

Capital Protected Note Global + Market Neutral Strategies – Defensive, 2007-2011



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Product Description Capital protected note Global + Market Neutral Strategies, 2007 – 2011 - Defensive; Global Equity Markets, UBS ELSA Index & UBS G10 Carry Index with Nominal Capital Protection.

Product Details

Underlying	Equity Basket: Topix Index, Bloomberg: TPX Index; OMXS30 Index, Bloomberg: OMX Index; DJ EuroSTOXX 50 Index, Bloomberg: SX5E Index
	Market Neutral Basket: UBS ELSA Index:, Bloomberg: ULTAELSA Index UBS G10 Carry Index, Bloomberg: UBCIG10 Index Garantum
Buyer	Capital Protected Note
Product Type	SEK 100,000,000 indicative
Aggregate Principal Amount	12 September 2007
Trade Date	13 September 2007
Fixing Date	SEK 50,000
Nominal Amount per Note	P _{Equity Basket} : 50 % indicative P _{Market Neutral Basket} : 50 % indicative
Participation	102%
Issue Price	At Redemption Date each Note will pay out an amount based on following payout formula:
Redemption	

$$\text{Nominal Amount per Note} + \text{Nominal Amount per Note} \times P_{\text{Equity Basket}} \times \text{Max}(0; \text{Equitybasket}) + \text{Nominal Amount per Note} \times P_{\text{Market Neutral Basket}} \times \text{Max}(0; \text{Market Neutral Basket})$$

Where:
Equitybasket is:

$$\left(\sum_{i=1}^3 w_i \times \left(\frac{\text{Underlying}_{End}^i - \text{Underlying}_{Start}^i}{\text{Underlying}_{Start}^i} \right) \right)$$

i	Underlying ⁱ	Ticker (Bloomberg)	Weight (w _i)
1	TOPIX	TPX Index	1/3
2	DJ EuroSTOXX 50 Index,	SX5E Index	1/3
3	OMXS30	OMX Index	1/3

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Where Market Neutral Basket is:
$$\left(\sum_{i=4}^5 w_i \times \left(\frac{\text{Underlying}_{End}^i - \text{Underlying}_{Start}^i}{\text{Underlying}_{Start}^i} \right) \right)$$

i	Underlying ⁱ	Ticker (Bloomberg)	Weight (w _i)
4	UBS ELSA Index	ULTAELSA Index	1/2
5	UBS G10 Carry Index	UBCIG10 Index	1/2

Underlyingⁱ_{start} is Closing level of underlyingⁱ as of the Fixing date.

Underlyingⁱ_{End} is the arithmetic average of the closing levels of the observation dates of Underlyingⁱ.

Maturity payout profile
Security Identification Codes

Automatic cash settlement at Redemption Date

ISIN: SE0002090225

WKN: UB1H6P

Valor: 3227131

Common Code: TBD

Listing

Listing will be applied for; however no guarantee is given that this will be successful.

Type of offering:

Public issue

Dates

Subscription Period	29 June 2007 until and including 7 September 2007
Issue Date	28 September 2007
Fixing Date	13 September 2007
Payment Date	28 September 2007
Observation Dates	The 13th calendar day each month the last 12 months, from and including 13 September 2010 up to and including 13 September 2011 (13 Observation Dates in total). If such day is not an Underlying Calculation Date the next following Underlying Calculation Date shall be the Observation Date for the Underlying affected. If no Underlying Calculation Date has occurred within five, in the Calculation Agent's assessment, customary trading days the fifth customary trading day from the Observation Date shall be deemed the new Observation Date for the Underlying affected.
Maturity Date (Final Observation Date)	13 September 2011
Redemption Date	8 Banking Days after the Maturity Date

General Information

Issuer	UBS AG, Jersey Branch
Lead Manager	UBS Limited, London

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Rating	AA+/ Aaa
Trading	TBD
Sales Restrictions	U.S.A; U.S Persons / U.K.
Clearing	VPC (Sweden)
Contact person UBS	Gustav Rosen 0046 8 453 73 75

Capital Protection

- For investors with a low risk tolerance level that are looking for intelligent investment solutions with either full or partial capital protection.
- Return potential higher than with comparable money market investments. An unlimited, limited or fixed yield potential can be selected depending on the product.
- Risk of loss limited to the non-guaranteed capital element. Purchases on the secondary market may incur a higher risk of loss.

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- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor;

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