying][Basket Component].*]

["**Initial Fixing Level**" means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.]

["**Initial Fixing Period**" means the initial fixings period as specified in **Table 1** in the Annex.]

["**Initial Basket Value**" means the initial basket value as specified in **Table 1** in the Annex.]

["**Number of Basket Component_(i)**" [means the relevant Number of Basket Component_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level_(i) [and the [EUR][●]/Reference Currency_(i) exchange rate] and takes into account the Initial Weighting_(i) of the respective Basket Component_(i), corresponding to the weighted share of the respective Basket Component_(i) in the Initial Basket Value on the Initial Fixing Date.] [means the weighted share of the respective Basket Component_(i) in the Initial Basket Value as determined by the Issuer and/or Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level_(i), and taking into account the Initial Weighting_(i) of the respective Basket Component_(i). The relevant Number of Basket Component_(i) corresponds to the [Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting_(i) (converted into the Settlement Currency, if applicable) (dividend) and the Initial Fixing Level_(i) (divisor): $\text{Number of Basket Component}_{(i)} = [\text{Denomination}][\text{Initial Basket Value}] * \text{Initial Weighting}_{(i)} / \text{Initial Fixing Level}_{(i)}$.] [Initial Weighting means the Initial Weighting_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex.]

["Business Day" means

[insert in the case of Products with Swiss Francs as Settlement Currency: [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]

[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency: [(in the case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in [insert principal financial centre for such currency: ●].]

[insert in the case of Products with Euro as Settlement Currency: [(in the case of Products with Euro as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.]

[insert in the case of Products with US Dollar as Settlement Currency: [(in the case of Products with US Dollar as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in New York and Zurich.]

[insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [insert currency: ●]] [in the Business Centre[s]] [if no currency is indicated, insert: in each of the Business Centres].]

["Issue Price" means the issue price as specified in **Table 1** in the Annex.]

["Issue Date" means [the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

["Issue Surcharge" means the issue surcharge as specified in **Table 1** in the Annex.]

["Conversion Ratio" means [the conversion ratio as specified in **Table 1** in the Annex.][the conversion ratio in respect of the relevant Basket Component as specified in **Table 2** in the Annex.] [If the Issuer has received ordinary dividend payments between the Initial Fixing Date (exclusive) and the Final Fixing Date [(exclusive)] [(inclusive)] in respect of the Underlying, the applicable net dividend (i.e. the dividend amount minus taxes) is reinvested, whereby the Conversion Ratio is adjusted ● Business Days after the receipt of the dividend payment by the Issuer.]

["Barrier Observation Period" means the barrier observation period as specified in **Table 1**.]

["Barrier Event" has occurred if [the Final Fixing Level is [equal to or] below the Barrier Level] [the [Price][Reference Price] is [equal to or] below the Barrier Level at any time during the Barrier Observation Period] *[insert in the case of a Basket as Underlying if appropriate: [the Final Basket Value equals or falls below the Barrier Level as determined by the Calculation Agent] [the [Price][Reference Price] of the Basket is equal to or below the Barrier Level during the Observation Period, as determined by the Calculation Agent] [the [Price][Reference Price] of a Basket Component*

is [equal to or] below the Barrier Level for this Basket Component as specified in **Table 1** in the Annex at any time during the Barrier Observation Period], as determined by the Calculation Agent.]]

["**Barrier Level**" means the barrier level as specified in **Table 1** in the Annex [with respect to the relevant Basket Component].]

["**Underlying**" means[, subject to a replacement in accordance with these Conditions,] the [Underlying] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"] ["**Share**"] ["**Participation Certificate (Genussschein)**"] ["**Security representing Shares**"] ["**Commodity**"] ["**Currency Exchange Rate**"] ["**Futures Contract**"] ["**Fixed Rate Instrument**"] ["**Derivative Instrument**"] ["**Fund Unit**"]) [*insert in the case of a share as Underlying or Basket Component*], as issued by the Share Issuer].]

["**Underlying Valuation Date**" means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

["**Basket**" means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

["**Basket Component**" means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.]

["**Calculation Agent**" means the calculation agent as specified in **Table 1** in the Annex.]

[*insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket Component*: "**Exchange**" means[, in respect of the Share] the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]

["**Bonus Level**" means the bonus level as specified in **Table 1** in the Annex.]

["**Fiscal Agent**" means the fiscal agent as specified in **Table 1** in the Annex.]

["**Final Fixing Period**" means the period from (and including) the fifth (5th) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

["**Final Fixing Level**" means [the Reference Price [of the respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.]]

["**Initial Fixing Date**" means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General

Conditions]. [*insert in the case of Products with subscription period: In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.*]

["**Business Centre**" means the business centre as specified in **Table 1** in the Annex.]

[*insert in the case of an index as Underlying or Basket Component: "Index Sponsor"* means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].]

["**Initial Weighting_(i)**" means [the Initial Weighting_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Price**" [means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [relevant Reuters] [relevant Bloomberg] page [●] [*insert Internet site: ●*] [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Relevant Performance**" [of the relevant Basket Component] means [the quotient of the End Level (dividend) and the Initial Fixing Level (divisor)].]

["**Relevant Reference Price**" [of a Basket Component means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate [of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate sponsor on the designated Exchange Rate Page] [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page of another screen service] [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any replacement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service] [*insert other method for determining Relevant Exchange Rate: ●*]. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Reference Price**" means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of the Underlying] [of a Basket Component] [in [*insert currency: ●*]] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg] [●] [*insert Internet site: ●*] [or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Reference Currency**" means the Reference Currency as specified in **Table 2** in the Annex [in re-

spect of the relevant Basket Component].]

["**Redemption Date**" means, subject to an extraordinary termination [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one or more Basket Components].] [the fifth (5th) Business Day following the Final Fixing Date]]

["**Worst Performance**" means [the worst performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]]

["**TARGET2 System**" means the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET2) payment system which utilises a single shared platform and which was launched on 19 November 2007, or any successor thereto.]

["**Final Fixing Date**" means [the final fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]].] [In the event of the postponement of the Underlying Valuation Date corresponding to the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

["**Scheduled Trading Day**" has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Website**" means the Website as specified in **Table 1** in the Annex.]

["**Exchange Rate Page**" means the exchange rate page as specified in **Table 2** in the Annex.]

["**Exchange Rate Sponsor**" means the exchange rate sponsor as specified in **Table 2** in the Annex.]

["**Paying Agent**" means the paying agent as specified in **Table 1** in the Annex.]

§ 4

Redemption

[insert if COSI is applicable:]

(1) Redemption Amount

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to a physical delivery of the Underlying and subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions, the Minimum Redemption Amount pursuant to paragraph (2).

(2) Minimum Redemption

Provided that no Barrier Event has occurred and the Final Fixing Level of the Underlying is equal to or below the Initial Fixing Price multiplied by the Bonus Level, the Redemption Amount equals the Bonus Level multiplied by the Issue Price (the "**Minimum Redemption Amount**").

The Minimum Redemption Amount will be *[insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (4) and]* commercially rounded to two (2) decimal places.

(3) Physical Delivery

Provided that (i) a Barrier Event has occurred or (ii) no Barrier Event has occurred and the Final Fixing Level of the Underlying is above the Initial Fixing Level multiplied by the Bonus Level, the Issuer will redeem the Products by way of delivery of a number of the Underlying expressed by the Conversion Ratio, with fractions of the Underlying not being delivered but redeemed by way of payment of a cash payment amount for fractions (the "**Cash Payment Amount for Fractions**"). Should the delivery of the Underlying, for whatever reason, be economically or actually impeded or not possible, then the Issuer shall have the right to pay a compensation amount (the "**Compensation Amount**") in lieu of delivery of the Underlying. For the calculation of the Cash Payment Amount for Fractions or the Compensation Amount the Final Fixing Level, which considering the Conversion Ratio is either related to the fraction of the Underlying in the case of the Cash Payment Amount for Fractions or to the number of the Underlying in the case of the Compensation Amount. If the Holder holds several Products, there shall be no aggregation of the Cash Payment Amounts for Fractions in such a way that the number of the Underlyings to be settled would increase. The Cash Payment Amount for Fractions or the Compensation Amount, as the case may be, shall be commercially rounded to two (2) decimal places.

[insert if Currency Conversion is applicable:

(4) Currency exchange

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent *[insert if Quanto is not applicable: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.]**[insert if Quanto is applicable: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("**Quanto**").]*

[insert if COSI is not applicable:

(1) Redemption Amount

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to a physical de-

livery of the Underlying, the Minimum Redemption Amount pursuant to paragraph (2).

(2) Minimum Redemption

Provided that no Barrier Event has occurred and the Final Fixing Level of the Underlying is equal to or below the Initial Fixing Price multiplied by the Bonus Level, the Redemption Amount equals the Bonus Level multiplied by the Issue Price (the "**Minimum Redemption Amount**").

The Minimum Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (4) and] commercially rounded to two (2) decimal places.

(3) Physical Delivery

Provided that (i) a Barrier Event has occurred or (ii) no Barrier Event has occurred and the Final Fixing Level of the Underlying is above the Initial Fixing Level multiplied by the Bonus Level, the Issuer will redeem the Products by way of delivery of a number of the Underlying expressed by the Conversion Ratio, with fractions of the Underlying not being delivered but redeemed by way of payment of a cash payment amount for fractions (the "**Cash Payment Amount for Fractions**"). Should the delivery of the Underlying, for whatever reason, be economically or actually impeded or not possible, then the Issuer shall have the right to pay a compensation amount (the "**Compensation Amount**") in lieu of delivery of the Underlying. For the calculation of the Cash Payment Amount for Fractions or the Compensation Amount the Final Fixing Level, which considering the Conversion Ratio is either related to the fraction of the Underlying in the case of the Cash Payment Amount for Fractions or to the number of the Underlying in the case of the Compensation Amount. If the Holder holds several Products, there shall be no aggregation of the Cash Payment Amounts for Fractions in such a way that the number of the Underlyings to be settled would increase. The Cash Payment Amount for Fractions or the Compensation Amount, as the case may be, shall be commercially rounded to two (2) decimal places.

[*insert if Currency Conversion is applicable*:

(1) Currency exchange

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent [*insert if Quanto is not applicable*: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.][*insert*

if Quanto is applicable: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("**Quanto**").]]

§ 5

Interest, Coupon Payments

The Products bear no interest.

§ 6

(intentionally left blank)

§ 7

(intentionally left blank)

§ 8

Payments, Physical Delivery

(1) *Payments*

The Issuer shall cause the claimed Redemption Amount, if any, or the delivery of the Underlying or any other amount to be paid pursuant to § 4 of the Issue Specific Conditions to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Redemption Date.

If the Redemption Date falls on a day which is not a Business Day and is deferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

(2) *Declaration on Regulation S*

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

(3) *Taxes, Fees and Duties*

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

§ 9

(intentionally left blank)

[insert in the case COSI is applicable:

§ 10

Collateral Secured Instruments (COSI)

(1) Collateralization of the Product

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

(2) Documentation

The collateralization in favour of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, the issuer and the Collateral Provider dated 10 September 2010, in the case of Products issued by Leonteq Securities AG, or dated 5 October 2012, in the case of Products issued by Leonteq Securities AG, Guernsey Branch («Framework Agreement»). The issuer shall, upon request, provide the Framework Agreement to investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG, Brandschenkestrasse 90, 8002 Zurich, Switzerland, via telephone +41 (0)58 800 1000, fax +41 (0)58 800 1010. The core elements of collateralization of the COSI Product are summarised in a SIX Swiss Exchange information sheet, which is available at «www.six-swiss-exchange.com» (under the section „Issuers“ – „Services“, „COSI“).

(3) Collateralization method

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a

COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to [Method A: Fair Value Method] [Method B: Bond Floor Method] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

(4) *Distribution and market making*

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

(5) *Risks*

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

(6) *Liquidation of collateral*

If the Collateral Provider fails to fulfil its obligations, the collateral will be liquidated by SIX Swiss Exchange or a liquidator under the terms of the applicable legal regulations. The collateral may be liquidated («Liquidation Events») if (i) the Collateral Provider fails to furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied with-

in three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

(7) Determination of a Liquidation Event

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

(8) Procedure in case of a Liquidation Event

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website (www.six-swiss-exchange.com under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

(9) Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website (www.six-swiss-exchange.com under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Ex-

change are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

(10) *Costs of liquidation and payout for the benefit of the investors*

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, convert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

(11) *Secondary Listing*

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

(12) *Liability*

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross neg-

ligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

(13) No authorisation

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

(14) Congruence with the Conditions

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

| Term used in this | Corresponding definition in these Conditions |
|--|--|
| § 10 "Collateral Secured Instruments (COSI)" | |
| investor | Holder |
| issuer | Issuer |
| issuing conditions | Terms and Conditions, Conditions |
| maturity | Redemption, Redemption Date, Final Fixing Date |

[insert in the case COSI is not applicable:

**§ 10
(intentionally left blank)]]**

[in the case of Capped Bonus Certificates with Cash Settlement and with par value (Product No. 3), insert:

§ 1

Form and Issue Size; Definitions; Term of the Products

(1) *Currency; Issue Size*

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "**Issuer**") issues products (each a "**Certificate**" or a "**Product**" and together the "**Certificates**" or the "**Products**"). The total nominal amount (the "**Total Nominal Amount**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.

(2) *Form*

[insert in the case of Swiss Uncertificated Securities:

(a) **Uncertificated Securities, Holders**

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent

(*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.

(b) Custody Agent

"**Custody Agent**" is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

[insert in the case of Swiss Bearer Securities:

(a) Bearer Securities

The Products are issued in bearer form ("**Bearer Securities**").

(b) Permanent Global Note, Holder

[insert in the case of Swiss CBF Bearer Securities:

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of Swiss SIX SIS Bearer Securities:

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.]

[insert in the case of German Bearer Securities:

(a) Bearer Securities

The Products are issued in bearer form.

[insert in the case of German CBF Bearer Securities:]

(b) Permanent Global Note, Holder

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of German SIX SIS Bearer Securities:]

(b) Permanent Global Note, Holder

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

(c) Clearing System

"Clearing System" in each case is the clearing system as specified in Table 1 in the Annex.

(3) *Term of the Products*

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer [*insert in the case COSI is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific conditions*].

§ 2

Status of the Products

[*insert in the case COSI is not applicable:*

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.]

[insert in the case COSI is applicable:

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

§ 3

Definitions

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

[insert in the case of a share as Underlying or Basket Component: "Share Issuer" means the company that has issued the [Underlying][Basket Component].]

"Initial Fixing Level" means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.]

"Initial Fixing Period" means the initial fixings period as specified in **Table 1** in the Annex.]

"Initial Basket Value" means the initial basket value as specified in **Table 1** in the Annex.]

"Number of Basket Component_(i)" [means the relevant Number of Basket Component_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level_(i) [and the [EUR][●]/Reference Currency_(i) exchange rate] and takes into account the Initial Weighting_(i) of the respective Basket Component_(i), corresponding to the weighted share of the respective Basket Component_(i) in the Initial Basket Value on the Initial Fixing Date.] [means the weighted share of the respective Basket Component_(i) in the Initial Basket Value as determined by the Issuer and/or Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level_(i), and taking into account the Initial Weighting_(i) of the respective Basket Component_(i). The relevant Number of Basket Component_(i) corresponds to the [Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting_(i) (converted into the Settlement Currency, if applicable) (dividend) and the Initial Fixing Level_(i) (divisor): $\text{Number of Basket Component}_{(i)} = \frac{[\text{Denomination}][\text{Initial Basket Value}] * \text{Initial Weighting}_{(i)}}{\text{Initial Fixing Level}_{(i)}}$] [Initial Weighting means the Initial Weighting_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex.]

["Business Day" means

[insert in the case of Products with Swiss Francs as Settlement Currency: [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]

[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency: [(in the case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in [insert principal financial centre for such currency: ●].]

[insert in the case of Products with Euro as Settlement Currency: [(in the case of Products with Euro as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.]

[insert in the case of Products with US Dollar as Settlement Currency: [(in the case of Products with US Dollar as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in New York and Zurich.]

[insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [insert currency: ●]] [in the Business Centre[s]] [if no currency is indicated, insert: in each of the Business Centres].]

["**Issue Price**" means the issue price as specified in **Table 1** in the Annex.]

["**Issue Surcharge**" means the issue surcharge as specified in **Table 1** in the Annex.]

["**Issue Date**" means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

["**Barrier Observation Period**" means the barrier observation period as specified in **Table 1**.]

["**Barrier Event**" has occurred if [the Final Fixing Level is [equal to or] below the Barrier Level] [the [Price][Reference Price] is [equal to or] below the Barrier Level at any time during the Barrier Observation Period] *[insert in the case of a Basket as Underlying if appropriate: [the Final Basket Value equals or falls below the Barrier Level as determined by the Calculation Agent] [the [Price][Reference Price] of the Basket is equal to or below the Barrier Level during the Observation Period, as determined by the Calculation Agent] [the [Price][Reference Price] of a Basket Component is [equal to or] below the Barrier Level for this Basket Component as specified in **Table [1][2]** in the Annex at any time during the Barrier Observation Period], as determined by the Calculation Agent.]]]*

["**Barrier Level**" means the barrier level as specified in **Table 1** in the Annex [with respect to the relevant Basket Component].]

["**Underlying**" means[, subject to a replacement in accordance with these Conditions,] the [Underly-

ing] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"]["**Share**"]["**Participation Certificate (Genussschein)**"]["**Security representing Shares**"]["**Commodity**"]["**Currency Exchange Rate**] ["**Futures Contract**"]["**Fixed Rate Instrument**"]["**Derivative Instrument**"]["**Fund Unit**"]) [*insert in the case of a share as Underlying or Basket Component*., as issued by the Share Issuer].]

["**Underlying Valuation Date**" means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

["**Basket**" means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

["**Basket Component**" means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.]

["**Calculation Agent**" means the calculation agent as specified in **Table 1** in the Annex.]

[*insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket Component*: "**Exchange**" means[, in respect of the Share] the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]

["**Bonus Level**" means the bonus level as specified in **Table 1** in the Annex.]

["**Cap Level**" means the Cap Level as specified in **Table 1** in the Annex.]

["**Fiscal Agent**" means the fiscal agent as specified in **Table 1** in the Annex.]

["**Final Fixing Period**" means the period from (and including) the fifth (5th) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

["**Final Fixing Level**" means [the Reference Price [of the respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.]]

["**Final Basket Value**" means the sum of the Final Levels of all Basket Components.]

["**Final Level of a Basket Component**" means the Final Fixing Level of the Basket Component multiplied by the Number of Basket Component. Accordingly, the Final Level of a Basket Component will be calculated as follows:

$$\text{Final Level of a Basket Component} = W_{(i)} * Ff_{(i)}$$

whereby

" $W_{(i)}$ " means Number of Basket Component and

"Ff_(i)" means the Final Fixing Level of the Basket Component.]

["**Initial Fixing Date**" means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General Conditions]. *[insert in the case of Products with subscription period: In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.]*]

["**Business Centre**" means the business centre as specified in **Table 1** in the Annex.]

*[insert in the case of an index as Underlying or Basket Component: "Index Sponsor"**"** means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].]*

["**Initial Weighting_(i)**" means [the Initial Weighting_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Price**" [means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [relevant Reuters] [relevant Bloomberg] page [●] *[insert Internet site: ●]* [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Relevant Performance**" [of the relevant Basket Component] means [the quotient of the End Level (dividend) and the Initial Fixing Level (divisor)].]

["**Relevant Reference Price**" [of a Basket Component means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate [of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate sponsor on the designated Exchange Rate Page] [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page of another screen service] [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any replacement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service] *[insert other method for determining Relevant Exchange Rate: ●]*. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Denomination**" means the denomination as specified in **Table 1** in the Annex (as expressed in the

Settlement Currency).]

["**Reference Price**" means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of the Underlying] [of a Basket Component] [in [*insert currency*: ●]] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg] [●] [*insert Internet site*: ●] [or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Reference Currency**" means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Redemption Date**" means, subject to an extraordinary termination [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one or more Basket Components].] [the fifth (5th) Business Day following the Final Fixing Date]]

["**Worst Performance**" means [the worst performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]]

["**TARGET2 System**" means the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET2) payment system which utilises a single shared platform and which was launched on 19 November 2007, or any successor thereto.]

["**Final Fixing Date**" means [the final fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]].] [In the event of the postponement of the Underlying Valuation Date corresponding to the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

["**Scheduled Trading Day**" has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Website**" means the Website as specified in **Table 1** in the Annex.]

["**Exchange Rate Page**" means the exchange rate page as specified in **Table 2** in the Annex.]

["**Exchange Rate Sponsor**" means the exchange rate sponsor as specified in **Table 2** in the Annex.]

["**Paying Agent**" means the paying agent as specified in **Table 1** in the Annex.]

§ 4
Redemption

[insert if COSI is applicable:

(1) Redemption Amount

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to a Minimum Redemption pursuant to paragraph (2) and a Maximum Redemption pursuant to paragraph (3) or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions the Denomination multiplied by the quotient of the Final Basket Value (dividend) and the Initial Basket Value (divisor).

The Redemption Amount will be *[insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (4), as the case may be, and]* commercially rounded to two (2) decimal places.

(2) Minimum Redemption

Provided that (i) no Barrier Event has occurred and (ii) the Final Basket Value is equal to or below the Initial Basket Value multiplied by the Bonus Level, the Redemption Amount equals at least the Bonus Level multiplied by the Denomination (the "**Minimum Redemption Amount**").

The Minimum Redemption Amount will be *[insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (4) and]* commercially rounded to two (2) decimal places.

(3) Maximum Redemption

The Redemption Amount per Product equals no more than the Denomination multiplied by the Cap Level (the "**Maximum Redemption Amount**").

The Maximum Redemption Amount will be *[insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (4) and]* commercially rounded to two (2) decimal places.

[insert if Currency Conversion is applicable:

(4) Currency exchange

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent *[insert if Quanto is not applicable: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is*

not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.][*insert if Quanto is applicable: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("Quanto").*]]

[insert if COSI is not applicable:

(1) Redemption Amount

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to a Minimum Redemption pursuant to paragraph (2) and a Maximum Redemption pursuant to paragraph (3) the Denomination multiplied by the quotient of the Final Basket Value (dividend) and the Initial Basket Value (divisor).

The Redemption Amount will be *[insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (4), as the case may be, and]* commercially rounded to two (2) decimal places.

(2) Minimum Redemption

Provided that (i) no Barrier Event has occurred and (ii) the Final Basket Value is equal to or below the Initial Basket Value multiplied by the Bonus Level, the Redemption Amount equals at least the Bonus Level multiplied by the Denomination (the "**Minimum Redemption Amount**").

The Minimum Redemption Amount will be *[insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (4) and]* commercially rounded to two (2) decimal places.

(3) Maximum Redemption

The Redemption Amount per Product equals no more than the Denomination multiplied by the Cap Level (the "**Maximum Redemption Amount**").

The Maximum Redemption Amount will be *[insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (4) and]* commercially rounded to two (2) decimal places.

[insert if Currency Conversion is applicable:

(4) Currency exchange

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent *[insert if Quanto is not applicable: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation*

Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion. *[[insert if Quanto is applicable: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("Quanto").]]*

§ 5

Interest, Coupon Payments

The Products bear no interest.

§ 6

(intentionally left blank)

§ 7

(intentionally left blank)

§ 8

Payments

(1) *Payments*

The Issuer shall cause the claimed Redemption Amount, if any, to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Redemption Date.

If the Redemption Date falls on a day which is not a Business Day and is deferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

(2) *Declaration on Regulation S*

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

(3) Taxes, Fees and Duties

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

§ 9**(intentionally left blank)**

[insert in the case COSI is applicable:]

§ 10**Collateral Secured Instruments (COSI)****(1) Collateralization of the Product**

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

(2) Documentation

The collateralization in favour of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, the issuer and the Collateral Provider dated 10 September 2010, in the case of Products issued by Leonteq Securities AG, or dated 5 October 2012, in the case of Products issued by Leonteq Securities AG, Guernsey Branch («Framework Agreement»). The issuer shall, upon request, provide the Framework Agreement to investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG, Brandschenkestrasse 90, 8002 Zurich, Switzerland, via telephone +41 (0)58 800 1000, fax +41 (0)58 800 1010. The core elements of collateralization of the COSI Product are summarised in a SIX Swiss Exchange information sheet, which is available at «www.six-swiss-exchange.com» (under the section „Issuers“ – „Services“, „COSI“).

(3) Collateralization method

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to [Method A: Fair Value Method] [Method B: Bond Floor Method] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

(4) Distribution and market making

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

(5) Risks

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateral-

zation is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

(6) *Liquidation of collateral*

If the Collateral Provider fails to fulfil its obligations, the collateral will be liquidated by SIX Swiss Exchange or a liquidator under the terms of the applicable legal regulations. The collateral may be liquidated («Liquidation Events») if (i) the Collateral Provider fails to furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

(7) *Determination of a Liquidation Event*

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

(8) *Procedure in case of a Liquidation Event*

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website (www.six-swiss-exchange.com under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a

private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

(9) *Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer*

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website (www.six-swiss-exchange.com under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

(10) *Costs of liquidation and payout for the benefit of the investors*

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its

COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, convert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

(11) *Secondary Listing*

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for

a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

(12) *Liability*

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

(13) *No authorisation*

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

(14) *Congruence with the Conditions*

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

| Term used in this | Corresponding definition in these Conditions |
|--|--|
| § 10 "Collateral Secured Instruments (COSI)" | |
| investor | Holder |
| issuer | Issuer |
| issuing condi- | Terms and Conditions, Conditions |

ons

maturity

Redemption, Redemption Date, Final Fixing Date

[insert in the case COSI is not applicable:

§ 10

(intentionally left blank)]]

[in the case of Capped Bonus Certificates with Cash Settlement and without par value (Product No. 4), insert:

§ 1

Form and Issue Size; Definitions; Term of the Products

(1) *Currency; Issue Size*

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "**Issuer**") issues products without par value (each a "**Certificate**" or a "**Product**" and together the "**Certificates**" or the "**Products**"). The number (the "**Number of Products**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.

(2) *Form*

[insert in the case of Swiss Uncertificated Securities:

(a) **Uncertificated Securities, Holders**

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent

(*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.

(b) Custody Agent

"**Custody Agent**" is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

[insert in the case of Swiss Bearer Securities:

(a) Bearer Securities

The Products are issued in bearer form ("**Bearer Securities**").

(b) Permanent Global Note, Holder

[insert in the case of Swiss CBF Bearer Securities:

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of Swiss SIX SIS Bearer Securities:

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.]

[insert in the case of German Bearer Securities:

(a) Bearer Securities

The Products are issued in bearer form.

[insert in the case of German CBF Bearer Securities:]

(b) Permanent Global Note, Holder

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of German SIX SIS Bearer Securities:]

(b) Permanent Global Note, Holder

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

(c) Clearing System

"Clearing System" in each case is the clearing system as specified in Table 1 in the Annex.

(3) Term of the Products

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer [*insert in the case COSI is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific conditions*].

§ 2

Status of the Products

[*insert in the case COSI is not applicable:*

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.]

[insert in the case COSI is applicable:

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

§ 3

Definitions

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

[insert in the case of a share as Underlying or Basket Component: "Share Issuer" means the company that has issued the [Underlying][Basket Component].]

"Initial Fixing Level" means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.]

"Initial Fixing Period" means the initial fixings period as specified in **Table 1** in the Annex.]

"Initial Basket Value" means the initial basket value as specified in **Table 1** in the Annex.]

"Number of Basket Component_(i)" [means the relevant Number of Basket Component_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level_(i) [and the [EUR][●]/Reference Currency_(i) exchange rate] and takes into account the Initial Weighting_(i) of the respective Basket Component_(i), corresponding to the weighted share of the respective Basket Component_(i) in the Initial Basket Value on the Initial Fixing Date.] [means the weighted share of the respective Basket Component_(i) in the Initial Basket Value as determined by the Issuer and/or Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level_(i), and taking into account the Initial Weighting_(i) of the respective Basket Component_(i). The relevant Number of Basket Component_(i) corresponds to the [Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting_(i) (converted into the Settlement Currency, if applicable) (dividend) and the Initial Fixing Level_(i) (divisor): $\text{Number of Basket Component}_{(i)} = \frac{[\text{Denomination}][\text{Initial Basket Value}] * \text{Initial Weighting}_{(i)}}{\text{Initial Fixing Level}_{(i)}}$ [Initial Weighting means the Initial Weighting_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex.]

["Business Day" means

[insert in the case of Products with Swiss Francs as Settlement Currency: [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]

[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency: [(in the case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in [insert principal financial centre for such currency: ●].]

[insert in the case of Products with Euro as Settlement Currency: [(in the case of Products with Euro as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.]

[insert in the case of Products with US Dollar as Settlement Currency: [(in the case of Products with US Dollar as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in New York and Zurich.]

[insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [insert currency: ●]] [in the Business Centre[s]] [if no currency is indicated, insert: in each of the Business Centres].]

["**Issue Price**" means the issue price as specified in **Table 1** in the Annex.]

["**Issue Surcharge**" means the issue surcharge as specified in **Table 1** in the Annex.]

["**Issue Date**" means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

["**Barrier Observation Period**" means the barrier observation period as specified in **Table 1**.]

["**Barrier Event**" has occurred if [the Final Fixing Level is [equal to or] below the Barrier Level] [the [Price][Reference Price] is [equal to or] below the Barrier Level at any time during the Barrier Observation Period] *[insert in the case of a Basket as Underlying if appropriate: [the Final Basket Value equals or falls below the Barrier Level as determined by the Calculation Agent] [the [Price][Reference Price] of the Basket is equal to or below the Barrier Level during the Observation Period, as determined by the Calculation Agent] [the [Price][Reference Price] of a Basket Component is [equal to or] below the Barrier Level for this Basket Component as specified in **Table [1][2]** in the Annex at any time during the Barrier Observation Period], as determined by the Calculation Agent.]]]*

["**Barrier Level**" means the barrier level as specified in **Table 1** in the Annex [with respect to the relevant Basket Component].]

["**Underlying**" means[, subject to a replacement in accordance with these Conditions,] the [Underly-

ing] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"]["**Share**"]["**Participation Certificate (Genussschein)**"]["**Security representing Shares**"]["**Commodity**"]["**Currency Exchange Rate**] ["**Futures Contract**"]["**Fixed Rate Instrument**"]["**Derivative Instrument**"]["**Fund Unit**"]) [*insert in the case of a share as Underlying or Basket Component*], as issued by the Share Issuer].]

["**Underlying Valuation Date**" means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

["**Basket**" means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

["**Basket Component**" means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.]

["**Calculation Agent**" means the calculation agent as specified in **Table 1** in the Annex.]

[*insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket Component*: "**Exchange**" means[, in respect of the Share] the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]

["**Bonus Level**" means the bonus level as specified in **Table 1** in the Annex.]

["**Cap Level**" means the Cap Level as specified in **Table 1** in the Annex.]

["**Fiscal Agent**" means the fiscal agent as specified in **Table 1** in the Annex.]

["**Final Fixing Period**" means the period from (and including) the fifth (5th) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

["**Final Fixing Level**" means [the Reference Price [of the respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.]]

["**Initial Fixing Date**" means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General Conditions]. [*insert in the case of Products with subscription period*: In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.]]

["**Business Centre**" means the business centre as specified in **Table 1** in the Annex.]

[insert in the case of an index as Underlying or Basket Component: "**Index Sponsor**" means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].]

["**Initial Weighting_(i)**" means [the Initial Weighting_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Price**" [means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [relevant Reuters] [relevant Bloomberg] page [●] [insert Internet site: ●] [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Relevant Performance**" [of the relevant Basket Component] means [the quotient of the End Level (dividend) and the Initial Fixing Level (divisor)].]

["**Relevant Reference Price**" [of a Basket Component means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate [of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate sponsor on the designated Exchange Rate Page] [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page of another screen service] [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any replacement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service] [insert other method for determining Relevant Exchange Rate: ●]. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Reference Price**" means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of the Underlying] [of a Basket Component] [in [insert currency: ●]] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg] [●] [insert Internet site: ●] [or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Reference Currency**" means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Redemption Date**" means, subject to an extraordinary termination [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or, if that date is not a Business Day, the next following Business

Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one ore more Basket Components].] [the fifth (5th) Business Day following the Final Fixing Date]]

["**Worst Performance**" means [the worst performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]]

["**TARGET2 System**" means the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET2) payment system which utilises a single shared platform and which was launched on 19 November 2007, or any successor thereto.]

["**Final Fixing Date**" means [the final fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component]][all Basket Components]].] [In the event of the postponement of the Underlying Valuation Date corresponding to the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

["**Scheduled Trading Day**" has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Website**" means the Website as specified in **Table 1** in the Annex.]

["**Exchange Rate Page**" means the exchange rate page as specified in **Table 2** in the Annex.]

["**Exchange Rate Sponsor**" means the exchange rate sponsor as specified in **Table 2** in the Annex.]

["**Paying Agent**" means the paying agent as specified in **Table 1** in the Annex.]

§ 4

Redemption

[insert if COSI is applicable:

(1) Redemption Amount

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to a Minimum Redemption pursuant to paragraph (2) and a Maximum Redemption pursuant to paragraph (3) or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions, the Issue Price multiplied by the Performance of the Underlying.

The "**Performance of the Underlying**" equals the quotient of the Final Fixing Level (dividend) and the Initial Fixing Level (divisor).

The Redemption Amount will be *[insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (4), as the case may be, and]* commercially rounded to two (2) decimal places.

(2) Minimum Redemption

Provided that [(i)] no Barrier Event has occurred [or (ii) a Barrier Event has occurred and the Final

Fixing Level is above the Initial Fixing Level multiplied by the Bonus Level], the Redemption Amount equals [at least] the Bonus Level multiplied by the Issue Price (the "**Minimum Redemption Amount**").

The Minimum Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (4) and] commercially rounded to two (2) decimal places.

(3) Maximum Redemption

The Redemption Amount per Product equals no more than the Issue Price multiplied by the Cap Level (the "**Maximum Redemption Amount**").

The Maximum Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (4) and] commercially rounded to two (2) decimal places.

[*insert if Currency Conversion is applicable*:

(4) Currency exchange

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent [*insert if Quanto is not applicable*: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.][*insert if Quanto is applicable*: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("**Quanto**").]

[*insert if COSI is not applicable*:

(1) Redemption Amount

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to a Minimum Redemption pursuant to paragraph (2) and a Maximum Redemption pursuant to paragraph (3), the Issue Price multiplied by the Performance of the Underlying.

The "**Performance of the Underlying**" equals the quotient of the Final Fixing Level (dividend) and the Initial Fixing Level (divisor).

The Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Set-

tlement Currency in accordance with paragraph (4), as the case may be, and] commercially rounded to two (2) decimal places.

(2) Minimum Redemption

Provided that [(i)] no Barrier Event has occurred [or (ii) a Barrier Event has occurred and the Final Fixing Level is above the Initial Fixing Level multiplied by the Bonus Level], the Redemption Amount equals [at least] the Bonus Level multiplied by the Issue Price (the "**Minimum Redemption Amount**").

The Minimum Redemption Amount will be [*insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (4) and]* commercially rounded to two (2) decimal places.

(3) Maximum Redemption

The Redemption Amount per Product equals no more than the Issue Price multiplied by the Cap Level (the "**Maximum Redemption Amount**").

The Maximum Redemption Amount will be [*insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (4) and]* commercially rounded to two (2) decimal places.

[*insert if Currency Conversion is applicable:*

(4) Currency exchange

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent [*insert if Quanto is not applicable: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.*][*insert if Quanto is applicable: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("Quanto").*]

§ 5

Interest, Coupon Payments

The Products bear no interest.

§ 6**(intentionally left blank)****§ 7****(intentionally left blank)****§ 8****Payments****(1) *Payments***

The Issuer shall cause the claimed Redemption Amount, if any, to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Redemption Date.

If the Redemption Date falls on a day which is not a Business Day and is deferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

(2) *Declaration on Regulation S*

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

(3) *Taxes, Fees and Duties*

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

§ 9**(intentionally left blank)**

[insert in the case COSI is applicable:]

§ 10**Collateral Secured Instruments (COSI)****(1) *Collateralization of the Product***

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

(2) Documentation

The collateralization in favour of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, the issuer and the Collateral Provider dated 10 September 2010, in the case of Products issued by Leonteq Securities AG, or dated 5 October 2012, in the case of Products issued by Leonteq Securities AG, Guernsey Branch («Framework Agreement»). The issuer shall, upon request, provide the Framework Agreement to investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG, Brandschenkestrasse 90, 8002 Zurich, Switzerland, via telephone +41 (0)58 800 1000, fax +41 (0)58 800 1010. The core elements of collateralization of the COSI Product are summarised in a SIX Swiss Exchange information sheet, which is available at «www.six-swiss-exchange.com» (under the section „Issuers“ – „Services“, „COSI“).

(3) Collateralization method

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to

[Method A: Fair Value Method] [Method B: Bond Floor Method] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

(4) *Distribution and market making*

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

(5) *Risks*

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

(6) *Liquidation of collateral*

If the Collateral Provider fails to fulfil its obligations, the collateral will be liquidated by SIX Swiss Exchange or a liquidator under the terms of the applicable legal regulations. The collateral may be liquidated («Liquidation Events») if (i) the Collateral Provider fails to furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing

conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

(7) *Determination of a Liquidation Event*

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

(8) *Procedure in case of a Liquidation Event*

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website (www.six-swiss-exchange.com under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

(9) *Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer*

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website (www.six-swiss-exchange.com under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

(10) *Costs of liquidation and payout for the benefit of the investors*

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, con-

vert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

(11) *Secondary Listing*

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

(12) *Liability*

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

(13) No authorisation

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

(14) Congruence with the Conditions

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

| Term used in this § 10 "Collateral Secured Instru- ments (COSI)" | Corresponding definition in these Conditions |
|---|---|
| investor | Holder |
| issuer | Issuer |
| issuing condi- tions | Terms and Conditions, Conditions |
| maturity | Redemption, Redemption Date, Final Fixing Date] |

[insert in the case COSI is not applicable:

§ 10
(intentionally left blank)]]

[in the case of Capped Bonus Certificates with potential Physical Settlement (Product No. 5), insert:

§ 1

Form and Issue Size; Definitions; Term of the Products

(1) Currency; Issue Size

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "**Issuer**") issues products without par value (each a "**Certificate**" or a "**Product**" and together the "**Certificates**" or the "**Products**"). The number (the "**Number of Products**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.

(2) Form

[insert in the case of Swiss Uncertificated Securities:

(a) Uncertificated Securities, Holders

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their

own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.

(b) Custody Agent

"**Custody Agent**" is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

[insert in the case of Swiss Bearer Securities:

(a) Bearer Securities

The Products are issued in bearer form ("**Bearer Securities**").

(b) Permanent Global Note, Holder

[insert in the case of Swiss CBF Bearer Securities:

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of Swiss SIX SIS Bearer Securities:

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.]

[insert in the case of German Bearer Securities:

(a) Bearer Securities

The Products are issued in bearer form.

[insert in the case of German CBF Bearer Securities:]

(b) Permanent Global Note, Holder

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of German SIX SIS Bearer Securities:]

(b) Permanent Global Note, Holder

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

(c) Clearing System

"Clearing System" in each case is the clearing system as specified in Table 1 in the Annex.

(3) Term of the Products

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer [*insert in the case COSI is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific conditions*].

§ 2

Status of the Products

[*insert in the case COSI is not applicable:*

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.]

[insert in the case COSI is applicable:

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

§ 3

Definitions

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

[insert in the case of a share as Underlying or Basket Component: "Share Issuer" means the company that has issued the [Underlying][Basket Component].]

"Initial Fixing Level" means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.]

"Initial Fixing Period" means the initial fixings period as specified in **Table 1** in the Annex.]

"Initial Basket Value" means the initial basket value as specified in **Table 1** in the Annex.]

"Number of Basket Component_(i)" [means the relevant Number of Basket Component_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level_(i) [and the [EUR][●]/Reference Currency_(i) exchange rate] and takes into account the Initial Weighting_(i) of the respective Basket Component_(i), corresponding to the weighted share of the respective Basket Component_(i) in the Initial Basket Value on the Initial Fixing Date.] [means the weighted share of the respective Basket Component_(i) in the Initial Basket Value as determined by the Issuer and/or Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level_(i), and taking into account the Initial Weighting_(i) of the respective Basket Component_(i). The relevant Number of Basket Component_(i) corresponds to the [Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting_(i) (converted into the Settlement Currency, if applicable) (dividend) and the Initial Fixing Level_(i) (divisor): $\text{Number of Basket Component}_{(i)} = \frac{[\text{Denomination}][\text{Initial Basket Value}] * \text{Initial Weighting}_{(i)}}{\text{Initial Fixing Level}_{(i)}}$ [Initial Weighting means the Initial Weighting_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex.]

["Business Day" means

[insert in the case of Products with Swiss Francs as Settlement Currency: [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]

[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency: [(in the case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in [insert principal financial centre for such currency: ●].]

[insert in the case of Products with Euro as Settlement Currency: [(in the case of Products with Euro as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.]

[insert in the case of Products with US Dollar as Settlement Currency: [(in the case of Products with US Dollar as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in New York and Zurich.]

[insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [insert currency: ●]] [in the Business Centre[s]] [if no currency is indicated, insert: in each of the Business Centres].]

["**Issue Price**" means the issue price as specified in **Table 1** in the Annex.]

["**Issue Surcharge**" means the issue surcharge as specified in **Table 1** in the Annex.]

["**Issue Date**" means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

["**Conversion Ratio**" means [the conversion ratio as specified in **Table 1** in the Annex.][the conversion ratio in respect of the relevant Basket Component as specified in **Table 2** in the Annex.] [If the Issuer has received ordinary dividend payments between the Initial Fixing Date (exclusive) and the Final Fixing Date [(exclusive)] [(inclusive)] in respect of the Underlying, the applicable net dividend (i.e. the dividend amount minus taxes) is reinvested, whereby the Conversion Ratio is adjusted ● Business Days after the receipt of the dividend payment by the Issuer.]]

["**Barrier Observation Period**" means the barrier observation period as specified in **Table 1**.]

["**Barrier Event**" has occurred if [the Final Fixing Level is [equal to or] below the Barrier Level] [the [Price][Reference Price] is [equal to or] below the Barrier Level at any time during the Barrier Observation Period] *[insert in the case of a Basket as Underlying if appropriate: [the Final Basket Value equals or falls below the Barrier Level as determined by the Calculation Agent] [the [Price][Reference Price] of the Basket is equal to or below the Barrier Level during the Observation*

Period, as determined by the Calculation Agent] [the [Price][Reference Price] of a Basket Component is [equal to or] below the Barrier Level for this Basket Component as specified in **Table [1][2]** in the Annex at any time during the Barrier Observation Period], as determined by the Calculation Agent.]]

["**Barrier Level**" means the barrier level as specified in **Table 1** in the Annex [with respect to the relevant Basket Component].]

["**Underlying**" means[, subject to a replacement in accordance with these Conditions,] the [Underlying] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"]["**Share**"]["**Participation Certificate (Genussschein)**"]["**Security representing Shares**"]["**Commodity**"]["**Currency Exchange Rate**"] ["**Futures Contract**"]["**Fixed Rate Instrument**"]["**Derivative Instrument**"]["**Fund Unit**"]) [*insert in the case of a share as Underlying or Basket Component*., as issued by the Share Issuer].]

["**Underlying Valuation Date**" means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

["**Basket**" means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

["**Basket Component**" means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.]

["**Calculation Agent**" means the calculation agent as specified in **Table 1** in the Annex.]

[*insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket Component*: "**Exchange**" means[, in respect of the Share] the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]

["**Bonus Level**" means the bonus level as specified in **Table 1** in the Annex.]

["**Cap Level**" means the Cap Level as specified in **Table 1** in the Annex.]

["**Fiscal Agent**" means the fiscal agent as specified in **Table 1** in the Annex.]

["**Final Fixing Period**" means the period from (and including) the fifth (5th) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

["**Final Fixing Level**" means [the Reference Price [of the respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.]]

["**Initial Fixing Date**" means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next follow-

ing day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General Conditions]. [*insert in the case of Products with subscription period: In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.*]]

["**Business Centre**" means the business centre as specified in **Table 1** in the Annex.]

[*insert in the case of an index as Underlying or Basket Component: "Index Sponsor"* means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].]

["**Initial Weighting_(i)**" means [the Initial Weighting_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Price**" [means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [relevant Reuters] [relevant Bloomberg] page [●] [*insert Internet site: ●*] [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Relevant Performance**" [of the relevant Basket Component] means [the quotient of the End Level (dividend) and the Initial Fixing Level (divisor)].]

["**Relevant Reference Price**" [of a Basket Component means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate [of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate sponsor on the designated Exchange Rate Page] [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page of another screen service] [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any replacement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service] [*insert other method for determining Relevant Exchange Rate: ●*]. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Bonus Level**" means the bonus level as specified in **Table 1** in the Annex.]

["**Reference Price**" means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of the Underlying] [of a Basket Component] [in [*insert currency: ●*]] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the rele-

vant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg] [●] [*insert Internet site: ●*] [or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Reference Currency**"] means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Redemption Date**"] means, subject to an extraordinary termination [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one or more Basket Components].] [the fifth (5th) Business Day following the Final Fixing Date]]

["**Worst Performance**"] means [the worst performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]]

["**TARGET2 System**"] means the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET2) payment system which utilises a single shared platform and which was launched on 19 November 2007, or any successor thereto.]

["**Final Fixing Date**"] means [the final fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]].] [In the event of the postponement of the Underlying Valuation Date corresponding to the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

["**Scheduled Trading Day**"] has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Website**"] means the Website as specified in **Table 1** in the Annex.]

["**Exchange Rate Page**"] means the exchange rate page as specified in **Table 2** in the Annex.]

["**Exchange Rate Sponsor**"] means the exchange rate sponsor as specified in **Table 2** in the Annex.]

["**Paying Agent**"] means the paying agent as specified in **Table 1** in the Annex.]

§ 4

Redemption

[*insert if COSI is applicable:*

(1) *Redemption Amount*

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to a physical delivery of the Underlying and subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions, the Minimum Redemption Amount pursuant to paragraph (2) which is equal to the Maximum Redemption Amount pursuant to paragraph (3).

(2) Minimum Redemption

Provided that [(i)] no Barrier Event has occurred [or (ii) a Barrier Event has occurred and the Final Fixing Level of the Underlying is above the Issue Price multiplied by the Bonus Level], the Redemption Amount equals the Bonus Level multiplied by the Issue Price (the "**Minimum Redemption Amount**").

The Minimum Redemption Amount will be [*insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (5) and*] commercially rounded to two (2) decimal places.

(3) Maximum Redemption

The Redemption Amount per Product equals no more than the Issue Price multiplied by the Cap Level (the "**Maximum Redemption Amount**").

The Maximum Redemption Amount will be [*insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (5) and*] commercially rounded to two (2) decimal places.

(4) Physical Delivery

Provided that a Barrier Event has occurred [and the Final Fixing Level of the Underlying is equal to or below the Issue Price multiplied by the Bonus Level], the Issuer will redeem the Products by way of delivery of a number of the Underlying expressed by the Conversion Ratio, with fractions of the Underlying not being delivered but redeemed by way of payment of a cash payment amount for fractions (the "**Cash Payment Amount for Fractions**"). Should the delivery of the Underlying, for whatever reason, be economically or actually impeded or not possible, then the Issuer shall have the right to pay a compensation amount (the "**Compensation Amount**") in lieu of delivery of the Underlying. For the calculation of the Cash Payment Amount for Fractions or the Compensation Amount the Final Fixing Level, which considering the Conversion Ratio is either related to the fraction of the Underlying in the case of the Cash Payment Amount for Fractions or to the number of the Underlying in the case of the Compensation Amount. If the Holder holds several Products, there shall be no aggregation of the Cash Payment Amounts for Fractions in such a way that the number of the Underlyings to be settled would increase. The Cash Payment Amount for Fractions or the Compensation Amount, as the case may be, shall be commercially rounded to two (2) decimal places.

[*insert if Currency Conversion is applicable:*

(5) Currency exchange

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent [*insert if Quanto is not applicable: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation*

Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion. *[[insert if Quanto is applicable: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("Quanto").]]*

[[insert if COSI is not applicable:

(1) Redemption Amount

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to a physical delivery of the Underlying, the Minimum Redemption Amount pursuant to paragraph (2) which is equal to the Maximum Redemption Amount pursuant to paragraph (3).

(2) Minimum Redemption

Provided that [(i)] no Barrier Event has occurred [or (ii) a Barrier Event has occurred and the Final Fixing Level of the Underlying is above the Issue Price multiplied by the Bonus Level], the Redemption Amount equals the Bonus Level multiplied by the Issue Price (the "**Minimum Redemption Amount**").

The Minimum Redemption Amount will be *[[insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (5) and]]* commercially rounded to two (2) decimal places.

(3) Maximum Redemption

The Redemption Amount per Product equals no more than the Issue Price multiplied by the Cap Level (the "**Maximum Redemption Amount**").

The Maximum Redemption Amount will be *[[insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (5) and]]* commercially rounded to two (2) decimal places.

(4) Physical Delivery

Provided that a Barrier Event has occurred [and the Final Fixing Level of the Underlying is equal to or below the Issue Price multiplied by the Bonus Level], the Issuer will redeem the Products by way of delivery of a number of the Underlying expressed by the Conversion Ratio, with fractions of the Underlying not being delivered but redeemed by way of payment of a cash payment amount for fractions (the "**Cash Payment Amount for Fractions**"). Should the delivery of the Underlying, for whatever reason, be economically or actually impeded or not possible, then the Issuer shall have the right to pay a compensation amount (the "**Compensation Amount**") in lieu of delivery of the Underlying. For the calculation of the Cash Payment Amount for Fractions or the Compensation Amount the Final

Fixing Level, which considering the Conversion Ratio is either related to the fraction of the Underlying in the case of the Cash Payment Amount for Fractions or to the number of the Underlying in the case of the Compensation Amount. If the Holder holds several Products, there shall be no aggregation of the Cash Payment Amounts for Fractions in such a way that the number of the Underlyings to be settled would increase. The Cash Payment Amount for Fractions or the Compensation Amount, as the case may be, shall be commercially rounded to two (2) decimal places.

[insert if Currency Conversion is applicable:

(5) Currency exchange

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent *[insert if Quanto is not applicable: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.]**[insert if Quanto is applicable: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("Quanto").]*

§ 5

Interest, Coupon Payments

The Products bear no interest.

§ 6

(intentionally left blank)

§ 7

(intentionally left blank)

§ 8

Payments, Physical Delivery

(1) Payments

The Issuer shall cause the claimed Redemption Amount, if any, or the delivery of the Underlying or any other amount to be paid pursuant to § 4 of the Issue Specific Conditions to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Redemption Date.

If the Redemption Date falls on a day which is not a Business Day and is deferred in accordance with

§ 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

(2) *Declaration on Regulation S*

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

(3) *Taxes, Fees and Duties*

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

§ 9

(intentionally left blank)

[insert in the case COSI is applicable:

§ 10

Collateral Secured Instruments (COSI)

(1) *Collateralization of the Product*

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

(2) *Documentation*

The collateralization in favour of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, the issuer and the Collateral

Provider dated 10 September 2010, in the case of Products issued by Leonteq Securities AG, or dated 5 October 2012, in the case of Products issued by Leonteq Securities AG, Guernsey Branch («Framework Agreement»). The issuer shall, upon request, provide the Framework Agreement to investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG, Brandschenkestrasse 90, 8002 Zurich, Switzerland, via telephone +41 (0)58 800 1000, fax +41 (0)58 800 1010. The core elements of collateralization of the COSI Product are summarised in a SIX Swiss Exchange information sheet, which is available at «www.six-swiss-exchange.com» (under the section „Issuers“ – „Services“, „COSI“).

(3) Collateralization method

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to [Method A: Fair Value Method] [Method B: Bond Floor Method] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

(4) Distribution and market making

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

(5) Risks

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot

be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

(6) *Liquidation of collateral*

If the Collateral Provider fails to fulfil its obligations, the collateral will be liquidated by SIX Swiss Exchange or a liquidator under the terms of the applicable legal regulations. The collateral may be liquidated («Liquidation Events») if (i) the Collateral Provider fails to furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

(7) *Determination of a Liquidation Event*

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

(8) Procedure in case of a Liquidation Event

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website (www.six-swiss-exchange.com under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

(9) Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website (www.six-swiss-exchange.com under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

(10) Costs of liquidation and payout for the benefit of the investors

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collat-

eral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, convert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on

which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

(11) *Secondary Listing*

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

(12) *Liability*

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

(13) *No authorisation*

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

(14) *Congruence with the Conditions*

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

| Term used in this | Corresponding definition in these Conditions |
|----------------------------------|--|
| § 10 "Collateral Secured Instru- | |

ments (COSI)"

investor

Holder

issuer

Issuer

issuing conditions

Terms and Conditions, Conditions

maturity

Redemption, Redemption Date, Final Fixing Date]

[insert in the case COSI is not applicable:

§ 10

(intentionally left blank)]

[in the case of Notes (Reverse Convertibles) with Cash Settlement (Product No. 6), insert:

§ 1

Form and Issue Size; Definitions; Term of the Products

(1) Currency; Issue Size

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "**Issuer**") issues products (each a "**Note**" or a "**Product**" and together the "**Notes**" or the "**Products**"). The total nominal amount (the "**Total Nominal Amount**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.

(2) Form

[insert in the case of Swiss Uncertificated Securities:

(a) Uncertificated Securities, Holders

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their

own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.

(b) Custody Agent

"**Custody Agent**" is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

[insert in the case of Swiss Bearer Securities:

(a) Bearer Securities

The Products are issued in bearer form ("**Bearer Securities**").

(b) Permanent Global Note, Holder

[insert in the case of Swiss CBF Bearer Securities:

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of Swiss SIX SIS Bearer Securities:

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.]

[*insert in the case of German Bearer Securities:*

(a) Bearer Securities

The Products are issued in bearer form.

[insert in the case of German CBF Bearer Securities:]

(b) Permanent Global Note, Holder

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of German SIX SIS Bearer Securities:]

(b) Permanent Global Note, Holder

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

(c) Clearing System

"**Clearing System**" in each case is the clearing system as specified in Table 1 in the Annex.

(3) *Term of the Products*

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer [*insert in the case COSI is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific conditions*].

§ 2

Status of the Products

[*insert in the case COSI is not applicable:*

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.]

[insert in the case COSI is applicable:

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

§ 3

Definitions

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

[insert in the case of a share as Underlying or Basket Component: "Share Issuer" means the company that has issued the [Underlying][Basket Component].]

"Initial Fixing Level" means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.]

"Initial Fixing Period" means the initial fixings period as specified in **Table 1** in the Annex.]

"Initial Basket Value" means the initial basket value as specified in **Table 1** in the Annex.]

"Number of Basket Component_(i)" [means the relevant Number of Basket Component_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level_(i) [and the [EUR][●]/Reference Currency_(i) exchange rate] and takes into account the Initial Weighting_(i) of the respective Basket Component_(i), corresponding to the weighted share of the respective Basket Component_(i) in the Initial Basket Value on the Initial Fixing Date.] [means the weighted share of the respective Basket Component_(i) in the Initial Basket Value as determined by the Issuer and/or Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level_(i), and taking into account the Initial Weighting_(i) of the respective Basket Component_(i). The relevant Number of Basket Component_(i) corresponds to the [Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting_(i) (converted into the Settlement Currency, if applicable) (dividend) and the Initial Fixing Level_(i) (divisor): $\text{Number of Basket Component}_{(i)} = \frac{[\text{Denomination}][\text{Initial Basket Value}] * \text{Initial Weighting}_{(i)}}{\text{Initial Fixing Level}_{(i)}}$] [Initial Weighting means the Initial Weighting_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex.]

["**Business Day**" means

[insert in the case of Products with Swiss Francs as Settlement Currency: [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]

[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency: [(in the case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in [insert principal financial centre for such currency: ●].]

[insert in the case of Products with Euro as Settlement Currency: [(in the case of Products with Euro as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.]

[insert in the case of Products with US Dollar as Settlement Currency: [(in the case of Products with US Dollar as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in New York and Zurich.]

[insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [insert currency: ●]] [in the Business Centre[s]] [if no currency is indicated, insert: in each of the Business Centres].]

["**Issue Date**" means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

["**Issue Surcharge**" means the issue surcharge as specified in **Table 1** in the Annex.]

["**Issue Price**" means the issue price as specified in **Table 1** in the Annex.]

["**Strike Level**" means the strike level as specified in **Table 1**.]

["**Underlying**" means[, subject to a replacement in accordance with these Conditions,] the [Underlying] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"]["**Share**"]["**Participation Certificate (Genussschein)**"]["**Security representing Shares**"]["**Commodity**"]["**Currency Exchange Rate**"] ["**Futures Contract**"]["**Fixed Rate Instrument**"]["**Derivative Instrument**"]["**Fund Unit**"]) *[insert in the case of a share as Underlying or Basket Component:, as issued by the Share Issuer].]*

["**Underlying Valuation Date**" means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

["**Basket**" means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

["**Basket Component**" means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.]

["**Calculation Agent**" means the calculation agent as specified in **Table 1** in the Annex.]

[*insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket Component: "Exchange"* means[, in respect of the Share] the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]

["**Coupon Payment Date**" means the coupon payment date as specified in **Table 1** in the Annex or, if this date is not a Business Day, the next following Business Day.]

["**Fiscal Agent**" means the fiscal agent as specified in **Table 1** in the Annex.]

["**Final Fixing Period**" means the period from (and including) the fifth (5th) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

["**Final Fixing Level**" means [the Reference Price [of the respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.]]

["**Initial Fixing Date**" means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General Conditions]. [*insert in the case of Products with subscription period: In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.*]]

["**Business Centre**" means the business centre as specified in **Table 1** in the Annex.]

[*insert in the case of an index as Underlying or Basket Component: "Index Sponsor"* means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].]

["**Initial Weighting_(i)**" means [the Initial Weighting_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Price**" [means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [relevant Reuters] [relevant Bloomberg] page [●] [*insert Internet site: ●*] [or as specified in

Table 2 in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Relevant Performance**" [of the relevant Basket Component] means [the quotient of the End Level (dividend) and the Initial Fixing Level (divisor).]]

["**Relevant Reference Price**" [of a Basket Component means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate [of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate sponsor on the designated Exchange Rate Page] [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page of another screen service] [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any replacement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service] [*insert other method for determining Relevant Exchange Rate: ●*]. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Denomination**" means the denomination as specified in **Table 1** in the Annex (as expressed in the Settlement Currency).]

["**Reference Price**" means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of the Underlying] [of a Basket Component] [in [*insert currency: ●*]] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg] [●] [*insert Internet site: ●*] [or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Reference Currency**" means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Redemption Date**" means, subject to an extraordinary termination [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one ore more Basket Components].] [the fifth (5th) Business Day following the Final Fixing Date]]

["**Worst Performance**" means [the worst performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]]

["**TARGET2 System**" means the Trans-European Automated Real-time Gross Settlement Express

Transfer (TARGET2) payment system which utilises a single shared platform and which was launched on 19 November 2007, or any successor thereto.]

["**Final Fixing Date**" means [the final fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]].] [In the event of the postponement of the Underlying Valuation Date corresponding to the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

["**Scheduled Trading Day**" has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Website**" means the Website as specified in **Table 1** in the Annex.]

["**Exchange Rate Page**" means the exchange rate page as specified in **Table 2** in the Annex.]

["**Exchange Rate Sponsor**" means the exchange rate sponsor as specified in **Table 2** in the Annex.]

["**Paying Agent**" means the paying agent as specified in **Table 1** in the Annex.]

§ 4

Redemption

[insert if COSI is applicable:

(1) Redemption Amount

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to a Minimum Redemption pursuant to paragraph (2) and a Maximum Redemption pursuant to paragraph (3), or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions, the Denomination multiplied by the Performance of the Underlying.

The "**Performance of the Underlying**" equals the quotient of the Final Fixing Level (dividend) and the Strike Level (divisor).

The Redemption Amount will be commercially rounded to two (2) decimal places.

(2) Minimum Redemption

Provided that the Final Fixing Level of the Underlying is above the Strike Level, the Redemption Amount equals the Denomination (the "**Minimum Redemption Amount**").

(3) Maximum Redemption

The Redemption Amount per Product equals no more than the Denomination (the "**Maximum Redemption Amount**").]

[insert if COSI is not applicable:

(1) Redemption Amount

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to a Minimum

Redemption pursuant to paragraph (2) and a Maximum Redemption pursuant to paragraph (3), the Denomination multiplied by the Performance of the Underlying.

The "**Performance of the Underlying**" equals the quotient of the Final Fixing Level (dividend) and the Strike Level (divisor).

The Redemption Amount will be commercially rounded to two (2) decimal places.

(2) Minimum Redemption

Provided that the Final Fixing Level of the Underlying is above the Strike Level, the Redemption Amount equals the Denomination (the "**Minimum Redemption Amount**").

(3) Maximum Redemption

The Redemption Amount per Product equals no more than the Denomination (the "**Maximum Redemption Amount**").]

§ 5

Interest, Coupon Payments

For the Product a coupon payment shall be made in the Settlement Currency on the Coupon Payment Date in the amount (the "**Coupon Amount**") specified for the Coupon Payment Date in **Table 1** in the Annex. Any postponement of the Coupon Payment Date has no effect on the Coupon Amount (see § 8 (1) of the Issue Specific Conditions).

§ 6

(intentionally left blank)

§ 7

(intentionally left blank)

§ 8

Payments

(1) Payments

The Issuer shall cause the claimed Redemption Amount, if any, to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Redemption Date. The Issuer shall transfer the Coupon Amount in arrears by the Coupon Payment Date via the Paying Agent to the Clearing System for transmitting to the Holders. If the Redemption Date or Coupon Payment Date falls on a day which is not a Business Day and is deferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

(2) Declaration on Regulation S

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is

deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

(3) Taxes, Fees and Duties

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

§ 9

(intentionally left blank)

[insert in the case COSI is applicable:]

§ 10

Collateral Secured Instruments (COSI)

(1) Collateralization of the Product

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

(2) Documentation

The collateralization in favour of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, the issuer and the Collateral Provider dated 10 September 2010, in the case of Products issued by Leonteq Securities AG, or dated 5 October 2012, in the case of Products issued by Leonteq Securities AG, Guernsey Branch («Framework Agreement»). The issuer shall, upon request, provide the Framework Agreement to investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG, Brandschenkestrasse 90, 8002 Zurich, Switzerland, via telephone +41 (0)58 800 1000, fax +41 (0)58 800 1010. The core elements of collat-

eralization of the COSI Product are summarised in a SIX Swiss Exchange information sheet, which is available at «www.six-swiss-exchange.com» (under the section „Issuers“ – „Services“, „COSI“).

(3) Collateralization method

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to [Method A: Fair Value Method] [Method B: Bond Floor Method] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

(4) Distribution and market making

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

(5) Risks

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign

currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

(6) *Liquidation of collateral*

If the Collateral Provider fails to fulfil its obligations, the collateral will be liquidated by SIX Swiss Exchange or a liquidator under the terms of the applicable legal regulations. The collateral may be liquidated («Liquidation Events») if (i) the Collateral Provider fails to furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

(7) *Determination of a Liquidation Event*

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

(8) *Procedure in case of a Liquidation Event*

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website (www.six-swiss-exchange.com under the section „News“); as well as (ii) to liquidate immediately or at a later stage –

without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

(9) *Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer*

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website (www.six-swiss-exchange.com under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

(10) *Costs of liquidation and payout for the benefit of the investors*

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred

are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, convert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

(11) Secondary Listing

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

(12) Liability

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

(13) No authorisation

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

(14) Congruence with the Conditions

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

| Term used in this | Corresponding definition in these Conditions |
|--|--|
| § 10 "Collateral Secured Instruments (COSI)" | |
| investor | Holder |
| issuer | Issuer |

issuing condi-
tions

Terms and Conditions, Conditions

maturity

Redemption, Redemption Date, Final Fixing Date]

[insert in the case COSI is not applicable:

§ 10

(intentionally left blank)]

[in the case of Notes (Reverse Convertibles) with potential Physical Settlement (Product No. 7), insert:

§ 1

Form and Issue Size; Definitions; Term of the Products

(1) *Currency; Issue Size*

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "**Issuer**") issues products (each a "**Note**" or a "**Product**" and together the "**Notes**" or the "**Products**"). The total nominal amount (the "**Total Nominal Amount**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.

(2) (2) *Form*

[insert in the case of Swiss Uncertificated Securities:

(a) **Uncertificated Securities, Holders**

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their

own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.

(b) Custody Agent

"**Custody Agent**" is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

[insert in the case of Swiss Bearer Securities:

(a) Bearer Securities

The Products are issued in bearer form ("**Bearer Securities**").

(b) Permanent Global Note, Holder

[insert in the case of Swiss CBF Bearer Securities:

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of Swiss SIX SIS Bearer Securities:

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.]

[insert in the case of German Bearer Securities:

(a) Bearer Securities

The Products are issued in bearer form.

[insert in the case of German CBF Bearer Securities:]

(b) Permanent Global Note, Holder

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of German SIX SIS Bearer Securities:]

(b) Permanent Global Note, Holder

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

(c) Clearing System

"**Clearing System**" in each case is the clearing system as specified in Table 1 in the Annex.

(3) Term of the Products

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer [*insert in the case COSI is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific conditions*].

§ 2

Status of the Products

[*insert in the case COSI is not applicable:*

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.]

[insert in the case COSI is applicable:

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

§ 3

Definitions

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

[insert in the case of a share as Underlying or Basket Component: "Share Issuer" means the company that has issued the [Underlying][Basket Component].]

"Initial Fixing Level" means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.]

"Initial Fixing Period" means the initial fixings period as specified in **Table 1** in the Annex.]

"Initial Basket Value" means the initial basket value as specified in **Table 1** in the Annex.]

"Number of Basket Component_(i)" [means the relevant Number of Basket Component_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level_(i) [and the [EUR][●]/Reference Currency_(i) exchange rate] and takes into account the Initial Weighting_(i) of the respective Basket Component_(i), corresponding to the weighted share of the respective Basket Component_(i) in the Initial Basket Value on the Initial Fixing Date.] [means the weighted share of the respective Basket Component_(i) in the Initial Basket Value as determined by the Issuer and/or Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level_(i), and taking into account the Initial Weighting_(i) of the respective Basket Component_(i). The relevant Number of Basket Component_(i) corresponds to the [Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting_(i) (converted into the Settlement Currency, if applicable) (dividend) and the Initial Fixing Level_(i) (divisor): $\text{Number of Basket Component}_{(i)} = \frac{[\text{Denomination}][\text{Initial Basket Value}] * \text{Initial Weighting}_{(i)}}{\text{Initial Fixing Level}_{(i)}}$ [Initial Weighting means the Initial Weighting_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex.]

["**Business Day**" means

[insert in the case of Products with Swiss Francs as Settlement Currency: [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]

[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency: [(in the case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in [insert principal financial centre for such currency: ●].]

[insert in the case of Products with Euro as Settlement Currency: [(in the case of Products with Euro as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.]

[insert in the case of Products with US Dollar as Settlement Currency: [(in the case of Products with US Dollar as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in New York and Zurich.]

[insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [insert currency: ●]] [in the Business Centre[s]] [if no currency is indicated, insert: in each of the Business Centres].]

["**Issue Date**" means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

["**Issue Price**" means the issue price as specified in **Table 1** in the Annex.]

["**Strike Level**" means the strike level as specified in **Table 1**.]

["**Issue Surcharge**" means the issue surcharge as specified in **Table 1** in the Annex.]

["**Conversion Ratio**" means [the conversion ratio as specified in **Table 1** in the Annex.] [the conversion ratio in respect of the relevant Basket Component as specified in **Table 2** in the Annex.] [If the Issuer has received ordinary dividend payments between the Initial Fixing Date (exclusive) and the Final Fixing Date [(exclusive)] [(inclusive)] in respect of the Underlying, the applicable net dividend (i.e. the dividend amount minus taxes) is reinvested, whereby the Conversion Ratio is adjusted ● Business Days after the receipt of the dividend payment by the Issuer.]]

["**Underlying**" means[, subject to a replacement in accordance with these Conditions,] the [Underlying] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"]["**Share**"]["**Participation Certificate (Genussschein)**"]["**Security representing Shares**"]["**Commodity**"]["**Currency Exchange Rate**"] ["**Futures Contract**"]["**Fixed Rate Instrument**"]["**Derivative Instrument**"]["**Fund Unit**"]) *[insert in the case of a share as Underlying or*

Basket Component:, as issued by the Share Issuer].]

["**Underlying Valuation Date**" means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

["**Basket**" means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

["**Basket Component**" means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.]

["**Calculation Agent**" means the calculation agent as specified in **Table 1** in the Annex.]

[*insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket Component: "Exchange"* means[, in respect of the Share] the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]

["**Coupon Payment Date**" means the coupon payment date as specified in **Table 1** in the Annex or, if this date is not a Business Day, the next following Business Day.]

["**Fiscal Agent**" means the fiscal agent as specified in **Table 1** in the Annex.]

["**Final Fixing Period**" means the period from (and including) the fifth (5th) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

["**Final Fixing Level**" means [the Reference Price [of the respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.]]

["**Initial Fixing Date**" means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General Conditions]. [*insert in the case of Products with subscription period: In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.*]]

["**Business Centre**" means the business centre as specified in **Table 1** in the Annex.]

[*insert in the case of an index as Underlying or Basket Component: "Index Sponsor"* means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].]

["**Initial Weighting_(i)**" means [the Initial Weighting_(i) of the respective Basket Component_(i) as speci-

fied in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Price**" [means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [relevant Reuters] [relevant Bloomberg] page [●] [*insert Internet site: ●*] [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Relevant Performance**" [of the relevant Basket Component] means [the quotient of the End Level (dividend) and the Initial Fixing Level (divisor).]]

["**Relevant Reference Price**" [of a Basket Component means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate [of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate sponsor on the designated Exchange Rate Page] [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page of another screen service] [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any replacement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service] [*insert other method for determining Relevant Exchange Rate: ●*]. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Denomination**" means the denomination as specified in **Table 1** in the Annex (as expressed in the Settlement Currency).]

["**Reference Price**" means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of the Underlying] [of a Basket Component] [in [*insert currency: ●*]] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg] [●] [*insert Internet site: ●*] [or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Reference Currency**" means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Redemption Date**" means, subject to an extraordinary termination [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be post-

poned accordingly [irrespective of whether the Redemption Date is postponed for one ore more Basket Components].] [the fifth (5th) Business Day following the Final Fixing Date]]

["**Worst Performance**" means [the worst performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]]

["**TARGET2 System**" means the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET2) payment system which utilises a single shared platform and which was launched on 19 November 2007, or any successor thereto.]

["**Final Fixing Date**" means [the final fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]].] [In the event of the postponement of the Underlying Valuation Date corresponding to the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

["**Scheduled Trading Day**" has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Website**" means the Website as specified in **Table 1** in the Annex.]

["**Exchange Rate Page**" means the exchange rate page as specified in **Table 2** in the Annex.]

["**Exchange Rate Sponsor**" means the exchange rate sponsor as specified in **Table 2** in the Annex.]

["**Paying Agent**" means the paying agent as specified in **Table 1** in the Annex.]

§ 4

Redemption, Physical Delivery

[insert if COSI is applicable:

(1) Redemption Amount

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to a physical settlement pursuant to paragraph (4) or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions, the Minimum Redemption Amount pursuant to paragraph (2) which equals the Maximum Redemption Amount pursuant to paragraph (3).

(2) Minimum Redemption

Provided that the Final Fixing Level is above the Strike Level, the Redemption Amount equals the Denomination (the "**Minimum Redemption Amount**").

(3) Maximum Redemption

The Redemption Amount per Product equals no more than the Denomination (the "**Maximum Redemption Amount**").

(4) Settlement by delivery

If the Final Fixing Level is equal to or below the Strike Level, the Issuer will redeem the Products by way of delivery of a number of the Underlying expressed by the Conversion Ratio, with fractions of the Underlying not being delivered but redeemed by way of payment of a cash payment amount for fractions (the "**Cash Payment Amount for Fractions**"). Should the delivery of the Underlying, for whatever reason, be economically or actually impeded or not possible, then the Issuer shall have the right to pay a compensation amount (the "**Compensation Amount**") in lieu of delivery of the Underlying. For the calculation of the Cash Payment Amount for Fractions or the Compensation Amount the Final Fixing Level, which considering the Conversion Ratio is either related to the fraction of the Underlying in the case of the Cash Payment Amount for Fractions or to the number of the Underlying in the case of the Compensation Amount. If the Holder holds several Products, there shall be no aggregation of the Cash Payment Amounts for Fractions in such a way that the number of the Underlyings to be settled would increase. The Cash Payment Amount for Fractions or the Compensation Amount, as the case may be, shall be commercially rounded to two (2) decimal places.]

[insert if COSI is not applicable:

(1) Redemption Amount

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to a physical settlement pursuant to paragraph (4), the Minimum Redemption Amount pursuant to paragraph (2) which equals the Maximum Redemption Amount pursuant to paragraph (3).

(2) Minimum Redemption

Provided that the Final Fixing Level is above the Strike Level, the Redemption Amount equals the Denomination (the "**Minimum Redemption Amount**").

(3) Maximum Redemption

The Redemption Amount per Product equals no more than the Denomination (the "**Maximum Redemption Amount**").

(4) Settlement by delivery

If the Final Fixing Level is equal to or below the Strike Level, the Issuer will redeem the Products by way of delivery of a number of the Underlying expressed by the Conversion Ratio, with fractions of the Underlying not being delivered but redeemed by way of payment of a cash payment amount for fractions (the "**Cash Payment Amount for Fractions**"). Should the delivery of the Underlying, for whatever reason, be economically or actually impeded or not possible, then the Issuer shall have the right to pay a compensation amount (the "**Compensation Amount**") in lieu of delivery of the Underlying. For the calculation of the Cash Payment Amount for Fractions or the Compensation Amount the Final Fixing Level, which considering the Conversion Ratio is either related to the fraction of the Underlying in the case of the Cash Payment Amount for Fractions or to the number of the Underlying in the case of the Compensation Amount. If the Holder holds several Products, there shall be no ag-

gregation of the Cash Payment Amounts for Fractions in such a way that the number of the Underlyings to be settled would increase. The Cash Payment Amount for Fractions or the Compensation Amount, as the case may be, shall be commercially rounded to two (2) decimal places.]

§ 5

Interest, Coupon Payments

For the Product a coupon payment shall be made in the Settlement Currency on the Coupon Payment Date in the amount (the "**Coupon Amount**") specified for the Coupon Payment Date in **Table 1** in the Annex. Any postponement of the Coupon Payment Date has no effect on the Coupon Amount (see § 8 (1) of the Issue Specific Conditions).

§ 6

(intentionally left blank)

§ 7

(intentionally left blank)

§ 8

Payments, Physical Delivery

(1) *Payments, Physical Delivery*

The Issuer shall cause the delivery of the Underlying or the claimed Redemption Amount, if any, or any other amount to be paid pursuant to § 4 of the Issue Specific Conditions to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Redemption Date. The Issuer shall transfer the Coupon Amount in arrears by the Coupon Payment Date via the Paying Agent to the Clearing System for transmitting to the Holders. If the Redemption Date or Coupon Payment Date falls on a day which is not a Business Day and is deferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

(2) *Declaration on Regulation S*

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

(3) *Taxes, Fees and Duties*

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

§ 9**(intentionally left blank)***[insert in the case COSI is applicable:]***§ 10****Collateral Secured Instruments (COSI)****(1) Collateralization of the Product**

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

(2) Documentation

The collateralization in favour of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, the issuer and the Collateral Provider dated 10 September 2010, in the case of Products issued by Leonteq Securities AG, or dated 5 October 2012, in the case of Products issued by Leonteq Securities AG, Guernsey Branch («Framework Agreement»). The issuer shall, upon request, provide the Framework Agreement to investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG, Brandschenkestrasse 90, 8002 Zurich, Switzerland, via telephone +41 (0)58 800 1000, fax +41 (0)58 800 1010. The core elements of collateralization of the COSI Product are summarised in a SIX Swiss Exchange information sheet, which is available at «www.six-swiss-exchange.com» (under the section „Issuers“ – „Services“, „COSI“).

(3) Collateralization method

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for

the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to [Method A: Fair Value Method] [Method B: Bond Floor Method] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

(4) *Distribution and market making*

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

(5) *Risks*

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

(6) *Liquidation of collateral*

If the Collateral Provider fails to fulfil its obligations, the collateral will be liquidated by SIX Swiss Exchange or a liquidator under the terms of the applicable legal regulations. The collateral may be

liquidated («Liquidation Events») if (i) the Collateral Provider fails to furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

(7) *Determination of a Liquidation Event*

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

(8) *Procedure in case of a Liquidation Event*

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website (www.six-swiss-exchange.com under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

(9) *Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer*

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty

(30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website (www.six-swiss-exchange.com under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

(10) *Costs of liquidation and payout for the benefit of the investors*

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation

proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, convert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

(11) *Secondary Listing*

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the

occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

(12) *Liability*

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

(13) *No authorisation*

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

(14) *Congruence with the Conditions*

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

| Term used in this | Corresponding definition in these Conditions |
|--|---|
| § 10 "Collateral Secured Instruments (COSI)" | |
| investor | Holder |
| issuer | Issuer |
| issuing conditions | Terms and Conditions, Conditions |
| maturity | Redemption, Redemption Date, Final Fixing Date] |

[insert in the case COSI is not applicable:]

§ 10
(intentionally left blank)]]

[in the case of Notes (Barrier Reverse Convertibles) with Cash Settlement (Product No. 8), insert:

§ 1

Form and Issue Size; Definitions; Term of the Products

(1) Currency; Issue Size

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "**Issuer**") issues products (each a "**Note**" or a "**Product**" and together the "**Notes**" or the "**Products**"). The total nominal amount (the "**Total Nominal Amount**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.

(2) Form

[insert in the case of Swiss Uncertificated Securities:

(a) Uncertificated Securities, Holders

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their

own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.

(b) Custody Agent

"**Custody Agent**" is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

[insert in the case of Swiss Bearer Securities:

(a) Bearer Securities

The Products are issued in bearer form ("**Bearer Securities**").

(b) Permanent Global Note, Holder

[insert in the case of Swiss CBF Bearer Securities:

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of Swiss SIX SIS Bearer Securities:

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.]

[insert in the case of German Bearer Securities:

(a) Bearer Securities

The Products are issued in bearer form.

[insert in the case of German CBF Bearer Securities:]

(b) Permanent Global Note, Holder

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of German SIX SIS Bearer Securities:]

(b) Permanent Global Note, Holder

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

(c) Clearing System

"**Clearing System**" in each case is the clearing system as specified in Table 1 in the Annex.

(3) *Term of the Products*

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer [*insert in the case COSI is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific conditions*].

§ 2

Status of the Products

[*insert in the case COSI is not applicable:*

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.]

[insert in the case COSI is applicable:

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

§ 3

Definitions

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

[insert in the case of a share as Underlying or Basket Component: "Share Issuer" means the company that has issued the [Underlying][Basket Component].]

"Initial Fixing Level" means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.]

"Initial Fixing Period" means the initial fixings period as specified in **Table 1** in the Annex.]

"Initial Basket Value" means the initial basket value as specified in **Table 1** in the Annex.]

"Number of Basket Component_(i)" [means the relevant Number of Basket Component_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level_(i) [and the [EUR][●]/Reference Currency_(i) exchange rate] and takes into account the Initial Weighting_(i) of the respective Basket Component_(i), corresponding to the weighted share of the respective Basket Component_(i) in the Initial Basket Value on the Initial Fixing Date.] [means the weighted share of the respective Basket Component_(i) in the Initial Basket Value as determined by the Issuer and/or Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level_(i), and taking into account the Initial Weighting_(i) of the respective Basket Component_(i). The relevant Number of Basket Component_(i) corresponds to the [Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting_(i) (converted into the Settlement Currency, if applicable) (dividend) and the Initial Fixing Level_(i) (divisor): $\text{Number of Basket Component}_{(i)} = \frac{[\text{Denomination}][\text{Initial Basket Value}] * \text{Initial Weighting}_{(i)}}{\text{Initial Fixing Level}_{(i)}}$ [Initial Weighting means the Initial Weighting_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex.]

["**Business Day**" means

[insert in the case of Products with Swiss Francs as Settlement Currency: [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]

[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency: [(in the case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in [insert principal financial centre for such currency: ●].]

[insert in the case of Products with Euro as Settlement Currency: [(in the case of Products with Euro as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.]

[insert in the case of Products with US Dollar as Settlement Currency: [(in the case of Products with US Dollar as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in New York and Zurich.]

[insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [insert currency: ●]] [in the Business Centre[s]] [if no currency is indicated, insert: in each of the Business Centres].]

["**Issue Date**" means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

["**Issue Price**" means the issue price as specified in **Table 1** in the Annex.]

["**Issue Surcharge**" means the issue surcharge as specified in **Table 1** in the Annex.]

["**Barrier Observation Period**" means the barrier observation period as specified in **Table 1** in the Annex.]

["**Barrier Event**" has occurred if [the Final Fixing Level is at or below the Barrier Level] [the [Price][Reference Price] is [equal to or] below the Barrier Level at any time during the Barrier Observation Period] *[insert in the case of a Basket as Underlying if appropriate: [the Final Basket Value equals or falls below the Barrier Level as determined by the Calculation Agent] [the [Price][Reference Price] of the Basket is equal to or below the Barrier Level during the Observation Period, as determined by the Calculation Agent] [the Reference Price of [at least] a Basket Component is [equal to or] below the Barrier Level specified in **Table [1][2]** in the Annex, as determined by the Calculation Agent] [the [Price][Reference Price] of [at least] [a][two or more] Basket Component is [equal to or] below the Barrier Level for this Basket Component as specified in **Table [1][2]** in the Annex at any time during the Barrier Observation Period], as determined by the Calculation Agent.]*

[the [Price][Reference Price] [Final Fixing Level] of [a][two or more] Basket Component is [equal to or] below the Barrier Level for this Basket Component as specified in **Table [1][2]** in the Annex [at any time during the Barrier Observation Period]], as determined by the Calculation Agent.]]

["**Barrier Level**" means the barrier level as specified in **Table 1** in the Annex [with respect to the relevant Basket Component].]

["**Underlying**" means[, subject to a replacement in accordance with these Conditions,] the [Underlying] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"]["**Share**"]["**Participation Certificate (Genussschein)**"]["**Security representing Shares**"]["**Commodity**"]["**Currency Exchange Rate**"] ["**Futures Contract**"]["**Fixed Rate Instrument**"]["**Derivative Instrument**"]["**Fund Unit**"]) [*insert in the case of a share as Underlying or Basket Component*], as issued by the Share Issuer].]

["**Underlying Valuation Date**" means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

["**Basket**" means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

["**Basket Component**" means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.]

["**Calculation Agent**" means the calculation agent as specified in **Table 1** in the Annex.]

[*insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket Component*: "**Exchange**" means[, in respect of the Share] the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]

["**Coupon Payment Date**" means the coupon payment date as specified in **Table 1** in the Annex or, if this date is not a Business Day, the next following Business Day.]

["**Fiscal Agent**" means the fiscal agent as specified in **Table 1** in the Annex.]

["**Final Fixing Period**" means the period from (and including) the fifth (5th) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

["**Final Fixing Level**" means [the Reference Price [of the respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.]]

["**Initial Fixing Date**" means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component]][all Basket

Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General Conditions]. [*insert in the case of Products with subscription period: In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.*]]

["**Business Centre**" means the business centre as specified in **Table 1** in the Annex.]

[*insert in the case of an index as Underlying or Basket Component: "Index Sponsor"* means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].]

["**Initial Weighting**_(i)" means [the Initial Weighting_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Price**" [means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [relevant Reuters] [relevant Bloomberg] page [●] [*insert Internet site: ●*] [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Relevant Performance**" [of the relevant Basket Component] means [the quotient of the End Level (dividend) and the Initial Fixing Level (divisor)].]

["**Relevant Reference Price**" [of a Basket Component means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate [of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate sponsor on the designated Exchange Rate Page] [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page of another screen service] [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any replacement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service] [*insert other method for determining Relevant Exchange Rate: ●*]. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Denomination**" means the denomination as specified in **Table 1** in the Annex (as expressed in the Settlement Currency).]

["**Reference Price**" means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of the Underlying] [of a Basket Component] [in [*insert currency: ●*]] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the rele-

vant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg] [●] [*insert Internet site: ●*] [or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Reference Currency**"] means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Redemption Date**"] means, subject to an extraordinary termination [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one or more Basket Components].] [the fifth (5th) Business Day following the Final Fixing Date]]

["**Worst Performance**"] means [the worst performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]]

["**TARGET2 System**"] means the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET2) payment system which utilises a single shared platform and which was launched on 19 November 2007, or any successor thereto.]

["**Final Fixing Date**"] means [the final fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]].] [In the event of the postponement of the Underlying Valuation Date corresponding to the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

["**Scheduled Trading Day**"] has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Website**"] means the Website as specified in **Table 1** in the Annex.]

["**Exchange Rate Page**"] means the exchange rate page as specified in **Table 2** in the Annex.]

["**Exchange Rate Sponsor**"] means the exchange rate sponsor as specified in **Table 2** in the Annex.]

["**Paying Agent**"] means the paying agent as specified in **Table 1** in the Annex.]

§ 4

Redemption

[insert if COSI is applicable:

(1) Redemption Amount

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to a Minimum Redemption pursuant to paragraph (2) and a Maximum Redemption pursuant to paragraph (3) or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions, the Denomination multiplied by the [Performance of the Underlying][Worst Performance].

[The "**Performance of the Underlying**" equals the quotient of the Final Fixing Level (dividend) and the Initial Fixing Level (divisor).]

The Redemption Amount will be commercially rounded to two (2) decimal places.

(2) Minimum Redemption

Provided that [(i) no Barrier Event has occurred or (ii) a Barrier Event has occurred and the Final Fixing Level of the Underlying is above the Initial Fixing Level][no Barrier Event has occurred], the Redemption Amount equals the Denomination (the "**Minimum Redemption Amount**").

