

SERIES PROSPECTUS dated 13 May 2016

ARGENTUM CAPITAL S.A.

(a public limited liability company (société anonyme) incorporated under the laws of Luxembourg, having its registered office at 51 Avenue J.-F. Kennedy, L-1855 Luxembourg and registered with the RCS Luxembourg under number B.182.715) (the “Company”)
acting in respect of Compartment GAP 2722-2726 June 2016

**Issue of
Series 2016-24**

Class A up to SEK 200,000,000 Secured Repackaged Equity-Linked Notes due 2023 (the “Class A Notes”)
Class B up to SEK 200,000,000 Secured Repackaged Equity Index-Linked Notes due 2023 (the “Class B Notes”)
Class C up to SEK 200,000,000 Secured Repackaged Equity Index-Linked Notes due 2023 (the “Class C Notes”)
Class D up to SEK 200,000,000 Secured Repackaged Equity-Linked Notes due 2023 (the “Class D Notes”)
Class E up to SEK 200,000,000 Secured Repackaged Certificate-Linked Notes due 2023 (the “Class E Notes”)

This document (this “**Prospectus**”) has been approved by the Central Bank of Ireland (the “**Central Bank**”) as competent authority under the Prospectus Directive 2003/71/EC (as amended by Directive 2010/73/EU) (the “**Prospectus Directive**”). The Central Bank only approves this Prospectus as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive. Application has been made to the Irish Stock Exchange plc (the “**Irish Stock Exchange**”) for the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes (together, the “**Notes**”) to be admitted to the Official List of the Irish Stock Exchange (“**Official List**”) and trading on its regulated market. Such market is a regulated market for the purposes of the Markets in Financial Instruments Directive 2004/39/EC. Application has also been made for the Notes to be admitted to trading and listed on the regulated market of NASDAQ OMX Stockholm AB (the “**Stockholm Stock Exchange**”).

This document constitutes a Prospectus for the purposes of the Prospectus Directive.

This Prospectus is available on the Irish Stock Exchange’s website (www.ise.ie).

The Company is subject to the Luxembourg act dated 22 March 2004 on securitisation, as amended (the “**Securitisation Act 2004**”). Under the Securitisation Act 2004, the Company, as a regulated entity within the meaning of the Securitisation Act 2004, is entitled to issue securities to the public on an ongoing basis.

This Prospectus contains information relating to the Notes issued by the Company acting in respect of Compartment GAP 2722-2726 June 2016 (the “**Compartment**”) created by the board of directors of the Company (in such capacity, the “**Issuer**”). The Issuer’s liabilities in respect of such Notes will be allocated to the Compartment and will be segregated from the Company’s other assets and liabilities and from the assets and liabilities allocated to any other compartments created by the Company. The Mortgaged Property is in principle exclusively available to satisfy the rights of the holders of the Notes and the rights of the other creditors whose claims have arisen as a result of the creation, the operation or the liquidation of the Compartment, as contemplated by the articles of association of the Company (the “**Articles**”).

Claims of the Noteholders will be limited in recourse to the Mortgaged Property for the Notes which includes, among other things, (i) the Original Collateral; (ii) the rights of the Issuer under (a) the Asset Swap Transactions and (b) the Equity Swap Transactions (in respect of the Class A Notes, Class B Notes, Class C Notes and Class D Notes); and (iii) the Equity Original Collateral (in respect of the Class E Notes), with the claims in respect of each Class of Notes ranking *pari passu* with one another (see “*Risk Factors - Contracting on a limited recourse basis*” and “*Risk Factors - Risks relating to the Notes - Limited recourse obligations*” on pages 22 and 27 of the Company’s Base Prospectus dated 4 September 2015, together with the sections of this Prospectus entitled “*Risk Factors*”, “*Transaction Description*” and “*Questions and Answers*”).

Noteholders, by subscribing for the Notes, expressly accept, and shall be deemed to be bound by, the provisions of the Securitisation Act 2004 and, in particular, the provisions on limited recourse, no petition, subordination and priority of payments and deliveries.

The Notes are linked to the Original Collateral and are equity-linked, equity index-linked or certificate-linked. While each Class of Notes is linked to the same type of Original Collateral, the Class A Notes are linked to the Equity Swap Transaction referencing the performance of Equity Basket 1, the Class B Notes and the Class C Notes are linked to the Equity Swap Transactions referencing the performance of the Equity Index Basket, the Class D Notes are linked to the Equity Swap Transaction referencing the performance of Equity Basket 2 and the Class E Notes are linked to the Equity Original Collateral referencing the performance of the Fund Basket. Certain risks relating to the Notes and an explanation as to the nature of such linkages to the Original Collateral, Equity Basket 1, the Equity Index Basket, Equity Basket 2 and the Equity Original Collateral are set out below, in particular in the sections of this Prospectus entitled “*Risk Factors*”, “*Transaction Description*” and “*Questions and Answers*”.

Any person (an “**Investor**”) intending to acquire or acquiring any securities from any person (an “**Offeror**”) should be aware that, in the context of an offer of securities to the public as defined under the Prospectus Directive, the Issuer may be responsible to the Investor for this Prospectus only if the Issuer is acting in association with that Offeror to make the offer to the Investor. Each Investor should therefore verify with the Offeror whether or not the Offeror is acting in association with the Issuer. If the Offeror is not acting in association with the Issuer, the Investor should check with the Offeror whether anyone is responsible for this Prospectus for the purposes of Article 6 of the Prospectus Directive as implemented by the national legislation of each European Economic Area Member State in the context of the offer to the public, and, if so, who that person is. If the Investor is in any doubt about whether it can rely on this Prospectus and/or who is responsible for its contents it should take legal advice.

Each Class of Notes will be issued in registered form and will be represented by a Global Certificate.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”) or any state securities laws of any state or other jurisdiction of the United States, and the Issuer is not and will not be registered under the United States Investment Company Act of 1940, as amended. The Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, any U.S. persons (as defined in Regulation S under the Securities Act) at any time.

The Notes have not been approved or disapproved by the United States Securities and Exchange Commission or any other securities commission or other regulatory authority in the United States, nor have the foregoing authorities reviewed or passed upon the accuracy or adequacy of this Prospectus. Any representation to the contrary is a criminal offence in the United States.

This Prospectus contains references to credit ratings granted by Standard & Poor’s Credit Market Services Europe Limited (“**S&P**”), Fitch Ratings Limited (“**Fitch**”) and Moody’s Investors Service Ltd (“**Moody’s**”). Each of S&P, Fitch and Moody’s are established in the European Union and are registered in accordance with Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies. A rating is not a recommendation to buy, sell or hold a security and may be subject to revision or withdrawal at any time by the assigning rating agency. There can be no assurance that the assigning rating agency will continue to monitor its rating during the life of the Notes or that such rating may not be downgraded or withdrawn.

The language of this Prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

Any websites referred to in this document do not form part of this Prospectus.

Prospective investors should be aware of the risks involved in investing in the Notes (see the section of this Prospectus entitled “*Risk Factors*”).

Dealer

CREDIT SUISSE INTERNATIONAL

The date of this Prospectus is 13 May 2016.

This Prospectus has been prepared for the purpose of providing information with regard to the Issuer and the Notes. The Issuer accepts responsibility for the information contained in this Prospectus. To the best of the knowledge and belief of the Issuer (having taken all reasonable care to ensure that such is the case) the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

The information contained in the “*Description of Credit Suisse International*” section in this Prospectus has been extracted from information published by Credit Suisse International. The information contained in the “*Description of the Original Collateral Obligors*” section of this Prospectus has been extracted from information published by the Original Collateral Obligors (as defined below), save for the reference to the exchange(s) on which the Original Collateral Obligors have certain securities listed which has been extracted from the Bloomberg pages of the Original Collateral Obligors. The information contained in the “*Description of the Equity Original Collateral Obligor*” section of this Prospectus has been extracted from information published by the Equity Original Collateral Obligor (as defined below), save for the reference to the exchange(s) on which the Equity Original Collateral Obligor has certain securities listed which has been extracted from the Bloomberg page for the Equity Original Collateral Obligor. The Issuer confirms that this information has been accurately reproduced and, as far as the Issuer is aware and is able to ascertain, no facts have been omitted which would render the reproduced information inaccurate or misleading.

In addition, the Issuer accepts responsibility, in each Member State for which it has given its consent referred to herein, for the contents of this Prospectus in relation to any person (an “**Investor**”) to whom an offer of any Notes is made by any financial intermediary to whom it has given its consent to use this Prospectus (an “**Authorised Offeror**”), where the offer is made during the period for which that consent is given and where the offer is made in the Member State for which that consent was given and is in compliance with all other conditions attached to the giving of the consent, all as mentioned in this Prospectus. However, neither the Issuer nor the Dealer has any responsibility for any of the actions of any Authorised Offeror, including compliance by an Authorised Offeror with applicable conduct of business rules or other local regulatory requirements or other securities law requirements in relation to such offer.

The Issuer consents to the use of this Prospectus in connection with the offer of the Notes during the period commencing from, and including, 16 May 2016 to, and including, 22 June 2016 (the “**Offer Period**”) by each of the following financial intermediaries in the Member State(s), and subject to the conditions, set out against their names for so long as they are authorised to make such offers under the Markets in Financial Instruments Directive (Directive 2004/39/EC):

<u>Intermediary</u>	<u>Member State</u>	<u>Conditions</u>
Garantum Fondkommission AB	Kingdom of Sweden	None

The Issuer may give consent to additional financial intermediaries after the date of this Prospectus and, if it does so, it will publish the above information in relation to them at www.argentumcapital.lu at the relevant time during the Offer Period.

An offer of the Notes may be made, subject to the conditions set out above, during the Offer Period by any of the Issuer, the Dealer or any Authorised Offeror.

Other than as set out above, neither the Issuer nor the Dealer has authorised the making of any offer of the Notes by any person in any circumstances and such person is not permitted to use this Prospectus in connection with its offer of any Notes. Any such offers are not made on behalf of the Issuer or by the Dealer or any Authorised Offerors and none of the Issuer or the Dealer or any Authorised Offerors has any responsibility or liability for the actions of any person making such offers.

AN INVESTOR INTENDING TO ACQUIRE OR ACQUIRING ANY NOTES FROM AN OFFEROR WILL DO SO, AND OFFERS AND SALES OF THE NOTES TO AN INVESTOR BY AN OFFEROR WILL BE MADE IN ACCORDANCE WITH ANY TERMS AND OTHER ARRANGEMENTS IN PLACE BETWEEN SUCH OFFEROR AND SUCH INVESTOR INCLUDING AS TO PRICE, ALLOCATIONS AND SETTLEMENT ARRANGEMENTS. THE ISSUER WILL NOT BE A PARTY TO ANY SUCH ARRANGEMENTS WITH INVESTORS (OTHER THAN THE DEALER) IN CONNECTION WITH THE OFFER OR SALE OF THE NOTES AND, ACCORDINGLY, THIS PROSPECTUS WILL NOT CONTAIN SUCH INFORMATION. THE INVESTOR MUST LOOK TO THE OFFEROR AT THE TIME OF SUCH OFFER FOR THE PROVISION OF SUCH INFORMATION. THE ISSUER HAS NO RESPONSIBILITY TO AN INVESTOR IN RESPECT OF SUCH INFORMATION.

Neither the Trustee nor the Dealer has or will have separately verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is or will be made and no responsibility or liability is or will be accepted by the Trustee or the Dealer as to the accuracy or completeness of the information contained in this Prospectus or any other information provided by the Issuer in connection with the Notes or their distribution.

No person is or has been authorised by the Issuer or the Trustee to give any information or to make any representation not contained in or not consistent with this Prospectus or any other information supplied in connection with the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Dealer or the Trustee.

Neither this Prospectus nor any other information supplied in connection with the Notes (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by the Issuer, the Dealer or the Trustee that any recipient of this Prospectus or any other information supplied in connection with the Notes should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer, the Original Collateral Obligors, each issuer of a constituent share within the relevant Class Equity Basket, the Equity Original Collateral Obligor and each constituent fund within the Fund Basket. Neither this Prospectus nor any other information supplied in connection with the Notes constitutes an offer or invitation by or on behalf of the Issuer, the Dealer or the Trustee to any person to subscribe for or to purchase any Notes.

Neither the delivery of this Prospectus nor the offering, sale or delivery of Notes shall in any circumstances imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Notes is correct as of any time subsequent to the date indicated in the document containing the same. The Dealer and the Trustee expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Notes or to advise any investor in the Notes of any information coming to their attention.

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Prospectus and the offer or sale of the Notes may be restricted by law in certain jurisdictions. The Issuer, the Trustee and the Dealer do not and will not represent that this Prospectus may be lawfully distributed, or that the Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been or will be taken by the Issuer, the Trustee or the Dealer (save as specified in “*Subscription and Sale and Transfer Restrictions – Public Offer Selling Restriction under the Prospectus Directive*” below) which is intended to permit a public offering of the Notes or distribution of this Prospectus in any jurisdiction where action for that purpose is required. Accordingly, the Notes may not be offered or sold, directly or indirectly, and neither this Prospectus nor any advertisement or other offering material may be distributed or published

in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus or any Notes come must inform themselves about, and observe any such restrictions. In particular, there are restrictions on the distribution of this Prospectus and the offer or sale of Notes in the United States, the European Economic Area (including the United Kingdom, Luxembourg, Ireland and the Kingdom of Sweden) and Switzerland (see the section entitled “*Subscription and Sale*” on page 268 of the Base Prospectus and the section of this Prospectus entitled “*Subscription and Sale and Transfer Restrictions*” below).

This Prospectus has been prepared on the basis that any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (each a “**Relevant Member State**”) other than offers (the “**Permitted Public Offers**”) which are made on or prior to 22 June 2016 and which are contemplated in the Prospectus in the Kingdom of Sweden once the Prospectus has been approved by the Central Bank in Ireland and published and notified to the relevant competent authority in accordance with the Prospectus Directive as implemented in the Kingdom of Sweden will be made pursuant to an exemption under the Prospectus Directive as implemented in that Relevant Member State from the requirement to publish a prospectus for offers of Notes. Accordingly any person making or intending to make an offer in that Relevant Member State of Notes which are the subject of the offering contemplated in this Prospectus other than the Permitted Public Offers may only do so in circumstances in which no obligation arises for the Issuer or the Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive in each case, in relation to such offer. Neither the Issuer nor the Dealer have authorised nor do they authorise, the making of any offer (other than Permitted Public Offers) of Notes in circumstances in which an obligation arises for the Issuer or the Dealer to publish or supplement a prospectus for such offer.

*The Company has been established as a special purpose vehicle for the purpose of issuing asset backed securities having adopted the form of a public limited liability company (société anonyme) incorporated under the laws of the Grand Duchy of Luxembourg. The Company’s activities are subject to the Securitisation Act 2004 and the Company is a regulated entity within the meaning of the Securitisation Act 2004. Copies of the Articles as at the date of this document have been lodged with the Luxembourg trade and companies register (Registre de commerce et des sociétés, Luxembourg) (“**RCS Luxembourg**”) and the Company is registered with the Luxembourg trade and companies register under number B.182.715.*

*The Articles are published in the Mémorial, Recueil des Sociétés et Associations (the “**Mémorial**”).*

Under the Securitisation Act 2004, the Company, as a regulated entity within the meaning of the Securitisation Act 2004, is entitled to issue securities or its shares to the public on an ongoing basis.

All references in this Prospectus to (i) “euro”, “**EUR**” and “€” are to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community, as amended, (ii) “**SEK**” are to Swedish Krona being the lawful currency of the Kingdom of Sweden, (iii) “**United States Dollar**”, “**USD**” or “\$” are to United States Dollar being the lawful currency of the United States of America and (iv) “**CHF**” are to Swiss Franc being the lawful currency of Switzerland.

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SUMMARY

Summaries are made up of 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 the Notes and the 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 this Summary because of the type of securities and issuers, 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 this Summary with the mention of “Not Applicable”.

This Summary relates to the Class A up to SEK 200,000,000 Secured Repackaged Equity-Linked Notes due 2023 (the “**Class A Notes**”), the Class B up to SEK 200,000,000 Secured Repackaged Equity Index-Linked Notes due 2023 (the “**Class B Notes**”), the Class C up to SEK 200,000,000 Secured Repackaged Equity Index-Linked Notes due 2023 (the “**Class C Notes**”), the Class D up to SEK 200,000,000 Secured Repackaged Equity-Linked Notes due 2023 (the “**Class D Notes**”) and the Class E up to SEK 200,000,000 Secured Repackaged Certificate-Linked Notes due 2023 (the “**Class E Notes**” and, together with the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes, the “**Notes**”).

This Summary is qualified in its entirety by the remainder of the Prospectus.

<p>A.1 Introduction and Warnings</p>	<p>This summary should be read as an introduction to the prospectus (the “Prospectus”). Any decision to invest in the Notes should be based on a consideration of the Prospectus as a whole by the investor. Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member State, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled this summary including any translation thereof, but only if this summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus or it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in the Notes.</p>		
<p>A.2 Consent to the use of the prospectus, the offer period and other conditions of use</p>	<p>Argentum Capital S.A. (the “Company”), acting in respect of Compartment GAP 2722-2726 June 2016 (the “Issuer”) consents to the use of the Prospectus in connection with the offer of the Notes during the period commencing from, and including, 16 May 2016 to, and including, 22 June 2016 (the “Offer Period”) by each of the following financial intermediaries in the Member State(s), and subject to the conditions, set out against their names for so long as they are authorised to make such offers under the Markets in Financial Instruments Directive (Directive 2004/39/EC):</p>		
	<p>Intermediary</p>	<p>Member State</p>	<p>Conditions</p>
	<p>Garantum Fondkommission AB</p>	<p>Kingdom of Sweden</p>	<p>None</p>

	<p>The Issuer may give consent to additional financial intermediaries after the date of the Prospectus and, if it does so, it will publish the above information in relation to them at www.argentumcapital.lu at the relevant time during the Offer Period.</p> <p>An offer of the Notes may be made, subject to the conditions set out above, during the Offer Period by any of the Issuer, the Dealer or any Authorised Offeror.</p> <p>Other than as set out above, neither the Issuer nor the Dealer has authorised the making of any offer of the Notes by any person in any circumstances and such person is not permitted to use the Prospectus in connection with its offer of any Notes. Any such offers are not made on behalf of the Issuer or by the Dealer or any Authorised Offerors and none of the Issuer or the Dealer or any Authorised Offerors has any responsibility or liability for the actions of any person making such offers.</p> <p>AN INVESTOR INTENDING TO ACQUIRE OR ACQUIRING ANY NOTES FROM AN OFFEROR WILL DO SO, AND OFFERS AND SALES OF THE NOTES TO AN INVESTOR BY AN OFFEROR WILL BE MADE, IN ACCORDANCE WITH ANY TERMS AND OTHER ARRANGEMENTS IN PLACE BETWEEN SUCH OFFEROR AND SUCH INVESTOR INCLUDING AS TO PRICE, ALLOCATIONS AND SETTLEMENT ARRANGEMENTS. THE ISSUER WILL NOT BE A PARTY TO ANY SUCH ARRANGEMENTS WITH INVESTORS (OTHER THAN THE DEALER) IN CONNECTION WITH THE OFFER OR SALE OF THE NOTES AND, ACCORDINGLY, THE PROSPECTUS WILL NOT CONTAIN SUCH INFORMATION. THE INVESTOR MUST LOOK TO THE OFFEROR AT THE TIME OF SUCH OFFER FOR THE PROVISION OF SUCH INFORMATION. THE ISSUER HAS NO RESPONSIBILITY TO AN INVESTOR IN RESPECT OF SUCH INFORMATION.</p>
<p>B.1 Legal and commercial name of the Issuer</p>	<p>Argentum Capital S.A., acting in respect of Compartment GAP 2722-2726 June 2016.</p>
<p>B.2 Domicile and legal form of the Issuer, legislation under which the Issuer operates and country of incorporation of Issuer</p>	<p>The Company has adopted the form of a public limited liability company (<i>société anonyme</i>) incorporated under the laws of the Grand Duchy of Luxembourg.</p>
<p>B.16 Description of whether the Issuer is directly or indirectly owned or controlled and by whom and nature of such control</p>	<p>The Company has 31,000 shares, all of which are fully paid and held by Stichting Argentum. Stichting Argentum is a foundation (stichting) incorporated under the laws of The Netherlands and is not owned or controlled by any person.</p> <p>Stichting Argentum has no beneficial interest in and derives no benefit from its holding of the issued shares. It will apply any income derived by it from the Company solely for charitable purposes.</p> <p>Stichting Argentum's Deed of Incorporation (which includes its articles of association) contains certain provisions ensuring</p>

	<p>Stichting Argentum does not abuse its position of control, including an express objects clause which stipulates that it exercises any and all rights attached to the shares of the Company in such a manner as to safeguard the interests of the Company and any and all persons concerned to the best of the foundation's ability, including in relation to any of the voting rights to the shares in the Company and to perform any and all acts that may be related, incidental or which may be conducive to safeguarding such interests.</p>
B.17 Issuer Ratings	Not applicable - neither the Issuer nor the Notes have been assigned a rating.
B.20 Statement as to whether the Issuer has been established for the purpose of issuing asset backed securities	The Company has been established in Luxembourg as a special purpose vehicle for the purpose of issuing asset backed securities.
B.21 Company's principal business activities	<p>The Company's principal activities are to enter into, perform and serve as a vehicle issuing asset backed securities for, any securitisation transactions as permitted under the Securitisation Act 2004.</p> <p>Credit Suisse International is the Swap Counterparty under the Swap Agreement, whose performance will affect the performance of the Notes.</p> <p>UBS AG, London Branch is the Equity Original Collateral Obligor, whose performance will affect the performance of the Notes.</p> <p>Credit Suisse International is also the Disposal Agent, Calculation Agent, Dealer and Arranger; The Bank of New York Mellon, London Branch is the Issuing and Paying Agent; BNY Mellon Corporate Trustee Services Limited is the Trustee; The Bank of New York Mellon (Luxembourg) S.A. is the Custodian, Registrar and Transfer Agent; and Sanne Group (Luxembourg) S.A. is the Corporate Services Provider in respect of the Company (and together with Credit Suisse International, The Bank of New York Mellon, London Branch, BNY Mellon Corporate Trustee Services Limited and The Bank of New York Mellon (Luxembourg) S.A., each such entity is a "Programme Party").</p> <p>Each Programme Party's relationship with the Issuer is to act in its respective capacity described above.</p> <p>Skandinaviska Enskilda Banken AB (publ) is the "Swedish Agent".</p>
B.22 Statement that the Company has not commenced operations and no financial statements have been made up as at the date of the Prospectus	Not applicable – the Issuer has commenced operations and has prepared financial statements.
B.23 Selected key historical financial information about the Company	Selected historical key financial information of the Issuer with respect to the years ended 31 December 2013, 31 December 2014 and 31 December 2015 (which has been extracted from the Issuer's audited financial statements, which are incorporated by reference

into the Prospectus):

	As at 31 December 2015 (Audited) €	As at 31 December 2014 (Audited)¹ €	As at 31 December 2013 (Audited) €
Fixed assets			
Financial Fixed Assets	2,744,676,659	1,439,506,836	-
Current assets			
Other receivables becoming due and payable within one year	2,534,959	410,135	96,932
Cash at banks, cash in postal cheque accounts, cheques and cash in hand	30,731	30,848	30,913
TOTAL ASSETS	2,747,242,349	1,439,947,819	127,845
Capital and reserves			
Subscribed capital	31,000	31,000	31,000
Profit or loss brought forward	-	-	-
Result for the financial year	7,550	-	-
Provisions			
Other provisions	260,328,708	339,926,540	9,200
Non subordinated debts			
Non convertible loans becoming due and payable	2,476,022,146	1,099,645,096	-

¹ The notes to the audited financial statements of the Issuer for the financial year ended 31 December 2015 (the "2015 Accounts") states that in the 2014 combined profit and loss account certain positions have been classified in a manner which caused a disclosure on a net basis. This classification has been amended in 2015 in order to properly reflect the results of operations of the Issuer. The 2014 comparative figures in the combined profit and loss account have been restated in the 2015 Accounts to ensure the comparability of the figures in the annual accounts.

	<p>after more than one year</p> <table> <tr> <td>Tax debts</td> <td>4,013</td> <td>803</td> <td>535</td> </tr> <tr> <td>Other creditors becoming due and payable within one year</td> <td>10,848,932</td> <td>344,380</td> <td>87,110</td> </tr> <tr> <td>TOTAL LIABILITIES</td> <td>2,747,242,349</td> <td>1,439,947,819</td> <td>127,845</td> </tr> </table>	Tax debts	4,013	803	535	Other creditors becoming due and payable within one year	10,848,932	344,380	87,110	TOTAL LIABILITIES	2,747,242,349	1,439,947,819	127,845
Tax debts	4,013	803	535										
Other creditors becoming due and payable within one year	10,848,932	344,380	87,110										
TOTAL LIABILITIES	2,747,242,349	1,439,947,819	127,845										
B.24 Description of any material adverse change since the date of the Company's last published audited financial statements	There has been no material adverse change in the prospects of the Company since 31 December 2015, being the date of the Company's last published audited financial statements.												
B.25 Description of the underlying assets	<p>The assets securing the Notes comprise, among other things:</p> <p>(a) (i) a nominal amount of 1.00 per cent. bonds due 2023 issued by Credit Suisse Group Funding (Guernsey) Limited (ISIN CH0278341224) (the "CS Bond") and (ii) a nominal amount of 2.00 per cent. bonds due 2023 issued by The Goldman Sachs Group, Inc. (ISIN XS1265805090) (the "GS Bond") (each of (i) and (ii), a "Collateral Component"), determined, in the case of the CS Bond, by reference to the CHF equivalent or, in the case of the GS Bond, by reference to the EUR equivalent, of the portion of the net issue proceeds of each Class allocated to the relevant Collateral Component, or such other bonds issued by (i) any such issuer of a Collateral Component or (ii) any entity controlled, directly or indirectly, by any such issuer, any entity that controls, directly or indirectly, such issuer or any entity directly or indirectly under common control with any such issuer (any such entity, an "Affiliate" of such issuer) as may be determined by the Dealer as at the Collateral Event Observation Start Date (expected to be 28 June 2016) (any such alternative bond, an "Alternative Collateral Component" which shall be treated as a Collateral Component and, together with any other Collateral Component, the "Original Collateral");</p> <p>(b) the rights of the Issuer under the asset swap transactions relating to each Class of Notes (the "Asset Swap Transactions");</p> <p>(c) the rights of the Issuer under the equity swap transaction relating to the Class A Notes (the "Class A Equity Swap Transaction") referencing a basket of shares ("Equity Basket 1" and the "Class Equity Basket" in respect of the Class A Notes);</p> <p>(d) the rights of the Issuer under the equity swap transaction relating to the Class B Notes (the "Class B Equity Swap Transaction") referencing a basket of indices of shares</p>												

(the “**Equity Index Basket**” and the “**Class Equity Basket**” in respect of the Class B Notes);

- (e) the rights of the Issuer under the equity swap transaction relating to the Class C Notes (the “**Class C Equity Swap Transaction**”) referencing the Equity Index Basket (the “**Class Equity Basket**” in respect of the Class C Notes);
- (f) the rights of the Issuer under the equity swap transaction relating to the Class D Notes (the “**Class D Equity Swap Transaction**”) referencing a basket of shares (“**Equity Basket 2**” and the “**Class Equity Basket**” in respect of the Class D Notes); and
- (g) UBS Gearing Certificates (as defined below) with an aggregate nominal amount equal to the Aggregate Nominal Amount of the Class E Notes (the “**Equity Original Collateral**”) linked to a basket of funds (the “**Fund Basket**”).

The Original Collateral and the issuer(s) thereof (each, an “**Original Collateral Obligor**”) shall be notified to the Noteholders on or about the Issue Date.

The Asset Swap Transactions and the Class A Equity Swap Transaction, the Class B Equity Swap Transaction, the Class C Equity Swap Transaction and the Class D Equity Swap Transaction (together, the “**Equity Swap Transactions**”) will be entered into with the Swap Counterparty and governed by a 2002 ISDA Master Agreement and will become effective on the issue date of the Notes along with a credit support annex entered into by the same parties (the “**Credit Support Annex**”) under such 2002 ISDA Master Agreement (such 2002 ISDA Master Agreement, together with the confirmations documenting such Asset Swap Transactions, Equity Swap Transactions and Credit Support Annex, the “**Swap Agreement**”).

The Equity Original Collateral will be issued by UBS AG, London Branch (the “**Equity Original Collateral Obligor**”) and documented by way of final terms dated 9 May 2016 in connection with the base prospectus dated 8 January 2016 (as supplemented from time to time) of the Equity Original Collateral Obligor (the “**UBS Gearing Certificates**”).

Under the Credit Support Annex, if the Issuer has an exposure to the Swap Counterparty under the Asset Swap Transactions (in the case of each Class of Notes) and the Equity Swap Transactions (in the case of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes) (meaning that the Swap Agreement is of value to the Issuer at that time), the Swap Counterparty may be required to deliver to the Custodian certain securities meeting criteria set out in the Credit Support Annex (such securities, “**Eligible Securities**”). For so long as the Custodian (on behalf of the Issuer) is holding any Eligible Securities, they shall also comprise underlying assets for the Notes. However, the Issuer or the Trustee shall only be entitled to realise the value of such Eligible Securities in limited circumstances (being, in effect, where the Notes are to redeem in whole early). Similarly, if the Swap Counterparty has an exposure to the Issuer, the Issuer may be

	<p>required to deliver some or all of the Original Collateral to the Swap Counterparty under the Credit Support Annex, in which case such assets as delivered cease to be underlying assets for the Notes.</p> <p>Credit Suisse International, whose business is banking and financial services and which is incorporated in England and Wales, is the Swap Counterparty as at the Issue Date.</p>
B.26 Parameters within which an actively managed pool of assets backing the issue is managed	Not applicable - neither the Issuer nor any third party will actively manage a pool of assets backing the issue.
B.27 Statement regarding fungible issues	Not applicable – the Issuer may create and issue further notes secured by additional Mortgaged Property so that such further notes will be consolidated and form a single series with this Series.
B.28 Description of the structure of the transaction	<p>On 14 July 2016 (the “Issue Date”), (i) the Issuer will, subject to the provisions of the Securitisation Act 2004, use the proceeds of the issue of the Notes to pay the commission to the Dealer and to purchase the Original Collateral and the Equity Original Collateral and will enter into the Asset Swap Transactions and the Equity Swap Transactions; and (ii) the Dealer will, in consideration for receiving the Notes, procure that the Swap Counterparty enters into the Asset Swap Transactions and the Equity Swap Transactions with the Issuer.</p> <p>Return</p> <p>Provided that the Notes are not redeemed early, each Class of Notes will redeem on its scheduled maturity date at an amount equal to its nominal amount <i>plus</i> (a) an equity-linked or equity index-linked Additional Payout Amount (linked to the Equity Swap Transaction relating to such Class of Notes and as described below) (in the case of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes) or (b) a certificate-linked Additional Payout Amount (linked to the Equity Original Collateral and as described below) (in the case of the Class E Notes). Where a Collateral Event has occurred, whilst the Additional Payout Amount due on the scheduled maturity date will be the same, the remaining principal amount due in respect of a Note of any Class will be proportionately reduced following liquidation of the Collateral Component and payment of early cash redemption amount(s) in respect of such Class of Notes.</p> <p>The Issuer is expected to fund payments on each Class of Notes due on their scheduled maturity date out of the corresponding amounts that it expects to receive from the Swap Counterparty under (a) the relevant Asset Swap Transaction and (b) the relevant Equity Swap Transaction (in the case of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes) or the corresponding amount it expects to receive from the Equity Original Collateral Obligor in respect of the Equity Original Collateral (in the case of the Class E Notes).</p> <p>Under the Asset Swap Transactions (i) the Issuer agrees to pay the amount in respect of interest and/or principal scheduled to be paid on each Collateral Component as at the Collateral Event</p>

Observation Start Date (expected to be 28 June 2016) to the Swap Counterparty on the business day immediately following the day on which such payments are due to be paid in respect of the relevant Collateral Component (save that where the redemption date of any Collateral Component falls after the Maturity Date of the Notes, the Issuer shall deliver such Collateral Component to the Swap Counterparty rather than making a payment to the Swap Counterparty) and (ii) the Swap Counterparty agrees to pay an amount equal to the outstanding principal amount of the relevant Class of Notes to the Issuer on the business day immediately prior to the scheduled maturity date.

The scheduled maturity date of each Class of Notes is expected to be 3 August 2023, which may be extended due to (i) any postponement in the settlement of the Equity Swap Transaction or the Equity Original Collateral (as applicable) relating to such Class of Notes and (ii) the determination by the Calculation Agent that facts exist which may (assuming the expiration of any applicable grace period) amount to a Collateral Event.

The Notes may partially redeem early following the occurrence of certain events in respect of a Collateral Component (which include the Collateral Component becoming payable prior to its scheduled maturity and certain failures to make payments in respect of the Collateral Component (each, a “**Collateral Event**”). None of the Distributor, the Issuer, the Dealer, the Trustee, any Agent or the Swap Counterparty have any obligation to monitor whether any Collateral Event has occurred or may occur in respect of any Collateral Component and/or any other developments in respect of a Collateral Component or an Original Collateral Obligor (either prior to the Issue Date or afterwards).

If a Collateral Event occurs in relation to a Collateral Component (such Collateral Component, the “**Affected Collateral Component**”), in respect of a Class of Notes: (i) the nominal amount of each Note of such Class shall be reduced by an amount equal to the proportion of the Affected Collateral Component relating to such Class compared to the total Original Collateral; (ii) the Disposal Agent shall, on behalf of the Issuer, sell the Affected Collateral Component relating to such Class of Notes; (iii) the Calculation Agent shall determine the relevant value of the asset swap transaction relating to such Class of Notes (the “**Partial Class Asset Swap Value**”); and (iv) each Note of such Class will be partially redeemed by payment to each Noteholder of an amount equal to its *pro rata* proportion of the proceeds of the sale, *plus* (if due to the Issuer) or *minus* (if due to the Swap Counterparty) the absolute value of the Partial Class Asset Swap Value (such amount, the “**Collateral Event Early Cash Redemption Amount**”).

The “**Additional Payout Amount**” for a Note of each Class of Notes will be its *pro rata* share of:

- (i) in respect of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes, any final exchange amount payable by the Swap Counterparty to the Issuer on the settlement of the Equity Swap Transaction relating to the relevant Class of Notes (the “**Swap Counterparty Equity Final Exchange Amount**”). The Swap

	<p>Counterparty Equity Final Exchange Amount will be dependent on the performance of the Class Equity Basket and the participation percentage (the “Participation”) applicable to such Equity Swap Transaction (determined by the Issuer, or the Calculation Agent on its behalf). The Participation:</p> <ul style="list-style-type: none"> (a) in respect of the Class A Notes, is expected to be 100% (indicative only) but which may be higher or lower and in any event shall not be less than 75%; (b) in respect of the Class B Notes, is expected to be 100% (indicative only) but which may be higher or lower and in any event shall not be less than 75%; (c) in respect of the Class C Notes, is expected to be 200% (indicative only) but which may be higher or lower and in any event shall not be less than 160%; and (d) in respect of the Class D Notes, is expected to be 100% (indicative only) but which may be higher or lower and in any event shall not be less than 75%. <p>The Participation applicable to each of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes will be determined and notified to the Noteholders on or about the Issue Date; and</p> <ul style="list-style-type: none"> (ii) in respect of the Class E Notes, any redemption amounts payable by the Equity Original Collateral Obligor to the Issuer on the settlement of the Equity Original Collateral in respect of the Class E Notes (the “Equity Original Collateral Redemption Amount”). The Equity Original Collateral Redemption Amount will be dependent on the performance of the Fund Basket and the Participation applicable under the terms of the Equity Original Collateral and could be zero. The Participation in respect of the Class E Notes (which will be determined in accordance with the terms of the Equity Original Collateral) is expected to be 140% (indicative only) but may be higher or lower and in any event shall not be less than 100%. <p>The Participation applicable to the Class E Notes will be determined under the terms of the Equity Original Collateral, and will be notified to the Noteholders on or about the Issue Date.</p>
<p>B.29 Description of the flow of funds and other material forms of credit enhancement and providers thereof</p>	<p>The Swap Counterparty is Credit Suisse International, a company incorporated in England and Wales, whose business is banking and financial services.</p> <p>The Original Collateral Obligors are expected to be: (i) Credit Suisse Group Funding (Guernsey) Limited, a non-cellular company incorporated in Guernsey, limited by shares, whose principal activities involve issuing debt securities and (ii) The Goldman Sachs Group, Inc., a global investment banking, securities and investment management company established under the laws of the State of Delaware, but may be an Affiliate of either of such entities.</p> <p>The Equity Original Collateral Obligor is expected to be UBS AG,</p>

	<p>a company incorporated in Switzerland, whose business is banking and wealth management.</p> <p>In relation to each Class of Notes, (i) the Issuer will, subject to the provisions of the Securitisation Act 2004, use the proceeds of the issue of the Notes to purchase the Original Collateral and the Equity Original Collateral and will enter into the Asset Swap Transactions and the Equity Swap Transactions; and (ii) the Dealer will, in consideration for receiving the Notes, procure that the Swap Counterparty enters into the Asset Swap Transactions and the Equity Swap Transactions with the Issuer.</p> <p>Under the Asset Swap Transactions, the Issuer will make payments equal to the interest and/or principal that is scheduled to be paid under the Original Collateral (save that where the redemption date of any Collateral Component falls after the Maturity Date of the Notes, the Issuer shall deliver such Collateral Component to the Swap Counterparty rather than making a payment to the Swap Counterparty) in return for receiving payments to satisfy its scheduled payment obligations on the Notes. The Credit Support Annex comprising part of the Swap Agreement is intended to provide the Issuer with a degree of protection against its exposure to the Swap Counterparty thereunder, by requiring the Swap Counterparty to post an amount of Eligible Securities to the Issuer when certain thresholds are met (and will also require the Issuer to post an amount of Eligible Securities to the Swap Counterparty when certain thresholds are met).</p> <p>In relation to each Class of Notes, subject to the netting of payments under the Swap Agreement and the occurrence of an Early Redemption Event, the final amount receivable by the Issuer under the Asset Swap Transaction relating to such Class, the Swap Counterparty Equity Final Exchange Amount (if any) receivable by the Issuer under the Equity Swap Transactions and the Equity Original Collateral Redemption Amount (as applicable) relating to such Class shall be applied to make payments on the Notes of such Class. Where a Collateral Event has occurred, payment of the Collateral Event Early Cash Redemption Amount in respect of a Class of Notes shall be funded by the proceeds of the sale of the Affected Collateral Component relating to such Class of Notes and, where the Partial Class Asset Swap Value is due to the Issuer, an amount receivable by the Issuer under the Asset Swap Transaction (save that where the Partial Class Asset Swap Value is due to the Swap Counterparty, the absolute value of such amount shall be deducted from the proceeds of the Affected Collateral Component and shall be payable by the Issuer to the Swap Counterparty under the Asset Swap Transaction).</p>
<p>B.30 The name and description of the originators of the securitised assets</p>	<p>The Swap Counterparty will be Credit Suisse International, a company incorporated in England and Wales, whose business is banking and financial services.</p> <p>The Original Collateral Obligors are expected to be: (i) Credit Suisse Group Funding (Guernsey) Limited, a non-cellular company incorporated in Guernsey, limited by shares, whose principal activities involve issuing debt securities and (ii) Goldman Sachs Group, Inc., a global investment banking, securities and investment management company established under the laws of the State of</p>

	<p>Delaware, but may be an Affiliate of either of such entities.</p> <p>UBS AG, a company incorporated in Switzerland, whose business is banking and wealth management.</p>
C.1 Type and class of securities being offered	<p>In respect of the Class A Notes:</p> <p>Up to SEK 200,000,000 Secured Repackaged Equity-Linked Notes due 2023</p> <p>ISIN: XS1261173535 Common Code: 126117353</p> <p>In respect of the Class B Notes:</p> <p>Up to SEK 200,000,000 Secured Repackaged Equity Index-Linked Notes due 2023</p> <p>ISIN: XS1261171083 Common Code: 126117108</p> <p>In respect of the Class C Notes:</p> <p>Up to SEK 200,000,000 Secured Repackaged Equity Index-Linked Notes due 2023</p> <p>ISIN: XS1261176801 Common Code: 126117680</p> <p>In respect of the Class D Notes:</p> <p>Up to SEK 200,000,000 Secured Repackaged Equity-Linked Notes due 2023</p> <p>ISIN: XS1261170275 Common Code: 126117027</p> <p>In respect of the Class E Notes:</p> <p>Up to SEK 200,000,000 Secured Repackaged Certificate-Linked Notes due 2023</p> <p>ISIN: XS1261171240 Common Code: 126117124</p>
C.2 Currency	The Notes will be denominated in Swedish Krona (“ SEK ”).
C.5 Description of restrictions on free transferability of the Notes	The Notes will be freely transferable, subject to certain selling restrictions applying to offers, sales or transfers of Notes under the Prospectus Directive 2003/71/EC (as amended by Directive 2010/73/EU) and applicable laws in Ireland and Sweden.
C.8 Rights attaching to and ranking of Notes	<p>The Notes will have rights relating to, among other matters:</p> <p>Status and Security</p> <p>The Notes of each Class will represent secured, limited recourse obligations of the Issuer, ranking <i>pari passu</i> amongst themselves. In addition, the Notes of each Class will rank <i>pari passu</i> with the Notes in respect of the other Classes. Accordingly, following the enforcement of the security (as described below), the claims of Noteholders of each Class will be allocated to amounts received or recovered in respect of the Mortgaged Property (as described below) on a <i>pari passu</i> and <i>pro rata</i> basis, following the satisfaction</p>

of the higher-ranking claims of the other Secured Creditors in accordance with the priority of claims (as described below).

The Issuer will grant to the Trustee to secure its obligations in respect of the Notes and the Swap Agreement:

- (a) a first ranking pledge (“*gage de premier rang*”) over all of the Pledged Collateral (which comprises the Original Collateral, the Equity Original Collateral and any Eligible Securities delivered to the Issuer by the Swap Counterparty from time to time and held by the Custodian (on behalf of the Issuer)) under Luxembourg law (the “**Luxembourg Pledge**”); and
- (b) in addition, but subject, to the Luxembourg Pledge, the following security under English law:
 - (i) an assignment by way of security of all the Issuer’s rights, title and interest attaching or relating to the Collateral (which comprises the Original Collateral, the Equity Original Collateral and any Eligible Securities delivered to the Issuer by the Swap Counterparty from time to time and held by the Custodian (on behalf of the Issuer) (together, the “**Collateral**”)) and all property, sums or assets derived therefrom, including, without limitation, any right to delivery thereof or to an equivalent number or nominal value thereof which arises in connection with any such assets being held in a clearing system or through a financial intermediary;
 - (ii) an assignment by way of security of the Issuer’s rights, title and interest against the Custodian, to the extent that they relate to the Collateral and/or the Notes;
 - (iii) an assignment by way of security of the Issuer’s rights, title and interest under the Agency Agreement, to the extent they relate to the Collateral and/or the Notes;
 - (iv) an assignment by way of security of the Issuer’s rights, title and interest under the Swap Agreement (without prejudice to, and after giving effect to, any contractual netting provision contained in the Swap Agreement);
 - (v) an assignment by way of security of the Issuer’s rights, title and interest under the Agency Agreement, to the extent that they relate to any assets held by the Custodian in respect of the Notes;
 - (vi) an assignment by way of security of the Issuer’s rights against the Disposal Agent under the terms of the Agency Agreement (or any other agreement entered into between the Issuer and the Disposal Agent) to the extent that such rights relate to the Collateral and/or the Notes;
 - (vii) a first fixed charge over (A) all sums held by the Issuing and Paying Agent to meet payments due in respect of the Issuer’s secured payment obligations and (B) any sums received by the Issuing and Paying Agent under the Swap Agreement; and
 - (viii) a first fixed charge over all property, sums and assets held

or received by the Disposal Agent relating to the Transaction Documents and the Collateral,

the foregoing being the “**Mortgaged Property**”.

Investors should note that where any Collateral and/or any property, assets and sums derived therefrom are held by the Custodian in book-entry form, the security interests granted in respect of the same might, as a result of such book-entry holding, take the form only of a security interest over the Issuer’s rights against the Custodian in respect of such Collateral and/or property, sums and assets, as the case may be, rather than a charge over such Collateral and/or property, sums and assets derived therefrom themselves.

Limited Recourse and Non-Petition

All payments to be made by the Issuer under the Notes and the Swap Agreement will be made only from, and to the extent of, the sums received or recovered by or on behalf of the Issuer or the Trustee in respect of the Mortgaged Property in accordance with the order of priority outlined below. All deliveries and payments by the Issuer under the Notes and the Swap Agreement will only be made from and to the extent of the Mortgaged Property in accordance with such order of priority.

If the net proceeds of the Notes and the net proceeds of the realisation of the Mortgaged Property are not sufficient to make all payments due in respect of the Notes and due to each other creditor relating to the Notes, no other assets of the Company will be available to meet such shortfall and the claims of the Noteholders and any other creditors relating to such Notes in respect of any such shortfall shall be extinguished.

Any shortfall shall be borne by the Noteholders of each Class (on a *pari passu* and *pro rata* basis) and such shortfall shall be so borne by the Noteholders, together with the Swap Counterparty and the other Secured Creditors (in respect of amounts owed to them) in the reverse of the order of priority outlined below.

Furthermore, no party will be able to petition for the winding-up of the Company as a consequence of any such shortfall or launch proceedings against the Company.

Priority of Claims

Amounts received or recovered following any liquidation or enforcement of the security in respect of the Mortgaged Property shall be applied in the following order of priority: (i) amounts owing to the Swap Counterparty pursuant to the Credit Support Annex (which shall be equal to the lesser of (A) the Available Proceeds, (B) the value of the Swap Counterparty’s Credit Support Balance and (C) the value of the amounts owing to the Swap Counterparty under the Swap Agreement (which shall be deemed to be zero if no such amounts are owing)), (ii) the Issuer’s share of the payment or satisfaction of all taxes owing by the Company, (iii) the fees, costs, charges, expenses and liabilities due and payable to the Trustee including costs incurred in the enforcement of the security (including any taxes to be paid, legal fees and remuneration), (iv) certain amounts owing to the Custodian, the Issuing and Paying Agent, the Registrar, the Transfer Agent and the other Agents in

respect of reimbursement for sums paid by them in advance of receipt by them of the funds to make such payment and fees, costs, charges, expenses and liabilities, (v) fees of the Disposal Agent, (vi) any amounts owing to the Swap Counterparty under the Swap Agreement (in the event not already satisfied in accordance with (i) above), (vii) the Issuer's share of fees of the Corporate Services Provider owing by the Company and (viii) amounts owing to the Noteholders on a *pari passu* and *pro rata* basis.

Negative Pledge/Restrictions

There is no negative pledge. However, so long as any Note remains outstanding, the Issuer will not, without the consent of the Trustee and the Swap Counterparty, engage in any business other than the issuance or entry into of bonds, notes or other securities or the entry into of loans or other agreements for the payment or repayment of borrowed money, subject to the provisions of the Securitisation Act 2004 and the articles of incorporation of the Company, and provided always that such obligations are secured on assets of the Issuer other than the Company's share capital and those assets securing any other obligations of the Issuer and that they are entered into on a limited recourse and non-petition basis. In addition, the Issuer will be subject to certain other restrictions including that it will not, without the consent of the Trustee and the Swap Counterparty, declare any dividends, have any subsidiaries or employees, purchase, own, lease or otherwise acquire any real property, consolidate or merge with any other person, convey or transfer its properties or assets substantially as an entity to any person (other than as contemplated by the Conditions) or issue any further shares.

Events of Default

In respect of each Class of Notes, the conditions of the Notes contain the following events of default (each an "**Event of Default**"):

- (i) default is made for more than 14 days in the payment of any Instalment Amount in respect of such Class of Notes or any of them, other than any Instalment Amount due and payable on the Maturity Date;
- (ii) the Issuer does not perform or comply with any one or more of its other obligations under such Class of Notes or the Trust Deed which default is incapable of remedy or, if in the opinion of the Trustee such default is capable of remedy, is not in the opinion of the Trustee remedied within 30 days after notice of such default shall have been effectively given to the Issuer by the Trustee; or
- (iii) the occurrence of certain bankruptcy and insolvency related events or proceedings.

Early Redemption

The Notes may be redeemed early in any of the following circumstances:

- (i) the Asset Swap Transactions or, in respect of the Class A Notes, the Class B Notes, the Class C Notes and the Class

	<p>D Notes, the Equity Swap Transactions are terminated, or the Swap Agreement as a whole is terminated;</p> <p>(ii) following the occurrence of a Collateral Event (as described in more detail above) or, in respect of the Class E Notes, an Equity Collateral Event;</p> <p>(iii) upon the occurrence of certain insolvency events with respect to the Swap Counterparty or the occurrence of an Event of Default or a Termination Event under Swap (each as defined in the Swap Agreement);</p> <p>(iv) certain tax events occur in respect of payments due by the Issuer under the Notes, but not instances where (x) withholding or deduction of taxes on the Notes arises solely in respect of FATCA; (y) withholding or deduction of taxes on the Notes arises solely as a result of the Noteholder's connection with the jurisdiction of incorporation of the Issuer (otherwise than by reason of the holding of any Note or receiving any payment in respect thereof); and (z) a withholding or deduction is imposed pursuant to European Council Directive 2003/48/EC (or any other directive implementing the conclusions of the ECOFIN Council Meeting of 26-27 November 2000);</p> <p>(v) due to the adoption of, or any change in, any applicable law after the Issue Date, or 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 after such date, it becomes unlawful for the Issuer (i) to perform any absolute or contingent obligation to make a payment or delivery in respect of the Notes or any agreement entered into in connection with the Notes, (ii) to hold any Collateral or to receive a payment or delivery in respect of any Collateral or (iii) to comply with any other material provision of any agreement entered into in connection with the Notes; or</p> <p>(vi) an Event of Default occurs with respect to the Notes (as described in more detail above).</p> <p>Meetings</p> <p>The conditions of the Notes will contain provisions for convening meetings of (i) Noteholders of a Class to consider the relevant matters solely affecting such Class and (ii) Noteholders of each Class to consider matters affecting their interests generally. These provisions permit defined majorities to bind all holders, including holders who did not attend and vote at the relevant meeting and holders who voted in a manner contrary to the majority.</p> <p>Governing Law</p> <p>The Notes are governed by English law. Articles 86 to 97 of the Luxembourg act dated 10 August 1915 on commercial companies, as amended, are excluded and the Luxembourg Pledge shall be governed by Luxembourg law.</p>
<p>C.9 Interest and yield; name of representative of debt</p>	<p>See C.8 above, plus:</p>

<p>Noteholders</p>	<p>Interest</p> <p>None of the Notes bear interest.</p> <p>Redemption</p> <p>See Element B.28 for information regarding redemption.</p> <p>Noteholder Facilitator</p> <p>Garantum Fondkommission AB (or any successor entity thereto) is the Noteholder Facilitator. However, the Noteholder Facilitator has limited rights, limited to selecting replacement swap counterparties and agents upon the occurrence of a Replacement Event in respect of the Swap Agreement.</p> <p>Garantum Fondkommission AB also acts as Distributor.</p> <p>Name of representative of debt security holders</p> <p>BNY Mellon Corporate Trustee Services Limited (acting in its capacity as Trustee).</p>
<p>C.10 Explanation on how the interest amount is affected by the value of the underlying</p>	<p>Not applicable - the Notes do not bear interest.</p>
<p>C.11 Listing and admission to trading of the Notes</p>	<p><i>Listing and Admission to Trading</i></p> <p>Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the regulated market of the Irish Stock Exchange and to be admitted to the Official List of the Irish Stock Exchange on or about the Issue Date. Application has also been made for the Notes to be admitted to trading and listed on the regulated market of the NASDAQ OMX Stockholm AB.</p> <p><i>Distribution</i></p> <p>The Notes may be offered to the public in Sweden.</p>
<p>C.12 Minimum Denomination</p>	<p>The minimum denomination of each Class of Notes will be SEK 10,000.</p>
<p>D.2 Key information on the key risks that are specific to the Issuer</p>	<p>In purchasing the Notes of a Class, investors assume certain risks which could materially adversely affect the Issuer and its ability to make payments due under each Class of Notes. These risks include the following:</p> <p>Securitisation Act 2004 and Compartments: The Company is established as a société anonyme (public limited liability company) within the meaning of the Securitisation Act 2004, which means that claims against the Company by the Noteholders will be limited to the net proceeds of each Series of Notes and to the Collateral relating to such Series included in the relevant Compartment.</p> <p>The Issuer is a special purpose vehicle: The Issuer has, and will have, no assets other than its issued and paid-up share capital, fees (as agreed) payable to it in connection with the issue of each Class of Notes or entry into other obligations from time to time and any Mortgaged Property and any other assets on which the Series of Notes or other obligations are secured.</p> <p>Contracting on limited recourse basis: The right of Noteholders</p>

	<p>to participate in the assets of the Issuer is limited to the net proceeds of each Class of Notes and to the Mortgaged Property relating to the Series of Notes.</p> <p>Allocation of Liabilities Among All Noteholders: Any liability which is not a Series-specific liability (that is, it does not relate to any Compartment in respect of which any Series of Notes is issued), which is not otherwise funded, may be apportioned between the Series.</p> <p>Consequences of Winding-up Proceedings: The Company is insolvency-remote, not insolvency-proof.</p> <p>Fees and Expenses: Fees and expenses payable by the Issuer in respect of each Class of Notes (including fees payable to the Arranger and/or the Trustee) may rank senior to payments of principal of each Class of Notes.</p> <p>Possibility of U.S. withholding tax on payments: The application of U.S. withholding tax to payments by the Issuer is not clear on the date of the Prospectus.</p> <p>Regulation of the Issuer by any regulatory authority: The Issuer is not required to be licensed, registered or authorised under any current securities, commodities, insurance or banking laws or regulations of its jurisdiction of incorporation, save for registration with the RCS in Luxembourg and the CSSF's approval. However, any additional requirement to be licensed or authorised could have an adverse effect on the Issuer and on the Noteholders of each Class of Notes.</p> <p>Anti-money laundering: The Issuer may be subject to anti-money laundering legislation in its jurisdiction of incorporation.</p>
<p>D.3 Key information on the key risks that are specific to the debt securities</p>	<p>Limited recourse obligations: Each Class of Notes are direct, secured, limited recourse obligations of the Issuer payable solely out of the Mortgaged Property over which security is given by the Issuer in favour of the Trustee on behalf of the Noteholders and other Secured Creditors.</p> <p>Security: Each Class of Notes will have the benefit of Luxembourg and English law-governed security interests which are granted to the Trustee over the Collateral allocated to the Compartment.</p> <p>Meetings of Noteholders and modification: The Conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally (or Noteholders of a Class to consider certain matters solely affecting such Class) and permit defined majorities or the Trustee to bind all Noteholders (or Noteholders of a Class).</p> <p>Trustee indemnity and remuneration: The Trustee is not required to give notice to the Issuer of its determination that, in respect of a Class, an Event of Default has occurred or determine that an Enforcement Event has occurred or enforce the security unless directed by an Extraordinary Resolution passed by the Noteholders of the relevant Class. Prior to taking any action following direction by the Noteholders of the relevant Class, the Trustee may require to be indemnified and/or secured and/or pre-funded to its satisfaction and may decide not to take such action without being indemnified</p>

and/or secured and/or pre-funded to its satisfaction. So long as any Note is outstanding, the Issuer should pay the Trustee remuneration for its services. Such remuneration may reduce the amount payable to the Noteholders of the relevant Class.

Priority of Claims: Following a liquidation or on an enforcement of the security, the rights of the Noteholders to be paid amounts or delivered assets due under each Class of Notes will be subordinated.

No gross-up: The Noteholders of a Class will not be entitled to receive grossed-up amounts if any withholding tax or deduction for tax is imposed on payments in respect of such Class of Notes.

Early Redemption: The amount payable to Noteholders of a Class on an early redemption of such Class may be significantly lower than their initial investment and may even be zero as a result of an Early Redemption Event (for example following certain tax events in respect of the Issuer) where the net proceeds of the realisation of the Collateral are not, when taken with the amounts payable to the Issuer under the Swap Agreement, sufficient to discharge all payment obligations in accordance with the applicable priority payments.

Market Value of Notes: The market value of each Class of Notes will be volatile.

Offer Period: The Issuer reserves the right to refrain from commencing the offer of the Notes prior to the commencement of the Offer Period or withdrawing the offer of each Class of Notes at any time during the Offer Period.

Exposure to Credit Suisse International: Credit Suisse International acts as the Swap Counterparty under the Swap Agreement, as well as Disposal Agent and Calculation Agent and, as such, Noteholders are exposed to the credit risk of Credit Suisse International in each of these capacities.

Nature of the Notes: Each Class of Notes is highly complex investments that involve substantial risks. Prospective investors may lose part, or in circumstances where (i) a Collateral Event occurs in respect of all Collateral Components and the net proceeds of the realisation of the Collateral are not, when taken with the amounts payable to the Issuer under the Swap, sufficient to discharge all payment obligations in accordance with the applicable priority payments; and (ii) the Issuer is not entitled to a final payment under the Equity Swap Transaction or in respect of the Equity Original Collateral (as applicable), substantially all of their investment.

Equity Linkage through the Equity Swap Transactions: In respect of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes, the return to an investor on the scheduled maturity date will, in part, depend on the Equity Swap Transaction referencing the performance of the relevant Class Equity Basket and which may be affected by factors including:

- the performance of the basket of shares or the basket of indices of shares, as applicable, referenced in the relevant Class Equity Basket;
- the percentage “Participation” applied to the relevant Equity

	<p>Swap Transaction; and</p> <ul style="list-style-type: none"> potential disruption events and/or adjustments in respect of the relevant Equity Swap Transaction. <p>Certificate Linkage through the Equity Original Collateral: In respect of the Class E Notes, the return to an investor on the maturity date will, in part, depend on the return on the Equity Original Collateral referencing the performance of the Fund Basket and which may be affected by factors including:</p> <ul style="list-style-type: none"> the performance of the basket of funds referenced in the Fund Basket; the percentage “Participation” applied under the terms of the Equity Original Collateral; and potential disruption events and/or adjustments in respect of the Equity Original Collateral. <p>Sale of the Collateral: There can be no assurance that any amount realised from the sale of the Collateral will be equal to the amount otherwise payable by the Swap Counterparty as a result of the early termination of the Swap Agreement.</p> <p>Replacement of the Swap Counterparty: It is possible that the identity of the Swap Counterparty will change, and accordingly, the credit exposure of the Issuer and Noteholders to the Swap Counterparty may also change.</p> <p>Substitution of the Equity Original Collateral Obligor: It is possible that the identity of the Equity Original Collateral Obligor will change pursuant to the terms of the Equity Original Collateral, and accordingly, the credit exposure of the Issuer and the Noteholders to the Equity Original Collateral Obligor may also change.</p> <p>Payments of Commissions to the Dealer and Distributor: Commissions will be paid to the Dealer, out of which commission will be paid to Distributor.</p> <p>Possibility of U.S. withholding tax on payments: The application of U.S. withholding tax to payments by the Issuer is not clear on the date of the Prospectus, which has consequential impact on liquidity, credit, increased regulation and nationalisation and systematic risk.</p> <p>Recent Global Events: Since mid-2007, the global economy and financial markets have experienced extreme levels of instability.</p> <p>Foreign Exchange Risk: Noteholders shall be exposed to foreign exchange risk of EUR, CHF and/or any other currency in respect of which Eligible Securities or the funds comprised in the Fund Basket are denominated in against SEK.</p> <p>No disclosure of information; disclosure of confidential information: No Class of Notes creates any obligation on the part of the Issuer or Credit Suisse International or any other person to disclose to any Noteholder any relationship or information (whether or not confidential).</p>
<p>E.2b Reasons for offer and use of proceeds when different from</p>	<p>The net proceeds of the issue of the Notes will be applied by the Issuer, subject to the provisions of the Securitisation Act 2004, to</p>

<p>making profit and/or hedging certain risks</p>	<p>the purchase the Original Collateral and the Equity Original Collateral and pay the applicable Commission to the Dealer.</p> <p>In consideration for the issue of the Notes by the Issuer, the Dealer will procure that the Swap Counterparty will enter into the Asset Swap Transactions and the Equity Swap Transactions with the Issuer.</p>
<p>E.3 Terms and conditions of offer</p>	<p>Offer Period</p> <p>Applications to subscribe for the Notes may be made during the Offer Period (from 16 May 2016 to 22 June 2016), subject to passporting of the Prospectus into Sweden.</p> <p>Early Closing of the Subscription of the Notes</p> <p>The Issuer reserves the right for any reason to close the Offer Period early.</p> <p>Any early closure of the Offer will be published on the Irish Stock Exchange's website (www.ise.ie).</p> <p>Description of the application and settlement process</p> <p>A prospective investor should contact the Distributor (Garantum Fondkommission AB) during the Offer Period. A prospective investor will acquire the Notes in accordance with the arrangements existing between the Distributor and its customers relating to the subscription of securities generally and not directly with the Issuer or the Dealer.</p> <p>Persons interested in purchasing Notes should contact their financial adviser. If an investor in any jurisdiction other than Sweden wishes to purchase Notes, such investor should (a) be aware that sales in the relevant jurisdiction may not be permitted due to selling restrictions and thus that the application may be rejected by the Distributor; and (b) contact its financial adviser, bank or financial intermediary for more information.</p> <p>The Notes will be issued on the Issue Date against payment to the Issuer of the net subscription moneys by debit of a cash amount on or before the Issue Date or in accordance with other procedures specified by the Distributor. Allotted Notes will be delivered to a securities account of each Noteholder as soon as practicable after the Issue Date.</p> <p>Offer Price</p> <p>In respect of each Class of Notes, Notes will be offered by the Distributor at the Issue Price in respect of such Class <i>plus</i> a subscription fee of up to 2% of such Issue Price. Such subscription fee shall be charged by and payable to the Distributor, and, for the avoidance of doubt, shall not be payable by the Issuer or the Swap Counterparty.</p> <p>Conditions to which the offer is subject and results of the offer</p> <p>Offers of the Notes are conditional on their issue. The Issuer will in its sole discretion determine the final amount of Notes issued up to a limit of SEK 200,000,000 in respect of the Class A Notes, SEK 200,000,000 in respect of the Class B Notes, SEK 200,000,000 in respect of the Class C Notes, SEK 200,000,000 in respect of the</p>

	<p>Class D Notes and SEK 200,000,000 in respect of the Class E Notes. Notes will be allotted subject to availability in the order of receipt of investors' applications. The Initial Aggregate Nominal Amount of the Series issued will be determined by the Issuer in light of prevailing market conditions, and in its sole and absolute discretion depending on the amount of Notes which have been agreed to be purchased as of 22 June 2016. The precise Initial Nominal Amount of the Series to be issued will be published on the Irish Stock Exchange's website (www.ise.ie) and filed with the Central Bank.</p>
<p>E.4 Interest material to the offer including conflicts of interests</p>	<p>The total commission payable by the Issuer to the Dealer in respect of the issue of the Notes will not exceed 6.5% of the Aggregate Nominal Amount of the Notes issued. The Issuer will fund the payment of such commission using a portion of the issue proceeds. The Dealer will use such commission payable by the Issuer to pay a corresponding commission to the Distributor.</p> <p>Various potential and actual conflicts of interest may arise between the interests of the Noteholders and Credit Suisse International, in its roles as the Swap Counterparty, as a result of the various businesses, management, investment and other activities of Credit Suisse International in respect of itself and in relation to an Original Collateral Obligor and/or the Equity Original Obligor.</p>
<p>E.7 Estimated expenses charged to the investor</p>	<p>Noteholders will be charged up to 2% of the Issue Price of the Notes by, and payable to, Garantum Fondkommission AB in its capacity as Distributor of the Notes.</p>

RISK FACTORS

The purchase of the Notes may involve substantial risks and is suitable only for sophisticated purchasers who have the knowledge and experience in financial and business matters necessary to enable them to evaluate the risks and the merits of an investment in the Notes. The Issuer believes that the following factors may affect either its ability to fulfil its obligations under the Notes or the performance of the Notes. Some of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. The Issuer believes that the factors described below, together with the risk factors set out in the Base Prospectus, represent the principal risks inherent in investing in the Notes, but the inability of the Issuer to pay principal (including any Additional Payout Amount) or other amounts on or in connection with the Notes may occur for other reasons and the Issuer does not represent that the statements below regarding the risks of holding any Notes are exhaustive.

Prospective investors should also read the Base Prospectus (including the section entitled “Risk Factors” on page 18 thereof) and the detailed information set out elsewhere in this Prospectus, including, without limitation:

- (a) the section entitled “Transaction Description”;*
- (b) the section entitled “Questions and Answers”;*
- (c) the section entitled “Description of the Company and the Compartment”;*
- (d) the section entitled “Description of the Swap Agreement”;*
- (e) the section entitled “Description of the Asset Swap Transactions”;*
- (f) the section entitled “Description of the Equity Swap Transactions”;*
- (g) the section entitled “Description of the Equity Original Collateral”;*
- (h) the section entitled “Description of the Equity Original Collateral Obligor”;*
- (i) the section entitled “Description of Credit Suisse International”;*
- (j) the section entitled “Description of the Original Collateral Obligors”; and*
- (k) the section entitled “Description of the Original Collateral”,*

and, in the light of their own financial circumstances and investment objectives, reach their own views prior to making any investment decision.

Prospective investors must note that the potential return on the Notes is not expected to be the same across the Classes for the reasons outlined in more detail below and in the other sections of this Prospectus.

Offer Period

The Issuer reserves the right to refrain from commencing the offer of the Notes prior to the commencement of the Offer Period or withdrawing the offer of the Notes at any time during the Offer Period. If the offer of such Notes is withdrawn, such offer will be null and void. In such case, any amounts paid by an investor to the Distributor in relation to the purchase of any Notes will be returned to such investor by the Distributor but, depending on the agreement(s) in place between the investor and the Distributor and/or the Distributor’s distribution policies, interest may or may not accrue on such amounts. There may also be a time lag between the cancellation or withdrawal of the offer as applicable, and the return of any such amounts and, unless otherwise agreed with, and paid by, the Distributor, no amount will be payable to investors as compensation in respect thereof and investors may be subject to reinvestment risk.

In addition, the Issuer may close the offer of Notes early, whether or not subscriptions have reached the maximum size of the offer, by immediately suspending the acceptance of further subscription requests and by giving notice thereof. In such circumstances, the early closing of the offer will have an impact on the aggregate amount of the Notes issued and therefore may have an effect on the liquidity of the Notes.

Furthermore, in certain circumstances, the Issuer may have the right to postpone the originally designated issue date of the Notes. In the event that the issue date is so delayed, no compensation or other amount in

respect of interest shall accrue and be payable in relation to the Notes, unless otherwise agreed with the Distributor and/or specified in its distribution policies, and paid by the Distributor. Investors will have the right, within a prescribed time period, to withdraw their acceptance of the offer as a result of such postponement.

Exposure to Credit Suisse International

Even though the Notes are not issued by Credit Suisse International, Credit Suisse International acts as the Swap Counterparty under the Swap Agreement, as well as Disposal Agent and Calculation Agent. Exposure of Noteholders to Credit Suisse International in each of these capacities is described below and elsewhere in this Prospectus.

It is important that prospective investors are aware of the extent of the aggregate exposure to Credit Suisse International.

In the event of the insolvency of Credit Suisse International, the value of the Notes would drop significantly and an investor may lose some or, potentially, all of their investment in the Notes. In addition, in such circumstances, unless a replacement Swap Counterparty was appointed within 30 calendar days of any such occurrence, as described in more detail below (and in respect of which no assurance can be given), the Swap Agreement would terminate and the Notes would be subject to early redemption.

As Credit Suisse International is also the Disposal Agent, an insolvency of Credit Suisse International would be likely to cause a significant delay in the sale of (a) the Original Collateral, (b) the Equity Original Collateral, and (c) any Eligible Securities delivered to the Issuer under the Credit Support Annex (which may only be so sold in connection with an early redemption of the Notes as a result of the termination of the Swap Agreement occurring as a result of the occurrence of an Event of Default in respect of the Swap Counterparty thereunder) and therefore also a significant delay in the redemption of the Notes. Such delays may potentially last for months or years and investors may never recover their investment in whole or at all.

More generally, Credit Suisse International may be subject to certain other conflicts of interest in connection with its roles under the Notes as described in more detail below.

Risks relating to the business of Credit Suisse International

Credit Suisse International is an English bank whose principal business is banking, including the trading of derivative products linked to interest rates, foreign exchange, equities, commodities and credit. The primary objective of Credit Suisse International is to provide comprehensive treasury and risk management derivative product services. It has established a significant presence in global derivative markets through offering a full range of derivative products and continues to develop new products in response to the needs of its customers and changes in underlying markets.

Certain risks, including those described below, may impact the ability of Credit Suisse International to execute its strategy and may affect its business activities, financial condition, results of operations and prospects. Because the business of a bank such as Credit Suisse International is inherently exposed to risks that become apparent only with the benefit of hindsight, risks of which it is not presently aware or which it currently does not consider material could also impact its ability to execute its strategy and could affect its business activities. The sequence in the risk factors relating to banks and presented below is not indicative of their likelihood of occurrence or the potential magnitude of their financial consequences.

Regulatory and legislative changes may adversely affect business

Fundamental changes in the laws and regulations affecting financial institutions could have a material and adverse effect on a bank's business. In the wake of the 2007-2009 financial crisis and the continuing instability in global financial markets, regulators and legislators have proposed, have adopted or are actively considering, a wide range of changes to these laws and regulations. These measures are generally designed to address the perceived causes of the crisis and to limit the systemic risks posed by major financial institutions.

A number of measures have been adopted and will be implemented over the next several years; some are subject to legislative action or to further rulemaking by regulatory authorities before final implementation. As a result, there is a high level of uncertainty regarding a number of the measures, including whether (or the

form in which) they will be adopted, the timing and content of implementing regulations and interpretations and/or the dates of their effectiveness.

Notwithstanding attempts by regulators to co-ordinate their efforts, the measures adopted or proposed differ significantly across the major jurisdictions, making it increasingly difficult to manage a global institution. The absence of a co-ordinated approach, moreover, disadvantages institutions headquartered in jurisdictions that impose relatively more stringent standards. The United Kingdom has adopted capital and liquidity requirements for its major international banks that are some of the strictest among the major financial centres. This could disadvantage banks incorporated in England and Wales when they compete with peer financial institutions subject to more lenient regulation or with unregulated non-bank competitors.

The planned and potential regulatory and legislative developments in the United Kingdom and in other jurisdictions in which a bank has operations may have a material adverse effect on its business, on the profitability or viability of certain business lines globally or in particular locations, and in some cases on its ability to compete with other financial institutions. They are likely to be costly to implement and could also have a negative impact on a bank's legal structure or business model. Finally, the uncertainty related to or the implementation of legislative and regulatory changes may have a negative impact on a bank's relationships with clients and its success in attracting client business.

Performance in the financial services industry is affected by market conditions and the macro-economic climate

The financial services industry prospers in conditions of economic growth; stable geopolitical conditions; transparent, liquid and buoyant capital markets and positive investor sentiment. An economic downturn, continued low interest rates or a severe financial crisis can negatively affect a bank's revenues and ultimately its capital base.

A market downturn and weak macro-economic conditions can be precipitated by a number of factors, including geopolitical events, changes in monetary or fiscal policy, trade imbalances, natural disasters, pandemics, civil unrest, war or terrorism. Because financial markets are global and highly interconnected, even local and regional events can have widespread impacts well beyond the countries in which they occur. A crisis could develop, regionally or globally, as a result of disruptions in emerging markets as well as developed markets that are susceptible to macro-economic and political developments, or as a result of the failure of a major market participant. The unresolved Eurozone and US fiscal issues demonstrate that macro-economic and political developments can have unpredictable and destabilising effects.

Because banks generally have very substantial exposures to other major financial institutions, the failure of one or more of such institutions could have a material effect on any such bank.

Operational risk may increase costs and impact revenues

A bank's businesses are generally dependent on its ability to process a large number of complex transactions across multiple and diverse markets in different currencies, to comply with the requirements of many different legal and regulatory regimes to which it is subject and to prevent, or promptly detect and stop, unauthorised, fictitious and fraudulent transactions. Operational risk management and control systems and processes are generally used to help ensure that the risks associated with a bank's activities, including those arising from process error, failed execution, fraud, systems failure, cyber-attacks, breaches of information security and failure of security and physical protection, are appropriately controlled. If such internal controls fail or prove ineffective in identifying and remedying such risks, a bank could suffer operational failures that might result in material losses. In addition, despite any contingency plans in place, a bank's ability to conduct business may be adversely affected by a disruption in the infrastructure that supports its businesses and the communities in which it is located. This may include a disruption due to natural disasters, pandemics, civil unrest, war or terrorism and involve electrical, communications, transportation or other services used by it or third parties with whom it conducts business.

Ability to identify or capture revenue or competitive opportunities, or retain and attract qualified employees

The financial services industry is characterised by intense competition, continuous innovation, detailed (and sometimes fragmented) regulation and ongoing consolidation. Banks face competition both at the level of

local markets and individual business lines, and from global financial institutions. Barriers to entry in individual markets and pricing levels are being eroded by new technology.

A bank's competitive strength and market position could also be eroded if it is unable to identify market trends and developments, does not respond to them by devising and implementing adequate business strategies, adequately developing or updating its technology (particularly in trading businesses), or is unable to attract or retain the qualified people needed to carry them out.

Business relationships

There is no limitation or restriction on Credit Suisse International or any of its affiliates with regard to acting as adviser (or acting in any other similar role) to the other parties or persons or entering into, performing or enforcing its rights in respect of a broad range of transactions in various capacities for its own account and for the account of other persons from time to time in relation to its business. This, and other future activities of it and/or its affiliates, may give rise to conflicts of interest. These interests may conflict with the interests of the Noteholders, and the Noteholders may suffer a loss as a result.

The Issuer and/or the Swap Counterparty may have existing or future business relationships with the Original Collateral Obligor or the Equity Original Collateral Obligor (including, but not limited to, lending, depositary, risk management, advisory and banking relationships), and will pursue actions and take steps that it deems or they deem necessary or appropriate to protect their and/or its interests (in whatever capacity) arising therefrom (including, without limitation, any action which might constitute or give rise to a Collateral Event or Equity Collateral Event) without regard to the consequences of a Noteholder.

The Issuer and the Swap Counterparty may deal in any derivatives linked to the Equity Original Collateral and any other obligations of the Equity Original Collateral Obligor and may accept deposits from, make loans or otherwise extend credit to, and generally engage in any kind of commercial or investment banking or other business with the Equity Original Collateral Obligor and may act with respect to such business in the same manner as each of them would have had the Notes not been issued, regardless of whether any such action might have an adverse effect on the Equity Original Collateral, the Equity Original Collateral Obligor or the position of a Noteholder or otherwise.

Material legal and regulatory risks arise in the conduct of business

The nature of a bank's business subjects it to significant regulatory oversight and liability risk. Banks are generally subject to many different legal, tax and regulatory regimes and may be involved in a variety of claims, disputes, legal proceedings and/or government investigations in jurisdictions where it is active. Any such proceedings could expose it to substantial monetary damages and legal defence costs, injunctive relief and/or criminal and/or civil penalties, in addition to potential regulatory restrictions on its businesses.

A further summary of economic, regulatory and other issues relevant to banks such as Credit Suisse International, as well as to other entities, is included under "*Recent Global Events*" below.

A description of Credit Suisse International is set out under the section of this Prospectus entitled "*Description of Credit Suisse International*".

Nature of the Notes

None of the Issuer, the Trustee, the Agents or Credit Suisse International or any of its affiliates makes any representation as to the performance of any Class of Notes either in absolute terms or relative to other investments. Prospective investors must note that they may lose part or, in certain circumstances substantially all of their entire investment in the Notes and must only invest in the Notes if they fully understand the nature and risks of the Notes and also are prepared to risk such loss. Furthermore, prospective investors must note that the performance and value of one Class of Notes may vary compared to the performance and value of any other Class of Notes. The payouts relating to each Class of Notes are set out in more detail in the section of this Prospectus entitled "*Transaction Description*".

The Notes are highly complex investments and involve substantial risks. The performance of, and return under, each Class of Notes will depend on a variety of different factors (in addition to those in the risk factors set out in the Base Prospectus) specific to the Notes including, but not limited to:

- (a) the performance and value of the Original Collateral together with the performance and financial condition of the Original Collateral Obligors (such Original Collateral and Original Collateral Obligors being identical across all Asset Swap Transactions), each as described below and in the section entitled “*Transaction Description*”;
- (b) in respect of Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes, the performance of Equity Basket 1, the Equity Index Basket or Equity Basket 2 (as applicable) (and the shares comprising the relevant Class Equity Basket) referenced by the relevant Equity Swap Transactions;
- (c) in respect of the Class E Notes, the return on the Equity Original Collateral, which in part depends on the performance of the Fund Basket (and the funds comprising the Fund Basket) reference by the Equity Original Collateral together with the performance and financial condition of the Equity Original Collateral Obligor;
- (d) the performance and financial condition of Credit Suisse International, in its various capacities in respect of the Notes including, without limitation, as (i) Swap Counterparty in respect of the Swap Agreement, (ii) Calculation Agent responsible for making calculations and determinations under the Notes and the Swap Agreement and (iii) Disposal Agent responsible for liquidating (A) the Original Collateral, (B) the Equity Original Collateral and (C) any Eligible Securities delivered to the Issuer under the Credit Support Annex (subject, in respect of its functions as Swap Counterparty, Calculation Agent and Disposal Agent to its potential replacement as a result of the occurrence of a Replacement Event, as described in more detail below);
- (e) the performance and value of any Eligible Securities delivered to the Issuer under the Credit Support Annex in connection with the Issuer’s net exposure to the Swap Counterparty under the Swap Agreement, together with the performance and financial condition of any obligor in respect of such Eligible Securities; and
- (f) the performance and financial condition of any replacement Swap Counterparty, Calculation Agent and/or Disposal Agent, from time to time, in the event that Credit Suisse International (or any replacement thereof) is ever replaced in any of such capacities as a result of the occurrence of a Replacement Event, as described in more detail below.

The occurrence of certain events or other developments occurring in respect of one, some or all of the above may have an effect on the liquidity of the Notes and may have a material adverse effect on the value of the Notes of any Class or all Classes and the value of such Notes may fall. Furthermore, the occurrence of any such events or developments may also reduce the amount payable under the Notes. Prospective investors may lose part of, or in circumstances where (i) a Collateral Event occurs in respect of all Collateral Components and the net proceeds of the realisation of the Collateral are not, when taken with the amounts payable to the Issuer under the Asset Swap Transaction, sufficient to discharge all payment obligations in accordance with the applicable priority payments, and (ii) the Issuer is not entitled to a final payment under the Equity Swap Transaction (in the case of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes) or in respect of the Equity Original Collateral (in the case of the Class E Notes), substantially all of their investment.

The Issuer’s ability to meet its obligations under the Notes will also be dependent on the Issuing and Paying Agent, the Registrar, the Transfer Agent and the Custodian performing their respective obligations under the Transaction Documents, including the making of relevant payments when received.

Accordingly, Noteholders are exposed, among other things, to the creditworthiness of (a) Credit Suisse International as Swap Counterparty, Calculation Agent and Disposal Agent, (b) the Original Collateral Obligors, (c) the Issuing and Paying Agent and (d) the Custodian.

More detail in respect of certain risks relating to the factors outlined above, along with other risks associated with the Notes are set out below, and elsewhere in this Prospectus and in the risk factors outlined in the Base

Prospectus. Accordingly, prospective investors who consider purchasing the Notes should reach an investment decision only after carefully considering the suitability of the Notes in light of their particular circumstances. Investment in the Notes may only be suitable for investors who:

- (a) have substantial knowledge and experience in financial, business matters and expertise in assessing credit risk which enable them to evaluate the merits and risks of an investment in the Notes and the rights attaching to the Notes;
- (b) are capable of bearing the economic risk of an investment in the Notes for an indefinite period of time;
- (c) are acquiring the Notes for their own account (as principal and not as agent) for investment, not with a view to resale, distribution or other disposition of the Notes (subject to any applicable law requiring that the disposition of the investor's property be within its control); and
- (d) recognise that it may not be possible to make any transfer of the Notes for a substantial period of time, if at all.

Payments of Additional Payout Amounts and postponement of scheduled maturity of the Notes

The Additional Payout Amount (if any) payable on a Note of each Class of Notes on the Maturity Date relating to such Class of Notes will be an amount equal to that Note's *pro rata* share of (a) in respect of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes, the Swap Counterparty Equity Final Exchange Amount (if any) receivable by the Issuer under the Equity Swap Transaction relating to such Class of Notes or (b) in respect of the Class E Notes, the Equity Original Collateral Redemption Amount (if any) receivable by the Issuer under the Equity Original Collateral.

Accordingly, the return to an investor on the Maturity Date in such circumstances will, in part, depend on the performance of Equity Basket 1 (if such investment was in the Class A Notes), the Equity Index Basket (if such investment was in the Class B Notes or the Class C Notes), Equity Basket 2 (if such investment was in the Class D Notes) or the funds comprised in the Fund Basket (if such investment was in the Class E Notes). In the event that:

- (a) due to the terms of the Equity Swap Transaction relating to the Class A Notes, no Swap Counterparty Equity Final Exchange Amount is payable to the Issuer thereunder, the Additional Payout Amount on the Class A Notes will be zero;
- (b) due to the terms of the Equity Swap Transaction relating to the Class B Notes, no Swap Counterparty Equity Final Exchange Amount is payable to the Issuer thereunder, the Additional Payout Amount on the Class B Notes will be zero;
- (c) due to the terms of the Equity Swap Transaction relating to the Class C Notes, no Swap Counterparty Equity Final Exchange Amount is payable to the Issuer thereunder, the Additional Payout Amount on the Class C Notes will be zero;
- (d) due to the terms of the Equity Swap Transaction relating to the Class D Notes, no Swap Counterparty Equity Final Exchange Amount is payable to the Issuer thereunder, the Additional Payout Amount on the Class D Notes will be zero; and
- (e) due to the terms of the Equity Original Collateral, no Equity Original Collateral Redemption Amount is payable to the Issuer thereunder, the Additional Payout Amount on the Class E Notes will be zero.

The Maturity Date of the Class E Notes may be extended due to any postponement in the settlement of the Equity Original Collateral (which may be for a significant length of time) and no compensation shall be payable to Noteholders as a consequence of such extension.

Please see, in particular, the sections below in these risk factors entitled "*Certain risks relating to the basket of shares referenced in Equity Basket 1, Equity Basket 2 and the Equity Index Basket*" and "*Certain risks relating to the basket of funds referenced by the Equity Original Collateral*".

Equity Swap Transactions

Investors in the Notes must note that the amount due to be payable on the Maturity Date of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes (funded by any amount receivable by the Issuer under the relevant Asset Swap Transaction) is 100% of their then Outstanding Principal Amount. Investors in the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes will therefore be dependent on the performance of the relevant Class Equity Basket referenced by the Equity Swap Transaction relating to such Class of Notes for any further return on their Notes and, even in the absence of any Collateral Events (which will likely have reduced the Outstanding Principal Amount), to recover an amount greater than their initial investment in the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes.

A number of market, economic, legal and regulatory and other factors may affect the performance of the shares or indices of shares (as applicable) referenced in the Equity Swap Transaction relating to the relevant Class of Notes. Such factors may include, without limitation, interest rates, currency exchange rates, geographically and industrially specific economic factors linked to the geographical areas and industrial sectors of the companies to which such shares relate, sovereign credit risk and the stability of the financial system among others. Investors must not invest in any of the Notes unless they are able to fully understand the terms of the Equity Swap Transactions and assess the risks associated with the Equity Swap Transactions and understand that the performance of each Equity Swap Transaction and each related Class of Notes is dependent on the performance of the Class Equity Basket referenced by the Equity Swap Transaction relating to each Class of Notes. Investors may request electronic copies of the confirmation of the Equity Swap Transactions free of charge from the Issuer and the Issuing and Paying Agent.

Credit Suisse International acts in a number of capacities in respect of, and related to, the Notes, including, as Swap Counterparty in respect of the Equity Swap Transactions. Accordingly, investors are also exposed to the credit risk of Credit Suisse International as Swap Counterparty. If Credit Suisse International were to default under its obligations under an Equity Swap Transaction as a result of insolvency, bankruptcy or for any other reason, then the value of the related Class of Notes would be significantly affected and may even fall to zero. It is also highly likely in such circumstances that an Early Redemption Event would occur in respect of the Notes. More detail regarding the exposure to Credit Suisse International in respect of the Notes is set out above and below including, without limitation, under “*Risks relating to the business of Credit Suisse International*” and “*Recent Global Events*”.

Certain risks relating to the basket of shares referenced in Equity Basket 1, Equity Basket 2 and the Equity Index Basket

The shares referenced in Equity Basket 1 relate to ten companies which operate in a wide variety of business areas including telecommunications, insurance, utilities, banking, energy, real estate, pharmaceutical, brewing and beverage. Each of these companies has significant operations in Europe and internationally.

The shares referenced in Equity Basket 2 relate to ten companies which operate in a wide variety of business areas including power and automation, construction, machinery, telecommunications, manufacturing, financial services, commercial services and retail. Each of these companies has significant operations in Europe and internationally.

Accordingly, the performance of each of the companies whose shares are referenced in Equity Basket 1 or Equity Basket 2 may be significantly affected by market developments in each of the business areas in which it operates as well as economic, political and natural developments, changes and disasters that occur in respect of the regions in which it operates. Furthermore, in connection with businesses generally, the performance of each such company is likely to be affected by macro-economic issues affecting business on a continental and global basis. Other matters, such as litigation, regulatory changes, competition, management and other issues may also have a significant effect on the performance of any company, and its shares, referenced in Equity Basket 1 and Equity Basket 2.

The Equity Index Basket references four indices of shares, each with an equal weighting, which track companies based in (or listed on the relevant securities exchanges in) Taiwan, Singapore, Australia and Hong Kong. Indices are comprised of a synthetic portfolio of shares or other assets, and as such, the performance of an index is dependent upon the macroeconomic factors relating to the shares or other

components that comprise such index, which may include interest and price levels on the capital markets, currency developments, political factors and (in the case of shares) company-specific factors such as earnings position, market position, risk situation, shareholder structure and distribution policy. Furthermore, the sponsor of an index can add, delete or substitute the components of such index or make other methodological changes that could change the level of one or more components. The changing of the components of an index may affect the level of such index as a newly added component may perform significantly worse or better than the component it replaces. The sponsor of an index may also alter, discontinue or suspend calculation or dissemination of such index. The sponsor of an index will have no involvement in the offer and sale of the Notes and will have no obligation to any investor in such Notes. The sponsor of an index may take any actions in respect of such index without regard to the interests of the investor in the Notes, and any of these actions could have an adverse effect on the value of the Notes.

The Swap Counterparty Equity Final Exchange Amount receivable by the Issuer in respect of each Equity Swap Transaction relating to the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes (which determines the Additional Payout Amount, if any, payable in respect of such Class of Notes) is determined pursuant to a formula set out in the terms of the applicable Equity Swap Transaction (as described in more detail in the sections of this Prospectus entitled “*Transaction Description*” and “*Description of the Equity Swap Transactions*”). Pursuant to this formula, such Swap Counterparty Equity Final Exchange Amount in respect of each Equity Swap Transaction is significantly dependent on (i) the average share price or weighted average index level (determined by reference to the relevant formula) in the applicable Class Equity Basket on the monthly Averaging Dates falling during the term of such Equity Swap Transaction being higher than (ii) the initial setting share price or weighed index level (determined by reference to the relevant formula) as at the Initial Setting Date. Accordingly, the worse one or more shares or indices performs on one or more Averaging Dates in respect of the relevant Class Equity Basket the lower the Swap Counterparty Equity Final Exchange Amount in respect of such Class Equity Basket (which may have the effect of reducing the Additional Payout Amount in respect of the related Class of Notes) will be and may even cause such Swap Counterparty Equity Final Exchange Amount (and related Additional Payout Amount) to be zero.

It is important to note that the average share price of each share comprised in Equity Basket 1 and Equity Basket 2 and the weighted average of each index comprised in the Equity Index Basket is determined by reference to the share prices or index levels on a monthly basis on each Averaging Date. Accordingly, it is the official closing price of such share or the official closing level of such index on such Averaging Dates that is relevant and not the price of such share or the level of such index at any other time for the purposes of the formula applied in determining the Swap Counterparty Equity Final Exchange Amount due under the Equity Swap Transactions. Accordingly, in respect of Equity Basket 1 and Equity Basket 2, while the price of any share comprised in Equity Basket 1 or Equity Basket 2 may, on average, increase during the term of the relevant Equity Swap Transaction, this may not be reflected in the Swap Counterparty Equity Final Exchange Amount (if any) payable to the Issuer. Likewise, in respect of the Equity Index Basket, while the level of any index comprised in the Equity Index Basket may, on a weighted average basis, increase during the term of the relevant Equity Swap Transaction, this may not be reflected in the Swap Counterparty Equity Final Exchange Amount (if any) payable to the Issuer.

Disruption Events in respect of the Equity Swap Transactions

Credit Suisse International as Calculation Agent in respect of the Equity Swap Transaction relating to the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes may determine that a Market Disruption Event (as defined in the 2002 Equity Derivatives Definitions published by ISDA (the “**Equity Derivatives Definitions**”) incorporated by reference in the confirmation of the relevant Equity Swap Transaction) has occurred in respect of the relevant Class Equity Basket on a relevant Averaging Date or Initial Setting Date. Market Disruption Events include events relating to the early closure of the relevant stock exchange, suspension or limitation of trading of any relevant share referenced or tracked in such Class Equity Basket, or any event that disrupts or impairs the ability of market participants to effect transactions in or obtain market values for any relevant share referenced or tracked in such Class Equity Basket. Any such determination by Credit Suisse International as Calculation Agent in respect of an Equity Swap Transaction that a Market Disruption Event has occurred, may have an adverse effect on the value of the relevant Equity

Swap Transaction and may significantly delay the settlement date of such Equity Swap Transaction and, accordingly, the final payment under the relevant Equity Swap Transaction and the Maturity Date of the relevant Class of Notes.

Additional Disruption Events in respect of the Equity Swap Transactions

If Credit Suisse International as Calculation Agent under the Swap Agreement determines that, in respect of any Equity Swap Transaction, a Change in Law, Insolvency Filing, Hedging Disruption or Increased Cost of Hedging (each as defined in the Equity Derivatives Definitions) has occurred (each such event, being an “**Additional Disruption Event**” in respect of the relevant Equity Swap Transaction), it will determine (i) that such adjustments be made to the terms of the relevant Equity Swap Transaction to take account of such Additional Disruption Event or (ii) that no adjustments to the terms of the relevant Equity Swap Transaction would achieve a commercially reasonable result and as such it may deem that the Equity Swap Transaction affected by such Additional Disruption Event would be terminated. The termination of such Equity Swap Transaction will trigger the termination of the corresponding Asset Swap Transaction and an early redemption of the Class of Notes to which it relates.

Accordingly, the occurrence of any Additional Disruption Event may have an adverse effect on the value of the Equity Swap Transaction and the related Class of Notes. Furthermore, as a result of such adjustment in respect of the relevant Equity Swap Transaction as a result of such Additional Disruption Event, the Additional Payout Amount, if any, payable on redemption of the relevant Class of Notes may be significantly lower than if such Additional Disruption Event had not occurred and may even be zero. Such Additional Disruption Event could also delay the settlement date of the relevant Equity Swap Transaction and, accordingly, the final payment under the relevant Equity Swap Transaction and the Maturity Date of the Notes.

Further Adjustments in respect of the Equity Swap Transactions

Pursuant to the terms of the Equity Swap Transaction relating to the Class A Notes and the Equity Swap Transaction relating to the Class D Notes, Extraordinary Events in respect of the shares referenced in the relevant Class Equity Basket (including merger events, tender offers, de-listing events, nationalisation and insolvency), as well as certain Potential Adjustment Events, may occur. If Credit Suisse International, as Calculation Agent in respect of the Equity Swap Transactions referencing the relevant Class Equity Basket determines that any such event has occurred, the relevant Equity Swap Transaction may be terminated, or it may make such adjustments to the terms of the relevant Equity Swap Transaction, including in connection with the shares referenced therein and any calculations or determinations made, or to be made, in connection with amounts payable in respect of such Equity Swap Transaction to account for such event.

Pursuant to the terms of the Equity Swap Transaction relating to the Class B Notes and the Equity Swap Transaction relating to the Class C Notes, Extraordinary Events in respect of the indices referenced in the Equity Index Basket (including index modification, index cancellation and index disruption) may occur. If Credit Suisse International as Calculation Agent in respect of the Equity Swap Transaction referencing the Equity Index Basket determines that any such event has occurred, the relevant Equity Swap Transaction may be terminated or it may make such adjustments to the terms of the relevant Equity Swap Transaction, including in connection with the index referenced therein and any calculations or determinations made, or to be made, in connection with amounts payable in respect of such Equity Swap Transaction to account for such event.

In respect of Extraordinary Events or Index Adjustment Events, if Credit Suisse International as Calculation Agent in respect of the Equity Swap Transaction referencing such relevant Class Equity Basket determines that no adjustments to the terms of the relevant Equity Swap Transaction would achieve a commercially reasonable result, then it may deem that the Equity Swap Transaction affected would be terminated. The termination of such Equity Swap Transaction will trigger the termination of the corresponding Asset Swap Transaction and an early redemption of the Class of Notes to which it relates.

Accordingly, any such events may have a significant, negative effect on the value of the Equity Swap Transactions and may reduce any Swap Counterparty Equity Final Exchange Amount receivable by the Issuer under the Equity Swap Transaction and the Additional Payout Amount payable on the relevant Class of Notes.

Risks relating to the Equity Original Collateral

Investors must note that the amount due to be payable on the Maturity Date of the Class E Notes (funded by any amount receivable by the Issuer under the relevant Asset Swap Transaction) is 100% of their then Outstanding Principal Amount. Investors in the Class E Notes will therefore be dependent on the performance of the Fund Basket referenced by the Equity Original Collateral for any further return on their Notes and, even in the absence of any Collateral Events (which will likely have reduced the Outstanding Principal Amount), to recover an amount greater than their initial investment in the Notes.

A number of market, economic, legal and regulatory and other factors may affect the performance of the funds referenced in the Equity Original Collateral. Such factors may include, without limitation, market risks on assets held by a fund, illiquid investments held by a fund, delayed publication of a fund's net asset value, liquidation of a fund, concentration risks of assets held by a fund, currency risks, assets held by a fund in markets with limited legal certainty, dependence on the expertise of the investment manager responsible for implementing the applicable investment strategy, conflicts of interest, fees charged by the fund and limited supervision. Investors must not invest in the Class E Notes unless they are able to fully understand the terms of the Equity Original Collateral and assess the risks associated with the Equity Original Collateral and understand that the performance of the Equity Original Collateral and the Class E Notes is dependent on the performance of the Fund Basket referenced by the Equity Original Collateral. The final terms of the Equity Original Collateral are set out the section of this Prospectus entitled "*Description of the Equity Original Collateral*".

Certain risks relating to the basket of funds referenced by the Equity Original Collateral

The Fund Basket referenced by the Equity Original Collateral references a notional investment in three funds. Each fund has different investment objectives and will adopt different investment strategies. The managers of the funds will have no involvement in the offer and sale of the Equity Original Collateral or the Notes and will have no obligation to any investor in the Equity Original Collateral or the Notes. Any such person may take any actions in respect of such fund without regard to the interests of the Issuer (as holder of the Equity Original Collateral) or the Noteholders, and any of these actions could adversely affect the market value of the Equity Original Collateral and therefore could adversely affect the market value of the Notes.

The Equity Original Collateral Redemption Amount receivable by the Issuer in respect of the Equity Original Collateral relating to the Class E Notes (which determines the Additional Payout Amount, if any, payable in respect of the Class E Notes) is determined pursuant to a formula set out in the terms of the Equity Original Collateral (as described in more detail in the section of this Prospectus entitled "*Transaction Description*" and as set out in the final terms of the Equity Original Collateral set out in the section of this Prospectus entitled "*Description of the Equity Original Collateral*"). Pursuant to this formula, such Equity Original Collateral Redemption Amount is significantly dependent on the average portfolio value of the Fund Basket (determined by reference to the formula) on the monthly Valuation Averaging Dates (as defined in the terms of the Equity Original Collateral) falling during the term of the Equity Original Collateral being higher than the portfolio value of the Fund Basket (determined by reference to the formula) as at the Fixing Date, as described below. Accordingly, the lower the portfolio value of the Fund Basket is on one or more Valuation Averaging Dates in respect of the Fund Basket the lower the Equity Original Collateral Redemption Amount (which may have the effect of reducing the Additional Payout Amount in respect of the Class E Notes) will be and may even cause such Equity Original Collateral Redemption Amount (and related Additional Payout Amount) to be zero.

It is important to note that the average portfolio value of the Fund Basket is determined by reference to the portfolio value on a monthly basis on each Valuation Averaging Date. Accordingly, it is the portfolio value of the Fund Basket on such Valuation Averaging Dates that is relevant and not the portfolio value of the Fund Basket at any other time for the purposes of the formula applied in determining the Equity Original Collateral Redemption Amount due under the Equity Original Collateral. Accordingly, while the value of any fund comprised in the Fund Basket may, on average, increase during the term of the Equity Original Collateral, this may not be reflected in the Equity Original Collateral Redemption Amount (if any) payable to the Issuer.

Potential adjustment events in respect of the Equity Original Collateral

The Equity Original Collateral Obligor and UBS AG, in its role as the Calculation Agent under the terms of the Equity Original Collateral (the “**Equity Original Collateral Calculation Agent**”), may determine that a certain event (a “Potential Adjustment Event” as set out in the terms of the Equity Original Collateral, which includes, among others, (i) a violation or change of any material terms in the marketing of the fund; (ii) a change in the main investment objective of the fund; (iii) a change in the currency in which the net asset value of the fund is reported; (iv) the net asset value of the fund not being calculated or announced when it ordinarily would be available; (v) restrictions or limitations of redemptions or subscriptions for the fund being imposed; (vi) regulatory or tax treatment being changed; (vii) a review or investigation of the activities of the fund or its manager; (viii) the Equity Original Collateral Obligor being the beneficial owner of 25 % or more of the fund units of the fund; (ix) 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; (x) any arrangement between the Equity Original Collateral Obligor and the fund or manager being changed or terminated; and (xi) any event in respect of a fund that, in the opinion of the Equity Original Collateral Obligor and the Equity Original Collateral Calculation Agent affects the Equity Original Collateral Obligor’s hedging activities in relation to its exposure under the Equity Original Collateral) has occurred and may, if they determine in their reasonable discretion that such event is material and adversely affects the relevant fund or the calculation of the net asset value of the relevant fund, make adjustments to any calculation methods, values or terms in respect of the Equity Original Collateral or select a suitable alternative fund with reasonably similar investment mandates that meets certain criteria, as more fully set out in the terms of the Equity Original Collateral.

No representations; no guarantee of performance

None of the Issuer, the Trustee, any Agent or Credit Suisse International (or any of its affiliates) has made or will make any representation whatsoever with respect to the Equity Original Collateral Obligor or the Equity Original Collateral on which any Noteholder is relying or is entitled to rely. None of the Issuer, the Trustee, any Agent or Credit Suisse International (or any of its affiliates) is responsible for the Equity Original Collateral Obligor’s public disclosure of information.

No claim against the Equity Original Collateral Obligor

The Class E Notes will not represent a claim against the Equity Original Collateral Obligor and, in the event of any loss, a Noteholder will not have recourse under the Class E Notes to the Equity Original Collateral Obligor.

In particular, Noteholders of the Class E Notes will not have:

- (a) the right to vote or give or withhold from giving any consent in relation to the Equity Original Collateral Obligor;
- (b) the right to receive any coupons, fees or other distributions which may be paid by the Equity Original Collateral Obligor to holders of the Equity Original Collateral; or
- (c) the right to receive any information from the Equity Original Collateral Obligor.

Accordingly, an investment in a Class of Notes is not equivalent to an investment in the Equity Original Collateral.

Determinations

The determination as to whether an Equity Collateral Event has occurred shall be made by the Calculation Agent and without regard to any related determination by the Equity Original Collateral Obligor or any action taken, omitted to be taken or suffered to be taken by any other person, including, without limitation, any creditor of the Equity Original Collateral Obligor.

Replacement of the Equity Original Collateral Obligor

Provided that certain conditions are met, the Equity Original Collateral Obligor is entitled to substitute another company within the UBS Group (as defined in the terms of the Equity Original Collateral) as issuer of the Equity Original Collateral, as described more fully in the terms of the Equity Original Collateral.

Accordingly, the credit exposure of the Issuer and the Noteholders to the Equity Original Collateral Obligor may change.

Risks relating to the Collateral

No investigations

No investigations, searches or other enquiries have been made by or on behalf of the Issuer, the Trustee, any Agent or Credit Suisse International (or any of its affiliates) in respect of the Original Collateral or the Original Collateral Obligors. No representations or warranties, express or implied, have been given by the Issuer, the Trustee, any Agent or Credit Suisse International (or any of its affiliates) or any other person on their behalf in respect of the Original Collateral or the Original Collateral Obligors. Any publicly available information in respect of the Original Collateral or the Original Collateral Obligors has been accurately reproduced and no facts have been omitted that would render such reproduced information inaccurate or misleading.

Collateral

The Collateral relating to any Class of Notes will be subject to credit, liquidity and interest rate risks. In the event of an insolvency of the issuer or an obligor in respect of any Collateral, various insolvency and related laws applicable to such issuer or an obligor may (directly or indirectly) limit the amount the Issuer or the Trustee may recover in respect of such Collateral.

The Issuer has entered into a Credit Support Annex as part of its Swap Agreement, and so by virtue of the collateral requirements applicable to any such arrangements, the Collateral held by it from time to time may comprise assets other than, or in addition to the Original Collateral in respect of each Class of Notes, or may comprise less Collateral than the amount held by it on the Issue Date, as assets will be required to be delivered by the Issuer to the Swap Counterparty which have an aggregate value (after the application of the relevant valuation percentage haircut specified in the Credit Support Annex) at least equal to the exposure that the Issuer has to the Swap Counterparty under the Swap Agreement.

Pursuant to the terms of the Credit Support Annex, Credit Suisse International, as Swap Counterparty, may deliver Eligible Securities (being debt obligations issued by any of the United States of America, Canada, the United Kingdom, France, Germany or by an Original Collateral Obligor).

The outstanding principal amount of the Original Collateral held on behalf of the Issuer may also be reduced from time to time (to an amount not less than zero) to the extent that Original Collateral is required to be transferred to the Swap Counterparty pursuant to the Credit Support Annex. This will occur if the Swap Agreement increases in value from the Swap Counterparty's perspective.

The principal amount of the Original Collateral shall also be reduced by an amount equal to a Collateral Component which has redeemed in full in accordance with its terms.

If a Class of Notes redeems other than on a final redemption on the Maturity Date, the Collateral relating thereto will be sold or otherwise liquidated (except where otherwise transferred in accordance with the Conditions). No assurance can be given as to the amount of proceeds of any sale or liquidation of such Collateral at that time since the market value of such Collateral will be affected by a number of factors including but not limited to (i) the creditworthiness of the issuers and obligors of the Collateral, (ii) market perception, interest rates, yields and foreign exchange rates, (iii) the time remaining to the scheduled maturity of the Collateral and (iv) the liquidity of the Collateral. Accordingly, the price at which such Collateral is sold or liquidated may be at a discount (which could be substantial) to the market value of the Collateral on the Issue Date and the proceeds of any such sale or liquidation when taken together with the proceeds of termination of any related Swap Agreement and any other assets available to the Issuer that relate to the relevant Class of Notes may not be sufficient to repay the full amount of principal on such Class of Notes that the holders of such Notes would expect to receive in the event that the Notes were redeemed in accordance with their terms on their Maturity Date.

Credit Suisse International (or any of its affiliates) may have acquired, or during the terms of the Notes may acquire, confidential information or enter into transactions with respect to any Collateral and they shall not

be under any duty to disclose such confidential information to any Noteholder, the Issuer, the Trustee or any of the other Transaction Parties.

Collateral Basket

The Original Collateral in respect of each Class of Notes may comprise separate Collateral Components and as such, a Collateral Event may occur in respect of one or more Collateral Components, resulting in the partial redemption of each Note to reflect the weighting of the Affected Collateral Component multiplied by the Specified Denomination of such Note, as set out in more detail in the section of this Prospectus entitled “*Transaction Description*”.

Suspension of payments under the Notes and the Swap Agreement during the Suspension Period

The payment obligations of the Issuer under each Class of Notes will be partially suspended if the Calculation Agent determines that facts exist which may amount to a Collateral Event following the expiration of any applicable grace period. During the Suspension Period, and with respect to a proportion of each Note corresponding to such Note's *pro rata* share of the notional amount of the Affected Collateral Component to which such suspension relates, (i) the Issuer shall make no payments on account of principal under the Notes with respect to the relevant portion; and (ii) neither the Issuer nor the Swap Counterparty shall make any payments under the Swap Agreement with respect to the relevant portion.

If a Collateral Event (i) occurs during the Suspension Period (which will be a period of ten Reference Business Days) then no further payments will be made under each Class of Notes in respect of principal and the Notes will be redeemed at the Collateral Event Early Cash Redemption Amount in respect of the proportion of each Note corresponding to such Note's *pro rata* share of the notional amount of the Affected Collateral Component or (ii) has not occurred on the last day of the Suspension Period, any principal amount which would otherwise have been payable will be payable on the second Business Day following the last day of such Suspension Period. Notwithstanding the above, if the Calculation Agent determines that the events which may have resulted in the Collateral Event have been remedied or no longer exist prior to the end of the Suspension Period, any principal amount which would otherwise have been payable will be payable on the second Business Day following the date of such determination. This may result in an extension of the Maturity Date of the Notes.

Noteholders will not be entitled to receive any further payments as a result of such suspension and the corresponding delay in payment of any principal amount.

Likelihood of Collateral Event

The likelihood of a Collateral Event occurring in respect of a Collateral Component will generally fluctuate with, among other things, the financial condition and other characteristics of the relevant Original Collateral Obligor, general economic conditions, the condition of certain financial markets, political events, developments or trends in any particular industry and changes in prevailing interest rates. An investor's investment will be at risk if a Collateral Event occurs in respect of (i) any Collateral Component, a proportion of an investor's investment corresponding to such Collateral Component will be at risk and (ii) each Collateral Component comprising the Original Collateral.

Prospective investors should review the Original Collateral Obligors and conduct their own investigation and analysis with respect to the creditworthiness of the Original Collateral Obligors, the terms and characteristics of the Collateral Components and the likelihood of the occurrence of a Collateral Event with respect to the Original Collateral Obligors.

The banking industry generally has been, and continues to be, subject to significant volatility due to the economic crisis that commenced during mid-2007. Banks are exposed to a number of international factors which may have a materially adverse effect on their financial performance including, without limitation, the factors set out under the heading “*Risks relating to the business of Credit Suisse International*” above.

As indicated, these factors and those events outlined in “*Recent Global Events*” below as well as other factors may affect the probability of a Collateral Event occurring in respect of a Collateral Component.

Accordingly, investors may suffer a loss of some or all of their investment on the relevant Class(es) of Notes in which they invested as a result of a Collateral Event occurring.

Liquidation of the Collateral

Where the Disposal Agent is required to liquidate Collateral following an early redemption of the Notes, it shall do so by obtaining five Quotations (as defined in the Conditions) from dealers in the market (who are not affiliates of Credit Suisse International) and selling the Collateral to the dealer with the highest Quotation. Where an asset the value of which is being sought is illiquid or of a low notional amount, there may be limited availability of dealers willing to provide Quotations. In such circumstances, the Disposal Agent would instead make such determination. No assurance can be given that a sufficient number of Quotations will be available.

Swap Counterparty exposure

Upon the scheduled maturity of the Original Collateral, the redemption proceeds in respect thereof are expected to be used by the Issuer to satisfy its payment obligations to the Swap Counterparty under the Asset Swap Transaction (save that where the redemption date of any Collateral Component falls after the Maturity Date of the Notes, the Issuer shall deliver such Collateral Component to the Swap Counterparty rather than making a payment to the Swap Counterparty). Such payment obligations fall due on the Business Day immediately following the scheduled maturity of the Original Collateral. Following its payment of such redemption proceeds to the Swap Counterparty, the Issuer will rely upon the amounts payable to it by the Swap Counterparty under the Asset Swap Transaction (which are due on the Business Day preceding the Maturity Date) along with amounts payable to it under the Equity Swap Transaction to fund its redemption on the Notes. As a result, in these circumstances, the Issuer and the Noteholders are exposed to the credit risk of the Swap Counterparty and will not have the benefit of any security over any Original Collateral or redemption proceeds thereof.