(3) Maximum Redemption

The Redemption Amount per Product equals no more than the Denomination (the "**Maximum Redemption Amount**").]

[insert if COSI is not applicable:

(1) Redemption Amount

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to a Minimum Redemption pursuant to paragraph (2) and a Maximum Redemption pursuant to paragraph (3), the Denomination multiplied by the [Performance of the Underlying][Worst Performance].

[The "**Performance of the Underlying**" equals the quotient of the Final Fixing Level (dividend) and the Initial Fixing Level (divisor).]

The Redemption Amount will be commercially rounded to two (2) decimal places.

(2) Minimum Redemption

Provided that [(i) no Barrier Event has occurred or (ii) a Barrier Event has occurred and the Final Fixing Level of the Underlying is above the Initial Fixing Level][no Barrier Event has occurred], the Redemption Amount equals the Denomination (the "**Minimum Redemption Amount**").

(3) Maximum Redemption

The Redemption Amount per Product equals no more than the Denomination (the "**Maximum Redemption Amount**").]

§ 5

Interest, Coupon Payments

For the Product a coupon payment shall be made in the Settlement Currency on the Coupon Payment Date in the amount (the "**Coupon Amount**") specified for the Coupon Payment Date in **Table 1** in the Annex. Any postponement of the Coupon Payment Date has no effect on the Coupon Amount (see § 8 (1) of the Issue Specific Conditions).

§ 6**(intentionally left blank)****§ 7****(intentionally left blank)****§ 8****Payments****(1) *Payments***

The Issuer shall cause the claimed Redemption Amount, if any, to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Redemption Date. The Issuer shall transfer the Coupon Amount in arrears by the Coupon Payment Date via the Paying Agent to the Clearing System for transmitting to the Holders. If the Redemption Date or Coupon Payment Date falls on a day which is not a Business Day and is deferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

(2) *Declaration on Regulation S*

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

(3) *Taxes, Fees and Duties*

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

§ 9**(intentionally left blank)**

[insert in the case COSI is applicable:]

§ 10**Collateral Secured Instruments (COSI)****(1) *Collateralization of the Product***

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The

Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

(2) Documentation

The collateralization in favour of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, the issuer and the Collateral Provider dated 10 September 2010, in the case of Products issued by Leonteq Securities AG, or dated 5 October 2012, in the case of Products issued by Leonteq Securities AG, Guernsey Branch («Framework Agreement»). The issuer shall, upon request, provide the Framework Agreement to investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG, Brandschenkestrasse 90, 8002 Zurich, Switzerland, via telephone +41 (0)58 800 1000, fax +41 (0)58 800 1010. The core elements of collateralization of the COSI Product are summarised in a SIX Swiss Exchange information sheet, which is available at «www.six-swiss-exchange.com» (under the section „Issuers“ – „Services“, „COSI“).

(3) Collateralization method

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange.

The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to [Method A: Fair Value Method] [Method B: Bond Floor Method] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

(4) *Distribution and market making*

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

(5) *Risks*

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

(6) *Liquidation of collateral*

If the Collateral Provider fails to fulfil its obligations, the collateral will be liquidated by SIX Swiss Exchange or a liquidator under the terms of the applicable legal regulations. The collateral may be liquidated («Liquidation Events») if (i) the Collateral Provider fails to furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v)

the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

(7) *Determination of a Liquidation Event*

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

(8) *Procedure in case of a Liquidation Event*

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website (www.six-swiss-exchange.com under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

(9) *Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer*

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website (www.six-swiss-exchange.com under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifi-

cally the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

(10) *Costs of liquidation and payout for the benefit of the investors*

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, convert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

(11) *Secondary Listing*

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

(12) *Liability*

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS

participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

(13) No authorisation

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

(14) Congruence with the Conditions

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

| Term used in this | Corresponding definition in these Conditions |
|--|---|
| § 10 "Collateral Secured Instruments (COSI)" | |
| investor | Holder |
| issuer | Issuer |
| issuing conditions | Terms and Conditions, Conditions |
| maturity | Redemption, Redemption Date, Final Fixing Date] |

[insert in the case COSI is not applicable:

**§ 10
(intentionally left blank)]**

[in the case of Notes (Barrier Reverse Convertibles) with potential Physical Settlement (Product No. 9), insert:

§ 1

Form and Issue Size; Definitions; Term of the Products

(1) Currency; Issue Size

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "Issuer") issues products (each a "Note" or a "Product" and together the "Notes" or the "Products"). The total nominal amount (the "Total Nominal Amount") and the settlement currency (the "Settlement Currency") of the Products are specified in Table 1 in the Annex.

(2) (2) Form

[insert in the case of Swiss Uncertificated Securities:

(a) Uncertificated Securities, Holders

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("Uncertificated Securities").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "Register of Uncertificated Securities"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "Main Register of the Custody Agent"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("Intermediated Securities") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "Security Papers").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent

(*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.

(b) Custody Agent

"**Custody Agent**" is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

[insert in the case of Swiss Bearer Securities:

(a) Bearer Securities

The Products are issued in bearer form ("**Bearer Securities**").

(b) Permanent Global Note, Holder

[insert in the case of Swiss CBF Bearer Securities:

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of Swiss SIX SIS Bearer Securities:

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.]

[insert in the case of German Bearer Securities:

(a) Bearer Securities

The Products are issued in bearer form.

[insert in the case of German CBF Bearer Securities:]

(b) Permanent Global Note, Holder

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of German SIX SIS Bearer Securities:]

(b) Permanent Global Note, Holder

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

(c) Clearing System

"**Clearing System**" in each case is the clearing system as specified in Table 1 in the Annex.

(3) *Term of the Products*

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer [*insert in the case COSI is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific conditions*].

§ 2

Status of the Products

[*insert in the case COSI is not applicable:*

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.]

[insert in the case COSI is applicable:

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

§ 3

Definitions

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

[insert in the case of a share as Underlying or Basket Component: "Share Issuer" means the company that has issued the [Underlying][Basket Component].]

"Initial Fixing Level" means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.]

"Initial Fixing Period" means the initial fixings period as specified in **Table 1** in the Annex.]

"Initial Basket Value" means the initial basket value as specified in **Table 1** in the Annex.]

"Number of Basket Component_(i)" [means the relevant Number of Basket Component_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level_(i) [and the [EUR][●]/Reference Currency_(i) exchange rate] and takes into account the Initial Weighting_(i) of the respective Basket Component_(i), corresponding to the weighted share of the respective Basket Component_(i) in the Initial Basket Value on the Initial Fixing Date.] [means the weighted share of the respective Basket Component_(i) in the Initial Basket Value as determined by the Issuer and/or Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level_(i), and taking into account the Initial Weighting_(i) of the respective Basket Component_(i). The relevant Number of Basket Component_(i) corresponds to the [Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting_(i) (converted into the Settlement Currency, if applicable) (dividend) and the Initial Fixing Level_(i) (divisor): $\text{Number of Basket Component}_{(i)} = \frac{[\text{Denomination}][\text{Initial Basket Value}] * \text{Initial Weighting}_{(i)}}{\text{Initial Fixing Level}_{(i)}}$] [Initial Weighting means the Initial Weighting_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex.]

["**Business Day**" means

[insert in the case of Products with Swiss Francs as Settlement Currency: [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]

[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency: [(in the case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in [insert principal financial centre for such currency: ●].]

[insert in the case of Products with Euro as Settlement Currency: [(in the case of Products with Euro as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.]

[insert in the case of Products with US Dollar as Settlement Currency: [(in the case of Products with US Dollar as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in New York and Zurich.]

[insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [insert currency: ●]] [in the Business Centre[s]] [if no currency is indicated, insert: in each of the Business Centres].]

["**Issue Date**" means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

["**Issue Price**" means the issue price as specified in **Table 1** in the Annex.]

["**Issue Surcharge**" means the issue surcharge as specified in **Table 1** in the Annex.]

["**Conversion Ratio**" means [the conversion ratio as specified in **Table 1** in the Annex.][the conversion ratio in respect of the relevant Basket Component as specified in **Table 2** in the Annex.] [If the Issuer has received ordinary dividend payments between the Initial Fixing Date (exclusive) and the Final Fixing Date [(exclusive)] [(inclusive)] in respect of the Underlying, the applicable net dividend (i.e. the dividend amount minus taxes) is reinvested, whereby the Conversion Ratio is adjusted ● Business Days after the receipt of the dividend payment by the Issuer.]]

["**Barrier Observation Period**" means the barrier observation period as specified in **Table 1** in the Annex.]

["**Barrier Event**" has occurred if [the Final Fixing Level is at or below the Barrier Level] [the [Price][Reference Price] is [equal to or] below the Barrier Level at any time during the Barrier Observation Period] *[insert in the case of a Basket as Underlying if appropriate: [the Final Basket Value equals or falls below the Barrier Level as determined by the Calculation Agent] [the*

[Price][Reference Price] of the Basket is equal to or below the Barrier Level during the Observation Period, as determined by the Calculation Agent] [the [Price][Reference Price] of [a][two or more] Basket Component is [equal to or] below the Barrier Level for this Basket Component as specified in **Table 1**[**2**] in the Annex at any time during the Barrier Observation Period], as determined by the Calculation Agent.] [the [Price[s]][Reference Price[s]] [Final Fixing Level[s]] of [a][two or more] Basket Component is [equal to or] below the Barrier Level for this Basket Component as specified in **Table 1**[**2**] in the Annex [at any time during the Barrier Observation Period]], as determined by the Calculation Agent.]]

["**Barrier Level**" means the barrier level as specified in **Table 1** in the Annex [with respect to the relevant Basket Component].]

["**Underlying**" means[, subject to a replacement in accordance with these Conditions,] the [Underlying] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"]["**Share**"]["**Participation Certificate (Genussschein)**"]["**Security representing Shares**"]["**Commodity**"]["**Currency Exchange Rate**] ["**Futures Contract**"]["**Fixed Rate Instrument**"]["**Derivative Instrument**"]["**Fund Unit**"]) [*insert in the case of a share as Underlying or Basket Component:*, as issued by the Share Issuer].]

["**Underlying Valuation Date**" means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

["**Basket**" means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

["**Basket Component**" means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.]

["**Calculation Agent**" means the calculation agent as specified in **Table 1** in the Annex.]

[*insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket Component: "Exchange"* means[, in respect of the Share] the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]

["**Coupon Payment Date**" means the coupon payment date as specified in **Table 1** in the Annex or, if this date is not a Business Day, the next following Business Day.]

["**Fiscal Agent**" means the fiscal agent as specified in **Table 1** in the Annex.]

["**Final Fixing Period**" means the period from (and including) the fifth (5th) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

["**Final Fixing Level**" means [the Reference Price [of the respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing

Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.]]

["**Initial Fixing Date**" means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General Conditions]. [*insert in the case of Products with subscription period:* In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.]]

["**Business Centre**" means the business centre as specified in **Table 1** in the Annex.]

[*insert in the case of an index as Underlying or Basket Component:* "**Index Sponsor**" means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].]

["**Initial Weighting_(i)**" means [the Initial Weighting_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Price**" [means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [relevant Reuters] [relevant Bloomberg] page [●] [*insert Internet site:* ●] [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Relevant Performance**" [of the relevant Basket Component] means [the quotient of the End Level (dividend) and the Initial Fixing Level (divisor).]]

["**Relevant Reference Price**" [of a Basket Component means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate [of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate sponsor on the designated Exchange Rate Page] [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page of another screen service] [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any replacement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service] [*insert other method for determining Relevant Exchange Rate:* ●]. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Denomination**" means the denomination as specified in **Table 1** in the Annex (as expressed in the Settlement Currency).]

["**Reference Price**" means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of the Underlying] [of a Basket Component] [in [*insert currency*: ●]] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg] [●] [*insert Internet site*: ●] [or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Reference Currency**" means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Redemption Date**" means, subject to an extraordinary termination [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one ore more Basket Components].] [the fifth (5th) Business Day following the Final Fixing Date]]

["**Worst Performance**" means [the worst performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]]

["**TARGET2 System**" means the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET2) payment system which utilises a single shared platform and which was launched on 19 November 2007, or any successor thereto.]

["**Final Fixing Date**" means [the final fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]].] [In the event of the postponement of the Underlying Valuation Date corresponding to the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

["**Scheduled Trading Day**" has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Website**" means the Website as specified in **Table 1** in the Annex.]

["**Exchange Rate Page**" means the exchange rate page as specified in **Table 2** in the Annex.]

["**Exchange Rate Sponsor**" means the exchange rate sponsor as specified in **Table 2** in the Annex.]

["**Paying Agent**" means the paying agent as specified in **Table 1** in the Annex.]

§ 4

Redemption, Physical Delivery

[insert if COSI is applicable:

(1) Redemption Amount

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to a physical settlement pursuant to paragraph (4) or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions, the Minimum Redemption Amount pursuant to paragraph (2) which equals the Maximum Redemption Amount pursuant to paragraph (3).

(2) Minimum Redemption

Provided that [(i)] no Barrier Event has occurred [or (ii) a Barrier Event has occurred and the Final Fixing Level is above the Initial Fixing Level], the Redemption Amount equals the Denomination (the "**Minimum Redemption Amount**").

(3) Maximum Redemption

The Redemption Amount per Product equals no more than the Denomination (the "**Maximum Redemption Amount**").

(4) Settlement by delivery

If a Barrier Event has occurred [and the Final Fixing Level reaches or falls below the Initial Fixing Level], the Issuer will redeem the Products by way of delivery of a number of the [Underlying][Basket Component with the Worst Performance] expressed by the Conversion Ratio, with fractions of the [Underlying][relevant Basket Component] not being delivered but redeemed by way of payment of a cash payment amount for fractions (the "**Cash Payment Amount for Fractions**"). Should the delivery of the [Underlying][relevant Basket Component], for whatever reason, be economically or actually impeded or not possible, then the Issuer shall have the right to pay a compensation amount (the "**Compensation Amount**") in lieu of delivery of the [Underlying][relevant Basket Component]. For the calculation of the Cash Payment Amount for Fractions or the Compensation Amount the Final Fixing Level, which considering the Conversion Ratio is either related to the fraction of the [Underlying][relevant Basket Component] in the case of the Cash Payment Amount for Fractions or to the number of the [Underlying][relevant Basket Component] in the case of the Compensation Amount. If the Holder holds several Products, there shall be no aggregation of the Cash Payment Amounts for Fractions in such a way that the number of the [Underlyings][relevant Basket Components] to be settled would increase. The Cash Payment Amount for Fractions or the Compensation Amount, as the case may be, shall be commercially rounded to two (2) decimal places.]

[insert if COSI is not applicable:]

(1) Redemption Amount

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to a physical settlement pursuant to paragraph (4), the Minimum Redemption Amount pursuant to paragraph (2) which equals the Maximum Redemption Amount pursuant to paragraph (3).

(2) Minimum Redemption

Provided that [(i)] no Barrier Event has occurred [or (ii) a Barrier Event has occurred and the Final Fixing Level is above the Initial Fixing Level], the Redemption Amount equals the Denomination (the "**Minimum Redemption Amount**").

(3) Maximum Redemption

The Redemption Amount per Product equals no more than the Denomination (the "**Maximum Redemption Amount**").

(4) Settlement by delivery

If a Barrier Event has occurred [and the Final Fixing Level reaches or falls below the Initial Fixing Level], the Issuer will redeem the Products by way of delivery of a number of the [Underlying][Basket Component with the Worst Performance] expressed by the Conversion Ratio, with fractions of the [Underlying][relevant Basket Component] not being delivered but redeemed by way of payment of a cash payment amount for fractions (the "**Cash Payment Amount for Fractions**"). Should the delivery of the [Underlying][relevant Basket Component], for whatever reason, be economically or actually impeded or not possible, then the Issuer shall have the right to pay a compensation amount (the "**Compensation Amount**") in lieu of delivery of the [Underlying][relevant Basket Component]. For the calculation of the Cash Payment Amount for Fractions or the Compensation Amount the Final Fixing Level, which considering the Conversion Ratio is either related to the fraction of the [Underlying][relevant Basket Component] in the case of the Cash Payment Amount for Fractions or to the number of the [Underlying][relevant Basket Component] in the case of the Compensation Amount. If the Holder holds several Products, there shall be no aggregation of the Cash Payment Amounts for Fractions in such a way that the number of the [Underlyings][relevant Basket Components] to be settled would increase. The Cash Payment Amount for Fractions or the Compensation Amount, as the case may be, shall be commercially rounded to two (2) decimal places.]

§ 5**Interest, Coupon Payments**

For the Product a coupon payment shall be made in the Settlement Currency on the Coupon Payment Date in the amount (the "**Coupon Amount**") specified for the Coupon Payment Date in **Table 1** in the Annex. Any postponement of the Coupon Payment Date has no effect on the Coupon Amount (see § 8 (1) of the Issue Specific Conditions).

§ 6**(intentionally left blank)****§ 7****(intentionally left blank)****§ 8****Payments, Physical Delivery****(1) *Payments, Physical Delivery***

The Issuer shall cause the delivery of the Underlying or Basket Component, as the case may be, or the claimed Redemption Amount, if any, or any other amount to be paid pursuant to § 4 of the Issue Specific Conditions to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Redemption Date. The Issuer shall transfer the Coupon Amount in arrears by the Coupon Payment Date via the Paying Agent to the Clearing System for transmitting to the Holders. If the Redemption Date or Coupon Payment Date falls on a day which is not a Business Day and is deferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

(2) *Declaration on Regulation S*

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

(3) *Taxes, Fees and Duties*

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

§ 9**(intentionally left blank)**

[insert in the case COSI is applicable:]

§ 10

Collateral Secured Instruments (COSI)

(1) Collateralization of the Product

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

(2) Documentation

The collateralization in favour of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, the issuer and the Collateral Provider dated 10 September 2010, in the case of Products issued by Leonteq Securities AG, or dated 5 October 2012, in the case of Products issued by Leonteq Securities AG, Guernsey Branch («Framework Agreement»). The issuer shall, upon request, provide the Framework Agreement to investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG, Brandschenkestrasse 90, 8002 Zurich, Switzerland, via telephone +41 (0)58 800 1000, fax +41 (0)58 800 1010. The core elements of collateralization of the COSI Product are summarised in a SIX Swiss Exchange information sheet, which is available at «www.six-swiss-exchange.com» (under the section „Issuers“ – „Services“, „COSI“).

(3) Collateralization method

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a

COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to [Method A: Fair Value Method] [Method B: Bond Floor Method] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

(4) *Distribution and market making*

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

(5) *Risks*

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

(6) *Liquidation of collateral*

If the Collateral Provider fails to fulfil its obligations, the collateral will be liquidated by SIX Swiss Exchange or a liquidator under the terms of the applicable legal regulations. The collateral may be liquidated («Liquidation Events») if (i) the Collateral Provider fails to furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied with-

in three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

(7) Determination of a Liquidation Event

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

(8) Procedure in case of a Liquidation Event

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website (www.six-swiss-exchange.com under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

(9) Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website (www.six-swiss-exchange.com under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Ex-

change are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

(10) *Costs of liquidation and payout for the benefit of the investors*

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, convert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

(11) *Secondary Listing*

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

(12) *Liability*

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross neg-

ligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

(13) No authorisation

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

(14) Congruence with the Conditions

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

| Term used in this | Corresponding definition in these Conditions |
|--|---|
| § 10 "Collateral Secured Instruments (COSI)" | |
| investor | Holder |
| issuer | Issuer |
| issuing conditions | Terms and Conditions, Conditions |
| maturity | Redemption, Redemption Date, Final Fixing Date] |

[insert in the case COSI is not applicable:

**§ 10
(intentionally left blank)]]**

[in the case of Discount Certificates with Cash Settlement (Product No. 10), insert:

§ 1

Form and Issue Size; Definitions; Term of the Products

(1) Currency; Issue Size

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "**Issuer**") issues products without par value (each a "**Certificate**" or a "**Product**" and together the "**Certificates**" or the "**Products**"). The number (the "**Number of Products**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.

(2) Form

[insert in the case of Swiss Uncertificated Securities:

(a) Uncertificated Securities, Holders

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or

transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.

(b) Custody Agent

"**Custody Agent**" is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

[insert in the case of Swiss Bearer Securities:

(a) Bearer Securities

The Products are issued in bearer form ("**Bearer Securities**").

(b) Permanent Global Note, Holder

[insert in the case of Swiss CBF Bearer Securities:

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of Swiss SIX SIS Bearer Securities:

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.]

[insert in the case of German Bearer Securities:

(a) Bearer Securities

The Products are issued in bearer form.

[insert in the case of German CBF Bearer Securities:]

(b) Permanent Global Note, Holder

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of German SIX SIS Bearer Securities:]

(b) Permanent Global Note, Holder

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

(c) Clearing System

"**Clearing System**" in each case is the clearing system as specified in Table 1 in the Annex.

(3) Term of the Products

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer [*insert in the case COSI is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific conditions*].

§ 2

Status of the Products

[*insert in the case COSI is not applicable:*

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.]

[insert in the case COSI is applicable:

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

§ 3

Definitions

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

[insert in the case of a share as Underlying or Basket Component: "Share Issuer" means the company that has issued the [Underlying][Basket Component].]

"Initial Fixing Level" means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.]

"Initial Fixing Period" means the initial fixings period as specified in **Table 1** in the Annex.]

"Initial Basket Value" means the initial basket value as specified in **Table 1** in the Annex.]

"Number of Basket Component_(i)" [means the relevant Number of Basket Component_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level_(i) [and the [EUR][●]/Reference Currency_(i) exchange rate] and takes into account the Initial Weighting_(i) of the respective Basket Component_(i), corresponding to the weighted share of the respective Basket Component_(i) in the Initial Basket Value on the Initial Fixing Date.] [means the weighted share of the respective Basket Component_(i) in the Initial Basket Value as determined by the Issuer and/or Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level_(i), and taking into account the Initial Weighting_(i) of the respective Basket Component_(i). The relevant Number of Basket Component_(i) corresponds to the [Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting_(i) (converted into the Settlement Currency, if applicable) (dividend) and the Initial Fixing Level_(i) (divisor): $\text{Number of Basket Component}_{(i)} = \frac{[\text{Denomination}][\text{Initial Basket Value}] * \text{Initial Weighting}_{(i)}}{\text{Initial Fixing Level}_{(i)}}$] [Initial Weighting means the Initial Weighting_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex.]

["**Business Day**" means

[insert in the case of Products with Swiss Francs as Settlement Currency: [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]

[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency: [(in the case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in [insert principal financial centre for such currency: ●].]

[insert in the case of Products with Euro as Settlement Currency: [(in the case of Products with Euro as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.]

[insert in the case of Products with US Dollar as Settlement Currency: [(in the case of Products with US Dollar as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in New York and Zurich.]

[insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [insert currency: ●]] [in the Business Centre[s]] [if no currency is indicated, insert: in each of the Business Centres].]

["**Issue Date**" means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

["**Issue Price**" means the issue price as specified in **Table 1** in the Annex.]

["**Issue Surcharge**" means the issue surcharge as specified in **Table 1** in the Annex.]

["**Conversion Ratio**" means [the conversion ratio as specified in **Table 1** in the Annex.][the conversion ratio in respect of the relevant Basket Component as specified in **Table 2** in the Annex.] [If the Issuer has received ordinary dividend payments between the Initial Fixing Date (exclusive) and the Final Fixing Date [(exclusive)] [(inclusive)] in respect of the Underlying, the applicable net dividend (i.e. the dividend amount minus taxes) is reinvested, whereby the Conversion Ratio is adjusted ● Business Days after the receipt of the dividend payment by the Issuer.]]

["**Underlying**" means[, subject to a replacement in accordance with these Conditions,] the [Underlying] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"] ["**Share**"] ["**Participation Certificate (Genussschein)**"] ["**Security representing Shares**"] ["**Commodity**"] ["**Currency Exchange Rate**"] ["**Futures Contract**"] ["**Fixed Rate Instrument**"] ["**Derivative Instrument**"] ["**Fund Unit**"])] *[insert in the case of a share as Underlying or Basket Component:, as issued by the Share Issuer].]*

["**Underlying Valuation Date**" means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

["**Basket**" means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

["**Basket Component**" means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.]

["**Calculation Agent**" means the calculation agent as specified in **Table 1** in the Annex.]

[insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket Component: "Exchange" means[, in respect of the Share] the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]

["**Cap Level**" means the Cap Level as specified in **Table 1** in the Annex.]

["**Fiscal Agent**" means the fiscal agent as specified in **Table 1** in the Annex.]

["**Final Fixing Period**" means the period from (and including) the fifth (5th) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

["**Final Fixing Level**" means [the Reference Price [of the respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.]]

["**Initial Fixing Date**" means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General Conditions]. *[insert in the case of Products with subscription period: In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.]*]

["**Business Centre**" means the business centre as specified in **Table 1** in the Annex.]

[insert in the case of an index as Underlying or Basket Component: "Index Sponsor" means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].]

["**Initial Weighting**_(i)" means [the Initial Weighting_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Price**" means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [relevant Reuters] [relevant Bloomberg] page [●] [*insert Internet site: ●*] [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Relevant Performance**" of the relevant Basket Component] means [the quotient of the End Level (dividend) and the Initial Fixing Level (divisor).]]

["**Relevant Reference Price**" of a Basket Component means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate [of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate sponsor on the designated Exchange Rate Page] [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page of another screen service] [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any replacement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service] [*insert other method for determining Relevant Exchange Rate: ●*]. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Reference Price**" means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of the Underlying] [of a Basket Component] [in [*insert currency: ●*]] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg] [●] [*insert Internet site: ●*] [or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Reference Currency**" means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Redemption Date**" means, subject to an extraordinary termination [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one ore more Basket Components].] [the fifth (5th) Business Day following the Final Fixing Date]]

["**Worst Performance**" means [the worst performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]]

["**TARGET2 System**" means the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET2) payment system which utilises a single shared platform and which was launched on 19 November 2007, or any successor thereto.]

["**Final Fixing Date**" means [the final fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]].] [In the event of the postponement of the Underlying Valuation Date corresponding to the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

["**Scheduled Trading Day**" has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Website**" means the Website as specified in **Table 1** in the Annex.]

["**Exchange Rate Page**" means the exchange rate page as specified in **Table 2** in the Annex.]

["**Exchange Rate Sponsor**" means the exchange rate sponsor as specified in **Table 2** in the Annex.]

["**Paying Agent**" means the paying agent as specified in **Table 1** in the Annex.]

§ 4

Redemption

[insert if COSI is applicable:

(1) Redemption Amount

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to a Maximum Redemption pursuant to paragraph (2) or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions the Final Fixing Level multiplied by the Conversion Ratio.

The Redemption Amount will be *[insert if Currency Conversion is applicable:* converted into the Settlement Currency in accordance with paragraph (3), as the case may be, and] commercially rounded to two (2) decimal places.

(2) Maximum Redemption

Provided that the Final Fixing Level is above the Cap Level, the Redemption Amount equals the Cap Level multiplied by the Conversion Ratio (the "**Maximum Redemption Amount**").

The Maximum Redemption Amount will be *[insert if Currency Conversion is applicable:* converted into the Settlement Currency in accordance with paragraph (3) and] commercially rounded to two (2) decimal places.

[insert if Currency Conversion is applicable:

(3) (3) Currency exchange

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent *[insert if Quanto is not applicable:* on the basis of the exchange rate expressed in the Reference Cur-

rency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.][*insert if Quanto is applicable: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("Quanto").*]]

[insert if COSI is not applicable:

(1) Redemption Amount

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to a Maximum Redemption pursuant to paragraph (2) the Final Fixing Level multiplied by the Conversion Ratio.

The Redemption Amount will be [*insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (3), as the case may be, and]* commercially rounded to two (2) decimal places.

(2) Maximum Redemption

Provided that the Final Fixing Level is above the Cap Level, the Redemption Amount equals the Cap Level multiplied by the Conversion Ratio (the "**Maximum Redemption Amount**").

The Maximum Redemption Amount will be [*insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (3) and]* commercially rounded to two (2) decimal places.

[insert if Currency Conversion is applicable:

(3) Currency exchange

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent [*insert if Quanto is not applicable: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable*

market practice and considering the prevailing market conditions in its reasonable discretion.][*insert if Quanto is applicable: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("Quanto").*]]

§ 5

Interest, Coupon Payments

The Products bear no interest.

§ 6

(intentionally left blank)

§ 7

(intentionally left blank)

§ 8

Payments

(1) Payments

The Issuer shall cause the claimed Redemption Amount, if any, to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Redemption Date.

If the Redemption Date falls on a day which is not a Business Day and is deferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

(2) Declaration on Regulation S

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

(3) Taxes, Fees and Duties

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

§ 9

(intentionally left blank)

[insert in the case COSI is applicable:

§ 10

Collateral Secured Instruments (COSI)

(1) Collateralization of the Product

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

(2) Documentation

The collateralization in favour of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, the issuer and the Collateral Provider dated 10 September 2010, in the case of Products issued by Leonteq Securities AG, or dated 5 October 2012, in the case of Products issued by Leonteq Securities AG, Guernsey Branch («Framework Agreement»). The issuer shall, upon request, provide the Framework Agreement to investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG, Brandschenkestrasse 90, 8002 Zurich, Switzerland, via telephone +41 (0)58 800 1000, fax +41 (0)58 800 1010. The core elements of collateralization of the COSI Product are summarised in a SIX Swiss Exchange information sheet, which is available at «www.six-swiss-exchange.com» (under the section „Issuers“ – „Services“, „COSI“).

(3) Collateralization method

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a

COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to [Method A: Fair Value Method] [Method B: Bond Floor Method] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

(4) *Distribution and market making*

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

(5) *Risks*

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

(6) *Liquidation of collateral*

If the Collateral Provider fails to fulfil its obligations, the collateral will be liquidated by SIX Swiss Exchange or a liquidator under the terms of the applicable legal regulations. The collateral may be liquidated («Liquidation Events») if (i) the Collateral Provider fails to furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied with-

in three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

(7) Determination of a Liquidation Event

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

(8) Procedure in case of a Liquidation Event

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website (www.six-swiss-exchange.com under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

(9) Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website (www.six-swiss-exchange.com under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Ex-

change are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

(10) *Costs of liquidation and payout for the benefit of the investors*

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, convert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

(11) *Secondary Listing*

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

(12) *Liability*

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross neg-

ligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

(13) No authorisation

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

(14) Congruence with the Conditions

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

| Term used in this | Corresponding definition in these Conditions |
|--|---|
| § 10 "Collateral Secured Instruments (COSI)" | |
| investor | Holder |
| issuer | Issuer |
| issuing conditions | Terms and Conditions, Conditions |
| maturity | Redemption, Redemption Date, Final Fixing Date] |

[insert in the case COSI is not applicable:

**§ 10
(intentionally left blank)]]**

[in the case of Discount Certificates with potential Physical Settlement (Product No. 11), insert:

§ 1

Form and Issue Size; Definitions; Term of the Products

(1) Currency; Issue Size

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "Issuer") issues products without par value (each a "Certificate" or a "Product" and together the "Certificates" or the "Products"). The number (the "Number of Products") and the settlement currency (the "Settlement Currency") of the Products are specified in **Table 1** in the Annex.

(2) Form

[insert in the case of Swiss Uncertificated Securities:

(a) Uncertificated Securities, Holders

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their

own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.

(b) Custody Agent

"**Custody Agent**" is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

[insert in the case of Swiss Bearer Securities:

(a) Bearer Securities

The Products are issued in bearer form ("**Bearer Securities**").

(b) Permanent Global Note, Holder

[insert in the case of Swiss CBF Bearer Securities:

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of Swiss SIX SIS Bearer Securities:

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.]

[insert in the case of German Bearer Securities:

(a) Bearer Securities

The Products are issued in bearer form.

[insert in the case of German CBF Bearer Securities:]

(b) Permanent Global Note, Holder

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of German SIX SIS Bearer Securities:]

(b) Permanent Global Note, Holder

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

(c) Clearing System

"**Clearing System**" in each case is the clearing system as specified in Table 1 in the Annex.

(3) Term of the Products

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer [*insert in the case COSI is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific conditions*].

§ 2

Status of the Products

[*insert in the case COSI is not applicable:*

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.]

[insert in the case COSI is applicable:

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

§ 3

Definitions

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

[insert in the case of a share as Underlying or Basket Component: "Share Issuer" means the company that has issued the [Underlying][Basket Component].]

"Initial Fixing Level" means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.]

"Initial Fixing Period" means the initial fixings period as specified in **Table 1** in the Annex.]

"Initial Basket Value" means the initial basket value as specified in **Table 1** in the Annex.]

"Number of Basket Component_(i)" [means the relevant Number of Basket Component_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level_(i) [and the [EUR][●]/Reference Currency_(i) exchange rate] and takes into account the Initial Weighting_(i) of the respective Basket Component_(i), corresponding to the weighted share of the respective Basket Component_(i) in the Initial Basket Value on the Initial Fixing Date.] [means the weighted share of the respective Basket Component_(i) in the Initial Basket Value as determined by the Issuer and/or Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level_(i), and taking into account the Initial Weighting_(i) of the respective Basket Component_(i). The relevant Number of Basket Component_(i) corresponds to the [Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting_(i) (converted into the Settlement Currency, if applicable) (dividend) and the Initial Fixing Level_(i) (divisor): $\text{Number of Basket Component}_{(i)} = \frac{[\text{Denomination}][\text{Initial Basket Value}] * \text{Initial Weighting}_{(i)}}{\text{Initial Fixing Level}_{(i)}}$ [Initial Weighting means the Initial Weighting_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex.]

["**Business Day**" means

[insert in the case of Products with Swiss Francs as Settlement Currency: [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]

[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency: [(in the case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in [insert principal financial centre for such currency: ●].]

[insert in the case of Products with Euro as Settlement Currency: [(in the case of Products with Euro as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.]

[insert in the case of Products with US Dollar as Settlement Currency: [(in the case of Products with US Dollar as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in New York and Zurich.]

[insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [insert currency: ●]] [in the Business Centre[s]] [if no currency is indicated, insert: in each of the Business Centres].]

["**Issue Date**" means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

["**Issue Price**" means the issue price as specified in **Table 1** in the Annex.]

["**Issue Surcharge**" means the issue surcharge as specified in **Table 1** in the Annex.]

["**Conversion Ratio**" means [the conversion ratio as specified in **Table 1** in the Annex][the conversion ratio in respect of the relevant Basket Component as specified in **Table 2** in the Annex]. [If the Issuer has received ordinary dividend payments between the Initial Fixing Date (exclusive) and the Final Fixing Date [(exclusive)] [(inclusive)] in respect of the Underlying, the applicable net dividend (i.e. the dividend amount minus taxes) is reinvested, whereby the Conversion Ratio is adjusted ● Business Days after the receipt of the dividend payment by the Issuer.]]

["**Underlying**" means[, subject to a replacement in accordance with these Conditions,] the [Underlying] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"] ["**Share**"] ["**Participation Certificate (Genussschein)**"] ["**Security representing Shares**"] ["**Commodity**"] ["**Currency Exchange Rate**"] ["**Futures Contract**"] ["**Fixed Rate Instrument**"] ["**Derivative Instrument**"] ["**Fund Unit**"])] *[insert in the case of a share as Underlying or Basket Component:, as issued by the Share Issuer].]*

["**Underlying Valuation Date**" means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

["**Basket**" means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

["**Basket Component**" means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.]

["**Calculation Agent**" means the calculation agent as specified in **Table 1** in the Annex.]

[insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket Component: "Exchange" means[, in respect of the Share] the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]

["**Cap Level**" means the Cap Level as specified in **Table 1** in the Annex.]

["**Fiscal Agent**" means the fiscal agent as specified in **Table 1** in the Annex.]

["**Final Fixing Period**" means the period from (and including) the fifth (5th) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

["**Final Fixing Level**" means [the Reference Price [of the respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.]]

["**Initial Fixing Date**" means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General Conditions]. *[insert in the case of Products with subscription period: In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.]*]

["**Business Centre**" means the business centre as specified in **Table 1** in the Annex.]

[insert in the case of an index as Underlying or Basket Component: "Index Sponsor" means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].]

["**Initial Weighting**_(i)" means [the Initial Weighting_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Price**" means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [relevant Reuters] [relevant Bloomberg] page [●] [*insert Internet site: ●*] [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Relevant Performance**" of the relevant Basket Component] means [the quotient of the End Level (dividend) and the Initial Fixing Level (divisor).]]

["**Relevant Reference Price**" of a Basket Component means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate [of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate sponsor on the designated Exchange Rate Page] [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page of another screen service] [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any replacement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service] [*insert other method for determining Relevant Exchange Rate: ●*]. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Reference Price**" means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of the Underlying] [of a Basket Component] [in [*insert currency: ●*]] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg] [●] [*insert Internet site: ●*] [or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Reference Currency**" means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Redemption Date**" means, subject to an extraordinary termination [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one ore more Basket Components].] [the fifth (5th) Business Day following the Final Fixing Date]]

["**Worst Performance**" means [the worst performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]]

["**TARGET2 System**" means the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET2) payment system which utilises a single shared platform and which was launched on 19 November 2007, or any successor thereto.]

["**Final Fixing Date**" means [the final fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]].] [In the event of the postponement of the Underlying Valuation Date corresponding to the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

["**Scheduled Trading Day**" has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Website**" means the Website as specified in **Table 1** in the Annex.]

["**Exchange Rate Page**" means the exchange rate page as specified in **Table 2** in the Annex.]

["**Exchange Rate Sponsor**" means the exchange rate sponsor as specified in **Table 2** in the Annex.]

["**Paying Agent**" means the paying agent as specified in **Table 1** in the Annex.]

§ 4

Redemption, Physical Delivery

[insert if COSI is applicable:

(1) Physical Delivery

The Issuer will, subject to a Maximum Redemption pursuant to paragraph (2) or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions, redeem the Products by way of delivery of a number of the Underlying expressed by the Conversion Ratio, with fractions of the Underlying not being delivered but redeemed by way of payment of a cash payment amount for fractions (the "**Cash Payment Amount for Fractions**"). Should the delivery of the Underlying, for whatever reason, be economically or actually impeded or not possible, then the Issuer shall have the right to pay a compensation amount (the "**Compensation Amount**") in lieu of delivery of the Underlying. For the calculation of the Cash Payment Amount for Fractions or the Compensation Amount the Final Fixing Level, which considering the Conversion Ratio is either related to the fraction of the Underlying in the case of the Cash Payment Amount for Fractions or to the number of the Underlying in the case of the Compensation Amount. If the Holder holds several Products, there shall be no aggregation of the Cash Payment Amounts for Fractions in such a way that the number of the Underlyings to be settled would increase. The Cash Payment Amount for Fractions or the Compensation Amount, as the case may be, shall be commercially rounded to two (2) decimal places.

(2) Maximum Redemption

Provided that the Final Fixing Level is above the Cap Level, the Redemption Amount equals the Cap Level multiplied by the Conversion Ratio (the "**Maximum Redemption Amount**").

The Maximum Redemption Amount will be *[insert if Currency Conversion is applicable: converted*

into the Settlement Currency in accordance with paragraph (3) and] commercially rounded to two (2) decimal places.

[insert if Currency Conversion is applicable:

(3) Currency exchange

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent *[insert if Quanto is not applicable: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.]**[insert if Quanto is applicable: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("Quanto").]*

[insert if COSI is not applicable:

(1) Physical Delivery

The Issuer will, subject to a Maximum Redemption pursuant to paragraph (2), redeem the Products by way of delivery of a number of the Underlying expressed by the Conversion Ratio, with fractions of the Underlying not being delivered but redeemed by way of payment of a cash payment amount for fractions (the "**Cash Payment Amount for Fractions**"). Should the delivery of the Underlying, for whatever reason, be economically or actually impeded or not possible, then the Issuer shall have the right to pay a compensation amount (the "**Compensation Amount**") in lieu of delivery of the Underlying. For the calculation of the Cash Payment Amount for Fractions or the Compensation Amount the Final Fixing Level, which considering the Conversion Ratio is either related to the fraction of the Underlying in the case of the Cash Payment Amount for Fractions or to the number of the Underlying in the case of the Compensation Amount. If the Holder holds several Products, there shall be no aggregation of the Cash Payment Amounts for Fractions in such a way that the number of the Underlyings to be settled would increase. The Cash Payment Amount for Fractions or the Compensation Amount, as the case may be, shall be commercially rounded to two (2) decimal places.

(2) Maximum Redemption

Provided that the Final Fixing Level is above the Cap Level, the Redemption Amount equals the Cap Level multiplied by the Conversion Ratio (the "**Maximum Redemption Amount**").

The Maximum Redemption Amount will be *[insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (3) and] commercially rounded to two (2)*

decimal places.

[insert if Currency Conversion is applicable:

(3) Currency exchange

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent *[insert if Quanto is not applicable: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.]**[insert if Quanto is applicable: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("Quanto").]*

§ 5

Interest, Coupon Payments

The Products bear no interest.

§ 6

(intentionally left blank)

§ 7

(intentionally left blank)

§ 8

Payments, Physical Delivery

(1) Payments

The Issuer shall cause the delivery of the Underlying or the claimed Redemption Amount, if any, or any other amount to be paid pursuant to § 4 of the Issue Specific Conditions to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Redemption Date. If the Redemption Date falls on a day which is not a Business Day and is deferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

(2) Declaration on Regulation S

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is

deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

(3) Taxes, Fees and Duties

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

§ 9

(intentionally left blank)

[insert in the case COSI is applicable:]

§ 10

Collateral Secured Instruments (COSI)

(1) Collateralization of the Product

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

(2) Documentation

The collateralization in favour of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, the issuer and the Collateral Provider dated 10 September 2010, in the case of Products issued by Leonteq Securities AG, or dated 5 October 2012, in the case of Products issued by Leonteq Securities AG, Guernsey Branch («Framework Agreement»). The issuer shall, upon request, provide the Framework Agreement to investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG, Brandschenkestrasse 90, 8002 Zurich, Switzerland, via telephone +41 (0)58 800 1000, fax +41 (0)58 800 1010. The core elements of collat-

eralization of the COSI Product are summarised in a SIX Swiss Exchange information sheet, which is available at «www.six-swiss-exchange.com» (under the section „Issuers“ – „Services“, „COSI“).

(3) Collateralization method

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to [Method A: Fair Value Method] [Method B: Bond Floor Method] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

(4) Distribution and market making

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

(5) Risks

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign

currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

(6) *Liquidation of collateral*

If the Collateral Provider fails to fulfil its obligations, the collateral will be liquidated by SIX Swiss Exchange or a liquidator under the terms of the applicable legal regulations. The collateral may be liquidated («Liquidation Events») if (i) the Collateral Provider fails to furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

(7) *Determination of a Liquidation Event*

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

(8) *Procedure in case of a Liquidation Event*

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website (www.six-swiss-exchange.com under the section „News“); as well as (ii) to liquidate immediately or at a later stage –

without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

(9) *Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer*

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website (www.six-swiss-exchange.com under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

(10) *Costs of liquidation and payout for the benefit of the investors*

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred

are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, convert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

(11) Secondary Listing

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

(12) Liability

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

(13) No authorisation

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

(14) Congruence with the Conditions

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

| Term used in this | Corresponding definition in these Conditions |
|--|--|
| § 10 "Collateral Secured Instruments (COSI)" | |
| investor | Holder |
| issuer | Issuer |

issuing conditions

Terms and Conditions, Conditions

maturity

Redemption, Redemption Date, Final Fixing Date]

[insert in the case COSI is not applicable:

§ 10

(intentionally left blank)]

[in the case of Express Certificates with Cash Settlement and without par value (Product No. 12), insert:

§ 1

Form and Issue Size; Definitions; Term of the Products

(1) Currency; Issue Size

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "**Issuer**") issues products without par value (each a "**Certificate**" or a "**Product**" and together the "**Certificates**" or the "**Products**"). The number (the "**Number of Products**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.

(2) Form

[insert in the case of Swiss Uncertificated Securities:

(a) Uncertificated Securities, Holders

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their

own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.

(b) Custody Agent

"**Custody Agent**" is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

[insert in the case of Swiss Bearer Securities:

(a) Bearer Securities

The Products are issued in bearer form ("**Bearer Securities**").

(b) Permanent Global Note, Holder

[insert in the case of Swiss CBF Bearer Securities:

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of Swiss SIX SIS Bearer Securities:

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.]

[insert in the case of German Bearer Securities:

(a) Bearer Securities

The Products are issued in bearer form.

[insert in the case of German CBF Bearer Securities:

(b) Permanent Global Note, Holder

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of German SIX SIS Bearer Securities:

(b) Permanent Global Note, Holder

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or

security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

(c) Clearing System

"**Clearing System**" in each case is the clearing system as specified in Table 1 in the Annex.

(3) Term of the Products

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer or an early redemption [*insert in the case COSI is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific conditions*].

§ 2

Status of the Products

[*insert in the case COSI is not applicable:*

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any

subordinated obligations.]

[insert in the case COSI is applicable:]

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

§ 3

Definitions

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

[insert in the case of a share as Underlying or Basket Component: "Share Issuer" means the company that has issued the [Underlying][Basket Component].]

["Initial Fixing Level" means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [the lowest Reference Price of the [Underlying][respective Basket Component] during the Initial Fixing Observation Dates, as determined by the Calculation Agent] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.]

["Initial Fixing Observation Dates" means the initial fixing observation dates as specified in **Table 1** in the Annex.]

["Initial Fixing Period" means the initial fixing period as specified in **Table 1** in the Annex.]

["Initial Basket Value" means the initial basket value as specified in **Table 1** in the Annex.]

["Number of Basket Component_(i)" [means the relevant Number of Basket Component_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level_(i) [and the [EUR][●]/Reference Currency_(i) exchange rate] and takes into account the Initial Weighting_(i) of the respective Basket Component_(i), corresponding to the weighted share of the respective Basket Component_(i) in the Initial Basket Value on the Initial Fixing Date.] [means the weighted share of the respective Basket Component_(i) in the Initial Basket Value as determined by the Issuer and/or Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level_(i), and taking into account the

Initial Weighting_(i) of the respective Basket Component_(i). The relevant Number of Basket Component_(i) corresponds to the [Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting_(i) (converted into the Settlement Currency, if applicable) (dividend) and the Initial Fixing Level_(i) (divisor): Number of Basket Component_(i) = [Denomination][Initial Basket Value] * Initial Weighting_(i) / Initial Fixing Level_(i).] [Initial Weighting means the Initial Weighting_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex.]

["**Business Day**" means

[insert in the case of Products with Swiss Francs as Settlement Currency: [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]

[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency: [(in the case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in [insert principal financial centre for such currency: ●].]

[insert in the case of Products with Euro as Settlement Currency: [(in the case of Products with Euro as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.]

[insert in the case of Products with US Dollar as Settlement Currency: [(in the case of Products with US Dollar as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in New York and Zurich.]

[insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [insert currency: ●]] [in the Business Centre[s]] [if no currency is indicated, insert: in each of the Business Centres].]

["**Issue Date**" means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

["**Issue Price**" means the issue price as specified in **Table 1** in the Annex.]

["**Issue Surcharge**" means the issue surcharge as specified in **Table 1** in the Annex.]

["**Strike Level**" means the strike level as specified in **Table 1** in the Annex.]

["**Conversion Ratio**" means [the conversion ratio as specified in **Table 1** in the Annex.][the conversion ratio in respect of the relevant Basket Component as specified in **Table 2** in the Annex.] [If the Issuer has received ordinary dividend payments between the Initial Fixing Date (exclusive) and the Final Fixing Date [(exclusive)] [(inclusive)] in respect of the Underlying, the applicable net dividend (i.e. the dividend amount minus taxes) is reinvested, whereby the Conversion Ratio is adjusted ●

Business Days after the receipt of the dividend payment by the Issuer.]]

["**Autocall Observation Date**" means [each of the autocall observation dates as specified in **Table 3** in the Annex or, if such date is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in relation to the relevant Basket Component]. In the event of the postponement of the Underlying Valuation Date corresponding to the relevant Autocall Observation Date [in respect of one or more Basket Components], the relevant Autocall Observation Date [in relation to the relevant Basket Component] shall be postponed accordingly.]]

["**Autocall Event**" has occurred if on an Autocall Observation Date the Reference Price [of all Basket Components] exceeds the [respective] Autocall Trigger Level relevant for such date.]

["**Autocall Trigger Level**" means the Autocall Trigger Level in respect of the relevant Autocall Observation Date [with respect to the relevant Basket Component] as specified in **Table 3** in the Annex.]

["**Barrier Observation Period**" means the barrier observation period as specified in **Table 1** in the Annex.]

["**Barrier Event**" has occurred if [the Final Fixing Level is at or below the Barrier Level] [the [Price][Reference Price] is [equal to or] below the Barrier Level at any time during the Barrier Observation Period] [*insert in the case of a Basket as Underlying if appropriate: [the Final Basket Value equals or falls below the Barrier Level as determined by the Calculation Agent] [the [Price][Reference Price] of the Basket is equal to or below the Barrier Level during the Observation Period, as determined by the Calculation Agent] [the [Price][Reference Price] [Final Fixing Level] of [a][at least one] Basket Component is [equal to or] below the Barrier Level for this Basket Component as specified in **Table 1**][2] in the Annex [at any time during the Barrier Observation Period]], as determined by the Calculation Agent.]]]*

["**Barrier Level**" means the barrier level as specified in **Table 1** in the Annex [with respect to the relevant Basket Component].]

["**Underlying**" means[, subject to a replacement in accordance with these Conditions,] the [Underlying] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"]["**Share**"]["**Participation Certificate (Genussschein)**"]["**Security representing Shares**"]["**Commodity**"]["**Currency Exchange Rate**"] ["**Futures Contract**"]["**Fixed Rate Instrument**"]["**Derivative Instrument**"]["**Fund Unit**"]) [*insert in the case of a share as Underlying or Basket Component:., as issued by the Share Issuer.*]

["**Underlying Valuation Date**" means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

["**Basket**" means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

["**Basket Component**" means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.]

["**Calculation Agent**" means the calculation agent as specified in **Table 1** in the Annex.]

[insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket Component: "Exchange" means[, in respect of the Share] the exchange or the quotation system as specified in Table 2 in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]

"Coupon Amount" means the coupon amount as specified in **Table [1][3]** in the Annex.]

"Coupon Observation Date" means [each of the coupon observation dates as specified in **Table [1][3]** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]]. In the event of the postponement of the Underlying Valuation Date corresponding to the relevant Coupon Observation Date [in respect of one or more Basket Components], the relevant Coupon Observation Date [in relation to [the relevant Basket Component][all Basket Components]] shall be postponed accordingly.]]

"Coupon Trigger Event" has occurred if on a Coupon Observation Date the Reference Price [of all Basket Components] exceeds the [respective] Coupon Trigger Level relevant for such date.]

"Coupon Trigger Level" means the coupon trigger level as specified in **Table [1][3]** in the Annex [with respect to the relevant Basket Component].]

"Coupon Payment Date" means the coupon payment date as specified in **Table [1][3]** in the Annex or, if this date is not a Business Day, the next following Business Day. [In the event of the postponement of the relevant Coupon Observation Date, the relevant Coupon Payment Date shall be postponed accordingly.]]

"Fiscal Agent" means the fiscal agent as specified in **Table 1** in the Annex.]

"Final Fixing Period" means the period from (and including) the fifth (5th) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

"Final Fixing Level" means [the Reference Price [of the respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.]]

"Initial Fixing Date" means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General Conditions]. *[insert in the case of Products with subscription period: In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.]]*

["**Business Centre**" means the business centre as specified in **Table 1** in the Annex.]

[*insert in the case of an index as Underlying or Basket Component: "Index Sponsor"* means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].]

["**Initial Weighting**_(i)" means [the Initial Weighting_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Price**" [means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [relevant Reuters] [relevant Bloomberg] page [●] [*insert Internet site: ●*] [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Relevant Performance**" [of the relevant Basket Component] means [the quotient of the End Level (dividend) and the Initial Fixing Level (divisor).]]

["**Relevant Reference Price**" [of a Basket Component means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate [of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate sponsor on the designated Exchange Rate Page] [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page of another screen service] [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any replacement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service] [*insert other method for determining Relevant Exchange Rate: ●*]. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Reference Price**" means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of the Underlying] [of a Basket Component] [in [*insert currency: ●*]] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg] [●] [*insert Internet site: ●*] [or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Reference Currency**" means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Redemption Date**" means, subject to an Early Redemption pursuant to § 7 of the Issue Specific Conditions or subject to an extraordinary termination [or subject to the occurrence of a Liquidation

Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one ore more Basket Components].] [the fifth (5th) Business Day following the Final Fixing Date]]

[**"Worst Performance"** means the worst performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]

[**"TARGET2 System"** means the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET2) payment system which utilises a single shared platform and which was launched on 19 November 2007, or any successor thereto.]

[**"Final Fixing Date"** means [the final fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]].] [In the event of the postponement of the Underlying Valuation Date corresponding to the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

[**"Scheduled Trading Day"** has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

[**"Early Redemption Date"** means each of the early redemption dates as specified in **Table 3** in the Annex or, if an Early Redemption Date is not a Business Day, the next following Business Day. [In the event of the postponement of the relevant Autocall Observation Date, the relevant Early Redemption Date shall be postponed accordingly.]]

[**"Website"** means the Website as specified in **Table 1** in the Annex.]

[**"Exchange Rate Page"** means the exchange rate page as specified in **Table 2** in the Annex.]

[**"Exchange Rate Sponsor"** means the exchange rate sponsor as specified in **Table 2** in the Annex.]

[**"Paying Agent"** means the paying agent as specified in **Table 1** in the Annex.]

§ 4

Redemption

[insert if COSI is applicable:]

(1) Redemption Amount

The **"Redemption Amount"** in the Settlement Currency per Product equals, subject to an Early Redemption pursuant to § 7 of the Issue Specific Conditions and a Minimum Redemption pursuant to paragraph (2) which simultaneously equals the Maximum Redemption Amount pursuant to paragraph (3) or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions the Issue Price multiplied by the [Performance of the Underlying][Worst Performance].

[The **"Performance of the Underlying"** equals the quotient of the Final Fixing Level (dividend) and

the Initial Fixing Level (divisor).]

The Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (4), as the case may be, and] commercially rounded to two (2) decimal places.

(2) Minimum Redemption

Provided that (i) no Barrier Event has occurred [or (ii) a Barrier Event has occurred and the Final Fixing Level is above the [Initial Fixing Level][Strike Level]] the Redemption Amount equals the Issue Price.

(3) Maximum Redemption

The Redemption Amount per Product equals no more than the Issue Price (the "**Maximum Redemption Amount**").

[The Maximum Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (4) and] commercially rounded to two (2) decimal places.]

[*insert if Currency Conversion is applicable*:

(4) Currency exchange

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent [*insert if Quanto is not applicable*: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.][*insert if Quanto is applicable*: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("**Quanto**").]

[*insert if COSI is not applicable*:

(1) Redemption Amount

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to an Early Redemption pursuant to § 7 of the Issue Specific Conditions and a Minimum Redemption pursuant to paragraph (2) which simultaneously equals the Maximum Redemption Amount pursuant to paragraph (3), the Issue Price multiplied by the [Performance of the Underlying][Worst Performance].

[The "**Performance of the Underlying**" equals the quotient of the Final Fixing Level (dividend) and the Initial Fixing Level (divisor).]

The Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (4), as the case may be, and] commercially rounded to two (2) decimal places.

(2) Minimum Redemption

Provided that [(i)] no Barrier Event has occurred [or (ii) a Barrier Event has occurred and the Final Fixing Level is above the [Initial Fixing Level] [Strike Level]] the Redemption Amount equals the Issue Price.

(3) Maximum Redemption

The Redemption Amount per Product equals no more than the Issue Price (the "**Maximum Redemption Amount**").

[The Maximum Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (4) and] commercially rounded to two (2) decimal places.]

[*insert if Currency Conversion is applicable*:

(4) Currency exchange

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent [*insert if Quanto is not applicable*: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.][*insert if Quanto is applicable*: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("**Quanto**").]

§ 5

Interest, Coupon Payments

[[1) Coupon Payments]

[If a Coupon Trigger Event has occurred on a Coupon Observation Date [and the Reference Price is above the Initial Fixing Level], a coupon payment is made in the Settlement Currency for the prod-

ucts on the applicable Coupon Payment Date [in the amount of the Coupon Amount specified for the applicable Coupon Payment Date] [which is equal to the product of (i) the Issue Price and (ii) the difference between (x) the quotient of the Reference Price on the respective Coupon Observation Date (dividend) and the Initial Fixing Level (divisor) and (y) 1, whereby the coupon payment is at least zero]. [Following an Early Redemption pursuant to § 7 of the Issue Specific Conditions, no further coupon payments are made.] [If a Coupon Trigger Event has not occurred [and no Barrier Event has occurred] [and the Final Fixing Level of the Underlying is above the Initial Fixing Level], the Holder receives a coupon payment on the final Coupon Payment Date in the amount of the Coupon Amount specified for the final Coupon Payment Date.] [The Holder receives a coupon payment on the respective Coupon Payment Date in the amount of the Coupon Amount specified for the applicable Coupon Payment Date. [Following an Early Redemption pursuant to § 7 of the Issue Specific Conditions, no further coupon payments are made.] In the case of a redemption at the end of the term, the Holder receives a coupon payment on the final Coupon Payment Date in the amount of the Coupon Amount specified for the final Coupon Payment Date.] [Provided that on the relevant Coupon Observation Date a Coupon Trigger Event has occurred, a Coupon payment shall be made for the Products on the relevant Coupon Payment Date. The coupon rate (the "**Coupon Rate**") relevant for the respective Coupon Observation Date is the Coupon Rate for the relevant Coupon Payment Date specified in **Table 3** in the Annex.]] [The Holder receives a Coupon Amount on each Coupon Payment Date. The Coupon Amount (the "**Coupon Amount**") is determined by multiplying the Issue Price by the Coupon Rate.] The Coupon Amount will be commercially rounded to two (2) decimal places. [Following an Early Redemption pursuant to § 7 of the Issue Specific Conditions, no further coupon payments are made.]

[(2) Coupon Amount

The Coupon Amount (the "**Coupon Amount**") is determined by multiplying the Issue Price by (i) the applicable Coupon Rate for the relevant Coupon Payment Date and by (ii) N.

"N" means in the case that

(a) before the applicable Coupon Observation Date_(t) no Coupon Trigger Event has occurred, the number of Coupon Observation Dates_(t) from Coupon Observation Date₍₁₎ (inclusive) to, in each case, the applicable Coupon Observation Date_(t) (inclusive), and in the case that

(b) before the applicable Coupon Observation Date_(t) a Coupon Trigger Event has already occurred, the number of Coupon Observation Dates_(t) between the Coupon Observation Date_(t) (exclusive) on which the last Coupon Trigger Event has occurred and the applicable Coupon Observation Date_(t) (inclusive) in each case.

[Following an Early Redemption pursuant to § 7 of the Issue Specific Conditions, no further coupon payments are made. The Coupon Amount will be commercially rounded to two (2) decimal places.]]

§ 6**(intentionally left blank)****§ 7****Early Redemption****(1) *Conditions precedent for Early Redemption***

In the event that on any Autocall Observation Date an Autocall Event has occurred, the term of the Products shall end automatically on this Autocall Observation Date without the need for a separate termination of the Products by the Issuer (the "**Early Redemption**"). In this case the Redemption Amount to be paid by the Issuer equals the Issue Price.

(2) *Notification of Early Redemption*

Notice of the occurrence of Early Redemption and the value of the Redemption Amount to be paid per Product in this case shall be published in accordance with § 4 of the General Conditions.

§ 8**Payments****(1) *Payments***

The Issuer shall cause the claimed Redemption Amount, if any, to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Early Redemption Date (in the case of an Early Redemption pursuant to § 7 of the Issue Specific Conditions) and/or the Redemption Date (in the case that no Early Redemption has occurred). The Issuer shall transfer the respective Coupon Amount in arrears by the Coupon Payment Date via the Paying Agent to the Clearing System for transmitting to the Holders. If the Early Redemption Date, the Redemption Date or a Coupon Payment Date falls on a day which is not a Business Day and is deferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

(2) *Declaration on Regulation S*

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

(3) *Taxes, Fees and Duties*

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be borne and paid by the Holder. The Issuer and/or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

§ 9**(intentionally left blank)***[insert in the case COSI is applicable:***§ 10****Collateral Secured Instruments (COSI)****(1) Collateralization of the Product**

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

(2) Documentation

The collateralization in favour of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, the issuer and the Collateral Provider dated 10 September 2010, in the case of Products issued by Leonteq Securities AG, or dated 5 October 2012, in the case of Products issued by Leonteq Securities AG, Guernsey Branch («Framework Agreement»). The issuer shall, upon request, provide the Framework Agreement to investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG, Brandschenkestrasse 90, 8002 Zurich, Switzerland, via telephone +41 (0)58 800 1000, fax +41 (0)58 800 1010. The core elements of collateralization of the COSI Product are summarised in a SIX Swiss Exchange information sheet, which is available at «www.six-swiss-exchange.com» (under the section „Issuers“ – „Services“, „COSI“).

(3) Collateralization method

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for

the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to [Method A: Fair Value Method] [Method B: Bond Floor Method] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

(4) *Distribution and market making*

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

(5) *Risks*

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

(6) *Liquidation of collateral*

If the Collateral Provider fails to fulfil its obligations, the collateral will be liquidated by SIX Swiss Exchange or a liquidator under the terms of the applicable legal regulations. The collateral may be

liquidated («Liquidation Events») if (i) the Collateral Provider fails to furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

(7) *Determination of a Liquidation Event*

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

(8) *Procedure in case of a Liquidation Event*

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website (www.six-swiss-exchange.com under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

(9) *Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer*

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty

(30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website (www.six-swiss-exchange.com under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

(10) *Costs of liquidation and payout for the benefit of the investors*

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation

proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, convert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

(11) *Secondary Listing*

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the

occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

(12) *Liability*

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

(13) *No authorisation*

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

(14) *Congruence with the Conditions*

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

| Term used in this | Corresponding definition in these Conditions |
|--|---|
| § 10 "Collateral Secured Instruments (COSI)" | |
| investor | Holder |
| issuer | Issuer |
| issuing conditions | Terms and Conditions, Conditions |
| maturity | Redemption, Redemption Date, Final Fixing Date] |

[insert in the case COSI is not applicable:]

§ 10
(intentionally left blank)]]

[in the case of Express Certificates with Cash Settlement and with par value (Product No. 13), insert:

§ 1

Form and Issue Size; Definitions; Term of the Products

(1) *Currency; Issue Size; Denomination*

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "**Issuer**") issues products (each a "**Certificate**" or a "**Product**" and together the "**Certificates**" or the "**Products**"). The total nominal amount (the "**Total Nominal Amount**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.

(2) *Form*

[insert in the case of Swiss Uncertificated Securities:

(a) **Uncertificated Securities, Holders**

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or

transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.

(b) Custody Agent

"**Custody Agent**" is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

[insert in the case of Swiss Bearer Securities:

(a) Bearer Securities

The Products are issued in bearer form ("**Bearer Securities**").

(b) Permanent Global Note, Holder

[insert in the case of Swiss CBF Bearer Securities:

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of Swiss SIX SIS Bearer Securities:

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.]

[insert in the case of German Bearer Securities:

(a) Bearer Securities

The Products are issued in bearer form.

[insert in the case of German CBF Bearer Securities:

(b) Permanent Global Note, Holder

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of German SIX SIS Bearer Securities:

(b) Permanent Global Note, Holder

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or

security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

(c) Clearing System

"**Clearing System**" in each case is the clearing system as specified in Table 1 in the Annex.

(3) Term of the Products

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer or an early redemption [*insert in the case COSI is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific conditions*].

§ 2

Status of the Products

[*insert in the case COSI is not applicable:*

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any

subordinated obligations.]

[insert in the case COSI is applicable:]

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

§ 3

Definitions

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

[insert in the case of a share as Underlying or Basket Component: "Share Issuer" means the company that has issued the [Underlying][Basket Component].]

["Initial Fixing Level" means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [the lowest Reference Price of the [Underlying][respective Basket Component] during the Initial Fixing Observation Dates, as determined by the Calculation Agent] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.]

["Initial Fixing Observation Dates" means the initial fixing observation dates as specified in **Table 1** in the Annex.]

["Initial Fixing Period" means the initial fixings period as specified in **Table 1** in the Annex.]

["Initial Basket Value" means the initial basket value as specified in **Table 1** in the Annex.]

["Number of Basket Component_(i)" [means the relevant Number of Basket Component_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level_(i) [and the [EUR][●]/Reference Currency_(i) exchange rate] and takes into account the Initial Weighting_(i) of the respective Basket Component_(i), corresponding to the weighted share of the respective Basket Component_(i) in the Initial Basket Value on the Initial Fixing Date.] [means the weighted share of the respective Basket Component_(i) in the Initial Basket Value as determined by the Issuer and/or Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level_(i), and taking into account the

Initial Weighting_(i) of the respective Basket Component_(i). The relevant Number of Basket Component_(i) corresponds to the [Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting_(i) (converted into the Settlement Currency, if applicable) (dividend) and the Initial Fixing Level_(i) (divisor): Number of Basket Component_(i) = [Denomination][Initial Basket Value] * Initial Weighting_(i) / Initial Fixing Level_(i).] [Initial Weighting means the Initial Weighting_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex.]

["**Business Day**" means

[insert in the case of Products with Swiss Francs as Settlement Currency: [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]

[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency: [(in the case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in [insert principal financial centre for such currency: ●].]

[insert in the case of Products with Euro as Settlement Currency: [(in the case of Products with Euro as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.]

[insert in the case of Products with US Dollar as Settlement Currency: [(in the case of Products with US Dollar as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in New York and Zurich.]

[insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [insert currency: ●]] [in the Business Centre[s]] [if no currency is indicated, insert: in each of the Business Centres].]

["**Issue Date**" means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

["**Issue Price**" means the issue price as specified in **Table 1** in the Annex.]

["**Issue Surcharge**" means the issue surcharge as specified in **Table 1** in the Annex.]

["**Strike Level**" means the strike level as specified in **Table 1** in the Annex.]

["**Conversion Ratio**" means [the conversion ratio as specified in **Table 1** in the Annex.][the conversion ratio in respect of the relevant Basket Component as specified in **Table 2** in the Annex.] [If the Issuer has received ordinary dividend payments between the Initial Fixing Date (exclusive) and the Final Fixing Date [(exclusive)] [(inclusive)] in respect of the Underlying, the applicable net dividend (i.e. the dividend amount minus taxes) is reinvested, whereby the Conversion Ratio is adjusted ●

Business Days after the receipt of the dividend payment by the Issuer.]]

["**Autocall Observation Date**" means [each of the autocall observation dates as specified in **Table 3** in the Annex or, if such date is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in relation to the relevant Basket Component]. In the event of the postponement of the Underlying Valuation Date corresponding to the relevant Autocall Observation Date [in respect of one or more Basket Components], the relevant Autocall Observation Date [in relation to the relevant Basket Component] shall be postponed accordingly.]]

["**Autocall Event**" has occurred if on an Autocall Observation Date the Reference Price [of all Basket Components] exceeds the [respective] Autocall Trigger Level relevant for such date.]

["**Autocall Trigger Level**" means the Autocall Trigger Level in respect of the relevant Autocall Observation Date [with respect to the relevant Basket Component] as specified in **Table 3** in the Annex.]

["**Barrier Observation Period**" means the barrier observation period as specified in **Table 1** in the Annex.]

["**Barrier Event**" has occurred if [the Final Fixing Level is at or below the Barrier Level] [the [Price][Reference Price] is [equal to or] below the Barrier Level at any time during the Barrier Observation Period] [*insert in the case of a Basket as Underlying if appropriate:* [the Final Basket Value equals or falls below the Barrier Level as determined by the Calculation Agent] [the [Price][Reference Price] of the Basket is equal to or below the Barrier Level during the Observation Period, as determined by the Calculation Agent] [the [Price][Reference Price] [Final Fixing Level] of a Basket Component is [equal to or] below the Barrier Level for this Basket Component as specified in **Table 1**][2] in the Annex [at any time during the Barrier Observation Period]], as determined by the Calculation Agent.]]]

["**Barrier Event**" has occurred if [the Final Fixing Level is at or below the Barrier Level] [the [Price][Reference Price] is [equal to or] below the Barrier Level at any time during the Barrier Observation Period] [*insert in the case of a Basket as Underlying if appropriate:* [the Final Basket Value equals or falls below the Barrier Level as determined by the Calculation Agent] [the [Price][Reference Price] of the Basket is equal to or below the Barrier Level during the Observation Period, as determined by the Calculation Agent] [the [Price][Reference Price] of [a][at least one] Basket Component is [equal to or] below the Barrier Level for this Basket Component as specified in **Table 1**][2] in the Annex at any time during the Barrier Observation Period], as determined by the Calculation Agent.]]]

["**Barrier Level**" means the barrier level as specified in **Table 1** in the Annex [with respect to the relevant Basket Component].]

["**Underlying**" means[, subject to a replacement in accordance with these Conditions,] the [Underlying] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"] ["**Share**"] ["**Participation Certificate (Genussschein)**"] ["**Security representing Shares**"] ["**Commodity**"] ["**Currency Exchange Rate**"] ["**Futures Contract**"] ["**Fixed Rate Instrument**"] ["**Derivative Instrument**"] ["**Fund Unit**"]) [*insert in the case of a share as Underlying or*

Basket Component., as issued by the Share Issuer].]

["**Underlying Valuation Date**" means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

["**Basket**" means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

["**Basket Component**" means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.]

["**Calculation Agent**" means the calculation agent as specified in **Table 1** in the Annex.]

[*insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket Component*: "**Exchange**" means[, in respect of the Share] the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]

["**Coupon Amount**" means the coupon amount as specified in **Table [1][3]** in the Annex.]

["**Coupon Observation Date**" means [each of the coupon observation dates as specified in **Table [1][3]** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]]. In the event of the postponement of the Underlying Valuation Date corresponding to the relevant Coupon Observation Date [in respect of one or more Basket Components], the relevant Coupon Observation Date [in relation to [the relevant Basket Component][all Basket Components]] shall be postponed accordingly.]]

["**Coupon Trigger Event**" has occurred if on a Coupon Observation Date the Reference Price [of all Basket Components] exceeds the [respective] Coupon Trigger Level relevant for such date.]

["**Coupon Trigger Level**" means the coupon trigger level as specified in **Table [1][3]** in the Annex [with respect to the relevant Basket Component].]

["**Coupon Payment Date**" means the coupon payment date as specified in **Table [1][3]** in the Annex or, if this date is not a Business Day, the next following Business Day. [In the event of the postponement of the relevant Coupon Observation Date, the relevant Coupon Payment Date shall be postponed accordingly.]]

["**Fiscal Agent**" means the fiscal agent as specified in **Table 1** in the Annex.]

["**Final Fixing Period**" means the period from (and including) the fifth (5th) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

["**Final Fixing Level**" means [the Reference Price [of the respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing

Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.]]

["**Initial Fixing Date**" means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General Conditions]. [*insert in the case of Products with subscription period:* In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.]]

["**Business Centre**" means the business centre as specified in **Table 1** in the Annex.]

[*insert in the case of an index as Underlying or Basket Component:* "**Index Sponsor**" means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].]

["**Initial Weighting_(i)**" means the Initial Weighting_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Price**" [means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [relevant Reuters] [relevant Bloomberg] page [●] [*insert Internet site:* ●] [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Relevant Performance**" [of the relevant Basket Component] means the quotient of the End Level (dividend) and the Initial Fixing Level (divisor).]

["**Relevant Reference Price**" [of a Basket Component means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate [of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate sponsor on the designated Exchange Rate Page] [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page of another screen service] [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any replacement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service] [*insert other method for determining Relevant Exchange Rate:* ●]. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Denomination**" means the denomination as specified in **Table 1** in the Annex (as expressed in the Settlement Currency).]

["**Reference Price**" means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of the Underlying] [of a Basket Component] [in [*insert currency*: ●]] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg] [●] [*insert Internet site*: ●] [or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Reference Currency**" means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Redemption Date**" means, subject to an Early Redemption pursuant to § 7 of the Issue Specific Conditions or subject to an extraordinary termination [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one or more Basket Components].] [the fifth (5th) Business Day following the Final Fixing Date.]]

["**Worst Performance**" means the worst performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]

["**TARGET2 System**" means the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET2) payment system which utilises a single shared platform and which was launched on 19 November 2007, or any successor thereto.]

["**Final Fixing Date**" means the final fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]]. [In the event of the postponement of the Underlying Valuation Date corresponding to the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

["**Scheduled Trading Day**" has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Early Redemption Date**" means each of the early redemption dates as specified in **Table 3** in the Annex or, if an Early Redemption Date is not a Business Day, the next following Business Day. [In the event of the postponement of the relevant Autocall Observation Date, the relevant Early Redemption Date shall be postponed accordingly.]]

["**Website**" means the Website as specified in **Table 1** in the Annex.]

["**Exchange Rate Page**" means the exchange rate page as specified in **Table 2** in the Annex.]

["**Exchange Rate Sponsor**" means the exchange rate sponsor as specified in **Table 2** in the Annex.]

["**Paying Agent**" means the paying agent as specified in **Table 1** in the Annex.]

§ 4
Redemption

[insert if COSI is applicable:

(1) Redemption Amount

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to an Early Redemption pursuant to § 7 of the Issue Specific Conditions and a Minimum Redemption pursuant to paragraph (2) which simultaneously equals the Maximum Redemption Amount pursuant to paragraph (3) or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions the Denomination multiplied by the [Performance of the Underlying][Worst Performance].

[The "**Performance of the Underlying**" equals the quotient of the Final Fixing Level (dividend) and the [Initial Fixing Level][Strike Level] (divisor).]

The Redemption Amount will be *[insert if Currency Conversion is applicable:* converted into the Settlement Currency in accordance with paragraph (4), as the case may be, and] commercially rounded to two (2) decimal places.

(2) Minimum Redemption

[Provided that no Barrier Event has occurred the Redemption Amount equals the Denomination.][Provided that the Final Fixing Level is above the Strike Level, the Redemption Amount equals the Denomination.]

(3) Maximum Redemption

The Redemption Amount per Product equals no more than the Denomination (the "**Maximum Redemption Amount**").

[The Maximum Redemption Amount will be *[insert if Currency Conversion is applicable:* converted into the Settlement Currency in accordance with paragraph (4) and] commercially rounded to two (2) decimal places.]

[insert if Currency Conversion is applicable:

(4) Currency exchange

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent *[insert if Quanto is not applicable:* on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding

page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion. *[insert if Quanto is applicable: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("Quanto").]*

[insert if COSI is not applicable:

(1) Redemption Amount

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to an Early Redemption pursuant to § 7 of the Issue Specific Conditions and a Minimum Redemption pursuant to paragraph (2) which simultaneously equals the Maximum Redemption Amount pursuant to paragraph (3), the Denomination multiplied by the [Performance of the Underlying][Worst Performance].

[The "**Performance of the Underlying**" equals the quotient of the Final Fixing Level (dividend) and the [Initial Fixing Level][Strike Level] (divisor).]

The Redemption Amount will be *[insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (4), as the case may be, and]* commercially rounded to two (2) decimal places.

(2) Minimum Redemption

[Provided that no Barrier Event has occurred the Redemption Amount equals the Denomination.][Provided that the Final Fixing Level is above the Strike Level, the Redemption Amount equals the Denomination.]

(3) Maximum Redemption

The Redemption Amount per Product equals no more than the Denomination (the "**Maximum Redemption Amount**").

[The Maximum Redemption Amount will be *[insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (4) and]* commercially rounded to two (2) decimal places.]

[insert if Currency Conversion is applicable:

(4) Currency exchange

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent *[insert if Quanto is not applicable: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is*

not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion. *[[insert if Quanto is applicable: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("Quanto").]]*

§ 5

Interest, Coupon Payments

[(1) Coupon Payments]

[If a Coupon Trigger Event has occurred on a Coupon Observation Date, a coupon payment is made in the Settlement Currency for the products on the applicable Coupon Payment Date in the amount of the Coupon Amount specified for the applicable Coupon Payment Date. [Following an Early Redemption pursuant to § 7 of the Issue Specific Conditions, no further coupon payments are made.] [If a Coupon Trigger Event has not occurred and [no Barrier Event has occurred][the Final Fixing Level is above [the Strike Level][●% of the Initial Fixing Level]], the Holder receives a coupon payment on the final Coupon Payment Date in the amount of the Coupon Amount specified for the final Coupon Payment Date.][The Holder receives a coupon payment on the respective Coupon Payment Date in the amount of the Coupon Amount specified for the applicable Coupon Payment Date. [Following an Early Redemption pursuant to § 7 of the Issue Specific Conditions, no further coupon payments are made.] In the case of a redemption at the end of the term, the Holder receives a coupon payment on the final Coupon Payment Date in the amount of the Coupon Amount specified for the final Coupon Payment Date.][Provided that on the relevant Coupon Observation Date a Coupon Trigger Event has occurred, a Coupon payment shall be made for the Products on the relevant Coupon Payment Date. The coupon rate (the "**Coupon Rate**") relevant for the respective Coupon Observation Date is the Coupon Rate for the relevant Coupon Payment Date specified in **Table 3** in the Annex.]

[(2) Coupon Amount]

The Coupon Amount (the "**Coupon Amount**") is determined by multiplying the Denomination by (i) the applicable Coupon Rate for the relevant Coupon Payment Date and by (ii) N.

"N" means [in the case that

- (a) before the applicable Coupon Observation Date_(t) no Coupon Trigger Event has occurred, the number of Coupon Observation Dates_(t) from Coupon Observation Date₍₁₎ (inclusive) to, in each case, the applicable Coupon Observation Date_(t) (inclusive), and in the case that
- (b) before the applicable Coupon Observation Date_(t) a Coupon Trigger Event has already occurred, the number of Coupon Observation Dates_(t) between the Coupon Observation Date_(t) (exclusive) on which the last Coupon Trigger Event has occurred and the applicable Coupon Observation Date_(t) (inclusive) in each case.] [the number of Coupon Observation Dates_(t) from Coupon Observation Date₍₁₎ (inclusive) to the relevant Coupon Observation Date on which a Coupon Trigger Event has occurred.]

[Following an Early Redemption pursuant to § 7 of the Issue Specific Conditions, no further coupon payments are made.] The Coupon Amount will be commercially rounded to two (2) decimal places.]

§ 6

(intentionally left blank)

§ 7

Early Redemption

(1) *Conditions precedent for Early Redemption*

In the event that on any Autocall Observation Date an Autocall Event has occurred, the term of the Products shall end automatically on this Autocall Observation Date without the need for a separate termination of the Products by the Issuer (the "**Early Redemption**"). In this case the Redemption Amount to be paid by the Issuer equals the Denomination.

(2) *Notification of Early Redemption*

Notice of the occurrence of Early Redemption and the value of the Redemption Amount to be paid per Product in this case shall be published in accordance with § 4 of the General Conditions.

§ 8

Payments

(1) *Payments*

The Issuer shall cause the claimed Redemption Amount, if any, to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Early Redemption Date (in the case of an Early Redemption pursuant to § 7 of the Issue Specific Conditions) and/or the Redemption Date (in the case that no Early Redemption has occurred). The Issuer shall transfer the respective Coupon Amount in arrears by the Coupon Payment Date via the Paying Agent to the Clearing System for transmitting to the Holders. If the Early Redemption Date, the Redemption Date or a Coupon Payment Date falls on a day which is not a Business Day and is deferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

(2) *Declaration on Regulation S*

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

(3) *Taxes, Fees and Duties*

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be

borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

§ 9

(intentionally left blank)

[insert in the case COSI is applicable:]

§ 10

Collateral Secured Instruments (COSI)

(1) Collateralization of the Product

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

(2) Documentation

The collateralization in favour of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, the issuer and the Collateral Provider dated 10 September 2010, in the case of Products issued by Leonteq Securities AG, or dated 5 October 2012, in the case of Products issued by Leonteq Securities AG, Guernsey Branch («Framework Agreement»). The issuer shall, upon request, provide the Framework Agreement to investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG, Brandschenkestrasse 90, 8002 Zurich, Switzerland, via telephone +41 (0)58 800 1000, fax +41 (0)58 800 1010. The core elements of collateralization of the COSI Product are summarised in a SIX Swiss Exchange information sheet, which is available at «www.six-swiss-exchange.com» (under the section „Issuers“ – „Services“, „COSI“).

(3) Collateralization method

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the

trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to [Method A: Fair Value Method] [Method B: Bond Floor Method] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

(4) *Distribution and market making*

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

(5) *Risks*

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

(6) *Liquidation of collateral*

If the Collateral Provider fails to fulfil its obligations, the collateral will be liquidated by SIX Swiss Exchange or a liquidator under the terms of the applicable legal regulations. The collateral may be liquidated («Liquidation Events») if (i) the Collateral Provider fails to furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

(7) *Determination of a Liquidation Event*

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

(8) *Procedure in case of a Liquidation Event*

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website (www.six-swiss-exchange.com under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

(9) *Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer*

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website (www.six-swiss-exchange.com under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

(10) *Costs of liquidation and payout for the benefit of the investors*

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of

net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, convert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

(11) *Secondary Listing*

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current

Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

(12) *Liability*

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

(13) *No authorisation*

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

(14) *Congruence with the Conditions*

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

| Term used in this | Corresponding definition in these Conditions |
|--|---|
| § 10 "Collateral Secured Instruments (COSI)" | |
| investor | Holder |
| issuer | Issuer |
| issuing conditions | Terms and Conditions, Conditions |
| maturity | Redemption, Redemption Date, Final Fixing Date] |

[insert in the case COSI is not applicable:]

§ 10
(intentionally left blank)]]

[in the case of Tracker Certificates with Cash Settlement (Product No. 14), insert:

§ 1

Form and Issue Size; Definitions; Term of the Products

(1) Currency; Issue Size

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "**Issuer**") issues products without par value (each a "**Certificate**" or a "**Product**" and together the "**Certificates**" or the "**Products**"). The number (the "**Number of Products**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.

(2) Form

[insert in the case of Swiss Uncertificated Securities:

(a) Uncertificated Securities, Holders

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or

transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.

(b) Custody Agent

"**Custody Agent**" is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

[insert in the case of Swiss Bearer Securities:

(a) Bearer Securities

The Products are issued in bearer form ("**Bearer Securities**").

(b) Permanent Global Note, Holder

[insert in the case of Swiss CBF Bearer Securities:

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of Swiss SIX SIS Bearer Securities:

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.]

[insert in the case of German Bearer Securities:]

(a) Bearer Securities

The Products are issued in bearer form.

[insert in the case of German CBF Bearer Securities:]

(b) Permanent Global Note, Holder

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of German SIX SIS Bearer Securities:]

(b) Permanent Global Note, Holder

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or

security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

(c) Clearing System

"**Clearing System**" in each case is the clearing system as specified in Table 1 in the Annex.

(3) Term of the Products

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer [*insert in the case COSI is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions*][*insert in the case Exercise by the Holder is applicable: or an exercise by the Holder pursuant to § 6 of the Issue Specific Conditions or an ordinary termination by the Issuer pursuant to § 9 of the Issue Specific Conditions*].

§ 2

Status of the Products

[*insert in the case COSI is not applicable:*

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as

may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.]

[insert in the case COSI is applicable:]

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

§ 3

Definitions

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

[insert in the case of a share as Underlying or Basket Component: "Share Issuer" means the company that has issued the [Underlying][Basket Component].]

["Initial Fixing Level" means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.]

["Initial Fixing Period" means the initial fixings period as specified in **Table 1** in the Annex.]

["Initial Basket Value" means the initial basket value as specified in **Table 1** in the Annex.]

["Number of Basket Component_(i)" [means the [initial] relevant Number of Basket Component_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level_(i) [and the [EUR][●]/Reference Currency_(i) exchange rate] and takes into account the Initial Weighting_(i) of the respective Basket Component_(i), corresponding to the weighted share of the respective Basket Component_(i) in the Initial Basket Value on the Initial Fixing Date.] [means the weighted share of the respective Basket Component_(i) in the Initial Basket Value as determined by the Issuer and/or Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level_(i), and taking into account the Initial Weighting_(i) of the respective Basket Component_(i). The relevant Number of Basket Component_(i) corresponds to the [Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting_(i) (dividend) and the Initial Fixing Level_(i) (converted into the Settlement Currency, if ap-

plicable) (divisor): $\text{Number of Basket Component}_{(i)} = \frac{[\text{Denomination}][\text{Initial Basket Value}] * \text{Initial Weighting}_{(i)}}{\text{Initial Fixing Level}_{(i)}}$ [Initial Weighting means the Initial Weighting_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex]. [If the Issuer has received ordinary dividend payments between the Initial Fixing Date (exclusive) and the Final Fixing Date [(exclusive)] [(inclusive)] in respect of a Basket Component, the applicable net dividend (i.e. the dividend amount minus taxes) is reinvested in the applicable Basket Component, whereby the amount of the Basket Component for this Basket Component is adjusted • Business Days after the receipt of the dividend payment by the Issuer.]

["**Business Day**"] means

[insert in the case of Products with Swiss Francs as Settlement Currency: [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]

[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency: [(in the case of Products with [•] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in [insert principal financial centre for such currency: •].]

[insert in the case of Products with Euro as Settlement Currency: [(in the case of Products with Euro as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.]

[insert in the case of Products with US Dollar as Settlement Currency: [(in the case of Products with US Dollar as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in New York and Zurich.]

[insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [insert currency: •]] [in the Business Centre[s]] [if no currency is indicated, insert: in each of the Business Centres].]

["**Issue Date**"] means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

["**Issue Price**"] means the issue price as specified in **Table 1** in the Annex.]

["**Issue Surcharge**"] means the issue surcharge as specified in **Table 1** in the Annex.]

["**Conversion Ratio**"] means [the conversion ratio as specified in **Table 1** in the Annex.][the conversion ratio in respect of the relevant Basket Component as specified in **Table 2** in the Annex.] [If the Issuer has received ordinary dividend payments between the Initial Fixing Date (exclusive) and the Final Fixing Date [(exclusive)] [(inclusive)] in respect of the Underlying, the applicable net dividend

(i.e. the dividend amount minus taxes) is reinvested, whereby the Conversion Ratio is adjusted • Business Days after the receipt of the dividend payment by the Issuer.]]