Provision of information

Neither the Issuer nor Credit Suisse International (i) has provided or will provide prospective purchasers of the Notes with any information or advice with respect to the Original Collateral, the Original Collateral Obligors, the Custodian or the Swap Counterparty, or (ii) makes any representation as to the credit quality of the Original Collateral, the Original Collateral Obligors, the Custodian or the Swap Counterparty. The Issuer, and/or Credit Suisse International may have acquired, or during the term of the Notes may acquire, non-public information with respect to the Custodian, the Original Collateral and the Original Collateral Obligors which will not be disclosed to Noteholders. The timing and limited scope of the information provided to Noteholders regarding the Original Collateral, the Original Collateral Obligors and the occurrence of one or more Collateral Events, may affect the liquidity of the Notes and the ability of Noteholders to value the Notes accordingly. Neither the Issuer nor Credit Suisse International is under any obligation to make such information, whether or not confidential, available to Noteholders.

None of the Issuer, Credit Suisse International, the Trustee nor any Agent shall provide any information in respect of the Original Collateral Obligors to any prospective investor save for the information provided in this Prospectus. Further information in respect of the Original Collateral and the Original Collateral Obligors may be available from publicly available sources, including, without limitation, from the websites of the stock exchanges on which the Original Collateral Obligors have securities listed (including those websites set out in the section of this Prospectus entitled “*Description of the Original Collateral Obligors*”).

No claim against the Original Collateral Obligors

No Class of Notes will represent a claim against any Original Collateral Obligor and, in the event of any loss, a Noteholder will not have recourse under the relevant Class of Notes to any Original Collateral Obligor.

In particular, Noteholders will not have:

- (a) the right to vote or give or withhold from giving any consent in relation to any Collateral Component;
- (b) the right to receive any coupons, fees or other distributions which may be paid by an Original Collateral Obligor to holders of the relevant Collateral Component; or

(c) the right to receive any information from the Original Collateral Obligors.

Accordingly, an investment in a Class of Notes is not equivalent to an investment in the Original Collateral.

Determinations

The determination as to whether a Collateral Event has occurred shall be made by the Calculation Agent and without regard to any related determination by the Original Collateral Obligors or any action taken, omitted to be taken or suffered to be taken by any other person, including, without limitation, any creditor of the Original Collateral Obligors.

Prospective investors must note that none of Credit Suisse International (in any capacity), the Issuer, the Trustee, any Agent or the Distributor is under any obligation to monitor whether or not a Collateral Event has occurred in respect of the Original Collateral or any responsibility for monitoring any other developments, announcements or publications relating to the Original Collateral and shall have no liability or responsibility to any Noteholder or any other person in the event of the occurrence of any Collateral Event in respect of a Collateral Component. Furthermore, none of the Issuer, Credit Suisse International, the Trustee nor any Agent, in any capacity, shall have any liability to any Noteholder in respect of any loss suffered as a result of a Collateral Event in respect of a Collateral Component.

Correlation between the Original Collateral Obligors, the Equity Original Collateral Obligor and Credit Suisse International

As each of the Original Collateral Obligors, the Equity Original Collateral Obligor and Credit Suisse International is a bank, or otherwise part of a banking group, and one of the Original Collateral Obligors is a member of the same group as Credit Suisse International, there is likely to be a high correlation between defaults by Credit Suisse International in any of its capacities in respect of the Notes (including, without limitation as Swap Counterparty) and the occurrence of a Collateral Event in respect of one or more Collateral Components or Equity Collateral Event in respect of the Equity Original Collateral. Accordingly, Noteholders may suffer greater losses (and may be more likely to suffer losses) as a result of such correlation than they may otherwise have done had the Original Collateral Obligors and the Equity Original Collateral Obligor not operated in the same industry as Credit Suisse International.

The Credit Support Annex

As part of the Swap Agreement, the Issuer and the Swap Counterparty have entered into a Credit Support Annex to collateralise the Issuer's exposure to the Swap Counterparty as described in more detail in the section of this Prospectus entitled "*Transaction Description*".

As noted above, pursuant to the Credit Support Annex, the Swap Counterparty may be required to transfer additional Eligible Securities to the Issuer to collateralise the Issuer's net exposure to the Swap Counterparty under the Swap Agreement. The Swap Counterparty shall act for its own benefit and is not required to, and may not, take into account the interests of the Noteholders in determining what Eligible Securities, meeting the required criteria, to deliver to the Issuer under the Credit Support Annex for this purpose.

While any Eligible Securities delivered to the Issuer by the Swap Counterparty under the Credit Support Annex are required, at the time of delivery, to have a value (after the application of the relevant Valuation Percentage haircut specified in the Credit Support Annex) at least equal to the then net exposure the Issuer has to the Swap Counterparty under the Swap Agreement, and notwithstanding that valuations and any corresponding transfers will be conducted on a weekly basis, there can be no assurance that any amount realised from the sale of the Eligible Securities delivered and then held by the Issuer will be equal to the amount otherwise payable by the Swap Counterparty as a result of an early termination of the Swap Agreement.

Accordingly, despite the existence of the Credit Support Annex, in the event that the Swap Agreement terminates as a result of a default by the Swap Counterparty, or the occurrence of certain insolvency or bankruptcy events relating to the Swap Counterparty, in the event of the value of the Eligible Securities being less than the value of the Asset Swap Transactions and the Equity Swap Transactions (in the case of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes), under the Swap Agreement upon its termination and there is any failure by the Swap Counterparty to pay any termination amount due

under the Swap Agreement, Noteholders will be exposed to the Swap Counterparty for the shortfall and the amount payable to Noteholders may be reduced, even to zero, in connection with the redemption of the Notes in such circumstances.

Alternatively, the Issuer may be required to transfer Original Collateral or Equity Original Collateral (in the case of the Class E Notes) to the Swap Counterparty to collateralise the Swap Counterparty's net exposure to the Issuer under the Swap Agreement. Therefore, the outstanding principal amount of the Original Collateral and/or Equity Original Collateral (in the case of the Class E Notes) held on behalf of the Issuer may be reduced from time to time (to an amount not less than zero) to the extent that Original Collateral and/or Equity Original Collateral (in the case of the Class E Notes) is required to be transferred to the Swap Counterparty pursuant to the Credit Support Annex. This will occur if the Swap Agreement increases in value from the Swap Counterparty's perspective.

Where a Collateral Component has redeemed in accordance with its terms and conditions, the Swap Counterparty will, subject to the net exposure under the Swap Agreement, likely be required to transfer Eligible Securities under the Credit Support Annex in order to collateralise the exposure created under the Asset Swap Transaction since following payment of the redemption amount relating to such Collateral Component by the Issuer to the Swap Counterparty, payments under the Asset Swap Transaction in respect of such redeemed Collateral Component will be due solely from the Swap Counterparty to the Issuer.

Application of negative interest rates

Negative interest rates may apply from time to time in certain circumstances to any cash funds held by the Custodian on behalf of the Issuer forming part of the Swap Counterparty's Credit Support Balance under the Credit Support Annex. To the extent that such negative interest rates were to apply, the amount of cash collateral held by the Issuer in respect of its exposure to the Swap Counterparty would be reduced. Whilst the application of any negative interest rates will ultimately be borne by the Swap Counterparty unless the Swap Agreement is terminated as a result of an Event of Default thereunder by either the Issuer or the Swap Counterparty, where such a termination does occur as a result of such an Event of Default the reduction in funds held by the Custodian could increase the amount to be claimed by the Issuer from (and therefore the credit risk to) the Swap Counterparty under the Swap Agreement.

Further, negative interest rates may apply from time to time in certain circumstances to any cash funds held by the Swap Counterparty which have been transferred by the Issuer to cover its credit risk under the Credit Support Annex or derive therefrom. To the extent that such negative interest rates were to apply, the amount of cash collateral held by the Swap Counterparty in respect of its exposure to the Issuer would be reduced, and accordingly, the Issuer may need to transfer additional Eligible Credit Support to the Swap Counterparty under the Credit Support Annex.

Early Redemption in whole

If a Class of Notes is due to redeem early in full as a result of (i) an Early Redemption Event other than a Collateral Event (for example following the occurrence of certain tax events (subject to certain exceptions including, but not limited to, where withholding or deduction of taxes on the Notes arises solely in respect of FATCA) or, in respect of the Class E Notes, an Equity Collateral Event, (ii) a termination of the relevant Equity Swap Transaction (in the case of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes) (or a termination of the Swap Agreement as a whole), (iii) an Event of Default by the Issuer (iv) the enforcement of the security by the Trustee at its discretion or if directed by the Noteholders of any other Class of Notes), the Swap Agreement relating to such Class (if these have not already terminated) will terminate. Where a Collateral Event occurs, the Notes will redeem in part, but an amount per note equal to SEK 1 shall remain outstanding until the Maturity Date in order to enable payment of any Additional Payment Amount.

Prospective investors in each Class of Notes must note that a Class may be redeemed early as a result of the enforcement of the security by the Trustee in respect of any other Class. The early redemption of the Notes of each Class may not be triggered at the same time unless the security is enforced.

Any net amount payable to the Issuer by the Swap Counterparty as a consequence of the termination of the Swap Agreement, together with sale proceeds of the Original Collateral, the Equity Original Collateral and any Eligible Securities, shall first be used to pay any amount due to the Trustee, the Disposal Agent, the

Custodian and any other Agent of the Issuer, including costs and expenses incurred with the sale of such securities.

The remainder of any amount received by the Issuer in respect of the termination of the Swap Agreement and any remaining proceeds of sale of the Original Collateral, the Equity Original Collateral and Eligible Securities shall be applied in satisfaction of the amounts due to Noteholders on a *pro rata* basis.

There can be no assurance as to the value of the Original Collateral, the Equity Original Collateral and any Eligible Securities at the time of such sale and the amounts realised may be significantly lower than the face value of the Original Collateral, the Equity Original Collateral and such Eligible Securities and may even be zero. To the extent that the value of the Original Collateral, the Equity Original Collateral and the Eligible Securities is less than the value of the Swap Agreement upon its termination, Noteholders will be exposed to the Swap Counterparty for the shortfall. None of the Issuer, the Trustee, the Disposal Agent, any other Agent, the Dealer or any other person is under any obligation to obtain a particular price in connection with such a sale and shall have no responsibility or liability to any Noteholder for the price at which any such assets are sold.

Accordingly, the amount payable to Noteholders on an early redemption of their Notes may be significantly lower than their initial investment and may even be zero.

Early Redemption in part following a Collateral Event

If a Collateral Event occurs with respect to any Collateral Component, the Notes will fall due for redemption at an amount equal in aggregate to the Collateral Event Early Cash Redemption Amount provided that where the Outstanding Principal Amount of a Class of Notes would otherwise be reduced to zero prior to the Maturity Date as a result of the occurrence of a Collateral Event, SEK 1 of each Note of such Class of Notes shall remain outstanding so as to enable any portion of the Final Redemption Amount attributable to an Additional Payout Amount to be payable to the Noteholders of such Class on the Maturity Date.

The Collateral Event Early Cash Redemption Amount is an amount determined by Credit Suisse International (acting in its capacity as Calculation Agent) which will take into account (a) the Affected Class Collateral Proceeds (as defined herein), and (b) the Partial Class Asset Swap Gain or Partial Class Asset Swap Loss (each as defined herein).

The Partial Class Asset Swap Gain or Partial Class Asset Swap Loss reflects the early termination amount that the Calculation Agent determines would be payable to the Issuer (in the case of a Partial Class Asset Swap Gain) or by the Issuer (in the case of a Partial Class Asset Swap Loss) upon the early termination of the Swap Agreement (but assuming that the Swap Agreement comprises solely of the Asset Swap Transaction relating to the relevant Class). The Partial Class Asset Swap Gain or Partial Class Asset Swap Loss takes into account, among other things, (i) the relevant Class Asset Swap Transaction (but not, for the avoidance of doubt, the Equity Swap Transaction); (ii) amounts payable by the Swap Counterparty to the Issuer in respect of the Notes; (iii) the scheduled payments under the Original Collateral which determine the amounts payable by the Issuer to the Swap Counterparty under the Swap Agreement and (iv) the limited recourse nature of the Swap Agreement in respect of the Issuer's obligations thereunder.

Replacement of the Swap Counterparty

Investors should note that upon the occurrence of (i) certain insolvency events with respect to the Swap Counterparty (a "**Counterparty Bankruptcy Credit Event**"); or (ii) an Event of Default (as defined in the Swap Agreement) with respect to the Swap Counterparty (other than a Counterparty Bankruptcy Credit Event); or (iii) a Termination Event (as defined in the Swap Agreement) where the Issuer has the right to designate an Early Termination Date in respect of the Asset Swap Transactions (an "**Asset Swap Termination Event**"); or (iv) a Termination Event (as defined in the Swap Agreement) where the Issuer has the right to designate an Early Termination Date in respect of any Equity Swap Transaction (an "**Equity Swap Termination Event**"); or (v) the long term senior, unsecured rating assigned by Moody's Investors Service Limited ("**Moody's**") to the Swap Counterparty being withdrawn or is less than Ba1 or if the short term rating assigned by Moody's to the Swap Counterparty is less than P-3 (any such downgrade or withdrawal, a "**Moody's Ba1/P-3 Downgrade**" and such event, along with each of a Counterparty Bankruptcy Credit Event, an Event of Default with respect to the Swap Counterparty (other than a Counterparty Bankruptcy Credit Event), a Tax Termination Event, an Asset Swap Termination Event, an

Equity Swap Termination Event and a Moody's Ba1/P-3 Downgrade, a "**Replacement Event**"), Garantum Fondkommission AB (or any successor entity thereto) (as Noteholder Facilitator) has the right, by notice to the Issuer with a copy to the Trustee (and, provided that, in the case of a Moody's Ba1/P-3 Downgrade only that the Swap Counterparty has given its prior written consent to such replacement) to select a replacement Swap Counterparty, from (and including) the date of the occurrence of such a Replacement Event up to (and including) the date falling 30 calendar days from the occurrence of the applicable Replacement Event.

Accordingly, where the Noteholder Facilitator makes such a selection, and provided certain other requirements are met, it is possible that the identity of the Swap Counterparty will change, and accordingly, the credit exposure of the Issuer and Noteholders to the Swap Counterparty may also change. As this right may be exercised whenever a Replacement Event occurs, the identity of the Swap Counterparty may change more than once during the duration of the Notes.

However, notwithstanding the above, no assurance can be given that a replacement Swap Counterparty will be identified by the Noteholder Facilitator upon the occurrence of a Replacement Event or that such replacement will be completed.

The replacement of the Swap Counterparty as described above may prevent an early termination of the Swap Agreement and therefore the early redemption of the Notes. However, even if such replacement is made, the Notes may still redeem early, in full, on some later date as a result of the occurrence of any Early Redemption Event and Noteholders will also still be exposed to the risk of a Collateral Event in respect of the Original Collateral, notwithstanding such replacement of the Swap Counterparty (including, for the avoidance of doubt, where such Collateral Event occurred prior to such replacement). The value of the Asset Swap Transactions and Equity Swap Transactions under the Swap Agreement to the Issuer may have been higher at the time of the occurrence of the Replacement Event than as at the time of any subsequent early redemption of the Notes. As a result, the replacement of the Swap Counterparty in such circumstances may result in Noteholders receiving less in respect of their investment than they may otherwise have done if no replacement Swap Counterparty had been selected and had the Notes redeemed early as a result of such Swap Counterparty Event, or, as the case may be, a Counterparty Bankruptcy Credit Event.

As a result of the risk highlighted in the preceding paragraph, the inclusion of this right of replacement may mean that the value of the Notes from time to time may be lower than their value would otherwise have been had no such replacement right been included.

If a replacement Swap Agreement is not entered into within 30 calendar days following the occurrence of a Replacement Event (other than a Moody's Ba1/P3 Downgrade), the Swap Agreement shall automatically terminate and, if a Swap Termination Event, or a Tax Termination Event has occurred and no Early Redemption Commencement Date or Early Redemption Event has occurred pursuant to any other applicable Condition, the Issuer shall, as soon as is practicable (or, in any case, within 2 Reference Business Days after the end of the Replacement Period), give an Early Redemption Notice to the Noteholders (the date on which such Early Redemption Notice is deemed to have been given shall be an "**Early Redemption Commencement Date**") and the Notes shall become due and payable on the related Early Redemption Date. Certain risks associated with early redemption of the Notes are discussed above under "*Early Redemption*".

Instructions to the Trustee following an Event of Default or an Enforcement Event

In respect of a Class of Notes, while the Trustee is permitted to give notice to the Issuer of its determination that an Event of Default (in respect of such Class or all Classes, as applicable) has occurred (and that accordingly such Class of Notes have become immediately due and payable) and to determine that an Enforcement Event has occurred and enforce the security, it is not required to do so, unless directed by an Extraordinary Resolution passed by the Noteholders of such Class (or all Classes, as applicable) to do so and will only do so if the Trustee is indemnified and/or secured and/or prefunded to its satisfaction. The Swap Counterparty also has the right to direct the Trustee in writing to enforce security.

Accordingly, following (i) the occurrence of an Event of Default, the Trustee may accelerate the relevant Class of Notes at its discretion, but shall be obliged to accelerate if directed by an Extraordinary Resolution passed by the Noteholders of such Class (or all Classes, as applicable) (subject, in each case, to its being indemnified and/or secured and/or prefunded to its satisfaction), by giving notice to the Issuer that an Event of Default has occurred and that such Class of Notes have become immediately due and payable and then, if required enforce the security; and (ii) the Trustee becoming aware of the occurrence of an Enforcement

Event, the Trustee may enforce the security at its discretion but shall enforce the security if directed by an Extraordinary Resolution passed by the Noteholders of such Class (or all Classes, if applicable) or if directed in writing by the Swap Counterparty (subject, in each case, to its being indemnified and/or secured and/or prefunded to its satisfaction). Noteholders of each Class should be aware that there is no assurance that the Trustee would exercise such discretion in circumstances where an Event of Default or Enforcement Event occurs. Even if the Trustee is willing to exercise such discretion or the Noteholders of a Class validly pass an Extraordinary Resolution (as described below) directing the Trustee to accelerate such Class of Notes or, as the case may be, enforce the security, the Trustee shall only do so if it is indemnified and/or secured and/or prefunded to its satisfaction. There may be a significant delay between the occurrence of an Event of Default or, as the case may be, the occurrence of an Enforcement Event (and, in the case of an Event of Default, the Trustee's notice to the Issuer that the relevant Class of Notes have become immediately due and payable) and any enforcement of the security following the occurrence of such Event of Default or, as the case may be, such Enforcement Event as a consequence of, among other things, a delay in the Trustee receiving satisfactory indemnities and/or prefunding in circumstances where the Noteholders of such Class (or all Classes, if applicable) have directed the Trustee to accelerate and/or enforce. During the period of such delay, Noteholders' *pro rata* share of the proceeds of enforcement of the security may decrease substantially from what it would otherwise have been but for such delay and may in certain circumstances be zero. Noteholders of a Class may direct the Trustee by an Extraordinary Resolution with respect to an Event of Default or an Enforcement Event which solely affects such Class, and Noteholders of all Classes may direct the Trustee by an Extraordinary Resolution with respect to an Event of Default or an Enforcement Event which affects the Notes generally.

Upon the occurrence of an Event of Default in respect of a Class of Notes, Noteholders of such Class (or all Classes, as applicable), by passing an Extraordinary Resolution, will be entitled to direct the Trustee to give an Early Redemption Notice to the Issuer and, if necessary, direct the Trustee to enforce the security following such Event of Default, provided that in each case, the Trustee shall only do so if it is also indemnified and/or secured and/or prefunded to its satisfaction. Such Extraordinary Resolution if passed by way of a signed written resolution or given by way of electronic consents through the clearing systems (where the Notes are held on behalf of a Clearing System) must be passed by Noteholders of such Class holding, in aggregate, at least 75% in principal amount of all of the outstanding Notes of such Class or, if applicable, by Noteholders holding, in aggregate, across all Classes of Notes, at least 75% in principal amount of all of the outstanding Notes. Given the wide distribution of the Notes, Noteholders should be aware that there may be a significant delay between the Noteholders becoming entitled to make such a direction to the Trustee and Noteholders holding a sufficient nominal amount of the Notes being able to make such request and provide the required indemnification, security and/or prefunding to the Trustee. Accordingly, during the period of such delay, Noteholders' *pro rata* share of the proceeds of enforcement of the security may decrease substantially from what it would otherwise have been but for such delay and may in certain circumstances be zero.

Evolution of international fiscal policy

The Company may not be considered as the beneficial owner of income received and therefore not be able to rely on a double taxation treaty on its own behalf.

Luxembourg has concluded a number of double taxation treaties with other states. It may be necessary or desirable for the Company to seek to rely on such treaties particularly in respect of income and gains of the Company. Whilst each double taxation treaty needs to be considered individually taking into account fiscal practices primarily of the country from whom relief is sought a number of requirements need to be met. These requirements may include ensuring that an entity is resident in Luxembourg, is subject to taxation there on income and gains and is also beneficially owner of such income and gains. Fiscal policy and practice is constantly evolving and at present the pace of evolution has been quickened due to a number of developments which include, but are not limited to, the Organisation for Economic Co-operation and Development ("OECD")/G20 base erosion and profit shifting project. Fiscal policy may change which may or may not be accompanied by a formal announcement by any fiscal authority or the OECD. As a result, there can be no certainty that the Issuer will be able to rely on double tax treaties because fiscal practice of the construction of double tax treaties and the operation of the administrative processes surrounding those treaties may be subject to change. For example, fiscal practice could evolve such that the Issuer could be regarded as not being the beneficial owner because the overriding commercial object of the Issuer to allocate

income and gains, less certain expenses and losses for the benefit of its investors, and the Issuer is entitled to a tax deduction in respect of that allocation and, as such, the Issuer would not be able to rely on a double taxation treaty on its own behalf.

Automatic Exchange of Information

EU member states are required to implement an automatic exchange of information as provided for by Council Directive 2014/107/EU (the “**DAC**”) amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation effective as from 1 January 2016 (and in the case of Austria as from 1 January 2017). In this context, in order to eliminate an overlap with the DAC, Council Directive 2003/48/EC (the “**Savings Directive**”) was repealed on 10 November 2015 by the Council of the European Union. The range of payments to be automatically reported under the DAC is broader than the scope of the automatic information previously foreseen by the Savings Directive.

Luxembourg has implemented the changes to the DAC introduced by Council Directive 2014/107/EU by way of a law of 18 December 2015.

Investors should consult their professional tax advisers.

FATCA and the possibility of U.S. withholding tax on payments

Background

The foreign account tax compliance provisions of the Hiring Incentives to Restore Employment Act of 2010 impose a withholding tax of 30 per cent. on (i) certain U.S. source payments and (ii) payments of gross proceeds from the disposition of assets that produce U.S. source dividends or interest, in either case made to persons that fail to meet certain certification or reporting requirements. To avoid withholding under “FATCA” (as defined in Master Condition 1(a) (Definitions)), a non-U.S. financial institution (“**FFI**”) must enter into an agreement with the Internal Revenue Service (an “**IRS Agreement**”) (as described below) or otherwise be exempt from the requirements of FATCA. Non-U.S. financial institutions that enter into IRS Agreements or become subject to provisions of local law (“**IGA legislation**”) intended to implement an intergovernmental agreement entered into pursuant to FATCA (“**IGAs**”), may be required to identify “financial accounts” held by U.S. persons or entities with substantial U.S. ownership, as well as accounts of other financial institutions that are not themselves participating in (or otherwise exempt from) the FATCA reporting regime. In addition, in order (a) to obtain an exemption from FATCA withholding on payments it receives or (b) to comply with any applicable IGA legislation, a financial institution that enters into an IRS Agreement or is subject to IGA legislation may be required to (i) report certain information on its U.S. account holders to the government of the United States or another relevant jurisdiction and (ii) withhold 30 per cent. from all, or a portion of, certain payments made to persons that fail to provide the financial institution information, consents and forms or other documentation that may be necessary for such financial institution to determine whether such person is compliant with FATCA or otherwise exempt from FATCA withholding.

Under FATCA, withholding is required with respect to payments to persons that are not compliant with FATCA or that do not provide the necessary information, consents or documentation, where such payments are made on or after (i) July 1, 2014 in respect of certain U.S. source payments, (ii) January 1, 2017, in respect of payments of gross proceeds (including principal repayments) on certain assets that produce U.S. source interest or dividends and (iii) January 1, 2017 (at the earliest) in respect of “foreign passthru payments”, provided that for “obligations” that are not treated as equity for U.S. federal income tax purposes, FATCA withholding will only apply to such obligations that are issued or materially modified on or after (a) July 1, 2014 or (b) the date that is six months after the date on which the final regulations defining “foreign passthru payments” are filed with the Federal Register in the case of an obligation that would only be subject to FATCA withholding to the extent payments on such obligation were treated as “foreign passthru payments”.

The application of FATCA to interest, principal or other amounts paid with respect to the Notes, the Collateral (if any) and the Swap Agreement (if any) and the information reporting obligations of the Company or the Issuer, as appropriate, and other entities in the payment chain is still developing. In particular, a number of jurisdictions (including Luxembourg) have entered into IGAs with the United States, which modify the way in which FATCA applies to their jurisdictions. The full impact of such IGAs and IGA

legislation thereunder on reporting and withholding responsibilities under FATCA is unclear. The Company or the Issuer, as appropriate, and other entities in the payment chain may be required to report certain information on their U.S. account holders to government authorities in their respective jurisdictions or the United States in order (i) to obtain an exemption from FATCA withholding on payments they receive or (ii) to comply with applicable law in their jurisdiction. It is not yet certain how withholding on “foreign passthru payments” will be dealt with under the IGAs or if such withholding will be required at all.

Possible impact on Payments on Collateral (if any) and Swap Agreement (if any)

If the Company or the Issuer, as appropriate, fails to comply with its obligations under FATCA (including the Luxembourg IGA and any IGA legislation thereunder), it may be subject to FATCA withholding on all, or a portion of, payments it receives with respect to the Collateral (if any) or the Swap Agreement (if any). Any such withholding would, in turn, result in the Issuer having insufficient funds from which to make payments that would otherwise have become due in respect of the Notes and the Swap Agreement, as applicable. No other funds will be available to the Issuer to make up any such shortfall and, as a result, the Issuer may not have sufficient funds to satisfy its payment obligations to Noteholders. Additionally, if payments to the Issuer in respect of its assets, including the Collateral (if any), are, will become or are deemed on any test date to be subject to FATCA withholding, the Notes will be subject to early redemption (see “*Early Redemption*” above). No assurance can be given that the Company or the Issuer, as appropriate, can or will comply with its obligations under FATCA or that the Company or the Issuer, as appropriate, will not be subject to FATCA withholding.

Possible impact on payments on the Notes

The Issuer expects to require (and expects other intermediaries through which Notes are held to require) each Noteholder to provide certifications and identifying information about itself and its owners (or beneficial owners) in order to enable the Issuer (or such an intermediary) to identify and report on the Noteholder and certain of the Noteholder's direct and indirect U.S. beneficial owners to the Internal Revenue Service or another applicable authority. The Issuer may also be required to withhold amounts from Noteholders (including intermediaries through which such Notes are held) that are FFIs that are not compliant with, or exempt from, FATCA or Noteholders that do not provide the information, documentation or certifications required for the Issuer to comply with its obligations under FATCA. Additionally, the Issuer is also permitted to make any amendments to the Notes and the Swap Agreement (if any) as may be necessary to enable the Issuer to comply with its obligations under FATCA (including the Luxembourg IGA and any IGA legislation thereunder) and any such amendment will be binding on the Noteholders.

Neither a Noteholder nor a beneficial owner of Notes will be entitled to any additional amounts in the event FATCA withholding tax is imposed on any payments on or with respect to the Notes. As a result, Noteholders may receive less interest or principal, as applicable, than expected.

FATCA IS PARTICULARLY COMPLEX AND ITS APPLICATION TO THE COMPANY, THE ISSUER, THE NOTES AND NOTEHOLDERS IS SUBJECT TO CHANGE. EACH NOTEHOLDER SHOULD CONSULT ITS OWN TAX ADVISER TO OBTAIN A MORE DETAILED EXPLANATION OF FATCA AND TO LEARN HOW FATCA MIGHT AFFECT SUCH NOTEHOLDER IN LIGHT OF ITS PARTICULAR CIRCUMSTANCES.

Recent Global Events

General

Since mid-2007, the global economy and financial markets have experienced extreme levels of instability.

The initial trigger for the instability was a downturn in the U.S. housing market. Significant declines in house prices in the U.S. from early 2005, combined with interest rate rises, led to increases in mortgage default levels, particularly in relation to mortgages granted to sub-prime borrowers (that is borrowers with a poor or no credit history). Financial exposure to such mortgage assets had been widely distributed on a global basis via securitisations and other risk transfer mechanisms. As a result, a significant number of global commercial banks, investment banks, government-sponsored entities, hedge funds, structured investment vehicles and institutional investors had gained exposure to defaults in respect of such mortgage assets. By mid-2007, concerns about the value of mortgage assets held by these entities led to a general tightening of available credit and liquidity in the global financial markets.

During 2008, the initial instability intensified into a severe global financial crisis. Notwithstanding steps taken by the central banks of the U.S., the U.K. and certain other countries and the European Central Bank to increase liquidity, continued disruption to the credit and liquidity markets and concerns about the value of mortgage assets and credit-related products generally, led to substantial write-downs of asset values by a number of institutions, including government-sponsored entities, insurers and major commercial and investment banks. These write-downs caused many such entities to seek additional capital, to merge with other institutions and, in some cases, to go into insolvency or to be the subject of government bail-out.

In September 2008, the crisis saw a series of collapses of government-sponsored entities, insurers and major commercial and investment banks around the world. These collapses included the bail-out by the U.S. government of the Federal Home Loan Mortgage Corporation (Freddie Mac) and the Federal National Mortgage Association (Fannie Mae), the insolvency of investment bank Lehman Brothers Holdings Inc., the bail-out by the U.S. government of the major U.S. insurer American International Group, Inc., and numerous other rescues and bail-outs in other countries.

In response to the crisis various governments and central banks took substantial measures to ease liquidity problems and enacted fiscal stimulus packages and measures to support certain entities affected by the crisis. Such measures included establishing special liquidity schemes and credit facilities, bank recapitalisation programmes and credit guarantee schemes.

In an attempt to counteract recessionary pressures, the central banks of the U.S., the U.K. and certain other countries and the European Central Bank also lowered interest rates, in some cases to record low levels.

A number of countries have accumulated significant levels of public debt both absolutely and relative to GDP. In connection with this, the global economy and financial markets have further experienced levels of instability and crises, in particular in respect of certain countries that had adopted the Euro (the “**Eurozone Countries**”), such as Greece, Italy, and Spain. This has led to concerns in relation to the sovereign credit risk of other Eurozone economies, as well as to the survival of the euro itself, and it is possible that the structure, nature and regulation of financial markets, including sovereign credit markets, may be fundamentally altered.

A number of Eurozone countries have seen yields on new issues of sovereign debt increase to levels that some commentators have argued are not sustainable. Such increases, combined with existing levels of national debt, have given rise to ongoing concerns of the ability of such Eurozone countries to service their existing debt obligations. Furthermore, Greece restructured a majority of its sovereign debt in the first half of 2012.

2012 saw dialogue among the Eurozone Countries regarding, among other things, the control of fiscal policy, the operation of the European Central Bank, the structuring of the European Financial Stability Facility and the establishment of the European Stability Mechanism. During this time several rating agencies have downgraded a number of Eurozone Countries, including Spain, by one or more notches.

The ongoing concerns regarding the Eurozone Countries, including the possibility of a withdrawal from the Euro by one or more Eurozone Countries or a wider restructuring of the Euro, are likely to continue to effect the financial condition and stability of individual Eurozone Countries and, more widely, the European Union and the global economy.

The above factors have also led to substantial volatility in markets across asset classes, including (without limitation) stock markets, foreign exchange markets, fixed income markets and credit markets.

There can be no assurance that the steps taken by governments to ameliorate the global financial crisis will be successful or that the global recovery will continue. The structure, nature and regulation of financial markets in the future may be fundamentally altered as a consequence of the global financial crisis, possibly in unforeseen ways. There can be no assurance that similar or greater disruption may not occur in the future for similar or other reasons. In addition, the attempts being taken to reduce the high level of sovereign debt may themselves contribute to a further global recession.

There can be no assurance as to how severe the global recession will be or as to how long it will last. There can be no assurance that government actions to limit the impact of the crisis will be successful and that they will not instead lead or contribute to a deeper and/or longer-lasting recession. Economic prospects are subject to considerable uncertainty.

Prospective investors should ensure that they have sufficient knowledge and awareness of the global financial crisis and the responses thereto and of the economic situation and outlook as they consider necessary to enable them to make their own evaluation of the risks and merits of an investment in the Notes. In particular, prospective investors should take into account the considerable uncertainty as to how the global financial crisis and the wider economic situation will develop over time.

Any person who had held securities during the periods considered above, particularly structured securities, would be highly likely to have suffered significant adverse effects as a result of such holding, including, but not limited to, major reductions in the value of those securities and a lack of liquidity. Prospective investors should consider carefully whether they are prepared to take on similar risks by virtue of an investment in the Notes.

Impact on Liquidity

The events outlined above have had an extremely negative effect on the liquidity of financial markets generally and in the markets in respect of certain financial assets or in the obligations of certain obligors. This has particularly been the case with respect to the market for structured assets and the obligations of financial institutions and certain sovereigns. Such assets may either not be saleable at all or may only be saleable at significant discounts to their estimated fair value or to the amount originally invested. No assurance can be given that liquidity in the market generally, or in the market for any particular asset class or in the obligations of any particular financial institution or sovereign, will improve or that it will not worsen in the future. Such limited liquidity may have a negative impact on the value of the Notes and the theoretical value of the shares or the indices of shares comprised in the relevant Class Equity Basket (which, in turn, may have a negative impact on the value of the Equity Swap Transactions) or the value of the funds comprising the Fund Basket (which, in turn, may have a negative impact on the value of the Equity Original Collateral). In particular, should the Notes be redeemed early, Noteholders will be exposed to the liquidation value of the Swap Agreement.

Impact on Credit

The events outlined above have negatively affected the creditworthiness of a number of entities, in some cases to the extent of collapse or requiring government rescue. Such credit deterioration has and may continue to be widespread and is no longer confined to the financial services sector. The value of the Notes or of the amount of payments under them may be negatively affected by such widespread credit deterioration. Prospective investors should note that recoveries on assets of affected entities have in some cases been *de minimis* and that similarly low recovery levels may be experienced with respect to other entities in the future which may include the Original Collateral Obligors, the Equity Original Collateral Obligor and any Eligible Securities delivered pursuant to the Credit Support Annex.

Impact of Increased Regulation and Nationalisation

The events since 2007 have seen increased involvement of governmental and regulatory authorities in the financial sector and in the operation of financial institutions. In particular, governmental and regulatory authorities in a number of jurisdictions have imposed stricter regulatory controls around certain financial activities and/or have indicated that they intend to impose such controls in the future. The United States of America, the European Union and other jurisdictions are actively considering various reform measures. In certain jurisdictions (e.g. the United States of America), legislation has come into force in this respect, although the rules and regulations required to implement the particulars of any such legislation have yet to be considered. In other jurisdictions (e.g. the European Union), a number of draft pieces of legislation have been proposed and are currently being considered. Such regulatory changes and the method of their implementation may have a significant impact on the operation of the financial markets. It is uncertain how a changed regulatory environment will affect the Issuer and the treatment of the Notes, the Swap Counterparty, the Dealer and the other transaction parties. In addition, governments have shown an increased willingness wholly or partially to nationalise financial institutions, corporates and other entities in order to support the economy. Such nationalisation may impact adversely on the value of the stock or other obligations of any such entity. In addition, in order to effect such nationalisation, existing obligations or stock might have their terms mandatorily amended or be forcibly redeemed. To the extent that Credit Suisse International, as the Swap Counterparty, Disposal Agent and Calculation Agent, and/or the Original Collateral Obligors or any

other person or entity connected with the Notes is subject to nationalisation or other government intervention, it may have an adverse effect on a holder of the Notes.

Systemic Risk

Financial institutions and other significant participants in the financial markets that deal with each other are interrelated as a result of trading, investment, clearing, counterparty and other relationships. This risk is sometimes referred to as “systemic risk”. Financial institutions such as Credit Suisse International, and those other parties acting as the Trustee, the Custodian and certain Agents (or any affiliate of any of them) and any Eligible Securities held by the Issuer from time to time that are financial institutions (which will be the case in respect of the Original Collateral Obligors and the Equity Original Collateral Obligor) or are significant participants in the financial markets are likely routinely to execute a high volume of transactions with various types of counterparties, including brokers and dealers, commercial banks, investment banks, insurers, mutual and hedge funds and institutional clients. To the extent they do so, they are and will continue to be exposed to the risk of loss if counterparties fail or are otherwise unable to meet their obligations. In addition, a default by a financial institution or other significant participant in the financial markets, or concerns about the ability of a financial institution or other significant participant in the financial markets to meet its obligations, could lead to further significant systemic liquidity problems and other problems that could exacerbate the global financial crisis and as such have a material adverse impact on other entities.

Foreign Exchange Risk

In addition to any foreign exchange risks associated with the Equity Swap Transactions or the fund unit/shares comprising the Fund Basket (as applicable), the Eligible Securities may be denominated in a different currency from the Notes. Accordingly, the Noteholders shall be exposed to foreign exchange risk of EUR, CHF and/or any other currency in respect of which the Original Collateral, the fund unit/shares comprising the Fund Basket and Eligible Securities are denominated in against SEK. The volatility of foreign exchange rates may therefore lead to Noteholders suffering a significant loss on their investment as a result of the movement of such foreign exchange rates during the life of the Notes.

No disclosure of information; disclosure of confidential information

The Issuer or Credit Suisse International may, whether by virtue of the types of relationships described herein or otherwise, at any time, be in possession of information in relation to the Original Collateral, Original Collateral Obligors, the Equity Original Collateral, the Equity Original Collateral Obligor Eligible Securities, the Class Equity Basket or the Swap Counterparty that is or may be material in the context of the issue of the Notes and that may or may not be publicly available or known to the Noteholder, and the Notes do not create any obligation on the part of the Issuer or Credit Suisse International or any other person to disclose to any Noteholder any such relationship or information (whether or not confidential).

Resolution and bail-in eligible debt

The Original Collateral includes bail-in eligible debt. The CS Bond may be subject to the resolution regime under Swiss banking laws and, consequently, to the broad statutory powers in the case of restructuring proceedings of the Swiss regulatory authorities, which could adversely affect holders of the Notes.

Swiss banking laws provide Swiss Financial Market Supervisory Authority (“**FINMA**”) with broad powers and discretion in the case of resolution procedures with respect to Swiss banks such as Credit Suisse Group Funding (Guernsey) Limited. In such resolution procedures, FINMA may require the conversion of the CS Bond issued by Credit Suisse Group Funding (Guernsey) Limited into equity and/or a partial or full write-off of the CS Bond. In such case, holders of CS Bond would lose all or some of their investment in the CS Bond. Where FINMA orders the conversion of the CS Bond into equity, the securities received may be worth significantly less than the CS Bond and may have a significantly different risk profile.

In the event of a liquidation or other resolution of The Goldman Sachs Group, Inc., the GS Bond, as a general obligation of The Goldman Sachs Group, Inc., will generally be subordinated in right of payment to the claims of the deposit holders.

Noteholders should be aware that although any conversion or write-off of the CS Bond or resolution in respect of The Goldman Sachs Group, Inc. may not in itself trigger an early redemption of the Notes, such conversion or write-off may lead to the occurrence of (i) an Original Collateral Payment Failure (as the Original Collateral Obligor may not be able to make the originally scheduled payments on the Original Collateral) or (ii) a failure by the Issuer to meet its relevant payment obligation under the Swap Agreement, both of which will result in early redemption of the Notes at the Early Cash Redemption Amount. Noteholders may, in such situation, receive less than they would have done had the conversion or write-off of the CS Bond or resolution in respect of The Goldman Sachs Group, Inc. not occurred, as the proceeds of Liquidation of the CS Bond or the GS Bond (as applicable) may be significantly less than the value of such securities as at the Issue Date.

TRANSACTION DESCRIPTION

This Transaction Description must be read as a description only of certain features of the Notes. Any decision to invest in any Notes should be based on a consideration of this Prospectus as a whole, including the documents incorporated by reference herein. This Transaction Description does not contain all the information which may be important to prospective investors. Prospective investors should read the entirety of this Prospectus and the documents incorporated by reference herein. In addition, prospective investors should consult with their investment, legal, accounting, tax and other advisers with respect to any investment in the Notes.

The information contained in this section is subject in its entirety to the Issue Terms of the Notes.

This section is not intended as a description of the risks an investment in any of the Notes may involve. Risks specifically relating to the Notes are set out in the section of this Prospectus entitled "Risk Factors".

Issuer

The Notes are issued by Argentum Capital S.A. (the "**Company**") acting in respect of Compartment GAP 2722-2726 June 2016 (the "**Issuer**") and are secured, limited recourse obligations of the Issuer. The Issuer is described in more detail in the section of this Prospectus entitled "*Description of the Company and the Compartment*".

Status of the Notes

The Notes are secured, limited recourse obligations of the Issuer. This means that the Secured Creditors (which include the Noteholders, the Swap Counterparty and each of the Trustee and various agents involved in the issue of the Notes) only have the right to claim against specific assets of the Issuer that relate to the Notes (being referred to in this Prospectus as the Mortgaged Property).

Classes

The Notes comprise five Classes: the Class A Notes and the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes.

The Class A Notes rank *pari passu* without any preference among themselves, the Class B Notes rank *pari passu* without any preference among themselves, the Class C Notes rank *pari passu* without any preference among themselves, the Class D Notes rank *pari passu* without any preference among themselves and the Class E Notes rank *pari passu* without any preference among themselves. Furthermore, the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes rank *pari passu* with each other without any preference among the Classes.

Each Class of Notes is linked to the same Original Collateral as the other Class of Notes, but differs in its equity-linked, equity index-linked or certificate-linked exposure (as applicable). At maturity of the Notes, a Noteholder may be entitled to an amount which is derived from the Equity Swap Transaction relating to the Class A Notes and the Class B Notes, the Class C Notes or the Class D Notes and referencing Equity Basket 1, the Equity Index Basket or Equity Basket 2, as applicable, or from the Equity Original Collateral relating to the Class E Notes, as described in more detail below and elsewhere in this Prospectus. Such additional equity-linked amount or certificate-linked amount (if any) receivable by a Noteholder of a Class may differ from the corresponding amount (if any) receivable by a Noteholder of a different Class.

Aggregate Nominal Amount of the Series

The Aggregate Nominal Amount of the Series on the Issue Date will be up to SEK 1,000,000,000, comprising the aggregate of the Initial Class Aggregate Nominal Amount for each Class of Notes as follows:

- (a) up to SEK 200,000,000 in aggregate nominal amount of the Class A Notes;
- (b) up to SEK 200,000,000 in aggregate nominal amount of the Class B Notes;
- (c) up to SEK 200,000,000 in aggregate nominal amount of the Class C Notes;
- (d) up to SEK 200,000,000 in aggregate nominal amount of the Class D Notes; and
- (e) up to SEK 200,000,000 in aggregate nominal amount of the Class E Notes.

The precise Initial Class Aggregate Nominal Amount of each Class of Notes to be issued will be published on the website of the Irish Stock Exchange (www.ise.ie) and filed with the Central Bank of Ireland in accordance with Article 8 of the Prospectus Directive, in each case, on or around the Issue Date.

Interest on the Notes

No amount of interest will be payable in respect of any Class of Notes.

Maturity

No amounts are scheduled to be paid to Noteholders under any Class of Notes until their scheduled maturity date, which is expected to be on 3 August 2023, in each case subject to any postponement in the settlement of the Equity Swap Transaction or the Equity Original Collateral (as applicable) relating to the relevant Class in accordance with its terms (in respect of a Class, the “**Maturity Date**”). The date of final redemption of any Class of Notes may also be postponed beyond the Maturity Date if the Calculation Agent determines that facts exist which may (assuming the expiration of any applicable grace period) amount to a Collateral Event in respect of a Collateral Component, as described in more detail below.

Overview of the Swap Agreement and the Equity Original Collateral

The payments which a Noteholder of a Class of Notes is entitled to receive will depend on (amongst other things) (a) the occurrence of any Collateral Event in respect of any of the Collateral Components and (b) the performance of the relevant Class Equity Basket referenced by the Equity Swap Transaction (in the case of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes) or the return on Equity Original Collateral referencing the Fund Basket (in the case of the Class E Notes), as illustrated by the diagram at the end of this Transaction Description.

On the Issue Date, the Issuer will enter into the Swap Agreement in respect of the Notes with Credit Suisse International in its capacity as Swap Counterparty, under which the Issuer and the Swap Counterparty will enter into an Asset Swap Transaction relating to each Class of Notes and an Equity Swap Transaction in respect of each of each of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes.

In the absence of an Early Redemption Event, the return on each Class of Notes will reflect the amount receivable by the Issuer under the related Asset Swap Transaction and the related Equity Swap Transaction or Equity Original Collateral (as applicable). Each Equity Swap Transaction and the return on the Equity Original Collateral is subject to a participation percentage and references Equity Basket 1, Equity Basket 2 or the Fund Basket (as applicable). Therefore, the relative return on each Class of Notes may differ and will be dependent on (i) in respect of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes, the relative performance of Equity Basket 1, the Equity Index Basket or Equity Basket 2 (as applicable) and the level of such participation for that Class or (ii) in respect of the Class E Notes, on the return on the Equity Original Collateral, which will depend on the relative performance of the Fund Basket and the level of such participation for the Class E Notes and the level of such participation for the Class E Notes, in each case as described further below.

For so long as any Notes remain outstanding, copies of the programme documentation (including the Base Prospectus, sections of which are incorporated by reference herein) and the issue documentation (including the documentation relating to the Asset Swap Transaction (in respect of each Class) and the Equity Swap Transaction (in the case of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes)) will be available for inspection in physical form free of charge, during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted), at the registered office of the Company and at the specified offices of the Issuing and Paying Agent, the Registrar and the Noteholder Facilitator.

Overview of the Original Collateral and impact of Collateral Events on the Notes

Overview

Each Class of Notes is secured on, amongst other things, the Original Collateral, the Equity Original Collateral and rights under identical (save for the notional amount) Asset Swap Transactions, as evidenced by a single confirmation.

The Original Collateral relating to a Class will be of the same type, and with the same weightings, as the Original Collateral relating to another Class. The Original Collateral will be credited to the Securities

Account (as defined in the Agency Agreement) maintained by the Custodian in respect of this Series on a pooled basis.

Provided that no Early Redemption Event resulting in redemption of the Notes in full has occurred by the Reference Business Day immediately preceding the Maturity Date (subject to the existence of any Potential Collateral Event), the Swap Counterparty will be obliged to pay an amount to the Issuer on the Reference Business Day immediately preceding the Maturity Date equal to the then Outstanding Principal Amount of such Class. If, for the avoidance of doubt, the Notes have partially redeemed following a Collateral Event and only SEK 1 remains outstanding in respect of each Note, the Swap Counterparty shall still be obliged to pay such amount to the Issuer on the Reference Business Day immediately preceding the Maturity Date.

The consequences of the occurrence of a Collateral Event are described in more detail below.

Original Collateral Obligors and Collateral Components

The Original Collateral in respect of each Class of Notes is expected to comprise (i) a nominal amount of 1.00 per cent. bonds due 2023 issued by Credit Suisse Group Funding (Guernsey) Limited (ISIN CH0278341224) (the “**CS Bond**”); and (ii) a nominal amount of 2.00 per cent. bonds due 2023 issued by The Goldman Sachs Group, Inc. (ISIN: XS1265805090) (the “**GS Bond**”) (each of (i) and (ii), a “**Collateral Component**”), determined, in the case of the CS Bond, by reference to the CHF equivalent, or in the case of the GS Bond, by reference to the EUR equivalent, of the portion of the net issue proceeds of each Class allocated to the relevant Collateral Component, or such other bonds issued by (i) any such issuer or (ii) any entity controlled, directly or indirectly, by such issuer, any entity that controls, directly or indirectly, such issuer or any entity directly or indirectly under common control with such issuer (any such entity, an “**Affiliate**” of such issuer) as may be determined by the Dealer (any such other bond, an “**Alternative Collateral Component**” which shall be treated as a Collateral Component and, together with any other Collateral Component, the “**Original Collateral**”) as at the Collateral Event Observation Start Date (expected to be 28 June 2016).

The issuers of the Collateral Components are expected to be: (i) Credit Suisse Group Funding (Guernsey) Limited, a non-cellular company incorporated in Guernsey, limited by shares, whose principal activities involve issuing debt securities; and (ii) The Goldman Sachs Group, Inc., a global investment banking, securities and investment management company established under the laws of the State of Delaware, provided that where any Collateral Component is issued by an Affiliate of either Credit Suisse Group Funding (Guernsey) Limited or The Goldman Sachs Group, Inc., the Original Collateral Obligor in respect of such Collateral Component shall be such entity.

For the purposes of the above, “**control**” means ownership of a majority of the voting power of the entity or person.

The Dealer shall make decisions with respect to determining any Alternative Collateral Component in a commercially reasonable manner. While such determination shall be made solely by the Dealer, it shall consult with the Noteholder Facilitator when making such determination.

The Collateral Components and Original Collateral Obligors shall be notified to the Noteholders on or about the Issue Date.

A description of each expected Original Collateral Obligor is set out under the section of this Prospectus entitled “*Description of the Original Collateral Obligors*”. A description of each expected Collateral Component is set out under the section of this Prospectus entitled “*Description of the Original Collateral*”.

Collateral Events

The Collateral Components comprising the Original Collateral shall be subject to the occurrence of any of the following Collateral Events occurring during the term of the Notes:

- (a) an Original Collateral Default, meaning any of the Collateral Components becomes payable or repayable or becomes capable of being declared due and payable prior to its stated maturity for whatever reason, otherwise than in accordance with their scheduled repayment profile or as a result of the exercise of an issuer option or a holder option unless such option arises as a result of an event of default, a tax event or other similar event; or

- (b) an Original Collateral Payment Failure, meaning the failure by the relevant Original Collateral Obligor to make a scheduled payment in respect of the Collateral Component on the date, in the place and in the currency such payment was originally scheduled to be made (disregarding any terms allowing for non-payment, deferral or adjustments to any scheduled payments and any notice or grace period in respect thereof) in respect of such Collateral Component.

Consequence of Collateral Events, including redemption of the Notes

If the Calculation Agent determines that a Collateral Event has occurred with respect to any Collateral Component (such Collateral Component, an “**Affected Collateral Component**” and the date of such determination being the “**Collateral Event Determination Date**”), then:

- (i) as soon as reasonably practicable, and in any event within the Early Redemption Notification Period commencing on (and including) the Collateral Event Determination Date, the Issuer (or the Issuing and Paying Agent on its behalf, having been instructed by the Issuer or the Calculation Agent) will give an Early Redemption Notice (which shall relate solely to the portion of the Notes being partially redeemed) to the Noteholders of the determination of the Collateral Event (the date of such notice to the Noteholders being the “**Early Redemption Commencement Date**”), including a description in reasonable detail of the facts relevant to such determination, by forwarding with such Early Redemption Notice a copy of the notice delivered by the Calculation Agent with respect to the Collateral Event Determination Date or the information provided therein;
- (ii) on a date (the “**Collateral Event Valuation Date**”) falling as soon as reasonably practicable within 5 Business Days of the Early Redemption Commencement Date, the Calculation Agent shall, in respect of each Class of Notes, determine the Partial Class Asset Swap Value in respect of the Affected Collateral Component and shall seek quotations from 5 dealers in the market for the Affected Collateral Component;
- (iii) the Affected Collateral Component shall be liquidated on the Collateral Event Valuation Date by selling to the Quotation Dealer who provides the highest quotation;
- (iv) each Note will be partially redeemed on the Cash Early Redemption Date by payment to each Noteholder of its Collateral Event Early Cash Redemption Amount (which may be zero), irrespective of whether the relevant Collateral Event is continuing, and the payment of such amount shall satisfy the Issuer's obligations in respect of such *pro rata* proportion of each Note, provided that where the Outstanding Principal Amount of a Class of Notes would otherwise be reduced to zero prior to the Maturity Date as a result of the occurrence of a Collateral Event, SEK 1 of each Note of such Class of Notes shall remain outstanding so as to enable any portion of the Final Redemption Amount attributable to an Additional Payout Amount to be payable to the Noteholders of such Class on the Maturity Date; and
- (v) the outstanding nominal amount of each Note of a Class shall be reduced by an amount equal to the product of (X) the Weighting of the Affected Collateral Component and (Y) the Specified Denomination of such Note, for all purposes with effect from the relevant Early Redemption Date, unless payment of the relevant Collateral Event Early Cash Redemption Amount is improperly withheld or refused, in which case, such amount shall remain outstanding until the Relevant Date relating to such Collateral Event Early Cash Redemption Amount.

The Collateral Event Early Cash Redemption Amount means, in respect of each Note of each Class of Notes, an amount determined by the Calculation Agent equal to its *pro rata* share of (i) the proceeds of the liquidation of the Affected Collateral Component attributable to such Class of Notes *plus* (ii) the Partial Class Asset Swap Gain (if any) *minus* (iii) the Partial Class Asset Swap Loss (if any).

Consequence of Suspension Periods

The payment obligations of the Issuer under each Class of Notes will be partially suspended if the Calculation Agent determines that facts exist which may amount to a Collateral Event following the expiration of any applicable grace period. Such suspension shall relate to a proportion of each Note corresponding to such Note's *pro rata* share of the notional amount of the Affected Collateral Component to which such suspension relates. During the Suspension Period, (i) the Issuer shall make no payments on

account of principal under the Notes with respect to the relevant portion; and (ii) neither the Issuer nor the Swap Counterparty shall make any payments under the Swap Agreement with respect to the relevant portion.