["**Underlying**" means[, subject to a replacement in accordance with these Conditions,] the [Underlying] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"] ["**Share**"] ["**Participation Certificate (Genussschein)**"] ["**Security representing Shares**"] ["**Commodity**"] ["**Currency Exchange Rate**"] ["**Futures Contract**"] ["**Fixed Rate Instrument**"] ["**Derivative Instrument**"] ["**Fund Unit**"]) [*insert in the case of a share as Underlying or Basket Component:*, as issued by the Share Issuer].]

["**Underlying Valuation Date**" means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

["**Basket**" means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

["**Basket Component**" means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.]

["**Basket Performance**" means the sum of the Relevant Performances.]

["**Calculation Agent**" means the calculation agent as specified in **Table 1** in the Annex.]

[*insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket Component:* "**Exchange**" means[, in respect of the Share] the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]

["**Fiscal Agent**" means the fiscal agent as specified in **Table 1** in the Annex.]

["**Final Fixing Period**" means the period from (and including) the fifth (5th) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

["**Final Fixing Level**" means [the Reference Price [of the respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.]]

["**Initial Fixing Date**" means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General Conditions]. [*insert in the case of Products with subscription period:* In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing

Date shall be postponed accordingly.]]

["**Business Centre**" means the business centre as specified in **Table 1** in the Annex.]

[*insert in the case of an index as Underlying or Basket Component: "Index Sponsor"* means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].]

["**Initial Weighting**_(i)" means [the Initial Weighting_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Price**" [means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [relevant Reuters] [relevant Bloomberg] page [●] [*insert Internet site: ●*] [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Relevant Performance**" [of the relevant Basket Component] means [the quotient of the End Level (dividend) and the Initial Fixing Level (divisor)].[the Final Fixing Level multiplied by the Number of Basket Components and the Exchange Factor.]]

["**Relevant Reference Price**" [of a Basket Component means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate [of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate sponsor on the designated Exchange Rate Page] [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page of another screen service] [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any replacement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service] [*insert other method for determining Relevant Exchange Rate: ●*]. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Reference Price**" means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of the Underlying] [of a Basket Component] [in [*insert currency: ●*]] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg] [●] [*insert Internet site: ●*] [or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Reference Currency**" means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Redemption Date**" means, subject to an extraordinary termination [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or in the case of an exercise by the Holder pursuant to § 6 or an ordinary termination by the Issuer pursuant to § 9 the fifth (5th) Business Day following the Final Fixing Date.] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one or more Basket Components].] [the fifth (5th) Business Day following the Final Fixing Date]]

["**Worst Performance**" means [the worst performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]]

["**TARGET2 System**" means the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET2) payment system which utilises a single shared platform and which was launched on 19 November 2007, or any successor thereto.]

["**Exchange Factor**" means 1 if the Reference Currency corresponds to the Settlement Currency. If the Reference Currency does not correspond to the Settlement Currency, Exchange Factor equals the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.]

["**Final Fixing Date**" means [the final fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]].] [In the event (a) of an ordinary termination according to § 9 of the Issue Specific Conditions the Final Fixing Date is the Termination Date and (b) in the event of an exercise according to § 6 of the Issue Specific Conditions the Exercise Date.]] [In the event of the postponement of the Underlying Valuation Date corresponding to the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

["**Management Factor**" means [the conversion of the Management Fee, which depends on the term, and shall be calculated according to the following formula [*insert formula: •*]. The Management Factor will be commercially rounded to • decimal places on a daily basis.]

["**Management Fee**" means the [p.a.] management fee as specified in **Table 1** in the Annex.]

["**Scheduled Trading Day**" has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Website**"] means the Website as specified in **Table 1** in the Annex.]

["**Exchange Rate Page**"] means the exchange rate page as specified in **Table 2** in the Annex.]

["**Exchange Rate Sponsor**"] means the exchange rate sponsor as specified in **Table 2** in the Annex.]

["**Paying Agent**"] means the paying agent as specified in **Table 1** in the Annex.]

§ 4

Redemption

[insert if COSI is applicable:

(1) Redemption Amount

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions, the product of (i) the [Final Fixing Level][Basket Performance], (ii) the Conversion Ratio[,] [and] (iii) the Management Factor [and (iv) the Exchange Factor].

The Redemption Amount will be *[insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (2), as the case may be, and]* commercially rounded to two (2) decimal places.

[insert if Currency Conversion is applicable:

(2) Currency exchange, Exchange Factor

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent *[insert if Quanto is not applicable: .* The Exchange Factor (the "**Exchange Factor**") equals the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion. *][insert if Quanto is applicable: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("**Quanto**").]*

[insert if COSI is not applicable:

(1) Redemption Amount

The "**Redemption Amount**" in the Settlement Currency per Product equals the product of (i) the [Final Fixing Level][Basket Performance], (ii) the Conversion Ratio[,] [and] (iii) the Management Fac-

tor [and (iv) the Exchange Factor].

The Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (2), as the case may be, and] commercially rounded to two (2) decimal places.

[*insert if Currency Conversion is applicable*:

(2) Currency exchange, Exchange Factor

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent [*insert if Quanto is not applicable*: . The Exchange Factor (the "**Exchange Factor**") equals the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.][*insert if Quanto is applicable*: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("**Quanto**").]]

§ 5

Interest, Coupon Payments

The Products bear no interest.

[*insert in the case Exercise by the Holder is applicable*:

§ 6

Exercise by the Holder

(1) Exercise Right

The Products can be exercised by the Holders according to the following provisions, subject to an ordinary or extraordinary termination of the Products by the Issuer pursuant to § 9 of the Issue Specific Conditions or § 13 of the Issue Specific Conditions, on any Exercise Date specified in **Table 1** in the Annex (each an "**Exercise Date**") [or if such date is not a Business Day, on the following Business Day] (the "**Exercise Right**"). With the exercise of the Products on the relevant Exercise Date all rights arising from the exercised Products shall automatically lapse. In the event of an ordinary or extraordinary termination of the Products the Exercise Right shall end on the date of termination. With the exercise of the Products on the relevant Exercise Date all rights arising from the exercised Products shall automatically lapse.

(2) Minimum Exercise Number

Exercise Rights may only be exercised for at least the minimum exercise number as specified in **Table 1** in the Annex (the "**Minimum Exercise Number**") or a whole-number multiple thereof. Any exercise of a lower number of Products is invalid and without effect. Any exercise of a greater number of Products whose number is not fully divisible by the Minimum Exercise Number is deemed to be an exercise of the next smallest number of Products which is fully divisible by the Minimum Exercise Number.

(3) Conditions precedent for effective Exercise

For the effective exercise of the Product rights the Holder must (via the credit institution with which the Holder maintains the relevant securities account):

- (a) submit to the Paying Agent (§ 5 of the General Conditions), at the address or facsimile number as specified in **Table 1** in the Annex, a legally binding, signed exercise notice in writing containing all details required in paragraph 4;
- (b) transfer the Products to the account of the Paying Agent specified in Table 1 in the Annex (the "**Account**") at the Clearing System.

(4) Exercise Notice

The exercise notice (the "**Exercise Notice**") must contain:

- (a) the name and the address of the Holder,
- (b) the description and number of Products for which exercised rights are being exercised, taking into account the Minimum Exercise Number,
- (c) the specification of an appropriate account held with a credit institution to which the Redemption Amount is to be credited if applicable; and
- (d) a declaration that neither the Holder nor the beneficial owner of the Products is a US person. The terms used in this paragraph have the meanings attached to them in Regulation S under the United States Securities Act of 1933, as amended from time to time.

The Exercise Notice is binding and irrevocable. The Exercise Notice shall be submitted to the Paying Agent (via the credit institution with which the Holder maintains the relevant securities account) on the Exercise Date by no later than noon (local time in Zurich).

If the number of Products specified in the Exercise Notice deviates from the number of Products transferred up to the Exercise Date, the smaller number taking into account the Minimum Exercise Number shall be deemed exercised. Any excess Products shall be transferred back to the Holder at the Holder's cost and risk.]

[insert in the case Exercise by the Holder is not applicable:

§ 6**(intentionally left blank)****§ 7****(intentionally left blank)****§ 8****Payments****(1) *Payments***

The Issuer shall cause the claimed Redemption Amount, if any, to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Redemption Date.

If the Redemption Date falls on a day which is not a Business Day and is deferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

(2) *Declaration on Regulation S*

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

(3) *Taxes, Fees and Duties*

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

[insert in the case ordinary termination by the Issuer is applicable:]

§ 9**Ordinary Termination by the Issuer****(1) *Ordinary Termination Right of Issuer***

The Issuer is entitled at any time to terminate all, but not individual, Products during their term via publication in accordance with § 4 of the General Conditions, stating the calendar date on which the termination will take effect (the "**Termination Date**") and observing a notice period of at least twelve month before the relevant Termination Date. For the purpose of calculating the Redemption Amount according to § 4 of the Issue Specific Conditions the Termination Date is deemed to be the Final Fixing Date as defined by these Conditions. If such day is not a Scheduled Trading Day, then the next following Scheduled Trading day shall be deemed the Final Fixing Date.

(2) *Transfer of the Redemption Amount in case of ordinary termination*

The Issuer shall by the Redemption Date, cause the Redemption Amount to be transferred to the Clearing System for crediting to the accounts of the Products depositors at the Clearing System. In the event of an ordinary termination according to paragraph (1), the notice referred to in § 8 (2) of the Issue Specific Conditions shall be deemed to have been made automatically.

(3) (3) *Taxes, fees or other duties*

All taxes, fees and other duties incurred in connection with the payment of the Redemption Amount in case of ordinary termination shall be borne and paid by the Holder. The Issuer and/or Paying Agent may withhold from the relevant amount any taxes, fees or duties that have to be paid by the Holder in accordance with the above sentence.]

[insert in the case ordinary termination by the Issuer is not applicable:]

§ 9

(intentionally left blank)]

[insert in the case COSI is applicable:]

§ 10**Collateral Secured Instruments (COSI)****(1) *Collateralization of the Product***

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

(2) *Documentation*

The collateralization in favour of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, the issuer and the Collateral Provider dated 10 September 2010, in the case of Products issued by Leonteq Securities AG, or dated

5 October 2012, in the case of Products issued by Leonteq Securities AG, Guernsey Branch («Framework Agreement»). The issuer shall, upon request, provide the Framework Agreement to investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG, Brandschenkestrasse 90, 8002 Zurich, Switzerland, via telephone +41 (0)58 800 1000, fax +41 (0)58 800 1010. The core elements of collateralization of the COSI Product are summarised in a SIX Swiss Exchange information sheet, which is available at «www.six-swiss-exchange.com» (under the section „Issuers“ – „Services“, „COSI“).

(3) Collateralization method

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to [Method A: Fair Value Method] [Method B: Bond Floor Method] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

(4) Distribution and market making

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

(5) Risks

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the col-

lateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

(6) *Liquidation of collateral*

If the Collateral Provider fails to fulfil its obligations, the collateral will be liquidated by SIX Swiss Exchange or a liquidator under the terms of the applicable legal regulations. The collateral may be liquidated («Liquidation Events») if (i) the Collateral Provider fails to furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

(7) *Determination of a Liquidation Event*

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

(8) Procedure in case of a Liquidation Event

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website (www.six-swiss-exchange.com under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

(9) Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website (www.six-swiss-exchange.com under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

(10) Costs of liquidation and payout for the benefit of the investors

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collat-

eral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, convert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on

which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

(11) *Secondary Listing*

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

(12) *Liability*

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

(13) *No authorisation*

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

(14) *Congruence with the Conditions*

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

| Term used in this | Corresponding definition in these Conditions |
|----------------------------------|--|
| § 10 "Collateral Secured Instru- | |

ments (COSI)"

investor

Holder

issuer

Issuer

issuing condi-
tions

Terms and Conditions, Conditions

maturity

Redemption, Redemption Date, Final Fixing Date]

[insert in the case COSI is not applicable:]

§ 10

(intentionally left blank)]

[in the case of Open End Tracker Certificates with Cash Settlement (Product No. 15), insert:

§ 1

Form and Issue Size; Definitions; Term of the Products

(1) Currency; Issue Size

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "Issuer") issues products without par value (each a "Certificate" or a "Product" and together the "Certificates" or the "Products"). The number (the "Number of Products") and the settlement currency (the "Settlement Currency") of the Products are specified in **Table 1** in the Annex.

(2) Form

[insert in the case of Swiss Uncertificated Securities:

(a) Uncertificated Securities, Holders

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their

own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.

(b) Custody Agent

"**Custody Agent**" is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

[insert in the case of Swiss Bearer Securities:

(a) Bearer Securities

The Products are issued in bearer form ("**Bearer Securities**").

(b) Permanent Global Note, Holder

[insert in the case of Swiss CBF Bearer Securities:

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of Swiss SIX SIS Bearer Securities:

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.]

[insert in the case of German Bearer Securities:

(a) Bearer Securities

The Products are issued in bearer form.

[insert in the case of German CBF Bearer Securities:]

(b) Permanent Global Note, Holder

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of German SIX SIS Bearer Securities:]

(b) Permanent Global Note, Holder

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

(c) Clearing System

"**Clearing System**" in each case is the clearing system as specified in Table 1 in the Annex.

(3) *Term of the Products*

The Products are issued without a limited term. The term ends upon exercise by the Holders or upon ordinary or extraordinary termination by the Issuer [*insert in the case COSI is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific conditions*].

§ 2

Status of the Products

[*insert in the case COSI is not applicable:*

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.]

[*insert in the case COSI is applicable:*

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

§ 3

Definitions

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

[*insert in the case of a share as Underlying or Basket Component: "Share Issuer" means the company that has issued the [Underlying][Basket Component].*]

["**Initial Fixing Level**" means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.]

["**Initial Fixing Period**" means the initial fixings period as specified in **Table 1** in the Annex.]

["**Initial Basket Value**" means the initial basket value as specified in **Table 1** in the Annex.]

["**Number of Basket Component_(i)**" [means [initially] [the relevant Number of Basket Component_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level_(i) [and the [EUR][●]/Reference Currency_(i) exchange rate] and takes into account the Initial Weighting_(i) of the respective Basket Component_(i), corresponding to the weighted share of the respective Basket Component_(i) in the Initial Basket Value on the Initial Fixing Date.] [means the weighted share of the respective Basket Component_(i) in the Initial Basket Value as determined by the Issuer and/or Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level_(i), and taking into account the Initial Weighting_(i) of the respective Basket Component_(i). The relevant Number of Basket Component_(i) corresponds to the [Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting_(i) (dividend) and the Initial Fixing Level_(i) (converted into the Settlement Currency, if applicable) (divisor): $\text{Number of Basket Component}_{(i)} = \frac{[\text{Denomination}][\text{Initial Basket Value}] * \text{Initial Weighting}_{(i)}}{\text{Initial Fixing Level}_{(i)}}$] [Initial Weighting means the Initial Weighting_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex.] [If the Issuer has received ordinary dividend payments between the Initial Fixing Date (exclusive) and the Final Fixing Date [(exclusive)] [(inclusive)] in respect of a Basket Component, the applicable net dividend (i.e. the dividend amount

minus taxes) is reinvested in the applicable Basket Component, whereby the amount of the Basket Component for this Basket Component is adjusted • Business Days after the receipt of the dividend payment by the Issuer.]]

["**Business Day**" means

[insert in the case of Products with Swiss Francs as Settlement Currency: [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]

[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency: [(in the case of Products with [•] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in [insert principal financial centre for such currency: •].]

[insert in the case of Products with Euro as Settlement Currency: [(in the case of Products with Euro as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.]

[insert in the case of Products with US Dollar as Settlement Currency: [(in the case of Products with US Dollar as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in New York and Zurich.]

[insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [insert currency: •]] [in the Business Centre[s]] [if no currency is indicated, insert: in each of the Business Centres].]]

["**Issue Date**" means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

["**Issue Price**" means the issue price as specified in **Table 1** in the Annex.]

["**Issue Surcharge**" means the issue surcharge as specified in **Table 1** in the Annex.]

["**Conversion Ratio**" means [the conversion ratio as specified in **Table 1** in the Annex.][the conversion ratio in respect of the relevant Basket Component as specified in **Table 2** in the Annex.] [If the Issuer has received ordinary dividend payments between the Initial Fixing Date (exclusive) and the Final Fixing Date [(exclusive)] [(inclusive)] in respect of the Underlying, the applicable net dividend (i.e. the dividend amount minus taxes) is reinvested, whereby the Conversion Ratio is adjusted • Business Days after the receipt of the dividend payment by the Issuer.]]

["**Underlying**" means[, subject to a replacement in accordance with these Conditions,] the [Underlying] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"] ["**Share**"] ["**Participation Certificate (Genussschein)**"] ["**Security representing**

Shares][**Commodity**][**Currency Exchange Rate**] [**Futures Contract**][**Fixed Rate Instrument**][**Derivative Instrument**][**Fund Unit**]) [*insert in the case of a share as Underlying or Basket Component*], as issued by the Share Issuer.]

[**Underlying Valuation Date** means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

[**Basket** means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

[**Basket Component** means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.]

[**Basket Performance** means the sum of the Relevant Performances.]

[**Calculation Agent** means the calculation agent as specified in **Table 1** in the Annex.]

[*insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket Component: "Exchange" means*[, in respect of the Share] the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]

[**Fiscal Agent** means the fiscal agent as specified in **Table 1** in the Annex.]

[**Final Fixing Period** means the period from (and including) the fifth (5th) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

[**Final Fixing Level** means [the Reference Price [of the respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.]]

[**Initial Fixing Date** means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General Conditions]. [*insert in the case of Products with subscription period: In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.*]]

[**Business Centre** means the business centre as specified in **Table 1** in the Annex.]

[*insert in the case of an index as Underlying or Basket Component: "Index Sponsor"* means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].]

["**Initial Weighting**_(i)"] means [the Initial Weighting_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Price**"] [means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [relevant Reuters] [relevant Bloomberg] page [●] [*insert Internet site: ●*] [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Relevant Performance**"] [of the relevant Basket Component] means [the quotient of the End Level (dividend) and the Initial Fixing Level (divisor).] [the Final Fixing Level multiplied by the Number of Basket Components and the Exchange Factor.]]

["**Relevant Reference Price**"] [of a Basket Component means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**"] of the Reference Currency means [[with respect to [●]] the [●] [mid]rate [of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate sponsor on the designated Exchange Rate Page] [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page of another screen service] [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any replacement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service] [*insert other method for determining Relevant Exchange Rate: ●*]. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Reference Price**"] means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of the Underlying] [of a Basket Component] [in [*insert currency: ●*]] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg] [●] [*insert Internet site: ●*] [or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Reference Currency**"] means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Redemption Date**"] means, subject to an extraordinary termination [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as speci-

fied in **Table 1** in the Annex] [or in the case of an exercise by the Holder pursuant to § 6 or an ordinary termination by the Issuer pursuant to § 9 the fifth (5th) Business Day following the Final Fixing Date] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one or more Basket Components].] [the fifth (5th) Business Day following the Final Fixing Date.]]

["**Worst Performance**" means [the worst performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]]

["**TARGET2 System**" means the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET2) payment system which utilises a single shared platform and which was launched on 19 November 2007, or any successor thereto.]

["**Exchange Factor**" means 1 if the Reference Currency corresponds to the Settlement Currency. If the Reference Currency does not correspond to the Settlement Currency, Exchange Factor equals the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.]

["**Final Fixing Date**" means [the final fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]].] [(a) in the event of an ordinary termination according to § 9 of the Issue Specific Conditions the Termination Date and (b) in the event of an exercise according to § 6 of the Issue Specific Conditions the fifth (5th) Scheduled Trading Day after the Exercise Date.] [In the event of the postponement of the Underlying Valuation Date corresponding to the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

["**Management Factor**" means [the conversion of the Management Fee, which depends on the term, and shall be calculated according to the following formula [*insert formula: ●*]. The Management Factor will be commercially rounded to ● decimal places on a daily basis.]

["**Management Fee**" means the [p.a.] management fee as specified in **Table 1** in the Annex.]

["**Scheduled Trading Day**" has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Website**" means the Website as specified in **Table 1** in the Annex.]

["**Exchange Rate Page**" means the exchange rate page as specified in **Table 2** in the Annex.]

["**Exchange Rate Sponsor**" means the exchange rate sponsor as specified in **Table 2** in the Annex.]

["**Paying Agent**" means the paying agent as specified in **Table 1** in the Annex.]

§ 4

Redemption

[insert if COSI is applicable:

(1) Redemption Amount

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions, the product of (i) [the Final Fixing Level][the Basket Performance], (ii) the Conversion Ratio[,] [and] (iii) the Management Factor [and (iv) the Exchange Factor].

The Redemption Amount will be *[insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (2), as the case may be, and]* commercially rounded to two (2) decimal places.

[insert if Currency Conversion is applicable:

(2) Currency exchange, Exchange Factor

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent *[insert if Quanto is not applicable: .* The Exchange Factor (the "**Exchange Factor**") equals the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion. *][insert if Quanto is applicable: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("**Quanto**").]*

[insert if COSI is not applicable:

(1) Redemption Amount

The "**Redemption Amount**" in the Settlement Currency per Product equals the product of (i) [the Final Fixing Level][the Basket Performance], (ii) the Conversion Ratio[,] [and] (iii) the Management Factor [and (iv) the Exchange Factor].

The Redemption Amount will be *[insert if Currency Conversion is applicable: converted into the Set-*

tlement Currency in accordance with paragraph (2), as the case may be, and] commercially rounded to two (2) decimal places.

[insert if Currency Conversion is applicable:

(2) Currency exchange, Exchange Factor

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent *[insert if Quanto is not applicable: .* The Exchange Factor (the "**Exchange Factor**") equals the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.*][insert if Quanto is applicable: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("**Quanto**").]*

§ 5

Interest, Coupon Payments

The Products bear no interest.

§ 6

Exercise by the Holder

(1) Exercise Right

The Products can be exercised by the Holders according to the following provisions, subject to an ordinary or extraordinary termination of the Products by the Issuer pursuant to § 9 of the Issue Specific Conditions or § 13 of the Issue Specific Conditions, on any Business Day during the exercise period as specified in **Table 1** in the Annex (each the "**Exercise Period**") (the "**Exercise Right**"). In the event of a termination by the Issuer pursuant to § 9 of the Issue Specific Conditions, the Exercise Right may only be exercised until 12.00 am at the latest (local time in Zurich) five Scheduled Trading Days prior to the date of termination. With the exercise of the Products on the relevant Exercise Date all rights arising from the exercised Products shall automatically lapse. In the event of an ordinary or extraordinary termination of the Products before expiry of the Exercise Period, the Exercise Period shall end on the date of termination. With the exercise of the Products on the relevant Exercise Date all rights arising from the exercised Products shall automatically lapse.

(2) Minimum Exercise Number

[Exercise Rights may only be exercised for at least the minimum exercise number as specified in **Ta-**

ble 1 in the Annex (the "**Minimum Exercise Number**") or a whole-number multiple thereof. Any exercise of a lower number of Products is invalid and without effect. Any exercise of a greater number of Products whose number is not fully divisible by the Minimum Exercise Number is deemed to be an exercise of the next smallest number of Products which is fully divisible by the Minimum Exercise Number.

(3) Conditions precedent for effective Exercise

For the Product rights to be effectively exercised the Holder must, within the Exercise Period (via the credit institution with which the Holder maintains the relevant securities account):

- (a) submit to the Paying Agent (§ 5 of the General Conditions), at the address or facsimile number as specified in **Table 1** in the Annex, a legally binding, signed exercise notice in writing containing all details required in paragraph 4;
- (b) transfer the Products to the account of the Paying Agent specified in **Table 1** in the Annex (the "**Account**") at the Clearing System.

(4) Exercise Notice

The exercise notice (the "**Exercise Notice**") must contain:

- (a) the name and the address of the Holder,
- (b) the description and number of Products for which exercised rights are being exercised, taking into account the Minimum Exercise Number,
- (c) the specification of an appropriate account held with a credit institution to which the Redemption Amount is to be credited if applicable; and
- (d) a declaration that neither the Holder nor the beneficial owner of the Products is a US person. The terms used in this paragraph have the meanings attached to them in Regulation S under the United States Securities Act of 1933, as amended from time to time.

The Exercise Notice is binding and irrevocable. It shall take effect on the first Business Day within the Exercise Period on which all conditions specified in paragraphs 2 and 3 have been met no later than 12:00 am (local time in Zurich) (the "**Exercise Date**").

If the number of Products specified in the Exercise Notice deviates from the number of Products transferred up to the Exercise Date, the smaller number taking into account the Minimum Exercise Number shall be deemed exercised. Any excess Products shall be transferred back to the Holder at the Holder's cost and risk.]

§ 7

(intentionally left blank)

§ 8

Payments**(1) *Payments***

The Issuer shall cause the claimed Redemption Amount, if any, to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Redemption Date.

If the Redemption Date falls on a day which is not a Business Day and is deferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

(2) *Declaration on Regulation S*

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

(3) *Taxes, Fees and Duties*

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

§ 9

Ordinary Termination by the Issuer**(1) *Ordinary Termination Right of Issuer***

The Issuer is entitled at any time to terminate all, but not individual, Products during their term via publication in accordance with § 4 of the General Conditions, stating the calendar date on which the termination will take effect (the "**Termination Date**") and observing a notice period of at least one month before the relevant Termination Date. For the purpose of calculating the Redemption Amount according to § 4 of the Issue Specific Conditions the Termination Date is deemed to be the Final Fixing Date as defined by these Conditions. If such day is not a Scheduled Trading Day, then the next following Scheduled Trading day shall be deemed the Final Fixing Date.

(2) *Transfer of the Redemption Amount in case of ordinary termination*

The Issuer shall by the Redemption Date, cause the Redemption Amount to be transferred to the Clearing System for crediting to the accounts of the Products depositors at the Clearing System. In the

event of an ordinary termination according to paragraph (1), the notice referred to in § 8 (2) of the Issue Specific Conditions shall be deemed to have been made automatically.

(3) *Taxes, fees or other duties*

All taxes, fees and other duties incurred in connection with the payment of the Redemption Amount in case of ordinary termination shall be borne and paid by the Holder. The Issuer and/or Paying Agent may withhold from the relevant amount any taxes, fees or duties that have to be paid by the Holder in accordance with the above sentence.]

[insert in the case COSI is applicable:

§ 10

Collateral Secured Instruments (COSI)

(1) *Collateralization of the Product*

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

(2) *Documentation*

The collateralization in favour of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, the issuer and the Collateral Provider dated 10 September 2010, in the case of Products issued by Leonteq Securities AG, or dated 5 October 2012, in the case of Products issued by Leonteq Securities AG, Guernsey Branch («Framework Agreement»). The issuer shall, upon request, provide the Framework Agreement to investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG, Brandschenkestrasse 90, 8002 Zurich, Switzerland, via telephone +41 (0)58 800 1000, fax +41 (0)58 800 1010. The core elements of collateralization of the COSI Product are summarised in a SIX Swiss Exchange information sheet, which is available at «www.six-swiss-exchange.com» (under the section „Issuers“ – „Services“, „COSI“).

(3) Collateralization method

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to [Method A: Fair Value Method] [Method B: Bond Floor Method] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

(4) Distribution and market making

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

(5) Risks

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateral-

zation is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

(6) *Liquidation of collateral*

If the Collateral Provider fails to fulfil its obligations, the collateral will be liquidated by SIX Swiss Exchange or a liquidator under the terms of the applicable legal regulations. The collateral may be liquidated («Liquidation Events») if (i) the Collateral Provider fails to furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

(7) *Determination of a Liquidation Event*

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

(8) *Procedure in case of a Liquidation Event*

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website (www.six-swiss-exchange.com under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a

private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

(9) *Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer*

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website (www.six-swiss-exchange.com under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

(10) *Costs of liquidation and payout for the benefit of the investors*

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its

COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, convert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

(11) *Secondary Listing*

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for

a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

(12) *Liability*

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

(13) *No authorisation*

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

(14) *Congruence with the Conditions*

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

| Term used in this | Corresponding definition in these Conditions |
|--|--|
| § 10 "Collateral Secured Instruments (COSI)" | |
| investor | Holder |
| issuer | Issuer |
| issuing condi- | Terms and Conditions, Conditions |

ons

maturity

Redemption, Redemption Date, Final Fixing Date]

[insert in the case COSI is not applicable:

§ 10

(intentionally left blank)]

[in the case of Express Certificates with potential Physical Settlement and with par value (Product No. 16), insert:

§ 1

Form and Issue Size; Definitions; Term of the Products

(1) Currency; Issue Size

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "**Issuer**") issues products (each a "**Certificate**" or a "**Product**" and together the "**Certificates**" or the "**Products**"). The total nominal amount (the "**Total Nominal Amount**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.

(2) Form

[insert in the case of Swiss Uncertificated Securities:

(a) Uncertificated Securities, Holders

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their

own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.

(b) Custody Agent

"**Custody Agent**" is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

[insert in the case of Swiss Bearer Securities:

(a) Bearer Securities

The Products are issued in bearer form ("**Bearer Securities**").

(b) Permanent Global Note, Holder

[insert in the case of Swiss CBF Bearer Securities:

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of Swiss SIX SIS Bearer Securities:

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.]

[insert in the case of German Bearer Securities:

(a) Bearer Securities

The Products are issued in bearer form.

[insert in the case of German CBF Bearer Securities:

(b) Permanent Global Note, Holder

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of German SIX SIS Bearer Securities:

(b) Permanent Global Note, Holder

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or

security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

(c) Clearing System

"**Clearing System**" in each case is the clearing system as specified in Table 1 in the Annex.

(3) *Term of the Products*

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer or an early redemption [*insert in the case COSI is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific conditions*].

§ 2

Status of the Products

[*insert in the case COSI is not applicable:*

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any

subordinated obligations.]

[insert in the case COSI is applicable:

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

§ 3

Definitions

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

[insert in the case of a share as Underlying or Basket Component: "Share Issuer" means the company that has issued the [Underlying][Basket Component].]

["Initial Fixing Level" means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the lowest Reference Price of the respective Basket Component during the Initial Fixing Period] [the lowest Reference Price of the [Underlying][respective Basket Component] during the Initial Fixing Observation Dates, as determined by the Calculation Agent] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.]

["Initial Fixing Observation Dates" means the initial fixing observation dates as specified in **Table 1** in the Annex.]

["Initial Fixing Period" means the initial fixings period as specified in **Table 1** in the Annex.]

["Initial Basket Value" means the initial basket value as specified in **Table 1** in the Annex.]

["Number of Basket Component_(i)" [means the relevant Number of Basket Component_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level_(i) [and the [EUR][●]/Reference Currency_(i) exchange rate] and takes into account the Initial Weighting_(i) of the respective Basket Component_(i), corresponding to the weighted share of the respective Basket Component_(i) in the Initial Basket Value on the Initial Fixing Date.] [means the weighted share of the respective Basket Component_(i) in the Initial Basket Value as determined by the Issuer and/or Calcula-

tion Agent on the Initial Fixing Date based on the Initial Fixing Level_(i), and taking into account the Initial Weighting_(i) of the respective Basket Component_(i). The relevant Number of Basket Component_(i) corresponds to the [Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting_(i) (converted into the Settlement Currency, if applicable) (dividend) and the Initial Fixing Level_(i) (divisor): $\text{Number of Basket Component}_{(i)} = [\text{Denomination}][\text{Initial Basket Value}] * \text{Initial Weighting}_{(i)} / \text{Initial Fixing Level}_{(i)}$. [Initial Weighting means the Initial Weighting_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex.]

["**Business Day**" means

[insert in the case of Products with Swiss Francs as Settlement Currency: [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]

[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency: [(in the case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in [insert principal financial centre for such currency: ●].]

[insert in the case of Products with Euro as Settlement Currency: [(in the case of Products with Euro as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.]

[insert in the case of Products with US Dollar as Settlement Currency: [(in the case of Products with US Dollar as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in New York and Zurich.]

[insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [insert currency: ●]] [in the Business Centre[s]] [if no currency is indicated, insert: in each of the Business Centres].]

["**Issue Date**" means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

["**Issue Price**" means the issue price as specified in **Table 1** in the Annex.]

["**Issue Surcharge**" means the issue surcharge as specified in **Table 1** in the Annex.]

["**Strike Level**" means the strike level as specified in **Table 1** in the Annex.]

["**Conversion Ratio**" means [the conversion ratio as specified in **Table 1** in the Annex.][the conversion ratio in respect of the relevant Basket Component as specified in **Table 2** in the Annex.] [If the Issuer has received ordinary dividend payments between the Initial Fixing Date (exclusive) and the Final Fixing Date [(exclusive)] [(inclusive)] in respect of the Underlying, the applicable net dividend

(i.e. the dividend amount minus taxes) is reinvested, whereby the Conversion Ratio is adjusted • Business Days after the receipt of the dividend payment by the Issuer.]]

["**Autocall Observation Date**" means [each of the autocall observation dates as specified in **Table 3** in the Annex or, if such date is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in relation to the relevant Basket Component]. In the event of the postponement of the Underlying Valuation Date corresponding to the relevant Autocall Observation Date [in respect of one or more Basket Components], the relevant Autocall Observation Date [in relation to the relevant Basket Component] shall be postponed accordingly.]]

["**Autocall Event**" has occurred if on an Autocall Observation Date the Reference Price [of all Basket Components] exceeds the [respective] Autocall Trigger Level relevant for such date.]

["**Autocall Trigger Level**" means the Autocall Trigger Level in respect of the relevant Autocall Observation Date [with respect to the relevant Basket Component] as specified in **Table 3** in the Annex.]

["**Barrier Observation Period**" means the barrier observation period as specified in **Table 1** in the Annex.]

["**Barrier Event**" has occurred if [the Final Fixing Level is at or below the Barrier Level] [the [Price][Reference Price] is [equal to or] below the Barrier Level at any time during the Barrier Observation Period] [*insert in the case of a Basket as Underlying if appropriate:* [the Final Basket Value equals or falls below the Barrier Level as determined by the Calculation Agent] [the [Price][Reference Price] of the Basket is equal to or below the Barrier Level during the Observation Period, as determined by the Calculation Agent] [the [Price][Reference Price] [Final Fixing Level] of [a][at least one] Basket Component is [equal to or] below the Barrier Level for this Basket Component as specified in **Table [1][2]** in the Annex [at any time during the Barrier Observation Period]], as determined by the Calculation Agent.]]]

["**Barrier Level**" means the barrier level as specified in **Table 1** in the Annex [with respect to the relevant Basket Component].]

["**Underlying**" means[, subject to a replacement in accordance with these Conditions,] the [Underlying] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"]["**Share**"]["**Participation Certificate (Genussschein)**"]["**Security representing Shares**"]["**Commodity**"]["**Currency Exchange Rate**"] ["**Futures Contract**"]["**Fixed Rate Instrument**"]["**Derivative Instrument**"]["**Fund Unit**"]) [*insert in the case of a share as Underlying or Basket Component:*, as issued by the Share Issuer].]

["**Underlying Valuation Date**" means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

["**Basket**" means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

["**Basket Component**" means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.]

["**Calculation Agent**" means the calculation agent as specified in **Table 1** in the Annex.]

[insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket Component: "**Exchange**" means[, in respect of the Share] the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]

["**Coupon Amount**" means the coupon amount as specified in **Table [1][3]** in the Annex.]

["**Coupon Observation Date**" means [each of the coupon observation dates as specified in **Table [1][3]** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]]. In the event of the postponement of the Underlying Valuation Date corresponding to the relevant Coupon Observation Date [in respect of one or more Basket Components], the relevant Coupon Observation Date [in relation to [the relevant Basket Component][all Basket Components]] shall be postponed accordingly.]]

["**Coupon Trigger Event**" has occurred if on a Coupon Observation Date the Reference Price [of all Basket Components] exceeds the [respective] Coupon Trigger Level relevant for such date.]

["**Coupon Trigger Level**" means the coupon trigger level as specified in **Table [1][3]** in the Annex [with respect to the relevant Basket Component].]

["**Coupon Trigger Level**" means the coupon trigger level as specified in **Table [1][3]** in the Annex.]

["**Coupon Payment Date**" means the coupon payment date as specified in **Table [1][3]** in the Annex or, if this date is not a Business Day, the next following Business Day. [In the event of the postponement of the relevant Coupon Observation Date, the relevant Coupon Payment Date shall be postponed accordingly.]]

["**Fiscal Agent**" means the fiscal agent as specified in **Table 1** in the Annex.]

["**Final Fixing Period**" means the period from (and including) the fifth (5th) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

["**Final Fixing Level**" means [the Reference Price [of the respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.]]

["**Initial Fixing Date**" means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General

Conditions]. [*insert in the case of Products with subscription period:* In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.]]

["**Business Centre**" means the business centre as specified in **Table 1** in the Annex.]

[*insert in the case of an index as Underlying or Basket Component:* "**Index Sponsor**" means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].]

["**Initial Weighting_(i)**" means [the Initial Weighting_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Price**" [means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [relevant Reuters] [relevant Bloomberg] page [●] [*insert Internet site:* ●] [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Relevant Performance**" [of the relevant Basket Component] means [the quotient of the End Level (dividend) and the Initial Fixing Level (divisor)].]

["**Relevant Reference Price**" [of a Basket Component means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate [of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate sponsor on the designated Exchange Rate Page] [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page of another screen service] [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any replacement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service] [*insert other method for determining Relevant Exchange Rate:* ●]. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Denomination**" means the denomination as specified in **Table 1** in the Annex (as expressed in the Settlement Currency).]

["**Reference Price**" means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of the Underlying] [of a Basket Component] [in [*insert currency:* ●]] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg] [●] [*insert Internet site:* ●] [or any replacement page] on a Scheduled Trading Day, as

determined by the Calculation Agent.]]

["**Reference Currency**" means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Redemption Date**" means, subject to an Early Redemption pursuant to § 7 of the Issue Specific Conditions or subject to an extraordinary termination [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one or more Basket Components].] [the fifth (5th) Business Day following the Final Fixing Date]]

["**Worst Performance**" means the worst performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]

["**TARGET2 System**" means the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET2) payment system which utilises a single shared platform and which was launched on 19 November 2007, or any successor thereto.]

["**Final Fixing Date**" means [the final fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]].] [In the event of the postponement of the Underlying Valuation Date corresponding to the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

["**Scheduled Trading Day**" has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Early Redemption Date**" means each of the early redemption dates as specified in **Table 3** in the Annex or, if an Early Redemption Date is not a Business Day, the next following Business Day. [In the event of the postponement of the relevant Autocall Observation Date, the relevant Early Redemption Date shall be postponed accordingly.]]

["**Website**" means the Website as specified in **Table 1** in the Annex.]

["**Exchange Rate Page**" means the exchange rate page as specified in **Table 2** in the Annex.]

["**Exchange Rate Sponsor**" means the exchange rate sponsor as specified in **Table 2** in the Annex.]

["**Paying Agent**" means the paying agent as specified in **Table 1** in the Annex.]

§ 4

Redemption

[insert if COSI is applicable:]

(1) Redemption Amount

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to an Early Re-

demption pursuant to § 7 of the Issue Specific Conditions or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions and subject to a physical delivery of the Underlying pursuant to paragraph (4). the Minimum Redemption pursuant to paragraph (2) which simultaneously equals the Maximum Redemption Amount pursuant to paragraph (3).

(2) Minimum Redemption

[Provided that no Barrier Event has occurred the Redemption Amount equals the Denomination.][Provided that the Final Fixing Level is above the Strike Level, the Redemption Amount equals the Denomination.]

(3) Maximum Redemption

The Redemption Amount per Product equals no more than the Denomination (the "**Maximum Redemption Amount**").

(4) Settlement by delivery

If [a Barrier Event has occurred][the Final Fixing Level is equal to or below the Strike Level], the Issuer will redeem the Products by way of delivery of a number of the [Underlying][Basket Component with the Worst Performance] expressed by the Conversion Ratio, with fractions of the [Underlying][relevant Basket Component] not being delivered but redeemed by way of payment of a cash payment amount for fractions (the "**Cash Payment Amount for Fractions**"). Should the delivery of the [Underlying][relevant Basket Component], for whatever reason, be economically or actually impeded or not possible, then the Issuer shall have the right to pay a compensation amount (the "**Compensation Amount**") in lieu of delivery of the [Underlying][relevant Basket Component]. For the calculation of the Cash Payment Amount for Fractions or the Compensation Amount the Final Fixing Level, which considering the Conversion Ratio is either related to the fraction of the [Underlying][relevant Basket Component] in the case of the Cash Payment Amount for Fractions or to the number of the [Underlying][relevant Basket Component] in the case of the Compensation Amount. If the Holder holds several Products, there shall be no aggregation of the Cash Payment Amounts for Fractions in such a way that the number of the [Underlyings][relevant Basket Components] to be settled would increase. The Cash Payment Amount for Fractions or the Compensation Amount, as the case may be, shall be commercially rounded to two (2) decimal places.]

[insert if Currency Conversion is applicable:

(5) Currency exchange

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent *[insert if Quanto is not applicable:* on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is

not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion. *[[insert if Quanto is applicable: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("Quanto").]]*

[[insert if COSI is not applicable:

(1) Redemption Amount

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to an Early Redemption pursuant to § 7 of the Issue Specific Conditions and subject to a physical delivery of the Underlying pursuant to paragraph (4). the Minimum Redemption pursuant to paragraph (2) which simultaneously equals the Maximum Redemption Amount pursuant to paragraph (3).

(2) Minimum Redemption

*[[Provided that no Barrier Event has occurred the Redemption Amount equals the Denomination.]]**[[Provided that the Final Fixing Level is above the Strike Level, the Redemption Amount equals the Denomination.]]*

(3) Maximum Redemption

The Redemption Amount per Product equals no more than the Denomination (the "**Maximum Redemption Amount**").

(4) Settlement by delivery

If *[[a Barrier Event has occurred]]**[[the Final Fixing Level is equal to or below the Strike Level]]*, the Issuer will redeem the Products by way of delivery of a number of the *[[Underlying]]**[[Basket Component with the Worst Performance]]* expressed by the Conversion Ratio, with fractions of the *[[Underlying]]**[[relevant Basket Component]]* not being delivered but redeemed by way of payment of a cash payment amount for fractions (the "**Cash Payment Amount for Fractions**"). Should the delivery of the *[[Underlying]]**[[relevant Basket Component]]*, for whatever reason, be economically or actually impeded or not possible, then the Issuer shall have the right to pay a compensation amount (the "**Compensation Amount**") in lieu of delivery of the *[[Underlying]]**[[relevant Basket Component]]*. For the calculation of the Cash Payment Amount for Fractions or the Compensation Amount the Final Fixing Level, which considering the Conversion Ratio is either related to the fraction of the *[[Underlying]]**[[relevant Basket Component]]* in the case of the Cash Payment Amount for Fractions or to the number of the *[[Underlying]]**[[relevant Basket Component]]* in the case of the Compensation Amount. If the Holder holds several Products, there shall be no aggregation of the Cash Payment Amounts for Fractions in such a way that the number of the *[[Underlyings]]**[[relevant Basket Components]]* to be settled would increase. The Cash Payment Amount for Fractions or the Compensation Amount, as the case may be, shall be commercially rounded to two (2) decimal places.]

[insert if Currency Conversion is applicable:

(5) Currency exchange

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent *[insert if Quanto is not applicable: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.]**[insert if Quanto is applicable: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("**Quanto**").]*

§ 5

Interest, Coupon Payments

[(1) Coupon Payments]

[If a Coupon Trigger Event has occurred on a Coupon Observation Date, a coupon payment is made in the Settlement Currency for the products on the applicable Coupon Payment Date in the amount of the Coupon Amount specified for the applicable Coupon Payment Date. [Following an Early Redemption pursuant to § 7 of the Issue Specific Conditions, no further coupon payments are made.] [If a Coupon Trigger Event has not occurred and [no Barrier Event has occurred][the Final Fixing Level is above the Strike Level], the Holder receives a coupon payment on the final Coupon Payment Date in the amount of the Coupon Amount specified for the final Coupon Payment Date.][The Holder receives a coupon payment on the respective Coupon Payment Date in the amount of the Coupon Amount specified for the applicable Coupon Payment Date. [Following an Early Redemption pursuant to § 7 of the Issue Specific Conditions, no further coupon payments are made.] In the case of a redemption at the end of the term, the Holder receives a coupon payment on the final Coupon Payment Date in the amount of the Coupon Amount specified for the final Coupon Payment Date.][Provided that on the relevant Coupon Observation Date a Coupon Trigger Event has occurred, a Coupon payment shall be made for the Products on the relevant Coupon Payment Date. The coupon rate (the "**Coupon Rate**") relevant for the respective Coupon Observation Date is the Coupon Rate for the relevant Coupon Payment Date specified in **Table 3** in the Annex. [Following an Early Redemption pursuant to § 7 of the Issue Specific Conditions, no further coupon payments are made.]]

[(2) Coupon Amount]

The Coupon Amount (the "**Coupon Amount**") is determined by multiplying the Denomination by (i)

the applicable Coupon Rate for the relevant Coupon Payment Date and by (ii) N.

"N" means in the case that

- (a) before the applicable Coupon Observation Date_(t) no Coupon Trigger Event has occurred, the number of Coupon Observation Dates_(t) from Coupon Observation Date_(t) (inclusive) to, in each case, the applicable Coupon Observation Date_(t) (inclusive), and in the case that
- (b) before the applicable Coupon Observation Date_(t) a Coupon Trigger Event has already occurred, the number of Coupon Observation Dates_(t) between the Coupon Observation Date_(t) (exclusive) on which the last Coupon Trigger Event has occurred and the applicable Coupon Observation Date_(t) (inclusive) in each case.

[Following an Early Redemption pursuant to § 7 of the Issue Specific Conditions, no further coupon payments are made. The Coupon Amount will be commercially rounded to two (2) decimal places.]]

§ 6

(intentionally left blank)

§ 7

Early Redemption

(1) Conditions precedent for Early Redemption

In the event that on any Autocall Observation Date an Autocall Event has occurred, the term of the Products shall end automatically on this Autocall Observation Date without the need for a separate termination of the Products by the Issuer (the "**Early Redemption**"). In this case the Redemption Amount to be paid by the Issuer equals the Denomination.

(2) Notification of Early Redemption

Notice of the occurrence of Early Redemption and the value of the Redemption Amount to be paid per Product in this case shall be published in accordance with § 4 of the General Conditions.

§ 8

Payments, Physical Delivery

(1) Payments, Physical Delivery

The Issuer shall cause the delivery of the Underlying or Basket Component, as the case may be, or the claimed Redemption Amount, if any, or any other amount to be paid pursuant to § 4 of the Issue Specific Conditions to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Early Redemption Date (in the case of an Early Redemption pursuant to § 7 of the Issue Specific Conditions) and/or the Redemption Date (in the case that not Early Redemption has occurred). The Issuer shall transfer the Coupon Amount in arrears by the Coupon Payment Date via the Paying Agent to the Clearing System for transmitting to the Holders. If the Early Redemption Date, the Redemption Date or Coupon Payment Date falls on a day which is not a Business Day and is de-

ferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

(2) Declaration on Regulation S

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

(3) Taxes, Fees and Duties

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

§ 9

(intentionally left blank)

[insert in the case COSI is applicable:]

§ 10

Collateral Secured Instruments (COSI)

(1) Collateralization of the Product

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

(2) Documentation

The collateralization in favour of SIX Swiss Exchange is based on the «Framework Agreement for

Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, the issuer and the Collateral Provider dated 10 September 2010, in the case of Products issued by Leonteq Securities AG, or dated 5 October 2012, in the case of Products issued by Leonteq Securities AG, Guernsey Branch («Framework Agreement»). The issuer shall, upon request, provide the Framework Agreement to investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG, Brandschenkestrasse 90, 8002 Zurich, Switzerland, via telephone +41 (0)58 800 1000, fax +41 (0)58 800 1010. The core elements of collateralization of the COSI Product are summarised in a SIX Swiss Exchange information sheet, which is available at «www.six-swiss-exchange.com» (under the section „Issuers“ – „Services“, „COSI“).

(3) Collateralization method

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to [Method A: Fair Value Method] [Method B: Bond Floor Method] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

(4) Distribution and market making

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

(5) Risks

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI

Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

(6) *Liquidation of collateral*

If the Collateral Provider fails to fulfil its obligations, the collateral will be liquidated by SIX Swiss Exchange or a liquidator under the terms of the applicable legal regulations. The collateral may be liquidated («Liquidation Events») if (i) the Collateral Provider fails to furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

(7) *Determination of a Liquidation Event*

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event

occurred.

(8) Procedure in case of a Liquidation Event

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website (www.six-swiss-exchange.com under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

(9) Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website (www.six-swiss-exchange.com under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

(10) Costs of liquidation and payout for the benefit of the investors

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire

liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, convert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer

shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

(11) *Secondary Listing*

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

(12) *Liability*

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

(13) *No authorisation*

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

(14) *Congruence with the Conditions*

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

| | |
|-------------------|--|
| Term used in this | Corresponding definition in these Conditions |
|-------------------|--|

§ 10 "Collateral Secured Instruments (COSI)"

investor

Holder

issuer

Issuer

issuing conditions

Terms and Conditions, Conditions

maturity

Redemption, Redemption Date, Final Fixing Date]

[insert in the case COSI is not applicable:

**§ 10
(intentionally left blank)]**

[in the case of Express Certificates with potential Physical Settlement and without par value (Product No. 17), insert:

§ 1

Form and Issue Size; Definitions; Term of the Products

(1) *Currency; Issue Size*

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "**Issuer**") issues products without par value (each a "**Certificate**" or a "**Product**" and together the "**Certificates**" or the "**Products**"). The number (the "**Number of Products**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.

(2) *Form*

[insert in the case of Swiss Uncertificated Securities:

(a) **Uncertificated Securities, Holders**

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their

own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.

(b) Custody Agent

"**Custody Agent**" is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

[insert in the case of Swiss Bearer Securities:

(a) Bearer Securities

The Products are issued in bearer form ("**Bearer Securities**").

(b) Permanent Global Note, Holder

[insert in the case of Swiss CBF Bearer Securities:

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of Swiss SIX SIS Bearer Securities:

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.]

[insert in the case of German Bearer Securities:

(a) Bearer Securities

The Products are issued in bearer form.

[insert in the case of German CBF Bearer Securities:

(b) Permanent Global Note, Holder

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of German SIX SIS Bearer Securities:

(b) Permanent Global Note, Holder

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or

security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

(c) Clearing System

"**Clearing System**" in each case is the clearing system as specified in Table 1 in the Annex.

(3) Term of the Products

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer or an early redemption [*insert in the case COSI is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific conditions*].

§ 2

Status of the Products

[*insert in the case COSI is not applicable:*

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any

subordinated obligations.]

[insert in the case COSI is applicable:

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

§ 3

Definitions

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

[insert in the case of a share as Underlying or Basket Component: "Share Issuer" means the company that has issued the [Underlying][Basket Component].]

["Initial Fixing Level" means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the lowest Reference Price of the respective Basket Component during the Initial Fixing Period] [the lowest Reference Price of the [Underlying][respective Basket Component] during the Initial Fixing Observation Dates, as determined by the Calculation Agent] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.]

["Initial Fixing Observation Dates" means the initial fixing observation dates as specified in **Table 1** in the Annex.]

["Initial Fixing Period" means the initial fixings period as specified in **Table 1** in the Annex.]

["Initial Basket Value" means the initial basket value as specified in **Table 1** in the Annex.]

["Number of Basket Component_(i)" [means the relevant Number of Basket Component_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level_(i) [and the [EUR][●]/Reference Currency_(i) exchange rate] and takes into account the Initial Weighting_(i) of the respective Basket Component_(i), corresponding to the weighted share of the respective Basket Component_(i) in the Initial Basket Value on the Initial Fixing Date.] [means the weighted share of the respective Basket Component_(i) in the Initial Basket Value as determined by the Issuer and/or Calcula-

tion Agent on the Initial Fixing Date based on the Initial Fixing Level_(i), and taking into account the Initial Weighting_(i) of the respective Basket Component_(i). The relevant Number of Basket Component_(i) corresponds to the [Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting_(i) (converted into the Settlement Currency, if applicable) (dividend) and the Initial Fixing Level_(i) (divisor): $\text{Number of Basket Component}_{(i)} = [\text{Denomination}][\text{Initial Basket Value}] * \text{Initial Weighting}_{(i)} / \text{Initial Fixing Level}_{(i)}$. [Initial Weighting means the Initial Weighting_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex.]

["**Business Day**" means

[insert in the case of Products with Swiss Francs as Settlement Currency: [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]

[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency: [(in the case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in [insert principal financial centre for such currency: ●].]

[insert in the case of Products with Euro as Settlement Currency: [(in the case of Products with Euro as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.]

[insert in the case of Products with US Dollar as Settlement Currency: [(in the case of Products with US Dollar as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in New York and Zurich.]

[insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [insert currency: ●]] [in the Business Centre[s]] [if no currency is indicated, insert: in each of the Business Centres].]

["**Issue Date**" means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

["**Issue Price**" means the issue price as specified in **Table 1** in the Annex.]

["**Issue Surcharge**" means the issue surcharge as specified in **Table 1** in the Annex.]

["**Strike Level**" means the strike level as specified in **Table 1** in the Annex.]

["**Conversion Ratio**" means [the conversion ratio as specified in **Table 1** in the Annex.][the conversion ratio in respect of the relevant Basket Component as specified in **Table 2** in the Annex.] [If the Issuer has received ordinary dividend payments between the Initial Fixing Date (exclusive) and the Final Fixing Date [(exclusive)] [(inclusive)] in respect of the Underlying, the applicable net dividend

(i.e. the dividend amount minus taxes) is reinvested, whereby the Conversion Ratio is adjusted • Business Days after the receipt of the dividend payment by the Issuer.]]

["**Autocall Observation Date**" means [each of the autocall observation dates as specified in **Table 3** in the Annex or, if such date is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in relation to the relevant Basket Component]. In the event of the postponement of the Underlying Valuation Date corresponding to the relevant Autocall Observation Date [in respect of one or more Basket Components], the relevant Autocall Observation Date [in relation to the relevant Basket Component] shall be postponed accordingly.]]

["**Autocall Event**" has occurred if on an Autocall Observation Date the Reference Price [of all Basket Components] exceeds the [respective] Autocall Trigger Level relevant for such date.]

["**Autocall Trigger Level**" means the Autocall Trigger Level in respect of the relevant Autocall Observation Date [with respect to the relevant Basket Component] as specified in **Table 3** in the Annex.]

["**Barrier Observation Period**" means the barrier observation period as specified in **Table 1** in the Annex.]

["**Barrier Event**" has occurred if [the Final Fixing Level is at or below the Barrier Level] [the [Price][Reference Price] is [equal to or] below the Barrier Level at any time during the Barrier Observation Period] [*insert in the case of a Basket as Underlying if appropriate:* [the Final Basket Value equals or falls below the Barrier Level as determined by the Calculation Agent] [the [Price][Reference Price] of the Basket is equal to or below the Barrier Level during the Observation Period, as determined by the Calculation Agent] [the [Price][Reference Price] [Final Fixing Level] of a Basket Component is [equal to or] below the Barrier Level for this Basket Component as specified in **Table 1**][**2**] in the Annex [at any time during the Barrier Observation Period]], as determined by the Calculation Agent.]]]

["**Barrier Level**" means the barrier level as specified in **Table 1** in the Annex [with respect to the relevant Basket Component].]

["**Underlying**" means[, subject to a replacement in accordance with these Conditions,] the [Underlying] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"]["**Share**"]["**Participation Certificate (Genussschein)**"]["**Security representing Shares**"]["**Commodity**"]["**Currency Exchange Rate**"] ["**Futures Contract**"]["**Fixed Rate Instrument**"]["**Derivative Instrument**"]["**Fund Unit**"]) [*insert in the case of a share as Underlying or Basket Component:*, as issued by the Share Issuer].]

["**Underlying Valuation Date**" means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

["**Basket**" means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

["**Basket Component**" means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.]

["**Calculation Agent**" means the calculation agent as specified in **Table 1** in the Annex.]

[insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket Component: "**Exchange**" means[, in respect of the Share] the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]

["**Coupon Amount**" means the coupon amount as specified in **Table [1][3]** in the Annex.]

["**Coupon Observation Date**" means [each of the coupon observation dates as specified in **Table [1][3]** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]]. In the event of the postponement of the Underlying Valuation Date corresponding to the relevant Coupon Observation Date [in respect of one or more Basket Components], the relevant Coupon Observation Date [in relation to [the relevant Basket Component][all Basket Components]] shall be postponed accordingly.]]

["**Coupon Trigger Event**" has occurred if on a Coupon Observation Date the Reference Price [of all Basket Components] exceeds the [respective] Coupon Trigger Level relevant for such date.]

["**Coupon Trigger Level**" means the coupon trigger level as specified in **Table [1][3]** in the Annex [with respect to the relevant Basket Component].]

["**Coupon Trigger Level**" means the coupon trigger level as specified in **Table [1][3]** in the Annex.]

["**Coupon Payment Date**" means the coupon payment date as specified in **Table [1][3]** in the Annex or, if this date is not a Business Day, the next following Business Day. [In the event of the postponement of the relevant Coupon Observation Date, the relevant Coupon Payment Date shall be postponed accordingly.]]

["**Fiscal Agent**" means the fiscal agent as specified in **Table 1** in the Annex.]

["**Final Fixing Period**" means the period from (and including) the fifth (5th) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

["**Final Fixing Level**" means [the Reference Price [of the respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.]]

["**Initial Fixing Date**" means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General

Conditions]. [*insert in the case of Products with subscription period: In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.*]

["**Business Centre**" means the business centre as specified in **Table 1** in the Annex.]

[*insert in the case of an index as Underlying or Basket Component: "Index Sponsor"* means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].]

["**Initial Weighting_(i)**" means [the Initial Weighting_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Price**" [means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [relevant Reuters] [relevant Bloomberg] page [●] [*insert Internet site: ●*] [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Relevant Performance**" [of the relevant Basket Component] means [the quotient of the End Level (dividend) and the Initial Fixing Level (divisor)].]

["**Relevant Reference Price**" [of a Basket Component means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate [of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate sponsor on the designated Exchange Rate Page] [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page of another screen service] [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any replacement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service] [*insert other method for determining Relevant Exchange Rate: ●*]. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Denomination**" means the denomination as specified in **Table 1** in the Annex (as expressed in the Settlement Currency).]

["**Reference Price**" means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of the Underlying] [of a Basket Component] [in [*insert currency: ●*]] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg] [●] [*insert Internet site: ●*] [or any replacement page] on a Scheduled Trading Day, as

determined by the Calculation Agent.]]

["**Reference Currency**" means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Redemption Date**" means, subject to an Early Redemption pursuant to § 7 of the Issue Specific Conditions or subject to an extraordinary termination [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one or more Basket Components].] [the fifth (5th) Business Day following the Final Fixing Date]]

["**Worst Performance**" means the worst performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]

["**TARGET2 System**" means the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET2) payment system which utilises a single shared platform and which was launched on 19 November 2007, or any successor thereto.]

["**Final Fixing Date**" means [the final fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]].] [In the event of the postponement of the Underlying Valuation Date corresponding to the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

["**Scheduled Trading Day**" has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Early Redemption Date**" means each of the early redemption dates as specified in **Table 3** in the Annex or, if an Early Redemption Date is not a Business Day, the next following Business Day. [In the event of the postponement of the relevant Autocall Observation Date, the relevant Early Redemption Date shall be postponed accordingly.]]

["**Website**" means the Website as specified in **Table 1** in the Annex.]

["**Exchange Rate Page**" means the exchange rate page as specified in **Table 2** in the Annex.]

["**Exchange Rate Sponsor**" means the exchange rate sponsor as specified in **Table 2** in the Annex.]

["**Paying Agent**" means the paying agent as specified in **Table 1** in the Annex.]

§ 4

Redemption

[insert if COSI is applicable:

(1) Redemption Amount

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to an Early Re-

demption pursuant to § 7 of the Issue Specific Conditions or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions and subject to a physical delivery of the Underlying pursuant to paragraph (4), the Minimum Redemption pursuant to paragraph (2) which simultaneously equals the Maximum Redemption Amount pursuant to paragraph (3).

(2) Minimum Redemption

[Provided that no Barrier Event has occurred the Redemption Amount equals the Issue Price.][Provided that the Final Fixing Level is above the Strike Level, the Redemption Amount equals the Issue Price.]

(3) Maximum Redemption

The Redemption Amount per Product equals no more than the Issue Price (the "**Maximum Redemption Amount**").

(4) Settlement by delivery

If [a Barrier Event has occurred][the Final Fixing Level is equal to or below the Strike Level], the Issuer will redeem the Products by way of delivery of a number of the [Underlying][Basket Component with the Worst Performance] expressed by the Conversion Ratio, with fractions of the [Underlying][relevant Basket Component] not being delivered but redeemed by way of payment of a cash payment amount for fractions (the "**Cash Payment Amount for Fractions**"). Should the delivery of the [Underlying][relevant Basket Component], for whatever reason, be economically or actually impeded or not possible, then the Issuer shall have the right to pay a compensation amount (the "**Compensation Amount**") in lieu of delivery of the [Underlying][relevant Basket Component]. For the calculation of the Cash Payment Amount for Fractions or the Compensation Amount the Final Fixing Level, which considering the Conversion Ratio is either related to the fraction of the [Underlying][relevant Basket Component] in the case of the Cash Payment Amount for Fractions or to the number of the [Underlying][relevant Basket Component] in the case of the Compensation Amount. If the Holder holds several Products, there shall be no aggregation of the Cash Payment Amounts for Fractions in such a way that the number of the [Underlyings][relevant Basket Components] to be settled would increase. The Cash Payment Amount for Fractions or the Compensation Amount, as the case may be, shall be commercially rounded to two (2) decimal places.]

[insert if Currency Conversion is applicable:

(5) Currency exchange

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent *[insert if Quanto is not applicable:* on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is

not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion. *[[insert if Quanto is applicable: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("Quanto").]]*

[[insert if COSI is not applicable:

(1) Redemption Amount

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to an Early Redemption pursuant to § 7 of the Issue Specific Conditions and subject to a physical delivery of the Underlying pursuant to paragraph (4), the Minimum Redemption pursuant to paragraph (2) which simultaneously equals the Maximum Redemption Amount pursuant to paragraph (3).

(2) Minimum Redemption

*[[Provided that no Barrier Event has occurred the Redemption Amount equals the Issue Price.]]**[[Provided that the Final Fixing Level is above the Strike Level, the Redemption Amount equals the Issue Price.]]*

(3) Maximum Redemption

The Redemption Amount per Product equals no more than the Issue Price (the "**Maximum Redemption Amount**").

(4) Settlement by delivery

If *[[a Barrier Event has occurred]]**[[the Final Fixing Level is equal to or below the Strike Level]]*, the Issuer will redeem the Products by way of delivery of a number of the *[[Underlying]]**[[Basket Component with the Worst Performance]]* expressed by the Conversion Ratio, with fractions of the *[[Underlying]]**[[relevant Basket Component]]* not being delivered but redeemed by way of payment of a cash payment amount for fractions (the "**Cash Payment Amount for Fractions**"). Should the delivery of the *[[Underlying]]**[[relevant Basket Component]]*, for whatever reason, be economically or actually impeded or not possible, then the Issuer shall have the right to pay a compensation amount (the "**Compensation Amount**") in lieu of delivery of the *[[Underlying]]**[[relevant Basket Component]]*. For the calculation of the Cash Payment Amount for Fractions or the Compensation Amount the Final Fixing Level, which considering the Conversion Ratio is either related to the fraction of the *[[Underlying]]**[[relevant Basket Component]]* in the case of the Cash Payment Amount for Fractions or to the number of the *[[Underlying]]**[[relevant Basket Component]]* in the case of the Compensation Amount. If the Holder holds several Products, there shall be no aggregation of the Cash Payment Amounts for Fractions in such a way that the number of the *[[Underlyings]]**[[relevant Basket Components]]* to be settled would increase. The Cash Payment Amount for Fractions or the Compensation Amount, as the case may be, shall be commercially rounded to two (2) decimal places.]

[insert if Currency Conversion is applicable:

(5) Currency exchange

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent *[insert if Quanto is not applicable: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.]**[insert if Quanto is applicable: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("**Quanto**").]*

§ 5

Interest, Coupon Payments

[(1) Coupon Payments]

[If a Coupon Trigger Event has occurred on a Coupon Observation Date, a coupon payment is made in the Settlement Currency for the products on the applicable Coupon Payment Date in the amount of the Coupon Amount specified for the applicable Coupon Payment Date. [Following an Early Redemption pursuant to § 7 of the Issue Specific Conditions, no further coupon payments are made.] [If a Coupon Trigger Event has not occurred and [no Barrier Event has occurred][the Final Fixing Level is above the Strike Level], the Holder receives a coupon payment on the final Coupon Payment Date in the amount of the Coupon Amount specified for the final Coupon Payment Date.][The Holder receives a coupon payment on the respective Coupon Payment Date in the amount of the Coupon Amount specified for the applicable Coupon Payment Date. [Following an Early Redemption pursuant to § 7 of the Issue Specific Conditions, no further coupon payments are made.] In the case of a redemption at the end of the term, the Holder receives a coupon payment on the final Coupon Payment Date in the amount of the Coupon Amount specified for the final Coupon Payment Date.][Provided that on the relevant Coupon Observation Date a Coupon Trigger Event has occurred, a Coupon payment shall be made for the Products on the relevant Coupon Payment Date. The coupon rate (the "**Coupon Rate**") relevant for the respective Coupon Observation Date is the Coupon Rate for the relevant Coupon Payment Date specified in **Table 3** in the Annex. [Following an Early Redemption pursuant to § 7 of the Issue Specific Conditions, no further coupon payments are made.]]

[(2) Coupon Amount]

The Coupon Amount (the "**Coupon Amount**") is determined by multiplying the Denomination by (i)

the applicable Coupon Rate for the relevant Coupon Payment Date and by (ii) N.

"N" means in the case that

- (a) before the applicable Coupon Observation Date_(t) no Coupon Trigger Event has occurred, the number of Coupon Observation Dates_(t) from Coupon Observation Date_(t) (inclusive) to, in each case, the applicable Coupon Observation Date_(t) (inclusive), and in the case that
- (b) before the applicable Coupon Observation Date_(t) a Coupon Trigger Event has already occurred, the number of Coupon Observation Dates_(t) between the Coupon Observation Date_(t) (exclusive) on which the last Coupon Trigger Event has occurred and the applicable Coupon Observation Date_(t) (inclusive) in each case.

[Following an Early Redemption pursuant to § 7 of the Issue Specific Conditions, no further coupon payments are made. The Coupon Amount will be commercially rounded to two (2) decimal places.]]

§ 6

(intentionally left blank)

§ 7

Early Redemption

(1) *Conditions precedent for Early Redemption*

In the event that on any Autocall Observation Date an Autocall Event has occurred, the term of the Products shall end automatically on this Autocall Observation Date without the need for a separate termination of the Products by the Issuer (the "**Early Redemption**"). In this case the Redemption Amount to be paid by the Issuer equals the Issue Price.

(2) *Notification of Early Redemption*

Notice of the occurrence of Early Redemption and the value of the Redemption Amount to be paid per Product in this case shall be published in accordance with § 4 of the General Conditions.

§ 8

Payments, Physical Delivery

(1) *Payments, Physical Delivery*

The Issuer shall cause the delivery of the Underlying or Basket Component, as the case may be, or the claimed Redemption Amount, if any, or any other amount to be paid pursuant to § 4 of the Issue Specific Conditions to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Early Redemption Date (in the case of an Early Redemption pursuant to § 7 of the Issue Specific Conditions) and/or the Redemption Date (in the case that not Early Redemption has occurred). The Issuer shall transfer the Coupon Amount in arrears by the Coupon Payment Date via the Paying Agent to the Clearing System for transmitting to the Holders. If the Early Redemption Date, the Redemption Date or Coupon Payment Date falls on a day which is not a Business Day and is de-

ferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

(2) Declaration on Regulation S

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

(3) Taxes, Fees and Duties

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

§ 9

(intentionally left blank)

[insert in the case COSI is applicable:]

§ 10

Collateral Secured Instruments (COSI)

(1) Collateralization of the Product

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

(2) Documentation

The collateralization in favour of SIX Swiss Exchange is based on the «Framework Agreement for

Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, the issuer and the Collateral Provider dated 10 September 2010, in the case of Products issued by Leonteq Securities AG, or dated 5 October 2012, in the case of Products issued by Leonteq Securities AG, Guernsey Branch («Framework Agreement»). The issuer shall, upon request, provide the Framework Agreement to investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG, Brandschenkestrasse 90, 8002 Zurich, Switzerland, via telephone +41 (0)58 800 1000, fax +41 (0)58 800 1010. The core elements of collateralization of the COSI Product are summarised in a SIX Swiss Exchange information sheet, which is available at «www.six-swiss-exchange.com» (under the section „Issuers“ – „Services“, „COSI“).

(3) Collateralization method

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to [Method A: Fair Value Method] [Method B: Bond Floor Method] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

(4) Distribution and market making

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

(5) Risks

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI

Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

(6) *Liquidation of collateral*

If the Collateral Provider fails to fulfil its obligations, the collateral will be liquidated by SIX Swiss Exchange or a liquidator under the terms of the applicable legal regulations. The collateral may be liquidated («Liquidation Events») if (i) the Collateral Provider fails to furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

(7) *Determination of a Liquidation Event*

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event

occurred.

(8) Procedure in case of a Liquidation Event

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website (www.six-swiss-exchange.com under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

(9) Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website (www.six-swiss-exchange.com under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

(10) Costs of liquidation and payout for the benefit of the investors

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire

liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, convert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer

shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

(11) *Secondary Listing*

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

(12) *Liability*

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

(13) *No authorisation*

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

(14) *Congruence with the Conditions*

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

| | |
|-------------------|--|
| Term used in this | Corresponding definition in these Conditions |
|-------------------|--|

§ 10 "Collateral
Secured Instru-
ments (COSI)"

investor

Holder

issuer

Issuer

issuing condi-
tions

Terms and Conditions, Conditions

maturity

Redemption, Redemption Date, Final Fixing Date]

[insert in the case COSI is not applicable:

**§ 10
(intentionally left blank)]**

[in the case of Inverse Discount Certificates with Cash Settlement (Product No. 18), insert:

§ 1

Form and Issue Size; Definitions; Term of the Products

(1) Currency; Issue Size

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "**Issuer**") issues products without par value (each a "**Certificate**" or a "**Product**" and together the "**Certificates**" or the "**Products**"). The number (the "**Number of Products**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.

(2) Form

[insert in the case of Swiss Uncertificated Securities:

(a) Uncertificated Securities, Holders

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or

transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.

(b) Custody Agent

"**Custody Agent**" is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

[insert in the case of Swiss Bearer Securities:

(a) Bearer Securities

The Products are issued in bearer form ("**Bearer Securities**").

(b) Permanent Global Note, Holder

[insert in the case of Swiss CBF Bearer Securities:

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of Swiss SIX SIS Bearer Securities:

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.]

[insert in the case of German Bearer Securities:]

(a) Bearer Securities

The Products are issued in bearer form.

[insert in the case of German CBF Bearer Securities:]

(b) Permanent Global Note, Holder

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of German SIX SIS Bearer Securities:]

(b) Permanent Global Note, Holder

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or

security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

(c) Clearing System

"**Clearing System**" in each case is the clearing system as specified in Table 1 in the Annex.

(3) *Term of the Products*

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer [*insert in the case COSI is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific conditions*].

§ 2

Status of the Products

[*insert in the case COSI is not applicable:*

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any

subordinated obligations.]

[insert in the case COSI is applicable:]

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

§ 3

Definitions

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

[insert in the case of a share as Underlying or Basket Component: "Share Issuer" means the company that has issued the [Underlying][Basket Component].]

["Initial Fixing Level" means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.]

["Initial Fixing Period" means the initial fixings period as specified in **Table 1** in the Annex.]

["Initial Basket Value" means the initial basket value as specified in **Table 1** in the Annex.]

["Number of Basket Component_(i)" [means the relevant Number of Basket Component_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level_(i) [and the [EUR][●]/Reference Currency_(i) exchange rate] and takes into account the Initial Weighting_(i) of the respective Basket Component_(i), corresponding to the weighted share of the respective Basket Component_(i) in the Initial Basket Value on the Initial Fixing Date.] [means the weighted share of the respective Basket Component_(i) in the Initial Basket Value as determined by the Issuer and/or Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level_(i), and taking into account the Initial Weighting_(i) of the respective Basket Component_(i). The relevant Number of Basket Component_(i) corresponds to the [Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting_(i) (converted into the Settlement Currency, if applicable) (dividend) and the Initial Fixing Level_(i) (divisor): $\text{Number of Basket Component}_{(i)} = [\text{Denomination}][\text{Initial Basket Value}] * \text{Initial Weighting}_{(i)} / \text{Initial Fixing Level}_{(i)}$.] [Initial Weighting means the Initial Weighting_(i) of the respective

Basket Component⁽ⁱ⁾ as specified in **Table 2** in the Annex].]

["**Business Day**" means

[insert in the case of Products with Swiss Francs as Settlement Currency: [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]

[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency: [(in the case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in [insert principal financial centre for such currency: ●].]

[insert in the case of Products with Euro as Settlement Currency: [(in the case of Products with Euro as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.]

[insert in the case of Products with US Dollar as Settlement Currency: [(in the case of Products with US Dollar as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in New York and Zurich.]

[insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [insert currency: ●]] [in the Business Centre[s]] [if no currency is indicated, insert: in each of the Business Centres].]

["**Issue Date**" means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

["**Issue Price**" means the issue price as specified in **Table 1** in the Annex.]

["**Issue Surcharge**" means the issue surcharge as specified in **Table 1** in the Annex.]

["**Conversion Ratio**" means [the conversion ratio as specified in **Table 1** in the Annex.][the conversion ratio in respect of the relevant Basket Component as specified in **Table 2** in the Annex.] [If the Issuer has received ordinary dividend payments between the Initial Fixing Date (exclusive) and the Final Fixing Date [(exclusive)] [(inclusive)] in respect of the Underlying, the applicable net dividend (i.e. the dividend amount minus taxes) is reinvested, whereby the Conversion Ratio is adjusted ● Business Days after the receipt of the dividend payment by the Issuer.]]

["**Underlying**" means[, subject to a replacement in accordance with these Conditions,] the [Underlying] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"]["**Share**"]["**Participation Certificate (Genussschein)**"]["**Security representing Shares**"]["**Commodity**"]["**Currency Exchange Rate**"] ["**Futures Contract**"]["**Fixed Rate Instrument**"]["**Derivative Instrument**"]["**Fund Unit**"]) *[insert in the case of a share as Underlying or*

Basket Component:, as issued by the Share Issuer].]

["**Underlying Valuation Date**" means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

["**Basket**" means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

["**Basket Component**" means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.]

["**Calculation Agent**" means the calculation agent as specified in **Table 1** in the Annex.]

[*insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket Component*: "**Exchange**" means[, in respect of the Share] the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]

["**Cap Level**" means the Cap Level as specified in **Table 1** in the Annex.]

["**Fiscal Agent**" means the fiscal agent as specified in **Table 1** in the Annex.]

["**Final Fixing Period**" means the period from (and including) the fifth (5th) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

["**Final Fixing Level**" means [the Reference Price [of the respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.]]

["**Initial Fixing Date**" means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General Conditions]. [*insert in the case of Products with subscription period*: In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.]]

["**Business Centre**" means the business centre as specified in **Table 1** in the Annex.]

[*insert in the case of an index as Underlying or Basket Component*: "**Index Sponsor**" means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].]

["**Initial Weighting_(i)**" means [the Initial Weighting_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calcula-

lation Agent].]

["**Inverse Level**" means the inverse level as specified in **Table 1** in the Annex.]

["**Price**" means the [[offer] [mid] [bid] price] [●] of the Underlying as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [relevant Reuters] [relevant Bloomberg] page [●] [*insert Internet site: ●*] [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Relevant Performance**" [of the relevant Basket Component] means [the quotient of the End Level (dividend) and the Initial Fixing Level (divisor).]]

["**Relevant Reference Price**" [of a Basket Component means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate [of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate sponsor on the designated Exchange Rate Page] [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page of another screen service] [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any replacement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service] [*insert other method for determining Relevant Exchange Rate: ●*]. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Reference Price**" means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of the Underlying] [of a Basket Component] [in [*insert currency: ●*] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg] [●] [*insert Internet site: ●*] [or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Reference Currency**" means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Redemption Date**" means, subject to an extraordinary termination [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one or more Basket Components].] [the fifth (5th) Business Day following the Final Fixing Date]]

["**Worst Performance**" means [the worst performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]]

["**TARGET2 System**" means the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET2) payment system which utilises a single shared platform and which was launched on 19 November 2007, or any successor thereto.]

["**Final Fixing Date**" means [the final fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]].] [In the event of the postponement of the Underlying Valuation Date corresponding to the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

["**Scheduled Trading Day**" has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Website**" means the Website as specified in **Table 1** in the Annex.]

["**Exchange Rate Page**" means the exchange rate page as specified in **Table 2** in the Annex.]

["**Exchange Rate Sponsor**" means the exchange rate sponsor as specified in **Table 2** in the Annex.]

["**Paying Agent**" means the paying agent as specified in **Table 1** in the Annex.]

§ 4

Redemption

[insert if COSI is applicable:

(1) Redemption Amount

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to a Maximum Redemption pursuant to paragraph (2) or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions the product of (i) the Conversion Ratio and (ii) the difference between the Inverse Level and the Final Fixing Level. The Redemption Amount is at least zero.

The Redemption Amount will be *[insert if Currency Conversion is applicable:* converted into the Settlement Currency in accordance with paragraph (3), as the case may be, and] commercially rounded to two (2) decimal places.

(2) Maximum Redemption

The Redemption Amount will not exceed the Maximum Redemption Amount, which is equal to the product of (i) the Conversion Ratio and (ii) the difference between the Inverse Level and the Final Fixing Level (the "**Maximum Redemption Amount**").

The Maximum Redemption Amount will be *[insert if Currency Conversion is applicable:* converted into the Settlement Currency in accordance with paragraph (3) and] commercially rounded to two (2) decimal places.

[insert if Currency Conversion is applicable:

(3) Currency exchange

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent *[insert if Quanto is not applicable: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.]**[insert if Quanto is applicable: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("Quanto").]*

[insert if COSI is not applicable:

(1) Redemption Amount

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to a Maximum Redemption pursuant to paragraph (2) the product of (i) the Conversion Ratio and (ii) the difference between the Inverse Level and the Final Fixing Level. The Redemption Amount is at least zero.

The Redemption Amount will be *[insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (3), as the case may be, and]* commercially rounded to two (2) decimal places.

(2) Maximum Redemption

The Redemption Amount will not exceed the Maximum Redemption Amount, which is equal to the product of (i) the Conversion Ratio and (ii) the difference between the Inverse Level and the Final Fixing Level (the "**Maximum Redemption Amount**").

The Maximum Redemption Amount will be *[insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (3) and]* commercially rounded to two (2) decimal places.

[insert if Currency Conversion is applicable:

(3) Currency exchange

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent *[insert if Quanto is not applicable: on the basis of the exchange rate expressed in the Reference Cur-*

rency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.][*insert if Quanto is applicable: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("Quanto").*]]

§ 5

Interest, Coupon Payments

The Products bear no interest.

§ 6

(intentionally left blank)

§ 7

(intentionally left blank)

§ 8

Payments

(1) Payments

The Issuer shall cause the claimed Redemption Amount, if any, to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Redemption Date.

If the Redemption Date falls on a day which is not a Business Day and is deferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

(2) Declaration on Regulation S

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

(3) Taxes, Fees and Duties

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption

Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

§ 9

(intentionally left blank)

[insert in the case COSI is applicable:

§ 10

Collateral Secured Instruments (COSI)

(1) Collateralization of the Product

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

(2) Documentation

The collateralization in favour of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, the issuer and the Collateral Provider dated 10 September 2010, in the case of Products issued by Leonteq Securities AG, or dated 5 October 2012, in the case of Products issued by Leonteq Securities AG, Guernsey Branch («Framework Agreement»). The issuer shall, upon request, provide the Framework Agreement to investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG, Brandschenkestrasse 90, 8002 Zurich, Switzerland, via telephone +41 (0)58 800 1000, fax +41 (0)58 800 1010. The core elements of collateralization of the COSI Product are summarised in a SIX Swiss Exchange information sheet, which is available at «www.six-swiss-exchange.com» (under the section „Issuers“ – „Services“, „COSI“).

(3) Collateralization method

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating

the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to [Method A: Fair Value Method] [Method B: Bond Floor Method] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

(4) Distribution and market making

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

(5) Risks

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

(6) *Liquidation of collateral*

If the Collateral Provider fails to fulfil its obligations, the collateral will be liquidated by SIX Swiss Exchange or a liquidator under the terms of the applicable legal regulations. The collateral may be liquidated («Liquidation Events») if (i) the Collateral Provider fails to furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

(7) *Determination of a Liquidation Event*

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

(8) *Procedure in case of a Liquidation Event*

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website (www.six-swiss-exchange.com under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

(9) *Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer*

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website (www.six-swiss-exchange.com under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

(10) *Costs of liquidation and payout for the benefit of the investors*

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of

net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, convert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

(11) *Secondary Listing*

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current

Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

(12) *Liability*

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

(13) *No authorisation*

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

(14) *Congruence with the Conditions*

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

| Term used in this | Corresponding definition in these Conditions |
|--|---|
| § 10 "Collateral Secured Instruments (COSI)" | |
| investor | Holder |
| issuer | Issuer |
| issuing conditions | Terms and Conditions, Conditions |
| maturity | Redemption, Redemption Date, Final Fixing Date] |

[insert in the case COSI is not applicable:]

§ 10
(intentionally left blank)]]

[in the case of Master Discount Certificates with Cash Settlement (Product No. 19), insert:

§ 1

Form and Issue Size; Definitions; Term of the Products

(1) Currency; Issue Size

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "Issuer") issues products without par value (each a "Certificate" or a "Product" and together the "Certificates" or the "Products"). The number (the "Number of Products") and the settlement currency (the "Settlement Currency") of the Products are specified in **Table 1** in the Annex.

(2) Form

[insert in the case of Swiss Uncertificated Securities:

(a) Uncertificated Securities, Holders

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their

own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.

(b) Custody Agent

"**Custody Agent**" is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

[insert in the case of Swiss Bearer Securities:

(a) Bearer Securities

The Products are issued in bearer form ("**Bearer Securities**").

(b) Permanent Global Note, Holder

[insert in the case of Swiss CBF Bearer Securities:

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of Swiss SIX SIS Bearer Securities:

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.]

[insert in the case of German Bearer Securities:

(a) Bearer Securities

The Products are issued in bearer form.

[insert in the case of German CBF Bearer Securities:]

(b) Permanent Global Note, Holder

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of German SIX SIS Bearer Securities:]

(b) Permanent Global Note, Holder

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

(c) Clearing System

"**Clearing System**" in each case is the clearing system as specified in Table 1 in the Annex.

(3) Term of the Products

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer [*insert in the case COSI is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific conditions*].

§ 2

Status of the Products

[*insert in the case COSI is not applicable:*

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.]

[insert in the case COSI is applicable:

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

§ 3

Definitions

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

[insert in the case of a share as Underlying or Basket Component: "Share Issuer" means the company that has issued the [Underlying][Basket Component].]

"Initial Fixing Level" means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.]

"Initial Fixing Period" means the initial fixings period as specified in **Table 1** in the Annex.]

"Initial Basket Value" means the initial basket value as specified in **Table 1** in the Annex.]

"Number of Basket Component_(i)" [means the relevant Number of Basket Component_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level_(i) [and the [EUR][●]/Reference Currency_(i) exchange rate] and [takes into account the Initial Weighting_(i) of the respective Basket Component_(i), corresponding to the weighted share of the respective Basket Component_(i) in the Initial Basket Value on the Initial Fixing Date] [takes into account the equally-weighted weighting of the respective Basket Component_(i) on the Initial Fixing Date in the value of the Product].] [means the weighted share of the respective Basket Component_(i) in the Initial Basket Value as determined by the Issuer and/or Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level_(i), and taking into account the Initial Weighting_(i) of the respective Basket Component_(i). The relevant Number of Basket Component_(i) corresponds to the [Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting_(i) (converted into the Settlement Currency, if applicable) (dividend) and the Initial Fixing Level_(i) (divisor): Number of Basket Component_(i)= [Denomination][Initial Basket Value] * Initial Weighting_(i) / Initial Fixing Level_(i).] [Initial Weighting

means the Initial Weighting_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex].]

["**Business Day**" means

[insert in the case of Products with Swiss Francs as Settlement Currency: [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]

[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency: [(in the case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in [insert principal financial centre for such currency: ●].]

[insert in the case of Products with Euro as Settlement Currency: [(in the case of Products with Euro as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.]

[insert in the case of Products with US Dollar as Settlement Currency: [(in the case of Products with US Dollar as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in New York and Zurich.]

[insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [insert currency: ●]] [in the Business Centre[s]] [if no currency is indicated, insert: in each of the Business Centres].]

["**Issue Date**" means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

["**Issue Price**" means the issue price as specified in **Table 1** in the Annex.]

["**Issue Surcharge**" means the issue surcharge as specified in **Table 1** in the Annex.]

["**Conversion Ratio**" means [the conversion ratio as specified in **Table 1** in the Annex.][the conversion ratio in respect of the relevant Basket Component as specified in **Table 2** in the Annex.] [If the Issuer has received ordinary dividend payments between the Initial Fixing Date (exclusive) and the Final Fixing Date [(exclusive)] [(inclusive)] in respect of the Underlying, the applicable net dividend (i.e. the dividend amount minus taxes) is reinvested, whereby the Conversion Ratio is adjusted ● Business Days after the receipt of the dividend payment by the Issuer.]]

["**Underlying**" means[, subject to a replacement in accordance with these Conditions,] the [Underlying] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"] ["**Share**"] ["**Participation Certificate (Genussschein)**"] ["**Security representing Shares**"] ["**Commodity**"] ["**Currency Exchange Rate**"] ["**Futures Contract**"] ["**Fixed Rate Instru-**

ment["**Derivative Instrument**"]["**Fund Unit**"]) [*insert in the case of a share as Underlying or Basket Component*., as issued by the Share Issuer].]

["**Underlying Valuation Date**" means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

["**Basket**" means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

["**Basket Component**" means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.]

["**Calculation Agent**" means the calculation agent as specified in **Table 1** in the Annex.]

[*insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket Component*: "**Exchange**" means[, in respect of the Share] the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]

["**Cap Level**" means the Cap Level [of the respective Basket Component] as specified in **Table 1**][**2**] in the Annex.]

["**Fiscal Agent**" means the fiscal agent as specified in **Table 1** in the Annex.]

["**Final Fixing Period**" means the period from (and including) the fifth (5th) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

["**Final Fixing Level**" means [the Reference Price [of the respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.]]

["**Initial Fixing Date**" means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General Conditions]. [*insert in the case of Products with subscription period*: In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.]]

["**Business Centre**" means the business centre as specified in **Table 1** in the Annex.]

[*insert in the case of an index as Underlying or Basket Component*: "**Index Sponsor**" means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].]

["**Initial Weighting_(i)**" means [the Initial Weighting_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Price**" [means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [relevant Reuters] [relevant Bloomberg] page [●] [*insert Internet site: ●*] [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Relevant Performance**" [of the relevant Basket Component] means [the quotient of the End Level (dividend) and the Initial Fixing Level (divisor)].]

["**Relevant Reference Price**" [of a Basket Component means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate [of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate sponsor on the designated Exchange Rate Page] [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page of another screen service] [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any replacement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service] [*insert other method for determining Relevant Exchange Rate: ●*]. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Reference Price**" means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of the Underlying] [of a Basket Component] [in [*insert currency: ●*] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg] [●] [*insert Internet site: ●*] [or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Reference Currency**" means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Redemption Date**" means, subject to an extraordinary termination [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one ore more Basket Components].] [the fifth (5th) Business Day following the Final Fixing Date]]

["**Worst Performance**" means [the worst performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]]

["**TARGET2 System**" means the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET2) payment system which utilises a single shared platform and which was launched on 19 November 2007, or any successor thereto.]

["**Final Fixing Date**" means [the final fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]].] [In the event of the postponement of the Underlying Valuation Date corresponding to the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

["**Scheduled Trading Day**" has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Website**" means the Website as specified in **Table 1** in the Annex.]

["**Exchange Rate Page**" means the exchange rate page as specified in **Table 2** in the Annex.]

["**Exchange Rate Sponsor**" means the exchange rate sponsor as specified in **Table 2** in the Annex.]

["**Paying Agent**" means the paying agent as specified in **Table 1** in the Annex.]

§ 4

Redemption

[insert if COSI is applicable:

(1) Redemption Amount

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to a Maximum Redemption pursuant to paragraph (2) or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions the total of the Partial Redemption Amounts_(i).

The "**Partial Redemption Amount**" for the respective Basket Component_(i) corresponds to

- (a) the Final Fixing Level_(i) multiplied by the Number of Basket Component_(i) provided that the Final Fixing Level_(i) is at or below the respective Cap Level_(i); or
- (b) the respective Cap Level_(i) multiplied by the the Number of Basket Component_(i), provided that the Final Fixing Level_(i) exceeds the respective Cap Level_(i).

The Redemption Amount will be *[insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (3), as the case may be, and]* commercially rounded to two (2) decimal places.

(2) Maximum Redemption

The Redemption Amount will not exceed the Maximum Redemption Amount specified in **Table 1** in the Annex (the "**Maximum Redemption Amount**"), since the respective Partial Redemption

Amount_(i) is limited to the respective Cap Level_(i) multiplied by the Number of Basket Component_(i).

The Maximum Redemption Amount will be *[insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (3) and]* commercially rounded to two (2) decimal places.

[insert if Currency Conversion is applicable:

(3) Currency exchange

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent *[insert if Quanto is not applicable: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.]**[insert if Quanto is applicable: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("Quanto").]*

[insert if COSI is not applicable:

(1) Redemption Amount

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to a Maximum Redemption pursuant to paragraph (2) the total of the Partial Redemption Amounts_(i).

The "**Partial Redemption Amount**" for the respective Basket Component_(i) corresponds to

- (a) the Final Fixing Level_(i) multiplied by the Number of Basket Component_(i) provided that the Final Fixing Level_(i) is at or below the respective Cap Level_(i); or
- (b) the respective Cap Level_(i) multiplied by the the Number of Basket Component_(i), provided that the Final Fixing Level_(i) exceeds the respective Cap Level_(i).

The Redemption Amount will be *[insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (3), as the case may be, and]* commercially rounded to two (2) decimal places.

(2) Maximum Redemption

The Redemption Amount will not exceed the Maximum Redemption Amount specified in **Table 1** in the Annex (the "**Maximum Redemption Amount**"), since the respective Partial Redemption Amount_(i) is limited to the respective Cap Level_(i) multiplied by the Number of Basket Component_(i).

The Maximum Redemption Amount will be [*insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (3) and*] commercially rounded to two (2) decimal places.

[insert if Currency Conversion is applicable:

(3) Currency exchange

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent [*insert if Quanto is not applicable: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.*][*insert if Quanto is applicable: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("Quanto").*]]

§ 5

Interest, Coupon Payments

The Products bear no interest.

§ 6

(intentionally left blank)

§ 7

(intentionally left blank)

§ 8

Payments

(1) Payments

The Issuer shall cause the claimed Redemption Amount, if any, to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Redemption Date.

If the Redemption Date falls on a day which is not a Business Day and is deferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

(2) Declaration on Regulation S

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

(3) Taxes, Fees and Duties

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

§ 9

(intentionally left blank)

[insert in the case COSI is applicable:]

§ 10**Collateral Secured Instruments (COSI)****(1) Collateralization of the Product**

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

(2) Documentation

The collateralization in favour of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, the issuer and the Collateral Provider dated 10 September 2010, in the case of Products issued by Leonteq Securities AG, or dated 5 October 2012, in the case of Products issued by Leonteq Securities AG, Guernsey Branch («Framework Agreement»). The issuer shall, upon request, provide the Framework Agreement to in-

vestors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG, Brandschenkestrasse 90, 8002 Zurich, Switzerland, via telephone +41 (0)58 800 1000, fax +41 (0)58 800 1010. The core elements of collateralization of the COSI Product are summarised in a SIX Swiss Exchange information sheet, which is available at «www.six-swiss-exchange.com» (under the section „Issuers“ – „Services“, „COSI“).

(3) Collateralization method

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to [Method A: Fair Value Method] [Method B: Bond Floor Method] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

(4) Distribution and market making

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

(5) Risks

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collat-

eral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

(6) *Liquidation of collateral*

If the Collateral Provider fails to fulfil its obligations, the collateral will be liquidated by SIX Swiss Exchange or a liquidator under the terms of the applicable legal regulations. The collateral may be liquidated («Liquidation Events») if (i) the Collateral Provider fails to furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

(7) *Determination of a Liquidation Event*

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

(8) *Procedure in case of a Liquidation Event*

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public

the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website (www.six-swiss-exchange.com under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

(9) Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website (www.six-swiss-exchange.com under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

(10) Costs of liquidation and payout for the benefit of the investors

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the in-

vestors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, convert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are in-

involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

(11) *Secondary Listing*

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

(12) *Liability*

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

(13) *No authorisation*

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

(14) *Congruence with the Conditions*

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

| Term used in this | Corresponding definition in these Conditions |
|--|--|
| § 10 "Collateral Secured Instruments (COSI)" | |

| | |
|--------------------|---|
| investor | Holder |
| issuer | Issuer |
| issuing conditions | Terms and Conditions, Conditions |
| maturity | Redemption, Redemption Date, Final Fixing Date] |

[insert in the case COSI is not applicable:

§ 10
(intentionally left blank)]

[in the case of Express Certificates with Cash Settlement and with par value and unconditional minimum redemption (Product No. 20), insert:

§ 1

Form and Issue Size; Definitions; Term of the Products

(1) *Currency; Issue Size*

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "**Issuer**") issues products (each a "**Certificate**" or a "**Product**" and together the "**Certificates**" or the "**Products**"). The total nominal amount (the "**Total Nominal Amount**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.

(2) *Form*

[insert in the case of Swiss Uncertificated Securities:

(a) **Uncertificated Securities, Holders**

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent

(*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.

(b) Custody Agent

"**Custody Agent**" is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

[insert in the case of Swiss Bearer Securities:

(a) Bearer Securities

The Products are issued in bearer form ("**Bearer Securities**").

(b) Permanent Global Note, Holder

[insert in the case of Swiss CBF Bearer Securities:

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of Swiss SIX SIS Bearer Securities:

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.]

[insert in the case of German Bearer Securities:

(a) Bearer Securities

The Products are issued in bearer form.

[insert in the case of German CBF Bearer Securities:]

(b) Permanent Global Note, Holder

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of German SIX SIS Bearer Securities:]

(b) Permanent Global Note, Holder

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

(c) Clearing System

"**Clearing System**" in each case is the clearing system as specified in Table 1 in the Annex.

(3) Term of the Products

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer or an early redemption [*insert in the case COSI is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific conditions*].

§ 2

Status of the Products

[*insert in the case COSI is not applicable:*

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.]

[insert in the case COSI is applicable:

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

§ 3

Definitions

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

[insert in the case of a share as Underlying or Basket Component: "Share Issuer" means the company that has issued the [Underlying][Basket Component].]

"Initial Fixing Level" means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.]

"Initial Fixing Period" means the initial fixings period as specified in **Table 1** in the Annex.]

"Initial Basket Value" means the initial basket value as specified in **Table 1** in the Annex.]

"Number of Basket Component_(i)" [means the relevant Number of Basket Component_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level_(i) [and the [EUR][●]/Reference Currency_(i) exchange rate] and takes into account the Initial Weighting_(i) of the respective Basket Component_(i), corresponding to the weighted share of the respective Basket Component_(i) in the Initial Basket Value on the Initial Fixing Date.] [means the weighted share of the respective Basket Component_(i) in the Initial Basket Value as determined by the Issuer and/or Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level_(i), and taking into account the Initial Weighting_(i) of the respective Basket Component_(i). The relevant Number of Basket Component_(i) corresponds to the [Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting_(i) (converted into the Settlement Currency, if applicable) (dividend) and the Initial Fixing Level_(i) (divisor): $\text{Number of Basket Component}_{(i)} = \frac{[\text{Denomination}][\text{Initial Basket Value}] * \text{Initial Weighting}_{(i)}}{\text{Initial Fixing Level}_{(i)}}$ [Initial Weighting means the Initial Weighting_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex.]

["**Business Day**" means

[insert in the case of Products with Swiss Francs as Settlement Currency: [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]

[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency: [(in the case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in [insert principal financial centre for such currency: ●].]

[insert in the case of Products with Euro as Settlement Currency: [(in the case of Products with Euro as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.]

[insert in the case of Products with US Dollar as Settlement Currency: [(in the case of Products with US Dollar as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in New York and Zurich.]

[insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [insert currency: ●]] [in the Business Centre[s]] [if no currency is indicated, insert: in each of the Business Centres].]

["**Issue Date**" means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

["**Issue Price**" means the issue price as specified in **Table 1** in the Annex.]

["**Issue Surcharge**" means the issue surcharge as specified in **Table 1** in the Annex.]

["**Strike Level**" means the strike level as specified in **Table 1** in the Annex.]

["**Conversion Ratio**" means [the conversion ratio as specified in **Table 1** in the Annex.][the conversion ratio in respect of the relevant Basket Component as specified in **Table 2** in the Annex.] [If the Issuer has received ordinary dividend payments between the Initial Fixing Date (exclusive) and the Final Fixing Date [(exclusive)] [(inclusive)] in respect of the Underlying, the applicable net dividend (i.e. the dividend amount minus taxes) is reinvested, whereby the Conversion Ratio is adjusted ● Business Days after the receipt of the dividend payment by the Issuer.]]

["**Autocall Observation Date**" means [each of the autocall observation dates as specified in **Table 3** in the Annex or, if such date is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in relation to the relevant Basket Component]. In the event of the postponement of the Underlying Valuation Date corresponding to the relevant Autocall Observation Date [in respect of one or more Basket Components], the relevant Au-

to call Observation Date [in relation to the relevant Basket Component] shall be postponed accordingly.]]

["**Autocall Event**" has occurred if on an Autocall Observation Date the Reference Price [of all Basket Components] [reaches or] exceeds the [respective] Autocall Trigger Level relevant for such date.]

["**Autocall Trigger Level**" means the Autocall Trigger Level in respect of the relevant Autocall Observation Date [with respect to the relevant Basket Component] as specified in **Table 3** in the Annex.]

["**Underlying**" means[, subject to a replacement in accordance with these Conditions,] the [Underlying] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"]["**Share**"]["**Participation Certificate (Genussschein)**"]["**Security representing Shares**"]["**Commodity**"]["**Currency Exchange Rate**"] ["**Futures Contract**"]["**Fixed Rate Instrument**"]["**Derivative Instrument**"]["**Fund Unit**"]) [*insert in the case of a share as Underlying or Basket Component*], as issued by the Share Issuer].]

["**Underlying Valuation Date**" means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

["**Basket**" means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

["**Basket Component**" means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.]

["**Calculation Agent**" means the calculation agent as specified in **Table 1** in the Annex.]

[*insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket Component*: "**Exchange**" means[, in respect of the Share] the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]

["**Coupon Amount**" means the coupon amount as specified in **Table [1][3]** in the Annex.]

["**Coupon Observation Date**" means [each of the coupon observation dates as specified in **Table [1][3]** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]]. In the event of the postponement of the Underlying Valuation Date corresponding to the relevant Coupon Observation Date [in respect of one or more Basket Components], the relevant Coupon Observation Date [in relation to [the relevant Basket Component][all Basket Components]] shall be postponed accordingly.]]

["**Coupon Trigger Event**" has occurred if on a Coupon Observation Date the Reference Price [of all Basket Components] [reaches or] exceeds the [respective] Coupon Trigger Level relevant for such date.]

["**Coupon Trigger Level**" means the coupon trigger level as specified in **Table 1[3]** in the Annex [with respect to the relevant Basket Component].]

["**Coupon Payment Date**" means the coupon payment date as specified in **Table 1[3]** in the Annex or, if this date is not a Business Day, the next following Business Day. [In the event of the postponement of the relevant Coupon Observation Date, the relevant Coupon Payment Date shall be postponed accordingly.]]

["**Fiscal Agent**" means the fiscal agent as specified in **Table 1** in the Annex.]

["**Final Fixing Period**" means the period from (and including) the fifth (5th) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

["**Final Fixing Level**" means [the Reference Price [of the respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.]]

["**Initial Fixing Date**" means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General Conditions]. [*insert in the case of Products with subscription period:* In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.]]

["**Business Centre**" means the business centre as specified in **Table 1** in the Annex.]

[*insert in the case of an index as Underlying or Basket Component:* "**Index Sponsor**" means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].]

["**Initial Weighting_(i)**" means [the Initial Weighting_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Price**" [means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [relevant Reuters] [relevant Bloomberg] page [●] [*insert Internet site:* ●] [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Relevant Performance**" [of the relevant Basket Component] means [the quotient of the End Level (dividend) and the Initial Fixing Level (divisor).]]

["**Relevant Reference Price**" [of a Basket Component means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate

[of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate sponsor on the designated Exchange Rate Page] [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page of another screen service] [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any replacement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service] [*insert other method for determining Relevant Exchange Rate: ●*]. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Minimum Redemption Factor**"] means the minimum redemption factor as specified in **Table 1** in the Annex.]

["**Denomination**"] means the denomination as specified in **Table 1** in the Annex (as expressed in the Settlement Currency).]

["**Reference Price**"] means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of the Underlying] [of a Basket Component] [in [*insert currency: ●*]] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg] [●] [*insert Internet site: ●*] [or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]]

["**Reference Currency**"] means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Redemption Date**"] means, subject to an Early Redemption pursuant to § 7 of the Issue Specific Conditions or subject to an extraordinary termination [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one ore more Basket Components].] [the fifth (5th) Business Day following the Final Fixing Date]]

["**Worst Performance**"] means [the worst performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]]

["**TARGET2 System**"] means the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET2) payment system which utilises a single shared platform and which was launched on 19 November 2007, or any successor thereto.]

["**Final Fixing Date**"] means [the final fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following

day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]].] [In the event of the postponement of the Underlying Valuation Date corresponding to the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

["**Scheduled Trading Day**" has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Early Redemption Date**" means each of the early redemption dates as specified in **Table 3** in the Annex or, if an Early Redemption Date is not a Business Day, the next following Business Day. [In the event of the postponement of the relevant Autocall Observation Date, the relevant Early Redemption Date shall be postponed accordingly.]]

["**Website**" means the Website as specified in **Table 1** in the Annex.]

["**Exchange Rate Page**" means the exchange rate page as specified in **Table 2** in the Annex.]

["**Exchange Rate Sponsor**" means the exchange rate sponsor as specified in **Table 2** in the Annex.]

["**Paying Agent**" means the paying agent as specified in **Table 1** in the Annex.]

§ 4

Redemption

[insert if COSI is applicable:

(1) Redemption Amount

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to an Early Redemption pursuant to § 7 of the Issue Specific Conditions and a Minimum Redemption pursuant to paragraph (2) or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions the Denomination which simultaneously equals the Maximum Redemption Amount pursuant to paragraph (3), if the Final Fixing Levels of all Basket Components are at or above the Autocall Trigger Level.

The Redemption Amount will be *[insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (4), as the case may be, and]* commercially rounded to two (2) decimal places.

(2) Minimum Redemption

The Redemption Amount per Product is at least equal to the Minimum Redemption Factor multiplied by the Denomination (the "**Minimum Redemption Amount**").

(3) Maximum Redemption

The Redemption Amount per Product equals no more than the Denomination (the "**Maximum Redemption Amount**").

[The Maximum Redemption Amount will be *[insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (4) and]* commercially rounded to two (2) decimal places.]

[insert if Currency Conversion is applicable:

(4) Currency exchange

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent *[insert if Quanto is not applicable: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.]**[insert if Quanto is applicable: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("Quanto").]*

[insert if COSI is not applicable:

(1) Redemption Amount

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to an Early Redemption pursuant to § 7 of the Issue Specific Conditions and a Minimum Redemption pursuant to paragraph (2) the Denomination which simultaneously equals the Maximum Redemption Amount pursuant to paragraph (3), if the Final Fixing Levels of all Basket Components are at or above the Autocall Trigger Level.

The Redemption Amount will be *[insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (4), as the case may be, and]* commercially rounded to two (2) decimal places.

(2) Minimum Redemption

The Redemption Amount per Product is at least equal to the Minimum Redemption Factor multiplied by the Denomination (the "**Minimum Redemption Amount**").

(3) Maximum Redemption

The Redemption Amount per Product equals no more than the Denomination (the "**Maximum Redemption Amount**").

[The Maximum Redemption Amount will be [insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (4) and] commercially rounded to two (2) decimal places.]

[insert if Currency Conversion is applicable:

(4) Currency exchange

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent [*insert if Quanto is not applicable: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.*][*insert if Quanto is applicable: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("Quanto").*]

§ 5**Interest, Coupon Payments****[(1) Coupon Payments]**

[If a Coupon Trigger Event has occurred on a Coupon Observation Date, a coupon payment is made in the Settlement Currency for the Products on the applicable Coupon Payment Date in the amount of the Coupon Amount specified for the applicable Coupon Payment Date. [Following an Early Redemption pursuant to § 7 of the Issue Specific Conditions, no further coupon payments are made.] [If a Coupon Trigger Event has not occurred and [no Barrier Event has occurred][the Final Fixing Level is above the Strike Level], the Holder receives a coupon payment on the final Coupon Payment Date in the amount of the Coupon Amount specified for the final Coupon Payment Date.][The Holder receives a coupon payment on the respective Coupon Payment Date in the amount of the Coupon Amount specified for the applicable Coupon Payment Date. [Following an Early Redemption pursuant to § 7 of the Issue Specific Conditions, no further coupon payments are made.] In the case of a redemption at the end of the term, the Holder receives a coupon payment on the final Coupon Payment Date in the amount of the Coupon Amount specified for the final Coupon Payment Date.][Provided that on the relevant Coupon Observation Date a Coupon Trigger Event has occurred, a Coupon payment shall be made for the Products on the relevant Coupon Payment Date. The coupon rate (the "**Coupon Rate**") relevant for the respective Coupon Observation Date is the Coupon Rate for the relevant Coupon Payment Date specified in **Table [1][3]** in the Annex.]

[(2) Coupon Amount]

The Coupon Amount (the "**Coupon Amount**") is determined by multiplying the Denomination by (i) the applicable Coupon Rate for the relevant Coupon Payment Date and by (ii) N.

"N" means [in the case that

- (a) before the applicable Coupon Observation Date_(t) no Coupon Trigger Event has occurred, the number of Coupon Observation Dates_(t) from Coupon Observation Date₍₁₎ (inclusive) to, in each case, the applicable Coupon Observation Date_(t) (inclusive), and in the case that
- (b) before the applicable Coupon Observation Date_(t) a Coupon Trigger Event has already occurred, the number of Coupon Observation Dates_(t) between the Coupon Observation Date_(t) (exclusive) on which the last Coupon Trigger Event has occurred and the applicable Coupon Observation Date_(t) (inclusive) in each case.][the number of Coupon Observation Dates_(t) from Coupon Observation Date₍₁₎ (inclusive) to the relevant Coupon Observation Date on which a Coupon Trigger Event has occurred.]

[Following an Early Redemption pursuant to § 7 of the Issue Specific Conditions, no further coupon payments are made. The Coupon Amount will be commercially rounded to two (2) decimal places.]]

§ 6

(intentionally left blank)

§ 7

Early Redemption

(1) Conditions precedent for Early Redemption

In the event that on any Autocall Observation Date an Autocall Event has occurred, the term of the Products shall end automatically on this Autocall Observation Date without the need for a separate termination of the Products by the Issuer (the "**Early Redemption**"). In this case the Redemption Amount to be paid by the Issuer equals the Denomination.

(2) Notification of Early Redemption

Notice of the occurrence of Early Redemption and the value of the Redemption Amount to be paid per Product in this case shall be published in accordance with § 4 of the General Conditions.

§ 8

Payments

(1) Payments

The Issuer shall cause the claimed Redemption Amount, if any, to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Early Redemption Date (in the case of an Early Redemption pursuant to § 7 of the Issue Specific Conditions) and/or the Redemption Date (in the case that no Early Redemption has occurred). The Issuer shall transfer the respective Coupon Amount in arrears by the Coupon Payment Date via the Paying Agent to the Clearing System for transmitting to the Holders. If the Early Redemption Date, the Redemption Date or a Coupon Payment Date falls on a day which is not a Business Day and is deferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

(2) Declaration on Regulation S

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

(3) Taxes, Fees and Duties

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

§ 9

(intentionally left blank)

[insert in the case COSI is applicable:]

§ 10**Collateral Secured Instruments (COSI)****(1) Collateralization of the Product**

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

(2) Documentation

The collateralization in favour of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, the issuer and the Collateral Provider dated 10 September 2010, in the case of Products issued by Leonteq Securities AG, or dated 5 October 2012, in the case of Products issued by Leonteq Securities AG, Guernsey Branch («Framework Agreement»). The issuer shall, upon request, provide the Framework Agreement to in-

vestors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG, Brandschenkestrasse 90, 8002 Zurich, Switzerland, via telephone +41 (0)58 800 1000, fax +41 (0)58 800 1010. The core elements of collateralization of the COSI Product are summarised in a SIX Swiss Exchange information sheet, which is available at «www.six-swiss-exchange.com» (under the section „Issuers“ – „Services“, „COSI“).

(3) *Collateralization method*

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to [Method A: Fair Value Method] [in relation to [*insert ISIN(s): ●*] [and]] [Method B: Bond Floor Method] [in relation to [*insert ISIN(s): ●*]] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

(4) *Distribution and market making*

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

(5) *Risks*

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated

with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

(6) *Liquidation of collateral*

If the Collateral Provider fails to fulfil its obligations, the collateral will be liquidated by SIX Swiss Exchange or a liquidator under the terms of the applicable legal regulations. The collateral may be liquidated («Liquidation Events») if (i) the Collateral Provider fails to furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

(7) *Determination of a Liquidation Event*

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

(8) Procedure in case of a Liquidation Event

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website (www.six-swiss-exchange.com under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

(9) Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website (www.six-swiss-exchange.com under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

(10) Costs of liquidation and payout for the benefit of the investors

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collat-

eral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, convert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on

which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

(11) *Secondary Listing*

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

(12) *Liability*

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

(13) *No authorisation*

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

(14) *Congruence with the Conditions*

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

| Term used in this | Corresponding definition in these Conditions |
|----------------------------------|--|
| § 10 "Collateral Secured Instru- | |

ments (COSI)"

investor

Holder

issuer

Issuer

issuing condi-
tions

Terms and Conditions, Conditions

maturity

Redemption, Redemption Date, Final Fixing Date]

[insert in the case COSI is not applicable:]

§ 10

(intentionally left blank)]

[in the case of Express Certificates with Cash Settlement and with par value and with Downside Participation Factor (Product No. 21), insert:

§ 1

Form and Issue Size; Definitions; Term of the Products

(1) Currency; Issue Size

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "Issuer") issues products (each a "Certificate" or a "Product" and together the "Certificates" or the "Products"). The total nominal amount (the "Total Nominal Amount") and the settlement currency (the "Settlement Currency") of the Products are specified in **Table 1** in the Annex.

(2) Form

[insert in the case of Swiss Uncertificated Securities:

(a) Uncertificated Securities, Holders

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent

(*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.

(b) Custody Agent

"**Custody Agent**" is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

[insert in the case of Swiss Bearer Securities:

(a) Bearer Securities

The Products are issued in bearer form ("**Bearer Securities**").

(b) Permanent Global Note, Holder

[insert in the case of Swiss CBF Bearer Securities:

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of Swiss SIX SIS Bearer Securities:

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.]

[insert in the case of German Bearer Securities:

(a) Bearer Securities

The Products are issued in bearer form.

[insert in the case of German CBF Bearer Securities:]

(b) Permanent Global Note, Holder

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of German SIX SIS Bearer Securities:]

(b) Permanent Global Note, Holder

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

(c) Clearing System

"**Clearing System**" in each case is the clearing system as specified in Table 1 in the Annex.

(3) Term of the Products

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer or an early redemption [*insert in the case COSI is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific conditions*].

§ 2

Status of the Products

[*insert in the case COSI is not applicable:*

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.]

[insert in the case COSI is applicable:

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

§ 3

Definitions

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

[insert in the case of a share as Underlying or Basket Component: "Share Issuer" means the company that has issued the [Underlying][Basket Component].]

"Initial Fixing Level" means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.]

"Initial Fixing Period" means the initial fixings period as specified in **Table 1** in the Annex.]

"Initial Basket Value" means the initial basket value as specified in **Table 1** in the Annex.]

"Number of Basket Component_(i)" [means the relevant Number of Basket Component_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level_(i) [and the [EUR][●]/Reference Currency_(i) exchange rate] and takes into account the Initial Weighting_(i) of the respective Basket Component_(i), corresponding to the weighted share of the respective Basket Component_(i) in the Initial Basket Value on the Initial Fixing Date.] [means the weighted share of the respective Basket Component_(i) in the Initial Basket Value as determined by the Issuer and/or Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level_(i), and taking into account the Initial Weighting_(i) of the respective Basket Component_(i). The relevant Number of Basket Component_(i) corresponds to the [Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting_(i) (converted into the Settlement Currency, if applicable) (dividend) and the Initial Fixing Level_(i) (divisor): $\text{Number of Basket Component}_{(i)} = \frac{[\text{Denomination}][\text{Initial Basket Value}] * \text{Initial Weighting}_{(i)}}{\text{Initial Fixing Level}_{(i)}}$ [Initial Weighting means the Initial Weighting_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex.]

["**Business Day**" means

[insert in the case of Products with Swiss Francs as Settlement Currency: [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]

[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency: [(in the case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in [insert principal financial centre for such currency: ●].]

[insert in the case of Products with Euro as Settlement Currency: [(in the case of Products with Euro as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.]

[insert in the case of Products with US Dollar as Settlement Currency: [(in the case of Products with US Dollar as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in New York and Zurich.]

[insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [insert currency: ●]] [in the Business Centre[s]] [if no currency is indicated, insert: in each of the Business Centres].]

["**Issue Date**" means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

["**Issue Price**" means the issue price as specified in **Table 1** in the Annex.]

["**Issue Surcharge**" means the issue surcharge as specified in **Table 1** in the Annex.]

["**Strike Level**" means the strike level as specified in **Table 1** in the Annex.]

["**Conversion Ratio**" means [the conversion ratio as specified in **Table 1** in the Annex.][the conversion ratio in respect of the relevant Basket Component as specified in **Table 2** in the Annex.] [If the Issuer has received ordinary dividend payments between the Initial Fixing Date (exclusive) and the Final Fixing Date [(exclusive)] [(inclusive)] in respect of the Underlying, the applicable net dividend (i.e. the dividend amount minus taxes) is reinvested, whereby the Conversion Ratio is adjusted ● Business Days after the receipt of the dividend payment by the Issuer.]]

["**Autocall Observation Date**" means [each of the autocall observation dates as specified in **Table 3** in the Annex or, if such date is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in relation to the relevant Basket Component]. In the event of the postponement of the Underlying Valuation Date corresponding to the relevant Autocall Observation Date [in respect of one or more Basket Components], the relevant Au-

to call Observation Date [in relation to the relevant Basket Component] shall be postponed accordingly.]]

["**Autocall Event**" has occurred if on an Autocall Observation Date the Reference Price [of all Basket Components] exceeds the [respective] Autocall Trigger Level relevant for such date.]

["**Autocall Trigger Level**" means the Autocall Trigger Level in respect of the relevant Autocall Observation Date [with respect to the relevant Basket Component] as specified in **Table 3** in the Annex.]

["**Barrier Observation Period**" means the barrier observation period as specified in **Table 1** in the Annex.]

["**Barrier Event**" has occurred if [the Final Fixing Level is at or below the Barrier Level] [the [Price][Reference Price] is [equal to or] below the Barrier Level at any time during the Barrier Observation Period] [*insert in the case of a Basket as Underlying if appropriate:* [the Final Basket Value equals or falls below the Barrier Level as determined by the Calculation Agent] [the [Price][Reference Price] of the Basket is equal to or below the Barrier Level during the Observation Period, as determined by the Calculation Agent] [the [Price][Reference Price] [Final Fixing Level] of a Basket Component is [equal to or] below the Barrier Level for this Basket Component as specified in **Table 1**][**2**] in the Annex [at any time during the Barrier Observation Period]], as determined by the Calculation Agent.]]]

["**Barrier Event**" has occurred if [the Final Fixing Level is at or below the Barrier Level] [the [Price][Reference Price] is [equal to or] below the Barrier Level at any time during the Barrier Observation Period] [*insert in the case of a Basket as Underlying if appropriate:* [the Final Basket Value equals or falls below the Barrier Level as determined by the Calculation Agent] [the [Price][Reference Price] of the Basket is equal to or below the Barrier Level during the Observation Period, as determined by the Calculation Agent] [the [Price][Reference Price] of a Basket Component is [equal to or] below the Barrier Level for this Basket Component as specified in **Table 1**][**2**] in the Annex at any time during the Barrier Observation Period], as determined by the Calculation Agent.]]]

["**Barrier Level**" means the barrier level as specified in **Table 1** in the Annex [with respect to the relevant Basket Component].]

["**Underlying**" means[, subject to a replacement in accordance with these Conditions,] the [Underlying] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"]["**Share**"]["**Participation Certificate (Genussschein)**"]["**Security representing Shares**"]["**Commodity**"]["**Currency Exchange Rate**"] ["**Futures Contract**"]["**Fixed Rate Instrument**"]["**Derivative Instrument**"]["**Fund Unit**"]) [*insert in the case of a share as Underlying or Basket Component:*, as issued by the Share Issuer].]

["**Underlying Valuation Date**" means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

["**Basket**" means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

["**Basket Component**" means, subject to an adjustment, each basket component as specified in **Table**

2 in the Annex.]

["**Calculation Agent**" means the calculation agent as specified in **Table 1** in the Annex.]

[insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket Component: "Exchange" means[, in respect of the Share] the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]

["**Coupon Amount**" means the coupon amount as specified in **Table [1][3]** in the Annex.]

["**Coupon Observation Date**" means [each of the coupon observation dates as specified in **Table [1][3]** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]]. In the event of the postponement of the Underlying Valuation Date corresponding to the relevant Coupon Observation Date [in respect of one or more Basket Components], the relevant Coupon Observation Date [in relation to [the relevant Basket Component][all Basket Components]] shall be postponed accordingly.]]

["**Coupon Trigger Event**" has occurred if on a Coupon Observation Date the Reference Price [of all Basket Components] exceeds the [respective] Coupon Trigger Level relevant for such date.]

["**Coupon Trigger Level**" means the coupon trigger level as specified in **Table [1][3]** in the Annex [with respect to the relevant Basket Component].]

["**Coupon Payment Date**" means the coupon payment date as specified in **Table [1][3]** in the Annex or, if this date is not a Business Day, the next following Business Day. [In the event of the postponement of the relevant Coupon Observation Date, the relevant Coupon Payment Date shall be postponed accordingly.]]

["**Downside Participation Factor**" means the downside participation factor as specified in **Table 1** in the Annex.]

["**Fiscal Agent**" means the fiscal agent as specified in **Table 1** in the Annex.]

["**Final Fixing Period**" means the period from (and including) the fifth (5th) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

["**Final Fixing Level**" means [the Reference Price [of the respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.]]

["**Initial Fixing Date**" means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket

Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General Conditions]. [*insert in the case of Products with subscription period: In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.*]]

["**Business Centre**" means the business centre as specified in **Table 1** in the Annex.]

[*insert in the case of an index as Underlying or Basket Component: "Index Sponsor"* means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].]

["**Initial Weighting**_(i)" means [the Initial Weighting_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Price**" [means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [relevant Reuters] [relevant Bloomberg] page [●] [*insert Internet site: ●*] [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Relevant Performance**" [of the relevant Basket Component] means [the quotient of the End Level (dividend) and the Initial Fixing Level (divisor)].]

["**Relevant Reference Price**" [of a Basket Component means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate [of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate sponsor on the designated Exchange Rate Page] [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page of another screen service] [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any replacement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service] [*insert other method for determining Relevant Exchange Rate: ●*]. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Minimum Redemption Factor**" means the minimum redemption factor as specified in **Table 1** in the Annex.]

["**Denomination**" means the denomination as specified in **Table 1** in the Annex (as expressed in the Settlement Currency).]

["**Reference Price**" means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of the Underlying] [of a Basket Component] [in [*insert currency*: ●]] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg] [●] [*insert Internet site*: ●] [or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Reference Currency**" means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Redemption Date**" means, subject to an Early Redemption pursuant to § 7 of the Issue Specific Conditions or subject to an extraordinary termination [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one ore more Basket Components].] [the fifth (5th) Business Day following the Final Fixing Date]]

["**Worst Performance**" means [the worst performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]]

["**TARGET2 System**" means the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET2) payment system which utilises a single shared platform and which was launched on 19 November 2007, or any successor thereto.]

["**Final Fixing Date**" means [the final fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]].] [In the event of the postponement of the Underlying Valuation Date corresponding to the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

["**Scheduled Trading Day**" has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Early Redemption Date**" means each of the early redemption dates as specified in **Table 3** in the Annex or, if an Early Redemption Date is not a Business Day, the next following Business Day. [In the event of the postponement of the relevant Autocall Observation Date, the relevant Early Redemption Date shall be postponed accordingly.]]

["**Website**" means the Website as specified in **Table 1** in the Annex.]

["**Exchange Rate Page**" means the exchange rate page as specified in **Table 2** in the Annex.]

["**Exchange Rate Sponsor**" means the exchange rate sponsor as specified in **Table 2** in the Annex.]

["**Paying Agent**" means the paying agent as specified in **Table 1** in the Annex.]

§ 4
Redemption

[insert if COSI is applicable:

(1) Redemption Amount

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to an Early Redemption pursuant to § 7 of the Issue Specific Conditions or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions the Denomination plus the Additional Amount. The Additional Amount equals the Downside Participation Factor multiplied by the difference between (i) the Performance of the Basket Component with the Worst Performance and (ii) the quotient of the Strike Level of the Basket Component with the Worst Performance and the Initial Fixing Level of the Basket Component with the Worst Performance. The Redemption Amount equals at least zero.

The "**Performance of the Basket Component**" equals the quotient of the Final Fixing Level (dividend) and the Initial Fixing Level (divisor) of the respective Basket Component.

The Redemption Amount will be *[insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (3), as the case may be, and]* commercially rounded to two (2) decimal places.

(2) Maximum Redemption

The Redemption Amount per Product equals no more than the Denomination (the "**Maximum Redemption Amount**").

[The Maximum Redemption Amount will be *[insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (3) and]* commercially rounded to two (2) decimal places.]

[insert if Currency Conversion is applicable:

(3) Currency exchange

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent *[insert if Quanto is not applicable: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable*

market practice and considering the prevailing market conditions in its reasonable discretion.][*insert if Quanto is applicable: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("Quanto").*]]

[insert if COSI is not applicable:

(1) Redemption Amount

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to an Early Redemption pursuant to § 7 of the Issue Specific Conditions the Denomination plus the Additional Amount. The Additional Amount equals the Downside Participation Factor multiplied by the difference between (i) the Performance of the Basket Component with the Worst Performance and (ii) the quotient of the Strike Level of the Basket Component with the Worst Performance and the Initial Fixing Level of the Basket Component with the Worst Performance. The Redemption Amount equals at least zero.

The "**Performance of the Basket Component**" equals the quotient of the Final Fixing Level (dividend) and the Initial Fixing Level (divisor) of the respective Basket Component.

The Redemption Amount will be [*insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (3), as the case may be, and]* commercially rounded to two (2) decimal places.

(2) Maximum Redemption

The Redemption Amount per Product equals no more than the Denomination (the "**Maximum Redemption Amount**").

[The Maximum Redemption Amount will be [*insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (3) and]* commercially rounded to two (2) decimal places.]

[insert if Currency Conversion is applicable:

(3) Currency exchange

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent [*insert if Quanto is not applicable: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.*][*insert*

if Quanto is applicable: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("**Quanto**").]]

§ 5

Interest, Coupon Payments

[(1) *Coupon Payments*]

[If a Coupon Trigger Event has occurred on a Coupon Observation Date, a coupon payment is made in the Settlement Currency for the products on the applicable Coupon Payment Date in the amount of the Coupon Amount specified for the applicable Coupon Payment Date. [Following an Early Redemption pursuant to § 7 of the Issue Specific Conditions, no further coupon payments are made.] [If a Coupon Trigger Event has not occurred and [no Barrier Event has occurred][the Final Fixing Level is above the Strike Level], the Holder receives a coupon payment on the final Coupon Payment Date in the amount of the Coupon Amount specified for the final Coupon Payment Date.][The Holder receives a coupon payment on the respective Coupon Payment Date in the amount of the Coupon Amount specified for the applicable Coupon Payment Date. [Following an Early Redemption pursuant to § 7 of the Issue Specific Conditions, no further coupon payments are made.] In the case of a redemption at the end of the term, the Holder receives a coupon payment on the final Coupon Payment Date in the amount of the Coupon Amount specified for the final Coupon Payment Date.][Provided that on the relevant Coupon Observation Date a Coupon Trigger Event has occurred, a Coupon payment shall be made for the Products on the relevant Coupon Payment Date. The coupon rate (the "**Coupon Rate**") relevant for the respective Coupon Observation Date is the Coupon Rate for the relevant Coupon Payment Date specified in **Table 3** in the Annex. [Following an Early Redemption pursuant to § 7 of the Issue Specific Conditions, no further coupon payments are made.]]

[(2) *Coupon Amount*]

The Coupon Amount (the "**Coupon Amount**") is determined by multiplying the Denomination by (i) the applicable Coupon Rate for the relevant Coupon Payment Date and by (ii) N.

"N" means [in the case that

- (a) before the applicable Coupon Observation Date_(t) no Coupon Trigger Event has occurred, the number of Coupon Observation Dates_(t) from Coupon Observation Date₍₁₎ (inclusive) to, in each case, the applicable Coupon Observation Date_(t) (inclusive), and in the case that
- (b) before the applicable Coupon Observation Date_(t) a Coupon Trigger Event has already occurred, the number of Coupon Observation Dates_(t) between the Coupon Observation Date_(t) (exclusive) on which the last Coupon Trigger Event has occurred and the applicable Coupon Observation Date_(t) (inclusive) in each case.] [the number of Coupon Observation Dates_(t) from Coupon Observation Date₍₁₎ (inclusive) to the relevant Coupon Observation Date on which a Coupon Trigger Event has occurred.]

[Following an Early Redemption pursuant to § 7 of the Issue Specific Conditions, no further coupon payments are made. The Coupon Amount will be commercially rounded to two (2) decimal places.]]

§ 6**(intentionally left blank)****§ 7****Early Redemption****(1) *Conditions precedent for Early Redemption***

In the event that on any Autocall Observation Date an Autocall Event has occurred, the term of the Products shall end automatically on this Autocall Observation Date without the need for a separate termination of the Products by the Issuer (the "**Early Redemption**"). In this case the Redemption Amount to be paid by the Issuer equals the Denomination.

(2) *Notification of Early Redemption*

Notice of the occurrence of Early Redemption and the value of the Redemption Amount to be paid per Product in this case shall be published in accordance with § 4 of the General Conditions.

§ 8**Payments****(1) *Payments***

The Issuer shall cause the claimed Redemption Amount, if any, to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Early Redemption Date (in the case of an Early Redemption pursuant to § 7 of the Issue Specific Conditions) and/or the Redemption Date (in the case that no Early Redemption has occurred). The Issuer shall transfer the respective Coupon Amount in arrears by the Coupon Payment Date via the Paying Agent to the Clearing System for transmitting to the Holders. If the Early Redemption Date, the Redemption Date or a Coupon Payment Date falls on a day which is not a Business Day and is deferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

(2) *Declaration on Regulation S*

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

(3) *Taxes, Fees and Duties*

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be borne and paid by the Holder. The Issuer and/or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

§ 9

(intentionally left blank)

[insert in the case COSI is applicable:]

§ 10

Collateral Secured Instruments (COSI)**(1) Collateralization of the Product**

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

(2) Documentation

The collateralization in favour of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, the issuer and the Collateral Provider dated 10 September 2010, in the case of Products issued by Leonteq Securities AG, or dated 5 October 2012, in the case of Products issued by Leonteq Securities AG, Guernsey Branch («Framework Agreement»). The issuer shall, upon request, provide the Framework Agreement to investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG, Brandschenkestrasse 90, 8002 Zurich, Switzerland, via telephone +41 (0)58 800 1000, fax +41 (0)58 800 1010. The core elements of collateralization of the COSI Product are summarised in a SIX Swiss Exchange information sheet, which is available at «www.six-swiss-exchange.com» (under the section „Issuers“ – „Services“, „COSI“).

(3) Collateralization method

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for

the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to [Method A: Fair Value Method] [Method B: Bond Floor Method] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

(4) *Distribution and market making*

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

(5) *Risks*

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

(6) *Liquidation of collateral*

If the Collateral Provider fails to fulfil its obligations, the collateral will be liquidated by SIX Swiss Exchange or a liquidator under the terms of the applicable legal regulations. The collateral may be

liquidated («Liquidation Events») if (i) the Collateral Provider fails to furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

(7) *Determination of a Liquidation Event*

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

(8) *Procedure in case of a Liquidation Event*

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website (www.six-swiss-exchange.com under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

(9) *Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer*

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty

(30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website (www.six-swiss-exchange.com under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

(10) *Costs of liquidation and payout for the benefit of the investors*

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation

proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, convert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

(11) *Secondary Listing*

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the

occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

(12) *Liability*

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

(13) *No authorisation*

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

(14) *Congruence with the Conditions*

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

| Term used in this | Corresponding definition in these Conditions |
|--|---|
| § 10 "Collateral Secured Instruments (COSI)" | |
| investor | Holder |
| issuer | Issuer |
| issuing conditions | Terms and Conditions, Conditions |
| maturity | Redemption, Redemption Date, Final Fixing Date] |

[insert in the case COSI is not applicable:]

§ 10
(intentionally left blank)]]

[in the case of Certificates with Cash Settlement and with par value and with unconditional minimum redemption and Partial Redemption Amounts (Product No. 22), insert:

§ 1

Form and Issue Size; Definitions; Term of the Products

(1) *Currency; Issue Size*

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "Issuer") issues products (each a "Certificate" or a "Product" and together the "Certificates" or the "Products"). The total nominal amount (the "Total Nominal Amount") and the settlement currency (the "Settlement Currency") of the Products are specified in **Table 1** in the Annex.

(2) *Form*

[insert in the case of Swiss Uncertificated Securities:

(a) **Uncertificated Securities, Holders**

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent

(*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.

(b) Custody Agent

"**Custody Agent**" is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

[insert in the case of Swiss Bearer Securities:

(a) Bearer Securities

The Products are issued in bearer form ("**Bearer Securities**").

(b) Permanent Global Note, Holder

[insert in the case of Swiss CBF Bearer Securities:

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of Swiss SIX SIS Bearer Securities:

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.]

[insert in the case of German Bearer Securities:

(a) Bearer Securities

The Products are issued in bearer form.

[insert in the case of German CBF Bearer Securities:]

(b) Permanent Global Note, Holder

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of German SIX SIS Bearer Securities:]

(b) Permanent Global Note, Holder

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

(c) Clearing System

"**Clearing System**" in each case is the clearing system as specified in Table 1 in the Annex.

(3) *Term of the Products*

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer [*insert in the case COSI is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific conditions*].

§ 2

Status of the Products

[*insert in the case COSI is not applicable:*

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.]

[insert in the case COSI is applicable:

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

§ 3

Definitions

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

[insert in the case of a share as Underlying or Basket Component: "Share Issuer" means the company that has issued the [Underlying][Basket Component].]

"Initial Fixing Level" means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.]

"Initial Fixing Period" means the initial fixings period as specified in **Table 1** in the Annex.]

"Number of Basket Component_(i)" [means the relevant Number of Basket Component_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level_(i) [and the [EUR][●]/Reference Currency_(i) exchange rate] and takes into account the Initial Weighting_(i) of the respective Basket Component_(i), corresponding to the weighted share of the respective Basket Component_(i) in the Initial Basket Value on the Initial Fixing Date.] [means the weighted share of the respective Basket Component_(i) in the Initial Basket Value as determined by the Issuer and/or Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level_(i), and taking into account the Initial Weighting_(i) of the respective Basket Component_(i). The relevant Number of Basket Component_(i) corresponds to the [Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting_(i) (converted into the Settlement Currency, if applicable) (dividend) and the Initial Fixing Level_(i) (divisor): $\text{Number of Basket Component}_{(i)} = [\text{Denomination}][\text{Initial Basket Value}] * \text{Initial Weighting}_{(i)} / \text{Initial Fixing Level}_{(i)}$.] [Initial Weighting means the Initial Weighting_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex.]

"Business Day" means

[insert in the case of Products with Swiss Francs as Settlement Currency: [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]

[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency: [(in the case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in *[insert principal financial centre for such currency: ●].]*

[insert in the case of Products with Euro as Settlement Currency: [(in the case of Products with Euro as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.]

[insert in the case of Products with US Dollar as Settlement Currency: [(in the case of Products with US Dollar as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in New York and Zurich.]

[insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [insert currency: ●]] [in the Business Centre[s]] [if no currency is indicated, insert: in each of the Business Centres].]

["**Issue Price**"] means the issue price as specified in **Table 1** in the Annex.]

["**Issue Surcharge**"] means the issue surcharge as specified in **Table 1** in the Annex.]

["**Issue Date**"] means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

["**Underlying**"] means[, subject to a replacement in accordance with these Conditions,] the [Underlying] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"] ["**Share**"] ["**Participation Certificate (Genussschein)**"] ["**Security representing Shares**"] ["**Commodity**"] ["**Currency Exchange Rate**"] ["**Futures Contract**"] ["**Fixed Rate Instrument**"] ["**Derivative Instrument**"] ["**Fund Unit**"]) *[insert in the case of a share as Underlying or Basket Component:, as issued by the Share Issuer].]*

["**Underlying Valuation Date**"] means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

["**Basket**"] means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

["**Basket Component**"] means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.]

["**Calculation Agent**"] means the calculation agent as specified in **Table 1** in the Annex.]

[insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket Component: "Exchange" means[, in respect of the Share] the exchange or the quotation system as specified in Table 2 in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]

"**Coupon Amount**" means the coupon amount as specified in Table [1][3] in the Annex.]

"**Coupon Observation Date**" means [each of the coupon observation dates as specified in Table [1][3] in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]]. In the event of the postponement of the Underlying Valuation Date corresponding to the relevant Coupon Observation Date [in respect of one or more Basket Components], the relevant Coupon Observation Date [in relation to [the relevant Basket Component][all Basket Components]] shall be postponed accordingly.]]

"**Coupon Trigger Event**" has occurred if on a Coupon Observation Date the Reference Price[s] [of all Basket Components] [[is][are] equal to or] exceed[s] the [respective] Coupon Trigger Level relevant for such date.]

"**Coupon Trigger Level**" means the coupon trigger level as specified in Table [1][3] in the Annex [with respect to the relevant Basket Component].]

"**Coupon Payment Date**" means the coupon payment date as specified in Table [1][3] in the Annex or, if this date is not a Business Day, the next following Business Day. [In the event of the postponement of the relevant Coupon Observation Date, the relevant Coupon Payment Date shall be postponed accordingly.]]

"**Fiscal Agent**" means the fiscal agent as specified in Table 1 in the Annex.]

"**Final Fixing Period**" means the period from (and including) the fifth (5th) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

"**Final Fixing Level**" means [the Reference Price [of the respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.]]

"**Initial Fixing Date**" means [the initial fixing date as specified in Table 1 in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General Conditions]. *[insert in the case of Products with subscription period: In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing*

Date shall be postponed accordingly.]]

["**Business Centre**" means the business centre as specified in **Table 1** in the Annex.]

[*insert in the case of an index as Underlying or Basket Component: "Index Sponsor"* means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].]

["**Initial Weighting**_(i)" means [the Initial Weighting_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Price**" [means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [relevant Reuters] [relevant Bloomberg] page [●] [*insert Internet site: ●*] [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Relevant Performance**" [of the relevant Basket Component] means [the quotient of the End Level (dividend) and the Initial Fixing Level (divisor)].]

["**Relevant Reference Price**" [of a Basket Component means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate [of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate sponsor on the designated Exchange Rate Page] [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page of another screen service] [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any replacement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service] [*insert other method for determining Relevant Exchange Rate: ●*]. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Minimum Redemption Factor**" means the minimum redemption factor as specified in **Table 1** in the Annex.]

["**Denomination**" means the denomination as specified in **Table 1** in the Annex (as expressed in the Settlement Currency).]

["**Reference Price**" means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of the Underlying] [of a Basket Component] [in [*insert currency: ●*]] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters]

[Bloomberg] [●] [*insert Internet site: ●*] [or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Reference Currency**" means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Redemption Date**" means, subject to an extraordinary termination [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one or more Basket Components].] [the fifth (5th) Business Day following the Final Fixing Date]]

["**Worst Performance**" means [the worst performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]]

["**TARGET2 System**" means the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET2) payment system which utilises a single shared platform and which was launched on 19 November 2007, or any successor thereto.]

["**Partial Redemption Factor**" means the partial redemption factor as specified in **Table 1** in the Annex.]

["**Partial Redemption Date_(t)**" means, subject to an extraordinary termination pursuant to § 13 of the Issue Specific Conditions [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions], the partial redemption date_(t) as specified in **Table 3** in the Annex or, if this day is not a Business Day, the next following Business Day. The last Partial Redemption Date_(t) equals the Redemption Date.]

["**Final Fixing Date**" means [the final fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]].] [In the event of the postponement of the Underlying Valuation Date corresponding to the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

["**Scheduled Trading Day**" has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Website**" means the Website as specified in **Table 1** in the Annex.]

["**Exchange Rate Page**" means the exchange rate page as specified in **Table 2** in the Annex.]

["**Exchange Rate Sponsor**" means the exchange rate sponsor as specified in **Table 2** in the Annex.]

["**Paying Agent**" means the paying agent as specified in **Table 1** in the Annex.]

§ 4 Redemption

[insert if COSI is applicable:]

(1) Partial Redemption Amounts

Subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions, on the respective Partial Redemption Date_(t) in each case a Partial Redemption (the "**Partial Redemption**") is made for the Product in the Settlement Currency in the amount of the Denomination multiplied by the Partial Redemption Factor (in each case the "**Partial Redemption Amount**").

(2) Minimum Redemption

The total of the Partial Redemption Amounts per Product equals the Minimum Redemption Factor multiplied by the Denomination (the "**Minimum Redemption Amount**").

(3) Maximum Redemption

The total of the Partial Redemption Amounts per Product is not greater than the Minimum Redemption Factor multiplied by the Denomination (the "**Maximum Redemption Amount**").]

[insert if COSI is not applicable:

(1) Partial Redemption Amounts

On the respective Partial Redemption Date_(t) in each case a Partial Redemption (the "**Partial Redemption**") is made for the Product in the Settlement Currency in the amount of the Denomination multiplied by the Partial Redemption Factor (in each case the "**Partial Redemption Amount**").

(2) Minimum Redemption

The total of the Partial Redemption Amounts per Product equals the Minimum Redemption Factor multiplied by the Denomination (the "**Minimum Redemption Amount**").

(3) Maximum Redemption

The total of the Partial Redemption Amounts per Product is not greater than the Minimum Redemption Factor multiplied by the Denomination (the "**Maximum Redemption Amount**").]

§ 5

Interest, Coupon Payments

(1) Coupon Payments

[Provided that on the relevant Coupon Observation Date_(t) a Coupon Trigger Event has occurred, a Coupon payment shall be made for the Products on the relevant Coupon Payment Date. The coupon rate (the "**Coupon Rate**_(t)") relevant for the respective Coupon Observation Date_(t) is the Coupon Rate for the relevant Coupon Payment Date specified in **Table 1** in the Annex.

(2) Coupon Amount

The Coupon Amount (the "**Coupon Amount**") is determined by multiplying the Denomination by (i)

the applicable Coupon Rate_(t) for the relevant Coupon Payment Date and by (ii) N.

"N" means in the case that

- (a) before the applicable Coupon Observation Date_(t) no Coupon Trigger Event has occurred, the number of Coupon Observation Dates_(t) from Coupon Observation Date_(t) (inclusive) to, in each case, the applicable Coupon Observation Date_(t) (inclusive), and in the case that
- (b) before the applicable Coupon Observation Date_(t) a Coupon Trigger Event has already occurred, the number of Coupon Observation Dates_(t) between the Coupon Observation Date_(t) (exclusive) on which the last Coupon Trigger Event has occurred and the applicable Coupon Observation Date_(t) (inclusive) in each case.

The Coupon Amount will be commercially rounded to two (2) decimal places.

§ 6

(intentionally left blank)

§ 7

(intentionally left blank)

§ 8

Payments

(1) *Payments*

The Issuer shall cause the claimed Partial Redemption Amount, if any, to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Partial Redemption Date_(t). The Issuer shall transfer the respective Coupon Amount in arrears by the Coupon Payment Date_(t) via the Paying Agent to the Clearing System for transmitting to the Holders. If a Partial Redemption Date_(t) or a Coupon Payment Date_(t) falls on a day which is not a Business Day and is deferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

(2) *Declaration on Regulation S*

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

(3) *Taxes, Fees and Duties*

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by

the Holder according to the above sentence.

§ 9

(intentionally left blank)

[insert in the case COSI is applicable:]

§ 10

Collateral Secured Instruments (COSI)

(1) Collateralization of the Product

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

(2) Documentation

The collateralization in favour of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, the issuer and the Collateral Provider dated 10 September 2010, in the case of Products issued by Leonteq Securities AG, or dated 5 October 2012, in the case of Products issued by Leonteq Securities AG, Guernsey Branch («Framework Agreement»). The issuer shall, upon request, provide the Framework Agreement to investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG, Brandschenkestrasse 90, 8002 Zurich, Switzerland, via telephone +41 (0)58 800 1000, fax +41 (0)58 800 1010. The core elements of collateralization of the COSI Product are summarised in a SIX Swiss Exchange information sheet, which is available at «www.six-swiss-exchange.com» (under the section „Issuers“ – „Services“, „COSI“).

(3) Collateralization method

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each

COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to [Method A: Fair Value Method] [in relation to [*insert ISIN(s): ●*] [and]] [Method B: Bond Floor Method] [in relation to [*insert ISIN(s): ●*]] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

(4) Distribution and market making

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

(5) Risks

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

(6) *Liquidation of collateral*

If the Collateral Provider fails to fulfil its obligations, the collateral will be liquidated by SIX Swiss Exchange or a liquidator under the terms of the applicable legal regulations. The collateral may be liquidated («Liquidation Events») if (i) the Collateral Provider fails to furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

(7) *Determination of a Liquidation Event*

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

(8) *Procedure in case of a Liquidation Event*

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website (www.six-swiss-exchange.com under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

(9) *Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer*

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website (www.six-swiss-exchange.com under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

(10) *Costs of liquidation and payout for the benefit of the investors*

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of

net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, convert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

(11) *Secondary Listing*

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current

Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

(12) *Liability*

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

(13) *No authorisation*

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

(14) *Congruence with the Conditions*

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

| Term used in this | Corresponding definition in these Conditions |
|--|---|
| § 10 "Collateral Secured Instruments (COSI)" | |
| investor | Holder |
| issuer | Issuer |
| issuing conditions | Terms and Conditions, Conditions |
| maturity | Redemption, Redemption Date, Final Fixing Date] |

[insert in the case COSI is not applicable:

§ 10
(intentionally left blank)]

[in the case of Certificates with Cash Settlement and with par value and with unconditional minimum redemption (Product No. 23), insert:

§ 1

Form and Issue Size; Definitions; Term of the Products

(1) *Currency; Issue Size*

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "**Issuer**") issues products (each a "**Certificate**" or a "**Product**" and together the "**Certificates**" or the "**Products**"). The total nominal amount (the "**Total Nominal Amount**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.

(2) *Form*

[insert in the case of Swiss Uncertificated Securities:

(a) **Uncertificated Securities, Holders**

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent

(*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.

(b) Custody Agent

"**Custody Agent**" is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

[insert in the case of Swiss Bearer Securities:

(a) Bearer Securities

The Products are issued in bearer form ("**Bearer Securities**").

(b) Permanent Global Note, Holder

[insert in the case of Swiss CBF Bearer Securities:

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of Swiss SIX SIS Bearer Securities:

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.]

[insert in the case of German Bearer Securities:

(a) Bearer Securities

The Products are issued in bearer form.

[insert in the case of German CBF Bearer Securities:]

(b) Permanent Global Note, Holder

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of German SIX SIS Bearer Securities:]

(b) Permanent Global Note, Holder

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

(c) Clearing System

"**Clearing System**" in each case is the clearing system as specified in Table 1 in the Annex.

(3) Term of the Products

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer [*insert in the case COSI is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific conditions*].

§ 2

Status of the Products

[*insert in the case COSI is not applicable:*

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.]

[insert in the case COSI is applicable:

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

§ 3

Definitions

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

[insert in the case of a share as Underlying or Basket Component: "Share Issuer" means the company that has issued the [Underlying][Basket Component].]

"Initial Fixing Level" means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.]

"Initial Fixing Period" means the initial fixings period as specified in **Table 1** in the Annex.]

"Number of Basket Component_(i)" [means the relevant Number of Basket Component_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level_(i) [and the [EUR][●]/Reference Currency_(i) exchange rate] and takes into account the Initial Weighting_(i) of the respective Basket Component_(i), corresponding to the weighted share of the respective Basket Component_(i) in the Initial Basket Value on the Initial Fixing Date.] [means the weighted share of the respective Basket Component_(i) in the Initial Basket Value as determined by the Issuer and/or Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level_(i), and taking into account the Initial Weighting_(i) of the respective Basket Component_(i). The relevant Number of Basket Component_(i) corresponds to the [Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting_(i) (converted into the Settlement Currency, if applicable) (dividend) and the Initial Fixing Level_(i) (divisor): Number of Basket Component_(i)= [Denomination][Initial Basket Value] * Initial Weighting_(i) / Initial Fixing Level_(i).] [Initial Weighting means the Initial Weighting_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex.]

"Business Day" means

[insert in the case of Products with Swiss Francs as Settlement Currency: [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]

[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency: [(in the case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in *[insert principal financial centre for such currency: ●].]*

[insert in the case of Products with Euro as Settlement Currency: [(in the case of Products with Euro as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.]

[insert in the case of Products with US Dollar as Settlement Currency: [(in the case of Products with US Dollar as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in New York and Zurich.]

[insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [insert currency: ●]] [in the Business Centre[s]] [if no currency is indicated, insert: in each of the Business Centres].]

["**Issue Price**"] means the issue price as specified in **Table 1** in the Annex.]

["**Issue Surcharge**"] means the issue surcharge as specified in **Table 1** in the Annex.]

["**Issue Date**"] means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

["**Underlying**"] means[, subject to a replacement in accordance with these Conditions,] the [Underlying] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"]["**Share**"]["**Participation Certificate (Genussschein)**"]["**Security representing Shares**"]["**Commodity**"]["**Currency Exchange Rate**"] ["**Futures Contract**"]["**Fixed Rate Instrument**"]["**Derivative Instrument**"]["**Fund Unit**"]) *[insert in the case of a share as Underlying or Basket Component:, as issued by the Share Issuer].]*

["**Underlying Valuation Date**"] means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

["**Basket**"] means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

["**Basket Component**"] means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.]

["**Calculation Agent**"] means the calculation agent as specified in **Table 1** in the Annex.]

[insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket Component: "Exchange" means[, in respect of the Share] the exchange or the quotation system as specified in Table 2 in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]

["**Fiscal Agent**" means the fiscal agent as specified in **Table 1** in the Annex.]

["**Final Fixing Period**" means the period from (and including) the fifth (5th) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

["**Final Fixing Level**" means [the Reference Price [of the respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.]]

["**Initial Fixing Date**" means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General Conditions]. *[insert in the case of Products with subscription period: In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.]*]

["**Business Centre**" means the business centre as specified in **Table 1** in the Annex.]

["**Maximum Redemption Factor**" means the maximum redemption factor as specified in **Table 1** in the Annex.]

[insert in the case of an index as Underlying or Basket Component: "Index Sponsor" means the index sponsor as specified in Table 2 in the Annex [for the relevant Basket Component].]

["**Initial Weighting_(i)**" means [the Initial Weighting_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Price**" [means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [relevant Reuters] [relevant Bloomberg] page [●] *[insert Internet site: ●]* [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Relevant Performance**" [of the relevant Basket Component] means [the quotient of the End Level

(dividend) and the Initial Fixing Level (divisor).]]

["**Relevant Reference Price**" [of a Basket Component means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate [of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate sponsor on the designated Exchange Rate Page] [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page of another screen service] [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any replacement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service] [*insert other method for determining Relevant Exchange Rate: ●*]. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Minimum Redemption Factor**" means the minimum redemption factor as specified in **Table 1** in the Annex.]

["**Denomination**" means the denomination as specified in **Table 1** in the Annex (as expressed in the Settlement Currency).]

["**Reference Price**" means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of the Underlying] [of a Basket Component] [in [*insert currency: ●*]] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg] [●] [*insert Internet site: ●*] [or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Reference Currency**" means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Redemption Date**" means, subject to an extraordinary termination [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one ore more Basket Components].] [the fifth (5th) Business Day following the Final Fixing Date]]

["**Worst Performance**" means [the worst performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]]

["**TARGET2 System**" means the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET2) payment system which utilises a single shared platform and which was

launched on 19 November 2007, or any successor thereto.]

["**Final Fixing Date**" means [the final fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]].] [In the event of the postponement of the Underlying Valuation Date corresponding to the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

["**Scheduled Trading Day**" has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Website**" means the Website as specified in **Table 1** in the Annex.]

["**Exchange Rate Page**" means the exchange rate page as specified in **Table 2** in the Annex.]

["**Exchange Rate Sponsor**" means the exchange rate sponsor as specified in **Table 2** in the Annex.]

["**Paying Agent**" means the paying agent as specified in **Table 1** in the Annex.]

§ 4

Redemption

[insert if COSI is applicable:

(1) Redemption Amount

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions the Redemption Amount specified in **Table [3]***[if applicable, insert other table number: ●]* in the Annex depending on the Performance of the Basket Component with the Worst Performance, whereby the Redemption Amount is at least equal to the Minimum Redemption Amount pursuant to paragraph (2) and not greater than the Maximum Redemption Amount pursuant to paragraph (3).

The "**Performance of the Basket Component**" equals the Final Fixing Level of the Basket Component divided by the Initial Fixing Level of the respective Basket Component.

(2) Minimum Redemption

The Redemption Amount equals at least the Denomination multiplied by the Minimum Redemption Factor (the "**Minimum Redemption Amount**").

(3) Maximum Redemption

The Redemption Amount equals no more than the Denomination multiplied by the Maximum Redemption Factor (the "**Maximum Redemption Amount**").]

[insert if COSI is not applicable:

(1) Redemption Amount

The "**Redemption Amount**" in the Settlement Currency per Product equals the Redemption Amount specified in **Table [3]***[if applicable, insert other table number: ●]* in the Annex depending on the Performance of the Basket Component with the Worst Performance, whereby the Redemption Amount is at least equal to the Minimum Redemption Amount pursuant to paragraph (2) and not greater than the Maximum Redemption Amount pursuant to paragraph (3).

The "**Performance of the Basket Component**" equals the Final Fixing Level of the Basket Component divided by the Initial Fixing Level of the respective Basket Component.

(2) Minimum Redemption

The Redemption Amount equals at least the Denomination multiplied by the Minimum Redemption Factor (the "**Minimum Redemption Amount**").

(3) Maximum Redemption

The Redemption Amount equals no more that the Denomination multiplied by the Maximum Redemption Factor (the "**Maximum Redemption Amount**").]

§ 5

Interest, Coupon Payments

The Products bear no interest.

§ 6

(intentionally left blank)

§ 7

(intentionally left blank)

§ 8

Payments

(1) Payments

The Issuer shall cause the claimed Redemption Amount, if any, to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Redemption Date. If a Redemption Date falls on a day which is not a Business Day and is deferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

(2) Declaration on Regulation S

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

(3) Taxes, Fees and Duties

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

§ 9

(intentionally left blank)

[insert in the case COSI is applicable:]

§ 10**Collateral Secured Instruments (COSI)****(1) Collateralization of the Product**

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

(2) Documentation

The collateralization in favour of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, the issuer and the Collateral Provider dated 10 September 2010, in the case of Products issued by Leonteq Securities AG, or dated 5 October 2012, in the case of Products issued by Leonteq Securities AG, Guernsey Branch («Framework Agreement»). The issuer shall, upon request, provide the Framework Agreement to in-

vestors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG, Brandschenkestrasse 90, 8002 Zurich, Switzerland, via telephone +41 (0)58 800 1000, fax +41 (0)58 800 1010. The core elements of collateralization of the COSI Product are summarised in a SIX Swiss Exchange information sheet, which is available at «www.six-swiss-exchange.com» (under the section „Issuers“ – „Services“, „COSI“).

(3) *Collateralization method*

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to [Method A: Fair Value Method] [in relation to [*insert ISIN(s): ●*] [and]] [Method B: Bond Floor Method] [in relation to [*insert ISIN(s): ●*]] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

(4) *Distribution and market making*

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

(5) *Risks*

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated

with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

(6) *Liquidation of collateral*

If the Collateral Provider fails to fulfil its obligations, the collateral will be liquidated by SIX Swiss Exchange or a liquidator under the terms of the applicable legal regulations. The collateral may be liquidated («Liquidation Events») if (i) the Collateral Provider fails to furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

(7) *Determination of a Liquidation Event*

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

(8) Procedure in case of a Liquidation Event

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website (www.six-swiss-exchange.com under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

(9) Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website (www.six-swiss-exchange.com under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

(10) Costs of liquidation and payout for the benefit of the investors

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collat-

eral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, convert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on

which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

(11) *Secondary Listing*

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

(12) *Liability*

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

(13) *No authorisation*

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

(14) *Congruence with the Conditions*

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

| Term used in this | Corresponding definition in these Conditions |
|----------------------------------|--|
| § 10 "Collateral Secured Instru- | |

ments (COSI)"

investor

Holder

issuer

Issuer

issuing condi-
tions

Terms and Conditions, Conditions

maturity

Redemption, Redemption Date, Final Fixing Date]

[insert in the case COSI is not applicable:]

§ 10

(intentionally left blank)]

[in the case of Capped Certificates with Cash Settlement and with par value and with unconditional minimum redemption (Product No. 24), insert:

§ 1

Form and Issue Size; Definitions; Term of the Products

(1) *Currency; Issue Size*

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "**Issuer**") issues products (each a "**Certificate**" or a "**Product**" and together the "**Certificates**" or the "**Products**"). The total nominal amount (the "**Total Nominal Amount**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.

(2) *Form*

[insert in the case of Swiss Uncertificated Securities:

(a) **Uncertificated Securities, Holders**

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent

(*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.

(b) Custody Agent

"**Custody Agent**" is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

[insert in the case of Swiss Bearer Securities:

(a) Bearer Securities

The Products are issued in bearer form ("**Bearer Securities**").

(b) Permanent Global Note, Holder

[insert in the case of Swiss CBF Bearer Securities:

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of Swiss SIX SIS Bearer Securities:

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.]

[insert in the case of German Bearer Securities:

(a) Bearer Securities

The Products are issued in bearer form.

[insert in the case of German CBF Bearer Securities:]

(b) Permanent Global Note, Holder

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of German SIX SIS Bearer Securities:]

(b) Permanent Global Note, Holder

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

(c) Clearing System

"**Clearing System**" in each case is the clearing system as specified in Table 1 in the Annex.

(3) *Term of the Products*

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer [*insert in the case COSI is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific conditions*].

§ 2

Status of the Products

[*insert in the case COSI is not applicable:*

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.]

[insert in the case COSI is applicable:

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

§ 3

Definitions

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

[insert in the case of a share as Underlying or Basket Component: "Share Issuer" means the company that has issued the [Underlying][Basket Component].]

"Initial Fixing Level" means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.]

"Initial Fixing Period" means the initial fixings period as specified in **Table 1** in the Annex.]

"Initial Basket Value" means the initial basket value as specified in **Table 1** in the Annex.]

"Number of Basket Component_(i)" [means the relevant Number of Basket Component_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level_(i) [and the [EUR][●]/Reference Currency_(i) exchange rate] and takes into account the Initial Weighting_(i) of the respective Basket Component_(i), corresponding to the weighted share of the respective Basket Component_(i) in the Initial Basket Value on the Initial Fixing Date.] [means the weighted share of the respective Basket Component_(i) in the Initial Basket Value as determined by the Issuer and/or Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level_(i), and taking into account the Initial Weighting_(i) of the respective Basket Component_(i). The relevant Number of Basket Component_(i) corresponds to the [Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting_(i) (converted into the Settlement Currency, if applicable) (dividend) and the Initial Fixing Level_(i) (divisor): $\text{Number of Basket Component}_{(i)} = \frac{[\text{Denomination}][\text{Initial Basket Value}] * \text{Initial Weighting}_{(i)}}{\text{Initial Fixing Level}_{(i)}}$] [Initial Weighting means the Initial Weighting_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex.]

["**Business Day**" means

[insert in the case of Products with Swiss Francs as Settlement Currency: [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]

[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency: [(in the case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in [insert principal financial centre for such currency: ●].]

[insert in the case of Products with Euro as Settlement Currency: [(in the case of Products with Euro as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.]

[insert in the case of Products with US Dollar as Settlement Currency: [(in the case of Products with US Dollar as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in New York and Zurich.]

[insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [insert currency: ●]] [in the Business Centre[s]] [if no currency is indicated, insert: in each of the Business Centres].]

["**Issue Price**" means the issue price as specified in **Table 1** in the Annex.]

["**Issue Surcharge**" means the issue surcharge as specified in **Table 1** in the Annex.]

["**Issue Date**" means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

["**Barrier Observation Period**" means the barrier observation period as specified in **Table 1**.]

["**Barrier Event**" has occurred if [the Final Fixing Level is [equal to or] below the Barrier Level] [the [Price][Reference Price] is [equal to or] below the Barrier Level at any time during the Barrier Observation Period] *[insert in the case of a Basket as Underlying if appropriate: [the Final Basket Value equals or falls below the Barrier Level as determined by the Calculation Agent] [the [Price][Reference Price] of the Basket is equal to or below the Barrier Level during the Observation Period, as determined by the Calculation Agent] [the [Price][Reference Price] of a Basket Component is [equal to or] below the Barrier Level for this Basket Component as specified in **Table 1**][2] in the Annex at any time during the Barrier Observation Period], as determined by the Calculation Agent.]]]*

["**Barrier Level**" means the barrier level as specified in **Table 1** in the Annex [with respect to the relevant Basket Component].]

["**Underlying**" means[, subject to a replacement in accordance with these Conditions,] the [Underly-

ing] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"]["**Share**"]["**Participation Certificate (Genussschein)**"]["**Security representing Shares**"]["**Commodity**"]["**Currency Exchange Rate**] ["**Futures Contract**"]["**Fixed Rate Instrument**"]["**Derivative Instrument**"]["**Fund Unit**"]) [*insert in the case of a share as Underlying or Basket Component*:, as issued by the Share Issuer].]

["**Underlying Valuation Date**" means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

["**Basket**" means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

["**Basket Component**" means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.]

["**Calculation Agent**" means the calculation agent as specified in **Table 1** in the Annex.]

[*insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket Component*: "**Exchange**" means[, in respect of the Share] the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]

["**Bonus Level**" means the bonus level as specified in **Table 1** in the Annex.]

["**Cap Level**" means the Cap Level as specified in **Table 1** in the Annex.]

["**Fiscal Agent**" means the fiscal agent as specified in **Table 1** in the Annex.]

["**Final Fixing Period**" means the period from (and including) the fifth (5th) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

["**Final Fixing Level**" means [the Reference Price [of the respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.]]

["**Final Basket Value**" means the sum of the Final Levels of all Basket Components.]

["**Final Level of a Basket Component**" means the Final Fixing Level of the Basket Component multiplied by the Number of Basket Component. Accordingly, the Final Level of a Basket Component will be calculated as follows:

$$\text{Final Level of a Basket Component} = W_{(i)} * Ff_{(i)}$$

whereby

" $W_{(i)}$ " means Number of Basket Component and

"Ff_(i)" means the Final Fixing Level of the Basket Component.]

["**Initial Fixing Date**" means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General Conditions]. *[insert in the case of Products with subscription period: In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.]*]

["**Business Centre**" means the business centre as specified in **Table 1** in the Annex.]

*[insert in the case of an index as Underlying or Basket Component: "Index Sponsor"**"** means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].]*

["**Initial Weighting_(i)**" means [the Initial Weighting_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Price**" [means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [relevant Reuters] [relevant Bloomberg] page [●] *[insert Internet site: ●]* [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Relevant Performance**" [of the relevant Basket Component] means [the quotient of the End Level (dividend) and the Initial Fixing Level (divisor)].]

["**Relevant Reference Price**" [of a Basket Component means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate [of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate sponsor on the designated Exchange Rate Page] [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page of another screen service] [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any replacement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service] *[insert other method for determining Relevant Exchange Rate: ●]*. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Minimum Redemption Factor**" means the minimum redemption factor as specified in **Table 1** in

the Annex.]

["**Denomination**" means the denomination as specified in **Table 1** in the Annex (as expressed in the Settlement Currency).]

["**Participation Factor**" means the participation factor as specified in **Table 1** in the Annex.]

["**Reference Price**" means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of the Underlying] [of a Basket Component] [in [*insert currency*: ●]] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg] [●] [*insert Internet site*: ●] [or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Reference Currency**" means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Redemption Date**" means, subject to an extraordinary termination [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one or more Basket Components].] [the fifth (5th) Business Day following the Final Fixing Date]]

["**Worst Performance**" means [the worst performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]]

["**TARGET2 System**" means the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET2) payment system which utilises a single shared platform and which was launched on 19 November 2007, or any successor thereto.]

["**Final Fixing Date**" means [the final fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]].] [In the event of the postponement of the Underlying Valuation Date corresponding to the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

["**Scheduled Trading Day**" has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Website**" means the Website as specified in **Table 1** in the Annex.]

["**Exchange Rate Page**" means the exchange rate page as specified in **Table 2** in the Annex.]

["**Exchange Rate Sponsor**" means the exchange rate sponsor as specified in **Table 2** in the Annex.]

["**Paying Agent**" means the paying agent as specified in **Table 1** in the Annex.]

§ 4
Redemption

[insert if COSI is applicable:

(1) Redemption Amount

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to a Minimum Redemption pursuant to paragraph (2) and a Maximum Redemption pursuant to paragraph (3) or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions, the Denomination multiplied by the total of (i) the Minimum Redemption Factor and (ii) the Participation Factor multiplied by the Performance of the [Underlying][Basket Component with the Worst Performance].

[The "**Performance of the Underlying**" equals the quotient of (i) the difference between the Final Fixing Level and the Initial Fixing Level and (ii) the Initial Fixing Level.][The "**Performance of the Basket Component**" equals the quotient of (i) the difference between the Final Fixing Level and the Initial Fixing Level and (ii) the Initial Fixing Level of the respective Basket Component].

The Redemption Amount will be *[insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (4), as the case may be, and]* commercially rounded to two (2) decimal places.

(2) Minimum Redemption

[The Redemption Amount equals the Denomination multiplied by the Minimum Redemption Factor. if the Final Fixing Level is at or below the Initial Fixing Level (the "**Minimum Redemption Amount**")][The Redemption Amount equals the Denomination multiplied by the Minimum Redemption Factor. if the Final Fixing Level of the Basket Component with the Worst Performance is at or below the Initial Fixing Level (the "**Minimum Redemption Amount**")].

(3) Maximum Redemption

[The Redemption Amount equals the Denomination multiplied by the total of (i) the Minimum Redemption Factor and (ii) the Participation Factor multiplied by the difference between the Cap Level and 100 per cent., if the Final Fixing Level exceeds the Initial Fixing Level multiplied by the Cap Level (the "**Maximum Redemption Amount**")][The Redemption Amount equals the Denomination multiplied by the total of (i) the Minimum Redemption Factor and (ii) the Participation Factor multiplied by the difference between the Cap Level and 100 per cent., if the Final Fixing Level of the Basket Component with the Worst Performance exceeds the Initial Fixing Level multiplied by the Cap Level (the "**Maximum Redemption Amount**")].

The Maximum Redemption Amount will be *[insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (4), as the case may be, and]* commercially rounded to two (2) decimal places.

[insert if Currency Conversion is applicable:

(4) Currency exchange

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent *[insert if Quanto is not applicable: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.]**[insert if Quanto is applicable: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("Quanto").]*

[insert if COSI is not applicable:

(1) Redemption Amount

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to a Minimum Redemption pursuant to paragraph (2) and a Maximum Redemption pursuant to paragraph (3), the Denomination multiplied by the total of (i) the Minimum Redemption Factor and (ii) the Participation Factor multiplied by the Performance of the [Underlying][Basket Component with the Worst Performance].

[The "**Performance of the Underlying**" equals the quotient of (i) the difference between the Final Fixing Level and the Initial Fixing Level and (ii) the Initial Fixing Level][The "**Performance of the Basket Component**" equals the quotient of (i) the difference between the Final Fixing Level and the Initial Fixing Level and (ii) the Initial Fixing Level of the respective Basket Component].

The Redemption Amount will be *[insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (4), as the case may be, and]* commercially rounded to two (2) decimal places.

(2) Minimum Redemption

[The Redemption Amount equals the Denomination multiplied by the Minimum Redemption Factor. if the Final Fixing Level is at or below the Initial Fixing Level (the "**Minimum Redemption Amount**")][The Redemption Amount equals the Denomination multiplied by the Minimum Redemption Factor. if the Final Fixing Level of the Basket Component with the Worst Performance is at or below the Initial Fixing Level (the "**Minimum Redemption Amount**")].

(3) Maximum Redemption

[The Redemption Amount equals the Denomination multiplied by the total of (i) the Minimum Redemption Factor and (ii) the Participation Factor multiplied by the difference between the Cap Level and 100 per cent., if the Final Fixing Level exceeds the Initial Fixing Level multiplied by the Cap Level (the "**Maximum Redemption Amount**")][The Redemption Amount equals the Denomination multiplied by the total of (i) the Minimum Redemption Factor and (ii) the Participation Factor multiplied by the difference between the Cap Level and 100 per cent., if the Final Fixing Level of the Basket Component with the Worst Performance exceeds the Initial Fixing Level multiplied by the Cap Level (the "**Maximum Redemption Amount**")].

The Maximum Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (4), as the case may be, and] commercially rounded to two (2) decimal places.

[*insert if Currency Conversion is applicable*:

(4) Currency exchange

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent [*insert if Quanto is not applicable*: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.][*insert if Quanto is applicable*: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("**Quanto**").]

§ 5**Interest, Coupon Payments**

The Products bear no interest.

§ 6**(intentionally left blank)****§ 7****(intentionally left blank)****§ 8****Payments****(1) Payments**

The Issuer shall cause the claimed Redemption Amount, if any, to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Redemption Date. If a Redemption Date falls on a day which is not a Business Day and is deferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

(2) Declaration on Regulation S

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

(3) Taxes, Fees and Duties

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

§ 9**(intentionally left blank)**

[insert in the case COSI is applicable:]

§ 10**Collateral Secured Instruments (COSI)****(1) Collateralization of the Product**

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

(2) Documentation

The collateralization in favour of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, the issuer and the Collateral Provider dated 10 September 2010, in the case of Products issued by Leonteq Securities AG, or dated 5 October 2012, in the case of Products issued by Leonteq Securities AG, Guernsey Branch («Framework Agreement»). The issuer shall, upon request, provide the Framework Agreement to investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG, Brandschenkestrasse 90, 8002 Zurich, Switzerland, via telephone +41 (0)58 800 1000, fax +41 (0)58 800 1010. The core elements of collateralization of the COSI Product are summarised in a SIX Swiss Exchange information sheet, which is available at «www.six-swiss-exchange.com» (under the section „Issuers“ – „Services“, „COSI“).

(3) Collateralization method

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to

[Method A: Fair Value Method] [Method B: Bond Floor Method] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

(4) *Distribution and market making*

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

(5) *Risks*

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

(6) *Liquidation of collateral*

If the Collateral Provider fails to fulfil its obligations, the collateral will be liquidated by SIX Swiss Exchange or a liquidator under the terms of the applicable legal regulations. The collateral may be liquidated («Liquidation Events») if (i) the Collateral Provider fails to furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing

conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

(7) Determination of a Liquidation Event

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

(8) Procedure in case of a Liquidation Event

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website (www.six-swiss-exchange.com under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

(9) Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website (www.six-swiss-exchange.com under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

(10) *Costs of liquidation and payout for the benefit of the investors*

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, con-

vert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

(11) *Secondary Listing*

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

(12) *Liability*

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

(13) No authorisation

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

(14) Congruence with the Conditions

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

| Term used in this | Corresponding definition in these Conditions |
|--|---|
| § 10 "Collateral Secured Instruments (COSI)" | |
| investor | Holder |
| issuer | Issuer |
| issuing conditions | Terms and Conditions, Conditions |
| maturity | Redemption, Redemption Date, Final Fixing Date] |

[insert in the case COSI is not applicable:]

§ 10
(intentionally left blank)]

[in the case of Inverse Bonus Certificates with Cash Settlement (Product No. 25), insert:

§ 1

Form and Issue Size; Definitions; Term of the Products

(1) *Currency; Issue Size*

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "**Issuer**") issues products without par value (each a "**Certificate**" or a "**Product**" and together the "**Certificates**" or the "**Products**"). The number (the "**Number of Products**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.

(2) *Form*

[insert in the case of Swiss Uncertificated Securities:

(a) **Uncertificated Securities, Holders**

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their

own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.

(b) Custody Agent

"**Custody Agent**" is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

[insert in the case of Swiss Bearer Securities:

(a) Bearer Securities

The Products are issued in bearer form ("**Bearer Securities**").

(b) Permanent Global Note, Holder

[insert in the case of Swiss CBF Bearer Securities:

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of Swiss SIX SIS Bearer Securities:

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.]

[insert in the case of German Bearer Securities:

(a) Bearer Securities

The Products are issued in bearer form.

[insert in the case of German CBF Bearer Securities:]

(b) Permanent Global Note, Holder

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of German SIX SIS Bearer Securities:]

(b) Permanent Global Note, Holder

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

(c) Clearing System

"**Clearing System**" in each case is the clearing system as specified in Table 1 in the Annex.

(3) Term of the Products

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer [*insert in the case COSI is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific conditions*].

§ 2

Status of the Products

[*insert in the case COSI is not applicable:*

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.]

[insert in the case COSI is applicable:

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

§ 3

Definitions

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

[insert in the case of a share as Underlying or Basket Component: "Share Issuer" means the company that has issued the [Underlying][Basket Component].]

"Initial Fixing Level" means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the arithmetic mean of the Reference Prices of the Underlying during the Initial Fixing Period.] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.]

"Initial Fixing Period" means the initial fixings period as specified in **Table 1** in the Annex.]

"Initial Basket Value" means the initial basket value as specified in **Table 1** in the Annex.]

"Number of Basket Component_(i)" [means the relevant Number of Basket Component_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level_(i) [and the [EUR][●]/Reference Currency_(i) exchange rate] and takes into account the Initial Weighting_(i) of the respective Basket Component_(i), corresponding to the weighted share of the respective Basket Component_(i) in the Initial Basket Value on the Initial Fixing Date.] [means the weighted share of the respective Basket Component_(i) in the Initial Basket Value as determined by the Issuer and/or Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level_(i), and taking into account the Initial Weighting_(i) of the respective Basket Component_(i). The relevant Number of Basket Component_(i) corresponds to the [Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting_(i) (dividend) and the Initial Fixing Level_(i) (converted into the Settlement Currency, if applicable) (divisor): $\text{Number of Basket Component}_{(i)} = \frac{[\text{Denomination}][\text{Initial Basket Value}] * \text{Initial Weighting}_{(i)}}{\text{Initial Fixing Level}_{(i)}}$.] [Initial Weighting means the Initial Weighting_(i) of the respective

Basket Component⁽ⁱ⁾ as specified in **Table 2** in the Annex.].]