If a Collateral Event (i) occurs during the Suspension Period (which will be a period of ten Reference Business Days) then no further payments will be made under each Class of Notes in respect of principal, and the Notes will be redeemed at the Early Cash Redemption Amount in respect of the proportion of each Note corresponding to such Note's *pro rata* share of the notional amount of the Affected Collateral Component or (ii) has not occurred on the last day of the Suspension Period, any principal amount which would otherwise have been payable will be payable on the second Business Day following the last day of such Suspension Period. Notwithstanding the above, if the Calculation Agent determines that the events which may have resulted in the Collateral Event have been remedied or no longer exist prior to the end of the Suspension Period, any principal amount which would otherwise have been payable will be payable on the second Business Day following the date of such determination.

Noteholders will not be entitled to receive any further payments as a result of such suspension and the corresponding delay in payment of any principal amount.

Worked example of a Collateral Event

The following sets out an example of the impact of a Collateral Event in respect of a Collateral Component on a Class of Notes and the related Asset Swap Transaction. The figures and events used for the purposes of the example are indicative only and are not intended as a guide as to the actual or expected performance of any Class of Notes. The performance of any Class of Notes may be better or worse than set out in the following example.

The example assumes the following:

- (a) the Class of Notes references two Collateral Components, each equally weighted;
- (b) the Class Collateral Component Amount relating to the Affected Collateral Component is SEK 500,000;
- (c) the Initial Class Aggregate Nominal Amount of the Class of Notes (and the notional amount in respect of the related Asset Swap Transaction) is SEK 1,000,000;
- (d) no Swap Counterparty Equity Final Exchange Amount or Equity Original Collateral Redemption Amount is payable under the relevant Equity Swap Transaction or the Equity Original Collateral relating to the Class of Notes (as applicable); and
- (e) no Early Redemption Event (including any Event of Default) has occurred in respect of the Class of Notes and all transaction parties comply with their obligations relating to the Class of Notes.

Based on these assumptions:

If a Collateral Event occurs in respect of a Collateral Component prior to 1 September 2016, the Issuer gives an irrevocable notice of early redemption and the liquidation proceeds relating to the Affected Collateral Component in respect of the relevant Class are SEK 250,000 (assuming redemption at par), and an amount equal to the Partial Class Asset Swap Loss of SEK 50,000 is payable to the Swap Counterparty by the Issuer and there is no Partial Class Asset Swap Gain then:

- (a) the Issuer will pay a holder of a Note of such Class having a nominal amount of SEK 10,000 a Collateral Event Early Cash Redemption Amount equal to SEK 2,000, being its *pro rata* share of (i) SEK 250,000 (being the proceeds of the liquidation) *minus* (ii) SEK 50,000 (being an amount equal to the Partial Class Asset Swap Loss payable to the Swap Counterparty by the Issuer under the related Asset Swap Transaction); and
- (b) the outstanding nominal amount of a Note of such Class having a nominal amount of SEK 10,000 shall be reduced by SEK 5,000, being equal to its *pro rata* share of the product of (X) 1/2 (being the Weighting of the Affected Collateral Component) and (Y) SEK 1,000,000 (being the Initial Class Aggregate Nominal Amount of such Note).

Provided no further Collateral Event occurs, a Note of such Class having an initial nominal amount of SEK 10,000 shall be redeemed on the Maturity Date by a further payment by the Issuer of approximately SEK 5,000, representing an overall loss on the initial SEK 10,000 investment in the Note of SEK 3,000.

Impact of the Asset Swap Transactions on the Notes

Under the Asset Swap Transactions, the Issuer agrees to pay the amount in respect of interest and/or principal scheduled to be paid, as at the Collateral Event Observation Start Date (expected to be 28 June 2016) in respect of each Collateral Component to the Swap Counterparty on the Reference Business Day immediately following the day on which such payments are due to be paid in respect of the relevant Collateral Component (save that where the redemption date of any Collateral Component falls after the Maturity Date of the Notes, the Issuer shall deliver such Collateral Component to the Swap Counterparty rather than making a payment to the Swap Counterparty), and the Swap Counterparty agrees to pay (i) an amount equal to the then nominal amount of the relevant Class of Notes to the Issuer on the Reference Business Day immediately prior to the Maturity Date and (ii) following the occurrence of a Collateral Event, an amount equal to any Partial Class Asset Swap Gain on the Reference Business Day immediately prior to the relevant Early Redemption Date.

Impact of the Equity Swap Transactions on the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes

Overview

In respect of each of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes, an Additional Payout Amount, which is expected to be funded by the Swap Counterparty Equity Final Exchange Amount (if any) receivable by the Issuer under the Equity Swap Transaction relating to such Class and referencing the corresponding Class Equity Basket, may be payable as part of the redemption amount due in respect of each of the Class A Notes and the Class B Notes, the Class C Notes and the Class D Notes on the Maturity Date. Each of Equity Basket 1 (referenced by the Equity Swap Transaction relating to the Class A Notes), the Equity Index Basket (referenced by the Equity Swap Transaction relating to the Class B Notes and the Class C Notes) and Equity Basket 2 (referenced by the Equity Swap Transaction relating to the Class D Notes) references a basket of shares or a basket of indices of shares (in each case, the “**Class Equity Basket**” in respect of the relevant Class). Each of the Equity Swap Transactions relating to the Notes will be evidenced by a confirmation incorporating by reference the 2002 Equity Derivatives Definitions published by ISDA (the “**Equity Derivatives Definitions**”).

In respect of each of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes, the performance of the corresponding Class Equity Basket, together with the participation percentage applicable to the Equity Swap Transaction relating to such Class (the “**Participation**”), will determine the Additional Payout Amounts (if any) payable in respect of such Class on the Maturity Date. The Participation in respect of each of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes is to be determined by the Issuer, or the Calculation Agent on its behalf, and notified to the Noteholders on or about the Issue Date, and: (i) in respect of the Class A Notes, is expected to be 100% (indicative only) but which may be higher or lower and in any event shall not be less than 75%; (ii) in respect of the Class B Notes, is expected to be 100% (indicative only) but which may be higher or lower and in any event shall not be less than 75%; (iii) in respect of the Class C Notes, is expected to be 200% (indicative only) but which may be higher or lower and in any event shall not be less than 160%; and (iv) in respect of the Class D Notes, is expected to be 100% (indicative only) but which may be higher or lower and in any event shall not be less than 75%.

Class Equity Baskets and Equity Index Basket

The composition of Equity Basket 1, the Equity Index Basket and Equity Basket 2 on the Issue Date is set out below. The shares referenced in each Class Equity Basket may be subject to adjustment in accordance with the terms of the corresponding Equity Swap Transaction.

Equity Basket 1

The Swap Counterparty Equity Final Exchange Amount (if any) payable to the Issuer under the Class A Equity Swap Transaction (and, accordingly, the Additional Payout Amounts (if any) in respect of the Class A Notes) will depend in part on the performance of Equity Basket 1, which on the Issue Date consists of the following basket of shares:

i	Share_i	Bloomberg Code	Exchange
1	TELE2 AB-B SHS	TEL2B SS Equity	NASDAQ Stockholm
2	ALLIANZ SE-REG	ALV GY Equity	XETRA
3	ENGIE	ENGI FP Equity	NYSE Euronext – Euronext Paris
4	MUENCHENER RUECKVER AG-REG	MUV2 GY Equity	XETRA
5	UNIBAIL-RODAMCO SE	UL NA Equity	Euronext Amsterdam
6	NATIONAL GRID PLC	NG/ LN Equity	London Stock Exchange
7	TELIA CO AB	TELIA SS Equity	NASDAQ Stockholm
8	VODAFONE GROUP PLC	VOD LN Equity	London Stock Exchange
9	SANOFI	SAN FP Equity	Euronext Paris
10	SABMILLER PLC	SAB LN Equity	London Stock Exchange

Information (including information as to their past and future performance and volatility) about the shares included in Equity Basket 1 may be obtained on Bloomberg under the codes set out in the table above.

Equity Index Basket

The Swap Counterparty Equity Final Exchange Amount (if any) payable to the Issuer under the Class B Equity Swap Transaction and the Class C Equity Swap Transaction (and, accordingly, the Additional Payout Amounts (if any) in respect of the Class B Notes and the Class C Notes) will depend in part on the performance of the Equity Index Basket, which on the Issue Date consists of the following basket of indices of shares:

i	Share_i	Bloomberg Code	Weighing
1	MSCI TAIWAN INDEX	TAMSCI Index	25%
2	MSCI SINGAPORE FREE INDEX	SIMSCI Index	25%
3	S&P/ASX 200 INDEX	AS51 Index	25%
4	HANG SENG INDEX	HSI Index	25%

Information (including information as to their past and future performance and volatility) about the indices included in the Equity Index Basket may be obtained on Bloomberg under the codes set out in the table above.

Equity Basket 2

The Swap Counterparty Equity Final Exchange Amount (if any) payable to the Issuer under the Class D Equity Swap Transaction (and, accordingly, the Additional Payout Amounts (if any) in respect of the Class D Notes) will depend in part on the performance of Equity Basket 2, which on the Issue Date consists of the following basket of shares:

i	Share_i	Bloomberg Code	Exchange
1	ABB LTD-REG	ABB SS Equity	NASDAQ Stockholm
2	SKANSKA AB-B SHS	SKAB SS Equity	NASDAQ Stockholm
3	HENNES & MAURITZ AB-B SHS	HMB SS Equity	NASDAQ Stockholm
4	SKF AB-B SHARES	SKFB SS Equity	NASDAQ Stockholm
5	NORDEA BANK AB	NDA SS Equity	NASDAQ Stockholm
6	TELE2 AB-B SHS	TEL2B SS Equity	NASDAQ Stockholm
7	ASTRAZENECA PLC	AZN SS Equity	NASDAQ Stockholm
8	TELIA CO AB	TELIA SS Equity	NASDAQ Stockholm
9	SWEDBANK AB - A SHARES	SWEDA SS Equity	NASDAQ Stockholm
10	SVENSKA HANDELSBANKEN	SHBA SS Equity	NASDAQ Stockholm

Information (including information as to their past and future performance and volatility) about the shares included in Equity Basket 2 may be obtained on Bloomberg under the codes set out in the table above.

Formula for calculating the Swap Counterparty Equity Final Exchange Amount and the Additional Payout Amount in respect of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes

The Additional Payout Amount (if any) payable in respect of each of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes is expected to be funded by the corresponding Swap Counterparty Equity Final Exchange Amount (if any) receivable by the Issuer on the Reference Business Day immediately preceding the Maturity Date (the “**Swap Counterparty Equity Final Exchange Date**”). Any such Swap Counterparty Equity Final Exchange Amount will be determined by the Calculation Agent by reference to a formula.

For the purpose of determining any Swap Counterparty Equity Final Exchange Amount receivable by the Issuer under the Equity Swap Transactions relating to the Class A Notes and the Class D Notes, the Calculation Agent will apply the formula to in summary:

- (a) determine, in respect of each share referenced in the relevant Class Equity Basket, expressed as a percentage (i) the arithmetic average of the official closing levels of such share on the monthly Averaging Dates (which are expected to be the 19th calendar day of each month from, and including, 19 July 2021 to, and including, 19 July 2023) *divided by* (ii) (in respect of the Class A Notes) the lowest of the official closing levels of such share on the Initial Setting Dates in respect of such Equity Swap Transaction (which are expected to be the relevant dates set out in the section of this Prospectus entitled “*Description of the Equity Swap Transactions*”) or (in respect of the Class D Notes) the official closing level of such share on the Initial Setting Date (which is expected to be 30 June 2016) (each, an “**Average Share Return**”);
- (b) deduct, in respect of each such share, 100% from the Average Share Return for that share, generating a percentage (which may be positive or negative) indicating the performance of such share (by reference to the closing levels thereof on the Averaging Dates and not any other dates) over the life of such Equity Swap Transaction (each, a “**Relative Share Return**”);
- (c) determine, by reference to the Relative Share Returns of all the shares referenced in the relevant Class Equity Basket (such performance determined as summarised in paragraphs (a) and (b) above in respect of each share), the arithmetic average performance of all the shares referenced in the relevant

Class Equity Basket, generating, in effect, the average relative return of the relevant basket of shares (the “**Share Return**”); and

- (d) if such Share Return is positive, determine the Swap Counterparty Equity Final Exchange Amount by multiplying the Share Return by the product of (i) the Swap Notional Amount (being equal to the Initial Class Aggregate Nominal Amount of the Class of Notes to which such Equity Swap Transaction relates on the Issue Date), and (ii) the Participation.

For the purpose of determining any Swap Counterparty Equity Final Exchange Amount receivable by the Issuer under the Equity Swap Transactions relating to the Class B Notes and the Class C Notes, the Calculation Agent will apply the formula to in summary:

- (a) determine, in respect of each index referenced in the Equity Index Basket, expressed as a percentage (i) the arithmetic average of the official closing levels of such index on the monthly Averaging Dates (which are expected to be the 19th calendar day of each month from, and including, 19 July 2021 to, and including, 19 July 2023) in respect of the Equity Index Basket *divided by* (ii) the official closing level of such index on the Initial Setting Date in respect of such Equity Swap Transaction (which is expected to be 30 June 2016) (each, an “**Average Index Return**”);
- (b) deduct, in respect of each such index, 100% from the Average Index Return, generating a percentage (which may be positive or negative) indicating the performance of such index (by reference to the closing levels thereof on the Averaging Dates and not any other dates) over the life of such Equity Swap Transaction (each, a “**Relative Index Return**”);
- (c) determine, by reference to the Relative Index Returns of all the indices referenced in the Equity Index Basket (such performance determined as summarised in paragraphs (a) and (b) above in respect of each index) and their respective weightings, the weighted average performance of all the indices referenced in the Equity Index Basket, generating, in effect, the weighted average relative return of the relevant basket of indices (the “**Index Return**”); and
- (d) if such Index Return is positive, determine the Swap Counterparty Equity Final Exchange Amount by *multiplying* the Index Return by the *product of* (i) the Swap Notional Amount (being equal to the Outstanding Principal Amount of the Class of Notes to which such Equity Swap Transaction relates on the Issue Date), (ii) the Participation and (iii) the FX Factor (as set out in the terms of such Equity Swap Transaction).

Accordingly, a holder of a Note having a nominal amount of SEK 10,000 as at the Maturity Date will receive its *pro rata* share of the amount calculated in accordance with the formula described above. More detailed information on the formula (and each component thereof) can be found in the section of this Prospectus entitled “*Description of the Equity Swap Transactions*”.

FX Factor

The FX Factor is a component in the calculation of any Swap Counterparty Equity Final Exchange Amount receivable by the Issuer under the Equity Swap Transactions relating to the Class B Notes and the Class C Notes. The FX Factor is intended to reflect the relative movements of the foreign exchange rate between SEK and USD over the life of the Equity Swap Transactions.

In respect of the Equity Swap Transaction relating to the Class B Notes and the Class C Notes, the Calculation Agent will determine the applicable FX Factor by dividing (i) (x) the daily fixing rate of exchange of the number of SEK per USD 1, rounded to four decimal places, each such rate as calculated at 4:00 p.m. London time and published by WM Company on the relevant Reuters page (the “**USD/SEK FX Rate**”) in respect of the FX Business Day immediately following the latest occurring Averaging Date for any share in the Equity Basket, by (ii) the USD/SEK FX Rate in respect of the Trade Date (expected to be 28 June 2016) under the Equity Swap Transaction, subject to any adjustment in accordance with the terms of the Equity Swap Transaction.

An FX Business Day is a day on which commercial banks are open for business (including dealings in foreign exchange in accordance with the practice of a foreign exchange market) in the principal financial centre of the relevant currency and a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System or any successor thereto is operating.

Adjustments and disruptions

Prospective investors in the Class A Notes and the Class D Notes must note that certain adjustments may be made to the closing levels of any of the constituent shares of Equity Basket 1 and Equity Basket 2, as applicable, and the dates on which such levels are determined for the purposes of the Equity Swap Transaction relating to the Class A Notes and the Equity Swap Transaction relating to the Class D Notes, respectively, as a result of the occurrence of (i) non-Scheduled Trading Days and Disrupted Days, (ii) Market Disruption Events, (iii) Potential Adjustment Events or (iv) a correction of a published price in respect of a share (each of the events as defined in the Equity Derivatives Definitions incorporated by reference in the terms of the Equity Swap Transaction relating to the Class A Notes and the Equity Swap Transaction relating to the Class D Notes). Furthermore, the Equity Swap Transaction relating to the Class A Notes and the Equity Swap Transaction relating to the Class D Notes may also be subject to adjustment or early termination upon the occurrence of certain Extraordinary Events (which include a merger event, tender offer, nationalisation, delisting or insolvency) or Additional Disruption Events (which include a change in law, hedging disruption, increased cost of hedging or insolvency filing) (as defined in the Equity Derivative Definitions incorporated by reference in the terms of the Equity Swap Transaction relating to the Class A Notes and the Equity Swap Transaction relating to the Class D Notes).

Prospective investors in the Class B Notes and the Class C Notes must note that certain adjustments may be made to the closing levels of any of the constituent indices of the Equity Index Basket and the dates on which such levels are determined for the purposes of the Equity Swap Transaction relating to the Class B Notes and the Equity Swap Transaction relating to the Class C Notes as a result of the occurrence of (i) non-Scheduled Trading Days and Disrupted Days, (ii) Market Disruption Events or (iii) a correction of a published level in respect of an index (each of the events as defined in the Equity Derivatives Definitions incorporated by reference in the terms of the Equity Swap Transaction relating to the Class B Notes and the Equity Swap Transaction relating to the Class C Notes). Furthermore, the Equity Swap Transaction relating to the Class B Notes and the Equity Swap Transaction relating to the Class C Notes may also be subject to adjustment or early termination upon the occurrence of certain Index Adjustment Events (which include an index modification, index cancellation or index disruption) or Additional Disruption Events (which include a change in law, hedging disruption or increased cost of hedging) (as defined in the Equity Derivative Definitions incorporated by reference in the terms of the Equity Swap Transaction relating to the Class B Notes and the Equity Swap Transaction relating to the Class C Notes).

Certain risks arising as a result of such events are outlined in the section of this Prospectus entitled “*Risk Factors*”. More detailed information on the events referred to above and the resultant adjustments can be found in the section of this Prospectus entitled “*Description of the Equity Swap Transactions*”.

Payment of Additional Payout Amounts in respect of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes

If any of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes remains outstanding until the Maturity Date and a Swap Counterparty Equity Final Exchange Amount is receivable by the Issuer under the Equity Swap Transaction relating to the relevant Class, a holder of a Note of such Class can expect to receive an Additional Payout Amount equal to its *pro rata* share of such Swap Counterparty Equity Final Exchange Amount.

Worked examples of the determination of an Additional Payout Amount in respect of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes.

The figures and events used for the purposes of these examples are indicative only and are not intended as a guide as to the actual or expected performance of any Class of Notes, which may be better or worse than the performance set out in the following examples.

The examples all assume the following:

- (a) the Swap Notional Amount of the Equity Swap Transaction relating to the relevant Class is SEK 1,000,000;
- (b) a Participation of 100% in respect of Equity Basket 1, 100% in respect of the Equity Index Basket and 100% in respect of Equity Basket 2;
- (c) the number of indices referenced in the Equity Index Basket is 4;

- (d) the number of shares referenced in Equity Basket 1 and Equity Basket 2 is 10; and
- (e) an FX Factor of 1.25 in respect of the Class B Equity Swap Transaction and the Class C Equity Swap Transaction based on the assumption of (x) a final USD/SEK FX Rate of 10 per EUR 1 divided by (y) an initial USD/SEK FX Rate of SEK 8 per USD 1 the number of shares referenced in Equity Basket 1 and Equity Basket 2 is 10.

Based on these assumptions:

Example 1:

This example assumes that the shares referenced in Equity Basket 1 have performed as following:

Share _i	Official closing price of Share _i on the Initial Setting Date (in the relevant currency unit)	Arithmetic mean of the official closing price of Share _i on each Averaging Date (in the relevant currency unit)	Relative Share Return of Share _i
Share 1	5	4.5	-10%
Share 2	10	12	20%
Share 3	10	10	0%
Share 4	8	6	-25%
Share 5	15	18	20%
Share 6	10	8	-20%
Share 7	10	12.5	25%
Share 8	20	16	-20%
Share 9	8	10	25%
Share 10	10	7.25	-27.5%

In this example, the average performance of Equity Basket 1 will be -1.25%, being the sum of the percentages in the column entitled “Relative Share Return of Share_i” *divided by* 10 (the number of shares referenced in Equity Basket 1). Accordingly, no Swap Counterparty Equity Final Exchange Amount will be payable under the Equity Swap Transaction relating to this Class as the average performance of Equity Basket 1 is below zero.

Accordingly, based on this example, in respect of this Class of Notes, a holder of a Note having a nominal amount of SEK 10,000 as at the Maturity Date will not receive an Additional Payout Amount.

Example 2:

This example assumes that the indices referenced in the Equity Index Basket have performed as following:

Index _i	Official closing level of Index _i on the Initial Setting Date	Arithmetic mean of the official closing price of Index _i on each Averaging Date	Relative Index Return of Index _i	Weighting _i	Weighted Index Return of Index _i
Index 1	3,000	3,180	6%	25%	1.5%
Index 2	1,500	1,590	6%	25%	1.5%

Index 3	350	392	12%	25%	3%
Index 4	1,000	1,080	8%	25%	2%

In this example, the weighted average performance of the Equity Index Basket will be 8%, being the sum of the percentages in the column entitled “Weighted Index Return of Index_i”, which is referred to in this example as the Equity Return. Accordingly, the Swap Counterparty Equity Final Exchange Amount payable under the Equity Swap Transaction relating to the Class B Notes and the Class C Notes will be SEK 100,000, being the *product of* (i) the Swap Notional Amount of SEK 1,000,000, (ii) the Participation of 100%, (iii) the Equity Return of 8% and (iv) the FX Factor of 1.25.

Accordingly, based on this example, in respect of the Class B Notes and the Class C Notes, a holder of a Note having a nominal amount of SEK 10,000 as at the Maturity Date will receive an Additional Payout Amount of SEK 1,000, being its *pro rata* share of the Swap Counterparty Equity Final Exchange Amount calculated above.

Example 3:

This example assumes that the shares referenced in Equity Basket 2 have performed as following:

Share_i	Official closing price of Share_i on the Initial Setting Date (in the relevant currency unit)	Arithmetic mean of the official closing price of Share_i on each Averaging Date (in the relevant currency unit)	Relative Share Return of Share_i
Share 1	5	5.5	10%
Share 2	10	12	20%
Share 3	10	10	0%
Share 4	8	6	-25%
Share 5	15	18	20%
Share 6	10	10.5	5%
Share 7	10	12.5	25%
Share 8	20	17	-15%
Share 9	8	8	0%
Share 10	10	11	10%

In this example, the average performance of Equity Basket 2 will be 5%, being the sum of the percentages in the column entitled “Relative Share Return of Share_i” *divided by* 10 (the number of shares referenced in Equity Basket 2), which is referred to in this example as the Equity Return. Accordingly, the Swap Counterparty Equity Final Exchange Amount payable under the Equity Swap Transaction relating to this Class of Notes will be SEK 50,000, being the *product of* (i) the Swap Notional Amount of SEK 1,000,000, (ii) the Participation of 100% and (iii) the Equity Return of 5%.

Accordingly, based on this example, in respect of this Class of Notes, a holder of a Note having a nominal amount of SEK 10,000 as at the Maturity Date will receive an Additional Payout Amount of SEK 500, being its *pro rata* share of the Swap Counterparty Equity Final Exchange Amount calculated above.

Impact of the Equity Original Collateral on the Notes

Overview

In respect of the Class E Notes, an Additional Payout Amount, which is expected to be funded by the Equity Original Collateral Redemption Amount (if any) receivable by the Issuer under the Equity Original Collateral, may be payable as part of the redemption amount due in respect of each Note on the Maturity Date. The Equity Original Collateral will be issued pursuant to final terms dated 9 May 2016 (the “**Equity Original Collateral Final Terms**”), as set out in the section of this Prospectus entitled “*Description of the Equity Original Collateral*”. The Equity Original Collateral Final Terms provide additional information in respect of the Equity Original Collateral for the purposes of the Equity Original Collateral Obligor’s base prospectus dated 8 January 2016, as supplemented from time to time, as described in the section of this Prospectus entitled “*Description of the Equity Original Collateral*”. The Equity Original Collateral references a target volatility strategy (as described in the Equity Original Collateral Final Terms) linked to a basket of funds (the “**Fund Basket**”).

The performance of the Fund Basket, together with the participation percentage (as described in the Equity Original Collateral Final Terms) and the Fund Basket Weighting, as adjusted in accordance with the Target Volatility Strategy (as described in the Equity Original Collateral Final Terms), will determine the Equity Original Collateral Redemption Amount (if any), and therefore the Additional Payout Amount (if any) payable on the Notes on the Maturity Date.

A holder of a Note will receive a *pro rata* share of the Equity Original Collateral Redemption Amount (determined in accordance with the terms of the Equity Original Collateral) received by the Issuer.

Fund Basket

The composition of the Fund Basket on the Issue Date is as set out in the Equity Original Collateral Final Terms, and also set out below. The funds referenced in the Fund Basket may be subject to adjustment in accordance with the terms of the Equity Original Collateral.

The Equity Original Collateral Redemption Amount (if any) payable to the Issuer under the Equity Original Collateral (and, accordingly, the Additional Payout Amounts (if any) in respect of the Class E Notes) will depend in part on the performance of the Fund Basket, which on the Issue Date consists of the following basket of funds:

	Name	Bloomberg Code	Initial Weighting
1	Carmignac Patrimoine	CARMPAT FP	33.33%
2	ETHNA-AKTIV T	ETAKTVE LX	33.33%
3	M&G Optimal Income Fund	MGOIAEA LN	33.33%

Information (including information as to their past and future performance and volatility) about the funds included in the Fund Basket may be obtained on Bloomberg under the codes set out in the table above and at the websites set out in the Equity Original Collateral Final Terms.

Formula for calculating the Equity Original Collateral Redemption Amount and the Additional Payout Amount in respect of the Class E Notes

The Additional Payout Amount (if any) payable in respect of the Class E Notes is expected to be funded by the Equity Original Collateral Redemption Amount (if any) receivable by the Issuer on 3 August 2023, subject to postponement in accordance with the terms of the Equity Original Collateral (the “**Equity Original Collateral Maturity Date**”). Any such Equity Original Collateral Redemption Amount will be determined by the Calculation Agent (as defined in the terms of the Equity Original Collateral) by reference to a formula.

For the purpose of determining any Equity Original Collateral Redemption Amount receivable by the Issuer under the Equity Original Collateral, the Calculation Agent (as defined in the terms of the Equity Original Collateral) will apply the formula to, in summary:

- (a) determine the return of the Target Volatility Strategy (as described in the Equity Original Collateral Final Terms), calculated by determining: (i) the arithmetic average of the Portfolio Value (as defined in the Equity Original Collateral Final Terms) on the monthly Valuation Averaging Dates (which are the 20th calendar day of each month from, and including, 20 July 2021 to, and including, 20 July 2023), expressed as a percentage (the “**Average Portfolio Value**”), (ii) deducting 100% from the Average Portfolio Value and (iii) dividing the resulting percentage by 100% (the “**Portfolio Return**”); and
- (b) determine, if the Portfolio Return is positive, (A) an amount per security equal to the *product of* (i) the Nominal Amount (as defined in the Equity Original Collateral Final Terms), (ii) the Participation (which is a percentage as set out in the Equity Original Collateral Final Terms) and (iii) the Portfolio Return, rounded to two decimal places, *multiplied by* (B) the number of securities held by the Issuer (which will be a number of securities with an aggregate Nominal Amount (as defined in the Equity Original Collateral Final Terms) equal to the Aggregate Nominal Amount of the Notes) (the “**Equity Original Collateral Redemption Amount**”).

Accordingly, a holder of a Note having a nominal amount of SEK 10,000 as at the Maturity Date will receive its *pro rata* share of the amount calculated in accordance with the applicable formula described above. More detailed information on the formula (and each component thereof) can be found in the Equity Original Collateral Final Terms, as set out in the section of this Prospectus entitled “*Description of the Equity Original Collateral*”.

Target Volatility Strategy

Prospective investors in the Notes must note that the weightings applied to each fund unit/share comprised in the Fund Basket will be rebalanced in accordance with the Target Volatility Strategy (as defined in the Equity Original Collateral Final Terms). Therefore, the weighting for each constituent fund will be adjusted during the term of the Notes. Such adjustment, as further described in the Equity Original Collateral Final Terms, will affect the Portfolio Values used to determine the Portfolio Return and to calculate the Equity Original Collateral Redemption Amount, which in turn will affect any Additional Payout Amount payable on the Notes.

Adjustments and disruptions

In the event that the price of a fund unit/share comprised in the Fund Basket is determined and published and is subsequently corrected within one Settlement Cycle (as defined in the terms of the Equity Original Collateral), the Equity Original Collateral Obligor and the Equity Original Collateral Calculation Agent shall be entitled to make adjustments to the terms of the Equity Original Collateral, at their reasonable discretion, to account for the correction, as more fully described in the terms of the Equity Original Collateral.

Prospective investors in the Notes must note that certain adjustments may be made to the dates on which the prices of the funds are determined for the purposes of the Equity Original Collateral as a result of the occurrence of a Market Disruption (as defined in the terms of the Equity Original Collateral, which includes, among others, a suspension or failure to announce the price of a fund unit/share on any relevant day or the occurrence of any other event that, in the opinion of the Equity Original Collateral 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 fund units/shares).

The maturity date of the Equity Original Collateral, and therefore the Maturity Date of the Notes, may be postponed if there would be a delay in the receipt by a notional investor who had given due notice of the full redemption proceeds of the relevant fund units/shares.

Furthermore, the Equity Original Collateral may also be subject to adjustment or early termination upon the occurrence of certain Potential Adjustment Events (as defined in the terms of the Equity Original Collateral, which include, among others, (i) a violation or change of any material terms in the marketing of the fund, (ii) a change in the main investment objective of the fund, (iii) a change in the currency in which the net asset value of the fund is reported, (iv) the net asset value of the fund not being calculated or announced when it

ordinarily would be available; (v) restrictions or limitations of redemptions or subscriptions for the fund being imposed; (vi) regulatory or tax treatment being changed; (vii) a review or investigation of the activities of the fund or its manager; (viii) the Equity Original Collateral Obligor being the beneficial owner of 25% or more of the fund units of the fund; (ix) 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; (x) any arrangement between the Equity Original Collateral Obligor and the fund or manager being changed or terminated; and (xi) any event in respect of a fund that, in the opinion of the Equity Original Collateral Obligor and the Equity Original Collateral Calculation Agent affects the Equity Original Collateral Obligor's hedging activities in relation to its exposure under the Equity Original Collateral).

Certain risks arising as a result of such events are outlined in the section of this Prospectus entitled "*Risk Factors*". More detailed information on the events referred to above and the resultant adjustments can be found in the terms of the Equity Original Collateral.

Worked examples of the determination of an Additional Payout Amount

The figures and events used for the purposes of these examples are indicative only and are not intended as a guide as to the actual or expected performance of any Class of Notes, which may be better or worse than the performance set out in the following examples.

The examples all assume the following:

- (a) the Nominal Amount of the Equity Original Collateral is SEK 1,000,000; and
- (b) the Participation is 100%.

Based on these assumptions:

Example 1:

This example assumes that the Fund Basket has performed such that the Portfolio Return is -5%.

In this example, no Equity Original Collateral Redemption Amount will be payable under the Equity Original Collateral, as the Portfolio Return for the Fund Basket is below zero. Based on this example, a holder of a Note having a nominal amount of SEK 10,000 as at the Maturity Date will not receive an Additional Payout Amount.

Example 2:

This example assumes that the Fund Basket has performed such that the Portfolio Return is 15%.

In this example, the Equity Original Collateral Redemption Amount will be SEK 150,000, being the *product* of (i) the Nominal Amount of SEK 1,000,000, (ii) the Participation of 100% and (iii) the Portfolio Return of 15%. Accordingly, the Equity Original Collateral Redemption Amount payable under the Equity Original Collateral will be SEK 150,000.

Accordingly, based on this example, in respect of the Class E Notes, a holder of a Note having a nominal amount of SEK 10,000 as at the Maturity Date will receive an Additional Payout Amount of SEK 1,500, being its *pro rata* share of the Equity Original Collateral Redemption Amount calculated above.

Early Redemption in Full

Overview

In certain circumstances, the Notes of a Class will be redeemed in full prior to the Maturity Date and the amount receivable by holders of the Notes of such Class will depend, amongst other things, on the mark-to-market value of the Asset Swap Transaction and the Equity Swap Transaction (in the case of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes) relating to such Class (or the net mark-to-market value of the Swap Agreement attributable to the Asset Swap Transaction and the Equity Swap Transaction).

Early Redemption Events

The Notes of a Class may be redeemed early, and in full, together with the Notes of the other Class, in any of the following circumstances:

- (a) both the Asset Swap Transaction and the Equity Swap Transaction (in the case of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes) relating to such Class of Notes are terminated, or the Swap Agreement as a whole is terminated;
- (b) any Equity Collateral Event occurs in respect of the Equity Original Collateral (in the case of the Class E Notes);
- (c) the occurrence of certain insolvency events with respect to the Swap Counterparty, the occurrence of an Event of Default or a Termination Event (each as defined in the Swap Agreement), the occurrence of a Termination Event (as defined in the Swap Agreement) with respect to any Asset Swap Transaction or Equity Swap Transaction where the Issuer has the right to terminate such transaction or the occurrence of certain credit rating downgrading or withdrawal events in respect of the Swap Counterparty, no replacement Swap Counterparty is appointed within 30 calendar days of such default by the Swap Counterparty. More detailed information on the events referred to above and the resultant replacement can be found in the section of this Transaction Description entitled “*Replacement of Swap Counterparty*” below;
- (d) certain tax events occur in respect of payments due by the Issuer under the Notes of each Class, but not instances where (x) withholding or deduction of taxes on the Notes arises solely in respect of FATCA; (y) withholding or deduction of taxes on the Notes arises solely as a result of the Noteholder’s connection with the jurisdiction of incorporation of the Issuer (otherwise than by reason of the holding of any Note or receiving any payment in respect thereof); and (z) a withholding or deduction is imposed pursuant to European Council Directive 2003/48/EC (or any other directive implementing the conclusions of the ECOFIN Council Meeting of 26-27 November 2000);
- (e) due to the adoption of, or any change in, any applicable law after the Issue Date, or 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 after such date, it becomes unlawful for the Issuer (i) to perform any absolute or contingent obligation to make a payment or delivery in respect of the Notes or any agreement entered into in connection with the Notes, (ii) to hold any Collateral or to receive a payment or delivery in respect of any Collateral or (iii) to comply with any other material provision of any agreement entered into in connection with the Notes;
- (f) an Event of Default occurs with respect to such Class of Notes; or
- (g) the Trustee enforces the security following the occurrence of an Enforcement Event in respect of the other Class of Notes.

Payments and Deliveries following an Early Redemption Event

Upon the occurrence of one of the events listed above, the Notes of the relevant Class may be redeemed by payment to the holder of their relevant Early Cash Redemption Amount. A description of the calculation of the Early Cash Redemption Amount is set out in the section of this Prospectus entitled “*Description of the Swap Agreement*”.

Security

The Issuer will enter into an Issue Deed on the Issue Date with, amongst others, BNY Mellon Corporate Trustee Services Limited as trustee for the Notes (the “**Trustee**”) under English law pursuant to which the Notes will be constituted and secured (such Issue Deed as it supplements the Principal Trust Deed relating to the Programme, being the Trust Deed for the Notes). In accordance with such Issue Deed, the Trustee is granted English law governed security for the benefit of itself and the other secured creditors (including the Noteholders) over, among other things, the Original Collateral, the Equity Original Collateral and the rights of the Issuer under the Swap Agreement as continuing security for, among other things, the payment of all sums due under the Notes. The Notes will also have the benefit of a Luxembourg law governed security interest (pledge agreement) which is granted to the Trustee (for, among other things, the benefit of itself and the other secured creditors (including the Noteholders)) over the pledged accounts allocated to Compartment GAP 2722-2726 June 2016.

Under the Trust Deed, the Trustee undertakes to hold on trust the security granted to it for, among other things, the benefit of itself and the Noteholders and has the right to enforce the security upon the occurrence

of an Enforcement Event in respect of any Class of Notes, for example, in the event of a non-payment of certain amounts due under any Class of Notes. If the Trustee enforces the security following the occurrence of an Enforcement Event in respect of a Class of Notes, the other Class will be redeemed early at the same time as that Class.

While the Trustee is permitted to give notice to the Issuer of its determination that an Event of Default has occurred (and that accordingly any Class of Notes have become immediately due and payable) and to determine that an Enforcement Event has occurred and enforce the security for the Notes, it is not required to do so unless (i) the Trustee is directed by an Extraordinary Resolution passed by the Noteholders of the relevant Class to do so (in the case of either an Event of Default or Enforcement Event) or (ii) the Trustee is directed by the Swap Counterparty in writing (in the case of an Enforcement Event only), and, in each case, the Trustee is indemnified and/or secured and/or prefunded by the Noteholders of the relevant Class to its satisfaction.

As indicated above, the Noteholders of a Class, by passing an Extraordinary Resolution, will be entitled to direct the Trustee to give an Early Redemption Notice to the Issuer and, if necessary, enforce the security following an Enforcement Event in respect of such Class, subject to the Trustee being indemnified and/or secured and/or prefunded to its satisfaction. Such Extraordinary Resolution if passed by way of a signed written resolution or given by way of electronic consents through the clearing systems (where the Notes are held on behalf of a Clearing System) must be passed by Noteholders holding, in aggregate, the relevant Class at least 75% in nominal amount of all of the outstanding Notes of such Class. Given the wide distribution of the Notes, Noteholders should be aware that there may be a significant delay between the Noteholders becoming entitled to make such a direction to the Trustee and Noteholders holding a sufficient nominal amount of the Notes of the relevant Class being able to make such request and provide the required indemnification, security and/or prefunding to the Trustee.

The Trustee is obliged to pay the proceeds from the realisation or enforcement of the Mortgaged Property with the priority set out below:

- (a) the payment of amounts owing to the Swap Counterparty pursuant to the Credit Support Annex (which will be equal to the lesser of (A) the Available Proceeds attributable to the Swap Counterparty's Credit Support Balance; and (B) an amount equal to (1) the Available Proceeds attributable to the Swap Counterparty's Credit Support Balance *minus* (2) the Early Termination Amount (whether negative or positive) with respect to the Swap Agreement);
- (b) the payment or satisfaction of all taxes owing by the Issuer;
- (c) the fees, costs, charges, expenses and liabilities due and payable to the Trustee including costs incurred in the enforcement of the security (including any taxes to be paid, legal fees and remuneration);
- (d) certain amounts owing to the Custodian, the Issuing and Paying Agent and the other Agents in respect of reimbursement for sums paid by them in advance of receipt by them of the funds to make such payment and their fees, costs, charges, expenses and liabilities;
- (e) any fees of the Disposal Agent;
- (f) any amounts owing to the Swap Counterparty under the Swap Agreement;
- (g) fees of the Corporate Services Provider; and
- (h) amounts owing to the Noteholders on a *pari passu* and *pro rata* basis.

The Credit Support Annex

The Issuer and Credit Suisse International will enter into a Credit Support Annex as part of the Swap Agreement.

Under the Credit Support Annex, in respect of the Issuer's exposure to the Swap Counterparty under the Asset Swap Transactions and the Equity Swap Transactions, the Swap Counterparty may be required to deliver to the Custodian certain securities meeting criteria set out in the Credit Support Annex (such securities, "**Eligible Securities**") if the Issuer has an exposure to the Swap Counterparty. For so long as the Custodian (on behalf of the Issuer) is holding any Eligible Securities, they shall also comprise underlying

assets for the Notes. However, the Issuer or the Trustee shall only be entitled to realise the value of such Eligible Securities in limited circumstances (being, in effect, where the Notes are to redeem early). Similarly, if the Swap Counterparty has an exposure to the Issuer, the Issuer may be required to deliver some or all of the Original Collateral to the Swap Counterparty under the Credit Support Annex, in which case such assets as delivered cease to be underlying assets for the Notes.

The purpose of this mechanism is (i) to reduce the exposure of the Issuer, and therefore, the Noteholders, to the Swap Counterparty and, (ii) to reduce the exposure of the Swap Counterparty to the Issuer where the exposure of the Swap Counterparty to the Issuer is greater than that of the Issuer to the Swap Counterparty, if, upon a termination of the Swap Agreement as a result of a default by the Swap Counterparty or the Issuer under the Swap Agreement or the occurrence of certain insolvency or bankruptcy events relating to the Swap Counterparty or the Issuer, a termination amount is payable by the Swap Counterparty to the Issuer or by the Issuer to the Swap Counterparty, as applicable. Such reduction in exposure arises as the Issuer or the Swap Counterparty, as applicable, will be entitled to realise the value of such Eligible Securities, Original Collateral or Equity Original Collateral, as applicable, in these circumstances and account for their value in satisfaction (in whole or in part) of the amount which would otherwise have been payable by the Swap Counterparty or the Issuer, as applicable, under the Swap Agreement.

The Eligible Securities must be debt obligations issued by any of the United States of America, Canada, the United Kingdom, France, Germany or by any of the Original Collateral Obligors. The Swap Counterparty will deliver any such Eligible Securities to the Custodian (on behalf of the Issuer). For so long as the Custodian (on behalf of the Issuer) is holding any such Eligible Securities, they will comprise underlying assets for the Notes.

The Swap Counterparty will act for its own benefit and is not required to, and may not, take into account the interests of the Noteholders in determining what securities, meeting the required criteria, to deliver to the Issuer under the Credit Support Annex as Eligible Securities.

Replacement of Swap Counterparty and Agents and Rights of Noteholder Facilitator

Replacement of Swap Counterparty

The terms of the Notes provide that, upon the occurrence of (i) a Counterparty Bankruptcy Credit Event; or (ii) an Event of Default (as defined in the Swap Agreement) with respect to the Swap Counterparty (other than a Counterparty Bankruptcy Credit Event); or (iii) a Termination Event (as defined in the Swap Agreement) where the Issuer has the right to designate an Early Termination Date in respect of the Asset Swap Transactions (an “**Asset Swap Termination Event**”); or (iv) a Termination Event (as defined in the Swap Agreement) where the Issuer has the right to designate an Early Termination Date in respect of any Equity Swap Transaction (an “**Equity Swap Termination Event**”); or (v) the long term senior, unsecured rating assigned by Moody’s Investors Service Limited (“**Moody’s**”) to the Swap Counterparty being withdrawn or less than Ba1 or if the short term rating assigned by Moody’s to the Swap Counterparty is less than P-3 (any such downgrade or withdrawal, a “**Moody’s Ba1/P-3 Downgrade**” and such event, along with each of a Counterparty Bankruptcy Credit Event, an Event of Default with respect to the Swap Counterparty, an Asset Swap Termination Event, an Equity Swap Termination Event and a Moody’s Ba1/P-3 Downgrade, a “**Replacement Event**”), the Issuer will not designate an Early Termination Date and will notify Garantum Fondkommission AB (as Noteholder Facilitator) as soon as reasonably practicable upon becoming aware of any such occurrence.

If (i) a Replacement Event (other than a Moody’s Ba1/P-3 Downgrade) occurs or (ii) (x) a Moody’s Ba1/P-3 Downgrade occurs and (y) the Swap Counterparty gives its prior written consent to such direction, Garantum Fondkommission AB as the Noteholder Facilitator is entitled to direct the Issuer by notice copied to the Trustee to enter into a replacement Swap Agreement with a replacement Swap Counterparty in respect of all Asset Swap Transactions and Equity Swap Transactions, identified by the Noteholder Facilitator. For the avoidance of doubt, the occurrence of a Moody’s Ba1/P-3 Downgrade will not entitle the Issuer to terminate the Swap Agreement and the Noteholder Facilitator will not be entitled to give such a replacement direction upon the occurrence of a Moody’s Ba1/P-3 Downgrade unless the Swap Counterparty has given its prior written consent.

With respect to the occurrence of a Replacement Event which would otherwise have given rise to an early redemption of the Notes, if a replacement Swap Agreement is entered into by the Issuer with such

replacement Swap Counterparty, within 30 calendar days of the relevant Replacement Event, then an early redemption under the Notes will not occur as a result. Instead, the ongoing payment obligations of the Swap Counterparty under the Swap Agreement would, effectively, now be ongoing payment obligations of such replacement Swap Counterparty.

Once appointed, if a replacement Swap Counterparty were itself to be subject to a Replacement Event, the same replacement process outlined herein would apply. Again, if a replacement Swap Counterparty was not appointed within 30 calendar days of the occurrence of a Replacement Event which gives rise to an early redemption of the Notes, then the Notes would redeem early.

In order for a replacement Swap Agreement to be entered into in these circumstances, certain requirements need to be met, including:

- (a) the replacement Swap Counterparty must be a reputable financial institution with a place of business in London which enters into derivative transactions as part of its ongoing business activities and which has, as a minimum, the Ba1/P-3 Rating as of the date the replacement Swap Agreement are entered into;
- (b) the replacement Swap Counterparty must be satisfactory to the Issuer and the Trustee; and
- (c) the price such replacement Swap Counterparty is willing to pay or receive to enter into such replacement Swap Agreement must be satisfactory to the Swap Counterparty subject to the Replacement Event.

Where a replacement Swap Agreement is entered into, certain costs and expenses may be incurred by the Trustee and the Issuer and these are expected to be funded by the replacement Swap Counterparty, as applicable on the date it enters into the replacement Swap Agreement, as applicable.

The Swap Counterparty may, under these provisions, be replaced more than once during the term of the Notes as a result of defaults by any subsequent replacement Swap Counterparty. Therefore, the Swap Counterparty may not be Credit Suisse International during the term of the Notes and it is not possible to know as at the Issue Date, the identity of any replacement Swap Counterparty that may enter into a replacement Swap Agreement in connection with the Notes in the circumstances referred to above.

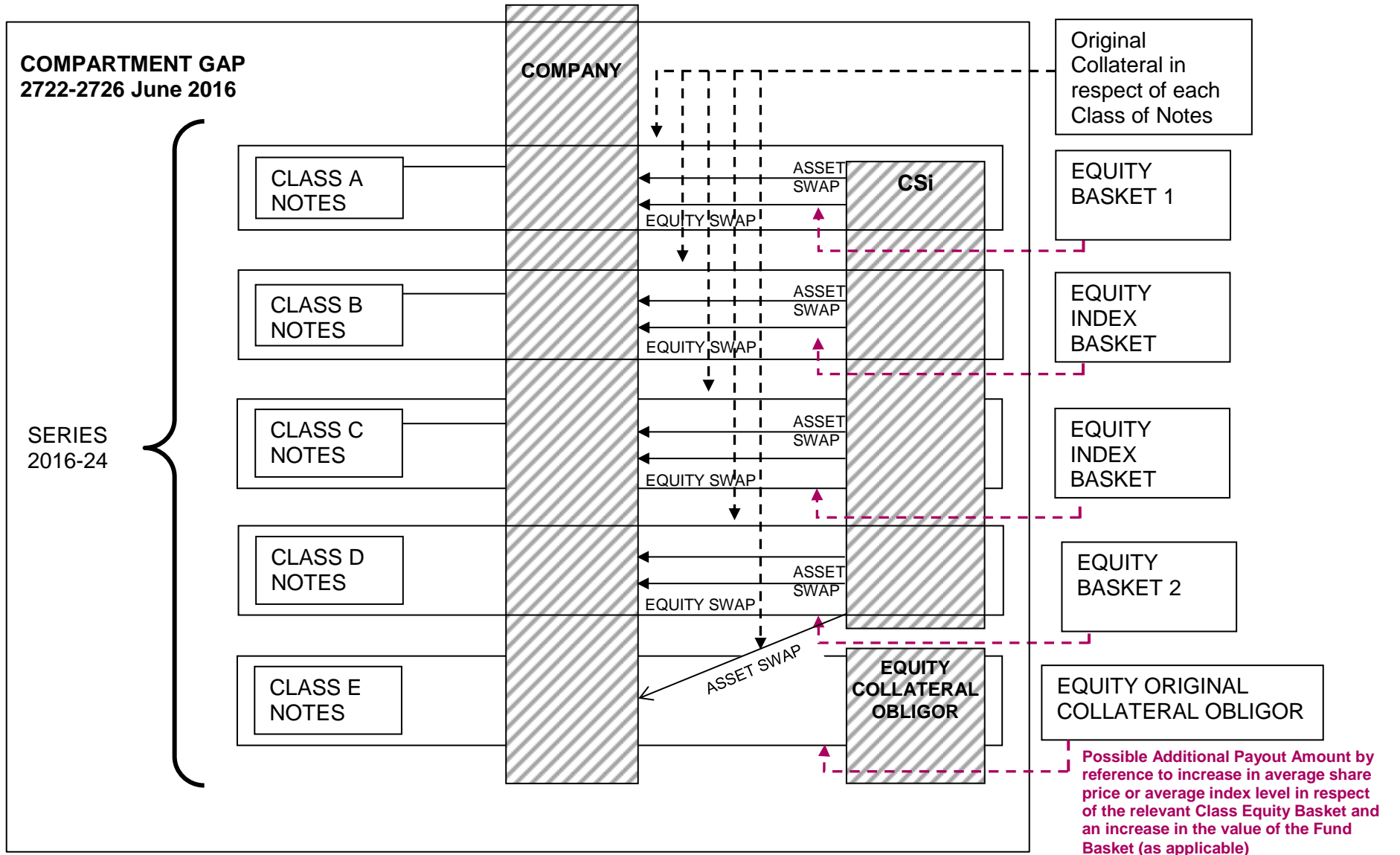
Replacement of Agents

Where the Swap Counterparty is replaced in the circumstances contemplated above and the existing Swap Agreement has been terminated in full, it is intended that the agency roles performed by such entity, which, as at the Issue Date, include the Calculation Agent and Disposal Agent in respect of the Notes, would be transferred to another entity or entities identified by Garantum Fondkommission AB (or any successor entity thereto) (as Noteholder Facilitator), provided that certain requirements were met, including:

- (a) the entity or entities must be reputable financial institutions with a place of business in London which provides such agency services as part of their ongoing business activities and which has or have, as a minimum, the Ba1/P-3 Rating as of the date of appointment; and
- (b) the entity or entities must be satisfactory to the Issuer, Trustee and replacement Swap Counterparty.

Following such identification of the replacement entity or entities, the Issuer is then required to use reasonable efforts to enter into such agreements as are necessary to appoint such entity or entities to perform such agency roles on, or as soon as reasonably practicable following, the entry into of a replacement Swap Agreement with the replacement Swap Counterparty.

The relevant Agents may, under these provisions, be replaced more than once during the term of the Notes where the Swap Counterparty is also replaced as described above.



QUESTIONS AND ANSWERS

The following section answers some questions that prospective investors might have regarding the Notes, in general terms only. It does not contain all the information which may be important to prospective investors. Prospective investors should read the entirety of this Prospectus and, in particular, the Issue Terms of the Notes, the Summary, the Risk Factors, the Transaction Description, the more detailed information in respect of the Asset Swap Transactions and the Equity Swap Transactions and the Equity Original Collateral that is contained elsewhere in this Prospectus and in the Base Prospectus or is incorporated by reference in such documents. In addition, prospective investors should consult with their investment, legal, accounting, tax and other advisers with respect to any investment in the Notes.

The information contained in this section is subject in its entirety to the other sections of this Prospectus.

What are the Notes?

The Notes are investment instruments issued by Argentum Capital S.A. acting in respect of Compartment GAP 2722-2726 June 2016 in the form of notes. The Notes comprise five Classes: the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes. They are secured on, amongst other things, the Original Collateral and equity-linked to the performance of a basket of shares (in the case of the Class A Notes and the Class B Notes) or a basket of share indices (in the case of the Class C Notes and the Class D Notes) or certificate-linked to the return on the Equity Original Collateral (in the case of the Class E Notes).

Is any interest payable on the Notes?

No. Interest is not payable in respect of any Class of Notes.

Where is my money invested?

(i) The Issuer will, subject to the provisions of the Securitisation Act 2004, use the proceeds of the issue of the Notes to purchase the Original Collateral and the Equity Original Collateral from Credit Suisse Securities Europe Limited on the Issue Date and pay the commission to the Dealer and will enter into the Asset Swap Transactions and the Equity Swap Transactions; and (ii) the Dealer will, in consideration for receiving the Notes, procure that the Swap Counterparty enters into the Asset Swap Transactions and the Equity Swap Transactions with the Issuer.

The return on the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes is linked to the Equity Swap Transaction (referencing the performance of the relevant Class Equity Basket, as applicable) and the Asset Swap Transaction relating to the relevant Class.

The return on the Class E Notes is linked to the Equity Original Collateral (referencing the performance of the Fund Basket) and the Asset Swap Transaction relating to the Class E Notes.

Are the Notes secured on any Original Collateral?

Yes. The Issuer will purchase Original Collateral using a portion of the issue proceeds of the Notes. Such Original Collateral is expected to comprise (i) a nominal amount of 1.00 per cent. bonds due 2023 issued by Credit Suisse Group Funding (Guernsey) Limited (ISIN CH0278341224); and (ii) a nominal amount of 2.00 per cent. bonds due 2023 issued by The Goldman Sachs Group, Inc. (ISIN: XS1265805090) (each of (i) and (ii) a “**Collateral Component**”). The Notes are also secured on the Equity Original Collateral.

In addition, under the Credit Support Annex in respect of the Swap Agreement, the Swap Counterparty may deliver to the Custodian (on behalf of the Issuer) certain securities meeting criteria set out in the Credit Support Annex in respect of the Issuer’s exposure to the Swap Counterparty. For so long as the Custodian (on behalf of the Issuer) is holding any such securities, they will comprise underlying assets for the Notes and Collateral. Similarly, if the Swap Counterparty has an exposure to the

Issuer, the Issuer may be required to deliver some or all of the Original Collateral to the Swap Counterparty under the Credit Support Annex, in which case such assets as delivered cease to be underlying assets for the Notes.

Is the scheduled return on each Class of Notes expected to be the same?

No. A portion of the return on any Class of Notes will depend on:

- (a) in respect of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes, the Equity Swap Transaction relating to such Class and referencing the performance of the relevant Class Equity Basket, in each case relating to such Class, as adjusted for the relevant Participation of that Class. The return under the Equity Swap Transaction referencing such Class Equity Basket may vary between Classes due to the Maturity Date of the relevant Class of Notes and the averaging periods and the Participation of the related Equity Swap Transaction; and
- (b) in respect of the Class E Notes, the Equity Original Collateral relating to the Class E Notes and referencing the performance of the Fund Basket relating to such Class, as adjusted for the relevant Participation of that Class,

as a result, one or more Classes of Notes may perform better or worse than the other Class of Notes.