["**Business Day**" means

[insert in the case of Products with Swiss Francs as Settlement Currency: [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]

[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency: [(in the case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in [insert principal financial centre for such currency: ●].]

[insert in the case of Products with Euro as Settlement Currency: [(in the case of Products with Euro as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.]

[insert in the case of Products with US Dollar as Settlement Currency: [(in the case of Products with US Dollar as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in New York and Zurich.]

[insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [insert currency: ●]] [in the Business Centre[s]] [if no currency is indicated, insert: in each of the Business Centres].]

["**Issue Price**" means the issue price as specified in **Table 1** in the Annex.]

["**Issue Surcharge**" means the issue surcharge as specified in **Table 1** in the Annex.]

["**Issue Date**" means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

["**Strike Level**" means the strike level as specified in **Table 1**.]

["**Conversion Ratio**" means [the conversion ratio as specified in **Table 1** in the Annex.][the conversion ratio in respect of the relevant Basket Component as specified in **Table 2** in the Annex.] [If the Issuer has received ordinary dividend payments between the Initial Fixing Date (exclusive) and the Final Fixing Date [(exclusive)] [(inclusive)] in respect of the Underlying, the applicable net dividend (i.e. the dividend amount minus taxes) is reinvested, whereby the Conversion Ratio is adjusted ● Business Days after the receipt of the dividend payment by the Issuer.]]

["**Barrier Observation Period**" means the barrier observation period as specified in **Table 1** in the Annex.]

["**Barrier Event**" has occurred if [the Final Fixing Level is [equal to or] above the Barrier Level] [the

[Price][Reference Price] is [equal to or] above the Barrier Level at any time during the Barrier Observation Period] [*insert in the case of a Basket as Underlying if appropriate: [the Final Basket Value equals or above the Barrier Level as determined by the Calculation Agent] [the [Price][Reference Price] of the Basket is equal to or above the Barrier Level during the Observation Period, as determined by the Calculation Agent] [the [Price][Reference Price] of a Basket Component is [equal to or] above the Barrier Level for this Basket Component as specified in Table [1][2] in the Annex at any time during the Barrier Observation Period], as determined by the Calculation Agent.]]]*

["**Barrier Level**" means the barrier level as specified in **Table 1** in the Annex [with respect to the relevant Basket Component].]

["**Underlying**" means[, subject to a replacement in accordance with these Conditions,] the [Underlying] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"]["**Share**"]["**Participation Certificate (Genussschein)**"]["**Security representing Shares**"]["**Commodity**"]["**Currency Exchange Rate**"] ["**Futures Contract**"]["**Fixed Rate Instrument**"]["**Derivative Instrument**"]["**Fund Unit**"]) [*insert in the case of a share as Underlying or Basket Component:., as issued by the Share Issuer.*]

["**Underlying Valuation Date**" means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

["**Basket**" means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

["**Basket Component**" means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.]

["**Calculation Agent**" means the calculation agent as specified in **Table 1** in the Annex.]

[*insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket Component: "Exchange"* means[, in respect of the Share] the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]

["**Bonus Level**" means the bonus level as specified in **Table 1** in the Annex.]

["**Cap Level**" means the cap level as specified in **Table 1** in the Annex.]

["**Fiscal Agent**" means the fiscal agent as specified in **Table 1** in the Annex.]

["**Final Fixing Period**" means the period from (and including) the fifth (5th) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

["**Final Fixing Level**" means [the Reference Price [of the respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing

Date.]]

["**Initial Fixing Date**" means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General Conditions]. [*insert in the case of Products with subscription period:* In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.]]

["**Business Centre**" means the business centre as specified in **Table 1** in the Annex.]

[*insert in the case of an index as Underlying or Basket Component:* "**Index Sponsor**" means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].]

["**Initial Weighting_(i)**" means [the Initial Weighting_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Price**" [means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [relevant Reuters] [relevant Bloomberg] page [●] [*insert Internet site:* ●] [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Relevant Performance**" [of the relevant Basket Component] means [the quotient of the End Level (dividend) and the Initial Fixing Level (divisor)].]

["**Relevant Reference Price**" [of a Basket Component means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate [of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate sponsor on the designated Exchange Rate Page] [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page of another screen service] [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any replacement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service] [*insert other method for determining Relevant Exchange Rate:* ●]. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Reference Price**" means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of

the Underlying] [of a Basket Component] [in [*insert currency*: ●]] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg] [●] [*insert Internet site*: ●] [or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Reference Currency**"] means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Redemption Date**"] means, subject to an extraordinary termination [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one or more Basket Components].] [the fifth (5th) Business Day following the Final Fixing Date]]

["**Worst Performance**"] means [the worst performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]]

["**TARGET2 System**"] means the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET2) payment system which utilises a single shared platform and which was launched on 19 November 2007, or any successor thereto.]

["**Final Fixing Date**"] means [the final fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]].] [In the event of the postponement of the Underlying Valuation Date corresponding to the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

["**Scheduled Trading Day**"] has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Website**"] means the Website as specified in **Table 1** in the Annex.]

["**Exchange Rate Page**"] means the exchange rate page as specified in **Table 2** in the Annex.]

["**Exchange Rate Sponsor**"] means the exchange rate sponsor as specified in **Table 2** in the Annex.]

["**Paying Agent**"] means the paying agent as specified in **Table 1** in the Annex.]

§ 4

Redemption

[insert if COSI is applicable:]

(1) Redemption Amount

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to a redemption pursuant to paragraph (2) or subject to the occurrence of a Liquidation Event according to § 10 of the

Issue Specific Conditions the product of the Issue Price and the quotient of (i) the difference between the Cap Level and the Final Fixing Level and (ii) the Initial Fixing Level.

The Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (3), as the case may be, and] commercially rounded to two (2) decimal places.

(2) Minimum Redemption

Provided that no Barrier Event has occurred, the Redemption Amount will be determined as follows:

- (i) if the Final Fixing Level is below the Strike Level, the Redemption Amount is equal to the product of the Issue Price and the quotient of (i) the difference between the Cap Level and the Final Fixing Level and (ii) the Initial Fixing Level; or
- (ii) if the Final Fixing Level is equal to above the Strike Level the Redemption Amount is equal to the Issue Price multiplied by the Bonus Level.

The Redemption Amount determined in accordance with this paragraph (2) will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (3) and] commercially rounded to two (2) decimal places.

[*insert if Currency Conversion is applicable*:

(3) Currency exchange

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent [*insert if Quanto is not applicable*: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.][*insert if Quanto is applicable*: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("**Quanto**").]

[*insert if COSI is not applicable*:

(1) Redemption Amount

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to a redemption pursuant to paragraph (2) the product of the Issue Price and the quotient of (i) the difference between the Cap Level and the Final Fixing Level and (ii) the Initial Fixing Level.

The Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (3), as the case may be, and] commercially rounded to two (2) decimal places.

(2) Minimum Redemption

Provided that no Barrier Event has occurred, the Redemption Amount will be determined as follows:

(i) if the Final Fixing Level is below the Strike Level, the Redemption Amount is equal to the product of the Issue Price and the quotient of (i) the difference between the Cap Level and the Final Fixing Level and (ii) the Initial Fixing Level; or

(ii) if the Final Fixing Level is equal to above the Strike Level the Redemption Amount is equal to the Issue Price multiplied by the Bonus Level.

The determined in accordance with this paragraph (2) will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (3) and] commercially rounded to two (2) decimal places.

[*insert if Currency Conversion is applicable*:

(3) Currency exchange

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent [*insert if Quanto is not applicable*: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.][*insert if Quanto is applicable*: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("**Quanto**").]]

§ 5

Interest, Coupon Payments

The Products bear no interest.

§ 6**(intentionally left blank)****§ 7****(intentionally left blank)****§ 8****Payments****(1) *Payments***

The Issuer shall cause the claimed Redemption Amount, if any, to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Redemption Date.

If the Redemption Date falls on a day which is not a Business Day and is deferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

(2) *Declaration on Regulation S*

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

(3) *Taxes, Fees and Duties*

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

§ 9**(intentionally left blank)**

[insert in the case COSI is applicable:]

§ 10**Collateral Secured Instruments (COSI)****(1) *Collateralization of the Product***

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

(2) Documentation

The collateralization in favour of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, the issuer and the Collateral Provider dated 10 September 2010, in the case of Products issued by Leonteq Securities AG, or dated 5 October 2012, in the case of Products issued by Leonteq Securities AG, Guernsey Branch («Framework Agreement»). The issuer shall, upon request, provide the Framework Agreement to investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG, Brandschenkestrasse 90, 8002 Zurich, Switzerland, via telephone +41 (0)58 800 1000, fax +41 (0)58 800 1010. The core elements of collateralization of the COSI Product are summarised in a SIX Swiss Exchange information sheet, which is available at «www.six-swiss-exchange.com» (under the section „Issuers“ – „Services“, „COSI“).

(3) Collateralization method

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to

[Method A: Fair Value Method] [Method B: Bond Floor Method] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

(4) *Distribution and market making*

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

(5) *Risks*

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

(6) *Liquidation of collateral*

If the Collateral Provider fails to fulfil its obligations, the collateral will be liquidated by SIX Swiss Exchange or a liquidator under the terms of the applicable legal regulations. The collateral may be liquidated («Liquidation Events») if (i) the Collateral Provider fails to furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing

conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

(7) Determination of a Liquidation Event

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

(8) Procedure in case of a Liquidation Event

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website (www.six-swiss-exchange.com under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

(9) Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website (www.six-swiss-exchange.com under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

(10) *Costs of liquidation and payout for the benefit of the investors*

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, con-

vert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

(11) *Secondary Listing*

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

(12) *Liability*

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

(13) No authorisation

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

(14) Congruence with the Conditions

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

| Term used in this | Corresponding definition in these Conditions |
|--|---|
| § 10 "Collateral Secured Instruments (COSI)" | |
| investor | Holder |
| issuer | Issuer |
| issuing conditions | Terms and Conditions, Conditions |
| maturity | Redemption, Redemption Date, Final Fixing Date] |

[insert in the case COSI is not applicable:]

§ 10
(intentionally left blank)]

[in the case of Capped Inverse Bonus Certificates with Cash Settlement (Product No. 26), insert:

§ 1

Form and Issue Size; Definitions; Term of the Products

(1) *Currency; Issue Size*

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "**Issuer**") issues products without par value (each a "**Certificate**" or a "**Product**" and together the "**Certificates**" or the "**Products**"). The number (the "**Number of Products**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.

(2) *Form*

[insert in the case of Swiss Uncertificated Securities:

(a) **Uncertificated Securities, Holders**

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their

own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.

(b) Custody Agent

"**Custody Agent**" is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

[insert in the case of Swiss Bearer Securities:

(a) Bearer Securities

The Products are issued in bearer form ("**Bearer Securities**").

(b) Permanent Global Note, Holder

[insert in the case of Swiss CBF Bearer Securities:

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of Swiss SIX SIS Bearer Securities:

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.]

[insert in the case of German Bearer Securities:

(a) Bearer Securities

The Products are issued in bearer form.

[insert in the case of German CBF Bearer Securities:]

(b) Permanent Global Note, Holder

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of German SIX SIS Bearer Securities:]

(b) Permanent Global Note, Holder

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

(c) Clearing System

"**Clearing System**" in each case is the clearing system as specified in Table 1 in the Annex.

(3) *Term of the Products*

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer [*insert in the case COSI is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific conditions*].

§ 2

Status of the Products

[*insert in the case COSI is not applicable:*

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.]

[insert in the case COSI is applicable:

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

§ 3

Definitions

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

[insert in the case of a share as Underlying or Basket Component: "Share Issuer" means the company that has issued the [Underlying][Basket Component].]

"Initial Fixing Level" means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the arithmetic mean of the Reference Prices of the Underlying during the Initial Fixing Period.] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.]

"Initial Fixing Period" means the initial fixings period as specified in **Table 1** in the Annex.]

"Initial Basket Value" means the initial basket value as specified in **Table 1** in the Annex.]

"Number of Basket Component_(i)" [means the relevant Number of Basket Component_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level_(i) [and the [EUR][●]/Reference Currency_(i) exchange rate] and takes into account the Initial Weighting_(i) of the respective Basket Component_(i), corresponding to the weighted share of the respective Basket Component_(i) in the Initial Basket Value on the Initial Fixing Date.] [means the weighted share of the respective Basket Component_(i) in the Initial Basket Value as determined by the Issuer and/or Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level_(i), and taking into account the Initial Weighting_(i) of the respective Basket Component_(i). The relevant Number of Basket Component_(i) corresponds to the [Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting_(i) (dividend) and the Initial Fixing Level_(i) (converted into the Settlement Currency, if applicable) (divisor): $\text{Number of Basket Component}_{(i)} = \frac{[\text{Denomination}][\text{Initial Basket Value}] * \text{Initial Weighting}_{(i)}}{\text{Initial Fixing Level}_{(i)}}$.] [Initial Weighting means the Initial Weighting_(i) of the respective

Basket Component⁽ⁱ⁾ as specified in **Table 2** in the Annex.].]

["**Business Day**" means

[insert in the case of Products with Swiss Francs as Settlement Currency: [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]

[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency: [(in the case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in [insert principal financial centre for such currency: ●].]

[insert in the case of Products with Euro as Settlement Currency: [(in the case of Products with Euro as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.]

[insert in the case of Products with US Dollar as Settlement Currency: [(in the case of Products with US Dollar as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in New York and Zurich.]

[insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [insert currency: ●]] [in the Business Centre[s]] [if no currency is indicated, insert: in each of the Business Centres].]

["**Issue Price**" means the issue price as specified in **Table 1** in the Annex.]

["**Issue Surcharge**" means the issue surcharge as specified in **Table 1** in the Annex.]

["**Issue Date**" means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

["**Strike Level**" means the strike level as specified in **Table 1**.]

["**Conversion Ratio**" means [the conversion ratio as specified in **Table 1** in the Annex.][the conversion ratio in respect of the relevant Basket Component as specified in **Table 2** in the Annex.] [If the Issuer has received ordinary dividend payments between the Initial Fixing Date (exclusive) and the Final Fixing Date [(exclusive)] [(inclusive)] in respect of the Underlying, the applicable net dividend (i.e. the dividend amount minus taxes) is reinvested, whereby the Conversion Ratio is adjusted ● Business Days after the receipt of the dividend payment by the Issuer.]]

["**Barrier Observation Period**" means the barrier observation period as specified in **Table 1** in the Annex.]

["**Barrier Event**" has occurred if [the Final Fixing Level is [equal to or] above the Barrier Level] [the

[Price][Reference Price] is [equal to or] above the Barrier Level at any time during the Barrier Observation Period] [*insert in the case of a Basket as Underlying if appropriate: [the Final Basket Value equals or above the Barrier Level as determined by the Calculation Agent] [the [Price][Reference Price] of the Basket is equal to or above the Barrier Level during the Observation Period, as determined by the Calculation Agent] [the [Price][Reference Price] of a Basket Component is [equal to or] above the Barrier Level for this Basket Component as specified in Table [1][2] in the Annex at any time during the Barrier Observation Period], as determined by the Calculation Agent.]]]*

["**Barrier Level**" means the barrier level as specified in **Table 1** in the Annex [with respect to the relevant Basket Component].]

["**Underlying**" means[, subject to a replacement in accordance with these Conditions,] the [Underlying] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"]["**Share**"]["**Participation Certificate (Genussschein)**"]["**Security representing Shares**"]["**Commodity**"]["**Currency Exchange Rate**"] ["**Futures Contract**"]["**Fixed Rate Instrument**"]["**Derivative Instrument**"]["**Fund Unit**"]) [*insert in the case of a share as Underlying or Basket Component:., as issued by the Share Issuer.*]

["**Underlying Valuation Date**" means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

["**Basket**" means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

["**Basket Component**" means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.]

["**Calculation Agent**" means the calculation agent as specified in **Table 1** in the Annex.]

[*insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket Component: "Exchange"* means[, in respect of the Share] the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]

["**Bonus Level**" means the bonus level as specified in **Table 1** in the Annex.]

["**Cap Level**" means the cap level as specified in **Table 1** in the Annex.]

["**Fiscal Agent**" means the fiscal agent as specified in **Table 1** in the Annex.]

["**Final Fixing Period**" means the period from (and including) the fifth (5th) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

["**Final Fixing Level**" means [the Reference Price [of the respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing

Date.]]

["**Initial Fixing Date**" means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General Conditions]. [*insert in the case of Products with subscription period:* In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.]]

["**Business Centre**" means the business centre as specified in **Table 1** in the Annex.]

[*insert in the case of an index as Underlying or Basket Component:* "**Index Sponsor**" means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].]

["**Initial Weighting**_(i)" means [the Initial Weighting_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Price**" [means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [relevant Reuters] [relevant Bloomberg] page [●] [*insert Internet site:* ●] [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Relevant Performance**" [of the relevant Basket Component] means [the quotient of the End Level (dividend) and the Initial Fixing Level (divisor)].]

["**Relevant Reference Price**" [of a Basket Component means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate [of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate sponsor on the designated Exchange Rate Page] [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page of another screen service] [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any replacement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service] [*insert other method for determining Relevant Exchange Rate:* ●]. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Reference Price**" means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of

the Underlying] [of a Basket Component] [in [*insert currency*: ●]] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg] [●] [*insert Internet site*: ●] [or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Reference Currency**"] means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Redemption Date**"] means, subject to an extraordinary termination [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one or more Basket Components].] [the fifth (5th) Business Day following the Final Fixing Date]]

["**Worst Performance**"] means [the worst performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]]

["**TARGET2 System**"] means the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET2) payment system which utilises a single shared platform and which was launched on 19 November 2007, or any successor thereto.]

["**Final Fixing Date**"] means [the final fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]].] [In the event of the postponement of the Underlying Valuation Date corresponding to the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

["**Scheduled Trading Day**"] has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Website**"] means the Website as specified in **Table 1** in the Annex.]

["**Exchange Rate Page**"] means the exchange rate page as specified in **Table 2** in the Annex.]

["**Exchange Rate Sponsor**"] means the exchange rate sponsor as specified in **Table 2** in the Annex.]

["**Paying Agent**"] means the paying agent as specified in **Table 1** in the Annex.]

§ 4

Redemption

[insert if COSI is applicable:]

(1) Redemption Amount

The "**Redemption Amount**" in the Settlement Currency per Product [is equal to the product of the Initial Fixing Level and the quotient of (i) the difference between the Cap Level and the Final Fixing

Level and (ii) the Initial Fixing Level, subject to a redemption pursuant to paragraph (2) or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [will be determined, subject to a redemption pursuant to paragraph (2) or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions as follows:

- (i) if a Barrier Event has occurred and the Final Fixing Level is equal to or above the Strike Level, the Redemption Amount is equal to the product of the Initial Fixing Level and the quotient of (i) the difference between the Cap Level and the Final Fixing Level and (ii) the Initial Fixing Level
- (ii) if a Barrier Event has occurred and the Final Fixing Level is below the Strike Level, the Redemption Amount is equal to the Initial Fixing Level multiplied by the Bonus Level.]

The Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (3), as the case may be, and] commercially rounded to two (2) decimal places.

(2) *Minimum Redemption and/or Maximum Redemption*

Provided that no Barrier Event has occurred, the Redemption Amount equals the Bonus Level multiplied by the Initial Fixing Level.

The Redemption Amount determined in accordance with paragraph (2) will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (3) and] commercially rounded to two (2) decimal places.

[*insert if Currency Conversion is applicable*:

(3) *Currency exchange*

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent [*insert if Quanto is not applicable*: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.][*insert if Quanto is applicable*: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("**Quanto**").]]

[insert if COSI is not applicable:

(1) Redemption Amount

The "**Redemption Amount**" in the Settlement Currency per Product [is equal to the product of the Initial Fixing Level and the quotient of (i) the difference between the Cap Level and the Final Fixing Level and (ii) the Initial Fixing Level, subject to a redemption pursuant to paragraph (2)] [will be determined, subject to a redemption pursuant to paragraph (2) as follows:

- (i) if a Barrier Event has occurred and the Final Fixing Level is equal to or above the Strike Level, the Redemption Amount is equal to the product of the Initial Fixing Level and the quotient of (i) the difference between the Cap Level and the Final Fixing Level and (ii) the Initial Fixing Level
- (ii) if a Barrier Event has occurred and the Final Fixing Level is below the Strike Level, the Redemption Amount is equal to the Initial Fixing Level multiplied by the Bonus Level.]

The Redemption Amount will be *[insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (3), as the case may be, and]* commercially rounded to two (2) decimal places.

(2) Minimum Redemption and/or Maximum Redemption

Provided that no Barrier Event has occurred, the Redemption Amount equals the Bonus Level multiplied by the Initial Fixing Level.

The Redemption Amount determined in accordance with paragraph (2) will be *[insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (3) and]* commercially rounded to two (2) decimal places.

[insert if Currency Conversion is applicable:

(3) Currency exchange

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent *[insert if Quanto is not applicable: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.][insert if Quanto is applicable: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("**Quanto**").]]*

§ 5

Interest, Coupon Payments

The Products bear no interest.

§ 6

(intentionally left blank)

§ 7

(intentionally left blank)

§ 8

Payments

(1) *Payments*

The Issuer shall cause the claimed Redemption Amount, if any, to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Redemption Date.

If the Redemption Date falls on a day which is not a Business Day and is deferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

(2) *Declaration on Regulation S*

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

(3) *Taxes, Fees and Duties*

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

§ 9

(intentionally left blank)

[insert in the case COSI is applicable:]

§ 10

Collateral Secured Instruments (COSI)

(1) Collateralization of the Product

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

(2) Documentation

The collateralization in favour of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, the issuer and the Collateral Provider dated 10 September 2010, in the case of Products issued by Leonteq Securities AG, or dated 5 October 2012, in the case of Products issued by Leonteq Securities AG, Guernsey Branch («Framework Agreement»). The issuer shall, upon request, provide the Framework Agreement to investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG, Brandschenkestrasse 90, 8002 Zurich, Switzerland, via telephone +41 (0)58 800 1000, fax +41 (0)58 800 1010. The core elements of collateralization of the COSI Product are summarised in a SIX Swiss Exchange information sheet, which is available at «www.six-swiss-exchange.com» (under the section „Issuers“ – „Services“, „COSI“).

(3) Collateralization method

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the

determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to [Method A: Fair Value Method] [Method B: Bond Floor Method] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

(4) *Distribution and market making*

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

(5) *Risks*

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

(6) *Liquidation of collateral*

If the Collateral Provider fails to fulfil its obligations, the collateral will be liquidated by SIX Swiss Exchange or a liquidator under the terms of the applicable legal regulations. The collateral may be liquidated («Liquidation Events») if (i) the Collateral Provider fails to furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery

obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

(7) Determination of a Liquidation Event

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

(8) Procedure in case of a Liquidation Event

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website (www.six-swiss-exchange.com under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

(9) Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the On the SIX Swiss Exchange website (www.six-swiss-exchange.com under the section „News“); **Investors' claims against SIX**

Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

(10) *Costs of liquidation and payout for the benefit of the investors*

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-

interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, convert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

(11) *Secondary Listing*

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

(12) Liability

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

(13) No authorisation

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

(14) Congruence with the Conditions

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

| Term used in this § 10 "Collateral Secured Instru- ments (COSI)" | Corresponding definition in these Conditions |
|---|---|
| investor | Holder |
| issuer | Issuer |
| issuing condi- tions | Terms and Conditions, Conditions |
| maturity | Redemption, Redemption Date, Final Fixing Date] |

[insert in the case COSI is not applicable:]

§ 10
(intentionally left blank)]

[in the case of Mini Future Certificates with Cash Settlement (Product No. 27), insert:

§ 1

Form and Issue Size; Definitions; Term of the Products

(1) *Currency; Issue Size*

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "**Issuer**") issues products without par value (each a "**Certificate**" or a "**Product**" and together the "**Certificates**" or the "**Products**"). The number (the "**Number of Products**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.

(2) *Form*

[insert in the case of Swiss Uncertificated Securities:

(a) **Uncertificated Securities, Holders**

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their

own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.

(b) Custody Agent

"**Custody Agent**" is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

[insert in the case of Swiss Bearer Securities:

(a) Bearer Securities

The Products are issued in bearer form ("**Bearer Securities**").

(b) Permanent Global Note, Holder

[insert in the case of Swiss CBF Bearer Securities:

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of Swiss SIX SIS Bearer Securities:

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.]

[insert in the case of German Bearer Securities:

(a) Bearer Securities

The Products are issued in bearer form.

[insert in the case of German CBF Bearer Securities:]

(b) Permanent Global Note, Holder

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of German SIX SIS Bearer Securities:]

(b) Permanent Global Note, Holder

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

(c) Clearing System

"**Clearing System**" in each case is the clearing system as specified in Table 1 in the Annex.

(3) *Term of the Products*

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer [*insert in the case COSI is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific conditions*].

§ 2

Status of the Products

[*insert in the case COSI is not applicable:*

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.]

[insert in the case COSI is applicable:

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

§ 3

Definitions

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

[insert in the case of a share as Underlying or Basket Component: "Share Issuer" means the company that has issued the [Underlying][Basket Component].]

"Initial Fixing Level" means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the arithmetic mean of the Reference Prices of the Underlying during the Initial Fixing Period.] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.]

"Initial Fixing Period" means the initial fixings period as specified in **Table 1** in the Annex.]

"Initial Basket Value" means the initial basket value as specified in **Table 1** in the Annex.]

"Number of Basket Component_(i)" [means the relevant Number of Basket Component_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level_(i) [and the [EUR][●]/Reference Currency_(i) exchange rate] and takes into account the Initial Weighting_(i) of the respective Basket Component_(i), corresponding to the weighted share of the respective Basket Component_(i) in the Initial Basket Value on the Initial Fixing Date.] [means the weighted share of the respective Basket Component_(i) in the Initial Basket Value as determined by the Issuer and/or Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level_(i), and taking into account the Initial Weighting_(i) of the respective Basket Component_(i). The relevant Number of Basket Component_(i) corresponds to the [Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting_(i) (dividend) and the Initial Fixing Level_(i) (converted into the Settlement Currency, if applicable) (divisor): $\text{Number of Basket Component}_{(i)} = \frac{[\text{Denomination}][\text{Initial Basket Value}] * \text{Initial Weighting}_{(i)}}{\text{Initial Fixing Level}_{(i)}}$.] [Initial Weighting means the Initial Weighting_(i) of the respective

Basket Component⁽ⁱ⁾ as specified in **Table 2** in the Annex.].]

["**Business Day**" means

[insert in the case of Products with Swiss Francs as Settlement Currency: [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]

[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency: [(in the case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in [insert principal financial centre for such currency: ●].]

[insert in the case of Products with Euro as Settlement Currency: [(in the case of Products with Euro as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.]

[insert in the case of Products with US Dollar as Settlement Currency: [(in the case of Products with US Dollar as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in New York and Zurich.]

[insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [insert currency: ●]] [in the Business Centre[s]] [if no currency is indicated, insert: in each of the Business Centres].]

["**Issue Price**" means the issue price as specified in **Table 1** in the Annex.]

["**Issue Surcharge**" means the issue surcharge as specified in **Table 1** in the Annex.]

["**Issue Date**" means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

["**Strike Level**" means the strike level as specified in **Table 1**.]

["**Conversion Ratio**" means [the conversion ratio as specified in **Table 1** in the Annex.][the conversion ratio in respect of the relevant Basket Component as specified in **Table 2** in the Annex.] [If the Issuer has received ordinary dividend payments between the Initial Fixing Date (exclusive) and the Final Fixing Date [(exclusive)] [(inclusive)] in respect of the Underlying, the applicable net dividend (i.e. the dividend amount minus taxes) is reinvested, whereby the Conversion Ratio is adjusted ● Business Days after the receipt of the dividend payment by the Issuer.]]

["**Underlying**" means[, subject to a replacement in accordance with these Conditions,] the [Underlying] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"] ["**Share**"] ["**Participation Certificate (Genussschein)**"] ["**Security representing Shares**"] ["**Commodity**"] ["**Currency Exchange Rate**"] ["**Futures Contract**"] ["**Fixed Rate Instru-**

ment["**Derivative Instrument**"]["**Fund Unit**"]) [*insert in the case of a share as Underlying or Basket Component*., as issued by the Share Issuer].]

["**Underlying Valuation Date**" means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

["**Basket**" means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

["**Basket Component**" means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.]

["**Calculation Agent**" means the calculation agent as specified in **Table 1** in the Annex.]

[*insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket Component*: "**Exchange**" means[, in respect of the Share] the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]

["**Fiscal Agent**" means the fiscal agent as specified in **Table 1** in the Annex.]

["**Final Fixing Period**" means the period from (and including) the fifth (5th) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

["**Final Fixing Level**" means [the Reference Price [of the respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.]]

["**Initial Fixing Date**" means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General Conditions]. [*insert in the case of Products with subscription period*: In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.]]

["**Business Centre**" means the business centre as specified in **Table 1** in the Annex.]

[*insert in the case of an index as Underlying or Basket Component*: "**Index Sponsor**" means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].]

["**Initial Weighting_(i)**" means [the Initial Weighting_(i) of the respective Basket Component_(i) as specified in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Price**" means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [relevant Reuters] [relevant Bloomberg] page [●] [*insert Internet site: ●*] [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Relevant Performance**" of the relevant Basket Component] means [the quotient of the End Level (dividend) and the Initial Fixing Level (divisor).]]

["**Relevant Reference Price**" of a Basket Component means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate [of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate sponsor on the designated Exchange Rate Page] [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page of another screen service] [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any replacement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service] [*insert other method for determining Relevant Exchange Rate: ●*]. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Reference Price**" means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of the Underlying] [of a Basket Component] [in [*insert currency: ●*]] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg] [●] [*insert Internet site: ●*] [or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Reference Currency**" means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Redemption Date**" means, subject to an extraordinary termination [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one ore more Basket Components].] [the fifth (5th) Business Day following the Final Fixing Date]]

["**Worst Performance**" means [the worst performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]]

["**Stop-Loss Observation Period**" means the stop-loss observation period as specified in **Table 1** in the Annex.]

["**Stop-Loss Event**" has occurred if [the Final Fixing Level is [equal to or] below the Stop-Loss Level] [the [Price][Reference Price] is [equal to or] below the Stop-Loss Level at any time during the Barrier Observation Period] [*insert in the case of a Basket as Underlying if appropriate: [the Final Basket Value equals or below the Stop-Loss Level as determined by the Calculation Agent] [the [Price][Reference Price] of the Basket is equal to or below the Stop-Loss Level during the Stop-Loss Observation Period, as determined by the Calculation Agent] [the [Price][Reference Price] of a Basket Component is [equal to or] below the Stop-Loss Level for this Basket Component as specified in **Table 1**][2] in the Annex at any time during the Stop-Loss Observation Period], as determined by the Calculation Agent.]]]*

["**Stop-Loss Level**" means the stop-loss level as specified in **Table 1** in the Annex [with respect to the relevant Basket Component].]

["**Stop-Loss Price**" means a price of the Underlying as determined by the Issuer and/or the Calculation Agent within [three (3)] [●] hours following the occurrence of the Stop-Loss Event. If the Stop-Loss Event occurs within a shorter period than [three (3)] [●] prior to the end of the Calculation Hours on a Scheduled Trading Day, the period for determining the Stop-Loss Price for the Underlying is extended until the expiration of [two (2)] [●] hours to the immediately following Scheduled Trading Day. ["**Calculation Hours**" means [*insert definition for calculation hours: [●].*]]]

["**TARGET2 System**" means the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET2) payment system which utilises a single shared platform and which was launched on 19 November 2007, or any successor thereto.]

["**Final Fixing Date**" means [the final fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]].] [In the event of the postponement of the Underlying Valuation Date corresponding to the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]]

["**Scheduled Trading Day**" has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Website**" means the Website as specified in **Table 1** in the Annex.]

["**Exchange Rate Page**" means the exchange rate page as specified in **Table 2** in the Annex.]

["**Exchange Rate Sponsor**" means the exchange rate sponsor as specified in **Table 2** in the Annex.]

["**Paying Agent**" means the paying agent as specified in **Table 1** in the Annex.]

§ 4 Redemption

[insert if COSI is applicable:

(1) Redemption Amount

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to an early redemption pursuant to § 7 of the Issue Specific Conditions in the case of the occurrence of a Stop-Loss Event or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions, the Product of (i) the Conversion Ratio and (ii) the difference between the Final Fixing Level and the Strike Level. The Redemption Amount is at least zero.

The Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (2), as the case may be, and] commercially rounded to two (2) decimal places.

[*insert if Currency Conversion is applicable*:

(2) Currency exchange

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent [*insert if Quanto is not applicable*: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.][*insert if Quanto is applicable*: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("**Quanto**").]

[*insert if COSI is not applicable*:

(1) Redemption Amount

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to an early redemption pursuant to § 7 of the Issue Specific Conditions in the case of the occurrence of a Stop-Loss Event, the Product of (i) the Conversion Ratio and (ii) the difference between the Final Fixing Level and the Strike Level. The Redemption Amount is at least zero.

The Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (2), as the case may be, and] commercially rounded to two (2) decimal places.

[*insert if Currency Conversion is applicable*:

(2) Currency exchange

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent [*insert if Quanto is not applicable: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.*][*insert if Quanto is applicable: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("Quanto").*]

§ 5**Interest, Coupon Payments**

The Products bear no interest.

§ 6

(intentionally left blank)

§ 7**Early redemption in the case of the occurrence of a Stop-Loss Event**

In the event that a Stop-Loss Event has occurred, the term of the Products shall end automatically on the day of the occurrence of the Stop-Loss Event without the need for a separate termination of the Products by the Issuer (the "Early Redemption"). In this case the Redemption Amount to be paid by the Issuer equals the product of (i) the Conversion Ratio and (ii) the difference between the Stop-Loss Price and the Strike Level, whereby the Redemption Amount is at least zero.

§ 8**Payments****(1) Payments**

The Issuer shall cause the claimed Redemption Amount, if any, to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Redemption Date.

If the Redemption Date falls on a day which is not a Business Day and is deferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

(2) Declaration on Regulation S

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

(3) Taxes, Fees and Duties

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

§ 9

(intentionally left blank)

[insert in the case COSI is applicable:]

§ 10**Collateral Secured Instruments (COSI)****(1) Collateralization of the Product**

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

(2) Documentation

The collateralization in favour of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, the issuer and the Collateral Provider dated 10 September 2010, in the case of Products issued by Leonteq Securities AG, or dated 5 October 2012, in the case of Products issued by Leonteq Securities AG, Guernsey Branch («Framework Agreement»). The issuer shall, upon request, provide the Framework Agreement to in-

vestors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG, Brandschenkestrasse 90, 8002 Zurich, Switzerland, via telephone +41 (0)58 800 1000, fax +41 (0)58 800 1010. The core elements of collateralization of the COSI Product are summarised in a SIX Swiss Exchange information sheet, which is available at « www.six-swiss-exchange.com » (under the section „Issuers“ – „Services“, „COSI“).

(3) Collateralization method

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to [Method A: Fair Value Method] [Method B: Bond Floor Method] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

(4) Distribution and market making

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

(5) Risks

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collat-

eral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

(6) Liquidation of collateral

If the Collateral Provider fails to fulfil its obligations, the collateral will be liquidated by SIX Swiss Exchange or a liquidator under the terms of the applicable legal regulations. The collateral may be liquidated («Liquidation Events») if (i) the Collateral Provider fails to furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

(7) Determination of a Liquidation Event

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

(8) Procedure in case of a Liquidation Event

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public

the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website (www.six-swiss-exchange.com under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

(9) *Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer*

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website (www.six-swiss-exchange.com under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

(10) *Costs of liquidation and payout for the benefit of the investors*

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the in-

vestors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, convert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are in-

involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

(11) *Secondary Listing*

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

(12) *Liability*

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

(13) *No authorisation*

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

(14) *Congruence with the Conditions*

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

| Term used in this | Corresponding definition in these Conditions |
|--|--|
| § 10 "Collateral Secured Instruments (COSI)" | |

| | |
|--------------------|---|
| investor | Holder |
| issuer | Issuer |
| issuing conditions | Terms and Conditions, Conditions |
| maturity | Redemption, Redemption Date, Final Fixing Date] |

[insert in the case COSI is not applicable:

§ 10
(intentionally left blank)]

Part B. Underlying Specific Conditions

[insert in the case of Products linked to Shares as Underlying or as a Basket Component:

§ 11**Market Disruption*****(1) Consequences of Disrupted Days***

[insert if Single Underlying and Postponement of the Underlying Valuation Date'is applicable:

If an Underlying Valuation Date is a Disrupted Day, then the Underlying Valuation Date shall be the next following Scheduled Trading Day that is not a Disrupted Day, unless each of the eight (8) Scheduled Trading Days immediately following the Underlying Valuation Date is a Disrupted Day. In that case:

- (I)** that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date, notwithstanding the fact that such day is a Disrupted Day; and
- (II)** the Issuer and/or Calculation Agent shall determine the relevant level of the Underlying on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of the Underlying in accordance with § 4 of the General Conditions.]

[insert if Basket and Individual Postponement of the Underlying Valuation Date'is applicable:

If an Underlying Valuation Date is a Disrupted Day in respect of a Basket Component, then the Underlying Valuation Date in respect of the relevant Basket Component shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of the relevant Basket Component, unless each of the eight (8) Scheduled Trading Days in respect of the relevant Basket Component immediately following the Underlying Valuation Date is a Disrupted Day in respect of the relevant Basket Component. In that case:

- (I)** that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for the relevant Basket Component, notwithstanding the fact that such day is a Disrupted Day; and
- (II)** the Issuer and/or Calculation Agent shall determine the relevant level of the relevant Basket Component on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of the relevant Basket Component in accordance with § 4 of the General Conditions.]

[insert if Basket and Common Postponement of the Underlying Valuation Date'is applicable:

If an Underlying Valuation Date is a Disrupted Day in respect of a Basket Component, then the Underlying Valuation Date in respect of all Basket Components shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of all Basket Components, unless each of the eight (8) Scheduled Trading Days in respect of all Basket Components immediately following the Underly-

ing Valuation Date is a Disrupted Day in respect of all Basket Components. In that case:

- (I) that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for all Basket Components, notwithstanding the fact that such day is a Disrupted Day; and
- (II) the Issuer and/or Calculation Agent shall determine the relevant level of all Basket Components on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of all Basket Components in accordance with § 4 of the General Conditions.]

(2) Existence of a Market Disruption Event

"Market Disruption Event" means

the occurrence or existence of (1) a Trading Disruption, (2) an Exchange Disruption, which in either case the Issuer and/or Calculation Agent regard as material, at any time during the one-hour period that ends at the relevant Valuation Time, or (3) an Early Closure.

(3) Definitions

"Valuation Time" means, in respect of the Share, the time at which the official closing price of the Share is calculated on and published by the Exchange. If the Exchange closes prior to its Scheduled Closing Time and the Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time.

"Exchange Business Day" means, in respect of the Share, any Scheduled Trading Day on which each Exchange and each Related Exchange are open for trading during their respective regular trading sessions, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time.

"Exchange Disruption" means, in respect of the Share, any event (other than an Early Closure) that disrupts or impairs (as determined by the Issuer and/or Calculation Agent) the ability of market participants in general (1) to effect transactions in, or obtain market values for, the Share on the Exchange, or (2) to effect transactions in, or obtain market values for, futures or options contracts relating to such Share on any relevant Related Exchange.

"Trading Disruption" means, in respect of the Share, any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise (1) relating to the Share on the Exchange or (2) in futures or options contracts relating to the Share on any relevant Related Exchange.

"Disrupted Day" means, in respect of the Share, any Scheduled Trading Day on which a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred.

"Related Exchange(s)" means, in respect of the Share, each exchange or quotation system, any successor to such exchange or quotation system or any substitute exchange or quotation system where trading has a material effect (as determined by the Issuer and/or Calculation Agent in its reasonable

discretion) on the overall market for futures or options contracts relating to such Share.

"Scheduled Closing Time" means, in respect of the Share, and in respect of an Exchange or Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside the regular trading session hours.

"Scheduled Trading Day" means, in respect of the Share, any day on which each Exchange and each Related Exchange are scheduled to be open for trading for their respective regular trading sessions.

"Early Closure" means, in respect of the Share, the closure on any Exchange Business Day of any relevant Exchange(s) relating to the Share or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or Related Exchange(s) at least one hour prior to the earlier of (1) the actual closing time for the regular trading session on such Exchange(s) or Related Exchange(s) on such Exchange Business Day and (2) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day.

§ 12

Adjustments

(1) Conditions precedent for an adjustment

In the case of a Potential Adjustment Event or Extraordinary Event the Issuer and/or Calculation Agent are entitled to adjust the Conditions taking into account the following provisions. The Issuer and/or Calculation Agent is, however, not obliged to perform adjustments.

(2) Existence and consequences of a Potential Adjustment Event

(a) Existence of a Potential Adjustment Event

A **"Potential Adjustment Event"** is given in the case of any of the following events, as determined by the Issuer and/or Calculation Agent:

- (i) a subdivision, consolidation or reclassification of relevant Shares (unless resulting in a Merger Event) or a free distribution or dividend of any such Shares to existing holders by way of bonus, capitalisation or similar issue;
- (ii) a distribution, issue or dividend to existing holders of relevant Shares of (1) such Shares or (2) other share capital or securities granting the right to payment of dividends and/or a share in the proceeds of liquidation of the Share Issuer equally or proportionately with such payments to holders of such Shares or (3) share capital or other securities of another share issuer acquired or owned (directly or indirectly) by the Share Issuer as a result of a spin-off or other similar transaction, or (4) 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 Issuer and/or Calculation Agent;
- (iii) an amount per Share which the Issuer and/or Calculation Agent determine should be character-

ised as an extraordinary dividend;

- (iv) a call by the Share Issuer in respect of relevant Shares that are not fully paid;
- (v) a repurchase by the Share Issuer or any of its affiliates of relevant Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
- (vi) in respect of the Share Issuer, 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 similar 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 Issuer and/or Calculation Agent, provided that any adjustment effected as a result of such an event shall be readjusted upon any exercise of such rights; or
- (vii) any other event that may have, in the opinion of the Issuer and/or Calculation Agent, a diluting or concentrative effect on the theoretical value of the relevant Shares.

(b) Consequences of a Potential Adjustment Event

Following the declaration of any Potential Adjustment Event in relation to the Share, the Issuer and/or Calculation Agent will determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the Share and, if so, will:

- (i) make the corresponding adjustment(s), if appropriate, to the Conditions as the Issuer and/or Calculation Agent determine appropriate to account for that diluting or concentrative effect; and
- (ii) determine the effective date(s) of the adjustment(s). In such case, such adjustments shall be deemed to be so made from such date(s). The Issuer and/or Calculation Agent may (but need not) perform the appropriate adjustment(s) by reference to the adjustment(s) in respect of such Potential Adjustment Event made by the Related Exchange(s).

(3) Existence and consequences of an Extraordinary Event

(a) Existence of an Extraordinary Event

An "**Extraordinary Event**" is given in the case of a Merger Event, a Tender Offer, a Nationalisation, an Insolvency or a Delisting.

(b) Consequences of an Extraordinary Event

- (i) In respect of a Merger Event or Tender Offer, the following will apply:

On or after the relevant Merger Date or Tender Offer Date (or such other date as the Issuer and/or Calculation Agent deem relevant), the Issuer and/or Calculation Agent shall (1) make such adjustment to the Conditions as the Issuer and/or Calculation Agent determine appropriate to account for the economic effect of such Merger Event or Tender Offer, or other event (including adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Share), which

may, but need not, be determined by reference to the adjustment(s) made in respect of such Merger Event or Tender Offer by the Related Exchange(s) to options on the Share traded thereon and (2) determine the effective date of that adjustment.

(ii) In respect of a Nationalisation, Insolvency or Delisting, the following will apply:

On or after the date of the occurrence of the Nationalisation, Insolvency and/or Delisting, as determined by the Issuer and/or Calculation Agent, the Issuer and/or Calculation Agent shall (1) make such adjustment to the Conditions as the Issuer and/or Calculation Agent determine appropriate to account for the economic effect on the Products of the relevant event, (including adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Share), which may, but need not, be determined by reference to the adjustment(s) made in respect of a Nationalisation, Insolvency or Delisting by the Related Exchange(s) to options on the Share traded thereon and (2) determine the effective date of that adjustment.

(4) Notification of Adjustments

Upon making any adjustment pursuant to these Conditions, the Issuer and/or Calculation Agent shall give notice to the Holders in accordance with § 4 of the General Conditions, stating the relevant adjustment.

(5) Definitions

"**Delisting**" means, in respect of a Share, that the relevant Exchange announces that pursuant to the rules of such Exchange, the Share ceases (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or Tender Offer) and is not 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).

"**Merger Event**" means, in respect of a Share, any (1) reclassification or change of such Share that results in a transfer of or an irrevocable commitment to transfer all of such Shares outstanding to another entity or person, (2) 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 such Share Issuer is the continuing entity and which does not result in a reclassification or change of all such Shares outstanding), (3) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100% of the outstanding Shares of the Share Issuer that results in a transfer of or an irrevocable commitment to transfer all such Shares (other than such Shares owned or controlled by such other entity or person), or (4) consolidation, amalgamation, merger or binding share exchange of the Share Issuer or its affiliates with or into another entity in which the Share Issuer is the continuing entity and which does not result in a reclassification or change of all such Shares outstanding but results in the outstanding Shares (other than Shares owned or controlled by such other entity) immediately prior to such event collectively representing less than 50% of the outstanding Shares immediately following such event (a "**Reverse Merger**") in each case if the Merger Date is on or before the Final Fixing Date or, if and to the extent the applicable Final Terms provide for physical settlement, the Redemp-

tion Date.

"**Insolvency**" means, in respect of a Share, that by reason of the voluntary or involuntary liquidation, winding-up, dissolution, bankruptcy or insolvency or any analogous proceeding affecting a Share Issuer (1) all the Shares of such Share Issuer are required to be transferred to a trustee, liquidator or other similar official or (2) holders of the Shares of such Share Issuer become legally prohibited from transferring them.

"**Merger Date**" means the closing date of a Merger Event (as determined by the Issuer and/or Calculation Agent) or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Issuer and/or Calculation Agent.

"**Tender Offer**" means, 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% and less than 100% of the outstanding voting shares of the Share Issuer, as determined by the Issuer and/or Calculation Agent, based upon filings made to governmental or self-regulatory agencies or such other information as the Issuer and/or Calculation Agent deem relevant.

"**Tender Offer Date**" means, in respect of a Tender Offer, the date on which voting shares in the amount of the applicable percentage threshold (which shall be more than 10% and less than 100% of the outstanding voting shares of the Share Issuer) are actually purchased or otherwise obtained (as determined by the Issuer and/or Calculation Agent).

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

[insert in the case of a Basket as Underlying:

(6) Additional adjustments in the case of a Basket as Underlying

If in relation to a Basket Component an adjustment (as described in the Conditions) is necessary, the Issuer and/or Calculation Agent shall (in addition to the adjustments pursuant to the Conditions 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 these Conditions to the affected Basket Component, to the extent permitted by the context, shall be deemed to refer to the Successor Basket Component.]

§ 13

Extraordinary Termination**(1) Existence of an Additional Termination Event**

If, in the opinion of the Issuer and/or Calculation Agent, an adjustment pursuant to § 10 is not possible or not commercially reasonable, or upon occurrence of an Additional Termination Event the Issuer may by giving not less than ten (10) nor more than thirty (30) Business Days' irrevocable notice in accordance with the procedure set out in § 4 of the General Conditions, redeem the Products early. The termination shall become valid on the day of the notice in accordance with § 4 of the General Conditions.

"Additional Termination Event" means [an Increased Cost of Hedging][,][a Change in Law][,][a Hedging Disruption][,][an Insolvency Filing][,] [and] [a Failure to Deliver][,] [and] [a Reduced Number of Shares][,] [and] [an Increased Cost of Collateralization].

(2) Redemption in the event of an Extraordinary Termination

In the event of an extraordinary termination of the Products, the Issuer will cause to be paid to each Holder in respect of each such Product held by it an amount determined by the Issuer and/or the Calculation Agent in its/their reasonable discretion as the reasonable market price of a Product immediately prior to the event justifying the extraordinary termination. Payment will be made to the relevant Clearing System(s) pursuant to § 8.

(3) Definitions

["Increased Cost of Hedging" means that the Hedging Entity would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense, fee or other cost (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) the Hedging Entity deems necessary to hedge the risk in respect of entering into and performing the Issuer's obligations under the relevant Products, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s).]

["Increased Cost of Collateralization" means that the Borrowing Entity would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense, fee or other cost (other than brokerage commissions) to acquire, hold, substitute, maintain any transaction(s) or asset(s) the Borrowing Entity deems necessary to borrow in order to collateralize the Products. For the purpose of this provision **"Borrowing Entity"** means the Issuer or Collateral Provider or any affiliate(s) of the Issuer or Collateral Provider or any entity (or entities) acting on behalf of the Issuer or Collateral Provider engaged in any underlying or borrowing transactions in respect of the Issuer's obligations arising from the Products.]

["Change in Law" means that on or after the Issue Date (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 au-

thority), the Issuer and/or Calculation Agent determine in good faith that (X) it has become illegal to hold, acquire or dispose of the Underlying(s) or, in the case of a Basket as Underlying, one or more Basket Components, or (Y) the Hedging Entity will incur a materially increased cost in performing its obligations arising from 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 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 in respect of the Issuer's obligations arising from the Products.]

["**Hedging Disruption**"] means that the Hedging 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) the Issuer deems necessary to hedge the risk of entering into and performing its obligations arising from the Products, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s).]

["**Insolvency Filing**"] means, in respect of a Share, that the Share Issuer institutes or has instituted against it by a regulator, supervisor or similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its principal or registered office, or it consents to a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official or it consents to such a petition, provided that proceedings instituted or petitions presented by creditors and not consented to by the Share Issuer shall not be deemed an Insolvency Filing.]

["**Failure to Deliver**"] means, in respect of a Share, the failure of the Share Issuer to deliver, when due, the relevant Shares, where such failure to deliver is due to illiquidity in the market for such Shares.]

["**Reduced Number of Shares**"] means that at any time following an Extraordinary Event there remain less than [●] Shares of Share Issuers (the "**Relevant Number of Shares**") for the purposes of determining the redemption of the Products in accordance with these Conditions.]]

[insert in the case of Products linked to Participation Certificates (Genussscheine) as Underlying or as a Basket Component:

§ 11 Market Disruption

(1) Consequences of Disrupted Days

[insert if Single Underlying and Postponement of the Underlying Valuation Date'is applicable:

If an Underlying Valuation Date is a Disrupted Day, then the Underlying Valuation Date shall be the next following Scheduled Trading Day that is not a Disrupted Day, unless each of the eight (8) Scheduled Trading Days immediately following the Underlying Valuation Date is a Disrupted Day. In that case:

- (I)** that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date, notwithstanding the fact that such day is a Disrupted Day; and
- (II)** the Issuer and/or Calculation Agent shall determine the relevant level of the Underlying on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of the Underlying in accordance with § 4 of the General Conditions.]

[insert if Basket and Individual Postponement of the Underlying Valuation Date'is applicable:

If an Underlying Valuation Date is a Disrupted Day in respect of a Basket Component, then the Underlying Valuation Date in respect of the relevant Basket Component shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of the relevant Basket Component, unless each of the eight (8) Scheduled Trading Days in respect of the relevant Basket Component immediately following the Underlying Valuation Date is a Disrupted Day in respect of the relevant Basket Component. In that case:

- (I)** that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for the relevant Basket Component, notwithstanding the fact that such day is a Disrupted Day; and
- (II)** the Issuer and/or Calculation Agent shall determine the relevant level of the relevant Basket Component on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of the relevant Basket Component in accordance with § 4 of the General Conditions.]

[insert if Basket and Common Postponement of the Underlying Valuation Date'is applicable:

If an Underlying Valuation Date is a Disrupted Day in respect of a Basket Component, then the Underlying Valuation Date in respect of all Basket Components shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of all Basket Components, unless each of the eight

(8) Scheduled Trading Days in respect of all Basket Components immediately following the Underlying Valuation Date is a Disrupted Day in respect of all Basket Components. In that case:

- (I) that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for all Basket Components, notwithstanding the fact that such day is a Disrupted Day; and
- (II) the Issuer and/or Calculation Agent shall determine the relevant level of all Basket Components on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of all Basket Components in accordance with § 4 of the General Conditions.]

(2) Existence of a Market Disruption Event

"Market Disruption Event" means

the occurrence or existence of (1) a Trading Disruption, (2) an Exchange Disruption, which in either case the Issuer and/or Calculation Agent regard as material, at any time during the one-hour period that ends at the relevant Valuation Time, or (3) an Early Closure.

(3) Definitions

"Valuation Time" means, in respect of the Participation Certificate (*Genussschein*), the time at which the official closing price of the Participation Certificate (*Genussschein*) is calculated on and published by the Exchange. If the Exchange closes prior to its Scheduled Closing Time and the Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time.

"Exchange Business Day" means, in respect of the Participation Certificate (*Genussschein*), any Scheduled Trading Day on which each Exchange and each Related Exchange are open for trading during their respective regular trading sessions, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time.

"Exchange Disruption" means, in respect of the Participation Certificate (*Genussschein*) Participation Certificate (*Genussschein*), any event (other than an Early Closure) that disrupts or impairs (as determined by the Issuer and/or Calculation Agent) the ability of market participants in general (1) to effect transactions in, or obtain market values for, the Participation Certificate (*Genussschein*) on the Exchange, or (2) to effect transactions in, or obtain market values for, futures or options contracts relating to such Participation Certificate (*Genussschein*) on any relevant Related Exchange.

"Trading Disruption" means, in respect of the Participation Certificate (*Genussschein*), any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise (1) relating to the Participation Certificate (*Genussschein*) on the Exchange or (2) in futures or options contracts relating to the Participation Certificate (*Genussschein*) on any relevant Related Exchange.

"Disrupted Day" means, in respect of the Participation Certificate (*Genussschein*), any Scheduled Trading Day on which a relevant Exchange or any Related Exchange fails to open for trading during

its regular trading session or on which a Market Disruption Event has occurred.

"**Related Exchange(s)**" means, in respect of the Participation Certificate (*Genussschein*), each exchange or quotation system, any successor to such exchange or quotation system or any substitute exchange or quotation system where trading has a material effect (as determined by the Issuer and/or Calculation Agent in its reasonable discretion) on the overall market for futures or options contracts relating to such Participation Certificate (*Genussschein*).

"**Scheduled Closing Time**" means, in respect of the Participation Certificate (*Genussschein*), and in respect of an Exchange or Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside the regular trading session hours.

"**Scheduled Trading Day**" means, in respect of the Participation Certificate (*Genussschein*), any day on which each Exchange and each Related Exchange are scheduled to be open for trading for their respective regular trading sessions.

"**Early Closure**" means, in respect of the Participation Certificate (*Genussschein*), the closure on any Exchange Business Day of any relevant Exchange(s) relating to the Participation Certificate (*Genussschein*) or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or Related Exchange(s) at least one hour prior to the earlier of (1) the actual closing time for the regular trading session on such Exchange(s) or Related Exchange(s) on such Exchange Business Day and (2) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day.

§ 12

Adjustments

(1) *Conditions precedent for an adjustment*

In the case of a Potential Adjustment Event or Extraordinary Event the Issuer and/or Calculation Agent are entitled to adjust the Conditions taking into account the following provisions. The Issuer and/or Calculation Agent is, however, not obliged to perform adjustments.

(2) *Existence and consequences of a Potential Adjustment Event*

(a) **Existence of a Potential Adjustment Event**

A "**Potential Adjustment Event**" is given in the case of any of the following events, as determined by the Issuer and/or Calculation Agent:

- (i) a subdivision, consolidation or reclassification of relevant Shares (unless resulting in a Merger Event) or a free distribution or dividend of any such Shares to existing holders by way of bonus, capitalisation or similar issue;
- (ii) a distribution, issue or dividend to existing holders of relevant Participation Certificate (*Genussschein*) and/or shares of the respective issuer of (1) such Participation Certificate (*Ge-*

nussschein) and/or shares or (2) other share capital or securities granting the right to payment of dividends and/or a share in the proceeds of liquidation of the issuer equally or proportionately or (3) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the issuer of the Participation Certificates (*Genussscheine*) as a result of a spin-off or other similar transaction, or (4) 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 Issuer and/or Calculation Agent;

- (iii) an amount per share which the Issuer and/or Calculation Agent determine should be characterised as an extraordinary dividend;
- (iv) a call by the issuer of the Participation Certificate (*Genussschein*) in respect of relevant shares that are not fully paid;
- (v) a repurchase by the respective issuer of the Participation Certificate (*Genussschein*) or any of its affiliates of relevant shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
- (vi) in respect of the issuer of the Participation Certificate (*Genussschein*), 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 similar 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 Issuer and/or Calculation Agent, provided that any adjustment effected as a result of such an event shall be readjusted upon any exercise of such rights;
- (vii) an amendment or adjustment of the conditions of the Participation Certificate (*Genussschein*);
or
- (viii) any other event that may have, in the opinion of the Issuer and/or Calculation Agent, a diluting or concentrative effect on the theoretical value of the relevant Participation Certificates (*Genussschein*).

(b) Consequences of a Potential Adjustment Event

Following the declaration of any Potential Adjustment Event in relation to the Participation Certificate (*Genussschein*), the Issuer and/or Calculation Agent will determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the Participation Certificate (*Genussschein*) and, if so, will:

- (i) make the corresponding adjustment(s), if appropriate, to the Conditions as the Issuer and/or Calculation Agent determine appropriate to account for that diluting or concentrative effect; and
- (ii) determine the effective date(s) of the adjustment(s). In such case, such adjustments shall be deemed to be so made from such date(s). The Issuer and/or Calculation Agent may (but need not) perform the appropriate adjustment(s) by reference to the adjustment(s) in respect of such

Potential Adjustment Event made by the Related Exchange(s).

(3) *Existence and consequences of an Extraordinary Event*

(a) Existence of an Extraordinary Event

An "**Extraordinary Event**" is given in the case of a Merger Event, a Tender Offer, a Nationalisation, an Insolvency or a Delisting.

(b) Consequences of an Extraordinary Event

(i) In respect of a Merger Event or Tender Offer, the following will apply:

On or after the relevant Merger Date or Tender Offer Date (or such other date as the Issuer and/or Calculation Agent deem relevant), the Issuer and/or Calculation Agent shall (1) make such adjustment to the Conditions as the Issuer and/or Calculation Agent determine appropriate to account for the economic effect of such Merger Event or Tender Offer, or other event (including adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Participation Certificate (*Genussschein*)), which may, but need not, be determined by reference to the adjustment(s) made in respect of such Merger Event or Tender Offer by the Related Exchange(s) to options on the Participation Certificate (*Genussschein*) traded thereon and (2) determine the effective date of that adjustment.

(ii) In respect of a Nationalisation, Insolvency or Delisting, the following will apply:

On or after the date of the occurrence of the Nationalisation, Insolvency and/or Delisting, as determined by the Issuer and/or Calculation Agent, the Issuer and/or Calculation Agent shall (1) make such adjustment to the Conditions as the Issuer and/or Calculation Agent determine appropriate to account for the economic effect on the Products of the relevant event, (including adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Participation Certificate (*Genussschein*)), which may, but need not, be determined by reference to the adjustment(s) made in respect of a Nationalisation, Insolvency or Delisting by the Related Exchange(s) and (2) determine the effective date of that adjustment.

(4) *Notification of Adjustments*

Upon making any adjustment pursuant to these Conditions, the Issuer and/or Calculation Agent shall give notice to the Holders in accordance with § 4 of the General Conditions, stating the relevant adjustment.

(5) *Definitions*

"**Delisting**" means, in respect of a Participation Certificate (*Genussschein*), that the relevant Exchange announces that pursuant to the rules of such Exchange, the Participation Certificate (*Genussschein*) ceases (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or Tender Offer) and is not 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).

"Merger Event" means, in respect of a Participation Certificate (*Genussschein*), any (1) reclassification or change of such share of the respective issuer that results in a transfer of or an irrevocable commitment to transfer all of such shares of the respective issuer outstanding to another entity or person, (2) consolidation, amalgamation, merger or binding exchange of the shares of the issuer of the Participation Certificates (*Genussscheine*) with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such issuer of the Participation Certificates (*Genussscheine*) is the continuing entity and which does not result in a reclassification or change of all such shares outstanding), (3) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100% of the outstanding shares of the issuer of the Participation Certificates (*Genussscheine*) that results in a transfer of or an irrevocable commitment to transfer all such shares (other than such shares owned or controlled by such other entity or person), or (4) consolidation, amalgamation, merger or binding share exchange of the issuer of the Participation Certificates (*Genussscheine*) or its affiliates with or into another entity in which the issuer of the Participation Certificates (*Genussscheine*) is the continuing entity and which does not result in a reclassification or change of all such shares outstanding but results in the outstanding shares (other than shares owned or controlled by such other entity) immediately prior to such event collectively representing less than 50% of the outstanding shares immediately following such event (a **"Reverse Merger"**) in each case if the Merger Date is on or before the Final Fixing Date or, if and to the extent the applicable Final Terms provide for physical settlement, the Redemption Date.

"Insolvency" means, in respect of a Participation Certificate (*Genussschein*), that by reason of the voluntary or involuntary liquidation, winding-up, dissolution, bankruptcy or insolvency or any analogous proceeding affecting the issuer of the respective Participation Certificate (*Genussschein*) (1) all the shares of such issuer are required to be transferred to a trustee, liquidator or other similar official or (2) holders of shares of such issuer become legally prohibited from transferring them.

"Merger Date" means the closing date of a Merger Event (as determined by the Issuer and/or Calculation Agent) or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Issuer and/or Calculation Agent.

"Tender Offer" means, in respect of a Participation Certificate (*Genussschein*), 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% and less than 100% of the outstanding voting shares of the respective issuer, as determined by the Issuer and/or Calculation Agent, based upon filings made to governmental or self-regulatory agencies or such other information as the Issuer and/or Calculation Agent deem relevant.

"Tender Offer Date" means, in respect of a Tender Offer, the date on which voting shares in the amount of the applicable percentage threshold (which shall be more than 10% and less than 100% of the outstanding voting shares of the Share Issuer) are actually purchased or otherwise obtained (as determined by the Issuer and/or Calculation Agent).

"**Nationalisation**" means, in respect of a Participation Certificate (*Genussschein*), that all the shares of the respective issuer of the Participation Certificate (*Genussschein*) or all the assets or substantially all the assets of such issuer are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof.

[insert in the case of a Basket as Underlying:

(6) Additional adjustments in the case of a Basket as Underlying

If in relation to a Basket Component an adjustment (as described in the Conditions) is necessary, the Issuer and/or Calculation Agent shall (in addition to the adjustments pursuant to the Conditions 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 these Conditions to the affected Basket Component, to the extent permitted by the context, shall be deemed to refer to the Successor Basket Component.]

§ 13

Extraordinary Termination

(1) Existence of an Additional Termination Event

If, in the opinion of the Issuer and/or Calculation Agent, an adjustment pursuant to § 10 is not possible or not commercially reasonable, or upon occurrence of an Additional Termination Event the Issuer may by giving not less than ten (10) nor more than thirty (30) Business Days' irrevocable notice in accordance with the procedure set out in § 4 of the General Conditions, redeem the Products early. The termination shall become valid on the day of the notice in accordance with § 4 of the General Conditions.

"**Additional Termination Event**" means [an Increased Cost of Hedging][,][a Change in Law][,][a Hedging Disruption][,][an Insolvency Filing][,] [and] [an Increased Cost of Collateralization].

(2) Redemption in the event of an Extraordinary Termination

In the event of an extraordinary termination of the Products, the Issuer will cause to be paid to each Holder in respect of each such Product held by it an amount determined by the Issuer and/or the Calculation Agent in its/their reasonable discretion as the reasonable market price of a Product immediately prior to the event justifying the extraordinary termination. Payment will be made to the relevant Clearing System(s) pursuant to § 8.

(3) Definitions

["**Increased Cost of Hedging**" means that the Hedging Entity would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense, fee or other cost (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) the Hedging Entity deems necessary to hedge the risk in respect of entering into and performing the Issuer's obligations under the relevant Products, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s).]

["**Increased Cost of Collateralization**" means that the Borrowing Entity would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense, fee or other cost (other than brokerage commissions) to acquire, hold, substitute, maintain any transaction(s) or asset(s) the Borrowing Entity deems necessary to borrow in order to collateralize the Products. For the purpose of this provision "**Borrowing Entity**" means the Issuer or Collateral Provider or any affiliate(s) of the Issuer or Collateral Provider or any entity (or entities) acting on behalf of the Issuer or Collateral Provider engaged in any underlying or borrowing transactions in respect of the Issuer's obligations arising from the Products.]

["**Change in Law**" means that on or after the Issue Date (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 Issuer and/or Calculation Agent determine in good faith that (X) it has become illegal to hold, acquire or dispose of the Underlying(s) or, in the case of a Basket as Underlying, one or more Basket Components, or (Y) the Hedging Entity will incur a materially increased cost in performing its obligations arising from 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 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 in respect of the Issuer's obligations arising from the Products.]

["**Hedging Disruption**" means that the Hedging 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) the Issuer deems necessary to hedge the risk of entering into and performing its obligations arising from the Products, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s).]

["**Insolvency Filing**" means, in respect of a Participation Certificate (*Genussschein*), that the respective issuer of the Participation Certificates (*Genussscheine*) institutes or has instituted against it by a regulator, supervisor or similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its principal or registered office, or it consents to a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official or it consents to such a petition, provided that proceedings instituted or petitions pre-

sented by creditors and not consented to by the issuer of the Participation Certificates (*Genussscheine*) shall not be deemed an Insolvency Filing.]

[insert in the case of Products linked to an Index as Underlying or as a Basket Component:

§ 11

Market Disruption

(1) Consequences of Disrupted Days

[insert if Single Underlying and Postponement of the Underlying Valuation Date's applicable:

If an Underlying Valuation Date is a Disrupted Day, then the Underlying Valuation Date shall be the next following Scheduled Trading Day that is not a Disrupted Day, unless each of the eight (8) Scheduled Trading Days immediately following the Underlying Valuation Date is a Disrupted Day. In that case:

- (I)** that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date, notwithstanding the fact that such day is a Disrupted Day; and
- (II)** the Issuer and/or Calculation Agent shall determine the relevant level of the Underlying on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of the Underlying in accordance with § 4 of the General Conditions.]

[insert if Basket and Individual Postponement of the Underlying Valuation Date's applicable:

If an Underlying Valuation Date is a Disrupted Day in respect of a Basket Component, then the Underlying Valuation Date in respect of the relevant Basket Component shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of the relevant Basket Component, unless each of the eight (8) Scheduled Trading Days in respect of the relevant Basket Component immediately following the Underlying Valuation Date is a Disrupted Day in respect of the relevant Basket Component. In that case:

- (I)** that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for the relevant Basket Component, notwithstanding the fact that such day is a Disrupted Day; and
- (II)** the Issuer and/or Calculation Agent shall determine the relevant level of the relevant Basket Component on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of the relevant Basket Component in accordance with § 4 of the General Conditions.]

[insert if Basket and Common Postponement of the Underlying Valuation Date's applicable:

If an Underlying Valuation Date is a Disrupted Day in respect of a Basket Component, then the Underlying Valuation Date in respect of all Basket Components shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of all Basket Components, unless each of the eight (8) Scheduled Trading Days in respect of all Basket Components immediately following the Underlying Valuation Date is a Disrupted Day in respect of all Basket Components. In that case:

- (I) that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for all Basket Components, notwithstanding the fact that such day is a Disrupted Day; and
- (II) the Issuer and/or Calculation Agent shall determine the relevant level of all Basket Components on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of all Basket Components in accordance with § 4 of the General Conditions.]

(2) Existence of a Market Disruption Event

"Market Disruption Event" means

the occurrence or existence of (1) a Trading Disruption or (2) an Exchange Disruption, which in either case the Issuer and/or Calculation Agent regard as material, at any time during the one-hour period that ends at the relevant Valuation Time, or (3) an Early Closure. For the purpose of determining whether a Market Disruption Event in respect of an Index exists at any time, if a Market Disruption Event occurs in respect of a security included in the Index at any time, then the relevant percentage contribution of that security to the level of the Index shall be based on a comparison of (x) the portion of the level of the Index attributable to that security and (y) the overall level of the Index, in each case immediately before the occurrence of such Market Disruption Event.

(3) Definitions

"Valuation Time" means, in respect of the Index, the time at which the official closing level of the Index is calculated and published by the Index Sponsor.

"Exchange" means, in respect of the Index, any exchange or quotation system, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the components contained in such Index has relocated or temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the components underlying such Index on such temporary substitute exchange or quotation system as on the original Exchange).

"Exchange Business Day" means, in respect of the Index, any Scheduled Trading Day on which each Exchange and each Related Exchange are open for trading during their respective regular trading sessions, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time.

"Exchange Disruption" means, in respect of the Index, any event (other than an Early Closure) that disrupts or impairs (as determined by the Issuer and/or Calculation Agent) the ability of market participants in general (1) to effect transactions in, or obtain market values on, any relevant Exchange for securities that comprise 20 per cent or more of the level of such Index, or (2) to effect transactions in, or obtain market values for, futures or options contracts relating to such Index on any relevant Related Exchange.

"Trading Disruption" means, in respect of the Index, any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise

(1) relating to securities that comprise 20 per cent or more of the level of such Index on any relevant Exchange or (2) in futures or options contracts relating to the Index on any relevant Related Exchange.

"**Disrupted Day**" means, in respect of the Index, any Scheduled Trading Day on which (1) the Index Sponsor fails to publish the level of the Index, (2) a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session or (3) on which a Market Disruption Event has occurred.

"**Related Exchange(s)**" means, in respect of the Index, each exchange or quotation system, any successor to such exchange or quotation system or any substitute exchange or quotation system where trading has a material effect (as determined by the Issuer and/or Calculation Agent in its reasonable discretion) on the overall market for futures or options contracts relating to such Index.

"**Scheduled Closing Time**" means, in respect of the Index, and in respect of an Exchange or Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside the regular trading session hours.

"**Scheduled Trading Day**" means, in respect of the Index, any day on which the Index Sponsor is scheduled to calculate and publish the level of the Index.

"**Early Closure**" means, in respect of the Index, the closure on any Exchange Business Day of any relevant Exchange(s) relating to securities that comprise 20 per cent or more of the level of the relevant Index or any Related Exchange(s) prior to its Scheduled Closing Time, unless such earlier closing time is announced by such Exchange(s) or Related Exchange(s) at least one hour prior to the earlier of (1) the actual closing time for the regular trading session on such Exchange(s) or Related Exchange(s) on such Exchange Business Day and (2) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day.

§ 12

Adjustments

(1) Successor Index Sponsor calculates and announces the Index

If the Index is (x) not calculated and announced by the Index Sponsor but is calculated and announced by a successor to the Index Sponsor (the "**Successor Index Sponsor**") acceptable to the Issuer and/or Calculation Agent or (y) replaced by a successor index using, in the determination of the Issuer and/or Calculation Agent, the same or a substantially similar formula for, and method of, calculation as used in the calculation, of such Index, then in each case that index (the "**Successor Index**") will be deemed to be the Index.

(2) Index Modification, Index Cancellation and Index Disruption

If, in the determination of the Issuer and/or Calculation Agent, in respect of the Index (x) on or before any Underlying Valuation Date the Index Sponsor or (if applicable) Successor Index Sponsor an-

nounces that it will make a material change in the formula for or method of calculating that Index or in any other way materially modifies that Index (other than a modification prescribed in that formula or method to maintain that Index in the event of changes in constituent securities and capitalisation and other routine events) (an "**Index Modification**") or permanently cancels the Index or the Index may no longer be used as a consequence of new regulatory provisions and no Successor Index exists (an "**Index Cancellation**"); or (y) on any Underlying Valuation Date the Index Sponsor or (if applicable) Successor Index Sponsor fails to calculate and announce the level of the Index (an "**Index Disruption**"), then the Issuer and/or Calculation Agent shall determine if such event has a material effect on the Products and, if so, shall calculate the relevant amount using, in lieu of a published level for the Index, the level for the Index as at the relevant date as determined by the Issuer and/or Calculation Agent in accordance with the formula for and method of calculating the Index last in effect prior to that change, failure or cancellation, but using only those securities that comprised the Index immediately prior to that event and shall notify the Holders thereof (in accordance with § 4 of the General Conditions). None of the Issuer and/or Calculation Agent or the Paying Agents shall have any responsibility in respect of any error or omission or subsequent correction made in the calculation or publication of an index, whether caused by negligence or otherwise.

(3) Notification of Adjustments

Upon making any adjustment pursuant to these Conditions, the Issuer and/or Calculation Agent shall give notice to the Holders in accordance with § 4 of the General Conditions, stating the relevant adjustment.

[insert in the case of a Basket as Underlying:

(4) Additional adjustments in the case of a Basket as Underlying

If in relation to a Basket Component an adjustment (as described in the Conditions) is necessary, the Issuer and/or Calculation Agent shall (in addition to the adjustments pursuant to the Conditions 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 these Conditions to the affected Basket Component, to the extent permitted by the context, shall be deemed to refer to the Successor Basket Component.]

§ 13

Extraordinary Termination**(1) Existence of an Additional Termination Event**

If, in the opinion of the Issuer and/or Calculation Agent, an adjustment pursuant to § 12 of the Issue Specific Conditions is not possible or not commercially reasonable, or upon occurrence of an Additional Termination Event the Issuer may by giving not less than ten (10) nor more than thirty (30) Business Days' irrevocable notice in accordance with the procedure set out in § 4 of the General Conditions, redeem the Products early. The termination shall become valid on the day of the notice in accordance with § 4 of the General Conditions.

"Additional Termination Event" means [an Increased Cost of Hedging][,] [and] [a Change in Law][,] [and] [a Hedging Disruption][,] [and] [an Increased Cost of Collateralization].

(2) Redemption in the event of an Extraordinary Termination

In the event of an extraordinary termination of the Products, the Issuer will cause to be paid to each Holder in respect of each such Product held by it an amount determined by the Issuer and/or the Calculation Agent in its/their reasonable discretion as the reasonable market price of a Product immediately prior to the event justifying the extraordinary termination. Payment will be made to the relevant Clearing System(s) pursuant to § 8 of the Issue Specific Conditions.

(3) Definitions

["Increased Cost of Hedging" means that the Hedging Entity would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense, fee or other cost (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) the Hedging Entity deems necessary to hedge the risk in respect of entering into and performing the Issuer's obligations under the relevant Products, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s).]

["Increased Cost of Collateralization" means that the Borrowing Entity would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense, fee or other cost (other than brokerage commissions) to acquire, hold, substitute, maintain any transaction(s) or asset(s) the Borrowing Entity deems necessary to borrow in order to collateralize the Products. For the purpose of this provision **"Borrowing Entity"** means the Issuer or Collateral Provider or any affiliate(s) of the Issuer or Collateral Provider or any entity (or entities) acting on behalf of the Issuer or Collateral Provider engaged in any underlying or borrowing transactions in respect of the Issuer's obligations arising from the Products.]

["Change in Law" means that on or after the Issue Date (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 Issuer and/or Calculation Agent determine in good faith that (X) it has become illegal to

hold, acquire or dispose of the components contained in the Underlying(s) and/or one or more Basket Components, or (Y) the use of the Underlying or one of the components contained in the Underlying the Products are linked to has become illegal, or (Z) the Hedging Entity will incur a materially increased cost in performing its obligations arising from 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 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 in respect of the Issuer's obligations arising from the Products.

["**Hedging Disruption**" means that the Hedging 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) the Issuer deems necessary to hedge the risk of entering into and performing its obligations arising from the Products, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s).]]

[insert in the case of Products linked to a Security representing shares as Underlying or as a Basket Component:

§ 11

Market Disruption

(1) Consequences of Disrupted Days

[insert if Single Underlying and Postponement of the Underlying Valuation Date'is applicable:

If an Underlying Valuation Date is a Disrupted Day, then the Underlying Valuation Date shall be the next following Scheduled Trading Day that is not a Disrupted Day, unless each of the eight (8) Scheduled Trading Days immediately following the Underlying Valuation Date is a Disrupted Day. In that case:

- (I)** that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date, notwithstanding the fact that such day is a Disrupted Day; and
- (II)** the Issuer and/or Calculation Agent shall determine the relevant level of the Underlying on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of the Underlying in accordance with § 4 of the General Conditions.]

[insert if Basket and Individual Postponement of the Underlying Valuation Date'is applicable:

If an Underlying Valuation Date is a Disrupted Day in respect of a Basket Component, then the Underlying Valuation Date in respect of the relevant Basket Component shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of the relevant Basket Component, unless each of the eight (8) Scheduled Trading Days in respect of the relevant Basket Component immediately following the Underlying Valuation Date is a Disrupted Day in respect of the relevant Basket Component. In that case:

- (I)** that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for the relevant Basket Component, notwithstanding the fact that such day is a Disrupted Day; and
- (II)** the Issuer and/or Calculation Agent shall determine the relevant level of the relevant Basket Component on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of the relevant Basket Component in accordance with § 4 of the General Conditions.]

[insert if Basket and Common Postponement of the Underlying Valuation Date'is applicable:

If an Underlying Valuation Date is a Disrupted Day in respect of a Basket Component, then the Underlying Valuation Date in respect of all Basket Components shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of all Basket Components, unless each of the eight (8) Scheduled Trading Days in respect of all Basket Components immediately following the Underlying Valuation Date is a Disrupted Day in respect of all Basket Components. In that case:

- (I) that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for all Basket Components, notwithstanding the fact that such day is a Disrupted Day; and
- (II) the Issuer and/or Calculation Agent shall determine the relevant level of all Basket Components on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of all Basket Components in accordance with § 4 of the General Conditions.]

(2) Existence of a Market Disruption Event

"Market Disruption Event" means

- (a) in respect of the Security representing Shares, (x) the occurrence or existence of (1) a Trading Disruption, (2) an Exchange Disruption, which in either case the Issuer and/or Calculation Agent regard as material, at any time during the one-hour period that ends at the relevant Valuation Time, or (3) an Early Closure, in each case in relation to the Security representing Shares, or (y) the existence of a Market Disruption Event in relation to the relevant Underlying Share and
- (b) in respect of an Underlying Share, the occurrence or existence of (1) a Trading Disruption, (2) an Exchange Disruption, which in either case the Issuer and/or Calculation Agent regard as material, at any time during the one-hour period that ends at the relevant Valuation Time, or (3) an Early Closure, in each case in respect of such Underlying Share.

(3) Definitions

"Share" means (i) for the determination whether a Potential Adjustment Event, a Merger Event, a Tender Offer, a Nationalisation or an Insolvency has occurred, the Underlying Share and (ii) for all other purposes, the Underlying Share and the Security representing Shares.

"Share Issuer" means the company that has issued the Underlying Share.

"Valuation Time" means, in respect of a Share, the time at which the official closing price of the Share is calculated on and published by the Exchange. If the Exchange closes prior to its Scheduled Closing Time and the Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time.

"Underlying Share" means the relevant share represented by the Security representing Shares, as issued by the relevant Share Issuer.

"Exchange" means

- (i) in respect of the Security representing Shares, the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the Security representing Shares has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the Security representing Shares on such temporary substitute exchange or quotation system as on the original Exchange); and
- (ii) in respect of the Underlying Share, the exchange on which the Underlying Share is principally

traded, as determined by the Issuer and/or Calculation Agent.

"Exchange Business Day" means, in respect of a Share, any Scheduled Trading Day on which each Exchange and each Related Exchange are open for trading during their respective regular trading sessions, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time.

"Exchange Disruption" means, in respect of a Share, any event (other than an Early Closure) that disrupts or impairs (as determined by the Issuer and/or Calculation Agent) the ability of market participants in general (1) to effect transactions in, or obtain market values for, the Shares on the Exchange, or (2) to effect transactions in, or obtain market values for, futures or options contracts relating to such Shares on any relevant Related Exchange.

"Trading Disruption" means, in respect of a Share, any suspension of or limitation imposed on trading by the Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise (1) relating to the Share on the Exchange or (2) in futures or options contracts relating to the Shares on a relevant Related Exchange.

"Disrupted Day" means, in respect of the Security representing Shares, any Scheduled Trading Day on which a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred.

"Related Exchange(s)" means, in respect of a Share, each exchange or quotation system, any successor to such exchange or quotation system or any substitute exchange or quotation system where trading has a material effect (as determined by the Issuer and/or Calculation Agent in its reasonable discretion) on the overall market for futures or options contracts relating to such Share.

"Scheduled Closing Time" means, in respect of a Share and in respect of an Exchange or Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside the regular trading session hours.

"Scheduled Trading Day" means, in respect of a Share, any day on which each Exchange and each Related Exchange are scheduled to be open for trading for their respective regular trading sessions.

"Early Closure" means, in respect of a Share, the closure on any Exchange Business Day of any relevant Exchange(s) relating to the Share or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or Related Exchange(s) at least one hour prior to the earlier of (1) the actual closing time for the regular trading session on such Exchange(s) or Related Exchange(s) on such Exchange Business Day and (2) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day.

§ 12
Adjustments

(1) Conditions precedent for an adjustment

In the case of any amendments or supplements to terms of the Deposit Agreement for the Security representing Shares, any Potential Adjustment Event or any Extraordinary Event the Issuer is entitled to adjust the Conditions taking into account the following provisions. The Issuer is, however, not obliged to perform adjustments.

(2) Existence and consequences of a Potential Adjustment Event

(a) Existence of a Potential Adjustment Event

A "**Potential Adjustment Event**" is given in the case of any of the following events, as determined by the Issuer and/or Calculation Agent:

- (i)** a subdivision, consolidation or reclassification of relevant Shares (unless resulting in a Merger Event) or a free distribution or dividend of any such Shares to existing holders by way of bonus, capitalisation or similar issue;
- (ii)** a distribution, issue or dividend to existing holders of relevant Shares of (1) such Shares or (2) other share capital or securities granting the right to payment of dividends and/or a share in the proceeds of liquidation of the Share Issuer equally or proportionately with such payments to holders of such Shares or (3) share capital or other securities of another share issuer acquired or owned (directly or indirectly) by the Share Issuer as a result of a spin-off or other similar transaction, or (4) 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 Issuer and/or Calculation Agent;
- (iii)** an amount per Share which the Issuer and/or Calculation Agent determine should be characterised as an extraordinary dividend;
- (iv)** a call by the Share Issuer in respect of relevant Shares that are not fully paid;
- (v)** a repurchase by the Share Issuer or any of its affiliates of relevant Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
- (vi)** in respect of the Share Issuer, 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 similar 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 Issuer and/or Calculation Agent, provided that any adjustment effected as a result of such an event shall be readjusted upon any exercise of such rights; or
- (vii)** any other event that may have, in the opinion of the Issuer and/or Calculation Agent, a diluting or concentrative effect on the theoretical value of the relevant Shares.

(b) Consequences of a Potential Adjustment Event

If the terms of the Deposit Agreement for the Security representing Shares are amended or supplemented or following the declaration of any Potential Adjustment Event in relation to the Security representing Shares, the Issuer and/or Calculation Agent will determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the Security representing Shares and, if so, will:

- (i) make the corresponding adjustment(s), if appropriate, to the Conditions as the Issuer and/or Calculation Agent determine appropriate to account for that diluting or concentrative effect; and
- (ii) determine the effective date(s) of the adjustment(s). In such case, such adjustments shall be deemed to be so made from such date(s). The Issuer and/or Calculation Agent may (but need not) perform the appropriate adjustment(s) by reference to the adjustment(s) in respect of such Potential Adjustment Event made by the Related Exchange(s).

(3) Existence and consequences of an Extraordinary Event**(a) Existence of an Extraordinary Event**

An "**Extraordinary Event**" is given in the case of a Merger Event, a Tender Offer, a Nationalisation, an Insolvency or a Delisting.

(b) Consequences of an Extraordinary Event

- (i) In respect of a Merger Event or Tender Offer, the following will apply:

On or after the relevant Merger Date or Tender Offer Date (or such other date as the Issuer and/or Calculation Agent deem relevant), the Issuer and/or Calculation Agent shall (1) make such adjustment to the Conditions as the Issuer and/or Calculation Agent determines appropriate to account for the economic effect of such Merger Event or Tender Offer, or other event (including adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Underlying Share or to the Security representing Shares) on the Products, which may, but need not, be determined by reference to the adjustment(s) made in respect of such Merger Event or Tender Offer by the Related Exchange(s) to options on the relevant Underlying Share or on the Security representing Shares traded thereon and (2) determine the effective date of that adjustment.

- (ii) In respect of a Nationalisation, Insolvency or Delisting, the following will apply:

On or after the date of the occurrence of the Nationalisation, Insolvency and/or Delisting, as determined by the Issuer and/or Calculation Agent, the Issuer and/or Calculation Agent shall (1) make such adjustment to the Conditions as the Issuer and/or Calculation Agent determine appropriate to account for the economic effect of the relevant event (including adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Underlying Share or the Security representing Shares) on the Products, which may, but need not, be determined by reference to the adjustment(s) made in respect of a Nationalisation, Insolvency or Delisting by the Related Exchange(s)

to options on the Underlying Share or on the Security representing Shares traded thereon and (2) determine the effective date of that adjustment.

(4) Replacement of the Security representing Shares

If the Deposit Agreement is terminated, then on or after the date of such termination, references to the Security representing Shares shall be replaced by references to the Underlying Shares and the Issuer and/or Calculation Agent will adjust any relevant terms and will determine the effective date of such replacement and adjustments.

(5) Notification of Adjustments

Upon making any adjustment pursuant to these Conditions, the Issuer and/or Calculation Agent shall give notice to the Holders in accordance with § 4 of the General Conditions, stating the relevant adjustment.

(6) Definitions

"Delisting" means, in respect of a Share, that the relevant Exchange announces that pursuant to the rules of such Exchange, the Share ceases (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or Tender Offer) and is not 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).

"Merger Event" means, in respect of a Share, any (1) reclassification or change of such Share that results in a transfer of or an irrevocable commitment to transfer all of such Shares outstanding to another entity or person, (2) 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 such Share Issuer is the continuing entity and which does not result in a reclassification or change of all such Shares outstanding), (3) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100% of the outstanding Shares of the Share Issuer that results in a transfer of or an irrevocable commitment to transfer all such Shares (other than such Shares owned or controlled by such other entity or person), or (4) consolidation, amalgamation, merger or binding share exchange of the Share Issuer or its affiliates with or into another entity in which the Share Issuer is the continuing entity and which does not result in a reclassification or change of all such Shares outstanding but results in the outstanding Shares (other than Shares owned or controlled by such other entity) immediately prior to such event collectively representing less than 50% of the outstanding Shares immediately following such event (a **"Reverse Merger"**) in each case if the Merger Date is on or before the Final Fixing Date or, if and to the extent the applicable Final Terms provide for physical settlement, the Redemption Date.

"Deposit Agreement" means the agreement or other instrument constituting the Securities representing Shares, as amended from time to time.

"**Insolvency**" means, in respect of a Share, that by reason of the voluntary or involuntary liquidation, winding-up, dissolution, bankruptcy or insolvency or any analogous proceeding affecting a Share Issuer (1) all the Shares of such Share Issuer are required to be transferred to a trustee, liquidator or other similar official or (2) holders of the Shares of such Share Issuer become legally prohibited from transferring them.

"**Merger Date**" means the closing date of a Merger Event (as determined by the Issuer and/or Calculation Agent) or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Issuer and/or Calculation Agent.

"**Tender Offer**" means, 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% and less than 100% of the outstanding voting shares of the Share Issuer, as determined by the Issuer and/or Calculation Agent, based upon filings made to governmental or self-regulatory agencies or such other information as the Issuer and/or Calculation Agent deem relevant.

"**Tender Offer Date**" means, in respect of a Tender Offer, the date on which voting shares in the amount of the applicable percentage threshold (which shall be more than 10% and less than 100% of the outstanding voting shares of the Share Issuer) are actually purchased or otherwise obtained (as determined by the Issuer and/or Calculation Agent).

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

[insert in the case of a Basket as Underlying:

(6) Additional adjustments in the case of a Basket as Underlying

If in relation to a Basket Component an adjustment (as described in the Conditions) is necessary, the Issuer and/or Calculation Agent shall (in addition to the adjustments pursuant to the Conditions 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 these Conditions to the affected Basket Component, to the extent permitted by the context, shall be deemed to refer to the Successor Basket Component.]

§ 13

Extraordinary Termination**(1) Existence of an Additional Termination Event**

If, in the opinion of the Issuer and/or Calculation Agent, an adjustment pursuant to § 12 of the Issue Specific Conditions is not possible or not commercially reasonable, or upon occurrence of an Additional Termination Event the Issuer may by giving not less than ten (10) nor more than thirty (30) Business Days' irrevocable notice in accordance with the procedure set out in § 4 of the General Conditions, redeem the Products early. The termination shall become valid on the day of the notice in accordance with § 4 of the General Conditions.

"Additional Termination Event" means [an Increased Cost of Hedging][,] [and] [a Change in Law][,] [and] [a Hedging Disruption][,] [and] [an Insolvency Filing][,] [and] [a Failure to Deliver][,] [and] [a Reduced Number of Shares][,] [and] [an Increased Cost of Collateralization].

(2) Redemption in the event of an Extraordinary Termination

In the event of an extraordinary termination of the Products, the Issuer will cause to be paid to each Holder in respect of each such Product held by it an amount determined by the Issuer and/or the Calculation Agent in its/their reasonable discretion as the reasonable market price of a Product immediately prior to the event justifying the extraordinary termination. Payment will be made to the relevant Clearing System(s) pursuant to § 8 of the Issue Specific Conditions.

(3) Definitions

["Increased Cost of Hedging" means that the Hedging Entity would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense, fee or other cost (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) the Hedging Entity deems necessary to hedge the risk in respect of entering into and performing the Issuer's obligations under the relevant Products, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s).]

["Increased Cost of Collateralization" means that the Borrowing Entity would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense, fee or other cost (other than brokerage commissions) to acquire, hold, substitute, maintain any transaction(s) or asset(s) the Borrowing Entity deems necessary to borrow in order to collateralize the Products. For the purpose of this provision **"Borrowing Entity"** means the Issuer or Collateral Provider or any affiliate(s) of the Issuer or Collateral Provider or any entity (or entities) acting on behalf of the Issuer or Collateral Provider engaged in any underlying or borrowing transactions in respect of the Issuer's obligations arising from the Products.]

["Change in Law" means that on or after the Issue Date (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 au-

thority), the Issuer and/or Calculation Agent determine in good faith that (X) it has become illegal to hold, acquire or dispose of the Underlying(s) and/or one or more Basket Components, or (Y) the Hedging Entity will incur a materially increased cost in performing its obligations arising from 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 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 in respect of the Issuer's obligations arising from the Products.]

["**Hedging Disruption**"] means that the Hedging 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) the Issuer deems necessary to hedge the risk of entering into and performing its obligations arising from the Products, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s).]

["**Insolvency Filing**"] means, in respect of a Share, that the Share Issuer institutes or has instituted against it by a regulator, supervisor or similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its principal or registered office, or it consents to a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official or it consents to such a petition, provided that proceedings instituted or petitions presented by creditors and not consented to by the Share Issuer shall not be deemed an Insolvency Filing.]

["**Failure to Deliver**"] means, in respect of a Share, the failure of the Share Issuer to deliver, when due, the relevant Shares, where such failure to deliver is due to illiquidity in the market for such Shares.]

["**Reduced Number of Shares**"] means that at any time following an Extraordinary Event there remain less than [●] Shares of Share Issuers (the "**Relevant Number of Shares**") for the purposes of determining the redemption of the Products in accordance with these Conditions.]]

[insert in the case of Products linked to a Commodity as Underlying or as a Basket Component:

§ 11

Market Disruption

(1) Consequences of Disrupted Days

[insert if Single Underlying and Postponement of the Underlying Valuation Date's applicable:

If an Underlying Valuation Date is a Disrupted Day, then the Underlying Valuation Date shall be the next following Scheduled Trading Day that is not a Disrupted Day, unless each of the eight (8) Scheduled Trading Days immediately following the Underlying Valuation Date is a Disrupted Day. In that case:

- (I)** that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date, notwithstanding the fact that such day is a Disrupted Day; and
- (II)** the Issuer and/or Calculation Agent shall determine the relevant level of the Underlying on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of the Underlying in accordance with § 4 of the General Conditions.]

[insert if Basket and Individual Postponement of the Underlying Valuation Date's applicable:

If an Underlying Valuation Date is a Disrupted Day in respect of a Basket Component, then the Underlying Valuation Date in respect of the relevant Basket Component shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of the relevant Basket Component, unless each of the eight (8) Scheduled Trading Days in respect of the relevant Basket Component immediately following the Underlying Valuation Date is a Disrupted Day in respect of the relevant Basket Component. In that case:

- (I)** that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for the relevant Basket Component, notwithstanding the fact that such day is a Disrupted Day; and
- (II)** the Issuer and/or Calculation Agent shall determine the relevant level of the relevant Basket Component on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of the relevant Basket Component in accordance with § 4 of the General Conditions.]

[insert if Basket and Common Postponement of the Underlying Valuation Date's applicable:

If an Underlying Valuation Date is a Disrupted Day in respect of a Basket Component, then the Underlying Valuation Date in respect of all Basket Components shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of all Basket Components, unless each of the eight (8) Scheduled Trading Days in respect of all Basket Components immediately following the Underlying Valuation Date is a Disrupted Day in respect of all Basket Components. In that case:

- (I) that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for all Basket Components, notwithstanding the fact that such day is a Disrupted Day; and
- (II) the Issuer and/or Calculation Agent shall determine the relevant level of all Basket Components on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of all Basket Components in accordance with § 4 of the General Conditions.]

(2) Existence of a Market Disruption Event

"Market Disruption Event" means

- (a) (i) the failure of a Reference Market or Price Source to announce or publish a price relevant for the Products; or (ii) the temporary or permanent discontinuance or unavailability of such Price Source; or (iii) the disappearance or permanent discontinuance or unavailability of a price relevant for the Products (notwithstanding the availability of the related Price Source or the status of trading in the relevant Commodity);
- (b) the material suspension or limitation of trading in the Commodity on the relevant Reference Market or in futures or options contracts relating to the Commodity on a futures exchange where such contracts are usually traded;
- (c) the failure of trading to commence, or the permanent discontinuation of trading, (i) in the Commodity on the Reference Market or (ii) in futures or options contracts relating to the Commodity on a futures exchange where such contracts are usually traded;
- (d) the occurrence since the Initial Fixing Date of a material change (i) in the formula for or method of calculating the price relevant for the Products; or (ii) in the content, composition or constitution of the Commodity or of futures or options contracts relating to the Commodity, or
- (e) 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, the Commodity or futures or options contracts relating to the Commodity (other than a tax on, or measured by reference to, overall gross or net income) by any government or tax authority, if the direct effect of such imposition, change or removal is to raise or lower a relevant price on a Underlying Valuation Date from what it would have been without such imposition, change or removal.

(3) Definitions

"Price Source" means, in respect of the Commodity, the price source as specified in **Table 2** in the Annex providing the relevant price of the Commodity for the Products.

"Reference Market" means, in respect of the Commodity, the reference market or the quotation system as specified in **Table 2** in the Annex, any successor to such reference market or quotation system or any substitute reference market or quotation system to which trading in the Commodity has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the Commodity on such temporary substitute reference market or quotation system as on the original reference market).

"Disrupted Day" means, in respect of the Commodity, any Scheduled Trading Day on which a relevant Reference Market fails to open for trading during its regular trading session or on which a Market Disruption Event - except for a Permanent Market Disruption Event (to the extent applicable)- has occurred.

"Scheduled Trading Day" means, in respect of the Commodity, any day on which the Reference Market is scheduled to calculate and publish the Price of the Commodity or, as the case may be, the Price Source is scheduled to publish the Price of the Commodity.

§ 12

Adjustments

(1) Substitution of Reference Market and/or Price Source

If the quotation of or trading in the Commodity on the Reference Market or the publication of the relevant price of the Commodity by the Price Source is permanently discontinued while concurrently the quotation or trading is maintained or is commenced on another reference market or if the relevant price of the Commodity is published by another price source, the Issuer shall be entitled to stipulate such other reference market as the new Reference Market and/or such other price source as the Price Source (the "**Substitute Reference Market**" or the "**Substitute Price Source**") through publication in accordance with § 4 of the General Conditions, provided that the Issuer has not terminated the Products in accordance with § 13 of the Issue Specific Conditions. In the case of such a substitution, any reference in the Conditions to the Reference Market and/or Price Source thereafter shall be deemed to refer to the Substitute Reference Market and/or Substitute Price Source.

(2) Changes in the Commodity

If at any time the Commodity is terminated and/or replaced by another value or if the Commodity is traded in a different quality, in a different consistency (e.g. with a different degree of purity or a different point of origin) or in a different standard measuring unit, the Issuer and/or the Calculation Agent are entitled, provided that the Issuer has not terminated the Products in accordance with § 13 of the Issue Specific Conditions, to make an adjustment to the Conditions, which in the assessment of the Issuer and/or the Calculation Agent is appropriate to reflect the amendments and/or to replace the Commodity with a successor commodity (the "**Successor Commodity**") which is economically equivalent to the original relevant concept of the Commodity. As the case may be, the Issuer and/or the Calculation Agent will multiply the relevant price of the Commodity by an adjustment factor in order to ensure the continuity of the development of the reference value(s) underlying the Products.

The Successor Commodity and the date of its initial application shall be published in accordance with § 4 of the General Conditions. Any reference in the Conditions to the Commodity shall, to the extent appropriate, be deemed to refer to the Successor Commodity.

§ 13

Extraordinary Termination**(1) Existence of an Additional Termination Event**

If, in the opinion of the Issuer and/or Calculation Agent, an adjustment pursuant to § 12 of the Issue Specific Conditions is not possible or not commercially reasonable, or upon occurrence of an Additional Termination Event the Issuer may by giving not less than ten (10) nor more than thirty (30) Business Days' irrevocable notice in accordance with the procedure set out in § 4 of the General Conditions, redeem the Products early. The termination shall become valid on the day of the notice in accordance with § 4 of the General Conditions.

"Additional Termination Event" means [a Permanent Market Disruption Event][,] [and] [an Increased Cost of Hedging][,] [and] [a Change in Law][,] [and] [a Hedging Disruption][,] [and] [an Increased Cost of Collateralization].

(2) Redemption in the event of an Extraordinary Termination

In the event of an extraordinary termination of the Products, the Issuer will cause to be paid to each Holder in respect of each such Product held by it an amount determined by the Issuer and/or the Calculation Agent in its/their reasonable discretion as the reasonable market price of a Product immediately prior to the event justifying the extraordinary termination. Payment will be made to the relevant Clearing System(s) pursuant to § 8 of the Issue Specific Conditions.

(3) Definitions

["Permanent Market Disruption Event" means, in respect of the Commodity, any one or more of the events set out in (a), (b), (c), (d) and (e) in the definition as set out in § 11 (2) of the Issue Specific Conditions of "Market Disruption Event", if such event is in the determination of the Issuer and/or Calculation Agent permanent.]

["Increased Cost of Hedging" means that the Hedging Entity would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense, fee or other cost (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) the Hedging Entity deems necessary to hedge the risk in respect of entering into and performing the Issuer's obligations under the relevant Products, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s).]

["Increased Cost of Collateralization" means that the Borrowing Entity would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense, fee or other cost (other than brokerage commissions) to acquire, hold, substitute, maintain any transaction(s) or asset(s) the Borrowing Entity deems necessary to borrow in order to collateralize the Products. For the purpose of this provision **"Borrowing Entity"** means the Issuer or Collateral Provider or any affiliate(s) of the Issuer or Collateral Provider or any entity (or entities) acting on behalf of the Issuer or Collateral Provider engaged in any underlying or borrowing transactions in respect of the Issuer's obligations arising from the Products.]

["**Change in Law**" means that on or after the Issue Date (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 Issuer and/or Calculation Agent determine in good faith that (X) it has become illegal to hold, acquire or dispose of the Underlying(s) and/or one or more Basket Components, or (Y) the Hedging Entity will incur a materially increased cost in performing its obligations arising from 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 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 in respect of the Issuer's obligations arising from the Products.]

["**Hedging Disruption**" means that the Hedging 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) the Issuer deems necessary to hedge the risk of entering into and performing its obligations arising from the Products, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s).]

[insert in the case of Products linked to a currency exchange rate as Underlying or as a Basket Component:]

§ 11

Market Disruption

(1) Consequences of Disrupted Days

[insert if Single Underlying and Postponement of the Underlying Valuation Date is applicable:]

If an Underlying Valuation Date is a Disrupted Day, then the Underlying Valuation Date shall be the next following Scheduled Trading Day that is not a Disrupted Day, unless each of the eight (8) Scheduled Trading Days immediately following the Underlying Valuation Date is a Disrupted Day. In that case:

- (I)** that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date, notwithstanding the fact that such day is a Disrupted Day; and
- (II)** the Issuer and/or Calculation Agent shall determine the relevant level of the Underlying on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of the Underlying in accordance with § 4 of the General Conditions.]

[insert if Basket and Individual Postponement of the Underlying Valuation Date is applicable:]

If an Underlying Valuation Date is a Disrupted Day in respect of a Basket Component, then the Underlying Valuation Date in respect of the relevant Basket Component shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of the relevant Basket Component, unless each of the eight (8) Scheduled Trading Days in respect of the relevant Basket Component immediately following the Underlying Valuation Date is a Disrupted Day in respect of the relevant Basket Component. In that case:

- (I)** that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for the relevant Basket Component, notwithstanding the fact that such day is a Disrupted Day; and
- (II)** the Issuer and/or Calculation Agent shall determine the relevant level of the relevant Basket Component on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of the relevant Basket Component in accordance with § 4 of the General Conditions.]

[insert if Basket and Common Postponement of the Underlying Valuation Date is applicable:]

If an Underlying Valuation Date is a Disrupted Day in respect of a Basket Component, then the Underlying Valuation Date in respect of all Basket Components shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of all Basket Components, unless each of the eight (8) Scheduled Trading Days in respect of all Basket Components immediately following the Underlying Valuation Date is a Disrupted Day in respect of all Basket Components. In that case:

- (I) that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for all Basket Components, notwithstanding the fact that such day is a Disrupted Day; and
- (II) the Issuer and/or Calculation Agent shall determine the relevant level of all Basket Components on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of all Basket Components in accordance with § 4 of the General Conditions.]

(2) *Existence of a Market Disruption Event*

"**Market Disruption Event**" means

- (a) the suspension or absence of the announcement of a price of the Currency Exchange Rate relevant for the Products on the Reference Market or by the relevant Price Source;
- (b) the suspension or limitation of banking activities in the Relevant Country the latter of which the Issuer and/or Calculation Agent determine material;
- (c) the suspension or limitation of trading the latter of which the Issuer and/or Calculation Agent determine material;
 - (i) in a currency used in connection with the Currency Exchange Rate on the Reference Market, or
 - (ii) in futures or options contracts relating to a currency used in connection with the Currency Exchange Rate on a futures exchange where such contracts are usually traded, or
 - (iii) due to a directive of an authority or the Reference Market or due to a moratorium on banking activities in the country where the Reference Market is located, or due to any other reasons;
- (d) the Early Closure of the Reference Market;
- (e) a Relevant Country (aa) imposes any controls or announces its intention to impose any controls or (bb) (i) implements or announces its intention to implement or (ii) changes or announces its intention to change the interpretation or administration of any laws or regulations, in each case which the Issuer and/or Calculation Agent determine is likely to affect the ability of the Issuer and/or of any of its affiliates to acquire, hold, transfer or realise a currency used in connection with the Currency Exchange Rate or otherwise to effect transactions in relation to such currency;
- (f) the occurrence of an event which the Issuer and/or Calculation Agent determine would make it impossible for the Issuer and/or any of its affiliates to perform the following activities or impair or delay their performance;
 - (i) converting a currency used in connection with the Currency Exchange Rate into the Settlement Currency or any other currency through customary legal channels or transferring within or from any Relevant Country a currency used in connection with the Currency Exchange Rate due to the imposition by such Relevant Country of any controls restricting or prohibiting such conversion or transfer, as the case may be;
 - (ii) converting a currency used in connection with the Currency Exchange Rate into the other cur-

- rency used in connection with the Currency Exchange Rate or into the Settlement Currency or any other currency at a rate at least as favourable as the rate for domestic financial institutions located in the Relevant Country;
- (iii) transferring a currency used in connection with the Currency Exchange Rate from accounts inside the Relevant Country to accounts outside such Relevant Country, or
 - (iv) transferring a currency used in connection with the Currency Exchange Rate between accounts inside the Relevant Country or to a party that is a non-resident of such Relevant Country;
- (g) the occurrence at any time of an event that disrupts or impairs (as determined by the Issuer and/or the Calculation Agent) the ability of market participants in general;
- (i) to obtain market values for a currency used in connection with the Currency Exchange Rate, or
 - (ii) to effect transactions in, or obtain market values for, futures or options contracts relating to a currency used in connection with the Currency Exchange Rate on a futures exchange where such contracts are usually traded.

(3) *Definitions*

"Business Day" means, in respect of the Currency Exchange Rate, any Scheduled Trading Day on which the Reference Market is open for trading during its regular trading sessions, notwithstanding the Reference Market closing prior to its Scheduled Closing Time.

"Relevant Country" means, in respect of the Currency Exchange Rate, each of (i) any country (or any political or regulatory authority thereof) in which a currency used in connection with the Currency Exchange Rate is the legal tender or official currency; and (ii) any country (or any political or regulatory authority thereof) with which a currency used in connection with the Currency Exchange Rate in the opinion of the Issuer and/or Calculation Agent has a material connection.

"Price Source" means, in respect of the Currency Exchange Rate, the price source as specified in **Table 2** in the Annex providing the relevant price of the Currency Exchange Rate for the Products.

"Reference Market" means the reference market as specified in **Table 2** in the Annex.

"Disrupted Day" means, in respect of the Currency Exchange Rate, any Scheduled Trading Day on which the Reference Market fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred.

"Scheduled Closing Time" means, in respect of the Currency Exchange Rate, and in respect of the Reference Market and a Scheduled Trading Day, the scheduled weekday closing time of such Reference Market on such Scheduled Trading Day, without regard to any trading outside the regular trading session hours.

"Scheduled Trading Day" means, in respect of the Currency Exchange Rate, any day on which the Reference Market is scheduled to be open for trading for its regular trading sessions.

"Early Closure of the Reference Market" means, in respect of the Currency Exchange Rate, the

closure on any Business Day of the Reference Market prior to its Scheduled Closing Time unless such earlier closing time is announced by such Reference Market at least one hour prior to the actual closing time for the regular trading session on the Reference Market on such Business Day.

§ 12

Adjustments

(1) Changes in the market conditions on the Reference Market

If, in the determination of the Issuer and/or Calculation Agent, a material change in the market conditions has occurred on the Reference Market, the Issuer and/or Calculation Agent shall be entitled to effect adjustments to these Conditions to account for these changed market conditions.

(2) Changes in the calculation of the Currency Exchange Rate

Any changes in the calculation (including corrections) of the Currency Exchange Rate or in the composition or weighting of the price or other reference parameters based on which the Currency Exchange Rate is calculated shall not lead to an adjustment unless the Issuer and/or Calculation Agent determine that as a result of the changes (including corrections) the underlying concept and calculation of the Currency Exchange Rate are no longer comparable to the underlying concept or calculation of the Currency Exchange Rate applicable prior to such change. Adjustments may also be made as a result of the removal of the Currency Exchange Rate and/or its substitution by another underlying.

For the purpose of making any adjustments, the Issuer and/or Calculation Agent shall determine an adjusted value per unit of the Currency Exchange Rate which shall be used for the determination of the relevant price of the Currency Exchange Rate for the Products and which in its economic result shall correspond to the provisions prior to this change, and shall determine the day on which the adjusted value per unit of the Currency Exchange Rate shall apply for the first time taking into account the time the change occurred. The adjusted value per unit of the Currency Exchange Rate and the date of its first application shall be published pursuant to § 4 of the General Conditions.

(3) Change in the currency used in connection with the Currency Exchange Rate

In the event that a currency used in connection with the Currency Exchange Rate in its function as legal tender in the country or jurisdiction, or countries or jurisdictions, maintaining the authority, institution or other body which issues such currency is replaced by another currency or merged with another currency to become a common currency, the affected currency shall be replaced for the purposes of these Conditions by such replacing or merged currency, if applicable after appropriate adjustments according to the paragraph above have been made, (the "**Successor Currency**"). The Successor Currency and the date of its first application shall be published in accordance with § 4 of the General Conditions.

In this case any reference in these Conditions to the affected currency shall, to the extent appropriate, be deemed to refer to the Successor Currency.

(4) Replacement of the Reference Market

If the quotation of or trading in a currency used in connection with the Currency Exchange Rate on the Reference Market is permanently discontinued while concurrently a quotation or trading is started up or maintained on another market, the Issuer shall be entitled to stipulate such other market as relevant Reference Market (the "**Substitute Reference Market**") via publication in accordance with § 4 of the General Conditions, provided that the Issuer has not terminated the Products in accordance with § 13 of the Issue Specific Conditions.

In the case of such a substitution, any reference in these Conditions to the Reference Market thereafter shall be deemed to refer to the Substitute Reference Market.

The adjustment described above shall be published in accordance with § 4 of the General Conditions within the three (3) months-period following the permanent discontinuation of the quotation of or trading in the currency used in connection with the Currency Exchange Rate on the Reference Market, at the latest.

[insert in the case of a Basket as Underlying:

(5) Additional adjustments in the case of a Basket as Underlying

If in relation to a Basket Component an adjustment (as described in the Conditions) is necessary, the Issuer and/or Calculation Agent shall (in addition to the adjustments pursuant to the Conditions 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 these Conditions to the affected Basket Component, to the extent permitted by the context, shall be deemed to refer to the Successor Basket Component.]

§ 13**Extraordinary Termination****(1) Existence of an Additional Termination Event**

If, in the opinion of the Issuer and/or Calculation Agent, an adjustment pursuant to § 12 of the Issue Specific Conditions is not possible or not commercially reasonable, or upon occurrence of an Additional Termination Event the Issuer may by giving not less than ten (10) nor more than thirty (30) Business Days' irrevocable notice in accordance with the procedure set out in § 4 of the General Conditions, redeem the Products early. The termination shall become valid on the day of the notice in accordance with § 4 of the General Conditions.

"Additional Termination Event" means [an Increased Cost of Hedging][,] [and] [a Change in Law][,] [and] [a Hedging Disruption][,] [and] [an Increased Cost of Collateralization].

(2) *Redemption in the event of an Extraordinary Termination*

In the event of an extraordinary termination of the Products, the Issuer will cause to be paid to each Holder in respect of each such Product held by it an amount determined by the Issuer and/or the Calculation Agent in its/their reasonable discretion as the reasonable market price of a Product immediately prior to the event justifying the extraordinary termination. Payment will be made to the relevant Clearing System(s) pursuant to § 8 of the Issue Specific Conditions.

(3) *Definitions*

["Increased Cost of Hedging" means that the Hedging Entity would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense, fee or other cost (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) the Hedging Entity deems necessary to hedge the risk in respect of entering into and performing the Issuer's obligations under the relevant Products, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s).]

["Increased Cost of Collateralization" means that the Borrowing Entity would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense, fee or other cost (other than brokerage commissions) to acquire, hold, substitute, maintain any transaction(s) or asset(s) the Borrowing Entity deems necessary to borrow in order to collateralize the Products. For the purpose of this provision **"Borrowing Entity"** means the Issuer or Collateral Provider or any affiliate(s) of the Issuer or Collateral Provider or any entity (or entities) acting on behalf of the Issuer or Collateral Provider engaged in any underlying or borrowing transactions in respect of the Issuer's obligations arising from the Products.]

["Change in Law" means that on or after the Issue Date (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 Issuer and/or Calculation Agent determine in good faith that (X) [it has become illegal to hold, acquire or dispose of the Underlying(s) and/or one or more Basket Components, or (Y) the Hedging Entity will incur a materially increased cost in performing its obligations arising from 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 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 in respect of the Issuer's obligations arising from the Products.]

["Hedging Disruption" means that the Hedging 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) the Issuer deems necessary to hedge the risk of entering into and performing its ob-

ligations arising from the Products, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s).]]

[insert in the case of Products linked to a futures contract as Underlying or as a Basket Component:

§ 11

Market Disruption

(I) Consequences of Disrupted Days

[insert if Single Underlying and Postponement of the Underlying Valuation Date's applicable:

If an Underlying Valuation Date is a Disrupted Day, then the Underlying Valuation Date shall be the next following Scheduled Trading Day that is not a Disrupted Day, unless each of the eight (8) Scheduled Trading Days immediately following the Underlying Valuation Date is a Disrupted Day. In that case:

- (I)** that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date, notwithstanding the fact that such day is a Disrupted Day; and
- (II)** the Issuer and/or Calculation Agent shall determine the relevant level of the Underlying on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of the Underlying in accordance with § 4 of the General Conditions.]

[insert if Basket and Individual Postponement of the Underlying Valuation Date's applicable:

If an Underlying Valuation Date is a Disrupted Day in respect of a Basket Component, then the Underlying Valuation Date in respect of the relevant Basket Component shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of the relevant Basket Component, unless each of the eight (8) Scheduled Trading Days in respect of the relevant Basket Component immediately following the Underlying Valuation Date is a Disrupted Day in respect of the relevant Basket Component. In that case:

- (I)** that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for the relevant Basket Component, notwithstanding the fact that such day is a Disrupted Day; and
- (II)** the Issuer and/or Calculation Agent shall determine the relevant level of the relevant Basket Component on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of the relevant Basket Component in accordance with § 4 of the General Conditions.]

[insert if Basket and Common Postponement of the Underlying Valuation Date's applicable:

If an Underlying Valuation Date is a Disrupted Day in respect of a Basket Component, then the Underlying Valuation Date in respect of all Basket Components shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of all Basket Components, unless each of the eight (8) Scheduled Trading Days in respect of all Basket Components immediately following the Underlying Valuation Date is a Disrupted Day in respect of all Basket Components. In that case:

- (I) that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for all Basket Components, notwithstanding the fact that such day is a Disrupted Day; and
- (II) the Issuer and/or Calculation Agent shall determine the relevant level of all Basket Components on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of all Basket Components in accordance with § 4 of the General Conditions.]

(2) *Existence of a Market Disruption Event*

"**Market Disruption Event**" means

- (a) (i) the failure of a Price Source to announce or publish a price relevant for the Products; or (ii) the temporary or permanent discontinuance or unavailability of such Price Source; or (iii) the disappearance or permanent discontinuance or unavailability of a price relevant for the Products (notwithstanding the availability of the related Price Source or the status of trading in the relevant Futures Contract);
- (b) the material suspension or limitation of trading (i) in the Futures Contract on the relevant Exchange or (ii) on the Exchange in general;
- (c) the failure of trading to commence, or the permanent discontinuation of trading, (i) in the Futures Contract on the Exchange or (ii) on the Exchange in general;
- (d) the occurrence since the Initial Fixing Date of a material change (i) in the formula for or method of calculating the price relevant for the Products; or (ii) in the content, composition or constitution of the Futures Contract or of the underlying on which the Futures Contract is based, or
- (e) 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, the Futures Contract or the underlying on which the Futures Contract is based (other than a tax on, or measured by reference to, overall gross or net income) by any government or tax authority, if the direct effect of such imposition, change or removal is to raise or lower a relevant price on a Underlying Valuation Date from what it would have been without such imposition, change or removal.

(3) *Definitions*

"**Exchange**" means, in respect of the Futures Contract, the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the Futures Contract has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the Futures Contract on such temporary substitute exchange or quotation system as on the original Exchange).

"**Exchange Business Day**" means, in respect of the Futures Contract, any Scheduled Trading Day on which the Exchange is open for trading during its regular trading sessions, notwithstanding any such Exchange closing prior to its Scheduled Closing Time.

"**Price Source**" means, in respect of the Futures Contract, the price source as specified in **Table 2** in

the Annex providing the relevant price of the Futures Contract for the Products.

"Disrupted Day" means, in respect of the Futures Contract, any Scheduled Trading Day on which a relevant Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event - except for a Permanent Market Disruption Event (to the extent applicable) - has occurred.

"Scheduled Closing Time" means, in respect of the Futures Contract and in respect of an Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside the regular trading session hours.

"Scheduled Trading Day" means, in respect of the Futures Contract, any day on which the Exchange is scheduled to calculate and publish the Price of the Futures Contract or, as the case may be, the Price Source is scheduled to publish the Price of the Futures Contract.

§ 12

Adjustments

(1) Substitution of Reference Market and/or Price Source

If the quotation of or trading in the Futures Contract on the Reference Market or the publication of the relevant price of the Futures Contract by the Price Source is permanently discontinued while concurrently the quotation or trading is maintained or is commenced on another reference market or if the relevant price of the Futures Contract is published by another price source, the Issuer shall be entitled to stipulate such other reference market as the new Reference Market and/or such other price source as the Price Source (the "**Substitute Reference Market**" or the "**Substitute Price Source**") through publication in accordance with § 4 of the General Conditions, provided that the Issuer has not terminated the Products in accordance with § 13 of the Issue Specific Conditions. In the case of such a substitution, any reference in the Conditions to the Reference Market and/or Price Source thereafter shall be deemed to refer to the Substitute Reference Market and/or Substitute Price Source.

(2) Changes in the Futures Contract

If at any time the Futures Contract is terminated and/or replaced by another value or if the relevant contract characteristics and/or conditions of the Futures Contract or the value underlying the Futures Contract are changed, the Issuer and/or the Calculation Agent are entitled, provided that the Issuer has not terminated the Products in accordance with § 13 of the Issue Specific Conditions, to make an adjustment to the Conditions, which in the assessment of the Issuer and/or the Calculation Agent is appropriate to reflect the amendments and/or to replace the Futures Contract with a successor futures contract (the "**Successor Futures Contract**") which is economically equivalent to the original relevant concept of the Futures Contract. As the case may be, the Issuer and/or the Calculation Agent will multiply the relevant price of the Futures Contract by an adjustment factor in order to ensure the continuity of the development of the reference value(s) underlying the Products.

The Successor Futures Contract and the date of its initial application shall be published in accordance

with § 4 of the General Conditions. Any reference in the Conditions to the Futures Contract shall, to the extent appropriate, be deemed to refer to the Successor Futures Contract.

§ 13

Extraordinary Termination

(1) *Existence of an Additional Termination Event*

If, in the opinion of the Issuer and/or Calculation Agent, an adjustment pursuant to § 12 of the Issue Specific Conditions is not possible or not commercially reasonable, or upon occurrence of an Additional Termination Event the Issuer may by giving not less than ten (10) nor more than thirty (30) Business Days' irrevocable notice in accordance with the procedure set out in § 4 of the General Conditions, redeem the Products early. The termination shall become valid on the day of the notice in accordance with § 4 of the General Conditions.

"Additional Termination Event" means [a Permanent Market Disruption Event][,] [and] [an Increased Cost of Hedging][,] [and] [a Change in Law][,] [and] [a Hedging Disruption][,] [and] [an Increased Cost of Collateralization].

(2) *Redemption in the event of an Extraordinary Termination*

In the event of an extraordinary termination of the Products, the Issuer will cause to be paid to each Holder in respect of each such Product held by it an amount determined by the Issuer and/or the Calculation Agent in its/their reasonable discretion as the reasonable market price of a Product immediately prior to the event justifying the extraordinary termination. Payment will be made to the relevant Clearing System(s) pursuant to § 8 of the Issue Specific Conditions.

(3) *Definitions*

["Permanent Market Disruption Event" means, in respect of the Futures Contract, any one or more of the events set out in (a), (b), (c), (d) and (e) in the definition as set out in § 11 (2) of the Issue Specific Conditions of "Market Disruption Event", if such event is in the determination of the Issuer and/or Calculation Agent permanent.]

["Increased Cost of Hedging" means that the Hedging Entity would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense, fee or other cost (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) the Hedging Entity deems necessary to hedge the risk in respect of entering into and performing the Issuer's obligations under the relevant Products, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s).]

["Increased Cost of Collateralization" means that the Borrowing Entity would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense, fee or other cost (other than brokerage commissions) to acquire, hold, substitute, maintain any transaction(s) or asset(s) the Borrowing Entity deems necessary to borrow in order to collateralize the Products. For the purpose of this provision **"Borrowing Entity"** means the Issuer or Collateral Provider or any affiliate(s) of the Issuer or Collateral Provider or any entity (or entities) acting on behalf of the Is-

suer or Collateral Provider engaged in any underlying or borrowing transactions in respect of the Issuer's obligations arising from the Products.]

["**Change in Law**" means that on or after the Issue Date (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 Issuer and/or Calculation Agent determine in good faith that (X) it has become illegal to hold, acquire or dispose of the Underlying(s) and/or one or more Basket Components, or (Y) the Hedging Entity will incur a materially increased cost in performing its obligations arising from 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 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 in respect of the Issuer's obligations arising from the Products.]

["**Hedging Disruption**" means that the Hedging 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) the Issuer deems necessary to hedge the risk of entering into and performing its obligations arising from the Products, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s).]]

[insert in the case of Products linked to a fixed rate or derivative instrument as Underlying or as a Basket Component:

§ 11

Market Disruption

(1) Consequences of Disrupted Days

[insert if Single Underlying and Postponement of the Underlying Valuation Date's applicable:

If an Underlying Valuation Date is a Disrupted Day, then the Underlying Valuation Date shall be the next following Scheduled Trading Day that is not a Disrupted Day, unless each of the eight (8) Scheduled Trading Days immediately following the Underlying Valuation Date is a Disrupted Day. In that case:

- (I)** that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date, notwithstanding the fact that such day is a Disrupted Day; and
- (II)** the Issuer and/or Calculation Agent shall determine the relevant level of the Underlying on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of the Underlying in accordance with § 4 of the General Conditions.]

[insert if Basket and Individual Postponement of the Underlying Valuation Date's applicable:

If an Underlying Valuation Date is a Disrupted Day in respect of a Basket Component, then the Underlying Valuation Date in respect of the relevant Basket Component shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of the relevant Basket Component, unless each of the eight (8) Scheduled Trading Days in respect of the relevant Basket Component immediately following the Underlying Valuation Date is a Disrupted Day in respect of the relevant Basket Component. In that case:

- (I)** that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for the relevant Basket Component, notwithstanding the fact that such day is a Disrupted Day; and
- (II)** the Issuer and/or Calculation Agent shall determine the relevant level of the relevant Basket Component on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of the relevant Basket Component in accordance with § 4 of the General Conditions.]

[insert if Basket and Common Postponement of the Underlying Valuation Date's applicable:

If an Underlying Valuation Date is a Disrupted Day in respect of a Basket Component, then the Underlying Valuation Date in respect of all Basket Components shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of all Basket Components, unless each of the eight (8) Scheduled Trading Days in respect of all Basket Components immediately following the Underlying Valuation Date is a Disrupted Day in respect of all Basket Components. In that case:

- (I) that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for all Basket Components, notwithstanding the fact that such day is a Disrupted Day; and
- (II) the Issuer and/or Calculation Agent shall determine the relevant level of all Basket Components on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of all Basket Components in accordance with § 4 of the General Conditions.]

(2) *Existence of a Market Disruption Event*

"**Market Disruption Event**" means

- (a) the suspension or absence of the announcement of a price of the Fixed Rate Instrument or, as the case may be, the Derivative Instrument relevant for the Products on the Reference Market;
- (b) the suspension or limitation of trading the latter of which the Issuer and/or Calculation Agent determine material;
 - (i) in the Fixed Rate Instrument or, as the case may be, the Derivative Instrument on the Reference Market, or
 - (ii) due to a directive of an authority or the Reference Market or due to a moratorium on banking activities in the country where the Reference Market is located, or due to any other reasons, or
 - (iii) in futures or options contracts relating to the Fixed Rate Instrument or, as the case may be, the Derivative Instrument on a futures exchange where such contracts are usually traded;
- (c) the Early Closure of the Reference Market;
- (d) the occurrence at any time of an event that disrupts or impairs (as determined by the Issuer and/or the Calculation Agent) the ability of market participants in general;
 - (i) to obtain market values for the Fixed Rate Instrument or, as the case may be, the Derivative Instrument, or
 - (ii) to sell or transfer the Fixed Rate Instrument or, as the case may be, the Derivative Instrument or to exercise the rights conveyed by the Fixed Rate Instrument or, as the case may be, the Derivative Instrument, or
 - (iii) to effect transactions in, or obtain market values for, futures or options contracts relating to the Fixed Rate Instrument or, as the case may be, the Derivative Instrument on a futures exchange where such contracts are usually traded;
- (e) any event other than such listed above which in its consequences is commercially comparable to those events;
- (f) the suspension or limitation of banking activities in the in the country where the Reference Market is located of which the Issuer and/or Calculation Agent determine material.

(3) Definitions

"Business Day" means, in respect of the Fixed Rate Instrument or, as the case may be, the Derivative Instrument, any Scheduled Trading Day on which the Reference Market is open for trading during its regular trading sessions, notwithstanding any such Reference Market closing prior to its Scheduled Closing Time.

"Reference Market" means the reference market as specified in **Table 2** in the Annex.

"Disrupted Day" means, in respect of the Fixed Rate Instrument or, as the case may be, the Derivative Instrument, any Scheduled Trading Day on which a relevant Reference Market fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred.

"Scheduled Closing Time" means, in respect of the Fixed Rate Instrument or, as the case may be, the Derivative Instrument and in respect of a Reference Market and a Scheduled Trading Day, the scheduled weekday closing time of such Reference Market on such Scheduled Trading Day, without regard to after hours or any other trading outside the regular trading session hours.

"Scheduled Trading Day" means, in respect of the Fixed Rate Instrument or, as the case may be, the Derivative Instrument, any day on which the Reference Market is scheduled to open for trading during its regular trading sessions.

"Early Closure of the Reference Market" means, in respect of the Fixed Rate Instrument or, as the case may be, the Derivative Instrument, the closure on any Business Day of the Reference Market prior to its Scheduled Closing Time unless such earlier closing time is announced by such Reference Market at least one hour prior to the actual closing time for the regular trading session on the Reference Market on such Business Day.

§ 12**Adjustments****(1) Changes in the market conditions on the Reference Market**

If, in the determination of the Issuer and/or Calculation Agent, a material change in the market conditions has occurred on the Reference Market, the Issuer and/or Calculation Agent shall be entitled to effect adjustments to these Conditions to account for these changed market conditions.

(2) Changes in the calculation of the Fixed Rate Instrument or, as the case may be, the Derivative Instrument

Any changes in the calculation (including corrections) of the Fixed Rate Instrument or, as the case may be, the Derivative Instrument shall not lead to an adjustment unless the Issuer and/or Calculation Agent determine that as a result of the changes (including corrections) the underlying concept and calculation of the Fixed Rate Instrument or, as the case may be, the Derivative Instrument are no longer comparable to the underlying concept or calculation of the Fixed Rate Instrument or, as the case may be, the Derivative Instrument applicable prior to such change. Adjustments may also be made as a result of the removal of the Fixed Rate Instrument or, as the case may be, the Derivative In-

strument and/or its substitution by another underlying or the Delisting of the Fixed Rate Instrument or, as the case may be, the Derivative Instrument. For the purpose of this provision "**Delisting**" means that the relevant Reference Market announces that pursuant to the rules of such Reference Market, the Fixed Rate Instrument or, as the case may be, the Derivative Instrument ceases (or will cease) to be listed, traded or publicly quoted on the Reference Market for any reason and is not immediately re-listed, re-traded or re-quoted on a market or quotation system located in the same country as the Reference Market (or, where the Reference Market is within the European Union, in any Member State of the European Union).

For the purpose of making any adjustments, the Issuer and/or Calculation Agent shall determine an adjusted value of the Fixed Rate Instrument or, as the case may be, the Derivative Instrument which shall be used for the determination of the relevant price of the Fixed Rate Instrument or, as the case may be, the Derivative Instrument for the Products and which in its economic result shall correspond to the provisions prior to this change, and shall determine the day on which the adjusted value of the Fixed Rate Instrument or, as the case may be, the Derivative Instrument shall apply for the first time taking into account the time the change occurred. The adjusted value of the Fixed Rate Instrument or, as the case may be, the Derivative Instrument and the date of its first application shall be published pursuant to § 4 of the General Conditions.

(3) *Termination, early redemption, replacement or adjustment to the terms and conditions of the Fixed Rate Instrument or, as the case may be, the Derivative Instrument*

In the event that the Fixed Rate Instrument or, as the case may be, the Derivative Instrument is terminated and/or redeemed early or replaced by another Fixed Rate Instrument or, as the case may be, the Derivative Instrument, provided that such circumstance does not occur in connection with any insolvency or general settlement proceedings or other similar proceedings of the issuer of the Fixed Rate Instrument or, as the case may be, the Derivative Instrument, or in the event of changes to the terms and conditions of the Fixed Rate Instrument or, as the case may be, the Derivative Instrument, the Fixed Rate Instrument or, as the case may be, the Derivative Instrument may be replaced for the purposes of these Conditions by another financial instrument, if necessary after making the appropriate adjustments to the above paragraph (the "**Successor Instrument**"). The Successor Instrument and the date of its first application shall be published in accordance with § 4 of the General Conditions.

In this case any reference in these Conditions to the Fixed Rate Instrument or, as the case may be, the Derivative Instrument shall, to the extent permitted by the context, be deemed to refer to the Successor Instrument.

(4) *Replacement of the Reference Market*

If the quotation of or trading in the Fixed Rate Instrument or, as the case may be, the Derivative Instrument on the Reference Market is permanently discontinued while concurrently a quotation or trading is started up or maintained on another market, the Issuer and/or Calculation Agent shall be entitled to stipulate such other market as relevant Reference Market (the "**Substitute Reference Market**") via publication in accordance with § 4 of the General Conditions, provided that the Issuer has not terminated the Products in accordance with § 13 of the Issue Specific Conditions.

In the case of such a substitution, any reference in these Conditions to the Reference Market thereafter shall be deemed to refer to the Substitute Reference Market.

The adjustment described above shall be published in accordance with § 4 of the General Conditions within the three (3) months-period following the permanent discontinuation of the quotation of or trading in the Fixed Rate Instrument or, as the case may be, the Derivative Instrument on the Reference Market, at the latest.

(5) Correction of a relevant price

In the event that a price for the Fixed Rate Instrument or, as the case may be, the Derivative Instrument determined and published by the Reference Market which is relevant for the Products is subsequently corrected and the correction (the "**Corrected Price**") is published by the Reference Market after the original publication, but by the Final Fixing Date (exclusive), the Issuer and/or Calculation Agent shall be entitled to effect adjustments to these Conditions taking into account the Corrected Price, to account for the correction. The adjustment and the date of its first application shall be published in accordance with § 4 of the General Conditions.

[insert in the case of a Basket as Underlying:

(6) Additional adjustments in the case of a Basket as Underlying

If in relation to a Basket Component an adjustment (as described in the Conditions) is necessary, the Issuer and/or Calculation Agent shall (in addition to the adjustments pursuant to the Conditions 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 these Conditions to the affected Basket Component, to the extent permitted by the context, shall be deemed to refer to the Successor Basket Component.]

§ 13

Extraordinary Termination

(1) Existence of an Additional Termination Event

If, in the opinion of the Issuer and/or Calculation Agent, an adjustment pursuant to § 12 of the Issue Specific Conditions is not possible or not commercially reasonable, or upon occurrence of an Additional Termination Event the Issuer may by giving not less than ten (10) nor more than thirty (30) Business Days' irrevocable notice in accordance with the procedure set out in § 4 of the General Conditions, redeem the Products early. The termination shall become valid on the day of the notice in ac-

cordance with § 4 of the General Conditions.

"**Additional Termination Event**" means [an Increased Cost of Hedging][,] [and] [a Change in Law][,] [and] [a Hedging Disruption][,] [and] [an Increased Cost of Collateralization].

(2) *Redemption in the event of an Extraordinary Termination*

In the event of an extraordinary termination of the Products, the Issuer will cause to be paid to each Holder in respect of each such Product held by it an amount determined by the Issuer and/or the Calculation Agent in its/their reasonable discretion as the reasonable market price of a Product immediately prior to the event justifying the extraordinary termination. Payment will be made to the relevant Clearing System(s) pursuant to § 8 of the Issue Specific Conditions.

(3) *Definitions*

["**Increased Cost of Hedging**" means that the Hedging Entity would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense, fee or other cost (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) the Hedging Entity deems necessary to hedge the risk in respect of entering into and performing the Issuer's obligations under the relevant Products, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s).]

["**Increased Cost of Collateralization**" means that the Borrowing Entity would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense, fee or other cost (other than brokerage commissions) to acquire, hold, substitute, maintain any transaction(s) or asset(s) the Borrowing Entity deems necessary to borrow in order to collateralize the Products. For the purpose of this provision "**Borrowing Entity**" means the Issuer or Collateral Provider or any affiliate(s) of the Issuer or Collateral Provider or any entity (or entities) acting on behalf of the Issuer or Collateral Provider engaged in any underlying or borrowing transactions in respect of the Issuer's obligations arising from the Products.]

["**Change in Law**" means that on or after the Issue Date (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 Issuer and/or Calculation Agent determine in good faith that (X) it has become illegal to hold, acquire or dispose of the Underlying(s) and/or one or more Basket Components, or (Y) the Hedging Entity will incur a materially increased cost in performing its obligations arising from 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 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 in respect of the Issuer's obligations arising from the Products.]

["**Hedging Disruption**" means that the Hedging Entity is unable, after using commercially reasonable efforts, to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transac-

tion(s) or asset(s) the Issuer deems necessary to hedge the risk of entering into and performing its obligations arising from the Products, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s).]]

[insert in the case of Products linked to a share in an exchange traded Fund as Underlying or as a Basket Component:

§ 11

Market Disruption

(1) Consequences of Disrupted Days

[insert if Single Underlying and Postponement of the Underlying Valuation Date'is applicable:

If an Underlying Valuation Date is a Disrupted Day, then the Underlying Valuation Date shall be the next following Scheduled Trading Day that is not a Disrupted Day, unless each of the eight (8) Scheduled Trading Days immediately following the Underlying Valuation Date is a Disrupted Day. In that case:

- (I)** that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date, notwithstanding the fact that such day is a Disrupted Day; and
- (II)** the Issuer and/or Calculation Agent shall determine the relevant level of the Underlying on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of the Underlying in accordance with § 4 of the General Conditions.]

[insert if Basket and Individual Postponement of the Underlying Valuation Date'is applicable:

If an Underlying Valuation Date is a Disrupted Day in respect of a Basket Component, then the Underlying Valuation Date in respect of the relevant Basket Component shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of the relevant Basket Component, unless each of the eight (8) Scheduled Trading Days in respect of the relevant Basket Component immediately following the Underlying Valuation Date is a Disrupted Day in respect of the relevant Basket Component. In that case:

- (I)** that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for the relevant Basket Component, notwithstanding the fact that such day is a Disrupted Day; and
- (II)** the Issuer and/or Calculation Agent shall determine the relevant level of the relevant Basket Component on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of the relevant Basket Component in accordance with § 4 of the General Conditions.]

[insert if Basket and Common Postponement of the Underlying Valuation Date'is applicable:

If an Underlying Valuation Date is a Disrupted Day in respect of a Basket Component, then the Underlying Valuation Date in respect of all Basket Components shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of all Basket Components, unless each of the eight (8) Scheduled Trading Days in respect of all Basket Components immediately following the Underlying Valuation Date is a Disrupted Day in respect of all Basket Components. In that case:

- (I) that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for all Basket Components, notwithstanding the fact that such day is a Disrupted Day; and
- (II) the Issuer and/or Calculation Agent shall determine the relevant level of all Basket Components on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of all Basket Components in accordance with § 4 of the General Conditions.]

(2) Existence of a Market Disruption Event

"Market Disruption Event" means

the occurrence or existence of (1) a Trading Disruption, (2) an Exchange Disruption, which in either case the Issuer and/or Calculation Agent regards as material, at any time during the one-hour period immediately before the relevant Valuation Time, or (3) an Early Exchange Closure. If a Market Disruption Event occurs only two hours prior to the time of the actual closing time for the regular trading session on the relevant Exchange(s) or Related Exchange(s) on the relevant Exchange Trading Day, the Issuer may determine whether a Market Disruption for this basket component is considered material. If the Issuer determines that a Market Disruption for this basket component is not considered material, then the Calculation Agent shall use the previous day's rate for this date.

(3) Definitions

"Valuation Time" means, in respect of the Fund Unit, the time at which the Exchange calculates and publishes the official closing price of the Fund Unit. If the Exchange closes prior to its Scheduled Closing Time and the Valuation Time falls after the actual closing time for the regular trading session, the Valuation Time means the time of the actual close of trading.

"Exchange Trading Day" means, in respect of the basket component, a Scheduled Trading Day on which each Exchange and each Related Exchange are open for trading during their respective regular trading sessions, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time.

"Exchange Disruption" means, in respect of the Fund Unit, an Event (other than an Early Exchange Closure) that disrupts or impairs (as determined by the Issuer and/or Calculation Agent) the ability of market participants in general (1) to effect transactions in the Fund Units or obtain market values on the Exchange for the Fund Units or (2) to effect transactions in, or obtain market values for, futures or options contracts on such Fund Unit on a relevant Related Exchange.

"Trading Disruption" means, in respect of the Fund Unit, a suspension of or limitation imposed on trading by the Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise (1) relating to Fund Units on the Exchange or (2) in futures or options contracts on the Fund Units on a relevant Related Exchange or (3) in Fund Units, Fund Certificates, Units or other securities of an Exchange Traded Fund in respect of the Funds Reference Index on the Exchange or a Related Exchange, if in any of these cases the Calculation Agent determines in its absolute sole discretion that such suspension or limitation is material.

"Disrupted Day" means, in respect of the Fund Unit, a Scheduled Trading Day on which a relevant Exchange or Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred.

"Related Exchange(s)" means, in respect of the Fund Unit, those options or futures exchanges on which options or futures contracts are regularly traded on the units of the Fund, as determined by the Calculation Agent, and (in each case) any successor to such exchange or quotation system or any substitute exchange or quotation system where trading is temporarily carried out in futures or options contracts on the Fund Units (to the extent as determined by the Calculation Agent on the temporary substitute exchange or quotation system the liquidity for the futures and options contracts on Fund Units is comparable with the liquidity of the original Related Exchange.)

"Scheduled Closing Time" means, in respect of the Fund Unit, and in respect of an Exchange or Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or Related Exchange on the Scheduled Trading Day, without regard to after hours or any other trading outside the regular trading session hours.

"Scheduled Trading Day" means, in respect of the Fund Unit, a day on which each Exchange and each Related Exchange are open for trading during their respective regular trading sessions.

"Early Closure" means, in respect of the Fund Unit, the closure on any Exchange Trading Day of one or more Relevant Exchanges or one or more Related Exchange(s) prior to the Scheduled Closing Time, unless such earlier closing time is announced by such Exchange(s) or Related Exchange(s) at least one hour prior to the earlier of (1) the actual closing time for the regular trading session on such Exchange(s) or Related Exchange(s) on such Exchange Trading Day and (2) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Trading Day.

§ 12

Adjustments

(1) Conditions precedent for an adjustment

In the case of a Potential Adjustment Event or an Extraordinary Event, the Issuer or the Calculation Agent shall be entitled to adjust the Conditions considering the following rules. The Issuer or the Calculation Agent is not, however, obliged to effect adjustments.

(2) Existence and consequences of a Potential Adjustment Event

(a) A "Potential Adjustment Event" occurs in the case of any of the following events, as determined by the Issuer and/or Calculation Agent:

- (i)** a subdivision, consolidation or reclassification of Fund Units (unless resulting in a Merger Event) or a free distribution or dividend of the Fund Units to existing holders by way of bonus, capitalisation or similar issue;
- (ii)** a distribution, issue or dividend to existing holders of Fund Units of (1) such Fund Units or (2)

other participation rights or securities granting the right to payment of dividends and/or a share in the proceeds of liquidation of the Fund equally or proportionately with such payments to holders of such Fund Units or (3) participation rights or securities of another unit issuer acquired or owned (directly or indirectly) by the Fund as a result of a spin-off or other similar transaction, or (4) any other type of securities, rights or options 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) a distribution per Fund Unit which the Calculation Agent determines to be characterised as an extraordinary dividend;
- (iv) a call by the Fund in respect of Fund Units that are not fully paid;
- (v) a repurchase by the Fund or any of its affiliates of Fund Units whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
- (vi) an event occurs that results in any shareholder rights being distributed or becoming separated from shares of common stock other units of the Fund pursuant to a shareholder rights plan or similar 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 exercise of such rights; or
- (vii) any other circumstances that may have, in the opinion of the Issuer and/or Calculation Agent, a diluting or concentrative effect on the theoretical value of the Fund Units.

(b) Consequences of a Potential Adjustment Event

In the case of the declaration of any Potential Adjustment Event by or on behalf of the Fund or in the case of an adjustment to the calculation terms of exchange contracts in respect of Fund Units that are traded on a Related Exchange, the Issuer and/or Calculation Agent will determine in their absolute sole discretion whether the Potential Adjustment Event or such other event has a diluting or concentrative effect on the theoretical value of the Fund Unit and, if so, will:

- (i) make the corresponding adjustment(s), if appropriate, to the Conditions as the Issuer and/or Calculation Agent determine appropriate to account for that diluting or concentrative effect; and
- (ii) determine the effective date(s) of the adjustment(s). In such case, such adjustments shall be deemed to be so made from such date(s). The Issuer and/or Calculation Agent may (but need not) perform the appropriate adjustment(s) by reference to the adjustment(s) in respect of the Potential Adjustment Event or such other event made by a Related Exchange in respect of exchange contracts on the Fund Units that are traded on such Related Exchange.

Following such an adjustment the Issuer or the Calculation Agent shall inform the holders as soon as possible and include in the notice details of what adjustments have been made to an amount to be paid on the products and/or to other relevant terms and briefly describe the Potential Adjustment Event or

such other event. However, failure to provide such notice shall not render invalid the Potential Adjustment Event or another such event or an action undertaken.

(3) Existence and consequences of an Extraordinary Event

(a) Existence of an Extraordinary Event

An "**Extraordinary Event**" occurs in the case of an insolvency in respect of the Fund, its Management Company or a depository or another of the Fund's service providers, a Merger Event, a delisting or a Termination of the Trust in respect of the Fund (in each case an "**Extraordinary Event**").

(b) Consequences of an Extraordinary Event

(i) If the Issuer or the Calculation Agent determines that an insolvency in respect of the Fund, its Management Company or depository or another servicer of the Fund, a Merger Event, a delisting or a Termination of the Trust has occurred (in each of these cases the "**Related Basket Component**"), then the Issuer or the Calculation Agent shall in its discretion either:

(x) (I) undertake those adjustments to variables that it considers to be appropriate, as the case may be, regarding the calculation methods, the settlement or payment or other terms in respect of the Products to account for the effects of insolvency, the Merger Event, delisting or Termination of the Trust in respect of the Products and (II) determine the effective date of these adjustments; or

(y) if the Issuer or the Calculation Agent determines that no adjustment that it could make pursuant to (x) leads to a commercially reasonable result, then the Calculation Agent selects

(1) another Fund that is in the same currency and has the same investment objective as the Relevant Fund (this Fund that replaces the Relevant Fund is termed the "**Substitute Fund**") and

(2) the applicable day (the "**Fund Replacement Date**") for the replacement of the Relevant Fund with the Substitute Fund (for the avoidance of doubt, the Issuer or the Calculation Agent may set the Fund Replacement Date as any date, also before the event that led to the replacement, or before the Issue Date) or

(z) if the Issuer and/or the Calculation Agent is not able for any reason to determine a Substitute Fund or the Fund Replacement Date for a Relevant Fund or a Substitute Fund or the Fund Replacement Date for a Relevant Fund, then the Issuer and/or the Calculation Agent has the right, in the case of a basket as underlying, to remove the Relevant Fund from the basket.

(ii) On an election pursuant to paragraph (i)(y)

(x) the Substitute Fund replaces the Relevant Fund on the Fund Replacement Date,

(y) references herein to the Fund are considered to take effect from the Fund Replacement Date as references to the Substitute Fund and

(z) the Issuer and/or the Calculation Agent in its absolute sole discretion undertakes the appropriate adjustments to variables that it considers to be appropriate, as the case may be, regarding the calculation methods, the valuation, settlement or payment terms in respect of the products to account for the substitution.

(4) Notification of Adjustment

Upon making any adjustment pursuant to these Conditions, the Issuer and/or Calculation Agent shall give notice to the Holders in accordance with § 4 of the General Conditions.

(5) Definitions

"Termination of the Trust" means in respect of the Fund, that the Trust which constitutes the Fund or the company or another vehicle under which the Fund Units are issued by the Fund (in respect of the Fund in each case the **"Trust"**) pursuant to the documents constituting the trust (in respect of the Fund the **"Constitutional Document"**) has been terminated or amended in another way. For the avoidance of doubt and notwithstanding the generality of the foregoing sentence, the following events represent a termination of the trust:

- (a) the rescission of the Constitutional Document by the Management Company or the Trustee (as defined below) or the termination of the calculation and publication of the Fund Reference Index by the Fund Reference Index Sponsor,
- (b) a decision of a competent authority on the rescission or cancellation of the Constitutional Document or the Trust; and/or
- (c) a decision of a competent authority on the (I) rescission or suspension of the applicable licence of the Management Company that is necessary for the administration of the Fund, or (II) unwinding of the Management Company. Throughout the life of the Fund the replacement of the Management Company or the substitution of the Trustee for the beneficial owners of the Fund (the **"Trustees"**) by a Substitute Trustee shall not lead to the Termination of the Trust and any such replacement investment Management Company and any such Substitute Trustee shall be regarded as the Management Company or Trustee as from the date on which the substitution takes effect.

"Delisting" means, in respect of the Fund Unit, that the Fund Units cease or have ceased to be admitted to trade on the Exchange and that the Fund Units have not been admitted to trade on another Exchange that the Issuer or the Calculation Agent considers to be a suitable substitute Exchange.

"Merger Event" means, in respect of a Fund Unit, any (1) reclassification or other change to the Fund that results in a transfer of or an irrevocable commitment to transfer all such Fund Units outstanding to another entity or person, (2) a consolidation, amalgamation or binding unit exchange of the Fund with or into another entity or person (other than a consolidation, amalgamation or binding unit exchange in which such Fund is the continuing entity and which does not result in a reclassification or change of all such Fund Units outstanding), (3) takeover offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100% of the outstanding Fund Units that results in a transfer of or an irrevocable commitment to transfer all such Fund Units (other than such Fund Units owned or controlled by such other entity or person), or (4) consoli-

ation, amalgamation or binding unit exchange of the Fund or its affiliates with or into another entity in which the Fund is the continuing entity and which does not result in a reclassification or change of all such Fund Units outstanding but results in the outstanding Fund Units (other than Fund Units owned or controlled by such other entity) immediately prior to such event collectively representing less than 50% of the outstanding Fund Units immediately following such event in each case if the Merger Date is on or before the Final Fixing Date.

"Merger Date" means in respect of a Merger Event the earlier of the following dates:

- (a) a date selected by the Issuer or the Calculation Agent in its absolute sole discretion, which is the day (or follows the day) on which the Merger Date occurs pursuant to the determination of the Issuer or the Calculation Agent, or
- (b) the date on which, on determination by the Issuer or the Calculation Agent, all holders of the relevant Fund Units have agreed or committed to transfer their Fund Units.

"Insolvency" means, in respect of a relevant person, that such person (1) is wound up (other than pursuant to a consolidation, amalgamation or takeover); (2) becomes insolvent or is unable or fails to pay its debts or admits in writing its inability generally to pay its debts as they become due; (3) makes a general assignment, arrangement or composition with or for the benefit of its creditors; (4)(I) institutes or has instituted against it a petition by a regulator, regulatory body or other body with primary responsibility for insolvency, restructuring or supervision in the country in which its head office is registered or established, whereby a judgment is sought for insolvency or bankruptcy or any other relief affecting creditors' rights or a petition is presented for its winding-up or liquidation by itself or such regulator, regulatory body or such similar body or (II) has brought a petition against itself seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or applicable relief affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and the petition or other application is instituted or made by a person or agent that is not named under (I) and either (x) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation or (y) is not dismissed, discharged, stayed or restrained in each case within fifteen calendar days of the institution or presentation thereof; (5) has passed a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger); (6) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, Trustee, custodian or other similar official for it or for all or substantially all its assets; (7) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within fifteen calendar days thereafter; or (8) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in clauses (1) to (7) (inclusive) or (9) takes actions that promote any of the foregoing processes or agrees to, consents to or permits the same.

"Merger Date" means the closing date of a Merger Event (as determined by the Issuer and/or Calculation Agent) or, where a closing date cannot be determined under the local law applicable to such

Merger Event, such other date as determined by the Issuer and/or Calculation Agent.

"**Management Company**" means the management company specified for the Fund in **Table 2** in the Annex.

[insert in the case of a Basket as Underlying:

(6) Additional adjustments in the case of a Basket as Underlying

If in relation to a Basket Component an adjustment (as described in the Conditions) is necessary, the Issuer and/or Calculation Agent shall (in addition to the adjustments pursuant to the Conditions 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 these Conditions to the affected Basket Component, to the extent permitted by the context, shall be deemed to refer to the Successor Basket Component.]

§ 13

Extraordinary Termination

(1) Existence of an Additional Termination Event

If, in the opinion of the Issuer and/or Calculation Agent, an adjustment pursuant to § 12 of the Issue Specific Conditions is not possible or not commercially reasonable, or upon occurrence of an Additional Termination Event the Issuer may by giving not less than ten (10) nor more than thirty (30) Business Days' irrevocable notice in accordance with the procedure set out in § 4 of the General Conditions, redeem the Products early. The termination shall become valid on the day of the notice in accordance with § 4 of the General Conditions.

"**Additional Termination Event**" means [an Increased Cost of Hedging][,] [and] [a Change in Law][,] [and] [a Hedging Disruption][,] [and] [an Increased Cost of Collateralization].

(2) Redemption in the event of an Extraordinary Termination

In the event of an extraordinary termination of the Products, the Issuer will cause to be paid to each Holder in respect of each such Product held by it an amount determined by the Issuer and/or the Calculation Agent in its/their reasonable discretion as the reasonable market price of a Product immediately prior to the event justifying the extraordinary termination. Payment will be made to the relevant Clearing System(s) pursuant to § 8 of the Issue Specific Conditions.

(3) *Definitions*

["**Increased Cost of Hedging**" means that the Hedging Entity would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense, fee or other cost (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) the Hedging Entity deems necessary to hedge the risk in respect of entering into and performing the Issuer's obligations under the relevant Products, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s).]

["**Increased Cost of Collateralization**" means that the Borrowing Entity would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense, fee or other cost (other than brokerage commissions) to acquire, hold, substitute, maintain any transaction(s) or asset(s) the Borrowing Entity deems necessary to borrow in order to collateralize the Products. For the purpose of this provision "**Borrowing Entity**" means the Issuer or Collateral Provider or any affiliate(s) of the Issuer or Collateral Provider or any entity (or entities) acting on behalf of the Issuer or Collateral Provider engaged in any underlying or borrowing transactions in respect of the Issuer's obligations arising from the Products.]

["**Change in Law**" means that on or after the Issue Date (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 Issuer and/or Calculation Agent determine in good faith that (X) [it has become illegal to hold, acquire or dispose of the Underlying(s) and/or one or more Basket Components, or (Y) the Hedging Entity will incur a materially increased cost in performing its obligations arising from 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 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 in respect of the Issuer's obligations arising from the Products.]

["**Hedging Disruption**" means that the Hedging 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) the Issuer deems necessary to hedge the risk of entering into and performing its obligations arising from the Products, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s).]

[insert in the case of Products linked to an unlisted Fund Unit as Underlying or as a Basket Component:

§ 11

Market Disruption

(1) Consequences of Disrupted Days

[insert if Single Underlying and Postponement of the Underlying Valuation Date's applicable:

If an Underlying Valuation Date is a Disrupted Day, then the Underlying Valuation Date shall be the next following Scheduled Trading Day that is not a Disrupted Day, unless each of the eight (8) Scheduled Trading Days immediately following the Underlying Valuation Date is a Disrupted Day. In that case:

- (I)** that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date, notwithstanding the fact that such day is a Disrupted Day; and
- (II)** the Issuer and/or Calculation Agent shall determine the relevant level of the Underlying on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of the Underlying in accordance with § 4 of the General Conditions.]

[insert if Basket and Individual Postponement of the Underlying Valuation Date's applicable:

If an Underlying Valuation Date is a Disrupted Day in respect of a Basket Component, then the Underlying Valuation Date in respect of the relevant Basket Component shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of the relevant Basket Component, unless each of the eight (8) Scheduled Trading Days in respect of the relevant Basket Component immediately following the Underlying Valuation Date is a Disrupted Day in respect of the relevant Basket Component. In that case:

- (I)** that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for the relevant Basket Component, notwithstanding the fact that such day is a Disrupted Day; and
- (II)** the Issuer and/or Calculation Agent shall determine the relevant level of the relevant Basket Component on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of the relevant Basket Component in accordance with § 4 of the General Conditions.]

[insert if Basket and Common Postponement of the Underlying Valuation Date's applicable:

If an Underlying Valuation Date is a Disrupted Day in respect of a Basket Component, then the Underlying Valuation Date in respect of all Basket Components shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of all Basket Components, unless each of the eight (8) Scheduled Trading Days in respect of all Basket Components immediately following the Underlying Valuation Date is a Disrupted Day in respect of all Basket Components. In that case:

- (I) that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for all Basket Components, notwithstanding the fact that such day is a Disrupted Day; and
- (II) the Issuer and/or Calculation Agent shall determine the relevant level of all Basket Components on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of all Basket Components in accordance with § 4 of the General Conditions.]

(2) Existence of a Market Disruption Event

"Market Disruption Event" means

- (a) a suspension or a failure of the announcement of the price of the Fund Unit or NAV or
- (b) The occurrence of any other event that, in the opinion of the Issuer and/or Calculation Agent at its reasonable discretion, disrupts or impairs the ability of market participants in general to effect transactions in, or obtain market values for the Fund Unit.

(3) Definitions

"Fund" means the fund specified in Table 2 of the Annex.

"NAV" means, in respect of the Fund Unit, the net asset value calculated in accordance with the terms of the prospectus or other documents prepared in connection with the marketing of the Fund.

"Disrupted Day" means, in respect of the Fund Unit, a Scheduled Trading Day on which a Market Disruption Event has occurred.

"Scheduled Trading Day" means, in respect of the Fund Unit, any day on which the NAV is scheduled to be calculated and announced in accordance with the terms of the prospectus or other documents prepared in connection with the marketing of the Fund.

§ 12

Adjustments

(1) Conditions precedent for an adjustment

In the case of a Potential Adjustment Event, the Issuer or the Calculation Agent shall be entitled to adjust the Conditions considering the following rules. The Issuer or the Calculation Agent is not, however, obliged to effect adjustments.

(2) Existence and consequences of a Potential Adjustment Event

"Potential Adjustment Event" means any of the following:

- (a) A violation or change of any material terms of the offer documents or other documents prepared in connection with the marketing of the Fund or each of its constitutional documents, which, in the opinion of the Issuer and/or Calculation Agent at its reasonable discretion, is material.
- (b) The main investment objective of the Fund changes.

- (c) The currency denomination in which the NAV of the Fund or of the Fund Unit is published (the "**Currency Denomination**") is changed and now differs from the Currency Denomination at the Initial Fixing Date.
- (d) The NAV, as calculated by or on behalf of the Fund, not being calculated or announced for any Scheduled Trading Day within the time period when the Issuer and/or the Calculation Agent would ordinarily expect such NAV to be available.
- (e) Any restriction or limitation or suspension or deferral of trading of, or redemptions of or subscription for Fund Units in the Fund affecting the Hedging Entity's ability to conduct its activities it deems necessary to hedge the risk in respect of entering into and performing the Issuer's obligations under the relevant Products (including, but not limited to, the introduction or increase of any associated fee, cost or expense, the introduction or use of gates or side pockets, or any restructure, reorganisation or action that has a similar impact to a gate or side pocket), or any mandatory redemption of Fund Units of the Fund.
- (f) The regulatory or tax treatment applicable with respect to the Issuer, the Fund, its manager, investment manager or to any of its investment advisors (each a "**Manager**") is changed.
- (g) Any review or investigation of the activities of the Fund or its Managers, by a relevant regulator, in connection with suspected or alleged wrongdoing or breach of any rule or regulation, or other similar reason, or any disciplinary action taken by such regulator in consequence thereof.
- (h) Any winding-up, liquidation of, or any termination or any loss of regulatory approval, license or registration of, a Manager, or any merger, de-merger, winding-up or liquidation of or affecting the Fund.
- (i) Any arrangement between the Issuer and/or the Calculation Agent and the Fund and/or a Manager, including arrangements relating to subscriptions in and redemptions of Fund Units, being changed or terminated.
- (j) The occurrence of any event that, in the opinion of the Issuer and/or the Calculation Agent at their reasonable discretion, prevents, hinders or materially impairs the Hedging Entity's ability to conduct its activities it deems necessary to hedge the risk in respect of entering into and performing the Issuer's obligations under the relevant Products.
- (k) The notice period for subscriptions/ redemption in the Fund Unit is modified in a significant manner and/or the subscriptions and/or redemptions in Fund Units are suspended, postponed or reduced (either in whole or in part), and/or the payments of redemption proceeds to be paid in respect of a redemption order are suspended, postponed, reduced (either in whole or in part) or paid by installments, and/or the dividend and/or redemption payments are made (either in whole or in part) in kind rather than in cash (side-pockets) and/or the non-execution or partial execution by the Fund for any reason of a subscription or redemption order on the Fund Units.
- (l) Any other circumstances that may have, in the opinion of the Issuer and/or Calculation Agent, a diluting or concentrative effect on the theoretical value of the Fund Units or on the NAV.

(3) Consequences of a Potential Adjustment Event

If a Potential Adjustment Event (paragraph (2)) occurs or is likely to occur, the Issuer and/or the Calculation Agent may, if they determine at their reasonable discretion, that such event is material and adversely affects the Fund Unit or the calculation of the NAV of the Fund Unit,

- (a) make any adjustments to any calculation methods, values or terms in respect of the Products that they determine at their reasonable discretion to be necessary to account for such Potential Adjustment Event, and/or
- (b) select, by using reasonable efforts for a period of no longer than five (5) Business Days, one or more suitable alternative funds with reasonably similar investment mandates – subject to the following suitability criteria – (each a "**Replacement Fund**") and replace the Fund by such fund(s).

The replacement of the Fund by one or more alternative funds is only possible provided that all of the following suitability criteria are met:

- (i) The relevant fund management company/ies and fund manager(s) are willing to allow the fund to be referenced in the Products.
- (ii) the Issuer can trade at net asset value or at bid price in the fund with no direct or indirect fee, levy or other charge whatsoever, including subscription or redemption penalties applicable, or potentially applicable, to any such trading or any interest so acquired.
- (iii) The fund (or a relevant manager) publishes the fund's net asset value or bid price on a daily basis.
- (iv) The Hedging-Entity is able to fully hedge its position with respect to the Replacement Fund as at the date on which Issuer and/or the Calculation Agent selects the Replacement Fund(s).

Any reference in the Conditions to the Fund shall, to the extent appropriate, be deemed to refer to the Replacement Fund.

(4) Correction of a relevant price

In the event that a price of the Fund Unit as determined and published on behalf the Fund which is relevant for the Products is subsequently corrected and the correction (the "**Corrected Price**") is published on behalf the Fund after the original publication, but by the Final Fixing Date (exclusive), the Issuer and/or the Calculation Agent shall be entitled to effect adjustments to these Conditions taking into account the Corrected Price, to account for the correction. The adjustment and the date of its first application shall be published in accordance with § 4 of the General Conditions.

(5) Notification of Adjustment

Upon making any adjustment pursuant to these Conditions, the Issuer and/or Calculation Agent shall give notice to the Holders in accordance with § 4 of the General Conditions, stating the relevant adjustment.

[insert in the case of a Basket as Underlying:

(6) Additional adjustments in the case of a Basket as Underlying

If in relation to a Basket Component an adjustment (as described in the Conditions) is necessary, the Issuer and/or Calculation Agent shall (in addition to the adjustments pursuant to the Conditions 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 these Conditions to the affected Basket Component, to the extent permitted by the context, shall be deemed to refer to the Successor Basket Component.]

§ 13**Extraordinary Termination****(1) Existence of an Additional Termination Event**

If, in the opinion of the Issuer and/or Calculation Agent, an adjustment pursuant to § 12 of the Issue Specific Conditions is not possible or not commercially reasonable, or upon occurrence of an Additional Termination Event the Issuer may by giving not less than ten (10) nor more than thirty (30) Business Days' irrevocable notice in accordance with the procedure set out in § 4 of the General Conditions, redeem the Products early. The termination shall become valid on the day of the notice in accordance with § 4 of the General Conditions.

"**Additional Termination Event**" means [an Increased Cost of Hedging][,] [and] [a Change in Law][,] [and] [a Hedging Disruption][,] [and] [an Increased Cost of Collateralization].

(2) Redemption in the event of an Extraordinary Termination

In the event of an extraordinary termination of the Products, the Issuer will cause to be paid to each Holder in respect of each such Product held by it an amount determined by the Issuer and/or the Calculation Agent in its/their reasonable discretion as the reasonable market price of a Product immediately prior to the event justifying the extraordinary termination. Payment will be made to the relevant Clearing System(s) pursuant to § 8 of the Issue Specific Conditions.

(3) Definitions

["**Increased Cost of Hedging**" means that the Hedging Entity would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense, fee or other cost (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) the Hedging Entity deems necessary to hedge the risk in respect of entering into and performing the Issuer's obligations under the relevant Products, or

(B) realise, recover or remit the proceeds of any such transaction(s) or asset(s).]

["**Increased Cost of Collateralization**" means that the Borrowing Entity would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense, fee or other cost (other than brokerage commissions) to acquire, hold, substitute, maintain any transaction(s) or asset(s) the Borrowing Entity deems necessary to borrow in order to collateralize the Products. For the purpose of this provision "**Borrowing Entity**" means the Issuer or Collateral Provider or any affiliate(s) of the Issuer or Collateral Provider or any entity (or entities) acting on behalf of the Issuer or Collateral Provider engaged in any underlying or borrowing transactions in respect of the Issuer's obligations arising from the Products.]

["**Change in Law**" means that on or after the Issue Date (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 Issuer and/or Calculation Agent determine in good faith that (X) [it has become illegal to hold, acquire or dispose of the Underlying(s) and/or one or more Basket Components, or (Y) the Hedging Entity will incur a materially increased cost in performing its obligations arising from 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 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 in respect of the Issuer's obligations arising from the Products.]

["**Hedging Disruption**" means that the Hedging 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) the Issuer deems necessary to hedge the risk of entering into and performing its obligations arising from the Products, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s).]]

2. General Conditions

a) **General Conditions for Products governed by German law**

§ 1

Presentation Period, Prescription

The period for presentation of the Products (pursuant to § 801 (1) sentence 1 of the German Civil Code) shall be reduced to ten years from the date on which the relevant obligation of the Issuer arising from the Products first becomes due, and the period of limitation for claims arising from the Products presented during the period for presentation shall be two years calculated from the expiration of the presentation period.

§ 2

Substitution of the Issuer

(1) Conditions precedent for substitution of the Issuer

The Issuer may at any time, without the consent of the Holders, substitute for the Issuer another company as Issuer (the "**New Issuer**") in respect of all obligations arising from or in connection with the Products, provided that

- (a) the New Issuer assumes all obligations of the Issuer arising from or in connection with the Products;
- (b) the New Issuer has agreed to indemnify and hold harmless each Holder against any tax, duty, assessment or governmental charge imposed on such Holder resulting from the substitution of the Issuer by the New Issuer;
- (c) the Issuer unconditionally and irrevocably guarantees all obligations of the New Issuer arising from the Products to the benefit of the Holders and the text of this guarantee has been published in accordance with § 4 of the General Conditions; and
- (d) all actions, conditions and steps which have to be initiated, fulfilled and performed (including obtaining any necessary consent) to ensure that the Products represent lawful, effective and binding obligations of the New Issuer have been initiated, fulfilled and performed and are, without limitation, legally valid and effective,

(2) Consequences of substitution

In the event of such substitution of the Issuer, any reference to the Issuer in the Conditions shall then be deemed to be a reference to the New Issuer.

(3) Notification of substitution

The substitution of the Issuer according to paragraph (1) shall be announced in accordance with § 4 of

the General Conditions. Upon fulfilment of the above conditions, the New Issuer shall in all respects substitute the Issuer and the Issuer shall be released from all obligations associated with the function of Issuer towards the Holders arising from or in connection with the Products.

§ 3

Further Issues; Repurchase

(1) Further Issues

The Issuer may from time to time without the consent of the Holders issue further products having the same terms and conditions as the Products (with the exception of the issue price of the further products) (so that, for the avoidance of doubt, references in the conditions of such products to "**Issue Date**" shall be to the first issue date of the Products) and the same shall be consolidated and form a single series with such Products, and references in these Conditions to "Products" shall be construed accordingly.

(2) Repurchase

The Issuer and any of its subsidiaries or affiliates may at any time purchase Products in the open market or otherwise at any price. All Products purchased by or on behalf of the Issuer or any of its subsidiaries or affiliates may either be held or resold or cancelled. The obligations of the Issuer in respect of any Products so cancelled shall be discharged.

§ 4

Notices

(1) Notices

Notices concerning the Products shall be published on the "**Website**" set out in § 3 of the applicable Issue Specific Conditions (or on another website which shall be announced by the Issuer at least six weeks in advance in accordance with these provisions). To the extent that required by law, or exchange regulations or if the Issuer otherwise considers it practical and helpful to Holders, notices will be made in addition in a newspaper of general circulation in the Offer States. Each of such notifications shall be deemed to be validly effected on the date of the first publication, provided that the notice does not specify a later date of effectiveness.

(2) Notifications to the Clearing System

In addition to such publication pursuant to paragraph (1) the Issuer is entitled to transmit a notification to the Clearing System to be forwarded to the Holders. Even if a notification to the Clearing System takes place, the first publication pursuant to paragraph (1) shall remain relevant for the time when the notification becomes effective.

(3) Notices in accordance with the rules and regulations of the SIX Swiss Exchange AG

If the Products are listed on the SIX Swiss Exchange AG, the Issuer shall, in addition to the publica-

tion pursuant to paragraph (1) and the notification pursuant to paragraph (2), publish notices in accordance with the applicable Swiss laws and rules and regulations of the SIX Swiss Exchange AG.

§ 5

Agents

(1) *Fiscal Agent; Paying Agent(s); Calculation Agent(s)*

The Fiscal Agent, the Paying Agent(s) and the Calculation Agent(s) will be specified in § 3 of the Issue Specific Conditions.

(2) *Status*

The Fiscal Agent, the Paying Agent(s) and the Calculation Agent(s) act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any Holder. The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent, Paying Agent(s) or the Calculation Agent(s) and to appoint additional or other Paying Agents. The Fiscal Agent, the Paying Agent(s) and the Calculation Agent(s) shall be exempt from the restrictions of Section 181 of the German Civil Code (*Bürgerliches Gesetzbuch*).

References in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions.

(3) *Replacement of the Calculation Agent; Notification*

If the Calculation Agent is unable or unwilling to act as such or if a Calculation Agent fails duly to calculate any Redemption Amount or other amounts or to comply with any other requirement, the Issuer shall appoint a leading bank or investment banking firm engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent to act as such in its place. A Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

Notice of any change of agents or any change of any specified office shall be given to the Holder in accordance with § 4 of the General Conditions.

§ 6

Correction of the Conditions; Termination in case of errors

(1) *Correction of manifest typing or calculation errors*

The Issuer may without the consent of the Holders correct any evident typing or calculation errors in these Issue Specific relating to the determination of the Redemption Amount or the Coupon Amount, as the case may be. The Issuer may assess evidence and comprehension of an experienced investor being relevant for the correction through consulting an official expert. Corrections of these Terms and Conditions shall be published in accordance with § 4 of the General Conditions.

(2) *Amendment of contradictory provisions, supplement of incomplete provisions*

The Issuer may amend any contradictory provisions contained in these Terms and Conditions without the consent of the Holders. The amendment may only serve to eliminate the contradiction and may not result in any other changes to the Terms and Conditions. The Issuer may furthermore supplement any incomplete provisions in these Terms and Conditions without the consent of the Holders. The supplement may only serve to complete the omission and may not result in any other changes to the Terms and Conditions. Any amendments or supplements to these Terms and Conditions shall be published in accordance with § 4 of the General Conditions.

(3) *Termination option of the Holder in case of correction or amendment and/or supplement*

In the event of a correction according to paragraph (1) or an amendment or supplement according to paragraph (2), the Holder may terminate the Products within six weeks of publication of the correction, amendment or supplement with immediate effect by written notice of termination to the Paying Agent (via the credit institution with which the Holder maintains the relevant securities account) if the correction, amendment or supplement changes the contents or scope of the Issuer's duties to perform in a manner which is not foreseeable for and disadvantageous to the Holder. The Issuer shall point out the possible right of termination to the Holders, including the termination modalities and the Holder's option regarding the termination amount, in the publication in accordance with paragraph (1) or paragraph (2), as applicable. The date of termination within the meaning of this paragraph (3) (the "**Correction Termination Date**") is the date on which the notice of termination is received by the Paying Agent. Effectively exercising a termination by the Holder requires the receipt of a notice of termination signed in legally valid form. Such notice shall contain as follows: (i) name of the Holder, (ii) name and number of the Products being terminated, and (iii) a specified appropriate bank account to which the termination amount shall be transferred.

(4) *Termination right in the event of no correction or amendment and/or supplement*

In the event that a correction according to paragraph (1) or an amendment or supplement according to paragraph (2) does not come in to consideration, the Issuer as well as each Holder of the Products may terminate the Products provided that the requirements of challenge pursuant to §§ 119 of the German Civil Code are met in relation to the relevant Holders of the Products or, as the case may be, the Issuer. The Issuer may terminate the Products in whole but not in part by publication in accordance with § 4 of the General Conditions; the termination must point out the Holder's option with regard to the termination amount. The Holder may terminate the Products by giving notice of termination to the Paying Agent (via the credit institution with which the Holder maintains the relevant securities account); as regards the content of such notice, paragraph (3) sentence 4 shall apply accordingly. The termination by a Holder does not affect any other Holder. The date of termination within the meaning of this paragraph (4) (the "**Mistake Termination Date**") is, in case of termination by the Issuer, the date on which the publication was made. In case of termination by a Holder, the Mistake Termination Date is the date on which the Paying Agent receives the notice of termination. The termination shall be effected without delay once the party being authorised to terminate has gained knowledge of the reason for termination.

(5) Termination amount

In the event of an effective termination according to paragraph (3) or paragraph (4), the Issuer shall pay a termination amount to the Holders. The termination amount shall be equivalent to either (i) the Market Price of a Product as defined below last determined by the Calculation Agent or (ii) upon request by the Holder the purchase price paid by the Holder at the time of purchase of the Product, provided it submits evidence of this purchase price to the Paying Agent. The market price (the "**Market Price**") of the Products corresponds to a sum determined by the Calculation Agent – as the case may be after consulting an independent official expert determined by the Issuer – in its reasonable discretion taking into account the market conditions prevailing on the Business Day immediately preceding the Termination Date. The Issuer shall cause the payment of termination amount within five (5) Business Days of the Termination Date. If the Holder requires the purchase price paid to be redeemed after the Termination Date, the difference by which the purchase price exceeds the Market Price will be subsequently transferred. Upon payment of the termination amount all rights in the terminated Products will expire. This is without prejudice to the Holder's rights to compensation for possible damages suffered due to reliance on the validity of a declaration in accordance with § 122 (1) of the German Civil Code, insofar as such claims are not excluded due to knowledge of the reasons for termination on the part of the Holder or its lack of knowledge as a result of negligence in accordance with § 122 (2) of the German Civil Code.