When are the Notes scheduled to mature if not redeemed early?

The Notes are scheduled to mature on 3 August 2023. However, the scheduled maturity of the Notes may be extended beyond this date as a result of (i) any postponement in the settlement of (a) in respect of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes, the Equity Swap Transaction referencing the relevant Class Equity Basket, as applicable, to the latest date for payment of any Swap Counterparty Equity Final Exchange Amount to the Issuer or (b) in respect of the Class E Notes, the Equity Original Collateral to the latest date for payment of the Equity Original Collateral Redemption Amount to the Issuer or (ii) as a result of any Potential Collateral Event in respect of a Collateral Component.

Do the Notes redeem at par on the Maturity Date?

It is expected that, on the Maturity Date, provided that no Early Redemption Event or Potential Collateral Event has occurred, each Note having an outstanding nominal amount equal to SEK 10,000 will be redeemed on the Maturity Date by payment of SEK 10,000 and:

- (a) in respect of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes, an Additional Payout Amount (if any), being its *pro rata* share of an amount (if any) equal to the Swap Counterparty Equity Final Exchange Amount receivable by the Issuer under the Equity Swap Transaction relating to such Class of Notes and referencing the corresponding Class Equity Basket; or
- (b) in respect of the Class E Notes, an Additional Payout Amount (if any), being its *pro rata* share of an amount (if any) equal to the Equity Original Collateral Redemption Amount receivable by the Issuer under the Equity Original Collateral.

Notwithstanding the above, there can be no assurance that the Additional Payout Amount in respect of any Class of Notes will be greater than zero or that no Early Redemption Event will have occurred. If an Early Redemption Event does occur, the return on the Notes will be equal to (i) where the Early Redemption Event is not a Collateral Event, the Early Cash Redemption Amount; and (ii) where the Early Redemption Event is a Collateral Event, the Collateral Event Early Cash Redemption Amount and may be significantly less than the principal initially invested. Subject to

the proviso above, if any such Additional Payout Amount is zero, the relevant Class of Notes will be redeemed at less than its Outstanding Principal Amount.

Who is the Swap Counterparty and what is its role?

The Swap Counterparty will be Credit Suisse International on the Issue Date and it will continue to act as Swap Counterparty until the Maturity Date unless (i) it defaults under the Swap Agreement; (ii) it becomes insolvent; (iii) the Asset Swap Transactions are otherwise capable of being terminated by the Issuer; (iv) any Equity Swap Transaction (in the case of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes) is otherwise capable of being terminated by the Issuer or (v) a Moody's Ba1/P-3 Downgrade occurs and, in each case, the Swap Counterparty is replaced, at the direction of Garantium Fondkommission AB (or any successor entity thereto) (as Noteholder Facilitator) in accordance with the Issue Terms of the Notes within 30 calendar days of such occurrence. There can be no assurance that any such replacement will occur even where such an event has occurred. Where such replacement does not occur within 30 calendar days following any such event (except for a Moody's Ba1/P-3 Downgrade), the Swap Agreement will terminate and the Notes of all Classes will redeem early.

In consideration for the issue of the Notes, the Dealer will procure that, in addition to the sale of the Original Collateral to the Issuer, the Swap Counterparty will enter into a Swap Agreement with the Issuer governing the Asset Swap Transactions in respect of the Notes and the Equity Swap Transactions in respect of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes.

Under the terms of the Swap Agreement, the Swap Counterparty will pay to the Issuer certain amounts that will correspond to those amounts due to be paid on the Notes and the Issuer will pay to the Swap Counterparty certain amounts due to be paid on the Original Collateral (save that where the redemption date of any Collateral Component falls after the Maturity Date of the Notes, the Issuer shall deliver such Collateral Component to the Swap Counterparty rather than making a payment to the Swap Counterparty).

The Swap Counterparty Equity Final Exchange Amount receivable by the Issuer under each Equity Swap Transaction (in the case of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes) is linked to the performance of the corresponding Class Equity Basket and the participation applied thereto.

What Original Collateral is referenced by each Class of Notes?

The Original Collateral in respect of the Series of Notes is expected to comprise (i) a nominal amount of 1.00 per cent. bonds due 2023 issued by Credit Suisse Group Funding (Guernsey) Limited (ISIN CH0278341224) (the "**CS Bond**"; and (ii) a nominal amount of 2.00 per cent. bonds due 2023 issued by The Goldman Sachs Group, Inc. (ISIN XS1265805090) (the "**GS Bond**") (each of (i) and (ii) a "**Collateral Component**"), determined, in the case of the CS Bond, by reference to the CHF equivalent, or in the case of the GS Bond, by reference to the EUR equivalent, of the portion of the net issue proceeds of each Class allocated to the relevant Collateral Component, or such other bonds issued by (i) any such issuer of a Collateral Component or (ii) any entity controlled, directly or indirectly, by any such issuer, any entity that controls, directly or indirectly, such issuer or any entity directly or indirectly under common control with any such issuer as may be determined by the Dealer as at the Collateral Event Observation Start Date (expected to be 28 June 2016).

Any CHF amounts shall be determined by the Calculation Agent by reference to the daily fixing rate of exchange of the number of (x) the daily fixing rate of exchange of the number of SEK per EUR 1 divided by (y) the daily fixing rate of exchange of the number of CHF per EUR 1, rounded to four decimal places, each such rate as published on Reuters page ECB37 at 14:15 CET on the Collateral Event Observation

Start Date (expected to be 28 June 2016).

Any EUR amounts shall be determined by the Calculation Agent by reference to the daily fixing rate of exchange of the number of SEK per EUR 1, rounded to four decimal places, each such rate as published on Reuters page ECB37 at 14:15 CET on the Collateral Event Observation Start Date (expected to be 28 June 2016).

The Original Collateral Obligors are expected to be part of a banking group.

The Collateral Components and Original Collateral Obligors will be determined by the Dealer on the Collateral Event Observation Start Date and notified to the Noteholders on or about the Issue Date.

Is it possible to change a Collateral Component?

The Collateral Components will be fixed on the Collateral Event Observation Start Date and may not be changed thereafter.

What happens if a Collateral Event occurs in respect of a Collateral Component?

Collateral Events that may occur in respect of each Collateral Component consist of the following:

- (a) Original Collateral Default; and
- (b) Original Collateral Payment Failure.

A more detailed description of the Collateral Events is set out in the section of this Prospectus entitled “*Transaction Description*”.

If the Calculation Agent determines that one of the above Collateral Events has occurred with respect to any Collateral Component (such Collateral Component, being the Affected Collateral Component), then:

- (i) the Calculation Agent shall determine the relevant value of the Asset Swap Transactions relating to each Class of Notes subject to certain assumptions;
- (ii) the Affected Collateral Component shall be liquidated by the Disposal Agent;
- (iii) each Note will be partially redeemed on the Cash Redemption Date by payment to each Noteholder of its Collateral Event Early Cash Redemption Amount; and
- (iv) the outstanding nominal amount of each Note of a Class shall be reduced by an amount equal to its *pro rata* share of the product of (X) the Weighting of the Affected Collateral Component and (Y) the Specified Denomination of such Note, save that where the Affected Collateral Component is the sole Collateral Component, the outstanding nominal amount of each Note shall be reduced to SEK 1 (such SEK 1 remaining outstanding until the Maturity Date solely for the purposes of keeping the Notes of such Class outstanding in the event that any Additional Payout Amount is payable under with respect to such Class).

The Collateral Event Early Cash Redemption Amount means, in respect of each Note of each Class of Notes, an amount determined by the Calculation Agent equal to its *pro rata* share of (i) the proceeds of the liquidation of the Affected Collateral Component attributable to such Class of Notes *plus* (ii) any Partial Class Asset Swap Gain *minus* (iii) any Partial Class Asset Swap Loss.

What is the difference between the Notes and the Original

The Notes give the investor exposure to the credit risk of the Original Collateral without having to own the Original Collateral or a bond or other type of debt obligation of the Original Collateral Obligors. The Original Collateral Obligors are not a party to the Notes nor do the Original Collateral Obligors have a direct involvement in the issue of the Notes or the entry into the Swap Agreement, and an

Collateral?

investor will not be able to claim against the Original Collateral Obligors for any losses it suffers from a Collateral Event of a Collateral Component.

In addition to the credit risk of the Original Collateral Obligors to which the Notes are linked, an investor will also be exposed to credit risk in relation to the Agents, the Custodian and the Swap Counterparty, so even if the Original Collateral Obligors are performing well, an investor may still suffer a loss under the Notes as a result of these other credit risks. The Notes also give the investor (i) in respect of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes, equity linked exposure to Equity Basket 1, the Equity Index Basket or Equity Basket 2 as applicable and (ii) in respect of the Class E Notes, fund linked exposure to the Fund Basket.

Additional Payout Amount payable under the equity-linked Notes, being the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes.**What determines the amount of any Additional Payout Amount payable under the equity-linked and equity index-linked Notes?**

The Additional Payout Amount forming part of the redemption amounts payable for each of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes is determined by the Swap Counterparty Equity Final Exchange Amount receivable by the Issuer under the Equity Swap Transaction related to that Class of Notes.

In respect of each of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes, its *pro rata* share of an amount equal to the Swap Counterparty Equity Final Exchange Amount receivable by the Issuer under the Equity Swap Transaction relating to the relevant Class will be the Additional Payout Amount in respect of such Class of Notes (which will never be less than zero).

The Swap Counterparty Equity Final Exchange Amount is also subject to the levels of Participation which: (i) in respect of the Class A Notes, may be as low as 75%; (ii) in respect of the Class B Notes, may be as low as 75%; (iii) in respect of the Class C Notes, may be as low as 160%; and (iv) in respect of the Class D Notes, may be as low as 75% and to other adjustments described in this section and the section of this Prospectus entitled “*Description of the Equity Swap Transactions*”, so the Additional Payout Amount (if any) payable in respect of each Class of Notes may vary from the actual performance of the basket of shares of indices of shares, as applicable.

What are the Equity Swap Transactions?

The Equity Swap Transactions are derivative transactions entered into between the Issuer and the Swap Counterparty which track the performance (by reference to the increase or decrease in average value) of a basket of shares or indices of shares (as applicable) over certain dates within a specified period of time in respect of each of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes. Each Equity Swap Transaction allows the Issuer, and therefore the Noteholders, to benefit to the extent of its Participation if the average value of the basket of shares or the weighted average of the basket of indices of shares (as applicable) increases (determined by reference to the relevant formula). However, as the Swap Counterparty Equity Final Exchange Amount is subject to a floor of zero, if the average value of the basket of shares or the weighted average value of the basket of indices of shares (as applicable) (determined by reference to the relevant formula) or in relation to an Equity Swap Transaction decreases, this will result in no final payment under the Equity Swap Transaction.

Which shares will the equity-linked and equity index-linked Notes be exposed to?

Each of the Class A Notes and the Class B Notes, the Class C Notes and the Class D Notes will be exposed to the performance of a basket of shares or indices of shares (as applicable). The Equity Swap Transactions relating to the Class A Notes references the performance of Equity Basket 1, the Equity Swap Transactions relating to the Class B Notes and the Class C Notes references the performance of the Equity Index Basket and the Equity Swap Transaction relating to the Class D Notes references the performance of Equity Basket 2.

The basket of shares or indices of shares for the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes is set out in the sections of this Prospectus entitled “*Transaction Description*” and “*Description of the Equity Swap Transactions*”.

Can there be any change to the shares or indices in the baskets?

Yes. With respect to Equity Basket 1 and Equity Basket 2, on the occurrence of certain events in relation to a share its issuer, including merger events, tender offers, nationalisation, insolvency or delisting, the Calculation Agent under the Swap Agreement may select a new underlying share, which will be deemed to be one of the shares in the basket in place of the original share, and the Calculation Agent may make adjustments to the terms of the relevant Equity Swap Transaction to account for the economic effect on the relevant Equity Swap Transaction of the event and/or the replacement of the original share. Any replacement share will, to the extent practicable, be selected from the same economic sector, be denominated in the same currency and have a similar market capitalisation to the relevant replaced share.

With respect to the Equity Index Basket, on the occurrence of certain events in relation to an index, including an index modification, index cancellation or index disruption, the relevant Equity Swap Transaction may be terminated, or the Calculation Agent may make adjustments to the terms of the relevant Equity Swap Transaction to account for the economic effect on such Equity Swap Transaction of the event.

These events and associated potential adjustments are described in more detail in the sections of this Prospectus entitled “*Transaction Description*” and “*Description of the Equity Swap Transactions*”.

How will the payments under the Equity Swap Transactions be calculated?

The Swap Counterparty Equity Final Exchange Amount determined under each of the Equity Swap Transactions (in the case of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes) is calculated by the Calculation Agent under the Swap Agreement using a formula that factors in the share price or index level performance of the relevant Class Equity Basket and the Participation for each Class of Notes.

A summary of the formula used is set out in the sections of this Prospectus entitled “*Transaction Description*” and “*Description of the Equity Swap Transactions*”.

What is the Participation?

The Participation reflects the level of exposure to the performance of the basket of shares or the basket of indices of shares and is a percentage to be determined by the Issuer or the Calculation Agent on its behalf, and notified to the Noteholders on or about the Issue Date, which: (i) in respect of the Class A Notes, is expected to be 100% (indicative only) but which may be higher or lower and in any event shall not be less than 75%, (ii) in respect of the Class B Notes, is expected to be 100% (indicative only) but which may be higher or lower and in any event shall not be less than 75%, (iii) in respect of the Class C Notes, is expected to be 200% (indicative only) but which may be higher or lower and in any event shall not be less than 160% and (iv) in respect of the Class D Notes, is expected to be 100% (indicative only) but which may be higher or lower and in any event shall not be less than 75%. A

Participation of 100% will track the performance of the basket of shares or the basket of indices of shares, as applicable. A Participation of that is higher or lower than 100% will increase or reduce, respectively, the result of any increase in the average value of the basket of shares or the weighed average of the basket of indices of shares, creating a higher or lower Additional Payout Amount, respectively, than would otherwise have been the case.

Are there any circumstances where payments under the Equity Swap Transaction may be adjusted, delayed or postponed?

Yes. The terms of the Equity Swap Transactions provide for a number of circumstances where both the amounts payable under the Equity Swap Transactions and the timing of such payments may be adjusted or postponed and/or which may lead to the early redemption of the Equity Swap Transactions in certain circumstances.

These include, among others, as a result of:

- (a) the occurrence of certain market disruption events in respect of the stock exchanges relating to any of the basket of shares or indices of shares in the relevant Class Equity Basket;
- (b) the occurrence of certain Additional Disruption Events referenced in the applicable Equity Swap Transaction; and/or
- (c) the occurrence of merger events, tender offers, delisting events, nationalisation or insolvency of any of the shares (or issuers thereof) or the occurrence of any index modification, index cancellation or index disruption with respect to any of the indices.

More detail on these factors is provided in the sections of this Prospectus entitled “*Risk Factors*”, “*Transaction Description*” and “*Description of the Equity Swap Transactions*”.

Additional Payout Amount payable under the certificate-linked Notes, being the Class E Notes.

What is the Equity Original Collateral?

The Equity Original Collateral comprises UBS Gearing Certificates with an aggregate nominal amount equal to the Aggregate Nominal Amount of the Notes linked to a basket of funds, issued by UBS AG. The Equity Original Collateral allows the Issuer, and therefore the Noteholders, to benefit from any average positive performance of the funds, as adjusted by the target volatility strategy, determined by reference to the relevant formula. As the average performance of the funds is subject to a floor of zero, if the average performance of the funds is less than or equal to zero (determined by reference to the formula), this will result in no final payment under the Equity Original Collateral.

What is the difference between the Notes and a bond issued by the Equity Original Collateral Obligor?

The Notes give the investor exposure to the Equity Original Collateral without having to own the Equity Original Collateral, a bond or any other type of debt obligation of the Equity Original Collateral Obligor. The Equity Original Collateral Obligor itself is not a party to the Notes nor does the Equity Original Collateral Obligor have a direct involvement in the issue of the Notes or the entry into the Swap Agreement, and an investor will not be able to claim against the Equity Original Collateral Obligor for any losses it suffers from a Collateral Event in respect of the Equity Original Collateral.

In addition to the credit risk of the Equity Original Collateral Obligor, an investor will also be exposed to credit risk in relation to the Original Collateral Obligors the Agents, the Custodian and the Swap Counterparty, so even if the Equity Original Collateral is performing well, an investor may still suffer a loss under the Notes as a result of these other credit risks.

Which funds will Class E Notes be exposed to?

The Equity Original Collateral references the performance of a basket of funds. Therefore, the Class E Notes will be exposed to the performance of funds comprised in the Fund Basket.

The Fund Basket for the Equity Original Collateral is set out in the section of this Prospectus entitled “*Transaction Description*” and in the final terms of the Equity Original Collateral (the “**Equity Original Collateral Final Terms**”), set out in the section of this Prospectus entitled “Description of the Equity Original Collateral”.

Can there be any change to the funds in the basket?

Yes. With respect to the Fund Basket, in relation to a fund or its manager, the Equity Original Collateral Obligor and UBS AG in its role as the Calculation Agent under the Equity Original Collateral (the “**Equity Original Collateral Calculation Agent**”) may determine a certain potential adjustment event has occurred in respect of a fund and is material and adversely affects the fund or the calculation of the net asset value of the fund. If the Equity Original Collateral Obligor and the Equity Original Collateral Calculation Agent do determine that such an event has occurred, they may make adjustments to any calculation methods or use reasonable efforts to select one or more alternative funds and replace the fund with such fund(s), as more fully described in the terms of the Equity Original Collateral.

These events and associated potential adjustments are described in more detail in the terms of the Equity Original Collateral.

How will the payments under the Equity Original Collateral be calculated?

The Equity Original Collateral Redemption Amount determined under the Equity Original Collateral is calculated by the Equity Original Collateral Calculation Agent in accordance with the terms of the Equity Original Collateral using a formula that factors in the target volatility strategy, the performance of each fund comprised in the basket and the Participation.

A summary of the formula used is set out in the section of this Prospectus entitled “*Transaction Description*” and the formula is set out in the Equity Original Collateral Final Terms.

What is the Participation?

The Participation reflects the level of exposure to the performance of the Fund Basket in respect of the Equity Original Collateral and is a percentage determined by the Equity Original Collateral Obligor, and notified to the Issuer, following which it will be notified to the Noteholders, on or about the Issue Date, which, in respect of the Class E Notes, is expected to be 140% (indicative only) but which may be higher or lower and in any event shall not be less than 100%. A Participation of 100% will track the positive performance of the Fund Basket. A Participation that is higher or lower than 100% will increase or reduce, respectively, the result of any increase in the average value of the Fund Basket, creating a higher or lower Additional Payout Amount in respect of the relevant Class, respectively, than would otherwise have been the case.

Are there any circumstances where payments under the Equity Original Collateral may be adjusted, delayed or postponed?

Yes. The terms of the Equity Original Collateral provide for a number of circumstances where both the amounts payable under the Equity Original Collateral and the timing of such payments may be adjusted or postponed and/or which may lead to the early redemption of the Equity Original Collateral in certain circumstances.

These include, among others, as a result of:

- (a) the occurrence of certain market disruption events in respect of the funds in the Fund Basket;
- (b) the occurrence of certain Potential Disruption Events (as defined in the

terms of the Equity Original Collateral); and/or

- (c) delays in the settlement of a notional investor's investment in any of the funds.

More detail on these factors is provided in the sections of this Prospectus entitled "*Risk Factors*", "*Transaction Description*" and "*Description of the Equity Original Collateral*".

Who is the Calculation Agent?

Credit Suisse International will act as Calculation Agent for the Notes and the Swap Agreement for so long as it maintains the role of Swap Counterparty (and, by extension, each of the Asset Swap Transactions and Equity Swap Transactions thereunder).

What is the role of the Calculation Agent and the Issuer in deciding certain issues related to the Notes?

The Calculation Agent may exercise certain discretions and make certain determinations relating to the Notes, including (but not limited to) the following determination of whether a Collateral Event or a Potential Collateral Event has occurred with respect to a Collateral Component.

Noteholders should note that any determination and/or calculation by the Calculation Agent will, in the absence of manifest error, be final and binding on the Trustee and Noteholders.

Can the Notes redeem in full prior to the Maturity Date?

Yes. This may occur in respect of a Class of Notes in any of the following circumstances:

- (a) the Asset Swap Transaction and the Equity Swap Transaction (in the case of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes) relating to such Class are terminated, or the Swap Agreement as a whole is terminated;
- (b) in respect of the Class E Notes, an Equity Collateral Event occurs in respect of the Equity Original Collateral;
- (c) the occurrence of certain insolvency events in respect of the Swap Counterparty, the occurrence of an Event of Default or a Termination Event (each as defined in the Swap Agreement), the occurrence of a Termination Event (as defined in the Swap Agreement) in respect of any Asset Swap Transaction or Equity Swap Transaction where the Issuer has the right to terminate such transaction or the occurrence of certain credit rating downgrading or withdrawal events in respect of the Swap Counterparty, no replacement Swap Counterparty is appointed within 30 calendar days of such event;
- (d) certain tax events occur in respect of payments due by the Issuer under the Notes of all Classes, but not instances where (x) withholding or deduction of taxes on the Notes arises solely in respect of FATCA; (y) withholding or deduction of taxes on the Notes arises solely as a result of the Noteholder's connection with the jurisdiction of incorporation of the Issuer (otherwise than by reason of the holding of any Note or receiving any payment in respect thereof); and (z) a withholding or deduction is imposed pursuant to European Council Directive 2003/48/EC (or any other directive implementing the conclusions of the ECOFIN Council Meeting of 26-27 November 2000);
- (e) due to the adoption of, or any change in, any applicable law after the Issue Date, or 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 after such date, it becomes unlawful for the Issuer (i) to perform any absolute or contingent obligation to make a payment or delivery

in respect of the Notes or any agreement entered into in connection with the Notes, (ii) to hold any Collateral or to receive a payment or delivery in respect of any Collateral or (iii) to comply with any other material provision of any agreement entered into in connection with the Notes;

- (f) an Event of Default occurs in respect of such Class of Notes; or
- (g) the Trustee enforces the security following the occurrence of an Enforcement Event in respect of the other Class of Notes.

Upon the occurrence of one of the events listed above, the Notes of each Class held by a Noteholder will be due to be redeemed by payment to such holder of a *pro rata* share of the relevant Early Cash Redemption Amount applicable to such Class. A description of the calculation of the Early Cash Redemption Amount is set out in the section of this Prospectus entitled “*Description of the Swap Agreement*”.

Will the Notes be rated?

No. The Notes are not rated by any rating agency.

Will there be a secondary market in the Notes?

Credit Suisse Securities (Europe) Limited, Credit Suisse International, Credit Suisse AG, or any of their respective agents may purchase Notes subject to all regulatory requirements and the internal policies and procedures of Credit Suisse Securities (Europe) Limited, Credit Suisse International, Credit Suisse AG or such agent (as applicable). However, no assurance is given that this will be the case and investors should be prepared to retain the Notes until their maturity.

What tax will I have to pay and how will tax affect payments made to me?

General information relating to certain aspects of Luxembourg, Swedish and Irish taxation, to the extent applicable to you, is set out under the headings “*Luxembourg Taxation*”, “*Swedish Taxation*” and “*Irish Taxation*” in this Prospectus.

In addition, general information relating to certain aspects of United Kingdom and Swiss taxation, to the extent applicable to you, is set out under the heading “*Taxation*” in the Base Prospectus.

If withholding taxes are imposed on payments under the Notes (as described in more detail in the terms and conditions of the Notes), the Issuer will not pay any additional amounts to “gross-up” such payments.

The Issuer will not be liable for or otherwise obliged to pay any tax, duty, withholding or other payment (including any stamp or transfer tax) which may arise as a result of the ownership, transfer, exercise or enforcement of any Note by any person and all payments made by the Issuer will be made subject to any such tax, duty, withholding or other payment which may be required to be made, paid, withheld or deducted. For the avoidance of doubt, the Issuer will not assume any responsibility for such withholding or deduction. If any such taxes apply (subject to certain exceptions including, but not limited to where withholding or deduction of taxes on the Notes arises solely in respect of FATCA), the Notes will be redeemed early as described under “*Can the Notes redeem in full prior to the Maturity Date?*” above and elsewhere in this Prospectus.

Noteholders must also carefully review, and understand, the risk factor in the section of this Prospectus entitled “*Risk Factors*” under the heading “*FATCA and the possibility of U.S. withholding tax on payments*”.

The tax treatment of the Notes for individual Noteholders may vary significantly. The general information regarding taxation set out in this Prospectus and the Base Prospectus does not consider the implications of a holding of the Notes for individual Noteholders based upon their specific circumstances. Accordingly, you must consult with your tax advisers (along with your legal and financial advisers) prior to making

an investment in any of the Notes.

DOCUMENTS INCORPORATED BY REFERENCE

The provisions of the base prospectus dated 4 September 2015 relating to the Secured Note Programme of the Company (the “**Base Prospectus**”), which has previously been published and have been filed with the CSSF and the Central Bank but excluding the “*Summary*” on pages 5 to 17 of the Base Prospectus and the section entitled “*The Swap Agreement*” on pages 255 to 258 of the Base Prospectus, shall be incorporated in, and form part of, this Prospectus.

For the purpose of this Prospectus, references in the Base Prospectus to the applicable Issue Terms or Alternative Drawdown Document (including, for the avoidance of doubt, within the sections thereof incorporated by reference and forming part of this Prospectus) shall be to the provisions set out below under “*Issue Terms*”. In the event of any inconsistency between the Issue Terms and this Prospectus on the one hand, and the Master Conditions or Base Prospectus on the other, the Issue Terms and this Prospectus will prevail. The Base Prospectus is available for viewing at the following link:

http://www.ise.ie/debt_documents/Base%20Prospectus_f1058741-057c-4d37-8f67-ac45bec35c48.PDF?v=982015

The audited financial statements of the Issuer for the financial year ended 31 December 2013 (the “**2013 Accounts**”) are incorporated in, and form a part of this Prospectus.

The 2013 Accounts are available at the following link:

<http://www.argentumcapital.lu/pdfs/financial/2013-12-31%20Argentum%20Financial%20Statements%20FULL%20SIGNED.pdf>

The audited financial statements of the Issuer for the financial year ended 31 December 2014 (the “**2014 Accounts**”), are incorporated in, and form a part of this Prospectus.

The 2014 Accounts are available at the following link:

http://www.argentumcapital.lu/pdfs/financial/Argentum_Capital_SA_aud_en_31122014_fully_signed.pdf

The audited financial statements of the Issuer for the financial year ended 31 December 2015 (the “**2015 Accounts**”), are incorporated in, and form a part of this Prospectus. There has been no material adverse change in the prospects of the Issuer since 31 December 2015, being the date of the Issuer’s last published audited financial statements.

The 2015 Accounts are available at the following link:

<http://www.argentumcapital.lu/pdfs/financial/2015-12-31%20Argentum%20Financial%20Statements.pdf>

The non-incorporated parts of the documents incorporated by reference are either not relevant for prospective investors in the Notes or covered elsewhere in this Prospectus.

Following the publication of this Prospectus, a supplement may be prepared by the Issuer and approved by the Central Bank in accordance with Article 16 of the Prospectus Directive. Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Prospectus or in a document which is incorporated by reference in this Prospectus. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Prospectus. Copies of documents incorporated by reference in this Prospectus can be obtained from the specified office of the Issuing and Paying Agent for the time being in London. In addition, such documents will be available from the registered office of the Issuer.

The Issuer will, in the event of any significant new factor, material mistake or inaccuracy relating to information included in this Prospectus which is capable of affecting the assessment of the Notes, prepare a supplement to this Prospectus.

ISSUE TERMS

PART A – CONTRACTUAL TERMS

The Notes will be subject to the Master Conditions as set out in the Base Prospectus dated 4 September 2015 and also to the provisions set out in these issue terms (the “**Issue Terms**” which include the relevant schedule(s) attached hereto). References in such Master Conditions to the Issue Terms or Alternative Drawdown Document shall be to the provisions set out in these Issue Terms. In the case of a discrepancy or conflict with such Master Conditions, the following Issue Terms shall prevail.

SERIES DETAILS

1. Issuer: Argentum Capital S.A. (the “**Company**”), acting in respect of its Compartment GAP 2722-2726 June 2016.
2. (i) Series Number: 2016-24
(ii) Classes: Applicable.

This Series comprises five classes (each, a “**Class**” or “**Class of Notes**”). The Notes of each Class will rank *pari passu* and without any preference among themselves and each Class will rank *pari passu* and without any preference between the Classes.

A separate compartment has been created by the Board in respect of the Notes (“**Compartment GAP 2722-2726 June 2016**”). Compartment GAP 2722-2726 June 2016 is a separate part of the Company’s assets and liabilities. The Collateral (relating to the Notes) is exclusively available to satisfy the rights of the Secured Creditors (in accordance with the terms and conditions set out in these Issue Terms) and the rights of the creditors whose claims have arisen at the occasion of the creation, the operation or the liquidation of Compartment GAP 2722-2726 June 2016, as contemplated by the Articles and subject to the order of priority set out therein.
3. Specified Currency: Swedish Krona (“**SEK**”)
4. Aggregate Nominal Amount of Notes:
 - (i) Series: The Aggregate Nominal Amount of the Series as at the Issue Date (the “**Initial Aggregate Nominal Amount of the Series**”) shall be up to SEK 1,000,000,000.

At any time after the Issue Date, the Aggregate Nominal Amount of the Series shall be the aggregate of the Outstanding Principal Amounts of each Class as at such date.
 - (ii) Classes: The Aggregate Nominal Amounts of each Class of Notes as at the Issue Date (each, an “**Initial Class Aggregate**”

Nominal Amount”) shall be as follows:

- (a) Class A: up to SEK 200,000,000 (the “**Class A Notes**”);
- (b) Class B: up to SEK 200,000,000 (the “**Class B Notes**”);
- (c) Class C: up to SEK 200,000,000 (the “**Class C Notes**”);
- (d) Class D: up to SEK 200,000,000 (the “**Class D Notes**”); and
- (e) Class E: up to SEK 200,000,000 (the “**Class E Notes**”).

The Initial Aggregate Nominal Amount of the Series, together with the respective Initial Class Aggregate Nominal Amount of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes, in each case, as at the Issue Date, will be specified in the Issue Deed in respect of the Notes.

The Initial Class Aggregate Nominal Amount of each Class and, accordingly, the Aggregate Nominal Amount of the Notes is also subject to reduction at any time and from time to time as a result of any purchase and cancellation of Notes of that Class pursuant to Master Conditions 8(r) (*Purchases*) and 8(s) (*Cancellation*).

- 5. Issue Price:
 - (a) Class A: 100 per cent. of the Initial Class Aggregate Nominal Amount of the Class A Notes;
 - (b) Class B: 100 per cent. of the Initial Class Aggregate Nominal Amount of the Class B Notes;
 - (c) Class C: 110 per cent. of the Initial Class Aggregate Nominal Amount of the Class C Notes;
 - (d) Class D: 100 per cent. of the Initial Class Aggregate Nominal Amount of the Class D Notes; and
 - (e) Class E: 100 per cent. of the Initial Class Aggregate Nominal Amount of the Class E Notes.

- 6. (i) Specified Denominations: SEK 10,000
- (ii) Calculation Amount SEK 10,000

- 7. (i) Issue Date: 14 July 2016
- (ii) Interest Commencement In respect of each Class of Notes: Not Applicable.

Date:

8. Maturity Date: In respect of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes, the later of (i) 3 August 2023, subject to adjustment in accordance with the Following Business Day Convention; and (ii) the Reference Business Day immediately following the Swap Counterparty Equity Final Exchange Date in respect of the Equity Swap Transaction relating to such Class (which is expected to be the Reference Business Day immediately preceding 3 August 2023, unless there are any postponements and/or adjustments in respect thereof pursuant to the terms of such Equity Swap Transaction).
- In respect of the Class E Notes, the later of (i) 3 August 2023, subject to adjustment in accordance with the Following Business Day Convention; and (ii) the Reference Business Day immediately following the Equity Original Collateral Maturity Date (which is expected to be 3 August 2023), unless there are any postponements and/or adjustments in respect thereof pursuant to the terms of such Equity Original Collateral.
- A Noteholder of any Class of Notes will not receive any compensation as a result of the Maturity Date falling after 3 August 2023.
9. Interest Basis: In respect of each Class of Notes: Not Applicable.
10. Redemption/Payment Basis: Redemption at Final Redemption Amount.
11. Date of Board approval for issuance of Notes obtained: The issue of the Notes will be authorised by the Board on or about the Issue Date.
12. Method of distribution: Non-syndicated.

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

13. Fixed Rate Note Provisions: Not Applicable.
14. Floating Rate Note Provisions: Not Applicable.
15. Zero Coupon Note Provisions: Not Applicable.
16. Business Day Convention: Not Applicable.
17. Business Centre(s): Not Applicable.
18. Default Interest: Not Applicable.

MORTGAGED PROPERTY

19. Mortgaged Property:

- (i) Original Collateral: Applicable. The Issuer is expected to purchase the Original Collateral from the Dealer on the Issue Date.

The Original Collateral in respect of the Series of Notes is expected to comprise the following assets (each, a “**Collateral Component**”), in each case in an aggregate nominal amount as at the Issue Date equal to the sum of the Class Collateral Component Amounts for that Collateral Component determined in accordance with the methodology below:

Collateral Components

Original Collateral Obligor: Credit Suisse Group Funding (Guernsey) Limited

Asset: 1.00 per cent. bonds due 2023 issued by Credit Suisse Group Funding (Guernsey) Limited

ISIN: CH0278341224

Common Code: 027834122

Maturity: 14 April 2023

Collateral Component Currency: CHF

Markets on which admitted to trading: Regulated market of SIX Swiss Exchange

Governing law: English law

Weighting: 1/2

Original Collateral Obligor: The Goldman Sachs Group, Inc.

Asset: 2.00 per cent. bonds due 2023 issued by The Goldman Sachs Group, Inc.

ISIN: XS1265805090

Common Code: 126580509

Maturity: 27 July 2023

Collateral Component Currency: Euro

Markets on which admitted: Regulated markets of Börse Berlin, Börse Dusseldorf, Börse

to trading: Frankfurt, Börse München,
Börse Stuttgart, Borsa Italiana
and Bourse de Luxembourg SA

Governing law: New York law

Weighting: 1/2

A nominal amount of each Collateral Component shall be determined for the purpose of each Class (each, a “**Class Collateral Component Amount**”) by the Dealer on the Collateral Event Observation Start Date as follows:

- (1) an amount (the “**Available Currency Amount**”) will be determined in the corresponding Collateral Component Currency (as specified above for the relevant Collateral Component) equal to the quotient of:
 - (A) the product of (i) the net issue proceeds of such Class of Notes and (ii) the corresponding Weighting (as specified above for the relevant Collateral Component); and
 - (B) the Collateral FX Rate (as at the Collateral Event Observation Start Date);
- (2) the Dealer shall also determine in a commercially reasonable manner on the Collateral Event Observation Start Date the price (including any interest that has accrued since the most recent interest payment) at which it would be able to purchase a nominal amount of the relevant Collateral Component using the Available Currency Amount, such price to be expressed as a percentage of the nominal amount of such Collateral Component (the “**Dirty Price**”);
- (3) the maximum nominal amount of such Collateral Component that could be purchased by the Dealer at the Dirty Price using the Available Currency Amount shall then be determined as the quotient of:
 - (A) the Available Currency Amount; and
 - (B) the Dirty Price,with the resulting value then being rounded down to the nearest tradeable amount of such Collateral Component (such amount, the “**Base Collateral Component Amount**”);
- (4) an amount (the “**Collateral Component Currency Equivalent Nominal Amount**”) will be determined in the corresponding Collateral Component Currency (as specified above for the relevant Collateral Component) equal to the quotient of:
 - (A) the product of (i) Initial Class Aggregate Nominal Amount of such Class of Notes and (ii) the corresponding Weighting (as specified above for the relevant Collateral Component); and
 - (B) the Collateral FX Rate (as at the Collateral Event Observation Start Date);
- (5) if the Base Collateral Component Amount is equal to the Collateral Component Currency Equivalent Nominal Amount, the Class Collateral Component Amount will be equal to the Base Collateral Component Amount;
- (6) if the Base Collateral Component Amount is greater than the Collateral Component

Currency Equivalent Nominal Amount, the Dealer may elect for a Class Collateral Component Amount that is a tradeable amount of such Collateral Component and that is:

- (A) not greater than such Base Collateral Component Amount; and
 - (B) not less than such Collateral Component Currency Equivalent Nominal Amount; and
- (7) if the Base Collateral Component Amount is less than the Collateral Component Currency Equivalent Nominal Amount, the Dealer may elect for a Class Collateral Component Amount that is a tradeable amount of such Collateral Component and that is:
- (A) not less than such Base Collateral Component Amount; and
 - (B) not greater than such Collateral Component Currency Equivalent Nominal Amount; and
- (8) the Asset Swap Transaction in respect of each Class shall reflect the corresponding Base Collateral Component Amounts determined for that Class in accordance with the above.

However, on or before the Collateral Event Observation Start Date, the Dealer may elect alternative bonds to comprise one or more Collateral Component (each Collateral Component so replaced, a “**Replaced Collateral Component**” and the alternative bond, an “**Alternative Collateral Component**”) subject to the following conditions:

- (a) the Alternative Collateral Component shall be a senior unsecured bond which is admitted to trading on an EEA regulated market or from an issuer which has equity or debt outstanding that has been admitted to trading on an EEA regulated market and shall rank *pari passu* with the Replaced Collateral Component;
- (b) the Alternative Collateral Component shall be issued by the issuer of the Replaced Collateral Component or by any entity controlled, directly or indirectly, by such issuer, any entity that controls, directly or indirectly, such issuer or any entity directly or indirectly under common control with such issuer of the Replaced Collateral Component. For the purposes of this sub-paragraph, “control” means ownership or a majority of the voting power of the entity or person;
- (c) the Alternative Collateral Component shall have a scheduled maturity date no later than two years following the Maturity Date of the Notes;
- (d) the Alternative Collateral Component shall have a credit rating granted to it by one or more of S&P, Fitch or Moody’s equal to or greater than the credit rating granted to the Replaced Collateral Component by the relevant credit rating agency; and
- (e) the Dealer shall make decisions with respect to any Replaced Collateral Component and Alternative Collateral Component in a commercially reasonable manner and shall consider, amongst other things, the ease of access to alternative bonds from the same issuer with the same characteristics, the yield in respect of the Alternative Collateral Component compared with the Replaced Collateral Component, and the permission and economic and operational feasibility of the Dealer sourcing or trading such Replaced Collateral Component and Alternative Collateral Component. While such determination shall be made solely by the Dealer, it shall consult with the Noteholder Facilitator when making such determination.

Equity Swap Transaction", an equity swap transaction relating to the Class C Notes (the "**Class C Equity Swap Transaction**") and an equity swap transaction relating to the Class D Notes (the "**Class D Equity Swap Transaction**", and together with the Class A Equity Swap Transaction, the Class B Equity Swap Transaction and the Class C Equity Swap Transaction the "**Equity Swap Transactions**", and each an "**Equity Swap Transaction**" relating to the relevant Class), each between the Issuer and the Swap Counterparty (together, the "**Swap Agreement**").

The confirmations evidencing each Asset Swap Transaction and Equity Swap Transaction are available for inspection at the registered office of the Company and at the specified offices of the Issuing and Paying Agent and the Registrar during normal business hours (with respect to the location of the relevant office) on any weekday (Saturdays, Sundays and public holidays excepted).

Upon the occurrence of a Replacement Event, one or more replacement Swap Agreement(s) may be entered into as provided in paragraph 4 of Schedule 2 to these Issue Terms.

- (iv) Swap Counterparty: Credit Suisse International
- (v) Credit Support Annex: Applicable. An ISDA Credit Support Annex (Bilateral Form Transfer) (English Law) (containing the paragraph 11 elections set out in the Master CSA Terms dated 4 September 2015, as amended and supplemented by the Issue Deed) will be entered into between the Issuer and the Swap Counterparty by executing an Issue Deed to be dated on or about the Issue Date.

Under the terms of the Credit Support Annex, a weekly valuation will be performed by the Swap Counterparty (in its capacity as Valuation Agent) as to the Issuer's Exposure (as defined in the Credit Support Annex) to the Swap Counterparty and the Swap Counterparty's Exposure (as defined in the Credit Support Annex) to the Issuer under the Swap Agreement. If the Issuer has an Exposure to the Swap Counterparty, the Swap Counterparty may be required to transfer securities ("**Eligible Securities**") to the Issuer as credit support in order to collateralise any such Exposure. Such Eligible Securities may, at the option of the Swap Counterparty, comprise negotiable debt obligations issued by the governments of the United States of America, Canada, the United Kingdom, France, Germany or by an Original Collateral Obligor at the relevant time. Similarly, if the Swap Counterparty has an Exposure to the Issuer (subject to certain thresholds being met, as set out below), the Issuer may be required to transfer some or all of the Original Collateral to the Swap Counterparty as credit support in order to collateralise any such Exposure.

The Valuation Percentage (as defined in the Credit Support Annex) for Eligible Securities transferred as credit support is

90%. This means that the minimum value of Eligible Securities required to have been transferred following any valuation will be greater than the corresponding Exposure of the Issuer (at around 110%).

The amount of credit support required to be transferred by the Swap Counterparty or the Issuer under the Credit Support Annex in respect of a valuation date will depend on the Issuer's Exposure to the Swap Counterparty and the Swap Counterparty's Exposure to the Issuer under the Swap Agreement and the value of any existing credit support balance held by the Issuer or the Swap Counterparty, as determined by the Swap Counterparty (in its capacity as Valuation Agent) in accordance with the terms of the Credit Support Annex.

All valuations will be by reference to the Base Currency under the Credit Support Annex, being SEK.

To the extent that the value of any existing credit support balance held by the Issuer exceeds the Issuer's Exposure to the Swap Counterparty, then the Issuer may be obliged to return any excess credit support to the Swap Counterparty in accordance with the terms of the Credit Support Annex and similarly to the extent that the value of any existing credit support balance held by the Swap Counterparty exceeds the Swap Counterparty's Exposure to the Issuer, then the Swap Counterparty may be obliged to return any excess credit support to the Swap Counterparty in accordance with the terms of the Credit Support Annex.

(vi) Original Collateral Substitution: Not Applicable.

PROVISIONS RELATING TO REDEMPTION

- | | | |
|-----|---------------------------------------|---|
| 20. | Final Redemption Amount of each Note: | Master Condition 8(a) (<i>Final Redemption</i>) shall be deleted in its entirety and replaced with the following:

“Final Redemption

Provided that no Early Redemption Commencement Date or Early Redemption Date has occurred pursuant to any other Condition in respect of a Note (ignoring, for the avoidance of doubt, any Early Redemption Commencement Date or Early Redemption Date that has occurred as a result of a Collateral Event with respect to a Collateral Component that has resulted in partial redemption of such Note), such Note shall become due and payable on the Maturity Date at its Final Redemption Amount.” |
| 21. | Collateral Event: | Original Collateral Default; and
Original Collateral Payment Failure. |
| 22. | Early Redemption Notification Period: | As per Master Conditions. |

23.	Regulatory Event:		Not Applicable.
24.	Trigger Event:		Not Applicable.
25.	Redemption by Instalments:		Not Applicable.
26.	Independent Class Early Redemption:		Applicable.
27.	Early Cash Redemption Amount:		In respect of each Class of Notes, the Early Cash Redemption Amount in respect of a Note of such Class will be: <ul style="list-style-type: none"> (i) where the Notes are redeemed early as a result of any Early Redemption Event other than a Collateral Event, an amount in SEK determined in accordance with sub-paragraph (iii) of the definition of “Early Cash Redemption Amount” in Master Condition 1(a) (<i>Definitions</i>), save that, in respect of the Class E Notes, “Affected Class Collateral” shall be deemed to include the Equity Original Collateral; and (ii) where the Notes are partially redeemed early as a result of a Collateral Event, an amount in SEK equal to the Collateral Event Early Cash Redemption Amount.
28.	Early Redemption Settlement Method:		Cash Settlement, subject to the provisions set out in these Issue Terms.

PRODUCT SUPPLEMENTS AND ADDITIONAL CONDITIONS

29.	Applicable Product Supplement:		Not Applicable. The additional provisions contained in Schedules 1 to 3 to these Issue Terms amend the Master Conditions.
30.	Pass-through Notes:		Not Applicable.
31.	Collateral Basket CLNs:		Not Applicable.
32.	Collateral Event Noteholder Payment Option:		Not Applicable.
33.	Credit linked Notes:		Not Applicable.

PROVISIONS RELATING TO DISPOSAL AGENT

34.	Disposal Agent:		Applicable.
	(i) Disposal Agent:		Credit Suisse International.
	(ii) Liquidation:		As per Master Conditions.
	(iii) Liquidation Parameters:		As per Master Conditions.

- (iv) Quotation Dealers: As per Master Conditions.
- (v) Disposal Agent Fee: No.

GENERAL PROVISIONS APPLICABLE TO THE NOTES

35. Form of Notes:
- (i) Bearer or Registered: **Registered Notes:**
- Global Certificates of up to SEK 200,000,000 in nominal amount in respect of the Class A Notes, up to SEK 200,000,000 in nominal amount in respect of the Class B Notes, up to SEK 200,000,000 in nominal amount in respect of the Class C Notes, up to SEK 200,000,000 in nominal amount in respect of the Class D Notes and up to SEK 200,000,000 in nominal amount in respect of the Class E Notes, in each case, registered in the name of a nominee for a common depository for Euroclear and exchangeable for Certificates in the limited circumstances specified in the respective Global Certificate for each Class of Notes.
- (ii) The Issuer intends to permit indirect interests in the Notes to be held through the CREST Depository Interests to be issued through the CREST Depository: Not Applicable.
36. Applicable TEFRA exemption: TEFRA Not Applicable.
37. New Global Note: No.
38. Financial Centre(s): For the purpose of Master Condition 9(d) (*Business Day Convention*), a “**Business Day**” shall mean a Reference Business Day as defined in Master Condition 1(a) (*Definitions*).
- Notwithstanding anything to the contrary in the Master Conditions or these Issue Terms, the definition of Business Day shall also include a day on which the TARGET System is open for the settlement of payments in EUR.
39. Reference Business Day: London, Stockholm and TARGET Settlement Day.
40. Reference Business Day Convention: Not Applicable.
41. Agents:
- (i) Calculation Agent: Credit Suisse International
One Cabot Square
London E14 4QJ

- (ii) Custodian: The Bank of New York Mellon (Luxembourg) S.A.
2-4 rue Eugène Ruppert
Vertigo Building – Polaris
L-2453 Luxembourg
- (iii) Disposal Agent: Credit Suisse International
One Cabot Square
London E14 4QJ
- (iv) Issuing and Paying Agent: The Bank of New York Mellon, acting through its
London Branch
One Canada Square
London E14 5AL
- (v) Additional Paying Agents: Not Applicable.
- (vi) Registrar: The Bank of New York Mellon (Luxembourg) S.A.
2-4 rue Eugène Ruppert
Vertigo Building – Polaris
L-2453 Luxembourg
- (vii) Transfer Agent(s): The Bank of New York Mellon (Luxembourg) S.A.
2-4 rue Eugène Ruppert
Vertigo Building – Polaris
L-2453 Luxembourg
- (viii) Listing Agent: Maples and Calder
75 St. Stephen’s Green
Dublin 2
Ireland
- (ix) Swedish Agent: Skandinaviska Enskilda Banken AB (publ)
Kungsträdgårdsgatan 8
SE-106 40 Stockholm
Kingdom of Sweden

DISTRIBUTION

42. (i) If syndicated, names of Managers: Not Applicable.
- (ii) Stabilising Manager(s) (if any): Not Applicable.
43. If non-syndicated, name of Dealer: Credit Suisse International.
44. Non-exempt Offer: An offer of the Notes may be made by Garantum Fondkommission AB (the “**Financial Intermediary**”) other than pursuant to Article 3(2) of the Prospectus Directive in the Kingdom of Sweden (“**Public Offer Jurisdiction**”) during the period from 16 May 2016 until 22 June 2016 (“**Offer Period**”).

See further paragraph 6 of Part B – “*Other Information*” below.

45. Fees and Commissions: The total commission payable by the Issuer to the Dealer in respect of the issue of the Notes will not exceed 6.5% of the Aggregate Nominal Amount of the Notes issued. The Issuer will fund the payment of such commission using a portion of the issue proceeds, which payment will be satisfied by the Issuer’s delivery of the Notes to the Dealer in return for receipt of the Original Collateral and the Dealer procuring the Swap Counterparty’s entry into the Swap Agreement. The Dealer will use such commission payable by the Issuer to pay a corresponding commission to the Distributor.
46. Additional Selling Restrictions: **Sweden**
- Each of the Issuer, Credit Suisse International as Dealer, Garantum Fondkommission AB as Distributor, and any authorised offeror has represented and agreed that the Notes have not been offered or sold and will not be offered, sold or delivered directly or indirectly in the Kingdom of Sweden by way of public offering, unless in compliance with the Swedish Financial Instruments Trading Act (*Sw. lag (1991:980) om handel med finansiella instrument*), as amended from time to time.

PART B – OTHER INFORMATION

1. LISTING:

Listing and admission to trading: Application has been made by the Issuer (or on its behalf) to the Irish Stock Exchange for the Notes to be admitted to the Official List of the Irish Stock Exchange and to trading on the Irish Stock Exchange's regulated market with effect from the Issue Date. Application has also been made for the Notes to be admitted to trading and listed on the regulated market of the Stockholm Stock Exchange.

Estimate of total expenses related to admission to trading: EUR 3,000

2. RATINGS:

Ratings: The Notes will not be rated.

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE:

Save for the fees payable to the Dealer and the Distributor, so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the issue.

4. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES:

- (i) Reasons for the offer: See the section entitled “*Use of Proceeds*” in the Base Prospectus.
- (ii) Estimated net proceeds: Up to SEK 1,000,000,000
- (iii) Estimated total expenses: EUR 3,000

5. OPERATIONAL INFORMATION

ISIN Code: In respect of the Class A Notes: XS1261173535
In respect of the Class B Notes: XS1261171083
In respect of the Class C Notes: XS1261176801
In respect of the Class D Notes: XS1261170275
In respect of the Class E Notes: XS1261171240

Common Code: In respect of the Class A Notes: 126117353
In respect of the Class B Notes: 126117108
In respect of the Class C Notes: 126117680

In respect of the Class D Notes: 126117027

In respect of the Class E Notes: 126117124

Clearing system(s) and any relevant identification number(s): Euroclear Bank S.A./N.V. and Clearstream Banking, S.A. Luxembourg.

Euroclear Sweden AB of Box 191, SE-101 23, Stockholm will also act as accountholder at Euroclear.

Delivery: Delivery free of payment.

Intended to be held in a manner which would allow Eurosystem eligibility: No.

Whilst the designation is specified as “no” at the date of these Issue Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper (and registered in the name of a nominee of one of the ICSDs acting as common safekeeper). Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.

6. TERMS AND CONDITIONS OF THE OFFER

Offer Price: In respect of each Class of Notes, the Issue Price in respect of such Class *plus* a subscription fee of up to 2% of such Issue Price. Such subscription fee shall be charged by and payable to the Distributor, and, for the avoidance of doubt, shall not be payable by the Issuer or the Swap Counterparty.

Conditions to which the offer is subject: Offers of the Notes are conditional upon their issue.

The Issuer reserves the right for any reason to close the Offer Period early.

Any early closure of the Offer will be published on the Irish Stock Exchange's website (www.ise.ie).

Description of the application process: A prospective investor should contact the Distributor during the Offer Period. The Issuer has the right to close the Offer Period early. A prospective investor will acquire the Notes in accordance with the arrangements existing between the Distributor and its customers relating to the subscription of securities generally and not directly with the Issuer or the Dealer.

Persons interested in purchasing Notes should contact their financial adviser. If an investor in any jurisdiction

	<p>other than Sweden wishes to purchase Notes, such investor should (a) be aware that sales in the relevant jurisdiction may not be permitted due to selling restrictions and thus that the application may be rejected by the Distributor; and (b) contact its financial adviser, bank or financial intermediary for more information.</p>
<p>Details of the minimum and/or maximum amount of application:</p>	<p>The minimum amount of an application in respect of any Class of Notes is SEK 10,000. Any application in respect of any Class of Notes in excess of SEK 10,000 must be in respect of integral multiples of SEK 10,000.</p>
<p>Description of possibility to reduce subscriptions:</p>	<p>The Issuer has the right to terminate the Offer Period at any time and not proceed with the issuance.</p> <p>Any early closure of the Offer will be published on the Irish Stock Exchange's website (www.ise.ie).</p>
<p>Details of the method and time limits for paying up and delivering the Notes:</p>	<p>The Notes will be issued on the Issue Date against payment to the Issuer of the net subscription moneys by debit of a cash account on or before the Issue Date or in accordance with the procedures specified by the Distributor. Allotted Notes will be delivered to a securities account of each Noteholder as soon as practicable after the Issue Date.</p>
<p>Manner in and date on which results of the offer are to be made public:</p>	<p>The precise Initial Class Aggregate Nominal Amount of each Class of Notes will be published on the website of the Irish Stock Exchange (www.ise.ie) and filed with the Central Bank of Ireland in accordance with Article 8 of the Prospectus Directive in each case on or around the Issue Date.</p>
<p>Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:</p>	<p>Not Applicable.</p>
<p>Categories of potential investors to which the Notes are offered and whether tranche(s) have been reserved for certain countries:</p>	<p>Offers may be made by the Distributor in Sweden to any person.</p>
<p>Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:</p>	<p>Following the end of the Offer Period, the Distributor will proceed to notify the prospective Noteholders as to the amount of their allotment of the Notes, if any.</p> <p>Dealing may not begin before notification is made.</p>
<p>Amount of any expenses and taxes specifically charged to the subscriber or purchaser:</p>	<p>Taxes charged in connection with the subscription, transfer, purchase, or holding of the Notes must be paid by the Noteholders. Neither the Issuer nor the Distributor shall have any obligation in relation thereto. In this respect, prospective investors must consult professional tax advisers to determine the tax regime</p>

applicable to their own circumstances.

Subscription fees: In respect of each Class: up to 2% of the Issue Price of the Notes of such Class, which will be charged by, and payable to, Garantum Fondkommission AB in its capacity as Distributor of the Notes. For the avoidance of doubt, neither the Issuer nor the Swap Counterparty shall be liable to pay any subscription fees.

Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place: Garantum Fondkommission AB of Norrmalmstorg 16, Stockholm, Sweden (the “**Distributor**”) will be the sole Distributor in Sweden.

7. DOCUMENTS ON DISPLAY:

For so long as any Notes remain outstanding, copies of the following documents will, when published (to the extent applicable), be available in physical form free of charge during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) at the registered office of the Company and at the specified offices of the Issuing and Paying Agent, the Registrar and the Noteholder Facilitator:

- (a) the Articles of the Company;
- (b) copies of the latest annual reports and accounts of the Issuer;
- (c) the Issue Deed relating to the Notes;
- (d) the Programme Deed (and the documents incorporated therein, including, *inter alia*, the Principal Trust Deed, the Agency Agreement, the Dealer Agreement, the Mandate Agreement and the Repurchase and Cancellation Agreement), as amended from time to time;
- (e) the confirmations of the Asset Swap Transactions (in respect of each Class of Notes) and of the Equity Swap Transactions (in respect of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes);
- (f) a copy of the Base Prospectus and this Prospectus, together with any other document required or permitted to be published by the Irish Stock Exchange; and
- (g) any future supplements to the Base Prospectus and this Prospectus.

The Base Prospectus has been published on the Irish Stock Exchange's website at www.ise.ie. This Prospectus together with any other document required or permitted to be published by the Irish Stock Exchange and any future supplements to this Prospectus will be published on the Irish Stock Exchange's website at www.ise.ie.

Clearing Systems

The Notes have been accepted for clearance through Euroclear.

The address for Euroclear is 3 Boulevard du Roi Albert II, B.1210 Brussels, Belgium.

The Notes have also been accepted for clearance through Euroclear Sweden.

Material Change

There has been no material adverse change in the financial position or prospects of the Company since 31 December 2015, being the date of the Company's last audited financial statements.

Litigation

There have been no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) since 11 December 2013 (being the date of incorporation of the Company) which may have or have in such period had a significant effect on the financial position or profitability of the Company.

Company Chairman

Alexandra Fantuz was appointed by the directors of the Company as the chairman of the Board on 8 August 2014.

Auditors

The approved statutory auditors (*réviseurs d'entreprises agréés*) of the Company, which were appointed by a resolution of the Board dated 18 August 2015 until the date of the meeting of the Board resolving to submit the annual accounts of the Company for the 2015 financial period, are PricewaterhouseCoopers, Société coopérative whose address is 2, rue Gerhard Mercator, L-2182 Luxembourg and who belong to the Luxembourg institute of auditors (*Instituts des réviseurs d'entreprises*). PricewaterhouseCoopers, Société cooperative, in its capacity as auditors of the Company, have no material interest in the Company.

Post-Issuance Information

The Issuer does not intend to provide any post-issuance information in relation to the Notes or Collateral.

Listing Agent

Maples and Calder is acting solely in its capacity as listing agent for the Issuer in relation to the Notes and is not itself seeking admission of the Notes to the Official List of the Irish Stock Exchange or to trading on the regulated market of the Irish Stock Exchange for the purposes of the Prospectus Directive.

Process Agent

Law Debenture Corporate Services Limited will be appointed as the Issuer's agent for the service of proceedings issued out of the Courts of England in respect of each of the Issue Deed, the Swap Agreement and the Global Certificates relating to the Notes.

8. CREDIT SUISSE:

Credit Suisse International acts as the Swap Counterparty under the Swap Agreement.

The business of Credit Suisse International is banking and it is regulated as an EU credit institution by the Financial Conduct Authority and the Prudential Regulation Authority of England and Wales. Credit Suisse International was incorporated in England and Wales under

the Companies Act 1985, on 9 May 1990, with registered no. 2500199 and was re-registered as an unlimited company under the name “Credit Suisse Financial Products” on 6 July 1990, and was renamed Credit Suisse First Boston International on 27 March 2000 and Credit Suisse International on 16 January 2006. Credit Suisse International’s registered office and principal place of business is at One Cabot Square, London E14 4QJ, telephone number +44 (0)20 7888 8888. Credit Suisse International has securities admitted to trading on the Main Securities Market of the Irish Stock Exchange. Such market is a regulated market for the purposes of the Markets in Financial Instruments Directive 2004/39/EC.

SCHEDULE 1 TO THE ISSUE TERMS – ADDITIONAL DEFINITIONS

The following words and expressions shall be deemed to be inserted as additional definitions in the correct alphabetical order or, as the case may be, replace the existing definitions, in each case, in Master Condition 1(a) (*Definitions*):

“**Additional Payout Amount**” means, in respect of each Note of a Class, its *pro rata* share of the Swap Counterparty Equity Final Exchange Amount (if any) receivable by the Issuer under the Equity Swap Transaction (in the case of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes) or the Equity Original Collateral Redemption Amount (if any) receivable by the Issuer under the Equity Original Collateral (in the case of the Class E Notes) relating to such Class, in each case subject to a minimum of zero.

“**Affected Collateral Component**” has the meaning given to such term in paragraph 1 of Schedule 2 to these Issue Terms.

“**Agency Agreement**” has the meaning given to it in Master Condition 1(a) (*Definitions*), as such agreement may be amended and/or restated from time to time.

“**Class Collateral**” means, in respect of a Class, the proportion of the Original Collateral equal to the aggregate of the Class Collateral Component Amounts relating to such Class.

“**Class Collateral Component Amount**” has the meaning given to it in paragraph 19(i) (*Original Collateral*) of the Issue Terms.

“**Collateral Component**” has the meaning given to such term in paragraph 19(i) of Part A of these Issue Terms.

“**Collateral Component Currency Equivalent Nominal Amount**” has the meaning given to it in paragraph 19(i) (*Original Collateral*) of the Issue Terms.

“**Collateral Event Early Cash Redemption Amount**” means, in respect of each Note of a Class, its *pro rata* share of an amount determined by the Calculation Agent equal to: (i) the Affected Class Collateral Proceeds; *plus* (ii) the Partial Class Asset Swap Gain; *minus* (iii) the Partial Class Asset Swap Loss.

“**Collateral Event Observation Start Date**”, in respect of each Class, is expected to be 28 June 2016.

“**Collateral FX Rate**” means, in respect of a date:

- (a) in respect of the CHF determination, (x) the daily fixing rate of exchange of the number of SEK per EUR 1 *divided* by (y) the daily fixing rate of exchange of the number of CHF per EUR 1, rounded to four decimal places; or
- (b) in respect of the EUR determination, the daily fixing rate of exchange of the number of SEK per EUR 1, rounded to four decimal places,

each such rate as published on Reuters page ECB37 at 14:15 CET on such date in respect of the CHF or EUR determination (as applicable), or such successor page or rate, or if any such rate or page is not available, such other rate as selected or determined by the Calculation Agent.

The Collateral FX Rate will be subject to corrections, if any, as a result of information subsequently displayed by the source within one hour of the time when such rate is first displayed by such source, unless the Calculation Agent determines in its discretion, acting in good faith and in a commercially reasonable manner, that it is not practicable to take into account such correction.

“**Early Redemption Event**” means a Liquidation Event, other than the occurrence of an Early Redemption Commencement Date owing to the occurrence of a Counterparty Bankruptcy Credit Event.

“**Equity Collateral Event**” means the occurrence of any of the following events which are specified to be applicable in the Issue Terms:

- (i) Equity Collateral Default; or
- (ii) Equity Collateral Payment Failure.

“**Equity Original Collateral**” means, in connection with the issue of the Notes, the Issuer’s rights, title and/or interests in and to one or more transferable securities specified in the Issue Terms as forming part of the Equity Original Collateral and issued by or representing obligations of one or more persons.

“**Equity Original Collateral Maturity Date**” has the meaning given in paragraph (i) of the definition of “Maturity Date” in the terms of the Equity Original Collateral.

“**Equity Original Collateral Redemption Amount**” has the meaning given to the term “Redemption Amount” in the terms of the Equity Original Collateral.

The term “**Equity Original Collateral**” shall include the rights, title and/or interests in and to (x) any further Equity Original Collateral acquired by the Issuer in connection with any further issue of notes that are to be consolidated and form a single series or class thereof with the Notes, (y) any Equity Original Collateral acquired by the Issuer by way of substitution or replacement of any Equity Original Collateral previously held by it, respectively and (z) any asset or property (which may, for the avoidance of doubt, include the benefit of contractual rights) into which any of the Equity Original Collateral is converted or exchanged or that is issued to the Issuer (or any relevant person holding such Equity Original Collateral for or on behalf of the Issuer) by virtue of its holding thereof. For the avoidance of doubt Equity Original Collateral shall not include any Original Collateral or any CSA Posted Collateral or any other securities, cash or other assets or property transferred or delivered to the Issuer pursuant to the Credit Support Annex, or deriving therefrom.

“**Equity Collateral Default**” means any of the Equity Original Collateral becomes payable or repayable or becomes capable of being declared due and payable prior to its stated maturity for whatever reason, otherwise than in accordance with their scheduled repayment profile or as a result of the exercise of an issuer option or a holder option unless such option arises as a result of an event of default, a tax event or other similar event.

“**Equity Collateral Payment Failure**” means, in respect of any Equity Original Collateral, the failure by the relevant Equity Original Collateral Obligor to make a scheduled payment on the date, in the place and in the currency such payment was originally scheduled to be made (disregarding any terms allowing for non-payment, deferral or adjustments to any scheduled payments and any notice or grace period in respect thereof) in respect of such Equity Original Collateral.

“**Final Redemption Amount**” means, in respect of each Note of a Class, the sum of (i) its *pro rata* share of an amount equal to the Outstanding Principal Amount of such Class as at the Reference Business Day immediately preceding the Maturity Date; and (ii) any Additional Payout Amount in respect of such Note.

“**Outstanding Principal Amount**” means, in respect of each Class, (i) as at the Issue Date, the Initial Class Aggregate Nominal Amount; and (ii) thereafter, the aggregate principal amount of such Class outstanding from time to time, determined and reduced as such in accordance with paragraph 4 of Part A of these Issue Terms and Master Condition 8(c) (*Redemption in Part following a Collateral Event*).

“**Partial Class Asset Swap Gain**” means (i) where the Partial Class Asset Swap Value would be negative (and therefore payable to the Issuer), the absolute value of the Partial Class Asset Swap Value, or (ii) otherwise, zero.

“**Partial Class Asset Swap Loss**” means (i) where the Partial Class Asset Swap Value would be positive (and therefore payable to the Swap Counterparty), the value of the Partial Class Asset Swap Value, or (ii) otherwise, zero.

“**Partial Class Asset Swap Value**” means, for the purposes of the Collateral Event Valuation Date with respect to a Class of Notes, an amount determined by the Calculation Agent in SEK equal to the Early Termination Amount (as defined in the Swap Agreement) of the Swap Agreement that would be payable by the Issuer to the Swap Counterparty or by the Swap Counterparty to the Issuer under the Swap Agreement upon a termination of the Swap Agreement (excluding the Asset Swap Transactions not relating to the relevant Class and, if applicable, the Equity Swap Transactions) on the Collateral Event Valuation Date. Such Early Termination Amount shall be determined on the basis that:

- (i) the Swap Counterparty is not the Affected Party;
- (ii) the Base Currency is SEK;

- (iii) the Asset Swap Transaction relating to such Class is deemed to relate to (a) in respect of the payments due from the Swap Counterparty to the Issuer, a nominal amount of Notes equal to the product of the Outstanding Principal Amount of such Class and the Weighting of the Affected Collateral Component and (b) in respect of the payments due from the Issuer to the Swap Counterparty, the nominal amount of the Class relating to the Affected Collateral Component only;
- (iv) the Swap Counterparty's claim to any Early Termination Amount payable to the Issuer shall be limited to the prevailing market value of the Original Collateral in respect of such Class at that time that corresponds to the Affected Collateral Component;
- (v) the Calculation Agent is the Determining Party and Section 6(e)(ii)(1) of the Swap Agreement applies but without reference to Section 6(e)(ii)(3) thereof;
- (vi) the Swap Agreement is deemed for this purpose to comprise only the Asset Swap Transaction relating to the relevant Class and the portion of the Credit Support Balance of the Issuer relating thereto and shall be deemed to exclude, for the avoidance of doubt, the Equity Swap Transactions, if applicable, and the Asset Swap Transactions not relating to the relevant Class;
- (vii) where the Issuer has a Credit Support Balance under the Credit Support Annex, a proportion of such Credit Support Balance determined to relate to the Asset Swap Transaction for the relevant Class shall be taken into account in determining an Unpaid Amount; and
- (viii) the portion of the Party B Payment Amounts relating to the payment of interest scheduled to be paid in respect of the Affected Collateral Component as at the Collateral Event Observation Start Date shall be valued taking into account that such portion would have been payable in whole to the Swap Counterparty up to, and including, the Maturity Date had the relevant Collateral Event not occurred.

"Potential Affected Collateral Component" has the meaning given to such term in Master Condition 8(o) (*Suspension of Payments*).

"Potential Collateral Event" has the meaning given to such term in Master Condition 8(o) (*Suspension of Payments*).

"Replacement Event" has the meaning given to such term in paragraph 3 of Schedule 2 to these Issue Terms.

"Swap Counterparty Equity Final Exchange Amount", in respect of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes, has the meaning given to such term in the Equity Swap Transaction relating to each such Class.

"Swap Counterparty Equity Final Exchange Date", in respect of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes, has the meaning given to such term in the Equity Swap Transaction relating to each such Class.

"Swap Counterparty Event" means, in accordance with the terms of the Swap Agreement, the occurrence of an Event of Default (as defined in the Swap Agreement) with respect to the Swap Counterparty.

"Swap Termination Event" means, in respect of each Class, that an Early Termination Date in respect of the Asset Swap Transaction and, in respect of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes, the Equity Swap Transaction relating to such Class, as applicable, has been designated or deemed to have been designated by the Issuer or the Swap Counterparty, as applicable, under the Swap Agreement for any reason other than (i) as a result of the occurrence of a Swap Counterparty Event or (ii) as a result of the occurrence of an Early Redemption Commencement Date in respect of the Notes other than pursuant to Master Condition 8(f) (*Redemption for Termination of Swap Agreement*).

SCHEDULE 2 TO THE ISSUE TERMS – AMENDMENTS TO MASTER CONDITIONS

1. Collateral Components and Collateral Events

(a) Amendments to Master Condition 1(a) (*Definitions*)

- (i) The definition of “Affected Class Terminated Transaction” shall be deleted in its entirety and replaced with the following:

“**Affected Class Terminated Transaction**” means, in respect of an Early Redeeming Class of Notes and the Swap Agreement, each of the Asset Swap Transaction and, in respect of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes, the Equity Swap Transaction relating to such Early Redeeming Class of Notes entered into under such Swap Agreement.”.

- (ii) The definition of “Affected Class Termination Payment” shall be deleted in its entirety and replaced with the following:

“**Affected Class Termination Payment**” means, in respect of an Early Redeeming Class of Notes, any Termination Payment in the Base Currency in respect of the Swap Agreement and the relevant Affected Class Terminated Transactions, together, if applicable, with any interest payable thereon, provided that the Swap Counterparty’s claim to any Affected Class Termination Payment payable by the Issuer shall be limited to the prevailing value of the Affected Class Collateral at the time.”.

- (iii) The definition of “Identical Collateral” shall be deleted in its entirety and all references to “Identical Collateral” throughout the Master Conditions shall be ignored.

(b) Amendment to Master Condition 8(d) (*Redemption for Taxation Reasons*), Master Condition 8(f) (*Redemption for Termination of Swap Agreement*), Master Condition 8(g) (*Redemption for a Counterparty Bankruptcy Credit Event*), Master Condition 8(h) (*Redemption Following an Illegality Event*), Master Condition 8(i) (*Redemption Following a Regulatory Event*) and Master Condition 8(k) (*Redemption Following the Occurrence of an Event of Default*)

- (i) Master Condition 8(d) (*Redemption for Taxation Reasons*) and Master Condition 8(k) (*Redemption Following the Occurrence of an Event of Default*) shall each be amended by inserting the words “ignoring, for the avoidance of doubt, any Early Redemption Commencement Date or Early Redemption Date that has occurred as a result of a Collateral Event with respect to a Collateral Component that has resulted in partial redemption of such Note” immediately following the words “(which, for the avoidance of doubt, may have occurred separately pursuant to one or more Master Conditions)”.

- (ii) Master Condition 8(f) (*Redemption for Termination of Swap Agreement*), Master Condition 8(g) (*Redemption for a Counterparty Bankruptcy Credit Event*), Master Condition 8(h) (*Redemption Following an Illegality Event*) and Master Condition 8(i) (*Redemption Following a Regulatory Event*) shall each be amended by inserting the words “(ignoring, for the avoidance of doubt, any Early Redemption Commencement Date or Early Redemption Date that has occurred as a result of a Collateral Event with respect to a Collateral Component that has resulted in partial redemption of such Note)” immediately following the words “in respect of which no Early Redemption Commencement Date or Early Redemption Date has previously occurred pursuant to any other Condition”.

(c) Amendment to Master Condition 8(c) (*Redemption Following a Collateral Event*)

Master Condition 8(c) (*Redemption following a Collateral Event*) shall be deleted in its entirety and replaced with the following:

“(c) **Redemption in Part following a Collateral Event**

Provided that no Early Redemption Commencement Date or Early Redemption Date has occurred pursuant to any other Condition (ignoring, for the avoidance of doubt, any Early Redemption Commencement Date that has occurred as a result of a different Collateral Component becoming an Affected Collateral Component), if the Calculation Agent

determines that a Collateral Event has occurred with respect to any Collateral Component (such Collateral Component, an “**Affected Collateral Component**”) and gives notice of such determination (including a description in reasonable detail of the facts relevant to such determination) to the Issuer (copied to the Issuing and Paying Agent, the Trustee and the Swap Counterparty) pursuant to the Swap Agreement (the date of such determination being the “**Collateral Event Determination Date**”), then:

- (i) as soon as reasonably practicable, and in any event within the Early Redemption Notification Period commencing on (and including) the Collateral Event Determination Date, the Issuer (or the Issuing and Paying Agent on its behalf, having been instructed by the Issuer or the Calculation Agent) will give an Early Redemption Notice (which shall relate solely to the portion of the Notes being partially redeemed in accordance with this Master Condition 8(c) and the Conditions shall be construed accordingly) to the Noteholders of the determination of the Collateral Event (the date of such notice to the Noteholders being the “**Early Redemption Commencement Date**”), including a description in reasonable detail of the facts relevant to such determination, by forwarding with such Early Redemption Notice a copy of the notice delivered by the Calculation Agent with respect to the Collateral Event Determination Date or the information provided therein;
- (ii) on a date (the “**Collateral Event Valuation Date**”) falling as soon as reasonably practicable within 5 Business Days of the Early Redemption Commencement Date, the Calculation Agent shall, in respect of each Class of Notes, determine the Partial Class Asset Swap Value in respect of the Affected Collateral Component and shall seek quotations from 5 dealers in the market for the Affected Collateral Component;
- (iii) the Affected Collateral Component shall be liquidated on the Collateral Event Valuation Date by selling to the Quotation Dealer who provides the highest quotation;
- (iv) each Note will be partially redeemed on the Early Redemption Date by payment to each Noteholder of its Collateral Event Early Cash Redemption Amount (which may be zero), irrespective of whether the relevant Collateral Event is continuing, and the payment of such amount shall satisfy the Issuer's obligations in respect of such *pro rata* proportion of each Note, provided that where the Outstanding Principal Amount of a Class of Notes would otherwise be reduced to zero prior to the Maturity Date as a result of the occurrence of a Collateral Event, SEK 1 of each Note of such Class of Notes shall remain outstanding so as to enable any portion of the Final Redemption Amount attributable to an Additional Payout Amount to be payable to the Noteholders of such Class on the Maturity Date; and
- (v) the outstanding nominal amount of each Note of a Class shall, subject to paragraph (iv) above, be reduced by an amount equal to the product of (X) the Weighting of the Affected Collateral Component and (Y) the Specified Denomination of such Note, for all purposes with effect from the relevant Early Redemption Date, unless payment of the relevant Collateral Event Early Cash Redemption Amount is improperly withheld or refused, in which case, such amount shall remain outstanding until the Relevant Date relating to such Collateral Event Early Cash Redemption Amount.”

(d) **Amendment to Master Condition 8(o) (*Suspension of Payments*)**

Master Condition 8(o) (*Suspension of Payments*) shall be deleted in its entirety and replaced with the following:

“(o) **Suspension of Payments**

If the Calculation Agent determines that facts exist which may (assuming the expiration of any applicable grace period) amount to a Collateral Event with respect of a Collateral

Component (a “**Potential Collateral Event**”), no payment of principal shall be made by the Issuer in respect of the proportion of each Note corresponding to such Note's *pro rata* share of the notional amount of the outstanding principal amount of the Collateral Component to which such suspension relates (such Collateral Component, a “**Potential Affected Collateral Component**”) during the period of ten Reference Business Days following such determination (the “**Suspension Period**”). If, at any time during the Suspension Period, the Calculation Agent determines that a Collateral Event has occurred, then the provisions relating to Condition 8(c) (*Redemption in Part following a Collateral Event*) shall apply. If, on the final Business Day of the Suspension Period, no such determination has been made, then the balance of the principal or interest that would otherwise have been payable in respect of the Potential Affected Collateral Component shall be due on the second Business Day after such final Business Day of the Suspension Period. Noteholders or Couponholders shall not be entitled to a further payment as a consequence of the fact that such payment of such principal or interest is postponed pursuant to this paragraph 8(o).

Notwithstanding the foregoing, if the Calculation Agent determines that the circumstances giving rise to such potential Collateral Event have been remedied (if possible) or no longer exist prior to the end of the applicable grace period such that no related Collateral Event has occurred, then the Issuer shall make any payments that would otherwise have been payable in respect of the Potential Affected Collateral Component on the second Business Day following the date on which the Calculation Agent makes such determination. In determining whether a payment failure has (or may have) occurred, the Calculation Agent may rely on evidence of non-receipt of funds.

If the Calculation Agent determines that facts exist which may (assuming the expiration of any applicable grace period) amount to an Equity Collateral Event, no payment of principal or interest shall be made by the Issuer in respect of the Class E Notes during the period of ten Business Days following such determination (the “**Equity Suspension Period**”). If, at any time during the Equity Suspension Period, the Calculation Agent determines that an Equity Collateral Event has occurred, then the provisions of Condition 8(j) (*Redemption Following an Additional Redemption Event*) shall apply. If, on the final Business Day of the Equity Suspension Period, no such determination has been made, then the balance of the principal or interest that would otherwise have been payable in respect of the Notes shall be due on the second Business Day after such final Business Day of the Equity Suspension Period. Noteholders or Couponholders the Class E Notes shall not be entitled to a further payment as a consequence of the fact that such payment of such principal or interest is postponed pursuant to this paragraph 8(o).

Notwithstanding the foregoing, if the Calculation Agent determines that the circumstances giving rise to such potential Equity Collateral Event have been remedied (if possible) or no longer exist prior to the end of the applicable grace period such that no related Equity Collateral Event has occurred, then the Issuer shall make any payments that would otherwise have been payable in respect of the Class E Notes on the second Business Day following the date on which the Calculation Agent makes such determination. In determining whether a payment failure has (or may have) occurred, the Calculation Agent may rely on evidence of non-receipt of funds.

The Calculation Agent shall, as soon as reasonably practicable, notify the Issuing and Paying Agent of any suspensions of payments pursuant to this Master Condition 8(o)”.

2. **Equity Collateral Events**

(a) **Redemption Following an Equity Collateral Event**

The following Additional Redemption Event shall apply to the Class E Notes for the purposes of Master Condition 8(j) (*Redemption Following an Additional Redemption Event*):

“Redemption Following an Equity Collateral Event

Provided that no Early Redemption Commencement Date or Early Redemption Date has occurred pursuant to any other Condition (ignoring, for the avoidance of doubt, any Early Redemption Commencement Date that has occurred as a result of a Collateral Component becoming an Affected Collateral Component) in respect of a Note, if the Calculation Agent determines that an Equity Collateral Event has occurred with respect to any Equity Original Collateral and gives notice of such determination (including a description in reasonable detail of the facts relevant to such determination) to the Issuer (copied to the Issuing and Paying Agent, the Trustee and the Swap Counterparty) (the date of such determination being the “**Equity Collateral Event Determination Date**”), then:

- (i) as soon as reasonably practicable, and in any event within the Early Redemption Notification Period commencing on (and including) the Equity Collateral Event Determination Date, the Issuer (or the Issuing and Paying Agent on its behalf, having been supplied by the Issuer or the Calculation Agent with the relevant Early Redemption Notice) will give an Early Redemption Notice to the Noteholders of the determination of the Equity Collateral Event (the date of such notice to the Noteholders being the “**Early Redemption Commencement Date**”), including a description in reasonable detail of the facts relevant to such determination, by forwarding with such Early Redemption Notice a copy of the notice delivered by the Calculation Agent with respect to the Equity Collateral Event Determination Date or the information provided therein; and
- (ii) each Note shall become due and payable on the related Early Redemption Date at its Early Cash Redemption Amount (which shall be the only amount payable and there will be no separate payment of any unpaid accrued interest thereon), irrespective of whether the relevant Equity Collateral Event is continuing. The payment of such amount shall satisfy all the Issuer's obligations under and in relation to such Note.

For the avoidance of doubt, none of the Issuer, the Trustee or the Calculation Agent shall be required to monitor, enquire or satisfy itself as to whether any Equity Collateral Event has occurred. Neither the Trustee nor the Calculation Agent shall have any obligation, responsibility or liability for giving or not giving any notice thereof to the Issuer or any Secured Creditor. If the Issuer or the Calculation Agent effectively gives a notice to the Trustee of the occurrence of an Equity Collateral Event, the Trustee shall be entitled to rely conclusively on such notice without further investigation.”

(b) Amendments to the Master Conditions in respect of Equity Original Collateral

- (i) The Equity Original Collateral shall be deemed to be Original Collateral for the purposes of:
 - (A) the definition of “Collateral” set out in Master Condition 1(a) (*Definitions*);
 - (B) the definition of “Original Collateral Tax Event” set out in Master Condition 8(d)(i) (*Redemption for Taxation Reasons*);
 - (C) the provisions of Master Condition 13 (*Liquidation*).
- (ii) Sub-paragraph (i) of Master Condition 8(k) (*Redemption Following the Occurrence of an Event of Default*) shall be amended by inserting the words “an Equity Collateral Event, ” after the words “a Collateral Event”.

For the avoidance of doubt, payments of principal in respect of the proportion of each Note corresponding to such Note's *pro rata* share of the notional amount of the outstanding principal amount of the Collateral Component which is not a Potential Affected Collateral Component (if any) shall continue to be due and payable, and no Suspension Period shall apply in respect of such unaffected portion of each Note.

3. Redemption for Termination of Swap Agreement and Swap Counterparty Replacement Option

For the purposes of Master Condition 8(f) (*Redemption for Termination of Swap Agreement*), the reference to Swap Counterparty Event in item (i) of the second paragraph thereof shall be deemed to be deleted and instead refer to the occurrence of a Termination Event (as defined in the Swap Agreement) where the Issuer has the right to designate an Early Termination Date in respect of all

outstanding Asset Swap Transactions and Equity Swap Transactions (in the case of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes) under the Swap Agreement.

Swap Counterparty Replacement Option

Upon the occurrence of (i) a Counterparty Bankruptcy Credit Event; (ii) a Swap Counterparty Event (other than a Counterparty Bankruptcy Credit Event); or (iii) a Termination Event (as defined in the Swap Agreement) where the Issuer has the right to designate an Early Termination Date in respect of the Asset Swap Transactions (an “**Asset Swap Termination Event**”); or (iv) a Termination Event (as defined in the Swap Agreement) where the Issuer has the right to designate an Early Termination Date in respect of any Equity Swap Transaction (in the case of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes) (an “**Equity Swap Termination Event**”); or (v) the long term senior, unsecured rating assigned by Moody’s Investors Service Limited (“**Moody’s**”) to the Swap Counterparty being withdrawn or less than Ba1 or the short term rating assigned by Moody’s to the Swap Counterparty being less than P-3 (any such downgrade or withdrawal, a “**Moody’s Ba1/P-3 Downgrade**” and such event, along with each of a Counterparty Bankruptcy Credit Event, a Swap Counterparty Event (other than a Counterparty Bankruptcy Credit Event), an Asset Swap Termination Event, an Equity Swap Termination Event and a Moody’s Ba1/P-3 Downgrade, each a “**Replacement Event**”), the Issuer shall not designate an Early Termination Date and shall notify the Noteholder Facilitator as soon as reasonably practicable upon becoming aware of any such occurrence. Upon receipt by the Issuer of written directions (such notice to be copied to the Trustee) (a “**Replacement Counterparty Notice**”) from Garantum Fondkommission AB (or any successor thereto) (in such capacity, the “**Noteholder Facilitator**”) requesting the Issuer to enter into a replacement Swap Agreement in respect of all Asset Swap Transactions and, in respect of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes, all Equity Swap Transactions (the “**Replacement Swap Agreement**”) with a replacement swap counterparty (the “**Replacement Swap Counterparty**”) designated by the Noteholder Facilitator (and, provided that, in the case of a Replacement Event that is a Moody’s Ba1/P-3 Downgrade, the Swap Counterparty has provided its prior written consent to such replacement) the Issuer shall use reasonable efforts to enter into such Replacement Swap Agreement with such Replacement Swap Counterparty; provided that (A) each such Replacement Swap Counterparty is a reputable financial institution with a place of business in London which enters into derivative transactions as part of its ongoing business activities and which has, as a minimum, a long term senior, unsecured rating of Ba1 and/or a short term rating of P-3 (or their equivalent ratings, in each case, as assigned by Moody’s) as of the date the Replacement Swap Agreement is entered into, (B) the Replacement Swap Counterparty must be satisfactory to the Trustee and the Issuer, (C) the price that the Replacement Swap Counterparty is willing to pay to, or receive from the existing Swap Counterparty (the “**Existing Swap Counterparty**”) is reasonably satisfactory to the Existing Swap Counterparty, and (D) where such Replacement Counterparty Notice relates to a Replacement Event other than a Moody’s Ba1/P-3 Downgrade, such Replacement Swap Agreement is entered into within 30 calendar days of the occurrence of the relevant Replacement Event (and provided such Replacement Event is still continuing at such time) (such period, the “**Replacement Period**”).

If the relevant Replacement Swap Agreement is not entered into following a Replacement Event other than a Moody’s Ba1/P-3 Downgrade within the Replacement Period (including where, in such circumstances, no Replacement Counterparty Notice is delivered by the Noteholder Facilitator), the Swap Agreement shall automatically terminate and, if a Swap Termination Event has occurred and no Early Redemption Commencement Date or Early Redemption Event has occurred pursuant to any other applicable Condition, the Issuer shall, as soon as is practicable (or, in any case, within 2 Reference Business Days after the end of the Replacement Period), give an Early Redemption Notice to the Noteholders (the date on which such Early Redemption Notice is deemed to have been given shall be an “**Early Redemption Commencement Date**”).

Following the delivery of such Early Redemption Notice, each Note shall become due and payable on the related Early Redemption Date. In connection with such redemption of each Note on the Early Redemption Date, the Disposal Agent shall (in accordance with the Agency Agreement) arrange for, and administer the sale of any Eligible Securities delivered by the Swap Counterparty to

the Issuer under the Credit Support Annex (and the security created pursuant to the Trust Deed over such Eligible Securities (if any) shall automatically be released for purposes of permitting such sale). Each Class of Notes will be redeemed at their applicable Early Cash Redemption Amount (as defined in paragraph 26 of Part A of these Issue Terms) on the relevant Early Redemption Date by payment of such Early Cash Redemption Amount to the Noteholders of such Class on a *pro rata* basis.

Any Replacement Swap Agreement shall be entered into on identical terms as the Swap Agreement (including the relevant Asset Swap Transaction(s) and/or, in respect of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes, the Equity Swap Transaction(s) thereunder), save for such terms as the Issuer and the Replacement Swap Counterparty, acting in good faith, determine are necessary to reflect the replacement of the Existing Swap Counterparty with the Replacement Swap Counterparty.

On the entry into of the Replacement Swap Agreement, the Swap Agreement with the Existing Swap Counterparty shall to the extent of the relevant replacement terminate immediately and:

- (i) the amount (if any) due to the Existing Swap Counterparty from the Issuer upon termination of the Swap Agreement shall be funded out of the amount paid to it by the Replacement Swap Counterparty, and the Existing Swap Counterparty, shall have no further claims against the Issuer or any other party in respect of such amounts; and
- (ii) the amount (if any) due to the Issuer from the Replacement Swap Counterparty upon the entry into of the Replacement Swap Agreement shall be increased (or, as the case may be, the amount due from the Issuer to the Replacement Swap Counterparty shall be reduced) by an amount equal to any fees, costs and/or expenses incurred by the Issuer and/or the Trustee in relation to the appointment of the Replacement Swap Counterparty and any Replacement Agents appointed pursuant to paragraph 5 of this Schedule 2 to these Issue Terms below.

Following the entry into of a Replacement Swap Agreement, all references to the Replacement Swap Counterparty shall be deemed to be the Swap Counterparty, as applicable, for the purposes of these Issue Terms and any other documentation relating to the Notes. Accordingly, more than one Replacement Event may occur.

For the avoidance of doubt, and notwithstanding any other provisions of the Issue Deed, Principal Trust Deed or any other document relating to the Notes, no Swap Termination Event shall occur for the purposes of Master Condition 8(f) (*Redemption for Termination of Swap Agreement*) as a result of the termination of the Swap Agreement and entry into the Replacement Swap Agreement in accordance with the foregoing, and the consent of the Noteholders will not be sought or be required in connection with a Replacement Event in accordance with the foregoing nor for any amendments to the Master Conditions or these Issue Terms and any other documentation relating to the Notes that the Noteholder Facilitator certifies in writing to the Trustee are consequential to and necessary in connection with the entry into of such Replacement Swap Agreement (upon which certificate the Trustee shall be entitled to rely on absolutely without incurring any liability to any person for so doing (even though such certificate may later be found to have been invalidly given)). None of the Issuer, the Trustee, the Swap Counterparty, the Noteholder Facilitator, the Calculation Agent, the Disposal Agent, the Custodian, the Issuing and Paying Agent, the Registrar, the Transfer Agent, the Dealer, the Arranger or any other person connected to the Notes shall be liable to any Noteholder or any other person in connection with any Replacement Event and/or any entry into of a Replacement Swap Agreement or in respect of any amendments to the Master Conditions or these Issue Terms and any other documentation relating to the Notes which the Noteholder Facilitator has certified in writing to the Trustee are consequential and necessary in connection with the entry into of such Replacement Swap Agreement and shall have no responsibility to any Noteholder or any other person in respect of any of the consequences resulting from a Replacement Event and/or any entry into of a Replacement Swap Agreement.

4. **Agent Replacement Option**

Concurrently with the appointment of a Replacement Swap Counterparty and entry into of a Replacement Swap Agreement pursuant to paragraph 4 of this Schedule 2 to these Issue Terms

above, but only where the Swap Agreement with the Existing Swap Counterparty has been terminated in full, the Issuer undertakes, upon receipt of written directions from the Noteholder Facilitator requesting the Issuer to replace the existing Calculation Agent and/or Disposal Agent (a “**Replacement Agent Notice**”), to use reasonable efforts to appoint a replacement calculation agent (the “**Replacement Calculation Agent**”) and replacement disposal agent (the “**Replacement Disposal Agent**”, and together with the Replacement Calculation Agent, the “**Replacement Agents**”) designated by the Noteholder Facilitator, provided that (i) in the case of a Replacement Calculation Agent, is a reputable financial institution with a place of business in London which provides calculation agency services as part of its ongoing business activities and (ii) in the case of a Replacement Disposal Agent, is a reputable financial institution with a place of business in London which customarily sells securities in the market as part of its ongoing business activities, and in each case, are satisfactory to the Issuer, the Trustee and the Replacement Swap Counterparty. Upon receipt of such Replacement Agent Notice, the Issuer shall make reasonable efforts to effect such replacement on, or as soon as practicable following, the entry into of the Replacement Swap Agreement. The costs of appointment of the Replacement Agents shall be borne by the Replacement Swap Counterparty.

Following the appointment of any Replacement Agent, all references to the Calculation Agent and/or Disposal Agent, as applicable, shall be deemed to be references to the Replacement Agent for the purposes of these Issue Terms and any other documentation relating to the Notes. Accordingly, the Calculation Agent and/or Disposal Agent may be replaced more than once.

For the avoidance of doubt, and notwithstanding Master Condition 11 (*Agents*) or any other provisions of the Issue Deed, Principal Trust Deed or any other document relating to the Notes, the consent of the Noteholders will not be sought or be required in connection with the appointment of any Replacement Agents in accordance with the foregoing nor for any amendments to the Master Conditions or these Issue Terms and any other documentation relating to the Notes that the Noteholder Facilitator certifies in writing to the Trustee are consequential to and necessary in connection with the appointment of such Replacement Agents upon which certificate the Trustee shall be entitled to rely absolutely without incurring any liability to any person for so doing (even though such certificate may later be found to have been invalidly given). None of the Issuer, the Trustee, the Swap Counterparty, the Noteholder Facilitator, the Calculation Agent, the Disposal Agent, the Custodian, the Issuing and Paying Agent, the Registrar, the Transfer Agent, the Dealer, the Arranger or any other person connected to the Notes shall be liable to any Noteholder or any other person in connection with the appointment of any Replacement Agent or in connection with any amendment which may be made to the Master Conditions insofar as the proposed amendments relate to this Series only or these Issue Terms and any other documentation relating to the Notes which the Noteholder Facilitator has certified in writing to the Trustee are consequential to and necessary in connection with the entry into of the Replacement Swap Agreement in accordance with the foregoing and shall have no responsibility to any Noteholder or any other person in respect of any of the consequences resulting from any such appointment of a Replacement Agent.

5. **Original Collateral**

For the purposes of this Series of Notes only, “Original Collateral” shall be construed to include any Original Collateral that is transferred by the Issuer to the Swap Counterparty pursuant to the Credit Support Annex.

SCHEDULE 3 TO THE ISSUE TERMS – PROVISIONS RELATING TO EUROCLEAR SWEDEN

1. General

For so long as the Notes are represented by a Global Certificate and are shown in the records of Euroclear as being held by the Swedish CSD as defined below, the provisions of paragraph 2 of this Schedule will apply.

1.1 Form of Swedish Notes

The Global Certificate issued in respect of the Notes will be deposited upon issuance with and registered in the name of a nominee for Euroclear. The Notes will be shown in the records of Euroclear as being held by a Swedish central securities depository (the “**Swedish CSD**”) which will be Euroclear Sweden AB (“**Euroclear Sweden**”) or any successor acceptable to or substitute appointed by the Issuer. The Swedish CSD will hold all interests in the Notes for the sole purpose of enabling clearing and settlement of interests therein in uncertificated and dematerialised book-entry form in the records maintained by the Swedish CSD in accordance with the CSD Rules (as defined below) for the benefit of the ultimate beneficial owners.

Beneficial interests in the Swedish CSD's interest in the Notes will be shown in the records of the Swedish CSD pursuant to an affiliation agreement dated prior to the Issue Date entered into between the Issuer and the Swedish CSD. No owner of such a beneficial interest is entitled to transfer (and the Swedish CSD will not allow any such transfer) such interest directly to the records of Euroclear and thereby removing the relevant Notes from the records of the Swedish CSD.

The holders of the Notes expressly accept and acknowledge that the Swedish CSD will only distribute payments for the Notes that the Swedish CSD has received from Euroclear in respect of the Notes.

1.2 Euroclear Sweden

Euroclear Sweden is a subsidiary within the Euroclear group of companies. Euroclear Sweden is a limited liability company. It is authorised and regulated by the Swedish Financial Supervisory Authority as a central securities depository within the meaning of the Swedish Financial Instruments Accounts Act (1998:1479 (as amended)) and as a clearing organisation within the meaning of the Swedish Securities Markets Act (2007:528 (as amended)). All transactions relating to the beneficial interests in the Swedish CSD's interest in the Notes (such as issuance, sale and transfer, pledge arrangements and other dispositions and redemptions) are executed as computerised book-entry registrations. Consequently, in order to effect such entries beneficial owners must establish a book-entry account through a credit institution or a securities firm acting as an account operator with the Swedish CSD (currently Euroclear Sweden). More information regarding Euroclear Sweden and its rules and operating procedures can be found at its internet web site at www.euroclear.com.

1.3 Swedish Agent

In addition, the Issuer has appointed or will appoint Skandinaviska Enskilda Banken AB (publ) as “**Swedish Agent**” in relation to the Notes pursuant to an issuing and paying agency agreement dated 16 April 2014 (the “**Swedish Agency Agreement**”).

2. Amendments to the Master Conditions

The following provisions shall supplement and amend the Master Conditions and the provisions of the Global Certificate:

2.1 Beneficial interests and transfer

The beneficial interests in the Swedish CSD's interest in the Notes will be held in Swedish uncertificated and dematerialised book-entry form in accordance with the Swedish Financial Instruments Accounts Act (*Sw. lag (1998:1479) om kontoföring av finansiella instrument*) and all such other Swedish laws, regulations and operating procedures applicable to and/or issued by the Swedish CSD (the “**CSD Rules**”). No owner of such a beneficial interest is entitled to transfer (and

the Swedish CSD will not allow any such transfer) such interest directly to the records of Euroclear and thereby removing the relevant Notes from the records of the Swedish CSD.

Such beneficial interests will be transferable only in accordance with the CSD Rules. Title to such beneficial interests shall pass in the records maintained by the Swedish CSD in accordance with the CSD Rules.

The Issuer shall be entitled to obtain information from the register of the Swedish CSD in accordance with the CSD Rules.

2.2 Amendments while in global form

For the purpose of ascertaining the validity of a beneficial holding by a person on whose behalf the Swedish CSD is holding an interest in the Notes, the records of the Swedish CSD (in which regard, any electronic record, record statement, certificate or other information issued by the Swedish CSD as to the beneficial holding or the holding of any person duly authorised to act as a nominee (*Sw. förvaltare*)) shall be conclusive and final for all purposes and shall constitute commercially reasonable evidence, save in the case of manifest error.

2.3 Payments

Each holder of beneficial interests in the Swedish CSD's interest in the Notes must look solely to the Swedish CSD for its share of the payments so made by the Issuer. The Swedish CSD does not assume the obligations of the Issuer and is only obliged to distribute payments it has received in its capacity of Swedish CSD in respect of the Notes. It is expected that payments in respect of the Notes will be received by holders of the beneficial interests in the Swedish CSD's interest in the Notes holding such interests at an account with the Swedish CSD no later than the seventh business day (as defined by the then applicable CSD Rules) after the date on which such payment becomes due and payable in accordance with the terms and conditions of the Notes. Pursuant to the CSD Rules, payments in respect of any such beneficial interest shall be made to the holders shown as such on the fifth business day (as defined by the then applicable CSD Rules) before the due date for such payment, or such other business day falling closer to the due date as then may be stipulated in the CSD Rules. Such day shall be the “**Record Date**” in respect of the Notes in accordance with the CSD Rules. Payments will be subject in all cases to any fiscal or other laws and regulations applicable thereto in the place of payment and will be made in accordance with the CSD Rules.

2.4 Notices

So long as any Notes are represented by a Global Certificate and such Global Certificate is held on behalf of a clearing system, notices to the Swedish CSD may be given by the Issuer delivering the relevant notice to that clearing system for communication to the Swedish CSD (along with a copy of such notice being delivered by the Issuer to the Swedish Agent pursuant to the Swedish Agency Agreement) rather than by mail as required by the Conditions (except that if and for so long as the Notes are listed on a stock exchange, all notices to holders of the Notes will be published in accordance with the rules of such stock exchange). Notices to each holder of beneficial interests in the Swedish CSD's interest in the Notes will be sent in accordance with the CSD Rules but shall be deemed to have been given to the holders of the Notes on the Reference Business Day immediately following the day on which the said notice was given to the Swedish CSD.

2.5 Agents

Master Condition 11(a) (*Appointment of Agents*) will be deleted and the following substituted therefor:

“(a) **Appointment of Agents:** The Issuing and Paying Agent, the Registrar, the Transfer Agents, the Custodian, the Disposal Agent and the Calculation Agent initially appointed by the Issuer and their respective Specified Offices, along with the Swedish Agent, are listed in the applicable Issue Terms. Subject to the provisions of (i) the Agency Agreement, the Issuing and Paying Agent, the Registrar, the Transfer Agents, the Custodian, the Disposal Agent and the Calculation Agent act solely as agents of the Issuer and do not assume any obligation or

relationship of agency or trust for or with any Noteholder and (ii) the Issuing and Paying Agency Agreement dated 16 April 2014 (in respect of the Swedish Agent), the Swedish Agent acts solely as agent of the Issuer and does not assume any obligation or relationship of agency or trust for or with any Noteholder, other than to the extent any such obligations result from mandatory provisions in the Swedish Financial Instruments Accounts Act. The Issuer reserves the right at any time with the approval of the Trustee (except that the approval of the Trustee shall not be required for the appointment of a replacement Disposal Agent or Calculation Agent where Noteholders direct the Issuer to appoint such replacement pursuant to this Condition) to vary or terminate the appointment of the Issuing and Paying Agent, the Registrar, any Transfer Agent, the Custodian, the Disposal Agent, the Calculation Agent, the Swedish Agent and the Swedish CSD and to appoint additional or other Issuing and Paying Agent(s), Transfer Agent(s), Custodian(s), Disposal Agent(s), Calculation Agent(s), Swedish Agent(s), a substitute Swedish CSD or such other agents as may be required provided that the Issuer shall at all times maintain (i) an Issuing and Paying Agent, (ii) a Registrar in relation to Registered Notes, (iii) a Transfer Agent in relation to Registered Notes, (iv) a Disposal Agent, (v) a Calculation Agent, (vi) a Custodian, (vii) a Swedish Agent in Sweden duly authorised under the CSD Rules, (viii) a Swedish CSD duly authorised as a central securities depository under the Swedish Financial Instruments Accounts Act, and (ix) such other agents as may be required by any other stock exchange on which the Notes may be listed, in each case as approved by the Trustee (subject as provided above).

Notice of any such change or any change of any Specified Office shall promptly be given by the Issuer to the Noteholders in accordance with Master Condition 22 (*Notices*).

2.6 Substitution

The following sentence shall be added at the end of Master Condition 19(c) (*Substitution*):

“In respect of any such substitution of the Issuer, the substitution will, in addition to the other criteria set forth above in this Master Condition 19(c), be subject to the prior written consent of the Swedish CSD.”

DESCRIPTION OF THE COMPANY AND THE COMPARTMENT

Company

Argentum Capital S.A. (the “**Company**”) is a public limited liability company (*société anonyme*) incorporated under Luxembourg law and is established as a *société de titrisation* within the meaning of the Securitisation Act 2004 (as may be amended from time to time). The Company has been approved by the Luxembourg *Commission de Surveillance du Secteur Financier* (the “**CSSF**”) as a regulated securitisation undertaking within the meaning of articles 19 et seq. of the Securitisation Act 2004 and is supervised by the CSSF.

The registered office of the Company is at 51 Avenue J.-F. Kennedy, L-1855 Luxembourg. The share capital of the Company is EUR 31,000 divided into 31,000 shares with a par value of EUR 1 (each a “**Company Share**”) all of which are fully paid. All the issued Company Shares are held by Stichting Argentum, a foundation (*stichting*) incorporated under the laws of The Netherlands (the “**Shareholder**”).

Compartment and source of funds

In connection with the issue of the Notes, the board of directors of the Company will create a compartment of the Company (Compartment GAP 2722-2726 June 2016 (the “**Compartment**”)) relating solely to these Notes separate from any other Series of Notes issued by the Company. A compartment is a separate part of the Company’s assets and liabilities. An investor’s recourse to the Issuer in respect of these Notes is limited to the assets and liabilities allocated to the Compartment created in respect of these Notes.

The principal assets of the Issuer allocated to the Compartment are the Original Collateral and the Issuer’s rights against the Swap Counterparty under the Swap Agreement.

The ability of the Issuer to pay the intended amounts due under the Notes (as described in more detail in the sections of this Prospectus entitled “*Transaction Description*” and “*Issue Terms*”) will be dependent upon the payment of:

- (a) the net amounts due from the Swap Counterparty under the Swap Agreement;
- (b) the payment of all sums due from the Original Collateral Obligors in respect of the Original Collateral;
- (c) the value of the Original Collateral;
- (d) the value of any Eligible Securities delivered to the Issuer under the Credit Support Annex in certain circumstances; and
- (e) in respect of the Class E Notes only, the Equity Original Collateral Redemption Amount due from the Equity Original Collateral Obligor under the Equity Original Collateral or, in certain circumstances, the value of the Equity Original Collateral.

Where such assets are not sufficient to meet the claims of the investors in relation to the Notes, investors will have no further recourse to any other assets of the Company. In connection with this, investors should be aware that where any Notes redeem early the assets allocated to the Compartment relating to the Notes and any amounts derived from such assets shall first be used to pay certain amounts owing to other parties, including Credit Suisse International as the Swap Counterparty to the extent that any amounts are owing to it. These amounts may be significant and will reduce the amount available to investors in the Notes, potentially to zero.

Under the Securitisation Act 2004, the assets of each Compartment for each Series and the proceeds thereof are, in principle, exclusively available for distribution to the specified Noteholders and the relevant swap counterparties relating to such Series and Class of Notes. A creditor of the Company may have claims against the Company in respect of more than one Series, in which case the claims in respect of each individual Series will be limited to the Mortgaged Property relating to such Series only. Upon a liquidation of a Compartment, if the Mortgaged Property and the proceeds of enforcement and realisation thereof, as applicable, are not sufficient to make all payments and deliveries, as applicable, due in respect of the Notes, then the obligations of the Issuer in respect of the Notes of that Series will be limited to the Mortgaged Property of the Compartment in respect of that Series, as specified in the Master Conditions and this

Prospectus. The Issuer will not be obliged to make any further payment or delivery, as applicable, for any Series of Notes in excess thereof. Following application of the relevant Mortgaged Property and the proceeds of enforcement and realisation thereof, as applicable, in accordance with the Master Conditions, the claims of the relevant Noteholders and the relevant swap counterparties of the relevant Series for any shortfall shall be extinguished and the relevant Noteholders and the relevant swap counterparties (and any person acting on behalf of any of them) may not take any further action to recover such shortfall and none of them should be able to petition for the winding-up, the liquidation or the bankruptcy of the Company or any other similar insolvency related proceedings. Failure to make any payment or delivery, as applicable, in respect of any such shortfall shall in no circumstances constitute an event of default under the Master Conditions. Any shortfall shall be borne by the Noteholders and the swap counterparties of the relevant Series in respect of which the Notes have been issued according to the priorities specified in the Master Conditions as amended by this Prospectus.

DESCRIPTION OF THE SWAP AGREEMENT

Overview of the Swap Agreement

The Swap Agreement comprises the swap agreement relating to the Notes and entered into by the Issuer and the Swap Counterparty by their execution of the Issue Deed relating to the Notes on the terms of the ISDA 2002 form of Master Agreement as amended by the Schedule set out in the Master Swap Terms (dated 4 September 2015) incorporated by reference into (and as modified and/or supplemented by) such Issue Deed and as supplemented by (a) a confirmation evidencing an asset swap transaction relating to each Class of Notes (in respect of each Class, the “**Asset Swap Transaction**” relating to such Class) between the Issuer and the Swap Counterparty; (b) a confirmation evidencing an equity swap transaction relating to the Class A Notes (the “**Class A Equity Swap Transaction**”); (c) a confirmation evidencing an equity swap transaction relating to the Class B Notes (the “**Class B Equity Swap Transaction**”); (d) a confirmation evidencing an equity swap transaction relating to the Class C Notes (the “**Class C Equity Swap Transaction**”); (e) a confirmation evidencing an equity swap transaction relating to the Class D Notes (the “**Class D Equity Swap Transaction**” and together with the Class A Equity Swap Transaction, the Class B Equity Swap Transaction and the Class C Equity Swap Transaction, the “**Equity Swap Transactions**” and each an “**Equity Swap Transaction**” relating to the relevant Class), each between the Issuer and the Swap Counterparty; and (d) an ISDA Credit Support Annex (Bilateral Form-Transfer) (English Law) containing the paragraph 11 elections set out in the Master CSA Terms dated 4 September 2015 which are also incorporated by reference into (and as modified and/or supplemented by) such Issue Deed (the “**Credit Support Annex**”) dated as of the same date (together, the “**Swap Agreement**”).

The Issuer has assigned by way of security in favour of the Trustee for itself and as trustee for the Noteholders all of the Issuer’s rights, under the Swap Agreement (without prejudice to, and after giving effect to, any contractual netting provision contained in the Swap Agreement).

The Master Swap Terms comprised in the Swap Agreement in respect of the Notes include the following provisions:

- (A) The transactions comprised in the Swap Agreement will be capable of termination at the option of the Issuer upon the occurrence of any of the following events of default in relation to the Swap Counterparty: failure to pay or deliver, misrepresentation, bankruptcy and merger without assumption (as such events are more particularly described in the Master Swap Terms) provided that, the Issuer may be obliged to first use reasonable efforts to enter into a replacement swap agreement with a replacement counterparty and if a replacement swap transaction is not entered into, the Swap Agreement will automatically terminate (as more fully described in the Issue Terms of the Notes). The transactions comprised in the Swap Agreement will be capable of termination at the option of the Swap Counterparty upon the occurrence of any of the following events of default in relation to the Issuer: failure to pay or deliver, bankruptcy and merger without assumption (as such events are more particularly described in the Master Swap Terms).
- (B) In the event that it becomes unlawful for either the Issuer or the Swap Counterparty to perform its obligations under a transaction comprised in the Swap Agreement, either the Issuer or the Swap Counterparty (or both) will have the right to terminate such transaction.
- (C) In the event that a withholding or deduction is imposed on any payment to be made by the Issuer or the Swap Counterparty to the other under a transaction comprised in the Swap Agreement as a result of (i) sections 1471 to 1474 of the U.S. Internal Revenue Code of 1986; (ii) any similar or successor legislation to (i); (iii) any agreement described in section 1471(b) of the U.S. Internal Revenue Code of 1986; (iv) any regulations or guidance pursuant to any of the foregoing; (v) any official interpretations of any of the foregoing; (vi) any intergovernmental agreement to facilitate the implementation of any of the foregoing (an “**IGA**”); or (vii) any law implementing an IGA, either the Issuer or the Swap Counterparty (or both) has the right to terminate such transaction.