§ 7**Governing Law, Place of Performance, Jurisdiction****(1) Governing law**

The Products are governed by, and shall be construed in accordance with, **German law**.

(2) Place of Performance

Place of performance is Frankfurt am Main.

(3) Jurisdiction

The Regional Court (*Landgericht*) of Frankfurt am Main is to have jurisdiction to settle any disputes that may arise from or in connection with any Products and accordingly any legal action or proceedings arising from or in connection with any Products ("**Proceedings**") may be brought in such court. The Issuer irrevocably submits to the jurisdiction of the Regional Court (*Landgericht*) of Frankfurt am Main and waives any objection to Proceedings in such court on the grounds of venue or on the grounds that the Proceedings have been brought in an inconvenient forum. These submissions are made for the benefit of each of the Holders and shall not affect the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).

b) General Conditions for Products governed by Swiss law**§ 1****Prescription**

In accordance with Swiss law, claims of any kind against the Issuer arising under the Products will be prescribed ten years after the date on which the respective payment or delivery has become due, except for claims for interests payments which will be prescribed five years after such payments have become due.

§ 2**Substitution of the Issuer*****(1) Conditions precedent for substitution of the Issuer***

The Issuer may at any time, without the consent of the Holders, substitute for the Issuer another company as Issuer (the "**New Issuer**") in respect of all obligations arising from or in connection with the Products, provided that

- (a) the New Issuer assumes all obligations of the Issuer arising from or in connection with the Products;
- (b) the New Issuer has agreed to indemnify and hold harmless each Holder against any tax, duty, assessment or governmental charge imposed on such Holder resulting from the substitution of the Issuer by the New Issuer;
- (c) the Issuer unconditionally and irrevocably guarantees all obligations of the New Issuer arising from the Products to the benefit of the Holders and the text of this guarantee has been published in accordance with § 4 of the General Conditions; and
- (d) all actions, conditions and steps which have to be initiated, fulfilled and performed (including obtaining any necessary consent) to ensure that the Products represent lawful, effective and binding obligations of the New Issuer have been initiated, fulfilled and performed and are, without limitation, legally valid and effective.

(2) Consequences of substitution

In the event of such substitution of the Issuer, any reference to the Issuer in the Conditions shall then be deemed to be a reference to the New Issuer.

(3) Notification of substitution

The substitution of the Issuer according to paragraph (1) shall be announced in accordance with § 4 of the General Conditions. Upon fulfilment of the above conditions, the New Issuer shall in all respects substitute the Issuer and the Issuer shall be released from all obligations associated with the function of Issuer towards the Holders arising from or in connection with the Products.

§ 3

Further Issues; Repurchase

(1) Further Issues

The Issuer may from time to time without the consent of the Holders issue further products having the same terms and conditions as the Products (with the exception of the issue price of the further products) (so that, for the avoidance of doubt, references in the conditions of such products to "**Issue Date**" shall be to the first issue date of the Products) and the same shall be consolidated and form a single series with such Products, and references in these Conditions to "Products" shall be construed accordingly.

(2) Repurchase

The Issuer and any of its subsidiaries or affiliates may at any time purchase Products in the open market or otherwise at any price. All Products purchased by or on behalf of the Issuer or any of its subsidiaries or affiliates may either be held or resold or cancelled. The obligations of the Issuer in respect of any Products so cancelled shall be discharged.

§ 4

Notices

(1) Notices

Notices concerning the Products shall be published on the "**Website**" set out in § 3 of the applicable Issue Specific Conditions (or on another website which shall be announced by the Issuer at least six weeks in advance in accordance with these provisions). To the extent that required by law, or exchange regulations or if the Issuer otherwise considers it practical and helpful to Holders, notices will be made in addition in a newspaper of general circulation in the Offer States. Each of such notifications shall be deemed to be validly effected on the date of the first publication, provided that the notice does not specify a later date of effectiveness.

(2) Notifications to the Clearing System

In addition to such publication pursuant to paragraph (1) the Issuer is entitled to transmit a notification to the Clearing System to be forwarded to the Holders. Even if a notification to the Clearing System takes place, the first publication pursuant to paragraph (1) shall remain relevant for the time when the notification becomes effective.

(3) Notices in accordance with the rules and regulations of the SIX Swiss Exchange AG

If the Products are listed on the SIX Swiss Exchange AG, the Issuer shall, in addition to the publication pursuant to paragraph (1) and the notification pursuant to paragraph (2), publish notices in accordance with the applicable Swiss laws and rules and regulations of the SIX Swiss Exchange AG.

§ 5
Agents

(1) *Fiscal Agent; Paying Agent(s); Calculation Agent(s)*

The Fiscal Agent, the Paying Agent(s) and the Calculation Agent(s) will be specified in § 3 of the Issue Specific Conditions.

(2) *Status*

The Fiscal Agent, the Paying Agent(s) and the Calculation Agent(s) act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any Holder. The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent, Paying Agent(s) or the Calculation Agent(s) and to appoint additional or other Paying Agents. The Fiscal Agent, the Paying Agent(s) and the Calculation Agent(s) shall be exempt from the restrictions of self-dealing.

References in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions.

(3) *Replacement of the Calculation Agent; Notification*

If a Calculation Agent is unable or unwilling to act as such or if a Calculation Agent fails duly to calculate any Redemption Amount or other amounts or to comply with any other requirement, the Issuer shall appoint a leading bank or investment banking firm engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent to act as such in its place. A Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

Notice of any change of agents or any change of any specified office shall be given to the Holder in accordance with § 4 of the General Conditions.

§ 6
Correction of the Conditions

The Issuer shall be entitled to amend without the consent of the Holders any term or condition for the purpose of a) correcting a manifest error or b) clarifying any uncertainty, or correcting or supplementing the terms and conditions in such manner as the Issuer deems necessary or desirable, provided that the Holder does not incur significant financial loss as a consequence thereof.

However, the Issuer shall at all times be entitled to amend any Conditions where, and to the extent, the amendment is necessitated as a consequence of legislation, decisions by courts of law, or decisions taken by governmental authorities.

Amendments to the Conditions will be notified in accordance with § 4 of the General Conditions.

§ 7

**Governing Law, Jurisdiction,
Invalid Conditions**

(1) *Applicable law*

Products are governed by and to be interpreted in accordance with **Swiss law**.

(2) *Jurisdiction*

In relation to any proceedings in respect of the Products, the Issuer irrevocably submits to the jurisdiction of the Commercial Court of the Canton of Zurich (*Handelsgericht des Kantons Zürich*), place of jurisdiction being Zurich with the right of appeal to the Swiss Federal Supreme Court in Lausanne where the law permits, and waive any objection to proceedings in such courts whether on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum (*Forum non conveniens*). This submission is made for the benefit of each of the Holders and shall not limit the right of any of them to take proceedings in any court of competent jurisdiction nor shall the taking of proceedings in one or more jurisdictions preclude the taking of proceedings in any other jurisdiction (whether concurrently or not).

(3) *Invalid Conditions*

Should any provision of these Conditions be or become invalid in whole or in part, the other provisions shall remain in force. The invalid provision shall be replaced by a valid provision that achieves the economic purpose of the invalid provision to the extent permitted by law.

VI. TAXATION

1. General

The following is a general discussion of certain tax consequences of the acquisition and ownership of Products. This description does not purport to be a comprehensive description of all tax considerations which may be relevant to a decision to purchase Products and does not take into account the individual position of the investor. The information contained in the following section shall not be considered as legal or tax advice nor shall it be regarded as such.

Purchasers of Products may be required to pay stamp taxes and other taxes and/or charges in connection with the Products. Prospective purchasers of Products should be aware that transactions involving the Products, any purchase or disposal of or other dealings in a Product, the abandonment of a Product, and any transaction involved in the exercise and settlement or, as the case may be, redemption of a Product, may have tax consequences in any jurisdiction (including, but not limited to, possible liabilities to stamp duties, transfer and registration taxes). Such tax consequences may depend, amongst other things, upon the status of the potential purchaser of a Product. Purchasers of Products should consult their own tax advisors about the tax implications of purchasing and holding a Product, any transaction involving a Product, and any transaction involved in the exercise and settlement or, as the case may be, redemption of a Product.

This section contains general information on regulations of tax law that were in force at the date of the Base Prospectus.

The Issuer assumes no responsibility for the withholding of tax at source, except for Products subject to Swiss withholding tax where the Issuer will arrange for withholding of taxes at the source.

2. EU Savings Directive/ International Exchange of Information

Based on the so-called „OECD Common Reporting Standard“, the states which have committed themselves to implement this standard (Participating States) will exchange potentially taxation-relevant information about financial accounts which an individual holds in a Participating State other than his country of residence. This procedure will commence in 2017 with information for the year 2016. The same applies since 1 January 2016 for the Member States of the European Union. Due to an extension of the Directive 2011/16/EU on administrative cooperation in the field of taxation (Mutual Assistance Directive), the Member States will from that date onwards exchange financial information on notifiable financial accounts of individuals which are resident in another Member State of the European Union.

So far, the exchange of information on savings interest income was mainly regulated by the EU Council Directive 2003/48/EC on taxation of savings income (EU Savings Directive). The EU Savings Directive

provided for an exchange of information between authorities of the Member States regarding interest payments and equivalent payments by paying offices of a Member State to a private individual with domicile for tax purposes in another Member State. In order to prevent an overlap between the EU Savings Directive and the amended Mutual Assistance Directive, with effect as of 1 January 2017 (Austria) or 1 January 2016 (all other Member States), respectively, the EU Savings Directive was repealed (subject to on-going requirements to fulfil administrative obligations such as the reporting and exchange of information relating to, and accounting for withholding taxes on payments made before those dates).

A number of non-EU countries and certain dependent or associated territories of certain Member States have adopted measures which are similar to the EU Savings Directive (either provision of information or transitional withholding). These measures apply until further amendments to the OECD Common Reporting Standard and the amended Mutual Assistance Directive, respectively. Prospective Security Holders are advised to consult their own tax advisors in relation to the further developments.

3. **German Taxation**

(1) Products held as private assets

The following explanations take into account only the taxation of private individuals whose domicile or customary residence is in Germany, and who hold the Products as private assets.

Interest payments and capital returns from the sale or repayment of the Products are subject to a German withholding tax, if the Products are kept or managed in an investment portfolio in a domestic credit or financial services institution (including a domestic branch office of a foreign credit or financial services institution) or in a domestic trading company or domestic trading bank, or if the sale is carried out through these institutions and the payment of interest or capital returns is paid out or credited by the respective institution (**paying office**).

In principle, the basis for calculation is the interest amount or the difference between the income from the sale or repayment after deduction of expenses that are directly related to the sale transaction or the repayment, and the acquisition costs.

In the case of transactions that are not conducted in euros, the income must be converted into euros at the time of sale and the cost of purchase into euros at the time of purchase.

Certain Products provide for a physical delivery of securities instead of a cash settlement according to the relevant Conditions of such Products. In this case, the acquisition costs of the initial Products would be deemed to be the acquisition costs of the initial securities if certain requirements are met so that under certain circumstances the conversion would be treated as tax neutral. However, capital gains realized upon an on-sale of the received securities would be taxable.

The withholding tax rate is 26.375% (including the solidarity surcharge, plus church tax if applicable).

In principle, the income tax is covered with respect to these revenues with the deduction of the withholding tax (so called final withholding tax). The actual expenses in connection with the capital gains are not deductible for tax purposes. For individuals subject to church tax an electronic information system for church withholding tax purposes applies in relation to investment income, with the effect that church tax will be collected automatically by the paying office by way of withholding unless the Holder has filed a blocking notice (Sperrvermerk) with the German Federal Central Tax Office (Bundeszentralamt für Steuern) in which case the Holder will be assessed to church tax.

If the capital returns are not paid out by a paying office and if, therefore, no withholding tax is due, the income is subject to a tax rate of 26.375% (including the solidarity surcharge, plus church tax if applicable).

A general assessment at the individual personal tax rate is possible if the personal marginal tax rate of the taxpayer does not exceed 25%. (*Günstigerprüfung*). However, also within this assessment procedure, no deduction of income-related expenses is possible.

In determining the overall revenues from the taxpayer's investment income, a lump-sum saver's deduction in the amount of EUR 801 (EUR 1,602 for joint assessments) is deducted.

(2) Implementation of the OECD Common Reporting Standard and the amended Mutual Assistance Directive

In Germany, the amended Mutual Assistance Directive and the OECD Common Reporting Standard were implemented by the Act on the Exchange of Financial Accounts Information (*Finanzkonten-Informationsaustauschgesetz – "FKAustG"*) which became effective as of December 31, 2015. The main content of the act is a common reporting standard for automatic information exchange on financial accounts. In principle, the FKAustG imposes an obligation on financial institutes to transmit the necessary information to the German Federal Central Tax Office (*Bundeszentralamt für Steuern*) starting on July 31, 2017 for the tax year 2016 and for the following tax years on July, 31 of the respective subsequent year. For instance, necessary information are the name, the address, the Member State/s of residence and the tax identification number(s).

4. United Kingdom Taxation

The following comments are of a general nature, relating only to the position persons who are absolute beneficial owners of the Products and is based on United Kingdom law in force in England and Wales and what is understood to be the current practice of Her Majesty's Revenue & Customs ("HMRC"), in each case at the date of this Base Prospectus, which may change at any time, possibly with retrospective effect. The following is a general overview only of the United Kingdom withholding taxation treatment at the date hereof in relation to income payments in respect of the Products and certain provisions allowing HMRC to obtain and exchange information. The comments are not exhaustive, and do not deal with other United Kingdom tax aspects of acquiring, holding, disposing of or abandoning the Products.

Interest payments

Interest will only be subject to a deduction on account of United Kingdom income tax if it has a United Kingdom source in which case it may fall to be paid under deduction of United Kingdom income tax at the basic rate (currently 20 per cent.) subject to such relief as may be available under the provisions of any applicable double taxation treaty or to any other exemption which may apply.

The location of the source of a payment is a complex matter. It is necessary to have regard to case law and HMRC practice. Some of the case law is conflicting but HMRC takes the view that in determining the source of interest all relevant factors must be taken into account. HMRC has indicated that the most important factors in determining the source of a payment are where the Issuer does business and where its assets are located, since these influence where a creditor would sue for payment. However, HMRC has also indicated that, depending on the circumstances, other relevant factors may include the place of performance of the contract, the method of payment, the proper law of contract, the competent jurisdiction for any legal action and the location of any security for the debt although, other factors may also be relevant.

Where interest has a United Kingdom source, any payment of interest may nonetheless be made without withholding or deduction for or on account of United Kingdom income tax where any of the following conditions are satisfied:

(i) if the Products are and continue to be "quoted Eurobonds" as defined in section 987 of the Income Tax Act 2007. The Products will constitute "quoted Eurobonds" if they carry a right to interest and are and continue to be listed on a recognised stock exchange within the meaning of section 1005 of the Income Tax Act 2007. Products admitted to trading on a recognised stock exchange outside the United Kingdom will be treated as "listed" on a recognised stock exchange if (and only if) they are admitted to trading on that exchange and they are officially listed in accordance with provisions corresponding to those generally applicable in European Economic Area states in a country outside the United Kingdom in which there is a recognised stock exchange; or

(ii) if the relevant interest is paid on Products with a maturity date of less than one year from the date of issue and which are not issued under arrangements the effect of which is to render such Products part of a borrowing with a total term of a year or more.

The references to "interest" above mean "interest" as understood in United Kingdom tax law and in particular any premium element of the redemption amount of any Products redeemable at a premium may constitute a payment of interest subject to the withholding tax provisions discussed above and reporting requirements as outlined below. The statements above do not take any account of any different definitions of "interest" or "principal" which may prevail under any other law or which may be created by the terms and conditions of the Products or any related documentation.

Other payments

Payments under the Products which do not amount to interest or annual payments for the purposes of United Kingdom tax will normally not be subject to United Kingdom withholding tax.

Information Exchange

HMRC has powers, in certain circumstances, to obtain information. The persons from whom HMRC can obtain information include: a person who receives (or is entitled to receive) a payment derived from Products; a person who makes such a payment (received from, or paid on behalf of another person); a person by or through whom interest is paid or credited; a person who effects or is a party to transactions in respect of Products (which includes an issue of Products) on behalf of others; registrars or administrators in respect of transactions in respect of Products; and each registered or inscribed Holders. The information HMRC can obtain includes: details of the beneficial owner of the Products; details of the person for whom the Products are held, or the person to whom the payment is to be made (and, if more than one, their respective interests); information and documents relating to transactions in the Products; and, in relation to interest paid or credited on money received or retained in the United Kingdom, the identity of the security under which interest is paid.

In certain circumstances the information which HMRC has obtained using these powers may be exchanged with tax authorities in other jurisdictions.

5. Italian Taxation

The following is a summary of current Italian law and practice relating to the taxation of the Products (which includes Notes and Certificates). The statements herein regarding taxation are based on the laws in force in Italy as at the date of this Base Prospectus and are subject to any changes in law occurring after such date, which changes could be made on a retroactive basis. The following summary does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to subscribe for, purchase, own or dispose of the Products and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or commodities) may be subject to special rules.

Prospective purchasers of the Products are advised to consult their own tax advisers concerning the overall tax consequences of their ownership of the Products.

(1) Italian taxation of Notes (qualifying as bonds or securities similar to bonds)***(1.1.) Interest and other proceeds***

Legislative Decree No. 239 of 1 April 1996, as amended (the "**Decree 239**"), regulates the tax treatment of interest, premium and other income (including the difference between the redemption amount and the issue price, hereinafter collectively referred to as "**Interest**") from notes issued,

inter alia, by non-Italian resident entities, falling within the category of bonds (*obbligazioni*) or securities similar to bonds (*titoli similari alle obbligazioni*).

Italian Resident Noteholders

Where an Italian resident Noteholder who is the beneficial owner of the Notes is (i) an individual not engaged in a business activity to which the Notes are effectively connected, (ii) a non-commercial partnership (with the exception of general partnership, limited partnership and similar entities), (iii) a non commercial private or public institution, or (iv) an investor exempt from Italian corporate income taxation, Interest payments relating to the Notes are subject to a tax, referred to as *imposta sostitutiva*, levied at the rate of 26 per cent. The *imposta sostitutiva* may not be recovered by the Noteholder as a deduction from the income tax due.

In case the Notes are held by a Noteholder engaged in a business activity and are effectively connected with same business activity, the Interest will be subject to the *imposta sostitutiva* and will be included in the relevant income tax return. As a consequence, the Interest will be subject to the ordinary income tax and the *imposta sostitutiva* may be recovered as a deduction from the income tax due.

Pursuant to Decree 239, *imposta sostitutiva* is applied by banks, *società di intermediazione mobiliare* ("**SIM**"), fiduciary companies, *società di gestione del risparmio* ("**SGR**") stock exchange brokers and other entities identified by the relevant Decrees of the Ministry of Finance (the "**Intermediaries**").

An Intermediary must (a) be resident in Italy, or be a permanent establishment in Italy of a non-Italian resident financial intermediary, and (b) participate, in any way, in the collection of Interest or in the transfer of the Notes.

For the purpose of the application of the *imposta sostitutiva*, a transfer of Notes includes any assignment or other act, either with or without consideration, which results in a change of the ownership of the relevant Notes or in a change of the Intermediary with which the Notes are deposited.

Where the Notes are deposited with an Intermediary, the *imposta sostitutiva* is applied and withheld by any entity paying Interest to a Noteholder. If the Interest is not collected through an Intermediary or any entity paying Interest and as such no *imposta sostitutiva* is levied, the Italian resident Noteholder listed above will be required to include Interest in their yearly income tax return and subject them to a final substitutive tax at the rate of 26 per cent.

The *imposta sostitutiva* does not apply, *inter alia*, to the following subjects, to the extent that the Notes and the relevant Coupons are deposited in a timely manner, directly or indirectly, with an Intermediary:

- (i) corporation or a similar commercial entity (including a permanent establishment in Italy of a foreign entity to which the Notes are effectively connected). Interest accrued on the Notes must be included in the relevant Noteholder's income tax return and are therefore subject to the general Italian corporate taxation ("**IRES**") and in certain circumstances, depending on the "status" of the Noteholder, also to the regional tax on productive activities ("**IRAP**");
- (ii) investment funds, i.e. open-ended or closed-ended investment fund or a SICAV (an investment company with variable capital) established in Italy ("**Funds**"), if either (i) the fund or SICAV or (ii) their manager is subject to the supervision of a regulatory authority and the relevant Notes are held by an authorised intermediary. The Fund will not be subject to taxation on such results but a substitute tax of 26 per cent. may apply, in certain circumstances, to distributions made in favour of unitholders or shareholders.
- (iii) pension funds (subject to the tax regime set forth by article 17 of the Legislative Decree No. 252 of 5 December 2005, the "**Pension Funds**"). Interest on the Notes is included in the calculation of the annual net accrued results, which are subject to a 20 per cent.; and
- (iv) Italian resident real estate investment funds and Italian real estate SICAFs established pursuant to Article 37 of Legislative Decree No. 58 of 24 February 1998 or pursuant to Article 14-bis of Law No. 86 of 25 January 1994 ("**Real Estate Funds**"). Under the current regime provided by Law Decree No. 351 of 25 September 2001, converted into law with amendments by Law No. 410 of 23 November 2001 ("**Decree 351**"), and Legislative Decree No. 44 of 4 March 2014 (the "**Decree No. 44**"), payments of Interest in respect of the Notes are subject neither to *imposta sostitutiva* nor to any other income tax in the hands of the same Real Estate Funds, but subsequent distributions made in favour of unitholders or shareholders will be subject, in certain circumstances, to a withholding tax of 26 per cent.

Non-Italian Resident Noteholders.

Interest payments relating to Notes received by non-resident beneficial owners (not having a permanent establishment in Italy to which the Notes are effectively connected) are generally exempted from the *imposta sostitutiva* provided that the no-Italian resident beneficial owner is either (a) resident, for tax purposes, in a country that allows a sufficient exchange of information with Italy pursuant to the list set out by Ministerial Decree of 4 September 1996 or the list that may be introduced in the future by any other law or regulation ("**White List**"); or (b) an international entity set up in accordance with international agreements in force in Italy, or (c) a Central Bank or entity that manages the official reserve of a foreign country; or (d) an institutional investor resident in a White List or New White List country, even if does not have the status of taxpayer in its country of residence.

The *imposta sostitutiva* will be applicable at the rate of 26 per cent. (or at the reduced rate provided for by the applicable double taxation, if any) to interest, premium and other income paid to

Noteholders who are resident, for tax purposes, in countries that do not allow satisfactory exchange of information with Italy.

(1.2.) Capital Gains

Italian Resident Noteholders

Pursuant to Legislative Decree No. 461 of 21 November 1997, as amended, a 26 per cent. capital gains tax (the "CGT") is applicable to capital gains realised on the sale or transfer of the Notes for consideration or on redemption thereof by Italian resident individuals (not engaged in a business activity to which the Notes are effectively connected), regardless of whether the Notes are held outside of Italy.

For the purposes of determining the taxable capital gain, any Interest on the Notes accrued and unpaid up to the time of the purchase and the sale of the Notes must be deducted from the purchase price and the sale price, respectively.

If the Notes qualify as atypical securities, based on a very restrictive interpretation, the aforesaid capital gains would be subject to the 26 per cent. final withholding tax mentioned under paragraph "Notes qualifying as atypical securities", above.

Taxpayers can opt for certain alternative regimes in order to pay the CGT.

The aforementioned regime does not apply to the following subjects:

- (i) Corporate investors (including banks and insurance companies): capital gains on the Notes held by Italian resident corporate entities (including a permanent establishment in Italy of a foreign entity to which the Notes are effectively connected) form part of their aggregate income subject to IRES. In certain cases, capital gains may also be included in the taxable net value of production of such entities for IRAP purposes. The capital gains are calculated as the difference between the sale price and the relevant tax basis of the Notes. Upon fulfilment of certain conditions, the gains may be taxed in equal instalments over up to five fiscal years for IRES purposes.
- (ii) Funds – Capital gains realised by the Funds on the Notes contribute to determining the annual net accrued result of the same Funds (see under paragraph "Italian resident Noteholders", above).
- (iii) Pension Funds – Capital gains realised by Pension Funds on the Notes contribute to determining the annual net accrued result of the same Pension Funds, which is subject to an 11 per cent. substitutive tax (see under paragraph "Italian resident Noteholders", above).

- (iv) Real Estate Investment Funds – Capital gains realised by Italian Real Estate Investment Funds on the Notes are generally not taxable at the level of the same Real Estate Investment Funds (see under paragraph "Italian resident Noteholders", above).

Non-Italian Resident Noteholders

Capital gains realised by non-resident Noteholders (not having permanent establishment in Italy to which the Notes are effectively connected) on the Notes are not subject to tax in Italy, provided that the Notes (i) are traded on regulated markets, or (ii) if not traded on regulated markets, are held outside Italy.

The provisions of the applicable tax treaties against double taxation entered into by Italy apply if more favourable and all the relevant conditions are met.

(2) Italian Taxation of Certificates

Italian Resident Certificateholders

Pursuant to Article 67 of Presidential Decree No. 917 of 22 December 1986 ("**TUIR**") and Legislative Decree No. 461 of 21 November 1997 ("**Decree No. 461**"), as subsequently amended, where the Italian resident holder of Certificates is (i) an individual not engaged in an entrepreneurial activity to which the Certificates are connected, (ii) a non-commercial partnership, pursuant to article 5 of TUIR (with the exception of general partnership, limited partnership and similar entities) (iii) a non-commercial private or public institution, or (iv) an investor exempt from Italian corporate income taxation, capital gains accrued under the sale or the exercise of the Certificates are subject to a substitute tax (*imposta sostitutiva*).

The mentioned *imposta sostitutiva* is currently levied at a rate of 26%.

The recipient may opt for three different taxation criteria.

- (a) Under the tax declaration regime (*regime della dichiarazione*), which is the default regime for taxation of capital gains realised by Italian resident individuals not engaged in an entrepreneurial activity to which the Certificates are connected, the *imposta sostitutiva* on capital gains will be chargeable, on a yearly cumulative basis, on all capital gains, net of any offsettable capital loss, realised by the Italian resident individual holding the Certificates not in connection with an entrepreneurial activity pursuant to all sales or redemptions of the Certificates carried out during any given tax year. Italian resident individuals holding the Certificates not in connection with an entrepreneurial activity must indicate the overall capital gains realised in any tax year, net of any relevant incurred capital loss, in the annual tax return and pay *imposta sostitutiva* on such gains together with any balance income tax due for such year. Capital losses in excess of capital gains may be carried forward against capital gains

realised in any of the four succeeding tax years. Pursuant to Law Decree No. 66 of 24 April 2014 ("**Decree 66**"), as converted into law by Law No. 89 of 23 June 2014, capital losses may be carried forward to be offset against capital gains of the same nature realised after 30 June 2014 for an overall amount of: (i) 48.08 per cent. of the relevant capital losses realised before 1 January 2012; (ii) 76.92 per cent. of the capital losses realised from 1 January 2012 to 30 June 2014.

- (b) As an alternative to the tax declaration regime, Italian resident individuals holding the Certificates not in connection with an entrepreneurial activity may elect to pay the *imposta sostitutiva* separately on capital gains realised on each sale or redemption of the Certificates (the "*risparmio amministrato*" regime provided for by Article 6 of Decree No. 461). Such separate taxation of capital gains is allowed subject to (i) the Certificates being deposited with Italian banks, SIMs or certain authorised financial intermediaries and (ii) an express valid election for the *risparmio amministrato* regime being punctually made in writing by the relevant Certificateholder. The depository is responsible for accounting for *imposta sostitutiva* in respect of capital gains realised on each sale or redemption of the Certificates (as well as in respect of capital gains realised upon the revocation of its mandate), net of any incurred capital loss, and is required to pay the relevant amount to the Italian tax authorities on behalf of the taxpayer, deducting a corresponding amount from the proceeds to be credited to the Certificateholder or using funds provided by the Certificateholder for this purpose. Under the *risparmio amministrato* regime, where a sale or redemption of the Certificates results in a capital loss, such loss may be deducted from capital gains subsequently realised, within the same securities management, in the same tax year or in the following tax years up to the fourth. Pursuant to Decree 66, capital losses may be carried forward to be offset against capital gains of the same nature realised after 30 June 2014 for an overall amount of: (i) 48.08 per cent. of the relevant capital losses realised before 1 January 2012; (ii) 76.92 per cent. of the capital losses realised from 1 January 2012 to 30 June 2014. Under the *risparmio amministrato* regime, the Certificateholder is not required to declare the capital gains in the annual tax return.
- (c) Any capital gains realised or accrued by Italian resident individuals holding the Certificates not in connection with an entrepreneurial activity who have entrusted the management of their financial assets, including the Certificates, to an authorised intermediary and have validly opted for the so-called "*risparmio gestito*" regime (regime provided for by Article 7 of Decree No. 461) will be included in the computation of the annual increase in value of the managed assets accrued, even if not realised, at year end, subject to a 26 per cent. substitute tax, to be paid by the managing authorised intermediary. Under this *risparmio gestito* regime, any decrease in value of the managed assets accrued at year end may be carried forward against increase in value of the managed assets accrued in any of the four succeeding tax years. Pursuant to Decree 66, decreases in value of the management assets may be carried forward to be offset against any subsequent increase in value accrued as of 1 July

2014 for an overall amount of: (i) 48.08 per cent. of the relevant decreases in value registered before 1 January 2012; (ii) 76.92 per cent. of the decreases in value registered from 1 January 2012 to 30 June 2014. Under the *risparmio gestito* regime, the Certificateholder is not required to declare the capital gains realised in the annual tax return.

Where an Italian resident Certificateholder is a company or similar commercial entity, or the Italian permanent establishment of a foreign commercial entity to which the Certificates are effectively connected, capital gains arising from the Certificates will not be subject to *imposta sostitutiva*, but must be included in the relevant Certificateholder's income tax return and are therefore subject to Italian corporate tax (and, in certain circumstances, depending on the "status" of the Certificateholder, also as a part of the net value of production for IRAP purposes).

Any capital gains realised by a Certificateholder which is an open-ended or closed-ended investment fund (subject to the tax regime provide by Law No. 77 of 23 March 1983) (the "**Fund**") or an open-ended investment company (*società di investimento a capitale variabile* – SICAV) or an close-ended investment company, other than a real estate investment company (*società di investimento a capital fisso* – SICAF) will not be subject to the *imposta sostitutiva*. The proceeds distributed by the Fund or the SICAV/SICAF or received by certain categories of unitholders upon redemption or disposal of the units will be taxed on the investors who subscribe the quotas of the Funds or the shares of the SICAV/SICAF on a distribution basis.

Any capital gains realised by a Certificateholder which is an Italian pension fund (subject to the regime provided by article 17 of the Legislative Decree No. 252 of 5 December 2005) will be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to the 20% ad hoc substitute tax.

As of 1 January 2015, Italian pension fund benefits from a tax credit equal to 9% of the result of the relevant portfolio accrued at the end of the tax period, provided that the pension fund invests in certain medium long term financial assets to be identified with a Ministerial Decree.

Non-Italian Resident Certificateholder

Capital gains realised by non-Italian resident Certificateholders are not subject to Italian taxation provided that the Certificates (i) are transferred on regulated markets, or (ii) if not transferred on regulated markets, are held outside Italy. Moreover, even if the Certificates are held in Italy, no *imposta sostitutiva* applies if the non-Italian resident Certificateholder is resident for tax purposes in a country which recognises the Italian tax authorities' right to an adequate exchange of information or in a country which entered into a double taxation treaty with Italy allowing for the taxation of such capital gains only in the residence country of the recipient Certificateholder, provided that the relevant procedures and conditions are met.

(3) Common Provisions

(3.1.) Atypical securities

In accordance with a different interpretation of current Italian tax law, it is possible that the Products would be considered as "atypical" securities pursuant to Article 8 of Law Decree No. 512 of 30 September 1983 as implemented by Law No. 649 of 25 November 1983. In this event, payments relating to Products may be subject to an Italian withholding tax, levied at the rate of 26%.

If the Products are placed in Italy, the withholding is levied by the Italian intermediary appointed by the Issuer, intervening in the collection of the relevant income or in the negotiation or repurchasing of the Products.

If the Products are not placed in Italy or in any case where payments on the Products are not received through any abovementioned Italian resident entity and no withholding tax is levied, the Italian resident individual investor will be required to declare the payments in their income tax return and subject them to a final withholding tax at a rate of 26 per cent. The Italian individual investor may elect instead to pay ordinary personal income tax at the progressive rates applicable to them in respect of the payments; if so, the investor should generally benefit from a tax credit for withholding taxes applied outside Italy, if any.

The withholding tax mentioned above does not apply to payments made to a non-Italian resident holder of the Product and to an Italian resident holder of the Product which is (i) a company or similar commercial entity (including the Italian permanent establishment of foreign entities), (ii) a commercial partnership, or (iii) a commercial private or public institution. In such cases the relevant income arising from the Products shall be reported in the investor's income tax return.

Where the investor is (i) an Italian resident individual engaged in an entrepreneurial activity to which the Products are connected, (ii) an Italian resident company or a similar Italian resident commercial entity, (iii) a permanent establishment in Italy of a foreign entity to which the Products are effectively connected, (iv) an Italian resident commercial partnership or (v) an Italian resident commercial private or public institution, the above-mentioned 26 per cent. withholding tax is a provisional withholding tax. In all other cases, the withholding tax is a final withholding tax.

(3.2) Stamp Duty

Pursuant to Article 13(2-ter) of the Tariff attached to Presidential Decree No. 642 of 26 October 1972 – as amended from time to time and, in particular, by Article 19 of Law Decree No. 201 of 6 December 2011 (“**Decree No. 201**”) – a proportional stamp duty applies on an annual basis to the periodic reporting communications sent by financial intermediaries to their clients for the securities deposited therewith. The stamp duty applies at a rate of 0.20% starting from fiscal year 2014, with a cap of Euro 14,000 for corporate investors only. In case of reporting periods of less than 12

months, the stamp duty is pro-rated. This stamp duty is determined on the basis of the market value or – if no market value figure is available – the nominal value or redemption amount of the securities held.

According to the current interpretation of the law, the stamp duty applies both to Italian resident and non-Italian resident investors, to the extent that the Products are held with an Italian based financial intermediary.

(3.3.) Wealth tax on securities deposited abroad

Pursuant to Article 19(18) of Decree No. 201, Italian resident individuals holding the Products outside the Italian territory are required to pay an additional tax at a rate of 0.20% starting from fiscal year 2014.

This tax is calculated on the market value of the Products at the end of the relevant year or – if no market value figure is available – the nominal value or the redemption value of such financial assets held outside the Italian territory. Taxpayers are entitled to an Italian tax credit equivalent to the amount of wealth taxes paid in the State where the financial assets are held (up to an amount equal to the Italian wealth tax due).

(3.4.) Tax monitoring

Pursuant to Law Decree No. 167 of 28 June 1990, converted by Law No. 227 of 4 August, 1990, as amended, individuals resident in Italy who hold investments abroad or have financial activities abroad must, in certain circumstances, disclose the aforesaid and related transactions to the Italian tax authorities in their income tax return (or, in case the income tax return is not due, in a proper form that must be filed within the same time as prescribed for the income tax return).

(3.5.) Transfer taxes

Following the repeal of the Italian transfer tax, as from 31 December 2007 contracts relating to the transfer of securities are subject to the registration tax as follows: (i) public deeds and notarised deeds are subject to fixed registration tax at rate of EUR 200; (ii) private deeds are subject to registration tax only if a case of use occurs or in case of voluntary registration.

(3.6.) Financial Transaction Tax

Pursuant to Article 1, para. 491 and followings of Law No. 228 of 24 December 2012, the Italian Parliament introduced a financial transaction tax ("**FTT**") which applies to (a) the transfer of ownership of shares and other participating securities issued by Italian resident companies or of financial instruments representing the just mentioned shares and/or participating securities (irrespective of whether issued by Italian resident issuers or not) (the "**Relevant Securities**"), (b) transactions on financial derivatives (i) the main underlying assets of which are the Relevant Securities, or (ii)

whose value depends mainly on one or more Relevant Securities, as well as to (c) any transactions on the securities (as set forth by article 1, paragraph 1-bis, letters c) and d), of the Legislative Decree No. 58 of 24 February 1998) (iii) which allow to mainly purchase or sell one or more Relevant Securities or (iv) implying a cash payment determined with main reference to one or more Relevant Securities.

Products are expressly included in the scope of application of the FTT if they meet the requirements set out above.

With specific reference to the transactions on securitised derivatives on the Relevant Securities (such as the Products) the FTT is due, as of 1 July 2013, regardless of the tax residence of the parties and/or where the transaction is executed.

The FTT is levied at a fixed amount that varies depending on the nature of the relevant instrument and the notional value of the transaction, and ranges between EUR 0.01875 and EUR 200 per transaction. The amount of FTT payable is reduced to 1/5 of the standard rate in case the transaction is performed on regulated markets or multilateral trading facilities of certain EU and EEA member States.

In the case of physical settlement, the FTT is also due upon transfer of ownership rights of the underlying Relevant Securities.

The FTT on derivatives is due by each of the parties to the transactions. The FTT is not applied where one of the parties to the transaction is the European Union, the BCE, central banks of the EU Member States, foreign Central Banks or entities which manage the official reserves of a foreign State, or international bodies or entities set up in accordance with international agreements which have entered into force in Italy. Further specific exemptions exist, inter alia, for (i) subjects who carry on market making activities; (ii) mandatory social security entities and pension funds set up according to Legislative Decree No. 252 of 5 December 2005; and (iii) intragroup transfers of the Relevant Securities.

The FTT shall be levied, and subsequently paid, to the Italian Revenue by the subject (generally a financial intermediary) that is involved, in any way, in the performance of the transaction. If more than one subject is involved in the execution of the transaction, the FTT is payable by the subject who receives the order of execution by the ultimate purchaser or counterparty. Intermediaries which are not resident in Italy but are liable to collect the FTT from the taxpayers and to pay it to the Italian Revenue can appoint an Italian tax representative for the purposes of the FTT. If no intermediary is involved in the performance of the transaction, the FTT must be paid directly by the taxpayers.

(3.7.) Inheritance and gift taxes

Pursuant to Law Decree No. 262 of 3 October 2006, (Decree No. 262), converted into Law No. 286 of 24 November 2006, the transfers of any valuable asset (including shares, bonds or other securities, such as the Products) as a result of death or donation are taxed as follows:

- (i) transfers in favour of spouses and direct descendants or direct ancestors are subject to an inheritance and gift tax applied at a rate of 4.00% on the value of the inheritance or the gift exceeding EUR 1,000,000;
- (ii) transfers in favour of relatives to the fourth degree and relatives-in-law to the third degree, are subject to an inheritance and gift tax applied at a rate of 6.00% on the entire value of the inheritance or the gift. Transfers in favour of brothers/sisters are subject to the 6.00% inheritance and gift tax on the value of the inheritance or the gift exceeding EUR 100,000; and
- (iii) any other transfer is, in principle, subject to an inheritance and gift tax applied at a rate of 8.00% on the entire value of the inheritance or the gift.

If the transfer is made in favour of persons with severe disabilities, the tax applies on the value of the entire inheritance or gift exceeding Euro 1,500,000.00 for each beneficiary.

Moreover, an anti-avoidance rule is provided in case of gift of assets, such as the Products, whose sale for consideration would give rise to capital gains to be subject to the *imposta sostitutiva* provided for by Decree No. 461, as subsequently amended. In particular, if the donee sells the Products for consideration within five years from their receipt as a gift, the latter is required to pay the relevant *imposta sostitutiva* as if the gift had never taken place.

(3.8.) Implementation in Italy of the EU Savings Directive

Italy has implemented the EU Savings Directive through Legislative Decree No. 84 of 18 April 2005 ("**Decree No. 84**"). Under Decree No. 84, subject to a number of important conditions being met, in the case of interest paid to individuals which qualify as beneficial owners of the interest payment and are resident for tax purposes in another Member State, Italian qualified paying agents shall not apply the withholding tax and shall report to the Italian Tax Authorities details of the relevant payments and personal information on the individual beneficial owner. Such information is transmitted by the Italian Tax Authorities to the competent foreign tax authorities of the State of residence of the beneficial owner.

On 10 November 2015, the Council of the European Union adopted a Council Directive (EU) 2015/2060 repealing the Savings Directive ("**Repealing Directive**") in order to prevent overlap between the Savings Directive and a new automatic exchange of information regime to be implemented under the Mutual Assistance Directive. The new regime under the Mutual Assistance Di-

rective (as amended by Council Directive 2014/107/EU) is in accordance with the Global Standard released by the Organisation for Economic Cooperation and Development in July 2014 and is generally broader in scope than the Savings Directive, although it does not impose withholding taxes.

With Law No. 114 of 9 July 2015, the Italian Parliament delegated the Government to implement Council Directive 2014/107/EU into domestic legislation (Council Directive 2011/16/EU has already been implemented in Italy through Legislative Decree No. 29 of 9 March 2014). The Minister of Economy and Finance issued the Decree of 28 December 2015 (published in the Official Gazette No. 303 of 31 December 2015) to implement Directive 2014/107/EU. However, the obligations of Member States, economic operators and paying agents under the EU Savings Directive shall continue to apply until 5 October 2016 (31 December 2016, with respect to the obligations under Article 13(2) of the EU Savings Directive) or until those obligations have been fulfilled.

6. **French Taxation**

The following is a general description of the French withholding tax treatment of income from the Products. It does not purport to be a complete analysis of all tax considerations relating to the Products, whether in France or elsewhere. In particular, it does not describe the French tax treatment applicable to Holders who are tax residents of France, except in relation to French withholding tax on interest and does not discuss any other French tax such as French registration duties or French tax on financial transactions. Prospective purchasers of the Products should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of the Products and receiving payments of interest, principal and/or other amounts under the Products and the consequences of such actions under the tax laws of France. This overview is based upon the law as in effect on the date of this Base Prospectus, which may change at any time, possibly with retrospective effect.

Payments of interest (and principal) by the Issuer under the Products may in principle be made without any compulsory withholding or deduction for or on account of French income taxes to the extent that the Issuer is not incorporated in France or otherwise acting through a French establishment.

However, if such payments are made to French resident individuals and regarded as interest or assimilated income (e.g. reimbursement premium) for French tax purposes, the paying agent could be subject to withholding obligations. In that case, social contributions of currently 15.5 per cent. and the 24 per cent. income tax prepayment, applicable in principle to interest and assimilated income received by French resident individuals, would generally need to be withheld and reported by the paying agent, if the paying agent is established in France (exceptions may however apply depending on level of income of the taxpayer). If the paying agent is established outside France, it is in principle not involved in this withholding obligation, unless it is established in an EU or EEA Member State and has been expressly appointed by the French taxpayer to do so.

The EU Savings Directive has been implemented into French law under article 242 *ter* of the French Code Général des Impôts. These provisions impose on paying agents based in France an obligation to report to the French tax authorities certain information with respect to interest payments made to beneficial owners domiciled in another Member State (or certain territories), including, among other things, the identity and address of the beneficial owner and a detailed list of the different categories of interest (with- in the meaning of the EU Savings Directive) paid to that beneficial owner.

7. **Swiss Taxation**

The following is a general and non-binding summary of certain tax consequences according to the tax laws and the tax authorities' practice as of the date of this document. This outline is a summary and not exhaustive and does not take into consideration possible special circumstances of some investors and should not be considered as tax advice. The tax treatment of each investor depends on the particular situa- tion. Tax laws and the tax authorities' practice may undergo changes (or their interpretation or application may change) and their validity might also be retroactive.

Investors and Prospective Investors are advised to consult with their tax advisers with respect to the tax consequences of the purchase, ownership, disposition, lapse or exercise or redemption of a Product in light of their particular circumstances.

(1) Stamp Taxes

Neither the issue of Products nor the trade of Products which classify as pure derivatives for Swiss tax purposes are normally subject to Swiss Issuance Stamp Tax and Swiss Transfer Stamp Tax even if an Issuer resident in Switzerland issues the Products. Exemptions to these rules apply to Products which, due to specific features, are considered debt financing instruments (bonds, or money market securities), share- like or fund-like products, as well as Low Exercise Price Options (LEPO) on shares (with a maturity ex- ceeding one year) for purposes of Swiss tax law. Such kind of Products are in general subject to Swiss Issue Stamp Tax and/or Swiss Securities Transfer Tax. If upon the exercise or redemption of a Product an underlying security is delivered to the Investors, the transfer of the underlying security may be subject to Swiss Securities Transfer Tax (i) of 0.15% in the case of an underlying security which has been issued by a Swiss resident issuer or (ii) of 0.3% in the case of an underlying security which has been issued by an issuer resident abroad, provided in both cases that a Swiss securities dealer (*Effekthändler*), as defined in art. 13 para. 3 of the Federal Stamp Tax Act (*Bundesgesetz über die Stempelabgaben*), is a party to the Products transaction or acts as an intermediary thereto. Certain exemptions may, *inter alia*, apply with regard to certain institutional investors such as mutual funds, life insurance companies and social security institutions.

(2) Swiss Withholding Tax

Products issued by an issuer resident outside Switzerland are not subject to Swiss withholding tax.

According to a confirmation obtained from the Swiss federal tax administration, subject to certain conditions being met, the payments made from Products issued by Leonteq Securities AG, Guernsey branch, will not be subject to the Swiss withholding tax.

For Products subject to Swiss withholding tax the Issuer will arrange for withholding of taxes at the source.

The Investor who is resident in Switzerland may be entitled to a full refund of or a full tax credit for the Swiss federal withholding tax, subject to conditions being met.

A non Swiss resident Investor may be able to claim a full or partial refund of the Swiss federal withholding tax if such a Investor is entitled to claim the benefits with regard to such a payment of a double taxation treaty between Switzerland and his or her country of residence.

(3) Income Taxation of Products Held by Individuals as Part of Private Property

Payments or credits received by a holder of a Product, which are considered, from a Swiss taxation perspective, as investment income (dividends or interests or other income), are subject to income tax. Gains or losses realized upon a sale or other disposition by Swiss resident individuals holding a Product as part of their private property and which qualify as private capital gains or losses for Swiss tax purposes are as a rule not subject to income taxation or are not deductible from taxable income respectively. Capital gains may, however, be subject to income taxation, if a Product or a distinguishable part thereof qualifies as a bond where the predominant part of the annual yield is paid in a one time payment (“*überwiegende Einmalverzinsung*”) or the Product is considered as not transparent for Swiss tax purposes. Losses arising from predominant one time interest paying bonds may be deducted from gains from similar instruments in the same tax period. Furthermore, for LEPO with a maturity exceeding one year the interest component is subject to income tax.

Profits and option premiums from Products, which are considered as pure derivatives for Swiss tax purposes (financial futures, options) are not subject to the income tax as such profits are in general considered as private capital gains provided the investor is holding the Products as private assets. Possible losses are not tax-deductible.

Income derived from a Product which is neither a private capital gain nor a repayment of paid in capital (or face value in case of shares) is generally subject to income tax. This applies, inter alia, to any issuance discount, repayment premium, other guaranteed payments (besides repayment of capital) or any combination thereof. Payments or credits received by an Investor because of dividends, interest etc. of the Underlying may be subject to income tax for such Investor. This may apply likewise to payments or credits derived from underlying funds.

(4) Income Taxation of Warrants and Structured Products Held by Swiss Resident Entities or Individuals as Part of Business Property

Income of any kind realized from Products as part of the business property of individuals (including deemed securities dealers due to frequent dealing, debt financing and similar criteria [*Wertschriftenhändler*]) or entities resident in Switzerland are subject to personal income tax or corporate income tax respectively. In general respective losses are deductible regarding personal or corporate income tax.

(5) Wealth Taxation of Products Held by Swiss Resident Individuals

The market value of Products may be subject to wealth tax levied on overall net wealth of Swiss resident individuals, regardless of whether the instruments are held as part of the private or business property.

(6) Savings Directive

On 26 October 2004, the European Community and Switzerland entered into an agreement on the taxation of savings income pursuant to which Switzerland adopts measures equivalent to those of the EU Savings Directive (see Section 6. below). The agreement came into force as of 1 July 2005.

On the basis of this agreement, Switzerland introduced a withholding tax on interest payments and other similar income paid by a paying agent (as defined in Article 6 of the Agreement of 26 October 2004) within Switzerland to an individual resident in an EU member state. The withholding tax is withheld at a rate of 35%. The paying agent and Switzerland provide to the tax authorities of the Member State details of the payments in lieu of the withholding. The beneficial owner of the interest payments may be entitled to a tax credit or refund of the withholding, if any, provided that certain conditions are met.

Information on the repeal of the European Union savings directive

The Organisation for Economic Co-operation and Development ("OECD") has been tasked by the G20 with undertaking the technical work needed to take forward the single global standard for automatic exchange of financial account information endorsed by the G20 in 2013. The OECD has released a full version of the Standard for Automatic Exchange of Financial Account Information in Tax Matters (the "Common Reporting Standard"), which calls on governments to obtain detailed account information from their financial institutions and exchange that information automatically with other jurisdictions on an annual basis. On 9 December 2014, the Economic and Financial Affairs Council of the European Union officially adopted the revised Directive on Administrative Cooperation 2011/16/EU (the "ACD") (regarding mandatory automatic exchange of information in the field of taxation), which effectively incorporates the Common Reporting Standard. EU Member States are required to adopt and publish the laws, regulations and administrative provisions necessary to comply with the ACD by 31 December 2015. They are required to apply these provisions from 1 January 2016 and to start the automatic exchange of information no later than end of September 2017.

Therefore, the EU Savings Directive has been repealed from 1 January 2017 in the case of Austria and from 1 January 2016 in the case of all other Member States (subject to on-going requirements to fulfil administrative obligations such as the reporting and exchange of information relating to, and accounting for withholding taxes on, payments made before those dates). This is to prevent overlap between the Savings Directive and the ACD (as amended by Council Directive 2014/107/EU).

With respect to Switzerland, a bilateral agreement intended to replace the EU Savings Tax has been signed between Switzerland and the EU in May 2015 which was approved by Swiss Parliament in December 2015. It is scheduled to be implemented in the course of 2017/2018.

(7) Final Withholding Tax

Since the start of 2011, Switzerland had been negotiating an extension of cross-boarder cooperation in tax matters with various countries. A withholding tax agreement was signed with the United Kingdom in the autumn of 2011. The agreement was supplemented at the start of 2012. Switzerland signed a further agreement with Austria in April 2012. The Swiss Federal Council adopted the Swiss Federal Act on International Withholding Tax (IWTA) for the enforcement of these tax agreements in April 2012. The Swiss Federal Act on International Withholding Tax (IWTA) introduces inter alia a final withholding tax on investment income and capital gains levied by Swiss Paying Agents and entered into force on 20 December 2012. The tax agreements with the United Kingdom and Austria entered into force on 1 January 2013. The withholding of taxes according to the above-mentioned agreements is carried out by Swiss deposit banks. Similar treaties with other European countries may follow.

8. Netherlands Taxation

The overview below is intended as general information only and it does not purport to present any comprehensive or complete picture of all aspects of Dutch tax law which could be of relevance to an Investor. It is limited to Dutch tax law as applied by the Dutch courts and published and in effect on the date of this Base Prospectus, and it is subject to any change in law, possibly with retroactive effect.

(1) Withholding Tax

All payments of interest and principal made by the Issuer under a Products may be made free of withholding or deduction of, for or on account of any taxes of whatever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein.

(2) Taxes on Income and Capital Gains

An Investor who derives income from a Product or who realises a gain from the disposal or redemption of a Product will not be subject to Dutch taxation on such income or gain, provided that:

- i. the Investor is neither resident nor deemed to be resident of the Netherlands for Dutch tax purposes for the purpose of the relevant Dutch tax law provisions;

- ii. the Investor does not have an enterprise or deemed enterprise (as defined in Dutch tax law) or an interest in an enterprise or deemed enterprise (as defined in Dutch tax law) that is, in whole or in part, carried on through a permanent establishment (vaste inrichting) or a permanent representative (vaste vertegenwoordiger) in the Netherlands and to which enterprise or part of that enterprise, as the case may be, the Products are attributable;
- iii. the Investor is not entitled to a share in the profits of an enterprise that is effectively managed in the Netherlands, other than by way of securities and to which enterprise the Products are attributable; and
- iv. if the Investor is an individual, the Investor does not derive benefits from the Products that are taxable as benefits from miscellaneous activities in the Netherlands (resultaat uit overige werkzaamheden in Nederland) as defined in the Dutch Income Tax Act 2001, which include, but are not limited to, activities in respect of the Products which are beyond the scope of "regular active asset management" (normaal actief vermogensbeheer) or benefits which are derived from the holding, whether directly or indirectly, of (a combination of) shares, debt claims or other rights which form a "lucrative interest" (lucratief belang). A lucrative interest is an interest which the holder thereof has acquired under such circumstances that benefits arising from this lucrative interest are intended to be a remuneration for work or services performed by such holder (or a person related to such holder) in the Netherlands, whether within or outside an employment relationship, where such lucrative interest provides the holder thereof, economically, with certain benefits that have a relationship to the relevant work or services.

Under Dutch tax law, an Investor will not be deemed resident, domiciled or carrying on a business in the Netherlands by reason only of its holding of the Products or the performance by the Issuer of its obligations under the Products.

(3) Gift and Inheritance Taxes

No gift or inheritance taxes will arise in the Netherlands with respect to the acquisition of a Product by way of gift by, or on the death of, an Investor, unless:

- i. the Investor is a resident or deemed to be resident of the Netherlands for the purpose of the relevant Dutch tax law provisions; or
- ii. in the case of a gift of the Products by an individual who at the date of the gift was neither resident nor deemed to be resident in the Netherlands, such individual dies within 180 days after the date of the gift, while being resident or deemed to be resident of the Netherlands.

For the purpose of Dutch gift and inheritance tax, an individual who has the Dutch nationality will be deemed to be a resident of the Netherlands at the date of the gift or the date of his death, if he has been a resident of the Netherlands at any time during the ten years preceding the date of the gift or the date of his death.

For the purposes of Dutch gift tax, an individual who does not have the Dutch nationality will be deemed to be a resident of the Netherlands at the date of the gift, if he has been a resident of the Netherlands at any time during the twelve months preceding the date of the gift.

(4) Value Added Tax

No Value Added Tax (Omzetbelasting) will arise in the Netherlands in respect of any payment in consideration for the issue of the Products or with respect to any payment of principal or interest by the Issuer on the Products.

(5) Other Taxes and Duties

No registration tax, stamp duty or any other similar documentary tax or duty (other than court fees) will be payable in the Netherlands in respect of or in connection with the issue of the Products.

9. United States Taxation

FATCA (Foreign Account Tax Compliance Withholding)

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, as amended, commonly known as FATCA, a "foreign financial institution" may be required to withhold on certain payments it makes ("**foreign passthru payments**") to persons that fail to meet certain certification, reporting, or related requirements. The Issuer may be a foreign financial institution for these purposes. A number of jurisdictions have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("**IGAs**"), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments, such withholding would not apply prior to 1 January 2019. Further, Products issued on or prior to the date that is six months after the date on which final regulations defining "foreign passthru payments" are filed with the U.S. Federal Register generally would be "grandfathered" for purposes of FATCA withholding unless materially modified after such date. However, if additional Products that are not distinguishable from previously issued Products are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Products, including the Products offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. Holders should consult their own tax advisors regarding how these rules may apply to their investment in Products. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Products, no person will be required to pay additional amounts as a result of the withholding.

VII. SELLING RESTRICTIONS

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), each offeror has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") it has not made and will not make an offer of Products which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to the public in that Relevant Member State, except that the Products may, with effect from and including the Relevant Implementation Date, be offered to the public in that Relevant Member State:

- (a) if the Final Terms in relation to the Products specify that an offer of those Products may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a "**Non-exempt Offer**"), following the date of publication of a prospectus in relation to such Products which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such prospectus has subsequently been completed by the Final Terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or Final Terms, as applicable, and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;
- (b) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (c) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the Lead Manager; or
- (d) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive.

provided that no such offer of Products referred to in (b) to (d) above shall require the Issuer or the Lead Manager to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

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

United States

The Products have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S or pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Terms used in this paragraph have the meaning given to them by Regulation S under the Securities Act. Neither the United States Securities and Exchange Commission nor any other securities regulator within the United States has approved this base prospectus or has confirmed its correctness. This base prospectus and any final terms are not intended to be used within the United States and may not be delivered within the United States. The Products may not at any time be offered, sold, traded or delivered within the United States, directly or indirectly or to U.S. persons. Until 40 days after the later of the date of issue of the relevant Products and the completion of the distribution of such Products an offer or sale of such Products within the United States may violate the registration requirements of the Securities Act.

United Kingdom

Each offeror of the Products has represented and agreed that:

- (a) in relation to any Products which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Products other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Products would otherwise constitute a contravention of section 19 of the Financial Services and Markets Act 2000 (the "FSMA") by the Issuer;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Products in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Products in, from or otherwise involving the United Kingdom.

Guernsey

Neither this document nor any Products offered pursuant to this document may be offered to members of the public in Guernsey ("public" as defined in the Prospectus Rules, 2008 issued by the Guernsey Financial Services Commission). Circulation of this document, any final terms and any termsheet relating to any Product within Guernsey is restricted to persons or entities that are themselves licensed by the Guern-

sey Financial Services Commission under the Protection of Investors (Bailiwick of Guernsey) Law, 1987, the Banking Supervision (Bailiwick of Guernsey) Law, 1994, the Insurance Business (Bailiwick of Guernsey) Law, 2002 or the Regulation of Fiduciaries, Administration Businesses and Company Directors, etc. (Bailiwick of Guernsey) Law, 2000.

Neither this document nor any Products offered pursuant to this document have been reviewed by the Guernsey Financial Services Commission and neither the Guernsey Financial Services Commission nor the States of Guernsey Policy Council take any responsibility for the financial soundness of the Issuer or for the correctness of any of the statements made or opinions expressed with regard to it.

Italy

The offering of the Products has not been registered pursuant to Italian securities legislation and, accordingly, each offeror represents and agrees, and each further financial intermediary appointed under the Base Prospectus and each other dealer will be required to represent and agree, that it has not offered or sold, promoted, advertised or delivered and will not offer or sell, promote, advertise or deliver any Products to the public in the Republic of Italy, and that such activities concerning the Products shall be effected towards the public in the Republic of Italy in accordance with all Italian securities, tax and exchange control and other applicable laws and regulations.

The Products will not be offered, sold or delivered nor copies of the Base Prospectus or any other document relating to the Products be distributed or made available in the Republic of Italy except:

- (a) if it is specified within the relevant Final Terms that a non-exempt offer may be made in the Republic of Italy pursuant to this Base Prospectus, provided that such prospectus has been (i) approved in another Relevant Member State and notified to CONSOB, and (ii) completed by final terms (if applicable) expressly contemplating such non-exempt offer, in the twelve months period of validity of the Base Prospectus commencing on the date of its approval, in accordance with the Prospectus Directive, as implemented in the Republic of Italy under the Italian Legislative Decree No. 58 of 24th February, 1998 as amended from time to time ("**Italian Financial Services Act**") and CONSOB Regulation No. 11971 of 14th May, 1999, as amended from time to time ("**CONSOB Regulation No. 11971/1999**");
- (b) to "**Qualified Investors**" (*investitori qualificati*), as defined under Article 100 of the Italian Financial Services Act, as implemented by Article 34-ter, paragraph 1, letter b), of CONSOB Regulation 11971/1999 and by Article 26, paragraph 1(d) of CONSOB Regulation No. 16190 of 29 October 2007, as amended ("**Regulation No. 16190/2007**"); or
- (c) in other circumstances which are expressly exempted from the rules on public offering pursuant to the Italian Financial Services Act and its implementing CONSOB Regulations, including Regulation 11971/1999.

Any such offer, sale or delivery of the Products or distribution of copies of this Base Prospectus or any other document relating to the Products in the Republic of Italy under (a) or (b) above must be:

- (i) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 16190/2007, as amended, and Legislative Decree No. 385 of 1 September 1993, as amended; and
- (ii) in compliance with any other applicable laws and regulations.

Provisions relating to the secondary market in Republic of Italy

Investors should also note that, in accordance with Article 100-bis of the Italian Financial Services Act:

- (i) if any of the Products have been initially placed pursuant to an exemption to publish a prospectus, the subsequent distribution of such Products on the secondary market in Italy which is not carried out under an exemption pursuant to (b) or (c) above must be made in compliance with the rules on offer of securities to the public provided under the Italian Financial Services Act and CONSOB Regulation No. 11971;
- (ii) if any of the Products which have been initially placed with Qualified Investors in Italy or abroad which are then systematically resold to non-Qualified Investors in the 12 months following the placement, such resale would qualify as an offer of securities to the public if no exemption under (c) above applies. Where this occurs, if a prospectus compliant with the Prospectus Directive has not been published, the purchasers of such Products (who are acting outside of the course of their business or profession) may be entitled to obtain that the resale is declared null and void and the authorised entities ("*soggetti abilitati*" as defined in the Italian Financial Services Act) transferring the Products may be held liable for any damages suffered by the purchasers; and
- (iii) any intermediary subsequently reselling the Products is entitled to rely upon the prospectus published by the issuer or the person responsible for drawing up a prospectus as long as this is valid, duly supplemented in accordance with the Italian Financial Services Act and CONSOB Regulation No. 11971 and provided that the issuer or the person responsible for drawing up a prospectus gives its written consent to its use.

Netherlands

Each offeror of the Products has represented and agreed that it will not make an offer of Products which are the subject of the offering contemplated by this Base Prospectus, as completed by the Final Terms relating thereto, to the public in the Netherlands in reliance on Article 3(2) of the Prospectus Directive (as defined above under "European Economic Area" above) unless (i) such offer is made exclusively to persons or entities which are qualified investors (gekwalificeerde beleggers) as defined in the Dutch Financial Supervision Act (Wet op het financieel toezicht) or (ii) standard exemption wording and a logo are disclosed as required by Article 5:20(5) of the Dutch Financial Supervision Act, provided that no such

offer of Products shall require the Issuer or the Lead Manager to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

Products in definitive bearer form that constitute a claim for a fixed sum against the Issuer and on which interest does not become due during their tenor or on which no interest is due whatsoever (savings certificates or spaarbewijzen as defined in the Dutch Savings Certificates Act or Wet inzake spaarbewijzen, the “SCA”) may only be transferred and accepted, directly or indirectly, within, from or into the Netherlands through the mediation of either the Issuer or a member of Euronext Amsterdam N.V. with due observance of the provisions of the SCA and its implementing regulations (which include registration requirements). No such mediation is required, however, in respect of (i) the initial issue of such Products to the first holders thereof, (ii) the transfer and acceptance by individuals who do not act in the conduct of a profession or business, and (iii) the issue and trading of such Products if they are physically issued outside the Netherlands and are not distributed in the Netherlands in the course of primary trading or immediately thereafter.

Hong Kong

This document has not been reviewed by the Securities and Futures Commission of Hong Kong, nor has a copy of it been registered by the Registrar of Companies in Hong Kong.

Each offeror of the Products has represented and agreed that

- a) it has not offered or sold and will not offer and sell such Products in Hong Kong (excluding products defined as “structured products” in the *Securities and Futures Ordinance (Cap. 571)* of Hong Kong), by means of any document, to any person other than to “professional investors” within the meaning of the Securities and Futures Ordinance and any rules made under that Ordinance, or in other circumstances which do not result in the document being a “prospectus” within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and
- b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Products issued under this Base Prospectus which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the Products issued under this Base Prospectus which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” within the meaning of the Securities and Futures Ordinance and any rules made thereunder.

Singapore

This document has not been registered as, a prospectus with the Monetary Authority of Singapore. Accordingly, this document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of Products issued under this Base Prospectus may not be circulated or distributed, nor may Products issued under this Base Prospectus 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 (as defined under Section 4A(1)(c) of the Securities and Futures Act (Cap. 289) of Singapore ("SFA")) under Section 274 of the SFA, (ii) to a relevant person (as defined under section 275(2) of the SFA) pursuant to Section 275(1) (which term includes an accredited investor (as defined in Section 4A(1) of the SFA)("accredited investor")), or any person pursuant to an offer that is made on terms that such shares are acquired at a consideration of not less than S\$200,000 (or its equivalent in a foreign currency) for each transaction, whether such amount is to be paid for in cash or by exchange of securities or assets, pursuant to Section 275(1A) of the SFA, and in accordance with the conditions, specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where Products issued under this Base Prospectus are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Products issued under this Base Prospectus 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 where the transfer arises from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA; or
- (2) where no consideration is or will be given for the transfer; or
- (3) where the transfer is by operation of law; or
- (4) as specified in Section 276(7) of the SFA; or
- (5) as specified in Regulation 32 of the Securities and Futures (Offers of Investments)(Shares and Debentures) Regulations 2005 of Singapore.

VIII. FORM OF FINAL TERMS

[insert in the case of an increase of issue: [Specification of the Products: ●] (the "[First][●] Increase"), that shall be consolidated with the outstanding [specification of the Products: ●] ([insert identification number(s): ●]) issued on [Date of the Original Issue: ●][if applicable further issue: ●] under the Base Prospectus of Leonteq Securities AG dated 29 June 2016 are consolidated and shall form a single issue therewith.]

[In case of Products for which a continued public offer is intended following the expiry of the validity of the Base Prospectus dated 29 June 2016 insert: The validity of the Base Prospectus dated 29 June 2016 (the "Initial Base Prospectus") under which the public offer for the Products described in these Final Terms is continued, expires on [insert date on which the validity of the Base Prospectus dated 29 June 2016 expires: ●]. Following this date, the public offer will be continued 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, these Final Terms are, 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 respective Succeeding Base Prospectus will be published electronically on the website www.leonteq.com (under Products & Services – Structured Products – Services - Prospectuses).]

Final Terms dated [●]

([Tranche] [●])

[in the case of a replacement of the Final Terms: (which replace the Final Terms dated ●)]

to the Base Prospectus dated 29 June 2016

Leonteq Securities AG, Zurich, Switzerland

[acting through its Guernsey Branch: Leonteq Securities AG, Guernsey Branch]

[acting through its Amsterdam Branch: Leonteq Securities AG, Amsterdam Branch]

(the "Issuer")

[Bonus Certificates with Cash Settlement] [Bonus Certificates with potential Physical Settlement]
 [Capped Bonus Certificates with Cash Settlement and with par value] [Capped Bonus Certificates with Cash Settlement and without par value] [Capped Bonus Certificates with potential Physical Settlement]
 [Notes (Reverse Convertibles) with Cash Settlement] [Notes (Reverse Convertibles) with potential Physical Settlement]
 [Notes (Barrier Reverse Convertibles) with Cash Settlement] [Notes (Barrier Reverse Convertibles) with potential Physical Settlement] [Discount Certificates with Cash Settlement] [Discount Certificates with potential Physical Settlement] [Express Certificates with Cash Settlement and without

par value] [Express Certificates with Cash Settlement and with par value] [Tracker Certificates with Cash Settlement] [Open End Tracker Certificates with Cash Settlement] [Express Certificates with potential Physical Settlement and with par value] [Express Certificates with potential Physical Settlement and without par value] [Inverse Discount Certificates with Cash Settlement] [Master Discount Certificates with Cash Settlement] [Express Certificates with Cash Settlement and with par value and unconditional minimum redemption] [Express Certificates with Cash Settlement and with par value and with Downside Participation Factor] [Certificates with Cash Settlement and with par value and with unconditional minimum redemption and Partial Redemption Amounts] [Certificates with Cash Settlement and with par value and with unconditional minimum redemption] [Capped Certificates with Cash Settlement and with par value and with unconditional minimum redemption] [Inverse Bonus Certificates with Cash Settlement] [Capped Inverse Bonus Certificates with Cash Settlement] [Mini Future Certificates with Cash Settlement]

linked to

[Underlying(s) or basket of Underlyings: •]
(the "**Products**")

Leonteq Securities AG, Zurich, Switzerland
(the "**Lead Manager**")

These Final Terms relate to the Base Prospectus dated 29 June 2016 [as supplemented by the Supplement[s] dated • and][as] [further] supplemented from time to time]

Specification of the Products

The subject of the Final Terms are [Bonus Certificates with Cash Settlement (Product No. 1)] [Bonus Certificates with potential Physical Settlement (Product No. 2)] [Capped Bonus Certificates with Cash Settlement and with par value (Product No. 3)] [Capped Bonus Certificates with Cash Settlement and without par value (Product No. 4)] [Capped Bonus Certificates with potential Physical Settlement (Product No. 5)] [Notes (Reverse Convertibles) with Cash Settlement (Product No. 6)] [Notes (Reverse Convertibles) with potential Physical Settlement (Product No. 7)] [Notes (Barrier Reverse Convertibles) with Cash Settlement (Product No. 8)] [Notes (Barrier Reverse Convertibles) with potential Physical Settlement (Product No. 9)] [Discount Certificates with Cash Settlement (Product No. 10)] [Discount Certificates with potential Physical Settlement (Product No. 11)] [Express Certificates with Cash Settlement and without par value (Product No. 12)] [Express Certificates with Cash Settlement and with par value (Product No. 13)] [Tracker Certificates with Cash Settlement (Product No. 14)] [Open End Tracker Certificates with Cash Settlement (Product No. 15)] [Express Certificates with potential Physical Settlement and with par value (Product No. 16)] [Express Certificates with potential Physical Settlement and without par value (Product No. 17)] [Inverse Discount Certificates with Cash Settlement (Product No. 18)] [Master Discount Certificates with Cash Settlement (Product No. 19)] [Express Certificates with Cash Settlement and with par value and unconditional minimum redemption (Product No. 20)] [Express Certificates with Cash Settlement and with par value and with Downside Participation Factor (Product No. 21)] [Certificates with Cash Settlement and with par value and with unconditional minimum redemption and Partial Redemption Amounts (Product No. 22)] [Certificates with Cash Settlement and with par value and with unconditional minimum redemption (Product No. 23)] [Capped Certificates with Cash Settlement and with par value and with unconditional minimum redemption (Product No. 24)] [Inverse Bonus Certificates with Cash Settlement (Product No. 25)] [Capped Inverse Bonus Certificates with Cash Settlement (Product No. 26)] [Mini Future Certificates with Cash Settlement (Product No. 27)]. [For the current Products COSI is applicable.] [For the current Products COSI is not applicable.]

Presentation of the Final Terms

The Final Terms were prepared for the purpose of Article 5 (4) of Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 (as amended, including Directive 2010/73/EU of the European Parliament and of the Council of 24 November 2010) (the "Prospectus Directive") and must be read in conjunction with the Base Prospectus dated 29 June 2016 ([as supplemented by the supplement[s] dated [●]] and] as further supplemented from time to time) (the "Base Prospectus") including the documents incorporated by reference. During the entire term of the Product, the Final Terms and the Base Prospectus and any supplements thereto will be made available free of charge at Leonteq Securities AG, Brandschenkestrasse 90, 8002 Zurich, Switzerland (Phone: +41 (0)58 800 1000, Facsimile: +41 (0)58 800 1010). Furthermore, the documents will be published in electronic form on the website www.leonteq.com (under Products & Services – Structured Products) [insert additional form of publication: ●]. Full information on the Issuer and the of-

fer of the Products is only available on the basis of a combination of these Final Terms and the Base Prospectus, including the documents incorporated by reference.

The Final Terms to the Base Prospectus are represented in the form of a separate document within the meaning of Article 26 (5) of Commission Regulation (EC) No. 809/2004 of 29 April 2004 as amended (the "**Prospectus Regulation**").

An issue specific summary that has been completed for the Products is attached to these Final Terms.

PART I**INFORMATION ABOUT THE TERMS AND CONDITIONS – ISSUE SPECIFIC CONDITIONS**

[insert in the case of "Consolidated Conditions": In respect of the Series of Products (i) the Issue Specific Conditions as replicated in these Final Terms and (ii) the General Conditions for Products governed by [German][Swiss] law as laid out in the Base Prospectus together shall constitute the Terms and Conditions applicable to the Series of Products (the "Conditions"). The Issue Specific Conditions as replicated in these Final Terms are to be read in conjunction with the General Conditions.

[insert applicable Product Specific Conditions (Part A.) and Underlying Specific Conditions (Part B.)]

[insert in the case of "Reference Conditions":

This Part I. of the Final Terms is to be read in conjunction with the Product Specific Conditions applicable to [Bonus Certificates with Cash Settlement (Product No. 1)] [Bonus Certificates with potential Physical Settlement (Product No. 2)] [Capped Bonus Certificates with Cash Settlement and with par value (Product No. 3)] [Capped Bonus Certificates with Cash Settlement and without par value (Product No. 4)] [Capped Bonus Certificates with potential Physical Settlement (Product No. 5)] [Notes (Reverse Convertibles) with Cash Settlement (Product No. 6)] [Notes (Reverse Convertibles) with potential Physical Settlement (Product No. 7)] [Notes (Barrier Reverse Convertibles) with Cash Settlement (Product No. 8)] [Notes (Barrier Reverse Convertibles) with potential Physical Settlement (Product No. 9)] [Discount Certificates with Cash Settlement (Product No. 10)] [Discount Certificates with potential Physical Settlement (Product No. 11)] [Express Certificates with Cash Settlement and without par value (Product No. 12)] [Express Certificates with Cash Settlement and with par value (Product No. 13)] [Tracker Certificates with Cash Settlement (Product No. 14)] [Open End Tracker Certificates with Cash Settlement (Product No. 15)] [Express Certificates with potential Physical Settlement and with par value (Product No. 16)] [Express Certificates with potential Physical Settlement and without par value (Product No. 17)] [Inverse Discount Certificates with Cash Settlement (Product No. 18)] [Master Discount Certificates with Cash Settlement (Product No. 19)] [Express Certificates with Cash Settlement and with par value and unconditional minimum redemption (Product No. 20)] [Express Certificates with Cash Settlement and with par value and with Downside Participation Factor (Product No. 21)] [Certificates with Cash Settlement and with par value and with unconditional minimum redemption and Partial Redemption Amounts (Product No. 22)] [Certificates with Cash Settlement and with par value and with unconditional minimum redemption (Product No. 23)] [Capped Certificates with Cash Settlement and with par value and with unconditional minimum redemption (Product No. 24)] [Inverse Bonus Certificates with Cash Settlement (Product No. 25)] [Capped Inverse Bonus Certificates with Cash Settlement (Product No. 26)] [Mini Future Certificates with Cash Settlement (Product No. 27)] and the set of Part B. Underlying Specific Conditions applicable to [Shares][Participation Certificates (*Genussscheine*)] [Indices][Securities representing shares][Currency Exchange Rates][Commodities][Futures Contracts] [Shares in a[n exchange traded] Fund] [Fixed Rate Instruments and/or Derivative Instruments] set forth in the Base Prospectus.

All references in this part of the Final Terms to numbered paragraphs and subparagraphs are to paragraphs and subparagraphs of the Issue Specific Conditions.

All provisions in the Issue Specific Conditions corresponding to items in these Final Terms which are either not specified or completed or which are marked with "Not applicable" shall be deemed to be deleted from the terms and conditions applicable to the Products.

Furthermore, the General Conditions for Products governed by [German][Swiss] law as laid out in the Base Prospectus will apply.

Part A – Product Specific Conditions

[in the case of Bonus Certificates with Cash Settlement (Product No. 1) insert:

§ 1

Form and Issue Size; Definitions; Term of the Products

| | |
|---|---|
| Issuer (paragraph 1) | Leonteq Securities AG[, acting through its Guernsey Branch] [, acting through its Amsterdam Branch] |
| Number of Products (paragraph 1) | [●][See Table 1 in the Annex] |
| Settlement Currency (paragraph 1) | [●][See Table 1 in the Annex] |
| Swiss Uncertificated Securities (paragraph 2) | [Applicable][Not applicable] |
| [Custody Agent] | [●][See Table 1 in the Annex] |
| Swiss Bearer Securities (paragraph 2) | [Applicable][Not applicable] |
| [Swiss CBF Bearer Securities] | [Applicable][Not applicable] |
| [Minimum Trading Lot] | [●][See Table 1 in the Annex] |
| [Swiss SIX SIS Bearer] | [Applicable][Not applicable] |

| | |
|---|-------------------------------|
| Securities] | |
| [Custody Agent] | [•][See Table 1 in the Annex] |
| German Bearer Securities (paragraph 2) | [Applicable][Not applicable] |
| [German CBF Bearer Securities] | [Applicable][Not applicable] |
| [Minimum Trading Lot] | [•][See Table 1 in the Annex] |
| [German SIX SIS Bearer Securities] | [Applicable][Not applicable] |
| [Custody Agent] | [•][See Table 1 in the Annex] |
| Clearing System | [•][See Table 1 in the Annex] |
| COSI (paragraph 3) | [Applicable][Not applicable] |

§ 3
Definitions

[insert applicable Definitions: •]

§ 4
Redemption

[insert applicable Redemption provision: •]

[§ 10
Collateral Secured Instruments (COSI)

Value Determination Method [Method A: Fair Value Method] [Method B: Bond Floor Method]]

(paragraph 3)

[in the case of Bonus Certificates with potential Physical Settlement (Product No. 2) insert:

§ 1

Form and Issue Size; Definitions; Term of the Products

| | |
|---|---|
| Issuer (paragraph 1) | Leonteq Securities AG[, acting through its Guernsey Branch] [, acting through its Amsterdam Branch] |
| Number of Products (paragraph 1) | [●][See Table 1 in the Annex] |
| Settlement Currency (paragraph 1) | [●][See Table 1 in the Annex] |
| Swiss Uncertificated Securities (paragraph 2) | [Applicable][Not applicable] |
| [Custody Agent] | [●][See Table 1 in the Annex] |
| Swiss Bearer Securities (paragraph 2) | [Applicable][Not applicable] |
| [Swiss CBF Bearer Securities] | [Applicable][Not applicable] |
| [Minimum Trading Lot] | [●][See Table 1 in the Annex] |
| [Swiss SIX SIS Bearer Securities] | [Applicable][Not applicable] |
| [Custody Agent] | [●][See Table 1 in the Annex] |
| German Bearer Securities (paragraph 2) | [Applicable][Not applicable] |
| [German CBF Bearer Securities] | [Applicable][Not applicable] |

| | |
|------------------------------------|-------------------------------|
| [Minimum Trading Lot] | [•][See Table 1 in the Annex] |
| [German SIX SIS Bearer Securities] | [Applicable][Not applicable] |
| [Custody Agent] | [•][See Table 1 in the Annex] |
| Clearing System | [•][See Table 1 in the Annex] |
| COSI (paragraph 3) | [Applicable][Not applicable] |

**§ 3
Definitions**

[insert applicable Definitions: •]

**§ 4
Redemption**

[insert applicable Redemption provision: •]

**[§ 10
Collateral Secured Instruments (COSI)**

Value Determination Method [Method A: Fair Value Method] [Method B: Bond Floor Method]]
(paragraph 3)

[in the case of Capped Bonus Certificates with Cash Settlement and with par value (Product No. 3) insert:

**§ 1
Form and Issue Size; Definitions; Term of the Products**

Issuer (paragraph 1) Leonteq Securities AG[, acting through its Guernsey Branch] [, acting through its Amsterdam Branch]

| | |
|---|-------------------------------|
| Total Nominal Amount (paragraph 1) | [●][See Table 1 in the Annex] |
| Settlement Currency (paragraph 1) | [●][See Table 1 in the Annex] |
| Swiss Uncertificated Securities (paragraph 2) | [Applicable][Not applicable] |
| [Custody Agent] | [●][See Table 1 in the Annex] |
| Swiss Bearer Securities (paragraph 2) | [Applicable][Not applicable] |
| [Swiss CBF Bearer Securities] | [Applicable][Not applicable] |
| [Minimum Trading Lot] | [●][See Table 1 in the Annex] |
| [Swiss SIX SIS Bearer Securities] | [Applicable][Not applicable] |
| [Custody Agent] | [●][See Table 1 in the Annex] |
| German Bearer Securities (paragraph 2) | [Applicable][Not applicable] |
| [German CBF Bearer Securities] | [Applicable][Not applicable] |
| [Minimum Trading Lot] | [●][See Table 1 in the Annex] |
| [German SIX SIS Bearer Securities] | [Applicable][Not applicable] |
| [Custody Agent] | [●][See Table 1 in the Annex] |
| Clearing System | [●][See Table 1 in the Annex] |

COSI (paragraph 3) [Applicable][Not applicable]

§ 3
Definitions

[insert applicable Definitions: •]

§ 4
Redemption

[insert applicable Redemption provision: •]

[§ 10
Collateral Secured Instruments (COSI)

Value Determination Method [Method A: Fair Value Method] [Method B: Bond Floor Method]]
(paragraph 3)

*[in the case of Capped Bonus Certificates with Cash Settlement and without par value (Product No. 4)
insert:*

§ 1
Form and Issue Size; Definitions; Term of the Products

Issuer (paragraph 1) Leonteq Securities AG[, acting through its Guernsey Branch] [, acting
through its Amsterdam Branch]

Number of Products (para- [•][See Table 1 in the Annex]
graph 1)

Settlement Currency (para- [•][See Table 1 in the Annex]
graph 1)

| | |
|---|-------------------------------|
| Swiss Uncertificated Securities (paragraph 2) | [Applicable][Not applicable] |
| [Custody Agent] | [●][See Table 1 in the Annex] |
| Swiss Bearer Securities (paragraph 2) | [Applicable][Not applicable] |
| [Swiss CBF Bearer Securities] | [Applicable][Not applicable] |
| [Minimum Trading Lot] | [●][See Table 1 in the Annex] |
| [Swiss SIX SIS Bearer Securities] | [Applicable][Not applicable] |
| [Custody Agent] | [●][See Table 1 in the Annex] |
| German Bearer Securities (paragraph 2) | [Applicable][Not applicable] |
| [German CBF Bearer Securities] | [Applicable][Not applicable] |
| [Minimum Trading Lot] | [●][See Table 1 in the Annex] |
| [German SIX SIS Bearer Securities] | [Applicable][Not applicable] |
| [Custody Agent] | [●][See Table 1 in the Annex] |
| Clearing System | [●][See Table 1 in the Annex] |
| COSI (paragraph 3) | [Applicable][Not applicable] |

§ 3
Definitions

[insert applicable Definitions: ●]

§ 4
Redemption

[insert applicable Redemption provision: ●]

[§ 10
Collateral Secured Instruments (COSI)

Value Determination Method [Method A: Fair Value Method] [Method B: Bond Floor Method]]
(paragraph 3)

[in the case of Capped Bonus Certificates with potential Physical Settlement (Product No. 5) insert:

§ 1
Form and Issue Size; Definitions; Term of the Products

Issuer (paragraph 1) Leonteq Securities AG[, acting through its Guernsey Branch] [, acting through its Amsterdam Branch]

Number of Products (paragraph 1) [●][See Table 1 in the Annex]

Settlement Currency (paragraph 1) [●][See Table 1 in the Annex]

Swiss Uncertificated Securities (paragraph 2) [Applicable][Not applicable]

[Custody Agent] [●][See Table 1 in the Annex]

Swiss Bearer Securities (paragraph 2) [Applicable][Not applicable]

graph 2)

| | |
|--|-------------------------------|
| [Swiss CBF Bearer Securities] | [Applicable][Not applicable] |
| [Minimum Trading Lot] | [●][See Table 1 in the Annex] |
| [Swiss SIX SIS Bearer Securities] | [Applicable][Not applicable] |
| [Custody Agent] | [●][See Table 1 in the Annex] |
| German Bearer Securities (paragraph 2) | [Applicable][Not applicable] |
| [German CBF Bearer Securities] | [Applicable][Not applicable] |
| [Minimum Trading Lot] | [●][See Table 1 in the Annex] |
| [German SIX SIS Bearer Securities] | [Applicable][Not applicable] |
| [Custody Agent] | [●][See Table 1 in the Annex] |
| Clearing System | [●][See Table 1 in the Annex] |
| COSI (paragraph 3) | [Applicable][Not applicable] |

§ 3

Definitions

[insert applicable Definitions: ●]

§ 4
Redemption

[insert applicable Redemption provision: ●]

[§ 10
Collateral Secured Instruments (COSI)

Value Determination Method [Method A: Fair Value Method] [Method B: Bond Floor Method]]
(paragraph 3)

[in the case of Notes (Reverse Convertibles) with Cash Settlement (Product No. 6) insert:

§ 1
Form and Issue Size; Definitions; Term of the Products

Issuer (paragraph 1) Leonteq Securities AG[, acting through its Guernsey Branch] [, acting through its Amsterdam Branch]

Total Nominal Amount (paragraph 1) [●][See Table 1 in the Annex]

Settlement Currency (paragraph 1) [●][See Table 1 in the Annex]

Swiss Uncertificated Securities (paragraph 2) [Applicable][Not applicable]

[Custody Agent] [●][See Table 1 in the Annex]

Swiss Bearer Securities (paragraph 2) [Applicable][Not applicable]

[Swiss CBF Bearer Securities] [Applicable][Not applicable]

[Minimum Trading Lot] [●][See Table 1 in the Annex]

| | |
|--|-------------------------------|
| [Swiss SIX SIS Bearer Securities] | [Applicable][Not applicable] |
| [Custody Agent] | [●][See Table 1 in the Annex] |
| German Bearer Securities (paragraph 2) | [Applicable][Not applicable] |
| [German CBF Bearer Securities] | [Applicable][Not applicable] |
| [Minimum Trading Lot] | [●][See Table 1 in the Annex] |
| [German SIX SIS Bearer Securities] | [Applicable][Not applicable] |
| [Custody Agent] | [●][See Table 1 in the Annex] |
| Clearing System | [●][See Table 1 in the Annex] |
| COSI (paragraph 3) | [Applicable][Not applicable] |

§ 3

Definitions

[insert applicable Definitions: ●]

§ 4

Redemption

[insert applicable Redemption provision: ●]

[§ 10

Collateral Secured Instruments (COSI)

Value Determination Method [Method A: Fair Value Method] [Method B: Bond Floor Method]]
(paragraph 3)

*[in the case of Notes (Reverse Convertibles) with potential Physical Settlement
(Product No. 7) insert:*

§ 1**Form and Issue Size; Definitions; Term of the Products**

Issuer (paragraph 1) Leonteq Securities AG[, acting through its Guernsey Branch] [, acting
through its Amsterdam Branch]

Total Nominal Amount (para- [●][See Table 1 in the Annex]
graph 1)

Settlement Currency (para- [●][See Table 1 in the Annex]
graph 1)

Swiss Uncertificated Securi- [Applicable][Not applicable]
ties (paragraph 2)

[Custody Agent] [●][See Table 1 in the Annex]

Swiss Bearer Securities (para- [Applicable][Not applicable]
graph 2)

[Swiss CBF Bearer Secu- [Applicable][Not applicable]
rities]

[Minimum Trading [●][See Table 1 in the Annex]
Lot]

[Swiss SIX SIS Bearer [Applicable][Not applicable]
Securities]

[Custody Agent] [●][See Table 1 in the Annex]

German Bearer Securities (paragraph 2) [Applicable][Not applicable]

[German CBF Bearer Securities] [Applicable][Not applicable]

[Minimum Trading Lot] [●][See Table 1 in the Annex]

[German SIX SIS Bearer Securities] [Applicable][Not applicable]

[Custody Agent] [●][See Table 1 in the Annex]

Clearing System [●][See Table 1 in the Annex]

COSI (paragraph 3) [Applicable][Not applicable]

§ 3

Definitions

[insert applicable Definitions: ●]

§ 4

Redemption, Physical Delivery

[insert applicable Redemption provision: ●]

[§ 10

Collateral Secured Instruments (COSI)

Value Determination Method (paragraph 3) [Method A: Fair Value Method] [Method B: Bond Floor Method]]

[in the case of Notes (Barrier Reverse Convertibles) with Cash Settlement (Product No. 8) insert:

§ 1

Form and Issue Size; Definitions; Term of the Products

| | |
|---|---|
| Issuer (paragraph 1) | Leonteq Securities AG[, acting through its Guernsey Branch] [, acting through its Amsterdam Branch] |
| Total Nominal Amount (paragraph 1) | [●][See Table 1 in the Annex] |
| Settlement Currency (paragraph 1) | [●][See Table 1 in the Annex] |
| Swiss Uncertificated Securities (paragraph 2) | [Applicable][Not applicable] |
| [Custody Agent] | [●][See Table 1 in the Annex] |
| Swiss Bearer Securities (paragraph 2) | [Applicable][Not applicable] |
| [Swiss CBF Bearer Securities] | [Applicable][Not applicable] |
| [Minimum Trading Lot] | [●][See Table 1 in the Annex] |
| [Swiss SIX SIS Bearer Securities] | [Applicable][Not applicable] |
| [Custody Agent] | [●][See Table 1 in the Annex] |
| German Bearer Securities (paragraph 2) | [Applicable][Not applicable] |
| [German CBF Bearer Securities] | [Applicable][Not applicable] |

| | |
|------------------------------------|-------------------------------|
| [Minimum Trading Lot] | [•][See Table 1 in the Annex] |
| [German SIX SIS Bearer Securities] | [Applicable][Not applicable] |
| [Custody Agent] | [•][See Table 1 in the Annex] |
| Clearing System | [•][See Table 1 in the Annex] |
| COSI (paragraph 3) | [Applicable][Not applicable] |

**§ 3
Definitions**

[insert applicable Definitions: •]

**§ 4
Redemption**

[insert applicable Redemption provision: •]

**[§ 10
Collateral Secured Instruments (COSI)]**

Value Determination Method [Method A: Fair Value Method] [Method B: Bond Floor Method]]
(paragraph 3)

*[in the case of Notes (Barrier Reverse Convertibles) with potential Physical Settlement (Product No. 9)
insert:*

**§ 1
Form and Issue Size; Definitions; Term of the Products**

Issuer (paragraph 1) Leonteq Securities AG[, acting through its Guernsey Branch] [, acting

| | | |
|---|-------------------------------|--|
| | through its Amsterdam Branch] | |
| Total Nominal Amount (paragraph 1) | [●][See Table 1 in the Annex] | |
| Settlement Currency (paragraph 1) | [●][See Table 1 in the Annex] | |
| Swiss Uncertificated Securities (paragraph 2) | [Applicable][Not applicable] | |
| [Custody Agent] | [●][See Table 1 in the Annex] | |
| Swiss Bearer Securities (paragraph 2) | [Applicable][Not applicable] | |
| [Swiss CBF Bearer Securities] | [Applicable][Not applicable] | |
| [Minimum Trading Lot] | [●][See Table 1 in the Annex] | |
| [Swiss SIX SIS Bearer Securities] | [Applicable][Not applicable] | |
| [Custody Agent] | [●][See Table 1 in the Annex] | |
| German Bearer Securities (paragraph 2) | [Applicable][Not applicable] | |
| [German CBF Bearer Securities] | [Applicable][Not applicable] | |
| [Minimum Trading Lot] | [●][See Table 1 in the Annex] | |
| [German SIX SIS Bearer Securities] | [Applicable][Not applicable] | |
| [Custody Agent] | [●][See Table 1 in the Annex] | |
| Clearing System | [●][See Table 1 in the Annex] | |

COSI (paragraph 3) [Applicable][Not applicable]

§ 3
Definitions

[insert applicable Definitions: •]

§ 4
Redemption, Physical Delivery

[insert applicable Redemption provision: •]

[§ 10
Collateral Secured Instruments (COSI)

Value Determination Method [Method A: Fair Value Method] [Method B: Bond Floor Method]]
(paragraph 3)

[in the case of Discount Certificates with Cash Settlement (Product No. 10) insert:

§ 1
Form and Issue Size; Definitions; Term of the Products

Issuer (paragraph 1) Leonteq Securities AG[, acting through its Guernsey Branch] [, acting through its Amsterdam Branch]

Number of Products (paragraph 1) [•][See Table 1 in the Annex]

Settlement Currency (paragraph 1) [•][See Table 1 in the Annex]

Swiss Uncertificated Securi- [Applicable][Not applicable]

| | |
|--|-------------------------------|
| ties (paragraph 2) | |
| [Custody Agent] | [●][See Table 1 in the Annex] |
| Swiss Bearer Securities (paragraph 2) | [Applicable][Not applicable] |
| [Swiss CBF Bearer Securities] | [Applicable][Not applicable] |
| [Minimum Trading Lot] | [●][See Table 1 in the Annex] |
| [Swiss SIX SIS Bearer Securities] | [Applicable][Not applicable] |
| [Custody Agent] | [●][See Table 1 in the Annex] |
| German Bearer Securities (paragraph 2) | [Applicable][Not applicable] |
| [German CBF Bearer Securities] | [Applicable][Not applicable] |
| [Minimum Trading Lot] | [●][See Table 1 in the Annex] |
| [German SIX SIS Bearer Securities] | [Applicable][Not applicable] |
| [Custody Agent] | [●][See Table 1 in the Annex] |
| Clearing System | [●][See Table 1 in the Annex] |
| COSI (paragraph 3) | [Applicable][Not applicable] |

§ 3
Definitions

[insert applicable Definitions: •]

§ 4
Redemption, Physical Delivery

[insert applicable Redemption provision: •]

[§ 10
Collateral Secured Instruments (COSI)

Value Determination Method [Method A: Fair Value Method] [Method B: Bond Floor Method]]
(paragraph 3)

[in the case of Discount Certificates with potential Physical Settlement (Product No. 11) insert:

§ 1
Form and Issue Size; Definitions; Term of the Products

Issuer (paragraph 1) Leonteq Securities AG[, acting through its Guernsey Branch] [, acting through its Amsterdam Branch]

Number of Products (para- [•][See Table 1 in the Annex]
graph 1)

Settlement Currency (para- [•][See Table 1 in the Annex]
graph 1)

Swiss Uncertificated Securi- [Applicable][Not applicable]
ties (paragraph 2)

[Custody Agent] [•][See Table 1 in the Annex]

| | |
|--|-------------------------------|
| Swiss Bearer Securities (paragraph 2) | [Applicable][Not applicable] |
| [Swiss CBF Bearer Securities] | [Applicable][Not applicable] |
| [Minimum Trading Lot] | [●][See Table 1 in the Annex] |
| [Swiss SIX SIS Bearer Securities] | [Applicable][Not applicable] |
| [Custody Agent] | [●][See Table 1 in the Annex] |
| German Bearer Securities (paragraph 2) | [Applicable][Not applicable] |
| [German CBF Bearer Securities] | [Applicable][Not applicable] |
| [Minimum Trading Lot] | [●][See Table 1 in the Annex] |
| [German SIX SIS Bearer Securities] | [Applicable][Not applicable] |
| [Custody Agent] | [●][See Table 1 in the Annex] |
| Clearing System | [●][See Table 1 in the Annex] |
| COSI (paragraph 3) | [Applicable][Not applicable] |

§ 3

Definitions

[insert applicable Definitions: ●]

§ 4

Redemption, Physical Delivery

[insert applicable Redemption provision: ●]

[§ 10

Collateral Secured Instruments (COSI)

Value Determination Method [Method A: Fair Value Method] [Method B: Bond Floor Method]]
(paragraph 3)

[in the case of Express Certificates with Cash Settlement and without par value (Product No. 12) insert:

§ 1

Form and Issue Size; Definitions; Term of the Products

Issuer (paragraph 1) Leonteq Securities AG[, acting through its Guernsey Branch] [, acting through its Amsterdam Branch]

Number of Products (paragraph 1) [●][See Table 1 in the Annex]

Settlement Currency (paragraph 1) [●][See Table 1 in the Annex]

Swiss Uncertificated Securities (paragraph 2) [Applicable][Not applicable]

[Custody Agent] [●][See Table 1 in the Annex]

Swiss Bearer Securities (paragraph 2) [Applicable][Not applicable]

[Swiss CBF Bearer Securities] [Applicable][Not applicable]

[Minimum Trading Lot] [●][See Table 1 in the Annex]

| | |
|--|-------------------------------|
| [Swiss SIX SIS Bearer Securities] | [Applicable][Not applicable] |
| [Custody Agent] | [●][See Table 1 in the Annex] |
| German Bearer Securities (paragraph 2) | [Applicable][Not applicable] |
| [German CBF Bearer Securities] | [Applicable][Not applicable] |
| [Minimum Trading Lot] | [●][See Table 1 in the Annex] |
| [German SIX SIS Bearer Securities] | [Applicable][Not applicable] |
| [Custody Agent] | [●][See Table 1 in the Annex] |
| Clearing System | [●][See Table 1 in the Annex] |
| COSI (paragraph 3) | [Applicable][Not applicable] |

§ 3

Definitions

[insert applicable Definitions: ●]

§ 4

Redemption

[insert applicable Redemption provision: ●]

§ 5

Interest, Coupon Payments

[insert applicable Interest provision: ●]

[§ 10

Collateral Secured Instruments (COSI)

Value Determination Method [Method A: Fair Value Method] [Method B: Bond Floor Method]]
(paragraph 3)

[in the case of Express Certificates with Cash Settlement and with par value (Product No. 13) insert:

§ 1

Form and Issue Size; Definitions; Term of the Products

Issuer (paragraph 1) Leonteq Securities AG[, acting through its Guernsey Branch] [, acting through its Amsterdam Branch]

Total Nominal Amount (paragraph 1) [●][See Table 1 in the Annex]

Settlement Currency (paragraph 1) [●][See Table 1 in the Annex]

Swiss Uncertificated Securities (paragraph 2) [Applicable][Not applicable]

[Custody Agent] [●][See Table 1 in the Annex]

Swiss Bearer Securities (paragraph 2) [Applicable][Not applicable]

[Swiss CBF Bearer Securities] [Applicable][Not applicable]

[Minimum Trading Lot] [●][See Table 1 in the Annex]

[Swiss SIX SIS Bearer Securities] [Applicable][Not applicable]

[Custody Agent] [●][See Table 1 in the Annex]

| | |
|---|-------------------------------|
| German Bearer Securities (paragraph 2) | [Applicable][Not applicable] |
| [German CBF Bearer Securities] | [Applicable][Not applicable] |
| [Minimum Trading Lot] | [●][See Table 1 in the Annex] |
| [German SIX SIS Bearer Securities] | [Applicable][Not applicable] |
| [Custody Agent] | [●][See Table 1 in the Annex] |
| Clearing System | [●][See Table 1 in the Annex] |
| COSI (paragraph 3) | [Applicable][Not applicable] |

§ 3

Definitions

[insert applicable Definitions: ●]

§ 4

Redemption

[insert applicable Redemption provision: ●]

§ 5

Interest, Coupon Payments

[insert applicable Interest provision: ●]

[§ 10

Collateral Secured Instruments (COSI)

Value Determination Method [Method A: Fair Value Method] [Method B: Bond Floor Method]]
(paragraph 3)

[in the case of Tracker Certificates with Cash Settlement (Product No. 14) insert:

§ 1

Form and Issue Size; Definitions; Term of the Products

Issuer (paragraph 1) Leonteq Securities AG[, acting through its Guernsey Branch] [, acting through its Amsterdam Branch]

Number of Products (paragraph 1) [●][See Table 1 in the Annex]

Settlement Currency (paragraph 1) [●][See Table 1 in the Annex]

Swiss Uncertificated Securities (paragraph 2) [Applicable][Not applicable]

[Custody Agent] [●][See Table 1 in the Annex]

Swiss Bearer Securities (paragraph 2) [Applicable][Not applicable]

[Swiss CBF Bearer Securities] [Applicable][Not applicable]

[Minimum Trading Lot] [●][See Table 1 in the Annex]

[Swiss SIX SIS Bearer Securities] [Applicable][Not applicable]

[Custody Agent] [●][See Table 1 in the Annex]

German Bearer Securities (paragraph 2) [Applicable][Not applicable]

| | |
|------------------------------------|-------------------------------|
| [German CBF Bearer Securities] | [Applicable][Not applicable] |
| [Minimum Trading Lot] | [•][See Table 1 in the Annex] |
| [German SIX SIS Bearer Securities] | [Applicable][Not applicable] |
| [Custody Agent] | [•][See Table 1 in the Annex] |
| Clearing System | [•][See Table 1 in the Annex] |
| COSI (paragraph 3) | [Applicable][Not applicable] |

**§ 3
Definitions**

[insert applicable Definitions: •]

**§ 4
Redemption**

[insert applicable Redemption provision: •]

**§ 6
Exercise by the Holder**

| | |
|------------------------|------------------------------|
| Exercise by the Holder | [Applicable][Not applicable] |
|------------------------|------------------------------|

**§ 9
Ordinary Termination by the Issuer**

| | |
|-----------------------------|------------------------------|
| Ordinary Termination by the | [Applicable][Not applicable] |
|-----------------------------|------------------------------|

Issuer

[§ 10

Collateral Secured Instruments (COSI)

Value Determination Method [Method A: Fair Value Method] [Method B: Bond Floor Method]]
(paragraph 3)

[in the case of Open End Tracker Certificates with Cash Settlement (Product No. 15) insert:

§ 1

Form and Issue Size; Definitions; Term of the Products

Issuer (paragraph 1) Leonteq Securities AG[, acting through its Guernsey Branch] [, acting through its Amsterdam Branch]

Number of Products (paragraph 1) [●][See Table 1 in the Annex]

Settlement Currency (paragraph 1) [●][See Table 1 in the Annex]

Swiss Uncertificated Securities (paragraph 2) [Applicable][Not applicable]

[Custody Agent] [●][See Table 1 in the Annex]

Swiss Bearer Securities (paragraph 2) [Applicable][Not applicable]

[Swiss CBF Bearer Securities] [Applicable][Not applicable]

[Minimum Trading Lot] [●][See Table 1 in the Annex]

| | |
|--|-------------------------------|
| [Swiss SIX SIS Bearer Securities] | [Applicable][Not applicable] |
| [Custody Agent] | [•][See Table 1 in the Annex] |
| German Bearer Securities (paragraph 2) | [Applicable][Not applicable] |
| [German CBF Bearer Securities] | [Applicable][Not applicable] |
| [Minimum Trading Lot] | [•][See Table 1 in the Annex] |
| [German SIX SIS Bearer Securities] | [Applicable][Not applicable] |
| [Custody Agent] | [•][See Table 1 in the Annex] |
| Clearing System | [•][See Table 1 in the Annex] |
| COSI (paragraph 3) | [Applicable][Not applicable] |

**§ 3
Definitions**

[insert applicable Definitions: •]

**§ 4
Redemption**

[insert applicable Redemption provision: •]

**[§ 10
Collateral Secured Instruments (COSI)**

Value Determination Method [Method A: Fair Value Method] [Method B: Bond Floor Method]]

(paragraph 3)

[in the case of Express Certificates with potential Physical Settlement and par value (Product No. 16) insert:

§ 1

Form and Issue Size; Definitions; Term of the Products

| | |
|---|---|
| Issuer (paragraph 1) | Leonteq Securities AG[, acting through its Guernsey Branch] [, acting through its Amsterdam Branch] |
| Total Nominal Amount (paragraph 1) | [●][See Table 1 in the Annex] |
| Settlement Currency (paragraph 1) | [●][See Table 1 in the Annex] |
| Swiss Uncertificated Securities (paragraph 2) | [Applicable][Not applicable] |
| [Custody Agent] | [●][See Table 1 in the Annex] |
| Swiss Bearer Securities (paragraph 2) | [Applicable][Not applicable] |
| [Swiss CBF Bearer Securities] | [Applicable][Not applicable] |
| [Minimum Trading Lot] | [●][See Table 1 in the Annex] |
| [Swiss SIX SIS Bearer Securities] | [Applicable][Not applicable] |
| [Custody Agent] | [●][See Table 1 in the Annex] |
| German Bearer Securities (paragraph 2) | [Applicable][Not applicable] |

| | |
|------------------------------------|-------------------------------|
| [German CBF Bearer Securities] | [Applicable][Not applicable] |
| [Minimum Trading Lot] | [•][See Table 1 in the Annex] |
| [German SIX SIS Bearer Securities] | [Applicable][Not applicable] |
| [Custody Agent] | [•][See Table 1 in the Annex] |
| Clearing System | [•][See Table 1 in the Annex] |
| COSI (paragraph 3) | [Applicable][Not applicable] |

**§ 3
Definitions**

[insert applicable Definitions: •]

**§ 4
Redemption, Physical Delivery**

[insert applicable Redemption provision: •]

**§ 5
Interest, Coupon Payments**

[insert applicable Interest provision: •]

**[§ 10
Collateral Secured Instruments (COSI)]**

Value Determination Method [Method A: Fair Value Method] [Method B: Bond Floor Method]]
(paragraph 3)

[in the case of Express Certificates with potential Physical Settlement and without par value (Product No. 17) insert:

§ 1

Form and Issue Size; Definitions; Term of the Products

| | |
|---|---|
| Issuer (paragraph 1) | Leonteq Securities AG[, acting through its Guernsey Branch] [, acting through its Amsterdam Branch] |
| Number of Products (paragraph 1) | [●][See Table 1 in the Annex] |
| Settlement Currency (paragraph 1) | [●][See Table 1 in the Annex] |
| Swiss Uncertificated Securities (paragraph 2) | [Applicable][Not applicable] |
| [Custody Agent] | [●][See Table 1 in the Annex] |
| Swiss Bearer Securities (paragraph 2) | [Applicable][Not applicable] |
| [Swiss CBF Bearer Securities] | [Applicable][Not applicable] |
| [Minimum Trading Lot] | [●][See Table 1 in the Annex] |
| [Swiss SIX SIS Bearer Securities] | [Applicable][Not applicable] |
| [Custody Agent] | [●][See Table 1 in the Annex] |
| German Bearer Securities (paragraph 2) | [Applicable][Not applicable] |
| [German CBF Bearer Securities] | [Applicable][Not applicable] |

curities]

[Minimum Trading Lot] [●][See Table 1 in the Annex]

[German SIX SIS Bearer Securities] [Applicable][Not applicable]

[Custody Agent] [●][See Table 1 in the Annex]

Clearing System [●][See Table 1 in the Annex]

COSI (paragraph 3) [Applicable][Not applicable]

§ 3

Definitions

[insert applicable Definitions: ●]

§ 4

Redemption, Physical Delivery

[insert applicable Redemption provision: ●]

§ 5

Interest, Coupon Payments

[insert applicable Interest provision: ●]

[§ 10

Collateral Secured Instruments (COSI)

Value Determination Method (paragraph 3) [Method A: Fair Value Method] [Method B: Bond Floor Method]]

[in the case of *Inverse Discount Certificates with Cash Settlement (Product No. 18)* insert:

§ 1

Form and Issue Size; Definitions; Term of the Products

| | |
|---|---|
| Issuer (paragraph 1) | Leonteq Securities AG[, acting through its Guernsey Branch] [, acting through its Amsterdam Branch] |
| Number of Products (paragraph 1) | [●][See Table 1 in the Annex] |
| Settlement Currency (paragraph 1) | [●][See Table 1 in the Annex] |
| Swiss Uncertificated Securities (paragraph 2) | [Applicable][Not applicable] |
| [Custody Agent] | [●][See Table 1 in the Annex] |
| Swiss Bearer Securities (paragraph 2) | [Applicable][Not applicable] |
| [Swiss CBF Bearer Securities] | [Applicable][Not applicable] |
| [Minimum Trading Lot] | [●][See Table 1 in the Annex] |
| [Swiss SIX SIS Bearer Securities] | [Applicable][Not applicable] |
| [Custody Agent] | [●][See Table 1 in the Annex] |
| German Bearer Securities (paragraph 2) | [Applicable][Not applicable] |
| [German CBF Bearer Securities] | [Applicable][Not applicable] |
| [Minimum Trading Lot] | [●][See Table 1 in the Annex] |

| | |
|------------------------------------|-------------------------------|
| Lot] | |
| [German SIX SIS Bearer Securities] | [Applicable][Not applicable] |
| [Custody Agent] | [•][See Table 1 in the Annex] |
| Clearing System | [•][See Table 1 in the Annex] |
| COSI (paragraph 3) | [Applicable][Not applicable] |

**§ 3
Definitions**

[insert applicable Definitions: •]

**§ 4
Redemption**

[insert applicable Redemption provision: •]

**[§ 10
Collateral Secured Instruments (COSI)]**

Value Determination Method [Method A: Fair Value Method] [Method B: Bond Floor Method]]
(paragraph 3)

[in the case of Master Discount Certificates with Cash Settlement (Product No. 19) insert:

**§ 1
Form and Issue Size; Definitions; Term of the Products**

Issuer (paragraph 1) Leonteq Securities AG[, acting through its Guernsey Branch] [, acting through its Amsterdam Branch]

| | |
|---|-------------------------------|
| Number of Products (paragraph 1) | [●][See Table 1 in the Annex] |
| Settlement Currency (paragraph 1) | [●][See Table 1 in the Annex] |
| Swiss Uncertificated Securities (paragraph 2) | [Applicable][Not applicable] |
| [Custody Agent] | [●][See Table 1 in the Annex] |
| Swiss Bearer Securities (paragraph 2) | [Applicable][Not applicable] |
| [Swiss CBF Bearer Securities] | [Applicable][Not applicable] |
| [Minimum Trading Lot] | [●][See Table 1 in the Annex] |
| [Swiss SIX SIS Bearer Securities] | [Applicable][Not applicable] |
| [Custody Agent] | [●][See Table 1 in the Annex] |
| German Bearer Securities (paragraph 2) | [Applicable][Not applicable] |
| [German CBF Bearer Securities] | [Applicable][Not applicable] |
| [Minimum Trading Lot] | [●][See Table 1 in the Annex] |
| [German SIX SIS Bearer Securities] | [Applicable][Not applicable] |
| [Custody Agent] | [●][See Table 1 in the Annex] |
| Clearing System | [●][See Table 1 in the Annex] |

COSI (paragraph 3) [Applicable][Not applicable]

§ 3
Definitions

[insert applicable Definitions: ●]

§ 4
Redemption

[insert applicable Redemption provision: ●]

[§ 10
Collateral Secured Instruments (COSI)

Value Determination Method [Method A: Fair Value Method] [Method B: Bond Floor Method]]
(paragraph 3)

[in the case of Express Certificates with Cash Settlement and with par value and unconditional minimum redemption (Product No. 20) insert:

§ 1
Form and Issue Size; Definitions; Term of the Products

Issuer (paragraph 1) Leonteq Securities AG[, acting through its Guernsey Branch] [, acting through its Amsterdam Branch]

Total Nominal Amount (paragraph 1) [●][See Table 1 in the Annex]

Settlement Currency (paragraph 1) [●][See Table 1 in the Annex]

| | |
|---|-------------------------------|
| Swiss Uncertificated Securities (paragraph 2) | [Applicable][Not applicable] |
| [Custody Agent] | [●][See Table 1 in the Annex] |
| Swiss Bearer Securities (paragraph 2) | [Applicable][Not applicable] |
| [Swiss CBF Bearer Securities] | [Applicable][Not applicable] |
| [Minimum Trading Lot] | [●][See Table 1 in the Annex] |
| [Swiss SIX SIS Bearer Securities] | [Applicable][Not applicable] |
| [Custody Agent] | [●][See Table 1 in the Annex] |
| German Bearer Securities (paragraph 2) | [Applicable][Not applicable] |
| [German CBF Bearer Securities] | [Applicable][Not applicable] |
| [Minimum Trading Lot] | [●][See Table 1 in the Annex] |
| [German SIX SIS Bearer Securities] | [Applicable][Not applicable] |
| [Custody Agent] | [●][See Table 1 in the Annex] |
| Clearing System | [●][See Table 1 in the Annex] |
| COSI (paragraph 3) | [Applicable][Not applicable] |

§ 3
Definitions

[insert applicable Definitions: •]

§ 4
Redemption

[insert applicable Redemption provision: •]

§ 5
Interest, Coupon Payments

[insert applicable Interest provision: •]

[§ 10
Collateral Secured Instruments (COSI)

Value Determination Method (paragraph 3) [Method A: Fair Value Method] [in relation to [insert ISIN(s): •] [and]] [Method B: Bond Floor Method] [in relation to [insert ISIN(s): •]]]

[in the case of Express Certificates with Cash Settlement and with par value and with Downside Participation Factor (Product No. 21) insert:

§ 1
Form and Issue Size; Definitions; Term of the Products

Issuer (paragraph 1) Leonteq Securities AG[, acting through its Guernsey Branch] [, acting through its Amsterdam Branch]

Total Nominal Amount (paragraph 1) [•][See Table 1 in the Annex]

Settlement Currency (paragraph 1) [•][See Table 1 in the Annex]

| | |
|---|-------------------------------|
| Swiss Uncertificated Securities (paragraph 2) | [Applicable][Not applicable] |
| [Custody Agent] | [●][See Table 1 in the Annex] |
| Swiss Bearer Securities (paragraph 2) | [Applicable][Not applicable] |
| [Swiss CBF Bearer Securities] | [Applicable][Not applicable] |
| [Minimum Trading Lot] | [●][See Table 1 in the Annex] |
| [Swiss SIX SIS Bearer Securities] | [Applicable][Not applicable] |
| [Custody Agent] | [●][See Table 1 in the Annex] |
| German Bearer Securities (paragraph 2) | [Applicable][Not applicable] |
| [German CBF Bearer Securities] | [Applicable][Not applicable] |
| [Minimum Trading Lot] | [●][See Table 1 in the Annex] |
| [German SIX SIS Bearer Securities] | [Applicable][Not applicable] |
| [Custody Agent] | [●][See Table 1 in the Annex] |
| Clearing System | [●][See Table 1 in the Annex] |
| COSI (paragraph 3) | [Applicable][Not applicable] |

§ 3
Definitions

[insert applicable Definitions: ●]

§ 4
Redemption

[insert applicable Redemption provision: ●]

§ 5
Interest, Coupon Payments

[insert applicable Interest provision: ●]

[§ 10]
Collateral Secured Instruments (COSI)

Value Determination Method [Method A: Fair Value Method] [Method B: Bond Floor Method]]
(paragraph 3)

[in the case of Certificates with Cash Settlement and with par value and with unconditional minimum redemption and Partial Redemption Amounts (Product No. 22) insert:

§ 1
Form and Issue Size; Definitions; Term of the Products

Issuer (paragraph 1) Leonteq Securities AG[, acting through its Guernsey Branch] [, acting through its Amsterdam Branch]

Total Nominal Amount (paragraph 1) [●][See Table 1 in the Annex]

Settlement Currency (paragraph 1) [●][See Table 1 in the Annex]

| | |
|---|-------------------------------|
| Swiss Uncertificated Securities (paragraph 2) | [Applicable][Not applicable] |
| [Custody Agent] | [●][See Table 1 in the Annex] |
| Swiss Bearer Securities (paragraph 2) | [Applicable][Not applicable] |
| [Swiss CBF Bearer Securities] | [Applicable][Not applicable] |
| [Minimum Trading Lot] | [●][See Table 1 in the Annex] |
| [Swiss SIX SIS Bearer Securities] | [Applicable][Not applicable] |
| [Custody Agent] | [●][See Table 1 in the Annex] |
| German Bearer Securities (paragraph 2) | [Applicable][Not applicable] |
| [German CBF Bearer Securities] | [Applicable][Not applicable] |
| [Minimum Trading Lot] | [●][See Table 1 in the Annex] |
| [German SIX SIS Bearer Securities] | [Applicable][Not applicable] |
| [Custody Agent] | [●][See Table 1 in the Annex] |
| Clearing System | [●][See Table 1 in the Annex] |
| COSI (paragraph 3) | [Applicable][Not applicable] |

§ 3
Definitions

[insert applicable Definitions: ●]

§ 4
Redemption

[insert applicable Redemption provision: ●]

§ 5
Interest, Coupon Payments

[insert applicable Interest provision: ●]

[§ 10
Collateral Secured Instruments (COSI)

Value Determination Method (paragraph 3) [Method A: Fair Value Method] [in relation to [insert ISIN(s): ●] [and]] [Method B: Bond Floor Method] [in relation to [insert ISIN(s): ●]]]

[in the case of Certificates with Cash Settlement and with par value and with unconditional minimum redemption (Product No. 23) insert:

§ 1
Form and Issue Size; Definitions; Term of the Products

Issuer (paragraph 1) Leonteq Securities AG[, acting through its Guernsey Branch] [, acting through its Amsterdam Branch]

Total Nominal Amount (paragraph 1) [●][See Table 1 in the Annex]

Settlement Currency (paragraph 1) [●][See Table 1 in the Annex]

| | |
|---|-------------------------------|
| Swiss Uncertificated Securities (paragraph 2) | [Applicable][Not applicable] |
| [Custody Agent] | [●][See Table 1 in the Annex] |
| Swiss Bearer Securities (paragraph 2) | [Applicable][Not applicable] |
| [Swiss CBF Bearer Securities] | [Applicable][Not applicable] |
| [Minimum Trading Lot] | [●][See Table 1 in the Annex] |
| [Swiss SIX SIS Bearer Securities] | [Applicable][Not applicable] |
| [Custody Agent] | [●][See Table 1 in the Annex] |
| German Bearer Securities (paragraph 2) | [Applicable][Not applicable] |
| [German CBF Bearer Securities] | [Applicable][Not applicable] |
| [Minimum Trading Lot] | [●][See Table 1 in the Annex] |
| [German SIX SIS Bearer Securities] | [Applicable][Not applicable] |
| [Custody Agent] | [●][See Table 1 in the Annex] |
| Clearing System | [●][See Table 1 in the Annex] |
| COSI (paragraph 3) | [Applicable][Not applicable] |

§ 3
Definitions

[insert applicable Definitions: ●]

§ 4
Redemption

[insert applicable Redemption provision: ●]

[§ 10
Collateral Secured Instruments (COSI)

Value Determination Method (paragraph 3) [Method A: Fair Value Method] [in relation to [insert ISIN(s): ●] [and]] [Method B: Bond Floor Method] [in relation to [insert ISIN(s): ●]]]

[in the case of Capped Certificates with Cash Settlement and with par value and with unconditional minimum redemption (Product No. 24) insert:

§ 1
Form and Issue Size; Definitions; Term of the Products

Issuer (paragraph 1) Leonteq Securities AG[, acting through its Guernsey Branch] [, acting through its Amsterdam Branch]

Total Nominal Amount (paragraph 1) [●][See Table 1 in the Annex]

Settlement Currency (paragraph 1) [●][See Table 1 in the Annex]

Swiss Uncertificated Securities (paragraph 2) [Applicable][Not applicable]

[Custody Agent] [●][See Table 1 in the Annex]

| | |
|--|-------------------------------|
| Swiss Bearer Securities (paragraph 2) | [Applicable][Not applicable] |
| [Swiss CBF Bearer Securities] | [Applicable][Not applicable] |
| [Minimum Trading Lot] | [●][See Table 1 in the Annex] |
| [Swiss SIX SIS Bearer Securities] | [Applicable][Not applicable] |
| [Custody Agent] | [●][See Table 1 in the Annex] |
| German Bearer Securities (paragraph 2) | [Applicable][Not applicable] |
| [German CBF Bearer Securities] | [Applicable][Not applicable] |
| [Minimum Trading Lot] | [●][See Table 1 in the Annex] |
| [German SIX SIS Bearer Securities] | [Applicable][Not applicable] |
| [Custody Agent] | [●][See Table 1 in the Annex] |
| Clearing System | [●][See Table 1 in the Annex] |
| COSI (paragraph 3) | [Applicable][Not applicable] |

§ 3

Definitions

[insert applicable Definitions: ●]

§ 4
Redemption

[insert applicable Redemption provision: ●]

[§ 10
Collateral Secured Instruments (COSI)

Value Determination Method [Method A: Fair Value Method] [Method B: Bond Floor Method]]
(paragraph 3)

[in the case of Inverse Bonus Certificates with Cash Settlement (Product No. 25) insert:

§ 1
Form and Issue Size; Definitions; Term of the Products

Issuer (paragraph 1) Leonteq Securities AG[, acting through its Guernsey Branch] [, acting through its Amsterdam Branch]

Settlement Currency (para- [●][See Table 1 in the Annex]
graph 1)

Swiss Uncertificated Securi- [Applicable][Not applicable]
ties (paragraph 2)

[Custody Agent] [●][See Table 1 in the Annex]

Swiss Bearer Securities (para- [Applicable][Not applicable]
graph 2)

[Swiss CBF Bearer Secu- [Applicable][Not applicable]
rities]

[Minimum Trading [●][See Table 1 in the Annex]
Lot]

[Swiss SIX SIS Bearer [Applicable][Not applicable]

| | |
|---|-------------------------------|
| Securities] | |
| [Custody Agent] | [•][See Table 1 in the Annex] |
| German Bearer Securities (paragraph 2) | [Applicable][Not applicable] |
| [German CBF Bearer Securities] | [Applicable][Not applicable] |
| [Minimum Trading Lot] | [•][See Table 1 in the Annex] |
| [German SIX SIS Bearer Securities] | [Applicable][Not applicable] |
| [Custody Agent] | [•][See Table 1 in the Annex] |
| Clearing System | [•][See Table 1 in the Annex] |
| COSI (paragraph 3) | [Applicable][Not applicable] |

**§ 3
Definitions**

[insert applicable Definitions: •]

**§ 4
Redemption**

[insert applicable Redemption provision: •]

**[§ 10
Collateral Secured Instruments (COSI)**

Value Determination Method [Method A: Fair Value Method] [Method B: Bond Floor Method]]
(paragraph 3)

[in the case of Capped Inverse Bonus Certificates with Cash Settlement (Product No. 26) insert:

§ 1

Form and Issue Size; Definitions; Term of the Products

| | |
|---|---|
| Issuer (paragraph 1) | Leonteq Securities AG[, acting through its Guernsey Branch] [, acting through its Amsterdam Branch] |
| Settlement Currency (paragraph 1) | [●][See Table 1 in the Annex] |
| Swiss Uncertificated Securities (paragraph 2) | [Applicable][Not applicable] |
| [Custody Agent] | [●][See Table 1 in the Annex] |
| Swiss Bearer Securities (paragraph 2) | [Applicable][Not applicable] |
| [Swiss CBF Bearer Securities] | [Applicable][Not applicable] |
| [Minimum Trading Lot] | [●][See Table 1 in the Annex] |
| [Swiss SIX SIS Bearer Securities] | [Applicable][Not applicable] |
| [Custody Agent] | [●][See Table 1 in the Annex] |
| German Bearer Securities (paragraph 2) | [Applicable][Not applicable] |
| [German CBF Bearer Securities] | [Applicable][Not applicable] |
| [Minimum Trading Lot] | [●][See Table 1 in the Annex] |

[German SIX SIS Bearer Securities] [Applicable][Not applicable]

[Custody Agent] [•][See Table 1 in the Annex]

Clearing System [•][See Table 1 in the Annex]

COSI (paragraph 3) [Applicable][Not applicable]

§ 3

Definitions

[insert applicable Definitions: •]

§ 4

Redemption

[insert applicable Redemption provision: •]

[§ 10

Collateral Secured Instruments (COSI)

Value Determination Method [Method A: Fair Value Method] [Method B: Bond Floor Method]]]
(paragraph 3)

[in the case of Mini Future Certificates with Cash Settlement (Product No. 27) insert:

§ 1

Form and Issue Size; Definitions; Term of the Products

Issuer (paragraph 1) Leonteq Securities AG[, acting through its Guernsey Branch] [, acting through its Amsterdam Branch]

Settlement Currency (paragraph 1) [●][See Table 1 in the Annex]

Swiss Uncertificated Securities (paragraph 2) [Applicable][Not applicable]

[Custody Agent] [●][See Table 1 in the Annex]

Swiss Bearer Securities (paragraph 2) [Applicable][Not applicable]

[Swiss CBF Bearer Securities] [Applicable][Not applicable]

[Minimum Trading Lot] [●][See Table 1 in the Annex]

[Swiss SIX SIS Bearer Securities] [Applicable][Not applicable]

[Custody Agent] [●][See Table 1 in the Annex]

German Bearer Securities (paragraph 2) [Applicable][Not applicable]

[German CBF Bearer Securities] [Applicable][Not applicable]

[Minimum Trading Lot] [●][See Table 1 in the Annex]

[German SIX SIS Bearer Securities] [Applicable][Not applicable]

[Custody Agent] [●][See Table 1 in the Annex]

Clearing System [●][See Table 1 in the Annex]

COSI (paragraph 3) [Applicable][Not applicable]

§ 3
Definitions

[insert applicable Definitions: •]

§ 4
Redemption

[insert applicable Redemption provision: •]

[§ 10
Collateral Secured Instruments (COSI)

Value Determination Method [Method A: Fair Value Method] [Method B: Bond Floor Method]]
(paragraph 3)

Part B – Underlying Specific Conditions

[in the case of Shares as Underlying or Basket Component insert:

§ 11
Market Disruption

Single Underlying and Post- [Applicable][Not applicable]
ponement of the Underlying
Valuation Date (paragraph 1)

Basket and Individual Post- [Applicable][Not applicable]
ponement of the Underlying
Valuation Date (paragraph 1)

Basket and Common Post- [Applicable][Not applicable]
ponement of the Underlying
Valuation Date (paragraph 1)

§ 13

Extraordinary Termination

Additional Termination Event [Increased Cost of Hedging] [Increased Cost of Collateralization]
[Change in Law] [Hedging Disruption] [Insolvency Filing] [Failure to
Deliver] [Reduced Number of Shares]

Relevant Number of Shares [●][Not applicable]

[in the case of Participation Certificates (Genussscheine) as Underlying or Basket Component insert:

§ 11

Market Disruption

Single Underlying and Post- [Applicable][Not applicable]
ponement of the Underlying
Valuation Date (paragraph 1)

Basket and Individual Post- [Applicable][Not applicable]
ponement of the Underlying
Valuation Date (paragraph 1)

Basket and Common Post- [Applicable][Not applicable]
ponement of the Underlying
Valuation Date (paragraph 1)

§ 13

Extraordinary Termination

Additional Termination Event [Increased Cost of Hedging] [Increased Cost of Collateralization]
[Change in Law] [Hedging Disruption] [Insolvency Filing]

[in case of Indices as Underlying or Basket Component insert:

§ 11

Market Disruption

Single Underlying and Post-ponement of the Underlying Valuation Date (paragraph 1) [Applicable][Not applicable]

Basket and Individual Post-ponement of the Underlying Valuation Date (paragraph 1) [Applicable][Not applicable]

Basket and Common Post-ponement of the Underlying Valuation Date (paragraph 1) [Applicable][Not applicable]

§ 13

Extraordinary Termination

Additional Termination Event [Increased Cost of Hedging] [Increased Cost of Collateralization] [Change in Law] [Hedging Disruption]

[in case of Securities representing shares as Underlying or Basket Component insert:

§ 11

Market Disruption

Single Underlying and Post-ponement of the Underlying Valuation Date (paragraph 1) [Applicable][Not applicable]

Basket and Individual Post-ponement of the Underlying Valuation Date (paragraph 1) [Applicable][Not applicable]

Basket and Common Post-ponement of the Underlying Valuation Date (paragraph 1) [Applicable][Not applicable]

§ 13**Extraordinary Termination**

| | |
|------------------------------|---|
| Additional Termination Event | [Increased Cost of Hedging] [Increased Cost of Collateralization] [Change in Law] [Hedging Disruption] [Insolvency Filing] [Failure to Deliver] [Reduced Number of Shares] |
| Relevant Number of Shares | [●][Not applicable] |

[in case of Commodities as Underlying or Basket Component insert:

§ 11**Market Disruption**

| | |
|--|------------------------------|
| Single Underlying and Post-ponement of the Underlying Valuation Date (paragraph 1) | [Applicable][Not applicable] |
| Basket and Individual Post-ponement of the Underlying Valuation Date (paragraph 1) | [Applicable][Not applicable] |
| Basket and Common Post-ponement of the Underlying Valuation Date (paragraph 1) | [Applicable][Not applicable] |

§ 13**Extraordinary Termination**

| | |
|------------------------------|--|
| Additional Termination Event | [Permanent Market Disruption Event] [Increased Cost of Hedging] [Increased Cost of Collateralization] [Change in Law] [Hedging Disruption] |
|------------------------------|--|

[in case of Currency Exchange Rates as Underlying or Basket Component insert:

§ 11**Market Disruption**

Single Underlying and Post- [Applicable][Not applicable]
 ponement of the Underlying
 Valuation Date (paragraph 1)

Basket and Individual Post- [Applicable][Not applicable]
 ponement of the Underlying
 Valuation Date (paragraph 1)

Basket and Common Post- [Applicable][Not applicable]
 ponement of the Underlying
 Valuation Date (paragraph 1)

§ 13

Extraordinary Termination

Additional Termination Event [Increased Cost of Hedging] [Increased Cost of Collateralization]
 [Change in Law] [Hedging Disruption]]

[in case of futures contracts as Underlying or Basket Component insert:

§ 11

Market Disruption

Single Underlying and Post- [Applicable][Not applicable]
 ponement of the Underlying
 Valuation Date (paragraph 1)

Basket and Individual Post- [Applicable][Not applicable]
 ponement of the Underlying
 Valuation Date (paragraph 1)

Basket and Common Post- [Applicable][Not applicable]
 ponement of the Underlying
 Valuation Date (paragraph 1)

§ 13

Extraordinary Termination

Additional Termination Event [Permanent Market Disruption Event] [Increased Cost of Hedging] [Increased Cost of Collateralization] [Change in Law] [Hedging Disruption]]

[in case of fixed rate or derivative instruments as Underlying or Basket Component insert:

§ 11

Market Disruption

Single Underlying and Postponement of the Underlying Valuation Date (paragraph 1) [Applicable][Not applicable]

Basket and Individual Postponement of the Underlying Valuation Date (paragraph 1) [Applicable][Not applicable]

Basket and Common Postponement of the Underlying Valuation Date (paragraph 1) [Applicable][Not applicable]

§ 13

Extraordinary Termination

Additional Termination Event [Increased Cost of Hedging] [Increased Cost of Collateralization] [Change in Law] [Hedging Disruption]]

[in case of shares in an exchange traded Fund as Underlying or Basket Component insert:

§ 11

Market Disruption

Single Underlying and Postponement of the Underlying [Applicable][Not applicable]

Valuation Date (paragraph 1)

Basket and Individual Post-ponement of the Underlying Valuation Date (paragraph 1) [Applicable][Not applicable]

Basket and Common Post-ponement of the Underlying Valuation Date (paragraph 1) [Applicable][Not applicable]

§ 13

Extraordinary Termination

Additional Termination Event [Increased Cost of Hedging] [Increased Cost of Collateralization] [Change in Law] [Hedging Disruption]

[in case of an unlisted Fund Unit as Underlying or Basket Component insert:

§ 11

Market Disruption

Single Underlying and Post-ponement of the Underlying Valuation Date (paragraph 1) [Applicable][Not applicable]

Basket and Individual Post-ponement of the Underlying Valuation Date (paragraph 1) [Applicable][Not applicable]

Basket and Common Post-ponement of the Underlying Valuation Date (paragraph 1) [Applicable][Not applicable]

§ 13

Extraordinary Termination

Additional Termination Event [Increased Cost of Hedging] [Increased Cost of Collateralization] [Change in Law] [Hedging Disruption]

ANNEX TO THE ISSUE SPECIFIC CONDITIONS

Table 1

| [WKN / ISIN / Valor] [/ SIX Sym- bol] <i>[insert different identifica- tion code, if applicable: •]</i> | Underlying | [Denomination (expressed in the Settlement Curren- cy)][Conversion Ratio] [/ Total Nominal Amount* (expressed in the Settle- ment Currency)]/ Num- ber of Products*] [/ / Minimum Trading Lot [(expressed in the Settle- ment Currency)]/ Settle- ment Currency [Website] | [Initial Fixing Date] [/] [Initial Fixing Observation Dates] [/] [Initial Fixing Period] [/] [Initial Basket Value] [/] [Final Fixing Date] [/] [Valuation Date (t)] [/] [Redemption Date] [/] [Start of the Exer- cise Period] [/] [Exer- cise Period] [/] [Exer- cise Date] [/] [Busi- ness Centre] [/] [Min- imum Exercise Num- ber][Issue Date] [Issue Surcharge] | [Barrier Level] [/] [Issue Price (expressed in the Settlement Currency)] [/] [Manage- ment Fee] [/] [Participa- tion Factor] [/] [Stop- Loss Obser- vation Peri- od] [/] [Stop- Loss Level] | [Initial Fixing Level (expressed in the Reference Currency)] [/] [Barrier Level] [/] [Cap Level] [/] [Bonus Level] [/] [Strike Level] [/] [Inverse Level] [/] [Minimum Re- demption Factor] [/] [Partial Redemp- tion Factor] [/] Participation Fac- tor] [/] [Downside Partici- pation Factor] [/] [Maximum Re- demption Factor] [/] [Maximum Re- demption Amount] | [Observa- tion Period] [Barrier Observation Period] [Underlying Valuation Date] | [Coupon Trig- ger Level] [/] [Coupon] [/] [Coupon Rate] [/] [Coupon Payment Date[s]] [/] [/] [Coupon Amount] | [Custody Agent] [/] [Clearing System] [/] [Calculation Agent[s] (includ- ing specified office)] [/] [Pay- ing Agent[s] (including speci- fied office(s))] [/] [Fiscal Agent] [/] [Coupon] [Account] | <i>[insert differ- ent or suppl- ementing defi- nitions, if applicable: •]</i> |
|---|--|--|---|---|--|--|--|--|--|
| [•] | [[Share] [Participation Certificate (<i>Genusss- chein</i>)] [Se- curity repre- senting Shares] [Index] [Currency Exchange Rate] [Commodity] [Futures Contract] | [•] | [•] | [•] | [•] | [•] | [•] | [SIX SIS AG, Brandschen- kestre 47, 8002 Zurich, Switzer- land, facsimile: +41 44 288 45 12 ("SIX SIS")] [•] [/] [SIX SIS AG, Brandschen- kestre 47, 8002 Zurich, Switzer- land, facsimile: +41 44 288 45 12 ("SIX SIS")] [Clearstream | [•] |

| | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|
| | [Fixed Rate Instrument] [Derivative Instrument] [Fund Unit] [, as specified in Table 2] [Basket consisting of Basket Components as specified in Table 2] | | | | | | | Banking AG, Frankfurt am Main, Mer- genthalerallee 61, 65760 Eschborn, Germany ("Clearstream, Frankfurt") [•] [/] [Leonteq Securities AG, Brandschenkestrasse 90, 8027 Zurich, Switzerland, Facsimile: +41 (0)58 800 1010] [•] [/] [Leonteq Securities AG, Brand- schenkestrasse 90, 8027 Zurich, Switzerland, Facsimile: +41 (0)58 800 1010] [•] [/] [•] | |
|--|--|--|--|--|--|--|--|--|--|

* [[The actual Total Nominal Amount or the] [The] actual Number of Products depends on the number of subscriptions received by the Lead Manager and is – subject to an increase or a (partial) repurchase of the Products – limited to the Number of Products specified in **Table 1.**] [[The actual Total Nominal Amount or the] [The] actual Number of Products depends on the number of orders received by the Lead Manager and is – subject to an increase or a (partial) repurchase of the Products – limited to the Number of Products specified in **Table 1.**]

[** Value(s) identified with "***" will be determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent [in its reasonable discretion] [on the basis of the market conditions on this date] and will be published after determination pursuant to § 4 of the General Conditions. [*insert information about relevant ranges/limits for value(s) identified with "**," if applicable: •*]]

Table 2

| | | | | | | | | | |
|---|--|--|---|-----------------------------------|--------------------|--|-------------|---|--|
| [Underlying] [(Share Participation Certificate (<i>Genussschein</i>)) [Security representing Shares] [Index] [Currency Exchange Rate] [Commodity] [Futures Contract] [Fixed Rate Instrument] [Derivative Instrument] [Fund Unit] [Basket Components])] | [ISIN of the [Underlying] [Basket Component]] [Reuters Code of the [Underlying] [Basket Component]] [<i>insert other identifier, if applicable: •</i>] | [Exchange] [/] [Reference Market] [/] [Reference Agent] [/] [Price Source] [/] [Management Company] [/] [Fund] | [Barrier Level] [/] [Index Sponsor] [/] [Domicile / Share type] [<i>in case of physical settlement insert: /</i>] [Transferability / Tradeability] [/] [Contract months / Final Fixing] [/] [Stop-Loss Level] | [Bloomberg page*] [Reuters page*] | Reference Currency | [Exchange Rate Page] [/] [Exchange Rate Sponsor] | [web page*] | [[Initial] Weighting of the Basket Component in %] [/] [Number of Basket Component _(i)] [/] [Initial Fixing Level of the Basket Component] [/] [Conversion Ratio] [/] [Cap Level] | [<i>insert different or supplementing definitions, if applicable: •</i>] |
| [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] |

[* The Issuer and the Lead Manager do not give any guarantee that the information provided on the [Bloomberg page] [Reuters page] [and/or] [web page] [exchange rate page] referred to above is accurate or complete.]

[*insert in the case of Products with an autocallable / express structure:*

Table 3

| [Autocall Date] | Observation | [Autocall Trigger Level] | [Early Redemption Date] | [Coupon Rate][Coupon Amount] | [Coupon Date][Coupon Level][Coupon Payment Date] | Observation Trigger Payment | [insert different or supplementing definitions, if applicable: •] |
|-----------------|-------------|--------------------------|-------------------------|------------------------------|--|-----------------------------|---|
| [•] | | [•] | [•] | [•] | [•] | [•] | [•] |

[* Value(s) identified with "*" will be determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent [in its reasonable discretion] [on the basis of the market conditions on this date] and will be published after determination pursuant to § 4 of the General Conditions. [insert information about relevant ranges/limits for value(s) identified with *,"if applicable: •]]

[insert in the case of Certificates with Cash Settlement and with par value and unconditional minimum redemption, if applicable:

Table 3

| Performance of the Basket Component with the Worst Performance | Redemption Amount (in the Settlement Currency) | [Partial Redemption Date] | [insert different or supplementing definitions, if applicable: •] |
|--|--|---------------------------|---|
| [•] | [•] | [•] | [•] |

]

[insert following table in the case of series of Products with an autocallable / express structure and repeat as required for each of the Products:

Table •

| [Autocall Date] | Observation | [Autocall Trigger Level] | [Early Redemption Date] | [Coupon Rate][Coupon Amount] | [Coupon Date][Coupon Level][Coupon Payment Date] | Observation Trigger Payment | [insert different or supplementing definitions, if applicable: •] |
|-----------------|-------------|--------------------------|-------------------------|------------------------------|--|-----------------------------|---|
| [•] | | [•] | [•] | [•] | [•] | [•] | [•] |

]

PART II
ADDITIONAL INFORMATION

[Interests of natural and legal persons involved in the issue/offer

[insert interests of natural and legal persons involved in the issue/offer, if applicable: ●]

Conditions of the offer, issue price, commissions and valuation

[Start of Public Offering in Germany: ●]

[Start of Public Offering in France: ●]

[Start of Public Offering in the United Kingdom: ●]

[Start of Public Offering in Italy: ●]

[Subscription Period: ● [The Issuer reserves the right to end the subscription period prematurely [or to extend it].]]

[Minimum Investment Amount: ●]

[Maximum Investment Amount: ●]

[Manner and date in which results of the offer are to be made public: ●]

Issue Price: ● [In addition to the the Issue Price [(plus a surcharge)] or the purchase price the Issuer or the Lead Manager will charge the investor further costs in the amount of [●].]

Issue Date: ● [(subject to an early termination [or extension] of the Subscription Period)]

[Relevant Fees will be paid for these Products.]

[Significant Fees will be paid for these Products.]

[Substantial Fees will be paid for these Products.]

[No commission will be paid for these Products.]

[Entities agreeing to underwrite the issue: ●]

Date of underwriting agreement: ●]

[insert additional information in relation to the conditions of the offer: ●]

Listing and Trading

[The Issuer intends to have the Products admitted for trading on the exchange(s) as specified in the table below in the relevant segment, if applicable. Bid and offer prices for the Products on the secondary market shall be quoted on each day of trading during the quoting period as specified in the table below under normal market conditions pursuant to the exchange rules and regulations.]

| Products (ISIN) | Exchange/segment | Scheduled First Trading Day | Last trading day [/ last trading time] | Market Maker | Quoting period | [Quoting in consideration of accrued interest][insert further details in relation to listing, if applicable: ●] |
|-----------------|--|-----------------------------|--|------------------------------|----------------------------|---|
| [●] | [Frankfurt Stock Exchange] [SIX Swiss Exchange] [●]/ [Open Market] [●] | [●] | [●] [[/ [●]] | [insert name and address: ●] | [09.00 – 17.30 CET] [●] | [no (clean prices)] [yes (dirty prices)] [●] |

However, the Issuer does not assume any legal obligation in respect of the realisation of admission to trading on an exchange as at the Scheduled First Trading Day or the maintenance of any admission to trading that is realised. [Products of the same class have already been admitted for trading on the [●].]

[For the time being, a listing of the Products is not intended.]

[insert information related to off-exchange market-making or other information related to trading, if applicable: ●]

Consent to use of Prospectus

[General consent

Offer State[s]: [Germany][,] [and] [France][,] [and] [the United Kingdom] [and] [Italy]

Offer Period: Period commencing from[, and including,] [the start of the offering in the [respective] Offer State] [insert date: ●] [to[, and including,] [insert date: ●]]

[Further, such consent is subject to and given under the condition [●].]

[Individual consent

Name and address of financial intermediary [[Selected] Offer State[s]]

[•] [Germany][,] [and] [France][,] [and] [the United Kingdom] [and] [Italy]

[•] [Germany][,] [and] [France][,] [and] [the United Kingdom] [and] [Italy]

Offer Period: Period commencing from[, and including,][the start of the offering in the [respective] Offer State] [insert date: •] [to[, and including,] [insert date: •]]

Website: [www.leonteq.com (under [•])] [insert other website: •]

[Further, such consent is subject to and given under the condition [•].]

Information relating to the Underlying

[Description of [Underlying][Basket Constituents]: •]

[insert in the case of a single asset as Underlying: The following table shows the [relevant] Underlying and the [relevant] publicly available web page on which information concerning the past and future performance and volatility of the [relevant] Underlying at the time of preparation of the Final Terms can be viewed:

| Underlying[s] ([Index] [/] [Share] [/] [Participation Certificate (<i>Genussschein</i>)] [/] [Security representing Shares] [/] [Currency Exchange Rate] [/] [Commodity] [/] [Futures Contract] [/] [Fixed Rate Instrument] [/] [Derivative Instrument] [/] [Fund Unit]) | [ISIN][/] [Unit of weight] [/][Unit of measurement] [/] [Reference Market] [/] [•] | [Bloomberg page*] [Reuters page*] | Web page* |
|--|---|--|------------------|
| [•] | [•] | [•] | [•] |

* The Issuer and the Lead Manager do not give any guarantee that the information provided on the [Bloomberg page] [Reuters page] [and/or] [web page] referred to above is accurate or complete and will not give notice of any updates.]]

[insert in the case of a basket as Underlying:

The following table[s] show[s] Basket Components contained in the [relevant] Underlying and the publicly available web page on which information concerning the past and future performance and volatility of the relevant Basket Component at the time of preparation of the Final Terms can be viewed:

| Basket Component _(i=1) : | [ISIN][/ [Unit of weight /][Unit of measurement] | [Bloomberg page*] [Reuters page*] | Web page* | [Initial] weighting of Basket Component in % |
|-------------------------------------|--|--------------------------------------|-----------|--|
| [•] | [•] | [•] | [•] | [•] |

* The Issuer and the Lead Manager do not give any guarantee that the information provided on the [Bloomberg page] [Reuters page] [and/or] [web page] referred to above is accurate or complete and will not give notice of any updates.]]

[Publication of post-issuance information

[insert information about publication of post-issuance information, if applicable: •]]

[ILLUSTRATION OF THE MECHANISM OF THE PRODUCTS

Where applicable, insert example(s) for complex derivative securities: •]

ANNEX - ISSUE SPECIFIC SUMMARY

[the issue specific summary is to be annexed to the Final Terms by the Issuer]

IX. GENERAL INFORMATION**1. Responsibility statement**

Leonteq Securities AG, Zurich, which may also be acting either through its Guernsey branch (Leonteq Securities AG, Guernsey Branch) or its Amsterdam branch (Leonteq Securities AG, Amsterdam Branch) as Issuer and Leonteq Securities AG in its role as Lead Manager accept responsibility for the information provided in the Base Prospectus and accordingly declare that the information contained in the Base Prospectus is, to the best of its knowledge, in accordance with the facts and that no material circumstances have been omitted.

2. Availability of the Base Prospectus

This Base Prospectus, any supplements thereto and the documents incorporated by reference are published by making them available free of charge at Leonteq Securities AG, Brandschenkestrasse 90, 8002 Zurich, Switzerland, and in another form as may be required by law. Furthermore, the documents will be published on the website www.leonteq.com (under Products & Services – Structured Products – Services - Prospectuses). The Base Prospectus has been approved in this form by BaFin. BaFin has checked the Base Prospectus for formal completeness as well as the coherence and clarity of the information presented therein. BaFin has not examined the accuracy of the contents. The Final Terms of the Products shall only be fixed shortly before the public offering and shall be published at the latest on the first day of the public offering. The Final Terms shall be published by making these be available free of charge at Leonteq Securities AG, Brandschenkestrasse 90, 8002 Zurich, Switzerland and in another form as may be required by law. Furthermore, the Final Terms will be published on the website www.leonteq.com (under Products & Services – Structured Products – Services - Products) and/or on any other website set out in the applicable Final Terms.

3. Information from third parties

No information or statements by third parties have been included in the Prospectus. If it is shown that information in the Final Terms has been sourced from a third party, the Issuer confirms that this information has been accurately reproduced and that as far as the Issuer is aware and is able to derive from information published by the relevant third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. The Issuer makes no representation as to the correctness or completeness in respect of such information.

4. Rating

No rating has been assigned to the Issuer.

A specific rating of the Products has not been arranged, unless otherwise explicitly indicated in the Final Terms.

5. Consent to use the Prospectus

The Issuer consents, to the extent and under the conditions, if any, as specified in the relevant Final Terms, to the use of this Base Prospectus and accept responsibility for the content of the Base Prospectus also with respect to subsequent resale or final placement of Products by any financial intermediary which was given consent to use the Base Prospectus. Such consent is given for the duration of the Offer Period specified in the applicable Final Terms. Such consent may, as specified in the relevant Final Terms, be given for the duration of the Offer Period specified in the relevant Final Terms to:

- (1) all financial intermediaries (general consent) and for all Offer States; or
- (2) one or more specified financial intermediaries (individual consent) and either
 - (a) for all Offer States; or
 - (b) for selected Offer States only.

In the case of a general consent the Issuer consents to the use of the Base Prospectus and the Final Terms by all financial intermediaries. General consent for the subsequent resale or final placement of Products by the financial intermediaries is given in relation to the Offer State(s) during the Offer Period during which subsequent resale or final placement of the Products can be made, provided however, that the Base Prospectus (and/or Succeeding Base Prospectus) is still valid according to Section 9 of the German Securities Prospectus Act. In the case of an Offer Period which exceeds the duration of the validity of the Base Prospectus, the subsequent resale and final placement of the Products by financial intermediaries can be made during the period in which a Succeeding Base Prospectus (as defined in the relevant Final Terms) exists. In this case, the consent to the use of the Base Prospectus also applies to the use of the Succeeding Base Prospectus.

In the case of an individual consent the Issuer consents to the use of the Base Prospectus and the Final Terms by the financial intermediary/intermediaries set out in the applicable Final Terms. The applicable Final Terms will also specify the address of the relevant financial intermediary/intermediaries. Individual consent for the subsequent resale or final placement of Products by the specified financial intermediaries is given in relation to all relevant Offer State(s) or to one or more Selected Offer States during the Offer Period during which subsequent resale or final placement of the Products can be made, provided however, that the Base Prospectus (and/or Succeeding Base Prospectus) is still valid according to Section 9 of the German Securities Prospectus Act. In the case of an Offer Period which exceeds the duration of the validity of the Base Prospectus, the subsequent resale and final placement of the Products by financial intermediaries can be made during the period in which a Succeeding Base Prospectus (as defined in the relevant Final Terms) exists. In this case, the consent to the use of the Base Prospectus also applies to the use of the Succeeding Base Prospectus. Any new information with respect to financial intermediaries unknown at the time of the approval of the Base Prospectus or the filing of the Final Terms will be published on the website www.leonteq.com (under Products & Services – Structured Products – Service - Prospectuses - Notices) or any other website specified in the applicable Final Terms.

"Offer States" means one or more of the following Member States, as specified in the relevant Final Terms: Germany, France, the United Kingdom and Italy.

The above consent is subject to compliance with the selling restrictions applicable to the Products and with any applicable law. Each financial intermediary is obliged to only provide the Base Prospectus together with any supplement thereto (if any) to any potential investor.

In the event that a financial intermediary makes an offer, that financial intermediary will inform investors at the time the offer is made of the terms and conditions of the offer.

If the relevant Final Terms state that the consent to use the Base Prospectus is given to all financial intermediaries in the respective Offer States (general consent), any financial intermediary using the Base Prospectus has to state on its website that it uses the Base Prospectus with the consent of the Issuer and in accordance with the conditions attached thereto.

If the relevant Final Terms state that the consent to use the Base Prospectus is given to one or more specified financial intermediaries in the respective Offer States (individual consent), any new information with respect to financial intermediaries unknown at the time of the approval of the Base Prospectus or the filing of the relevant Final Terms will be published on the website www.leonteq.com (under Products & Services – Structured Products – Services – Prospectuses - Notices) or any other website, as further specified in the relevant Final Terms.

X. DOCUMENTS INCORPORATED BY REFERENCE

In the Base Prospectus reference is made to the following document pursuant to Section 11 WpPG:

- In Section "III. Information about the Issuer" (page 172 of the Base Prospectus) the information contained in the Registration Document of Leonteq Securites AG dated 29 April 2016 with respect to the Issuer are incorporated by reference into this Base Prospectus pursuant to Section 11 WpPG and are therefore deemed to be an integral part of this Base Prospectus.

The document incorporated by reference has been filed with BaFin and can be ordered free of charge from or will be available, during the usual business hours for inspection at Leonteq Securities AG, Brandschenkestrasse 90, 8002 Zurich, Switzerland. In addition thereto, the document is published in electronic form on the website www.leonteq.com (under Products & Services – Structured Products – Services - Prospectuses).

Signatures by Leonteq Securities AG, Zurich

29 June 2016

Leonteq Securities AG, Zurich

Signed by René Ziegler
Managing Director /
Head Product Documentation

Signed by Arne Florian Zeltner
Executive Director /
Deputy Head Product Documentation

Supplement dated 8 September 2016



LEONTEQ SECURITIES AG, Zurich, Switzerland
(incorporated in Switzerland)
as Issuer

which may also be acting through its Guernsey branch: (Leonteq Securities AG, Guernsey Branch) or its Amsterdam Branch (Leonteq Securities AG, Amsterdam Branch)

This document represents a supplement pursuant to article 16 para. 1 of the German Securities Prospectus Act (*Wertpapierprospektgesetz*) (the "**Supplement**") to the base prospectus of the Issuer for Bonus Certificates, Inverse Bonus Certificates, Reverse Convertibles, Barrier Reverse Convertibles, Express Certificates, Tracker Certificates, Open End Tracker Certificates, Mini Future Certificates, Discount Certificates and Certificates with unconditional minimum redemption dated 29 June 2016 (the "**Base Prospectus**").

This Supplement shall be published by making it available free of charge at Leonteq Securities AG, Brandschenkestrasse 90, 8002 Zurich, Switzerland (Phone: +41 (0)58 800 1000, Facsimile: +41 (0)58 800 1010), in its function as paying agent. Furthermore, it will be published in electronic form on the website www.leonteq.com under the section "Products & Services" – "Structured Products" – "Service" – "Prospectuses".

Lead Manager
Leonteq Securities AG, Zurich,
Switzerland

Withdrawal Right

Pursuant to article 16 para. 3 of the German Securities Prospectus Act investors who have already agreed to purchase or subscribe for products issued under the Base Prospectus that is supplemented by this Supplement (as defined herein) before this Supplement has been published shall have the right, exercisable within a time period of two working days after the publication of this Supplement, to withdraw their declaration of intent provided that the new factor or mistake to which this Supplement relates arose before the final closing of the offer to the public and the delivery of the products.

The withdrawal (for which no reasons need to be given) must be declared by notice in writing (i) to the same entity to which the investor addressed the declaration of intent or (ii), if the investor had addressed the declaration of intent directly to the Lead Manager, to Leonteq Securities AG, Brandschenkestrasse 90, 8002 Zurich, Switzerland. Timely dispatch of the notice shall be sufficient to meet the notice period.

However, investors should note, that the applicable laws of other member states of the European Economic Area implementing Directive 2003/71/EC dated 4 November 2003 (as amended by the Directive 2010/73/EU of the European Parliament and of the Council of 24 November 2010) (the "**Prospectus Directive**") may contain different provisions regarding the withdrawal right.

This Supplement must be read in conjunction with any information already supplemented by previous supplements to the Base Prospectus.

Subject of this Supplement are inaccuracies relating to the information included in certain parts of the (English) summary of the Base Prospectus which have been noted after the date on which the Base Prospectus was approved.

The Base Prospectus shall be supplemented as follows:

AMENDMENTS RELATING TO THE SECTION "I. SUMMARY"

1) In „*Section B – Issuer and any guarantors*” subsection “**B.5 Description of the group**” on page 12f. of the Base Prospectus the whole text shall be replaced as follows:

”

| | | |
|-----|--------------------------|---|
| B.5 | Description of the group | Leonteq Securities AG, which may also be acting either through its Guernsey branch (Leonteq Securities AG, Guernsey Branch) or its Amsterdam branch (Leonteq Securities AG, Amsterdam Branch), is a fully owned subsidiary of Leonteq AG, formerly EFG Financial Products Holding AG, (Leonteq AG together with its subsidiaries the "Leonteq Group"). Leonteq AG's shares are listed on the SIX Swiss Exchange and are held amongst others by Raiffeisen Switzerland Cooperative, members of the management and employees of Leonteq Group entities. |
|-----|--------------------------|---|

“

2) In „*Section C – Securities*” subsection “**C.1 Type and class of the securities being offered, security identification number**” on page 14f. of the Base Prospectus the whole text shall be replaced as follows:

”

| | | |
|-----|--|--|
| C.1 | Type and class of the securities being offered; security identification number | <p>Type/Form of Securities</p> <p>The present Products have the characteristic such that the level [[and the time] for redemption][and the settlement type (cash settlement or physical delivery)] [does not depend] [depends] on the development of the [Underlying][Basket Components]. [The Products also bear a coupon. [The level of the coupon is [also] dependent on the development of the [Underlying][Basket Components].] [The payment of the coupon does not depend on the development of the [Underlying][Basket Components].]]</p> <p>[insert in case of Swiss Uncertificated Securities: The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (<i>Wertrechte</i>). Uncertificated Securities (<i>Wertrechte</i>) will be created by the Issuer by means of a registration in its register of uncertificated securities (<i>Wertrechtbuch</i>). Such Uncertificated Securities will then be entered into the main register (<i>Hauptregister</i>) of the Custody Agent. Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (<i>Bucheffekten</i>) in accordance with the provisions of the Swiss Federal Intermediated Securities Act (<i>Bundesgesetz über Bucheffekten</i>).]</p> |
|-----|--|--|

| | |
|--|--|
| | <p><i>[insert in the case of Swiss Clearstream Banking AG, Frankfurt ("CBF") Bearer Securities: During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "Permanent Global Note"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied.]</i></p> <p><i>[insert in the case of Swiss SIX SIS Bearer Securities: During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations in bearer form which shall be deposited by the Paying Agent with a custody agent pursuant to the Swiss Federal Intermediated Securities Act (Bundesgesetz über Bucheffekten). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (Bucheffekten) in accordance with the provisions of the Swiss Federal Intermediated Securities Act (Bundesgesetz über Bucheffekten).]</i></p> <p><i>[insert in the case of German CBF Bearer Securities: Products issued by the Issuer are bearer notes. The Products are represented by a Permanent Global Note, kept in custody during the term of the Products by or on behalf of the Clearing System.]</i></p> <p><i>[insert in the case of German SIX SIS Bearer Securities: Products issued by the Issuer are bearer notes. The Products are represented by a Permanent Global Note, kept in custody by SIX SIS AG or any other custody agent according to Swiss Federal Intermediated Securities Act (Bundesgesetz über Bucheffekten). As soon as the Permanent Global Note has been deposited with the Custody Agent pursuant to the provisions of the Swiss Federal Intermediated Securities Act (Bundesgesetz über Bucheffekten) and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities (Bucheffekten) pursuant to the provisions of the Swiss Federal Intermediated Securities Act (Bundesgesetz über Bucheffekten).]</i></p> <p>Securities Identification</p> <p>[ISIN: [●]]</p> <p>[WKN: [●]]</p> <p>[Valor: [●]]</p> <p>[Common Code: [●]]</p> <p><i>[insert additional identifier for the Products: ●]</i></p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]</i></p> |
|--|--|

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3) In „Section C – Securities” subsection “C.8 Rights attached to the securities including ranking and including limitations to those rights” on page 16 of the Base Prospectus the whole text shall be replaced as follows:

”

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|------------|--|---|
| <p>C.8</p> | <p>Rights attached to the securities including ranking and limitations to those rights</p> | <p>Applicable law</p> <p>The form and content of the Products and all rights and obligations of the Issuer and of the Holders will be governed by, and construed in, all respects in accordance with the laws of <i>[insert in the case of Products governed by German law: Germany]</i> <i>[insert in the case of Products governed by Swiss law: Switzerland]</i>.</p> <p>Rights attached to the Products</p> <p>Each Product grants the Holder a right to demand <i>[insert in the case of Products with interest payment: payment of the Coupon Amount on the Coupon Payment Date(s)]</i> as well as] <i>[payment of the [Redemption Amount][respective Partial Redemption Amount] [and/or] [delivery of [the Underlying][a Basket Component] on the [Redemption Date][respective Partial Redemption Date] as described in more detail under C.15 below. [The Products do not bear interest.] [The Holders are entitled to exercise the Products on certain Exercise Dates.] [The Issuer has the right of extraordinary [and ordinary] termination of the Products.]</i></p> <p>Status of the Products</p> <p><i>[insert in the case COSI (Collateral Secured Instruments) is not applicable: The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, pari passu with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.]</i></p> <p><i>[insert in the case COSI is applicable: The Products constitute general contractual obligations of the Issuer which are secured by collateral.. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, pari passu with all other collateralized and unsubordinated obligations of the Issuer.]</i></p> <p>Limitations to the rights</p> <p>Under specific conditions, the Issuer has the right to terminate the Products and to amend the terms and conditions.</p> |
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4) In „Section C – Securities” subsection “C.15 Description of how the value of the investment is affected by the value of the underlying instrument(s)” subsection “insert in case of Bonus Certificates with Cash Settlement (Product No. 1)” on page 17 of the Base Prospectus the whole text shall be replaced as follows:

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| C.15 | Description of how the value of the investment is affected by the value of the underlying instrument(s) | <p><i>[insert in the case of Bonus Certificates with Cash Settlement (Product No. 1):</i></p> <p>In the case of these Products, on the Redemption Date (as defined below in Element C.16) investors receive a Redemption Amount in the Settlement Currency, the amount of which depends on the performance of the Underlying.</p> <p>(i) If [(a)] no Barrier Event occurs [and (b) the Final Basket Value (as defined below in Element C.19) is equal to or below the Initial Basket Value multiplied by the Bonus Level], the Redemption Amount equals the [Final Fixing Level (as defined below in Element C.19) multiplied by the Conversion Ratio][Issue Price taking into account the performance of the Underlying] [Issue Price multiplied by the quotient of the Final Basket Value and the Initial Basket Value][, and the Redemption Amount equals at least the Bonus Level multiplied by the [Conversion Ratio][Issue Price] (minimum redemption)].</p> <p>(ii) If a Barrier Event has occurred, the Redemption Amount is no longer at least equal to the Bonus Level multiplied by the [Conversion Ratio][Issue Price], but is [[always equal to the Final Fixing Level multiplied by the Conversion Ratio][equal to the Issue Price taking into account the performance of the Underlying] (1:1 participation in the performance of the Underlying)] [the Issue Price multiplied by the quotient of the Final Basket Value and the Initial Basket Value].</p> <p>[[Issue Price: [●]]</p> <p>[Conversion Ratio: [●]]</p> <p>[Initial Basket Value: [●]]</p> <p>Barrier: [●]</p> <p>[Barrier Observation Period: [●]]</p> <p>Barrier Event: [●]</p> <p>Barrier Level: [●]</p> <p>Bonus Level: [●]]</p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]]</i></p> |
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- 5) In „Section C – Securities” subsection “C.15 Description of how the value of the investment is affected by the value of the underlying instrument(s)” subsection “insert in case of Express Certificates with Cash Settlement and par value (Product No. 12)” on page 24f. of the Base Prospectus the whole text shall be replaced as follows:

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| C.15 | Description of how the value of the investment is affected by the value of the underlying instrument(s) | <p><i>[insert in the case of Express Certificates with Cash Settlement and without par value (Product No. 12):</i></p> <p>In the case of these Products, on the Redemption Date (as defined below in Element C.16) investors receive a Redemption Amount in the Settlement Currency, the amount of which depends on the performance of the [Underlying][Basket Components].The level of the Redemption Amount and the time for redemption of the Products depend on whether an Autocall Event has occurred. If an Autocall Event has occurred, the term of the Products ends early and the Products are redeemed early following the Autocall Observation Date on which the Autocall Event occurred. In this case, the Redemption Amount in the Settlement Currency equals the Issue Price.</p> <p>An Autocall Event occurs if on an Autocall Observation Date [the Reference Price (as defined below in Element C.19) exceeds the Autocall Trigger Level][the Reference Prices of all Basket Components exceed the Autocall Trigger Level].</p> <p>If an early redemption does not occur, the performance of the [Underlying][Basket Components] determines the level of the Redemption Amount:</p> <p>(i) If no Barrier Event occurred the Redemption Amount is equal to the Issue Price. [The Redemption Amount also equals the Issue Price, if a Barrier Event has occurred, but the Final Fixing Level is above the [Initial Fixing Level][Strike Level].]</p> <p>(ii) If the preconditions set out under (i) above are not satisfied, the Redemption Amount equals the Issue Price taking into account [the performance of the Underlying][the performance of the Basket Component with the worst performance]. However, the Redemption Amount will not exceed the Issue Price which is the maximum amount an investor may receive.</p> <p>Furthermore, the Holder receives a Coupon Amount on the Coupon Payment Date[s]. [The coupon payment is independent of the performance of the [Underlying][Basket Components].][The coupon payment is conditional on the occurrence of a certain event in relation to the [Underlying][Basket Components] (e.g. the Underlying reaching or exceeding a certain threshold (e.g. Coupon Trigger Level)). Should such event not occur, there will be no coupon payment for the applicable Coupon Payment Date. [Each relevant date is considered separately and there can be no catch-up payments of Coupon Amounts.] [Investors should note that [also] the amount of the [respective] coupon payment depends on the development of the [Underlying][Basket Components].]</p> <p>With regard to coupon payments, it should also be noted that, in the case of an early redemption of the Products, the Holder will still receive the Coupon Amount for the Coupon Payment Date in respect of the early redemption date. However, he has no right to demand coupon payments for future Coupon Payment Dates.</p> <p>[[Initial Fixing Level: [●]]</p> |
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| | | <p>Issue Price: [●] [Strike Level: [●]] Autocall Observation Date[s]: [●] Autocall Trigger Level: [●] Barrier: [●] Barrier Event: [●] Barrier Level: [●] [Barrier Observation Period: [●]] Coupon Amount: [●] Coupon Payment Date[s]: [●] [Coupon Trigger Level: [●]]</p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]</i></p> |
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- 6) *In „Section D - Risks” subsection “D.3 D.6 Key information on the key risks that are specific to the securities” subsection “2. Risk factors associated with certain types of Products” subsection “insert in case of Express Certificates with Cash Settlement and par value (Product No. 13)” on page 47ff. of the Base Prospectus the whole text shall be replaced as follows:*

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| D.3 D.6 | Key information on the key risks that are specific to the securities | <p><i>[insert in the case of Express Certificates with Cash Settlement and with par value (Product No. 13):</i></p> <p><u><i>Risk of total loss and risks related to early redemption</i></u></p> <p>The level of the Redemption Amount and the time for redemption of the Products depend on whether an Autocall Event has occurred on an Autocall Observation Date.</p> <p>If this event occurs before the Final Fixing Date, the term of the Products ends early and the Products are redeemed early in accordance with the Conditions. In the case of such early redemption, the future price performance of the [Underlying][Basket Components] is irrelevant to the Holder.</p> <p>If there has been no early redemption of the Products, the level of the Redemption Amount is dependent on the price performance of the [Underlying][Basket Components]. If the preconditions for a minimum redemption and/or maximum redemption are not met, the Products are comparable to a direct investment in the [Underlying][Basket Component with the worst performance] (without taking into account dividend payments). As a result, the Holder is also exposed to a risk of loss comparable to the direct investment. Therefore, the Holder bears a risk of total loss with regard to the invested capital. A total loss occurs if the [Underlying][Basket Component with the worst performance] is worthless at the end of the term.</p> <p>Furthermore, the Products have the characteristic such that the Holder may receive a Coupon Amount on certain dates. [The payment of the applicable Coupon Amount is independent of the price performance of the [Underlying][Basket Components].] [The coupon payment is conditional on</p> |
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| | | <p>the occurrence of a certain event in relation to the [Underlying][Basket Components] (e.g. reaching or exceeding a certain threshold value on a specified date). Should such event not occur, there would be no coupon payment for the applicable Coupon Payment Date. Holders should note that they will not receive a coupon payment during the entire term of the Products, as the case may be, if the prerequisites are not met on a date relevant for the determination of the coupon payment.] [It should be noted here that each relevant date is considered separately and there can be no catch-up payments of Coupon Amounts.] The volatility of the [Underlying][Basket Components] is an important factor for determining the likelihood of the occurrence of an event entitling receipt of the applicable Coupon Amount. The higher the volatility of the [Underlying][Basket Components], the higher the risk to the Holder that the condition will not be met and that the Holder will therefore not receive a Coupon Amount for the relevant Coupon Payment Date.]</p> <p>With regard to coupon payments, it should [also] be noted that, in the case of an early redemption of the Products, the Holder will still receive the Coupon Amount for the Coupon Payment Date in respect of the Early Redemption Date. However, he has no right to demand coupon payments for future Coupon Payment Dates.</p> <p><u>Redemption Amount is limited to the Maximum Redemption Amount</u></p> <p>The Redemption Amount (without taking into account a possible Coupon Amount) is limited to the Denomination (Maximum Redemption Amount).]</p> |
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- 6) *In „Section D - Risks” subsection “D.3 D.6 Key information on the key risks that are specific to the securities” subsection “2. Risk factors associated with certain types of Products” subsection “insert in the case of Express Certificates with Cash Settlement and with par value and unconditional minimum redemption (Product No. 20)” on page 55f. of the Base Prospectus the whole text shall be replaced as follows:*

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| <p>D.3 D.6</p> | <p>Key information on the key risks that are specific to the securities</p> | <p><i>[insert in the case of Express Certificates with Cash Settlement and with par value and unconditional minimum redemption (Product No. 20):</i></p> <p><u>Risk factors related to the early redemption and the unconditional minimum redemption</u></p> <p>The level of the Redemption Amount and the time for redemption of the Products depend on whether an Autocall Event has occurred on an Autocall Observation Date.</p> <p>If this event occurs before the Final Fixing Date, the term of the Products ends early and the Products are redeemed early in accordance with the Conditions. In the case of such early redemption, the future price performance of the Underlying is irrelevant to the Holder.</p> <p>If an early redemption of the Products has not occurred, the amount of the redemption is dependent on the Performance of the Basket Components. If the Final Fixing Levels of all Basket Components are at or above the Autocall Trigger Level, the Holder receives the Denomination. If this is not the case, the Holder receives the pre-determined Minimum Redemption Amount, which is independent of the performance of the Basket Components.</p> <p>Investors should note that the Minimum Redemption Amount may be lower than the Denomination and/or the capital invested to purchase the</p> |
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| | | <p>Product (including the related transaction costs).</p> <p>Investors should also note that the Minimum Redemption Amount may apply only in the case of a redemption at the end of the term. Investors must be prepared to hold their Product until the Redemption Date. Investors will still be exposed to the credit risk of the Issuer meaning that they may lose their entire capital invested to purchase the Products (including related transaction costs) should the Issuer become insolvent.</p> <p>In the case of these Products, the payment of the Coupon Amount is dependent on the occurrence of a Coupon Trigger Event, i.e. whether the Reference Prices of all Basket Components on a Coupon Observation Date reach or exceed the relevant Coupon Trigger Level for this date. If a Coupon Trigger Event does not occur on any Coupon Observation Date, the investor does not receive a Coupon Payment. In the case of an Early Redemption, the investor is not entitled to demand any further Coupon Payments for future Coupon Payment Dates.</p> <p><u><i>Redemption Amount is limited to the Maximum Redemption Amount</i></u></p> <p>The Redemption Amount is limited to the Maximum Redemption Amount (without taking into account a possible Coupon Amount) which equals the Denomination.]</p> |
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Signatures by Leonteq Securities AG, Zurich

8 September 2016

Leonteq Securities AG, Zurich

signed by René Ziegler
Managing Director /
Head Product Documentation & Services

signed by Dr. Ingrid Silveri
Managing Director /
Head Legal

Supplement dated 27 December 2016



LEONTEQ SECURITIES AG, Zurich, Switzerland
(incorporated in Switzerland)
as Issuer

which may also be acting through its Guernsey branch (Leonteq Securities AG, Guernsey Branch) or Amsterdam branch (Leonteq Securities AG, Amsterdam Branch) (the "**Issuer**")

This document represents the second supplement pursuant to article 16 para. 1 of the German Securities Prospectus Act (*Wertpapierprospektgesetz*) (the "**Supplement**") to the base prospectus of the Issuer for Bonus Certificates, Inverse Bonus Certificates, Reverse Convertibles, Barrier Reverse Convertibles, Express Certificates, Tracker Certificates, Open End Tracker Certificates, Mini Future Certificates, Discount Certificates and Certificates with unconditional minimum redemption dated 29 June 2016 (the "**Base Prospectus**").

This Supplement shall be published by making it available free of charge at Leonteq Securities AG, Brandschenkestrasse 90, 8002 Zurich, Switzerland (Phone: +41 (0)58 800 1000, Facsimile: +41 (0)58 800 1010), in its function as paying agent. Furthermore, it will be published in electronic form on the website www.leonteq.com under the section "Products & Services" – "Structured Products" – "Service" – "Prospectuses" – "Leonteq Program EU".

Lead Manager
Leonteq Securities AG, Zurich,
Switzerland

Withdrawal Right

Pursuant to article 16 para. 3 of the German Securities Prospectus Act investors who have already agreed to purchase or subscribe for products issued under the Base Prospectus that is supplemented by this Supplement (as defined herein) before this Supplement has been published shall have the right, exercisable within a time period of two working days after the publication of this Supplement, to withdraw their declaration of intent provided that the new factor or mistake to which this Supplement relates arose before the final closing of the offer to the public and the delivery of the products.

The withdrawal (for which no reasons need to be given) must be declared by notice in writing (i) to the same entity to which the investor addressed the declaration of intent or (ii), if the investor had addressed the declaration of intent directly to the Lead Manager, to Leonteq Securities AG, Brandschenkestrasse 90, 8002 Zurich, Switzerland. Timely dispatch of the notice shall be sufficient to meet the notice period.

This Supplement must be read in conjunction with any information already supplemented by previous supplements to the Base Prospectus.

The subject of this Supplement is the announcement of Leonteq AG, the parent company of the Issuer, dated 19 December 2016 with respect to its estimated pre-tax profit for the year 2016.

The Base Prospectus shall be supplemented as follows:

AMENDMENTS RELATING TO THE SECTION "III. INFORMATION ABOUT THE ISSUER"

In the section "III. Information about the Issuer" on page 172 of the Base Prospectus the text shall be supplemented as follows:

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The section below is an update of the information in the Issuer’s Registration Document.

In section “III. Information about the Issuer” the following subsection shall be added at the end of the subsection “3. Information about Leonteq Securities AG”:

Recent Information relating to the parent company

On 19 December 2016, the parent company of the Issuer, Leonteq AG, announced that it expects an estimated pre-tax profit of approximately CHF 17 million for the full year 2016 versus CHF 69 million in 2015.”

Signatures by Leonteq Securities AG, Zurich

27 December 2016

Leonteq Securities AG, Zurich

signed by René Ziegler
Managing Director /
Head Product Documentation & Services

signed by Dr. Ingrid Silveri
Managing Director /
Head Legal