- (D) Subject to sub-paragraphs (E), (F) and (G) below, in the event that a withholding or deduction for or on account of any Indemnifiable Tax is imposed on any payment to be made by either the Issuer or the Swap Counterparty to the other under a transaction comprised in the Swap Agreement, neither party is obliged to gross up such payment.
- (E) Subject to sub-paragraph (G) below, in the event that a withholding or deduction is or there is a substantial likelihood that a withholding or deduction will be imposed on any payment to be made by either the Issuer or the Swap Counterparty to the other under a transaction comprised in the Swap Agreement as a result of (i) any action taken by a taxing authority or brought in a court of competent jurisdiction or (ii) a change in tax law(s), either the Issuer or the Swap Counterparty (or both) have the right to terminate such transaction.
- (F) Subject to sub-paragraph (G) below, in the event that the Issuer or the Swap Counterparty will receive a payment from the other party from which an amount has been withheld or deducted on account of any tax (such receiving party, the “**Burdened Party**”) under a transaction comprised in the Swap Agreement solely as a result of a merger event affecting the Burdened Party, the Burdened Party has the right to terminate such transaction.
- (G) In the event that the Swap Counterparty has the right to terminate a transaction comprised in the Swap Agreement as a result of the events described in sub-paragraphs (E) or (F) above, the Swap Counterparty is required to use its reasonable endeavours to arrange for the transfer of all of its rights and obligations under the relevant transactions comprised in the Swap Agreement to an office or affiliated company of the Swap Counterparty within 30 days such that the relevant termination event described in sub-paragraph (E) or (F) above ceases to exist, failing which, the Swap Counterparty shall give notice to the Issuer and may terminate the transaction.
- (H) If an Early Redemption Commencement Date occurs or the Issuer fails to give an Early Redemption Notice when required to do so (in each case, other than in circumstance where the Swap Agreement has already terminated) then the Swap Counterparty has the right to terminate the Swap Agreement.
- (I) The Swap Counterparty has the right to terminate the Swap Agreement if any of the clauses in the Principal Trust Deed relating to pre-liquidation and enforcement of the Security, post-liquidation and enforcement of the Security or post-enforcement of the Security are amended, or if the equivalent provisions of the Conditions are amended (after the Issue Date of the Notes) such that the Issuer’s obligations to the Swap Counterparty under the Swap Agreement are further contractually subordinated to the Issuer’s obligations to any other secured creditor.
- (J) The Swap Counterparty has the right to terminate the Swap Agreement if certain amendments or waivers are made by the Issuer to the relevant Series documents without the Swap Counterparty’s prior written consent which would result in the Swap Counterparty paying more or receiving less under the Swap Agreement than would otherwise have been the case immediately prior to such amendment or waiver.
- (K) The Swap Counterparty has the right to terminate the Swap Agreement if the Issuer breaches any of the covenants contained in the Principal Trust Deed, unless the Trustee and the Swap Counterparty have given their prior written consent to such breach of a restrictive covenant in accordance with the terms of the Principal Trust Deed.
- (L) If the Notes are repurchased and cancelled by the Issuer pursuant to Master Conditions 8(r) (*Purchases*) and 8(s) (*Cancellation*), a proportionate part of each transaction attributable to such Notes comprised in the Swap Agreement will terminate.

In the event of any inconsistency between the Master Swap Terms and the terms of any confirmation in respect of a transaction comprised in the Swap Agreement, the terms of such confirmation shall prevail.

Payments and early redemption

Payments to the Noteholders under each Class of Notes are entirely contingent on the full and timely performance of the obligations of the Swap Counterparty under the Swap Agreement.

If the Asset Swap Transaction (in the case of each Class of Notes) and the Equity Swap Transaction (in the case of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes) relating to such Class comprised in the Swap Agreement are terminated (or the Swap Agreement is terminated in whole), such Class shall be redeemed by payment of the Early Cash Redemption Amount, subject as provided in paragraph 27 of Part A of the Issue Terms and paragraph 2 of Schedule 2 of the Issue Terms of the Notes.

Early Cash Redemption Amount

Where the Notes of a Class are to be redeemed in whole early, each Noteholder shall be entitled to an amount per Note referred to as its “Early Cash Redemption Amount”. The quantum of such amount will depend on:

- (A) in respect of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes, the value of the Asset Swap Transaction and, the Equity Swap Transaction relating to such Class, in each case from the perspective of the Issuer and as determined in accordance with the relevant Swap Agreement, and the *pro rata* share of the liquidation proceeds of the Original Collateral relating to such Class; or
- (B) in respect of the Class E Notes, the value of the Asset Swap Transaction relating to the Class E Notes, from the perspective of the Issuer and as determined in accordance with the relevant Swap Agreement, and the *pro rata* share of the liquidation proceeds of the Original Collateral and Equity Original Collateral.

Partial Termination of Swap Agreement in connection with the Early Redemption of a Class

Where a Class of Notes is redeemed in circumstances where swap transactions in respect of the other Class will remain outstanding (which is possible, for example, if an Equity Swap Transaction relating to a Class is terminated early as a result of certain disruption or adjustment events described in the section of this Prospectus entitled “*Description of the Equity Swap Transactions*”), then the Early Cash Redemption Amount for such Class of Notes shall be informed by the amount payable by the Swap Counterparty to the Issuer as a result of the termination of the Asset Swap Transaction and the Equity Swap Transaction relating to such Class. This is referred to in the terms and conditions of the Notes as the “Affected Class Termination Payment”. The Affected Class Termination Payment shall be applied together with the liquidation proceeds of the Original Collateral relating to such Class in order to fund the Early Cash Redemption Amount.

Termination Payment under the Swap Agreement

The Termination Payment determined in accordance with the Swap Agreement is defined under the Swap Agreement as the “Early Termination Amount”. The Early Termination Amount is determined by aggregating three components that are detailed within the terms of the Swap Agreement:

- (A) the value (expressed in SEK), considered from the Issuer’s perspective, of each of the Equity Swap Transaction (in the case of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes) and/or Asset Swap Transaction relating to such Class under the Swap Agreement (referred to in the Swap Agreement as the Close-out Amount(s) for each swap transaction being terminated, as described below); *plus*
- (B) the value (expressed in SEK) of any Unpaid Amounts (as described below) owing to the Issuer; less
- (C) the value (expressed in SEK) of any Unpaid Amounts (as described below) owing to the Swap Counterparty.

Unpaid Amounts

Unpaid Amounts are, broadly, (a) payments or (b) valuations in respect of deliveries, that were scheduled to have been made to a party on or before the date that the relevant Swap Transactions were terminated but which were not made, in each case together with interest from (and including) the date the relevant

obligation was scheduled to be performed to (but excluding) the relevant early termination date. These payments or deliveries may not have been made, for example, because of a default by the payer, the deferral of payment as a result of the payee being in default or the payment obligation having terminated by reason of designation of the early termination date.

Close-out Amount

The Close-out Amount for the Asset Swap Transaction and, in respect of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes, the Equity Swap Transaction is, broadly, a measure of determining the value to the Issuer of such swap transactions by determining the cost that it would incur in replacing, or providing the economic equivalent of, the material terms of such swap transactions. In calculating the Close-out Amounts, Unpaid Amounts (as described above) and legal fees and out-of-pocket expenses are excluded.

In determining a Close-out Amount, the determining party (which is likely to be the Swap Counterparty other than where it has defaulted) may consider any relevant information, including, without limitation, *one or more* of the following types of information: (a) quotations for replacement transactions supplied by one or more third parties; (b) relevant market data in the relevant market supplied by one or more third parties (of the type described below), including, without limitation, relevant rates, prices, yields, yield curves, volatilities, spreads, correlations or other relevant market data in the relevant market; or (c) information of the types described in clause (a) or (b) above from internal sources (including any of the determining party's affiliates) if that information is of the same type used by the determining party in the regular course of its business for the valuation of similar transactions. In addition, there may be situations in which it is commercially reasonable for the determining party to consider any loss or cost incurred in connection with its terminating, liquidating or re-establishing any hedge related to the terminated transactions (or any gain resulting from any of them), provided that there is no double-counting of such amounts in the determining party's calculation.

Commercially reasonable procedures used in determining a Close-out Amount may include the following: (a) application by the Swap Counterparty of pricing or other valuation models to relevant market data from third parties or information from internal sources, provided that, at the time of the determination of the Close-out Amount, these models are used by it in the regular course of its business in pricing or valuing transactions between the determining party and unrelated third parties that are similar transactions; and (b) application of different valuation methods to terminated transactions depending on the type, complexity, size or number of the terminated transactions.

Termination of the Swap Agreement in full in connection with the Early Redemption of all Classes of the Notes

Where all Classes of Notes are redeemed, then, as noted above, the Early Cash Redemption Amount for such Class of Notes shall be determined not only by the Close-out Amounts and Unpaid Amounts relating to the terminating swap transactions and the Termination Payment under the Swap Agreement and the liquidation proceeds of the relevant Original Collateral (as described above), but also by the SEK equivalent value of any assets transferred by the Swap Counterparty and then held by the Issuer under the Credit Support Annex relating to such Swap Agreement.

Liquidation of Collateral under the Credit Support Annex

In such circumstances, any Collateral transferred to the Issuer under the Credit Support Annex shall be liquidated by the Disposal Agent on behalf of the Issuer pursuant to the terms of the Agency Agreement in order to realise cash proceeds for the non-cash assets comprised therein, and then the remaining cash converted into SEK (the "**CSB Collateral Value**"). Such CSB Collateral Value, after satisfaction of certain costs and expenses that may be due, shall be treated as an Unpaid Amount due from the Issuer to the Swap Counterparty for the purposes of determining the Early Termination Amount in lieu of the Issuer having to redeliver equivalent assets or pay equivalent cash amounts in the relevant currencies to the Issuer. Whilst this treatment as an Unpaid Amount will reduce the Early Termination Amount that would otherwise be determined to be payable from the Swap Counterparty or possibly reverse the payment (so that the Issuer owes the Swap Counterparty such excess), the Early Cash Redemption Amount includes the CSB Collateral Value within the amount that is ultimately payable by the Issuer to Noteholders.

The aggregate Early Cash Redemption Amount payable to the Noteholders of the relevant redeeming Class in such circumstances is therefore expected to be (i) the proportion of the liquidation proceeds of the relevant Original Collateral, *plus* (ii) the proportion of the CSB Collateral Value relating to the value of the swap transactions in respect of such Class, *plus* (iii) the Early Termination Amount if payable to the Issuer (which will be the case where the combined Close-out Amounts and Unpaid Amounts in respect of the relevant terminating transactions exceeds the CSB Collateral Value) or *minus* (iv) the Early Termination Amount (which will be the case where the combined Close-out Amounts and Unpaid Amounts in respect of the relevant terminating transactions are less than the CSB Collateral Value).

DESCRIPTION OF THE ASSET SWAP TRANSACTIONS

Asset Swaps

Asset swap transactions are usually derivative transactions entered into between two parties to create a right for the parties to make and receive payments that match or track the performance of one or more assets.

Payments under the Asset Swap Transactions

In respect of the Notes, there will be a separate Asset Swap Transaction for each Class. Under each Asset Swap Transaction:

- (a) the Swap Counterparty agrees to pay to the Issuer, unless the relevant Class of Notes have fallen due for redemption in full prior to the Maturity Date, an amount equal to the outstanding principal amount of the relevant Class of Notes on the Reference Business Day falling immediately prior to the Maturity Date of the Notes; and
- (b) the Issuer agrees to pay to the Swap Counterparty an amount equal to the amount in respect of interest and/or principal scheduled to be paid in respect of the Original Collateral (and in the currency in which it is scheduled to be paid) as at the Collateral Event Observation Start Date (expected to be 28 June 2016), including any Original Collateral transferred by the Issuer to the Swap Counterparty under the Credit Support Annex, in respect of each day on which a payment in respect of interest and/or principal is due to be made in respect of the Original Collateral (each, an “**Original Collateral Payment Date**”). Such amounts shall be paid on the Reference Business Day immediately following the relevant Original Collateral Payment Date.

Where the Calculation Agent determines that there is a Potential Collateral Event in respect of a Collateral Component, no payments shall be made by the Swap Counterparty under the Asset Swap Transaction relating to each Class of Notes with respect to the portion of the Asset Swap Transaction relating to the Potential Affected Collateral Component during the applicable Suspension Period. At any time during the Suspension Period, the Calculation Agent may determine that a Collateral Event has occurred.

Where any Collateral Component is redeemed in full, under the terms of the Asset Swap Transaction the Issuer shall pay to the Swap Counterparty an amount equal to the redemption proceeds of such Collateral Component. The Swap Counterparty will still be obliged to pay an amount equal to the Final Redemption Amount described in paragraph (a) above, and the Issuer will therefore have a greater exposure to the Swap Counterparty. The Issuer’s net exposure to the Swap Counterparty will be collateralised under the Credit Support Annex and, therefore, it is likely that following the scheduled redemption of a Collateral Component, the Swap Counterparty will transfer Eligible Securities under the Credit Support Annex of a similar value to the nominal amount of the Collateral Component prior to such redemption.

Where the Dealer elects bonds to comprise one or more Collateral Components that differ from those expected to comprise the Collateral Components, such bonds may have a scheduled maturity date which falls after the Maturity Date of the Notes. If this is the case, the Swap Counterparty will pay across the Final Redemption Amount described in paragraph (a) above, but the Issuer shall, rather than paying the Swap Counterparty an amount equal to the principal scheduled to be paid by the Original Collateral as described in paragraph (b) above, deliver to the Swap Counterparty the Collateral Component and any cash related thereto to the Swap Counterparty two Business Days prior to the Maturity Date.

DESCRIPTION OF THE EQUITY SWAP TRANSACTIONS

Equity Swaps

Equity swap transactions are usually derivative transactions entered into between two parties to create a right for the parties to make and receive payments that match or track the performance of one or more shares or indices of shares, as applicable. In respect of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes, the Equity Swap Transactions are bespoke transactions, the final exchange amount receivable by the Issuer under which will determine any Additional Payout Amounts payable in respect of such Class of Notes. Such final exchange amount is referred to in this section as the Swap Counterparty Equity Final Exchange Amount.

The Equity Swap Transactions relating to the Class A Notes references the performance of Equity Basket 1. The Equity Swap Transactions relating to the Class B Notes and the Class C Notes reference the performance of the Equity Index Basket. The Equity Swap Transactions relating to the Class D Notes reference the performance of Equity Basket 2. Whether any Swap Counterparty Equity Final Exchange Amount shall be receivable by the Issuer under each Equity Swap Transaction, and accordingly whether any Additional Payout Amount shall be payable as part of the redemption amounts on the Notes in respect of the relevant Class, will depend in part on the relative performance of the corresponding basket of shares or indices of shares.

The Swap Counterparty Equity Final Exchange Amount is subject to a floor of zero. As a result, if the relative performance of the basket of shares or indices of shares (as applicable), calculated under an Equity Swap Transaction decreases, this will simply result in no Swap Counterparty Equity Final Exchange Amount being receivable by the Issuer under the Equity Swap Transaction, and therefore no Additional Payout Amount being taken into account when determining the Final Redemption Amount in respect of the Class of Notes to which such Equity Swap Transaction relates.

A description of the Equity Swap Transactions, including of the amounts potentially receivable by the Issuer thereunder and the related definitions, is set out in the section of this Prospectus entitled “*Transaction Description*” under the heading “*Impact of the Equity Swap Transactions on the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes*”.

Baskets of shares and indices of shares

Equity Basket 1

The Swap Counterparty Equity Final Exchange Amount (if any) payable to the Issuer under the Class A Equity Swap Transaction (and, accordingly, the Additional Payout Amounts (if any) in respect of the Class A Notes) will depend in part on the performance of Equity Basket 1, which on the Issue Date consists of the following basket of shares:

i	Share _i	Bloomberg Code	Exchange
1	TELE2 AB-B SHS	TEL2B SS Equity	NASDAQ Stockholm
2	ALLIANZ SE-REG	ALV GY Equity	XETRA
3	ENGIE	ENGI FP Equity	NYSE Euronext – Euronext Paris
4	MUENCHENER RUECKVER AG-REG	MUV2 GY Equity	XETRA
5	UNIBAIL-RODAMCO SE	UL NA Equity	Euronext Amsterdam
6	NATIONAL GRID PLC	NG/ LN Equity	London Stock Exchange

i	Share_i	Bloomberg Code	Exchange
7	TELIA CO AB	TELIA SS Equity	NASDAQ Stockholm
8	VODAFONE GROUP PLC	VOD LN Equity	London Stock Exchange
9	SANOFI	SAN FP Equity	Euronext Paris
10	SABMILLER PLC	SAB LN Equity	London Stock Exchange

Information (including information as to their past and future performance and volatility) about the shares included in Equity Basket 1 may be obtained on Bloomberg under the codes set out in the table above.

Equity Index Basket

The Swap Counterparty Equity Final Exchange Amount (if any) payable to the Issuer under the Class B Equity Swap Transaction and the Class C Equity Swap Transaction (and, accordingly, the Additional Payout Amounts (if any) in respect of the Class B Notes and the Class C Notes) will depend in part on the performance of the Equity Index Basket, which on the Issue Date consists of the following basket of shares:

i	Share_i	Bloomberg Code	Weighing
1	MSCI TAIWAN INDEX	TAMSCI Index	25%
2	MSCI SINGAPORE FREE INDEX	SIMSCI Index	25%
3	S&P/ASX 200 INDEX	AS51 Index	25%
4	HANG SENG INDEX	HSI Index	25%

Information (including information as to their past and future performance and volatility) about the indices included in Equity Index Basket may be obtained on Bloomberg under the codes set out in the table above.

Equity Basket 2

The Swap Counterparty Equity Final Exchange Amount (if any) payable to the Issuer under the Class D Equity Swap Transaction (and, accordingly, the Additional Payout Amounts (if any) in respect of the Class D Notes) will depend in part on the performance of Equity Basket 2, which on the Issue Date consists of the following basket of shares:

i	Share_i	Bloomberg Code	Exchange
1	ABB LTD-REG	ABB SS Equity	NASDAQ Stockholm
2	SKANSKA AB-B SHS	SKAB SS Equity	NASDAQ Stockholm
3	HENNES & MAURITZ AB-B SHS	HMB SS Equity	NASDAQ Stockholm
4	SKF AB-B SHARES	SKFB SS Equity	NASDAQ Stockholm
5	NORDEA BANK AB	NDA SS Equity	NASDAQ Stockholm
6	TELE2 AB-B SHS	TEL2B SS Equity	NASDAQ Stockholm

i	Share_i	Bloomberg Code	Exchange
7	ASTRAZENECA PLC	AZN SS Equity	NASDAQ Stockholm
8	TELIA CO AB	TELIA SS Equity	NASDAQ Stockholm
9	SWEDBANK AB - A SHARES	SWEDA SS Equity	NASDAQ Stockholm
10	SVENSKA HANDELSBANKEN	SHBA SS Equity	NASDAQ Stockholm

Information (including information as to their past and future performance and volatility) about the shares included in Equity Basket 2 may be obtained on Bloomberg under the codes set out in the table above.

Payments under the Equity Swap Transactions

The Swap Counterparty Equity Final Exchange Amount in respect of each Equity Swap Transaction will be determined by reference to a formula. A description of the formula is set out in the section of this Prospectus entitled “*Transaction Description*” under the heading “*Formula for calculating the Swap Counterparty Equity Final Exchange Amount and the Additional Payout Amount*”.

In mathematical terms:

- (a) the Swap Counterparty Equity Final Exchange Amount in respect of each of the Class A Equity Swap Transaction and the Class D Equity Swap Transaction will be an amount in SEK payable by the Swap Counterparty and determined by the Calculation Agent in accordance with the following formula:

$$\text{Swap Notional Amount} \times \text{Participation} \times \text{Max}\{0, \text{Equity Return}\}$$

- (b) the Swap Counterparty Equity Final Exchange Amount in respect of the Class B Equity Swap Transaction and the Class C Equity Swap Transaction will be an amount in SEK payable by the Swap Counterparty and determined by the Calculation Agent in accordance with the following formula:

$$\text{Swap Notional Amount} \times \text{Participation} \times \text{Max}\{0, \text{Equity Index Return}\} \times \text{FX Factor}$$

where:

“**Averaging Dates**” means the 19th calendar day of each month from, and including, 19 July 2021 to, and including, 19 July 2023, subject to adjustments to account for certain disruptions in respect of the relevant Share_i.

“**Equity Index Return**” means, in respect of the Class B Equity Swap Transaction and the Class C Equity Swap Transaction, the return (expressed as a percentage) calculated as follows:

$$\frac{1}{4} \sum_{i=1 \text{ to } 4} \frac{\text{Final Level}_i}{\text{Initial Level}_i} - 100\%$$

“**Equity Return**” means, in respect of each of the Class A Equity Swap Transaction and the Class D Equity Swap Transaction, the return (expressed as a percentage) calculated as follows:

$$\frac{1}{10} \sum_{i=1}^{10} \left(\frac{\text{Final Level}_i}{\text{Initial Level}_i} - 100\% \right)$$

“**Final Level_i**” means:

- (a) in respect of each of the Class A Equity Swap Transaction and the Class D Equity Swap Transaction the arithmetic mean of the official closing price of Share_i on each Averaging Date, as determined by the Calculation Agent; and
- (b) in respect of each of the Class B Equity Swap Transaction and the Class C Equity Swap Transaction, the arithmetic mean of the official closing level of Index_i on each Averaging Date, as determined by the Calculation Agent.

“**FX Business Day**” means a day on which commercial banks are open for business (including dealings in foreign exchange in accordance with the practice of a foreign exchange market) in the principal financial centre of the Settlement Currency (as defined in the Equity Swap Transaction) and a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System or any successor thereto is operating.

“**FX Factor**” is calculated as:

$$\frac{FX Rate_T}{FX Rate_0}$$

“**FX Rate₀**” means the FX Rate in respect of the Initial Rate Calculation Date, as determined by the Calculation Agent.

“**FX Rate_T**” means the FX Rate in respect of the Rate Calculation Date, as determined by the Calculation Agent.

“**FX Rate**” means the daily fixing rate of exchange of the number of SEK per USD 1, rounded to four decimal places, each such rate as calculated at 4:00 p.m. London time and published by WM Company on the relevant Reuters page on such date, or if any such rate or page is not available, such other rate as selected or determined by the Calculation Agent.

The FX Rate will be subject to corrections, if any, as a result of information subsequently displayed by the source within one hour of the time when such rate is first displayed by such source, unless the Calculation Agent determines in its discretion, acting in good faith and in a commercially reasonable manner, that it is not practicable to take into account such correction.

“**i**” means:

- (a) in respect of the Class A Equity Swap Transaction, a unique integer from one (1) to ten (10), each representing an individual Share, as specified in the table under the heading “*Equity Basket 1*” above;
- (b) in respect of the Class B Equity Swap Transaction and the Class C Equity Swap Transaction, a unique integer from one (1) to four (4), each representing an individual Index, as specified in the table under the heading “*Equity Index Basket*” above; and
- (c) in respect of the Class D Equity Swap Transaction, a unique integer from one (1) to ten (10), each representing an individual Share, as specified in the table under the heading “*Equity Basket 2*” above.

“**Initial Level_i**” means:

- (a) in respect of each of the Class A Equity Swap Transaction, the lowest of the official closing levels of Share_i across all of the Initial Setting Dates, as determined by the Calculation Agent;
- (b) in respect of the Class B Equity Swap Transaction and the Class C Equity Swap Transaction, the official closing price of Index_i on the Initial Setting Date, as determined by the Calculation Agent; and
- (c) in respect of the Class D Equity Swap Transaction, the official closing level of Share_i on the Initial Setting Date, as determined by the Calculation Agent.

“**Initial Rate Calculation Date**” means the Trade Date (expected to be 28 June 2016).

“**Initial Setting Date**” is expected to be:

- (a) in respect of the Class A Equity Swap Transaction, each of 30 June 2016, 7 July 2016, 14 July 2016, 21 July 2016 and 28 July 2016, subject to adjustments to account for certain disruptions in respect of the relevant Share_i; and
- (b) in respect of the Class B Equity Swap Transaction, the Class C Equity Swap Transaction and the Class D Equity Swap Transaction, 30 June 2016, subject to adjustments to account for certain disruptions in respect of the relevant Share_i or Index_i (as applicable).

“**Max**” means, when followed by a series of amounts (or values) inside brackets, whichever is the greater of the amounts (or values) separated by a comma inside those brackets.

“**Participation**” means:

- (a) in respect of the Class A Equity Swap Transaction, a percentage to be determined by the Issuer or the Calculation Agent on its behalf and notified to the Noteholders on or about the Issue Date which is expected to be 100% (indicative only) but which may be higher or lower and in any event shall not be less than 75%;
- (b) in respect of the Class B Equity Swap Transaction, a percentage to be determined by the Issuer or the Calculation Agent on its behalf and notified to the Noteholders on or about the Issue Date which is expected to be 100% (indicative only) but which may be higher or lower and in any event shall not be less than 75%;
- (c) in respect of the Class C Equity Swap Transaction, a percentage to be determined by the Issuer or the Calculation Agent on its behalf and notified to the Noteholders on or about the Issue Date which is expected to be 200% (indicative only) but which may be higher or lower and in any event shall not be less than 160%; and
- (d) in respect of the Class D Equity Swap Transaction, a percentage to be determined by the Issuer or the Calculation Agent on its behalf and notified to the Noteholders on or about the Issue Date which is expected to be 100% (indicative only) but which may be higher or lower and in any event shall not be less than 75%,

in each case as determined by the Issuer or the Calculation Agent on or about the Issue Date.

“**Rate Calculation Date**” means the FX Business Day immediately following the latest occurring Averaging Date for any Index, as determined by the Calculation Agent.

“**Swap Notional Amount**” means:

- (a) in respect of the Class A Equity Swap Transaction an amount in SEK equal to the Initial Class Aggregate Nominal Amount of the Class A Notes as at the Issue Date;
- (b) in respect of the Class B Equity Swap Transaction an amount in SEK equal to the Initial Class Aggregate Nominal Amount of the Class B Notes as at the Issue Date;
- (c) in respect of the Class C Equity Swap Transaction an amount in SEK equal to the Initial Class Aggregate Nominal Amount of the Class C Notes as at the Issue Date; and
- (d) in respect of the Class D Equity Swap Transaction an amount in SEK equal to the Initial Class Aggregate Nominal Amount of the Class D Notes as at the Issue Date.

in each case, subject to reduction at any time and from time to time as a result of any purchase and cancellation of Notes of that Class pursuant to Master Conditions 8(r) (*Purchases*) and 8(s) (*Cancellation*).

The Swap Counterparty Equity Final Exchange Amount, if any, in respect to each Equity Swap Transaction will be paid to the Issuer on the Reference Business Day immediately preceding the Maturity Date.

Adjustments and disruptions

In respect of each of the Class A Equity Swap Transaction and the Class D Equity Swap Transaction, certain adjustments may be made to the closing levels of any of the constituent shares of Equity Basket 1 and Equity Basket 2, as applicable, and the dates on which such levels are determined for the purposes of the relevant Equity Swap Transaction as a result of the occurrence of: (i) non-Scheduled Trading Days and Disrupted Days; (ii) Market Disruption Events; (iii) Potential Adjustment Events or; (iv) a correction of a published

price in respect of a share. Any adjustment or disruption due to the occurrence of any such event may delay any Averaging Dates. In respect of each of the Class B Equity Swap Transaction and the Class C Equity Swap Transaction, certain adjustments may be made to the closing levels of any of the constituent indices of the Equity Index Basket and the dates on which such levels are determined for the purposes of the Class B Equity Swap Transaction and the Class C Equity Swap Transaction as a result of the occurrence of (i) non-Scheduled Trading Days and Disrupted Days, (ii) Market Disruption Events or (iii) a correction of a published level in respect of an index.

Pursuant to the terms of:

- (a) the Class A Equity Swap Transaction and the Class D Equity Swap Transaction, Extraordinary Events in respect of the shares referenced in the relevant Class Equity Basket (including Merger Events, Tender Offers, De-listing, Nationalization and Insolvency), as well as certain Potential Adjustment Events, may occur; and
- (b) the Class B Equity Swap Transaction and the Class C Equity Swap Transaction, Index Adjustment Events in respect of the indices referenced in the Equity Index Basket (including an Index Modification, Index Cancellation and Index Disruption) may occur.

On the occurrence of one of these events in relation to a share or an index, the affected Equity Swap Transaction may be terminated, or the Calculation Agent may:

- (a) select a new underlying share, which will be deemed to be one of the shares in the basket in place of the share, and make adjustments to the terms of the relevant Equity Swap Transaction to account for the economic effect of the event and/or the replacement of the share. Any replacement share will, to the extent practicable, be selected from the same economic sector, have shares denominated in the same currency and have a similar market capitalisation to the relevant replaced share; or
- (b) (i) make adjustments to terms of the relevant Equity Swap Transaction to account for the economic effect of the event and determine the effective date of that adjustment, or (ii) if the Calculation Agent determines that no adjustment that it could make under (i) will produce a commercially reasonable result, notify the parties that the relevant consequence shall be the termination of such Equity Swap Transaction, in which case such Equity Swap Transaction will be terminated,

in each case, in accordance with the terms of the relevant Equity Swap Transaction.

The Equity Swap Transactions may also be subject to adjustment or early termination upon the occurrence of certain Additional Disruption Events including in respect of each of the Class A Equity Swap Transaction, the Class B Equity Swap Transaction, the Class C Equity Swap Transaction and the Class D Equity Swap Transaction, a Change in Law, Insolvency Filing, Hedging Disruption and Increased Cost of Hedging.

If the Calculation Agent determines that an Additional Disruption Event has occurred, the Calculation Agent under the Swap Agreement may determine:

- (a) the appropriate adjustment, if any, to be made to any one or more of the terms of the Equity Swap Transaction, including without limitation, any variable or term relevant to settlement or payment under the Equity Swap Transaction, as the Calculation Agent determines appropriate to account for the economic effect of such Additional Disruption Event, as applicable, on the Equity Swap Transaction, and determine the effective date of that adjustment; or
- (b) that no adjustments to the terms of the Equity Swap Transaction would achieve a commercially reasonable result, and determine that the Equity Swap Transaction shall be terminated.

The termination of each Equity Swap Transaction will trigger the termination of the corresponding Asset Swap Transaction and an early redemption of the Class of Notes to which it relates.

For the avoidance of doubt, where the Calculation Agent is required to act or make a determination under the Swap Agreement, it will be its own decision and will do so in good faith and in a commercially reasonable manner.

These adjustment and disruption events (and the related definitions) are summarised below, and certain risks in respect of such events are set out in the section of this Prospectus entitled “*Risk Factors*”. Prospective

investors must refer to the terms of the relevant Equity Swap Transaction and the Equity Derivatives Definitions incorporated therein by reference for the full meaning and effect of these events.

Exchange and Related Exchange: In respect of a Share_i or an Index_i, the exchange or quotation system specified as such in or determined in accordance with the terms of the relevant Equity Swap Transaction. In relation to the Class B Notes and the Class C Notes, if “Multiple Exchange” is specified as applicable to an index in the relevant Equity Swap Transaction, such index shall be referred to as a Multi-Exchange Index below.

Non-Scheduled Trading Days: If any Averaging Date in relation to a Share_i or an Index_i is not a Scheduled Trading Day, such date will be the next following Scheduled Trading Day. A “**Scheduled Trading Day**” is one on which each Exchange or Related Exchange are scheduled to be open for trading for their respective regular trading sessions. In respect of a Multi-Exchange Index, a “**Scheduled Trading Day**” means any day on which: (i) the index sponsor is scheduled to publish the level of the index; and (ii) the Related Exchange is scheduled to be open for trading for its regular trading session.

Disrupted Days: A Disrupted Day is 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. In respect of a Multi-Exchange Index, a Disrupted Day is any Scheduled Trading Day on which: (i) the index sponsor fails to publish the level of the Index; (ii) the Related Exchange fails to open for trading during its regular trading session; or (iii) a Market Disruption Event has occurred.

If any Averaging Date is a Disrupted Day, the Averaging Date for each share or index in the basket not affected by the occurrence of a Disrupted Day shall not change, but the Averaging Date for any share or index that is affected by the occurrence of a Disrupted Day shall be the next Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date does not or is not deemed to occur (such date being a “**Valid Date**”) in relation to such share or index. If the first Valid Date in respect of the share or index has not occurred in eight Scheduled Trading Days following the original date, that eighth Scheduled Trading Day will be deemed to be the Averaging Date and the Calculation Agent will determine the relevant level for that Averaging Date.

Market Disruption Events: Market Disruption Events include, as determined by the Calculation Agent: (a) 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 (i) relating to the share on the Exchange (or, where applicable, relating to securities that comprise 20 per cent. or more of the level of the relevant index), or (ii) in futures or options contracts relating to the share or index on any relevant Related Exchange; (b) any event (other than an early closure) that disrupts or impairs the ability of market participants in general (i) to effect transactions in, or obtain market values for, the relevant shares on the Exchange (or, where applicable, relating to securities that comprise 20 per cent. or more of the level of the relevant index), or (ii) to effect transactions in, or obtain market values for, futures or options contracts relating to the share or index on any relevant Related Exchange; and (c) the closure on any exchange business day of the Exchange (or, where applicable, any relevant Exchange relating to securities that comprise 20 per cent. or more of the level of the relevant index) or the Related Exchange prior to its scheduled closing time (subject to certain exceptions). In respect of a Multi-Exchange Index, a Market Disruption Event means the occurrence or existence of any of such events specified above in respect of any component security of such index (and that the aggregate of all component securities in respect of which any such event occurs or exists comprises 20 per cent. or more of the level of the index) or futures or options contracts relating to the index, as determined by the Calculation Agent.

Potential Adjustment Events: Following a Potential Adjustment Event, the Calculation Agent will determine whether it has a diluting or concentrative effect on the theoretical value of the relevant shares and, if so, will (i) make the adjustments, if any, to any one or more of the variables relevant to the terms of the relevant Equity Swap Transaction to account for that diluting or concentrative effect and (ii) determine the effective date of the adjustment.

Potential Adjustment Events include, but are not limited to: (i) certain subdivisions, consolidations or reclassifications of relevant shares; (ii) free distributions or dividends of any such shares to existing holders; (iii) extraordinary dividends; (iv) calls by an issuer in respect of shares that are not fully paid; (v) a

repurchase of shares by the issuer; (vi) events affecting shareholders' rights; and (vii) any other event that may have a diluting or concentrative effect on the theoretical value of the relevant shares.

Extraordinary Events: Extraordinary Events include a Merger Event, Tender Offer, Nationalization, Delisting or Insolvency.

Merger Event: A Merger Event includes, but is not limited to: (i) transfer of or an irrevocable commitment to transfer all of such shares outstanding to another entity or person; (ii) consolidation, amalgamation, merger or binding share exchange into another entity or person; (iii) 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; or (iv) consolidation, amalgamation, merger or binding share exchange of the issuer or its subsidiaries with or into another entity in which the issuer is the continuing entity and which does not result in a reclassification or change of all such shares outstanding, but results in the shares before the event representing less than 50% of the shares immediately following such event.

Tender Offer: A Tender Offer includes, but is not limited to, 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, greater than 10% and less than 100% of the outstanding voting shares of the issuer of the shares, as determined by the Calculation Agent.

Nationalization: Nationalization occurs when all the shares or all or substantially all the assets of an issuer of relevant shares are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority or entity.

Delisting: Delisting occurs when an Exchange announces that pursuant to the rules of such Exchange, the shares will cease to be listed, traded or publicly quoted on the Exchange for any reason and are 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).

Insolvency: Insolvency means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting an issuer, (i) all the shares of that issuer are required to be transferred to a trustee, liquidator or other similar official or (ii) holders of the shares of that issuer become legally prohibited from transferring them.

Index Disruption Events: If (i) on or prior to any valuation date a relevant index sponsor announces that it will make a material change in the formula for or the 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 stock and capitalisation and other routine events) (an “**Index Modification**”) or permanently cancels the index and no successor index exists (an “**Index Cancellation**”) or (ii) on any valuation date the index sponsor fails to calculate and announce a relevant index (an “**Index Disruption**”) and, together with an Index Modification and an Index Cancellation, each an “**Index Adjustment Event**”).

Correction of a published Share Price and Index Level: In the event that any price or level published on the Exchange which is used for any calculation or determination made under the Equity Swap Transactions is subsequently corrected and the correction is published after the original publication by the Exchange within the period it would usually take for settlement of a transaction in the shares to occur under the rules of the Exchange, the Swap Counterparty may notify the parties of that correction in which case the Calculation Agent will determine the amount that is payable or deliverable as a result of that correction, and, to the extent necessary, will adjust the terms of such Equity Swap Transaction to account for such correction.

Correction of a published FX Rate: The FX Rate, in respect of the Class B Equity Swap Transaction and the Class C Equity Swap Transaction, will be subject to corrections, if any, as a result of information subsequently displayed by the source within one hour of the time when such rate is first displayed by such source, unless the Calculation Agent determines in its discretion, acting in good faith and in a commercially reasonable manner, that it is not practicable to take into account such correction.

Additional Disruption Events: Change in Law, Insolvency Filing, Hedging Disruption and Increased Cost of Hedging, as applicable.

Change in Law: On or after the Trade Date due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Calculation Agent determines (following receipt of a request from either party for such a determination) in good faith that (i) it has become illegal for a party to the Equity Swap Transaction to hold, acquire or dispose of hedge positions relating to such transaction, or (ii) it will incur a materially increased cost in performing its obligations under such transaction (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position) provided that this event shall not apply if the Calculation Agent determines that such party could have taken reasonable steps to avoid such illegality.

Insolvency Filing: The share issuer institutes or has instituted against it by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home 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.

Hedging Disruption: The Swap Counterparty is unable, after using commercially reasonable efforts, to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity price risk of entering into and performing its obligations with respect to the relevant transaction, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

Increased Cost of Hedging: The Swap Counterparty would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity price risk of entering into and performing its obligations with respect to the relevant transaction, or (ii) realize, recover or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Swap Counterparty shall not be deemed an Increased Cost of Hedging.

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MSCI Taiwan Index

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DESCRIPTION OF CREDIT SUISSE INTERNATIONAL

Credit Suisse International (which undertakes various roles in respect of the Notes, including acting as Swap Counterparty as at the Issue Date) (“**CSi**”) was incorporated in England and Wales under the Companies Act 1985, on 9 May 1990, with registered no. 2500199 and was re-registered as an unlimited company under the name “Credit Suisse Financial Products” on 6 July 1990, and was renamed “Credit Suisse First Boston International” on 27 March 2000 and “Credit Suisse International” on 16 January 2006. CSi is a UK domiciled bank established under English law, is an indirectly wholly owned subsidiary of Credit Suisse Group AG. Its registered head office is in London and is located at One Cabot Square, London E14 4QJ and its telephone number is +44 (0)20 7888 8888.

CSi is an English bank and is regulated as an EU credit institution by the Financial Conduct Authority (“**FCA**”) and the Prudential Regulation Authority (“**PRA**”). The PRA has issued a scope of permission notice authorising CSi to carry out specified regulated investment activities.

CSi is an unlimited company and, as such, its shareholders have a joint, several and unlimited obligation to meet any insufficiency in the assets of CSi in the event of its liquidation. The joint, several and unlimited liability of the shareholders of CSi to meet any insufficiency in the assets of CSi will only apply upon liquidation of CSi. Therefore, prior to any liquidation of CSi, the creditors may only have recourse to the assets of CSi and not to those of its shareholders.

CSi commenced business on 16 July 1990. Its principal business is banking, including the trading of derivative products linked to interest rates, foreign exchange, equities, commodities and credit. The primary objective of CSi is to provide comprehensive treasury and risk management derivative product services. CSi has established a significant presence in global derivative markets through offering a full range of derivative products and continues to develop new products in response to the needs of its customers and changes in underlying markets. The business is managed as a part of the Investment Banking and Capital Markets Division of Credit Suisse AG.

The liquidity and capital markets requirements of CSi are managed as an integral part of the wider Credit Suisse group framework. This includes the local regulatory liquidity and capital market requirements in the UK.

CSi has debt securities listed and admitted to trading on the regulated markets of the Luxembourg Stock Exchange and the Irish Stock Exchange, amongst others.

DESCRIPTION OF THE EQUITY ORIGINAL COLLATERAL

On the Issue Date, the Dealer will procure that the Equity Original Collateral is sold to and purchased by the Issuer.

The information contained in this section has been accurately reproduced from the underlying documentation relating to the Equity Original Collateral provided and/or published by the Equity Original Collateral Obligor. So far as the Issuer is aware and is able to ascertain from such information provided and/or published by the Equity Original Collateral Obligor, no facts have been omitted which would render the reproduced information inaccurate or misleading.

The Equity Original Collateral will be issued pursuant to Final Terms dated 9 May 2016 that provide additional information in respect of the Equity Original Collateral for the purposes of the Equity Original Collateral Obligor's base prospectus dated 8 January 2016, as supplemented from time to time. The Equity Original Collateral Obligor intends to apply for listing of the Equity Original Collateral on Nasdaq Stockholm.

The Equity Original Collateral Obligor's base prospectus, including all information incorporated by reference therein and any and all supplements approved by the Swedish Financial Supervisory Authority in respect hereof and published by the Equity Original Collateral Obligor, constitutes a base prospectus according to Art. 5 (4) of the Prospectus Directive (Directive 2003/71/EC, as amended), as implemented by the relevant provisions of the EU member states and Chapter 2 Section 16 item 1 of the Swedish Financial Instruments Trading Act (*Lag (1991:980) om handel med finansiella instrument*), in connection with Regulation 809/2004 of the European Commission, as amended.

The Final Terms of the Equity Original Collateral are attached hereto and should be read in conjunction with the Equity Original Collateral "*Risk Factors*" and the Equity Original Collateral "*Conditions of the Securities*", which are attached hereto.

FINAL TERMS

dated 9 May 2016

in connection with the Base Prospectus dated 8 January 2016
(as supplemented from time to time)

of

UBS AG

(a corporation limited by shares established under the laws of Switzerland)
acting through its London Branch



for the issue and public offer and listing of

3,000 (indicative) UBS Gearing Certificates

ISIN CH0324181533

Valor 32418153

linked to a basket of fund units/shares, comprising

units (A EUR acc) in the Carmignac Patrimoine fund

(FR0010135103)

shares (T) in the Ethna-AKTIV fund

(LU0431139764)

shares (Euro Class A-H – Accumulation shares) in the M&G Optimal Income Fund

(GB00B1VMCY93)

(each a "**Basket Component**" or, as the case may be, a "**Fund**")

These final terms (the "**Final Terms**") have been prepared for the purpose of Article 5 (4) of the Prospectus Directive and provide additional information to the base prospectus dated 8 January 2016, as supplemented from time to time (the "**Base Prospectus**", together with the Final Terms, the "**Prospectus**") that was prepared in accordance with the Financial Instruments Trading Act (SFS 1991:980). Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") set forth in the Base Prospectus.

These Final Terms must be read in conjunction with the Base Prospectus, including all information incorporated by reference therein and any supplement(s) thereto. Full information on the Issuer and the offer of the Securities is only available on the basis of the combination of these Final Terms and the Base Prospectus, as supplemented from time to time. However, a summary of the individual issue of the Securities is annexed to these Final Terms. The Base Prospectus, any supplement to the Base Prospectus and these Final Terms are available for viewing at www.ubs.com/keyinvest or a successor address. Copies may be obtained during normal business hours at the registered offices of the Issuer.

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OVERVIEW ON THE SECURITY STRUCTURE**UBS Gearing Securities**

UBS Gearing Securities allow Securityholders to participate in the positive development of the Underlying(s). Conversely, Securityholders in UBS Gearing Securities may also participate in the negative development of the Underlying(s), as the UBS Gearing Securities may provide downside risk potential as specified in the applicable Product Terms. UBS Gearing Securities may also allow Securityholders to participate in the positive development of the Underlying relative to another Underlying. Conversely, Securityholders in UBS Gearing Securities may participate in the negative development of the Underlying relative to another Underlying.

UBS Gearing Securities also exist in a so-called "Put" version. In such case Securityholders participate positively in the negative development of the Underlying(s). Conversely, Securityholders in UBS Gearing Securities (Put) may also participate in the positive development of the Underlying(s), as the UBS Gearing Securities (Put) may provide upside risk potential as specified in the applicable Product Terms. UBS Gearing Securities (Put) may also allow Securityholders to participate in the negative development of the Underlying relative to another Underlying. Conversely, Securityholders in UBS Gearing Securities (Put) may participate in the positive development of the Underlying relative to another Underlying.

UBS Gearing Securities may expire worthless upon the unfavourable development of the Underlying(s) beyond a certain value, as specified in the applicable Product Terms.

Securityholders receive on the Maturity Date a Redemption Amount in the Redemption Currency, the amount of which depends on the Reference Price or the Settlement Price of the Underlying(s), as specified in the relevant Product Terms. The Redemption Amount is typically calculated by multiplying the Nominal Amount or such other amount as specified in the applicable Product Terms with the relevant performance of the Underlying(s), thereafter multiplied by the Participation Factor, the Leverage Factor or the Multiplier, but may also take other factors into account, as specified in the applicable Product Terms.

The Redemption Amount may be determined by reference to the performance of one or more Underlying(s), as specified in the relevant Product Terms.

PART A – PRODUCT TERMS

The following "**Product Terms**" of the Securities shall, for the relevant Securities, complete and put in concrete terms the General Conditions for the purposes of such Securities.

The Product Terms are composed of

Part 1: Key Terms and Definitions of the Securities

Part 2: Special Conditions of the Securities

Product Terms and General Conditions together constitute the "**Conditions**" of the relevant Securities.

Part 1: Product Terms: Key Terms and Definitions of the Securities

The Securities use the following definitions and have, subject to an adjustment according to the Conditions of the Securities, the following key terms, both as described below in alphabetical order. The following does not represent a comprehensive description of the Securities, and is subject to and should be read in conjunction with the Conditions of the Securities. The following use of the symbol "*" in the Key Terms and Definitions of the Securities indicates that the relevant determination will be made by the Calculation Agent or the Issuer, as the case may be, and will be published without undue delay thereafter in accordance with the applicable legal requirements of the relevant jurisdiction.

A.

Additional Termination Event: Additional Termination Event means in relation to a Fund Unit used as the Underlying the occurrence of a Potential Adjustment Event (as defined in § 6 (i) of the General Conditions of the Securities of the Base Prospectus dated 8 January 2016, as supplemented from time to time).

B.

Banking Day: The Banking Day means each day on which the banks in Stockholm, Sweden, are open for business and the Clearing System settles securities dealings.

Basket Business Day: The Basket Business Day means any day, which is a Fund Business Day in relation to all Basket Components_(i=1) to _(i=3).

C.

Calculation Agent: UBS AG, Bahnhofstrasse 45, 8001 Zurich, Switzerland, and Aeschenvorstadt 1, 4051 Basle, Switzerland, acting through its London Branch, 1 Finsbury Avenue, London EC2M 2PP, United Kingdom.

CA Rules:

CA Rules means the Swedish Financial Instruments Accounts Act (lag (1998:1479) om kontoföring av finansiella instrument) as well as any regulation and operating procedure applicable to and/or issued by the Clearing System.

Clearing System:

Clearing System means Euroclear Sweden AB, Klarabergsviadukten 63, S-111 64 Stockholm, Sweden, in its capacity as central securities depository under the Swedish Financial Instruments Accounts Act (Sw. lag (1998:1479) om kontoföring av finansiella instrument) or any successor in this capacity.

E.

Expiration Date: The Expiration Date means the Last Valuation Averaging Date (expected to be 20 July 2023).

If such day is not a Basket Business Day, the immediately succeeding Basket Business Day shall be the Expiration Date.

F.

Fixing Date: The Fixing Date means 30 June 2016. If such day is not a Basket Business Day, the immediately succeeding Basket Business Day shall be the Fixing Date.

In the case of abbreviation or extension of the Subscription Period the Fixing Date may be changed accordingly.

Fund Business Day: The Fund Business Day means any day in respect of which (i) the administrator of the Fund calculates and publishes the Fund's NAV in accordance with the relevant prospectus and constitutional documents of the Fund and (ii) a Notional Investor in the Fund Units of the Fund could subscribe and redeem the Fund Units.

G. Governing Law: German law governed Securities. Any reference to reasonable discretion in the Conditions shall be construed as references to reasonable discretion in accordance with § 315 BGB or §§ 315, 317 BGB, as the case may be.

I. Initial Payment Date: The Initial Payment Date means 13 July 2016. If such day is not a Banking Day, the immediately succeeding Banking Day shall be the Initial Payment Date.

In the case of abbreviation or extension of the Subscription Period the Initial Payment Date may be changed accordingly.

Issue Date: The Issue Date means 13 July 2016.

In the case of abbreviation or extension of the Subscription Period the Issue Date may be changed accordingly.

Issuer: The Issuer means UBS AG, Bahnhofstrasse 45, 8001 Zurich, Switzerland, and Aeschenvorstadt 1, 4051 Basel, Switzerland, acting through its London Branch, 1 Finsbury Avenue, London EC2M 2PP, United Kingdom.

Issuing Agent: The Issuing Agent means SEB Merchant Banking, Asset Servicing, S-106 40 Stockholm, Sweden, or any successor in this capacity. As long as any Security is outstanding, there will at all times be an Issuing Agent duly authorised as such under the CA Rules with regard to the Securities.

M. Maturity Date: The Maturity Date means

- (i) in case of a redemption of the Securities in accordance with § 1 of the Conditions of the Securities, 3 August 2023 (or, if this day is not a Banking Day, the immediately following Banking Day), **provided that** before this day a Notional Investor would have received full redemption proceeds for the Fund Units, if that Notional Investor had, by giving the appropriate prior notice, requested redemption as at the Last Valuation Averaging Date (**if, however,** there is a delay in the receipt of the full redemption proceeds for the Fund Units by the Notional Investor, such date will be postponed accordingly), and
- (ii) in case of a termination by the Issuer in accordance with § 8 of the Conditions of the Securities, the 10th (tenth) Banking Day after the Termination Date, **provided that** before this day a Notional Investor would have received full redemption proceeds for the Fund Units, if that Notional Investor had, by giving the appropriate prior notice, requested redemption as at the Termination Date (**if, however,** there is a delay in the receipt of the full redemption proceeds for the Fund Units by the Notional Investor, such date will be postponed accordingly).

- Minimum Trading Size:** The Minimum Trading Size equals 1 Security.
- N.**
- Net Asset Value:** The Net Asset Value ("**NAV**") means the relevant Fund's net asset value as calculated and published by the Fund's administrator in accordance with the relevant Fund's prospectus and constitutional documents by adding the value of all the assets of the Fund and deducting the total liabilities (including, in particular but not limited to, any fees (including an advisory fee and an incentive fee) payable to the Fund's advisor, the administrator, the bank and the custodian of the Fund, all borrowings, brokerage fees, provisions for taxes (if any), allowances for contingent liabilities and any other costs and expenses reasonably and properly incurred to the bank or the custodian of the Fund in effecting the acquisition or disposal of securities or in administering the Fund) of the Fund.
- Nominal Amount:** The Nominal Amount per Security equals SEK 10,000.00.
- Notional Investor:** The Notional Investor means in relation to each Fund a hypothetical investor in the Fund Units of the Fund.
- P.**
- Participation Factor:** The Participation Factor equals 140 % (indicative). The Participation Factor will, subject to a minimum of 100 %, be fixed on the Fixing Date.*
- Paying Agent:** The Paying Agent means UBS AG, Bahnhofstrasse 45, 8001 Zurich, Switzerland, and Aeschenvorstadt 1, 4051 Basel, Switzerland, acting through its London Branch, 1 Finsbury Avenue, London EC2M 2PP, United Kingdom, and Skandinaviska Enskilda Banken, Stockholm (SEB), Kungsträdgårdsgatan 8, S-106 40 Stockholm, Sweden. The term "Paying Agent" shall also refer to all Paying Agents including the Principal Paying Agent.
- Price of the Basket Component:** The Price of the Basket Component⁽ⁱ⁾ means the Net Asset Value of the relevant Fund in relation to the Fund Unit, as calculated and published by the Fund's administrator in accordance with the relevant Fund's prospectus and constitutional documents.
- For the purpose of calculating such value as of each Valuation Averaging Date, the Calculation Agent, acting in its reasonable discretion (pursuant to § 315 of the BGB), shall determine such value based on the redemption proceeds that a Notional Investor would have received, if that Notional Investor had, for the Fund, subject to it giving the appropriate prior notice, requested redemption of the Fund Units as at the relevant Valuation Averaging Date.
- Principal Paying Agent:** The Principal Paying Agent means UBS AG, Bahnhofstrasse 45, 8001 Zurich, Switzerland, and Aeschenvorstadt 1, 4051 Basel, Switzerland, acting through its London Branch, 1 Finsbury Avenue, London EC2M 2PP, United Kingdom.
- R.**
- Redemption Currency:** The Redemption Currency means Swedish Krona ("**SEK**").

**S.
Securities:**

Securities means the UBS Gearing Certificates issued by the Issuer in the Issue Size with the following product features:

Participation Factor:	Applicable
Leverage Factor:	Not Applicable
Multiplier:	Not Applicable
Multiplication Factor:	Not Applicable
Reverse Structure:	Not Applicable
Express Structure:	Not Applicable
Thresholds, Barriers or Levels:	Not Applicable
Maximum Amount:	Not Applicable
Relevant Underlying:	Not Applicable
Physical Delivery:	Not Applicable
Final Lock-In:	Not Applicable
Automatic Termination:	Not Applicable
Currency Conversion:	Not Applicable
Capital Protection:	Not Applicable
No predefined term:	Not Applicable
Time-lagged Valuation:	Not Applicable
Minimum Exercise Size:	Not Applicable
Securityholder's Termination Right:	Not Applicable
Quanto:	Applicable
Consideration of Components:	Not Applicable
Individual Determination:	Not Applicable
Collective Determination:	Applicable

The Securities are being issued in uncertificated and dematerialised form to be registered in book-entry form at the Clearing System (also the "**Swedish Securities**") and will not be represented by definitive securities.

**T.
Termination Amount:**

The Termination Amount equals an amount in the Redemption Currency, which is determined by the Calculation Agent at its reasonable discretion and considering the then prevailing Price of the Underlying as the fair market price of a Security at the occurrence of the termination of the Securities less any deduction for any costs, as determined by the Calculation Agent at its reasonable discretion.

**U.
Underlying:**

The Underlying (also the "**Basket**") equals a basket of funds comprising

- (i) units (class A EUR acc, the "**Fund Units_(i=1)**") in the Carmignac Patrimoine fund (FR0010135103) (the "**Basket Component_(i=1)**" or, as the case may be, the "**Fund_(i=1)**"),
- (ii) shares (class T, the "**Fund Units_(i=2)**") in the Ethna-AKTIV fund (LU0431139764) (the "**Basket Component_(i=2)**" or, as the case may be, the "**Fund_(i=2)**"), and
- (iii) shares (class Euro Class A-H – Accumulation shares, the "**Fund Units_(i=3)**") in the M&G Optimal Income Fund (GB00B1VMCY93) (the "**Basket Component_(i=3)**" or, as the case may be, the "**Fund_(i=3)**").

The term "Fund Unit", "Basket Component" and "Fund" shall also refer to all Fund Units_(i=1) to _(i=3), all Basket Components_(i=1) to _(i=3) and to all Funds_(i=1)

to $(i=3)$.

The weight of the fund basket is for the purposes of calculating amounts under the Conditions adjusted on a continuous basis in accordance with the Target Volatility Strategy (the "**Target Volatility Strategy**").

The Funds and the Target Volatility Strategy are further described in the section "Information about the Underlying", which forms part of the Conditions of the Securities.

**V.
Valuation
Date(s):**

Averaging

The Valuation Averaging Date(s) mean(s)

- 1) Valuation Averaging Date $_{(i=1)}$: 20 July 2021;
- 2) Valuation Averaging Date $_{(i=2)}$: 20 August 2021;
- 3) Valuation Averaging Date $_{(i=3)}$: 20 September 2021;
- 4) Valuation Averaging Date $_{(i=4)}$: 20 October 2021;
- 5) Valuation Averaging Date $_{(i=5)}$: 20 November 2021;
- 6) Valuation Averaging Date $_{(i=6)}$: 20 December 2021;
- 7) Valuation Averaging Date $_{(i=7)}$: 20 January 2022;
- 8) Valuation Averaging Date $_{(i=8)}$: 20 February 2022;
- 9) Valuation Averaging Date $_{(i=9)}$: 20 March 2022;
- 10) Valuation Averaging Date $_{(i=10)}$: 20 April 2022;
- 11) Valuation Averaging Date $_{(i=11)}$: 20 May 2022;
- 12) Valuation Averaging Date $_{(i=12)}$: 20 June 2022;
- 13) Valuation Averaging Date $_{(i=13)}$: 20 July 2022;
- 14) Valuation Averaging Date $_{(i=14)}$: 20 August 2022;
- 15) Valuation Averaging Date $_{(i=15)}$: 20 September 2022;
- 16) Valuation Averaging Date $_{(i=16)}$: 20 October 2022;
- 17) Valuation Averaging Date $_{(i=17)}$: 20 November 2022;
- 18) Valuation Averaging Date $_{(i=18)}$: 20 December 2022;
- 19) Valuation Averaging Date $_{(i=19)}$: 20 January 2023;
- 20) Valuation Averaging Date $_{(i=20)}$: 20 February 2023;
- 21) Valuation Averaging Date $_{(i=21)}$: 20 March 2023;
- 22) Valuation Averaging Date $_{(i=22)}$: 20 April 2023;
- 23) Valuation Averaging Date $_{(i=23)}$: 20 May 2023;
- 24) Valuation Averaging Date $_{(i=24)}$: 20 June 2023; and
- 25) Valuation Averaging Date $_{(i=25)}$: 20 July 2023 (also the "**Last Valuation Averaging Date**").

The term "Valuation Averaging Date" shall also refer to all Valuation Averaging Dates $_{(i=1)}$ to $_{(i=25)}$.

If one of these days is not a Basket Business Day, the immediately succeeding Basket Business Day is deemed to be the relevant Valuation Averaging Date.

Part 2: Product Terms: Special Conditions of the Securities

§ 1 Security Right

(1) Security Right of the Securityholders

The Issuer hereby warrants to the Securityholder (§ 4 (2)) of each (1) Security relating to the performance of the Target Volatility Strategy on the Price of the Basket Components under these Conditions the right (the "**Security Right**") to receive the Settlement Amount (§ 1 (2)) in the Redemption Currency, if applicable, commercially rounded to two decimal places (the "**Redemption Amount**"):

(2) Settlement Amount

The "**Settlement Amount**" is calculated in accordance with the following formula:

$$\text{Nominal Amount} \times \text{Max} (0, \text{Participation Factor} \times \text{Portfolio Return})$$

Whilst the Settlement Amount is calculated by reference to the Target Volatility Strategy on the Underlying, the Issuer is not obliged to invest in the Fund Units as Basket Components. The Securities do not give the Securityholders any ownership rights over the assets of the Issuer or the Fund Units.

Where

"**Portfolio Return**" means the return of the Target Volatility Strategy on the Prices of the Basket Components, which is calculated in accordance with the following formula:

$$\frac{\text{Portfolio Value}_{(\text{final})} - \text{Portfolio Value}_{(\text{initial})}}{\text{Portfolio Value}_{(\text{initial})}}$$

with

"**Portfolio Value_(final)**" of the Target Volatility Strategy is, subject to a Market Disruption (§ 11 of these Conditions), the arithmetic average of the Portfolio Value_(t) (as defined in the section "Information about the Underlying", which forms part of the Conditions of the Securities) on the Valuation Averaging Dates.

"**Portfolio Value_(initial)**" of the Target Volatility Strategy is equal to 100%.

(3) Determinations and Calculations in connection with the Security Right

Any determination and calculation in connection with the Security Right, in particular the calculation of the Settlement Amount, will be made by the Calculation Agent. Determinations and calculations made in this respect by the Calculation Agent shall (save in the case of manifest error) be final, conclusive and binding on the Issuer and the Securityholders.

§ 2

(Intentionally left blank)

§ 3

(Intentionally left blank)

PART B – OFFERING AND SALE

I. Offering for Sale and Issue Price

Offering for Sale and Issue Price:	<p>The UBS Gearing Certificates (the "Securities", and each a "Security") are issued by the Issuer in the Issue Size.</p> <p>It has been agreed that, on or after the respective Issue Date of the Securities, the Manager may purchase Securities and shall place the Securities for sale at the Issue Price under terms subject to change in the Public Offer Jurisdictions (as defined in "VI. Consent to Use of Prospectus" below).</p> <p>The Issue Price will be fixed on the Fixing Date. As of the Fixing Date the selling price will then be adjusted on a continual basis to reflect the prevailing market situation.</p> <p>The Manager shall be responsible for coordinating the entire Securities offering.</p>
Issue Size:	<p>The Issue Size means 3,000 (three thousand) Securities (indicative).</p> <p>The Issue Size will be fixed at the end of the Subscription Period.</p>
Aggregate Amount of the Issue:	Issue Price x Issue Size.
Issue Date:	<p>The Issue Date means 13 July 2016.</p> <p>In the case of abbreviation or extension of the Subscription Period the Issue Date may be changed accordingly.</p>
Issue Price:	<p>The Issue Price equals SEK 1,000.00 (indicative).</p> <p>The Issue Price will, subject to a maximum of SEK 2,000.00, be fixed on the Fixing Date and will then be published without undue delay on www.ubs.com/keyinvest.</p>
Manager:	The Manager means UBS Limited, 1 Finsbury Avenue, London EC2M 2PP, United Kingdom.
Type and form of the Securities:	Certificates
Clearing system:	Euroclear Sweden AB, Klarabergsviadukten 63, S-111 64 Stockholm, Sweden, or any successor in this capacity.
Security identification number(s) of the Securities:	<p>ISIN: CH0324181533</p> <p>Valor: 32418153</p>
Currency:	The currency of the Securities is Swedish Krona (" SEK ").

II. Subscription, Purchase and Delivery of the Securities

Subscription, Purchase and Delivery of the Securities:	<p>The Securities may be subscribed from the Manager during normal banking hours during the Subscription Period. The Issue Price per Security is payable on the Initial Payment Date.</p> <p>The Issuer reserves the right to earlier close or to extend the Subscription Period if market conditions so require.</p> <p>After the Initial Payment Date, the appropriate number of Securities shall be credited to the investor's account in accordance with the rules of the corresponding Clearing System. If the Subscription Period is shortened or extended, the Initial Payment Date may also be brought forward or postponed.</p>
Subscription Period:	<p>9 May 2016 until 22 June 2016 (17:30 hrs local time Stockholm)</p> <p>The Issuer reserves the right to earlier close or to extend the Subscription Period by giving notice to the investors if market conditions so require.</p>
Start of the public offer of the Securities:	<p>9 May 2016 in Sweden</p>
Initial Payment Date:	<p>The Initial Payment Date means 13 July 2016. If such day is not a Banking Day, the immediately succeeding Banking Day shall be the Initial Payment Date.</p> <p>In the case of abbreviation or extension of the Subscription Period the Initial Payment Date may be changed accordingly.</p>

PART C – OTHER INFORMATION

I. Applicable specific risks

Applicable specific risks:	<p>In particular the specific risk factors, which are described in the Base Prospectus under the heading “Security specific Risks” and “Underlying specific Risks” related to the following product features are applicable to the Securities:</p> <p>“risks related to Securities linked to an Underlying”</p> <p>“product feature “Participation Factor”</p> <p>“product feature “Securityholder’s Termination Right” does not apply”</p> <p>“product feature “Quanto”</p> <p>“risks related to a not exchange traded fund unit as a Basket Component”</p>
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II. Listing and Trading

Listing and Trading:	The Issuer intends to apply for listing of the Securities on Nasdaq Stockholm (the “ Security Exchange ”).
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III. Commissions paid by the Issuer

Commissions paid by the Issuer:

(i) Underwriting and/or placing fee:	Not Applicable
(ii) Selling commission:	Not Applicable
(iii) Listing commission:	Not Applicable
(iv) Other:	Not Applicable

IV. Any interests, including conflicting ones, of natural and legal persons involved that is material to the issue/offer of the Securities

Any interests, including conflicting ones, of natural and legal persons involved that is material to the issue/offer of the Securities:	As far as the Issuer is aware, no person involved in the issue and offer and listing of the Securities has an interest material to the issue and offer and listing of the Securities.
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V. Rating

Ratings:	The Securities have not been rated.
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VI. Consent to Use of Prospectus

The Issuer consents to the use of the Base Prospectus together with the relevant Final Terms in connection with a public offer of the Securities (a "**Public Offer**") by any financial intermediary (each an "**Authorised Offeror**") which is authorised to make such offers under the Markets in Financial Instruments Directive (Directive 2004/39/EC).

Offer Period: Subscription Period (as defined in "II. Subscription, Purchase and Delivery of the Securities" above)

Public Offer Jurisdiction: Sweden

VII. Indication of Yield

Yield: Not Applicable

VIII. Other information about the Securities

Authorisation: The issuance of Securities under the Base Prospectus from time to time has been authorised by applicable corporate authorisations.

Procedure for redemption of Securities: As specified in § 1 of the Conditions of the Securities Part 2: Product Terms: Special Conditions of the Securities of these Final Terms.

Disturbing events that affect the Underlying: As specified in § 11 of the General Conditions of the Securities of the Base Prospectus dated 8 January 2016, as supplemented from time to time.

Adjustment rules for taking into account events that affect the Underlying: As specified in § 6 (i) of the General Conditions of the Securities of the Base Prospectus dated 8 January 2016, as supplemented from time to time.

Explanation of how the Underlying affects the Securities: As specified in the section OVERVIEW ON THE SECURITY STRUCTURE of these Final Terms.

Paying Agent: The Paying Agent means UBS AG, Bahnhofstrasse 45, 8001 Zurich, Switzerland, and Aeschenvorstadt 1, 4051 Basel, Switzerland, acting through its London Branch, 1 Finsbury Avenue, London EC2M 2PP, United Kingdom, and Skandinaviska Enskilda Banken, Stockholm (SEB), Kungsträdgårdsgatan 8, S-106 40 Stockholm, Sweden. The term "Paying Agent" shall also refer to all Paying Agents including the Principal Paying Agent.

Guarantor(s): Not Applicable

Calculation Agent: UBS AG, Bahnhofstrasse 45, 8001 Zurich, Switzerland, and Aeschenvorstadt 1, 4051 Basle, Switzerland, acting through its London Branch, 1 Finsbury Avenue, London EC2M 2PP, United Kingdom.

Information after the Issue Date: The Issuer does not intend to give information about the Securities after the Issue Date.

PART D – COUNTRY SPECIFIC INFORMATION

Additional Paying Agent(s) (if any): Not Applicable

PART E – INFORMATION ABOUT THE UNDERLYING
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I. Introduction

The Securities are each based on a basket of funds, comprising

"Fund _(i) ":	Share / Unit Class:	ISIN:	"Weight _(i) "
Carmignac Patrimoine	A EUR acc	FR0010135103	33.33%
Ethna-AKTIV	T	LU0431139764	33.33%
M&G Optimal Income Fund	Euro Class A-H – Accumulation shares	GB00B1VMCY93	33.33%

(each **Fund** is also referred to as a "**Basket Component**" or, collectively, the "**Basket Components**"), where the Fund Basket Weight_(i) (as defined below) of each Fund_(i) is adjusted on a continuous basis in accordance with the Target Volatility Strategy (the "**Target Volatility Strategy**"), all as described below.

UBS AG, London Branch, created the Target Volatility Strategy and is responsible for adjusting and managing the Fund Units (as defined below) in accordance with the Dynamic Allocation Rules (the "**Calculation Agent**"). The Calculation Agent is also responsible for calculating the value of the Target Volatility Strategy.

Investors should note that the following information of the Funds and the Target Volatility Strategy is solely intended for the description of the Certificates and for the use of investors in the Securities. There is no obligation on the Issuer to purchase or hold any Fund Units and Securityholders have no rights in, or to require delivery of, any of such Fund Units at any time. References to any balancing, rebalancing, disposal, acquisition or financing of a Fund Unit have to be understood as reference to a notional transaction and should not be construed as imposing any obligation on the Issuer or any of its affiliates or subsidiaries, the Calculation Agent or any person actually directly or indirectly, physically or synthetically to acquire, dispose of or effect or take delivery of, or effect transactions in, any funds, securities, investments or other assets.

II. Information on the Funds

The following information on the Funds is solely intended for the description of the Securities and for the use of investors in the Securities and does not constitute an offer of units in the Funds. Potential investors should be aware that any realisation of the following risks may have a negative impact on the value of the Securities.

The following information on the Funds has not been independently verified by the Issuer and neither the Issuer nor its affiliates or agents, have participated in the preparation of the information on the Funds. Accordingly, the Issuer makes no representation with respect to the accuracy, validity or completeness of any such information. The Issuer confirms that such information has been accurately reproduced. As far as the Issuer is aware and able to ascertain from this information, no facts have been omitted which would render the reproduced information inaccurate or misleading.

1. Information about Carmignac Patrimoine as the Basket Component_(i=1)

Charges

The charges paid are used to cover the costs of running the UCITS, including the costs of marketing and distributing units. These charges reduce the potential growth of the investment.

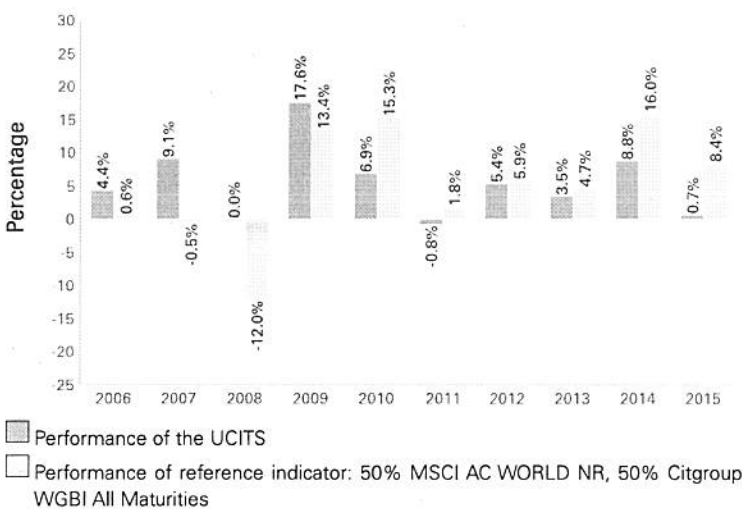
One-off charges taken before or after you invest	
Entry charge	4.00%
Exit charge	0.00%
This is the maximum that might be taken out of your money before it is invested / before the proceeds of your investment are paid out.	
Charges taken from the fund over a year	
Ongoing charges	1.68%
Charges taken from the fund under certain specific conditions	
Performance fee	
10.00% of the outperformance if the performance is positive and exceeds that of the reference indicator (50% MSCI AC WORLD NR, 50% Citigroup WGBI All Maturities) since the beginning of the year. Performance fee invoiced for the last financial year: 0.00%	

Entry and exit charges shown are the maximum applicable and are paid to the distributor. Lower fees may apply in some cases; contact your financial advisor or distributor to find out the actual amount.

Ongoing charges are based on the expenses for the last financial year ended 31 December 2015. They may vary from year to year and do not include performance fees or transaction costs (except in the case of entry/exit charges paid by the UCITS when buying or selling units of another collective investment vehicle).

For more information on fees, charges and performance fee calculation methods, please refer to the "Fees and expenses" section of the prospectus, available on the website: www.carmignac.com

Past performance



- Past performance is not a reliable indication of future results.
- Charges are included in the performances shown.
- Units of this UCITS were created in 1989.
- Performances shown are calculated in EUR.
- Until 31/12/2012, the reference indicators' equity indices were calculated ex-dividend. Since 01/01/2013, they have been calculated with net dividends reinvested and their performances have been presented using the chaining method.
- The fund investment policy is not benchmarked, the indicator provided is a reference indicator.

Practical information

- The custodian for this UCITS is Caceis Bank France.
- The prospectus as well as the latest annual and semi-annual reports of this UCITS will be sent free of charge upon written request to Carmignac Gestion, 24 place Vendôme, 75001 Paris, France (documents available in French, German, English, Spanish, Italian and Dutch on the website: www.carmignac.com).
- The NAV is available on www.carmignac.com
- Depending on your tax status, any capital gains and income resulting from the ownership of units of the UCITS may be subject to tax. We advise you to obtain further information in this regard from the promoter of the UCITS or from your tax advisor.
- Carmignac Gestion may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the prospectus of the UCITS.
- The UCITS may comprise other types of unit. You can find more information on these units in the prospectus of the UCITS or on the website: www.carmignac.com
- This Fund's units have not been registered under the US Securities Act of 1933. They may not be offered or sold, directly or indirectly, to or on behalf of a US person as defined in US Regulation S and FACTA.

Information about the past and the further performance of the Basket Component_(i=1) and its volatility can be obtained under www.carmignac.com.

2. Information about Ethna-AKTIV as the Basket Component_(i=2)

KEY INVESTOR INFORMATION



ETHENEA
managing the Ethna Funds

This document provides you with key investor information about this fund. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this fund. You are advised to read it so you can make an informed decision about whether to invest.

Ethna-AKTIV - T

ISIN: LU0431139764

The Fund is managed by ETHENEA Independent Investors S.A..

Objectives and investment policy

The main objective of Ethna-AKTIV is to achieve a suitable increase in value (EUR) while taking into account value stability, capital security and the liquidity of fund assets.

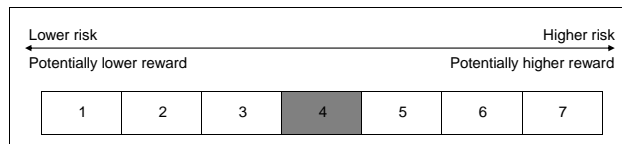
The Fund invests its assets in all kinds of securities, including shares, bonds, money market instruments, certificates and fixed-term deposits. The share in units, equity funds and share-type securities may not exceed 49% of the fund's net assets. The Fund may not invest more than 10% of its assets in other funds. The Fund mainly acquires assets of issuers whose registered offices are located in a Member State of the OECD. For hedging purposes or to increase its assets, the Fund may also use financial instruments whose value depends on the future prices of other assets ("derivatives").

Detailed information on the aforementioned (and/or further) investment opportunities of the Fund can be found in the current sales prospectus.

In principle, investors may redeem their shares on any banking day in Luxembourg, with the exception of 24 and 31 December. The redemption of shares may be suspended in extraordinary circumstances if this is deemed necessary in the interests of investors.

The Fund reinvests but does not pay rewards to investors.

Risk and reward profile



The historical data used for calculating the synthetic indicator are not a reliable indication of the future risk and reward profile of the share class. The category shown is not guaranteed to remain unchanged and may shift over time. Even the lowest category does not mean a risk-free investment.

This share class has been placed in the aforementioned risk class because its unit price is subject to medium fluctuation, therefore the profit potential and loss exposure may be moderate.

Because of the calculation model used, all risks may not be taken into consideration when placing the share class in a risk class. Detailed information can be found in the section entitled "Risks" of the prospectus. The following risks have no direct influence on this categorisation, but may be significant for the Fund:

Credit risks:

The Fund may invest part of its assets in bonds. The issuers of these bonds could become insolvent, causing the bonds to lose some or all of their value.

Liquidity risks:

The Fund may invest part of its assets in securities that are not traded on a stock exchange or similar market. It may be difficult to find a buyer for such securities in the short term. As a result, the risk that share redemptions will be suspended may increase.

Counterparty risks:

The Fund may enter into various transactions with counterparties. If a counterparty becomes insolvent, that party will not be able to meet some or all of its open obligations to the Fund.

Risks relating to the use of derivatives:

The Fund may enter into derivative transactions for the purposes listed above in the section "Investment policy". This means increased opportunities, but also increased risk of losses. The use of derivatives to hedge against losses may also reduce the profit opportunities of the Fund.

Operating risks and custodial risks:

The Fund may fall victim to fraud or other criminal activities. It may suffer losses through misunderstandings or errors on the part of employees of the investment company or third parties or be hurt by external events, such as natural disasters. There is a risk of loss associated with holding assets in custody, especially abroad. This risk may result from insolvency, negligence or misconduct on the part of the Custodian or a sub-custodian.

Charges

One-off charges taken before or after you invest

Entry charge	3,00%
Exit charge	0,00%

This is the maximum that might be taken out of your money before it is invested or before payment of the redemption price. Please consult your financial advisor for the actual amounts.

Charges taken from the Fund in the past financial year

Ongoing charges	1,86%
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This amount is based on the charges incurred by the share class in the past financial year, and may vary from year to year. The past financial year ended on 31.12.2015.

Charges taken from the Fund under certain specific conditions

Performance fees:

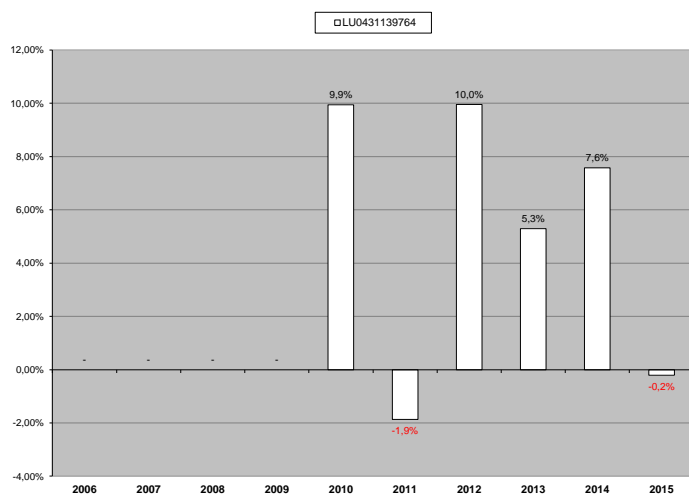
Up to 20% of the increase in Fund assets in excess of 5%, provided that previous decreases in value are offset. This is paid out annually.

In the past financial year, the performance fee amounted to 0,00%.

The charges borne by the investor are used for the operation of the Fund and for its management, marketing and distribution. The charges reduce the potential investment growth of the Fund.

Any eventual performance-related fee as well as any transaction costs incurred, with the exception of the transaction costs of the Custodian Bank, are not included in the 'ongoing charges' figure.

Past performance



The share class was established in 2009.

Performance was calculated in EUR.

Statements about past performance are not a guide to future performance.

All charges and fees, except for the entry charge, were deducted when calculating the performance.

Practical information

The Fund's Custodian is DZ PRIVATBANK S.A., whose registered office is at 4, rue Thomas Edison, Luxemburg-Strassen.

Additional information on the Fund, the current prospectus with annex and management regulations, and the most recent annual and semi-annual reports (all in German) may be obtained at no charge during normal business hours from the Management Company, the Custodian, the Distributor(s) and the Paying Agent(s).

Further practical information and the current share prices are available at no charge at any time on the website of the Management Company or at the abovementioned offices. The Management Company homepage is at www.ethenea.com.

The tax laws in the Member State in which the Fund originated may influence your personal tax situation. Please consult your tax advisor with regard to the tax consequences of investing in the Fund.

The Management Company may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the prospectus.

This key information describes a share class of the Fund. The sales prospectus and the reports may contain information on all share classes of the Fund.

Investors may exchange shares in a share class for shares of another share class. Details on the exchange of shares and the related charges can be found in the sales prospectus.

This Fund is authorised in Luxembourg and regulated by the Commission de Surveillance du Secteur Financier.

This key investor information is accurate as at 17.02.2016.

Information about the past and the further performance of the Basket Component_(i=2) and its volatility can be obtained under <http://www.bloomberg.com/quote/ETAKTVE:LX>.

3. Information about the M&G Optimal Income Fund as the Basket Component_(f=3)

Key Investor Information



This document provides you with key investor information about this Fund. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this Fund. You are advised to read it so you can make an informed decision about whether to invest.

M&G Optimal Income Fund

Euro Class A-H – Income shares ISIN no. GB00B933FW56

Euro Class A-H – Accumulation shares ISIN no. GB00B1VMCY93

Managed by M&G Securities Limited, which is part of the Prudential Group

Objective and investment policy

Objective

To deliver income and capital growth.

Investment policy

The Fund is a flexible fund where at least 50% will be invested in fixed income securities. The Fund has a flexible investment approach, with the freedom to invest in a broad range of fixed income securities, wherever the fund manager sees the greatest opportunities. A portion of the Fund may also be invested in company shares when the fund manager believes they offer better value than the company's debt.

Derivatives may be used to meet the Fund's investment objective and to reduce risk, minimise costs and generate additional capital and/or income. Derivatives are financial instruments whose value is linked to the expected future price movements of an underlying asset.

The Fund may also use derivatives to generate market leverage (gain exposure to investment exceeding the net asset value of the Fund).

The Fund is also able to invest in other funds, money market instruments (for example, debt securities that will be repaid in one year or less), and cash.

Other information

The Fund may invest more than 35% in the securities issued or guaranteed by an EEA State or other countries listed in the Fund's Prospectus. Such exposure may be combined with the use of derivatives in pursuit of the Fund's objective.

This Fund allows the fund manager(s) to make discretionary choices when deciding which investments should be held in the Fund.

You can buy and sell shares in the Fund on any business day. Provided we receive your instructions before 11.30am CET, shares will be bought at that day's price.

If you hold accumulation shares, any income from the Fund will be rolled up into the value of your investment.

If you hold income shares, any income from the Fund may be paid out to you semi-annually.

In addition to the charges set out in the charges section, the Fund will incur portfolio transaction costs which are paid from the assets of the Fund. These can be higher when investing outside Europe.

Risk and reward profile



- The above risk number is based on the rate at which the value of the Fund has moved up and down in the past. It may not be a reliable indicator of the future risk profile of the Fund.
- The risk number shown is not guaranteed and may change over time.
- The lowest risk number does not mean risk free.

The main risks that could affect performance are set out below:

- The value of investments and the income from them will fluctuate. This will cause the fund price to fall as well as rise. These fluctuations may be more extreme in

periods of market disruption and other exceptional events. There is no guarantee the fund objective will be achieved and you may not get back the original amount you invested.

- Changes in the interest rate will affect the value of, and the interest earned from, the fixed income securities held by the Fund. When interest rates rise, the capital value of the Fund is likely to fall.
- The value of the Fund will fall if the issuer of a fixed income security held is unable to pay income payments or repay its debt (known as a default). Fixed income securities that pay a higher level of income usually have a lower credit rating because of the increased risk of default. The higher the rating the less likely it is that the issuer will default, but ratings are subject to change.
- The Fund may use derivatives to generate exposure to investments exceeding the net asset value of the Fund. This will expose the Fund to a higher degree of risk and may cause your investment to experience larger than average price fluctuations.
- The Fund may take short positions through the use of derivatives which are not backed by equivalent physical assets. Short positions reflect an investment view that the price of the underlying asset is expected to fall in value. Accordingly, if this view is incorrect and the asset rises in value, the short position will cause the Fund to incur a loss.
- Currency exchange rate fluctuations will impact the value of your investment.
- Hedged share classes use currency hedging strategies to minimise currency exchange rate risk. There will be imperfections with any hedging strategy, and it cannot be guaranteed that the hedging objective will be achieved. The hedging strategy may substantially limit holders of the hedged share class from benefiting if the hedged share class currency falls against Sterling.
- In difficult market conditions the value of certain fund investments may be less predictable than normal and, in some cases, this may make such investments harder to sell at the last quoted market price, or at a price considered to be fair.
- The fund manager will place transactions (including derivative transactions), hold positions and place cash on deposit with a range of counterparties (institutions). There is a risk that counterparties may default on their obligations or become insolvent.

A more detailed description of the risk factors that apply to the Fund can be found in the Fund's Prospectus.

Charges

The charges shown in the table are used to pay the costs of running the Fund, including the costs of marketing and distributing it. These charges reduce the potential growth of your investment.

One-off charges taken before or after you invest	
Entry charge	4,00%
Exit charge	0,00%
The entry charge is the maximum that might be taken out of your money before it is invested.	
Charges taken from the Fund over a year	
Ongoing charge	1,43%
Charges taken from the Fund under certain specific conditions	
Performance fee	None

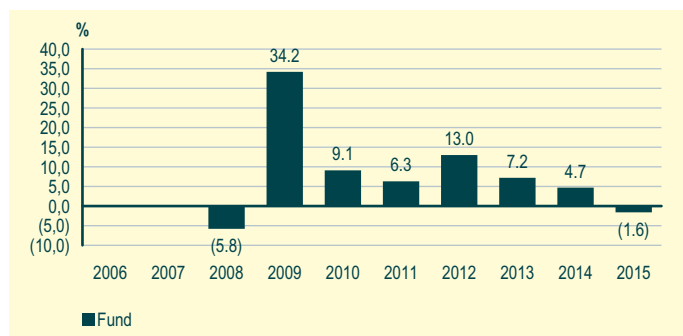
The entry and exit charges shown are the maximum figures and, in some cases, you may pay less. You can find out the specific charges which apply to your investment by contacting your financial adviser, distributor, or if you have invested directly with us, by contacting us using the details given in the practical information section.

The ongoing charge is based on expenses for the year ending 30 September 2015. This figure may vary from year to year. It excludes portfolio transaction costs.

From 01 August 2016, for Income shares, the ongoing charge will be taken from investments held in the Fund's portfolio and not from the income these investments produce. The deduction of this charge may reduce the potential growth of your investment.

For more information on charges, please refer to the relevant sections of the Prospectus which can be found by visiting www.mandg.lu

Past performance



- Past performance is not a guide to future performance.
- The past performance calculation is exclusive of UK taxes. It does not take into account the entry and exit charges but does take into account the ongoing charge, as shown in the Charges section.
- The Fund launched on 8 December 2006. The Euro Class A-H Accumulation share class launched on 20 April 2007 and the Euro Class A-H Income share class launched on 12 July 2013.
- Past performance is calculated using Euro Class A-H Accumulation shares.

Practical information

The depositary is National Westminster Bank plc.

For further information about this Fund, please visit www.mandg.lu where you can obtain a copy of the Prospectus, Instrument of Incorporation, and latest annual or interim Investment Report and Financial Statements, in English, free of charge. Our website also provides other information not contained in the above documents such as share prices.

This Fund is subject to UK tax laws, which may have an impact on your personal tax position. Please speak to an adviser for further information.

M&G Securities Limited may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the Prospectus for the Fund.

Other share classes may exist for the Fund as set out in the relevant Prospectus.

This Fund is authorised in the UK and regulated by the Financial Conduct Authority. M&G Securities Limited is authorised in the UK and regulated by the Financial Conduct Authority.

This key investor information is accurate as at 18 April 2016.

Information about the past and the further performance of the Basket Component_(i=3) and its volatility can be obtained under www.mandg.com.

III. Description of the Target Volatility Strategy

The Target Volatility Strategy on the Funds is a notional, Swedish Krona ("**SEK**") denominated strategy that reflects the performance of a notional synthetic quanto'd SEK exposure to the Basket Components comprised in the Underlying based on observed market prices (the "**Portfolio**"). The Portfolio is managed, using a formulaic allocation strategy specified in the Dynamic Allocation Rules below.

In pursuit of the Target Volatility Strategy, the Fund Basket Weight (as defined below) is adjusted in accordance with the Dynamic Allocation Rules on an ongoing basis.

1. Rebalancing of the Fund Basket Weight

On each Basket Business Day_(t) following the Fixing Date the Fund Basket Weight_(t) (as defined below) is determined following the calculation of the Signal (as defined below) for each Basket Business Day.

Where

"**Basket Business Day**" has the meaning as given to it in Part I of the Product Terms "Key Terms and Definitions of the Securities".

"**Fund Business Day**" has the meaning as given to it in Part I of the Product Terms "Key Terms and Definitions of the Securities".

"**Fixing Date**" has the meaning as given to it in Part I of the Product Terms "Key Terms and Definitions of the Securities".

In such context, "**Fund Basket Weight_(t)**" means the weight of the Underlying as of the Basket Business Day_(t), expressed as a percentage, and is determined as follows:

- (a) If Cap is lower than Signal_(t) or Floor is higher than Signal_(t), i.e. Cap < Signal_(t) or Floor > Signal_(t), the Fund Basket Weight_(t+2) equals the Ideal Fund Basket Weight_(t) (as defined in section "2. Ideal Fund Basket Weight" below),
- (b) otherwise, the Fund Basket Weight_(t+2) equals Fund Basket Weight_(t+1).

Where "**Fund Basket Weight₍₀₎**" equals the Initial Fund Basket Weight (as defined below), and "**Fund Basket Weight₍₁₎**" equals Fund Basket Weight₍₀₎.

The initial Fund Basket Weight on the Fixing Date ("**Fund Basket Weight₍₀₎**" or, as the case may be, the "**Initial Fund Basket Weight**") will be determined by the Calculation Agent in accordance with the following formula:

$$\text{Min} \left(\text{Maximum Fund Exposure}, \frac{\text{Target}}{\text{Realised Volatility}_{\text{initial}}} \right)$$

where

"**Maximum Fund Exposure**" means 200 %,

"**Target**" means 4 %, and

"**Realised Volatility_(initial)**" means the Realised Volatility calculated for Volatility Observation Period (as defined below) ending on the Fixing Date.

"**Realised Volatility_(t)**" is calculated as the annualised exponentially weighted standard deviation of the Funds comprised in the Underlying over the last Volatility Observation Period. On any Basket Business Day_(t), the Realised Volatility_(t) will be calculated by the Calculation Agent using the following formula:

$$\sqrt{\text{AF}} \times \sqrt{\frac{\sum_{j=1}^{\text{VOP}} \left(\left(1 - \frac{3}{\text{VOP}} \right)^j \times \left(\frac{\text{Fund Basket}_{(t-j+1)}}{\text{Fund Basket}_{(t-j)}} - 1 \right)^2 \right)}{\sum_{j=1}^{\text{VOP}} \left(1 - \frac{3}{\text{VOP}} \right)^j}}$$

with

“**AF**” means an annualising factor equal to 254.

“**VOP**” or “**Volatility Observation Period**” means the volatility observation period equal to 90 Basket Business Days, immediately preceding but including the relevant Basket Business Day_(t).

“**Fund Basket_(t)**” is respect of any Basket Business Day_(t) calculated by the Calculation Agent in accordance with the following formula:

$$\sum_{i=1}^3 \text{Weight}_{(i)} \times \frac{\text{NAV}_{i,(t)}}{\text{NAV}_{i,(initial)}}$$

“**Weight_(i)**” means in respect of each Fund_(i), the Weight of such Fund_(i) indicated in the table in the section “I. Introduction” above.

“**NAV_{i,(t)}**” means in respect of a Basket Business Day_(t), the NAV of the Fund_(i) per Fund Unit_(i) as of such Basket Business Day_(t). When determining the Portfolio Value_(final) of the Target Volatility Strategy in relation to the Valuation Averaging Dates, “NAV_{i,(t)}” is, subject to a Market Disruption (§ 11 of the Conditions), taken as the redemption proceeds that a Notional Investor would have received, if that Notional Investor had, for the Fund, subject to it giving the appropriate prior notice, requested redemption of the Fund Units in the Funds as at the relevant Valuation Averaging Date.

“**NAV_{i,(initial)}**” means the NAV of the Fund_(i) per Fund Unit_(i) as of the Fixing Date.

The Signal on any Basket Business Day_(t) is measured daily and compared with the floor of 3 % (the “**Floor**”) and the cap of 5 % (the “**Cap**”) to determine if a Rebalancing (as defined below) as of the Basket Business Day_(t+2), needs to occur.

On any Basket Business Day_(t) the “**Signal**” (the “**Signal_(t)**”) will be calculated by the Calculation Agent as follows:

- (a) If Cap is lower than Signal_(t-1) or Floor is higher than Signal_(t-1), *i.e.* Cap < Signal_(t-1) or Floor > Signal_(t-1), the Signal_(t) will be calculated by the Calculation Agent in accordance with the following formula:

$$\text{Realised Volatility}_{(t)} \times \text{Fund Basket Weight}_{(t+1)}$$

- (b) otherwise, the Signal_(t) will be calculated by the Calculation Agent in accordance with the following formula:

$$\text{Realised Volatility}_{(t)} \times \text{Fund Basket Weight}_{(t)}$$

The Signal on the Fixing Date (the “**Signal₍₀₎**”) will be calculated by the Calculation Agent in accordance with the following formula:

$$\text{Realised Volatility}_{(initial)} \times \text{Fund Basket Weight}_{(0)}$$

2. Ideal Fund Basket Weight

“**Ideal Fund Basket Weight_(t)**” means, in respect of any Basket Business Day_(t), a percentage calculated by the Calculation Agent using the following formula:

$$\text{Min} \left(\text{Maximum Fund Exposure}, \frac{\text{Target}}{\text{Realised Volatility}_{(t)}} \right)$$

IV. Calculation of the value of the Portfolio

The initial value of the Portfolio on the Fixing Date is equal to 100 % (the “**Portfolio Value₍₀₎**”). On any Basket Business Day_(t) (as defined below) thereafter, UBS AG, London Branch, as Calculation Agent calculates the value of the Portfolio (the “**Portfolio Value_(t)**”) in accordance with the following formula:

$$\text{Portfolio Value}_{(t-1)} \times (1 + \text{Fund Basket Weight}_{(t-1)} \times \text{Fund Basket Return}_{(t)})$$

Where

“**Fixing Date**” has the meaning as given to it in Part I of the Product Terms “Key Terms and Definitions of the Securities”.

“**Basket Business Day**” has the meaning as given to it in Part I of the Product Terms “Key Terms and Definitions of the Securities”.

“**Fund Basket Weight_(t)**” has the meaning as given to it in the above section “III.1. Rebalancing of the Fund Basket Weight”.

“**Fund Basket Return_(t)**” on any Basket Business Day_(t) is calculated by the Calculation Agent in accordance with the following formula:

$$\frac{\text{Fund Basket}_{(t)} - \text{Fund Basket}_{(t-1)}}{\text{Fund Basket}_{(t-1)}}$$

“**Fund Basket_(t)**” has the meaning as given to it in the above section “III.1. Rebalancing of the Fund Basket Weight”.

ANNEX TO THE FINAL TERMS: ISSUE SPECIFIC SUMMARY

*This summary relates to UBS Gearing Certificates described in the final terms (the "**Final Terms**") to which this summary is annexed. This summary contains that information from the summary set out in the Base Prospectus which is relevant to the Securities together with the relevant information from the Final Terms. Words and expressions defined in the Final Terms and the Base Prospectus have the same meanings in this summary.*

Summaries are made up of 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".

Element	Section A – Introduction and warnings	
A.1	Warning.	<p>This Summary should be read as an introduction to the Base Prospectus. Any decision to invest in the Securities should be based on consideration of the Base Prospectus as a whole by the investor.</p> <p>Potential investors should be aware that where a claim relating to the information contained in the Base Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the respective European Economic Area member state, have to bear the costs of translating the document before the legal proceedings are initiated.</p> <p>Those persons who are responsible for the summary including any translations thereof, or who have initiated the preparation can be held liable, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Base Prospectus or it does not provide, when read together with the other parts of the Base Prospectus, all required key information.</p> <p>UBS AG in its capacity as Issuer who is responsible for the summary including the translation thereof can be held liable, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Base Prospectus or it does not provide, when read together with the other parts of the Base Prospectus, all required key information.</p>
A.2	Consent to use of Prospectus.	<p>The Issuer consents to the use of the Base Prospectus together with the relevant Final Terms in connection with a public offer of the Securities (a "Public Offer") by any financial intermediary (each an "Authorised Offeror") which is authorised to make such offers under the Markets in Financial Instruments Directive (Directive 2004/39/EC) on the following basis:</p> <ul style="list-style-type: none"> (a) the relevant Public Offer must occur during the Subscription Period (the "Offer Period"); (b) the relevant Public Offer may only be made in Sweden (the "Public Offer Jurisdiction"); (c) the relevant Authorised Offeror must be authorised to make such offers in the relevant Public Offer Jurisdiction under the Markets in Financial Instruments Directive (Directive 2004/39/EC) and if any Authorised Offeror ceases to be so authorised then the above

		<p>consent of the Issuer shall thereupon terminate;</p> <p>(d) any Authorised Offeror which is not a Manager must comply with the restrictions set out in "Subscription and Sale" as if it were a Manager.</p> <p>Authorised Offerors will provide information to investors on the terms and conditions of the Public Offer of the Securities at the time such Public Offer is made by the Authorised Offeror to the investor.</p>
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Element		Section B – Issuer
B.1	Legal and commercial name of the issuer.	The legal and commercial name of the Issuer is UBS AG (the " Issuer " and together with its subsidiaries " UBS AG (consolidated) ", or " UBS AG Group " and together with UBS Group AG, the holding company of UBS AG, " UBS Group ", " Group ", " UBS " or " UBS Group AG (consolidated) ").
B.2	Domicile, legal form, legislation and country of incorporation of the issuer.	<p>The Issuer was incorporated under the name SBC AG on 28 February 1978 for an unlimited duration and entered in the Commercial Register of Canton Basel-City on that day. On 8 December 1997, the company changed its name to UBS AG. UBS AG in its present form was created on 29 June 1998 by the merger of Union Bank of Switzerland (founded 1862) and Swiss Bank Corporation (founded 1872). UBS AG is entered in the Commercial Registers of Canton Zurich and Canton Basel-City. The registration number is CHE-101.329.561.</p> <p>UBS AG is incorporated and domiciled in Switzerland and operates under the Swiss Code of Obligations as an <i>Aktiengesellschaft</i>, a stock corporation.</p> <p>The addresses and telephone numbers of UBS AG's two registered offices and principal places of business are: Bahnhofstrasse 45, CH-8001 Zurich, Switzerland, telephone +41 44 234 1111; and Aeschenvorstadt 1, CH-4051 Basel, Switzerland, telephone +41 61 288 5050.</p>
B.4b	A description of any known trends affecting the issuer or the industries in which it operates.	<p>Trend Information</p> <p>As stated in the third quarter 2015 financial report of UBS Group AG published on 3 November 2015, many of the underlying macroeconomic challenges and geopolitical issues that UBS has highlighted in previous quarters remain and are unlikely to be resolved in the foreseeable future. In addition, recently proposed changes to the too big to fail regulatory framework in Switzerland will cause substantial ongoing interest costs for the firm. UBS also continues to see headwinds from interest rates which have not increased in line with market expectations, negative market performance in certain asset classes and the weak performance of the euro versus the Swiss franc during the year. UBS is executing the measures already announced to mitigate these effects as it progresses towards its targeted return on tangible equity in the short to medium term. UBS's strategy has proven successful in a variety of market conditions. UBS remains committed to its strategy and its disciplined execution in order to ensure the firm's long-term success and deliver sustainable returns for its shareholders.</p>
B.5	Description of the group and the issuer's position within the group.	UBS AG is a Swiss bank and the parent company of the UBS AG Group. UBS AG is 100% owned by UBS Group AG, which is the holding company of the UBS Group. The UBS Group operates as a group with five business divisions (Wealth Management, Wealth Management Americas, Retail & Corporate, Asset Management and the Investment Bank) and a Corporate

		<p>Center.</p> <p>Over the past two years, UBS has undertaken a series of measures to improve the resolvability of the Group in response to too big to fail ("TBTf") requirements in Switzerland and other countries in which it operates, including establishing UBS Group AG as the holding company for the UBS Group.</p> <p>In June 2015, UBS AG transferred its Retail & Corporate and Wealth Management business booked in Switzerland to UBS Switzerland AG, a banking subsidiary of UBS AG in Switzerland.</p> <p>In the UK, UBS completed the implementation of a more self-sufficient business and operating model for UBS Limited, under which UBS Limited bears and retains a larger proportion of the risk and reward in its business activities.</p> <p>In the third quarter of 2015, UBS established UBS Business Solutions AG as a direct subsidiary of UBS Group AG, to act as the Group service company. UBS will transfer the ownership of the majority of its existing service subsidiaries to this entity. UBS expects that the transfer of shared service and support functions into the service company structure will be implemented in a staged approach through 2018. The purpose of the service company structure is to improve the resolvability of the Group by enabling UBS to maintain operational continuity of critical services should a recovery or resolution event occur.</p> <p>UBS AG has established a new subsidiary, UBS Americas Holding LLC, which UBS intends to designate as its intermediate holding company for its US subsidiaries prior to the 1 July 2016 deadline under new rules for foreign banks in the US pursuant to the Dodd-Frank Act. During the third quarter of 2015, UBS AG contributed its equity participation in its principal US operating subsidiaries to UBS Americas Holding LLC to meet the requirement under the Dodd-Frank Act that the intermediate holding company own all of UBS's US operations, except branches of UBS AG.</p> <p>UBS has established a new subsidiary of UBS AG, UBS Asset Management AG, into which it expects to transfer the majority of the operating subsidiaries of Asset Management during 2016. UBS continues to consider further changes to the legal entities used by Asset Management, including the transfer of operations conducted by UBS AG in Switzerland into a subsidiary of UBS Asset Management AG.</p> <p>UBS continues to consider further changes to the Group's legal structure in response to capital and other regulatory requirements, and in order to obtain any reduction in capital requirements for which the Group may be eligible. Such changes may include the transfer of operating subsidiaries of UBS AG to become direct subsidiaries of UBS Group AG, consolidation of operating subsidiaries in the European Union, and adjustments to the booking entity or location of products and services. These structural changes are being discussed on an ongoing basis with FINMA and other regulatory authorities, and remain subject to a number of uncertainties that may affect their feasibility, scope or timing.</p>
B.9	Profit forecast or estimate.	Not applicable; no profit forecast or estimate is included in this Prospectus.
B.10	Qualifications in the audit report.	Not applicable. There are no qualifications in the auditors' reports on the consolidated financial statements of UBS AG and the standalone financial statements of UBS AG for the years ended on 31 December 2013 and 31 December 2014.

B.12	Selected historical key financial information.	<p>UBS AG derived the selected consolidated financial information included in the table below for the years ended 31 December 2012, 2013 and 2014 from its Annual Report 2014, which contains the audited consolidated financial statements of UBS AG, as well as additional unaudited consolidated financial information, for the year ended 31 December 2014 and comparative figures for the years ended 31 December 2013 and 2012. The selected consolidated financial information included in the table below for the nine months ended 30 September 2015 and 30 September 2014 was derived from the UBS AG third quarter 2015 financial report, which contains the unaudited consolidated financial statements of UBS AG, as well as additional unaudited consolidated financial information, for the nine months ended 30 September 2015 and comparative figures for the nine months ended 30 September 2014. The consolidated financial statements were prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and stated in Swiss francs (CHF). In the opinion of management, all necessary adjustments were made for a fair presentation of the UBS AG consolidated financial position and results of operations. Information for the years ended 31 December 2012, 2013 and 2014 which is indicated as being unaudited in the table below was included in the Annual Report 2014 but has not been audited on the basis that the respective disclosures are not required under IFRS, and therefore are not part of the audited financial statements. Certain information which was included in the consolidated financial statements to the annual report 2013 was restated in the Annual Report 2014. The figures contained in the table below in respect of the year ended 31 December 2013 reflect the restated figures as contained in the Annual Report 2014. Prospective investors should read the whole of the documentation and should not rely solely on the summarized information set out below:</p>																																																																																																																											
		<table border="1"> <thead> <tr> <th data-bbox="405 1171 647 1218" rowspan="2"><i>CHF million, except where indicated</i></th> <th colspan="2" data-bbox="767 1106 970 1153">As of or for the nine months ended</th> <th colspan="3" data-bbox="1082 1128 1358 1153">As of or for the year ended</th> </tr> <tr> <th data-bbox="772 1196 863 1218">30.9.15</th> <th data-bbox="895 1196 986 1218">30.9.14</th> <th data-bbox="1023 1196 1129 1218">31.12.14</th> <th data-bbox="1177 1196 1284 1218">31.12.13</th> <th data-bbox="1332 1196 1423 1218">31.12.12</th> </tr> <tr> <td></td> <td colspan="2" data-bbox="820 1234 911 1256"><i>unaudited</i></td> <td colspan="3" data-bbox="1070 1234 1369 1256"><i>audited, except where indicated</i></td> </tr> </thead> <tbody> <tr> <td colspan="6" data-bbox="405 1279 480 1301">Results</td> </tr> <tr> <td data-bbox="405 1317 571 1339">Operating income</td> <td data-bbox="772 1317 831 1339">23,834</td> <td data-bbox="895 1317 954 1339">21,281</td> <td data-bbox="1023 1317 1098 1339">28,026</td> <td data-bbox="1177 1317 1252 1339">27,732</td> <td data-bbox="1332 1317 1407 1339">25,423</td> </tr> <tr> <td data-bbox="405 1355 587 1377">Operating expenses</td> <td data-bbox="772 1355 831 1377">18,655</td> <td data-bbox="895 1355 954 1377">19,224</td> <td data-bbox="1023 1355 1098 1377">25,557</td> <td data-bbox="1177 1355 1252 1377">24,461</td> <td data-bbox="1332 1355 1407 1377">27,216</td> </tr> <tr> <td data-bbox="405 1393 703 1415">Operating profit/(loss) before tax</td> <td data-bbox="772 1393 831 1415">5,179</td> <td data-bbox="895 1393 954 1415">2,057</td> <td data-bbox="1023 1393 1098 1415">2,469</td> <td data-bbox="1177 1393 1252 1415">3,272</td> <td data-bbox="1332 1393 1407 1415">(1,794)</td> </tr> <tr> <td data-bbox="405 1431 699 1478">Net profit / (loss) attributable to UBS AG shareholders</td> <td data-bbox="772 1453 831 1476">5,285</td> <td data-bbox="895 1453 954 1476">2,609</td> <td data-bbox="1023 1453 1098 1476">3,502</td> <td 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data-bbox="895 1655 938 1677">90.3</td> <td data-bbox="1023 1655 1098 1677">90.9*</td> <td data-bbox="1177 1655 1252 1677">88.0*</td> <td data-bbox="1332 1655 1407 1677">106.6*</td> </tr> <tr> <td colspan="6" data-bbox="405 1702 480 1724">Growth</td> </tr> <tr> <td data-bbox="405 1740 624 1762">Net profit growth (%) ⁴</td> <td data-bbox="772 1740 831 1762">102.6</td> <td data-bbox="895 1740 954 1762">15.7</td> <td data-bbox="1023 1740 1098 1762">10.4*</td> <td data-bbox="1177 1740 1182 1762">-</td> <td data-bbox="1332 1740 1337 1762">-</td> </tr> <tr> <td data-bbox="405 1778 699 1848">Net new money growth for combined wealth management businesses (%) ⁵</td> <td data-bbox="772 1823 799 1845">2.0</td> <td data-bbox="895 1823 922 1845">2.4</td> <td data-bbox="1023 1823 1082 1845">2.5*</td> <td data-bbox="1177 1823 1236 1845">3.4*</td> <td data-bbox="1332 1823 1391 1845">3.2*</td> </tr> <tr> <td colspan="6" data-bbox="405 1872 507 1895">Resources</td> </tr> <tr> <td data-bbox="405 1910 719 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income	23,834	21,281	28,026	27,732	25,423	Operating expenses	18,655	19,224	25,557	24,461	27,216	Operating profit/(loss) before tax	5,179	2,057	2,469	3,272	(1,794)	Net profit / (loss) attributable to UBS AG shareholders	5,285	2,609	3,502	3,172	(2,480)	Key performance indicators						Profitability						Return on tangible equity (%) ¹	15.4	8.3	8.2*	8.0*	1.6*	Return on assets, gross (%) ²	3.2	2.8	2.8*	2.5*	1.9*	Cost / income ratio (%) ³	78.1	90.3	90.9*	88.0*	106.6*	Growth						Net profit growth (%) ⁴	102.6	15.7	10.4*	-	-	Net new money growth for combined wealth management businesses (%) ⁵	2.0	2.4	2.5*	3.4*	3.2*	Resources						Common equity tier 1 capital ratio (fully applied, %) ^{6,7}	15.3	13.7	14.2*	12.8*	9.8*	Leverage ratio (phase-in, %) ^{8,9}	5.3	5.4	5.4*	4.7*	3.6*	Additional information					
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Profitability					
Return on equity (RoE) (%) ¹⁰	13.3	7.1	7.0*	6.7*	(5.1)*
Return on risk-weighted assets, gross (%) ¹¹	14.6	12.4	12.4*	11.4*	12.0*
Resources					
Total assets	981,891	1,044,899	1,062,327	1,013,355	1,259,797
Equity attributable to UBS AG shareholders	54,126	50,824	52,108	48,002	45,949
Common equity tier 1 capital (fully applied) ⁷	33,183	30,047	30,805	28,908	25,182*
Common equity tier 1 capital (phase-in) ⁷	40,581	42,464	44,090	42,179	40,032*
Risk-weighted assets (fully applied) ⁷	217,472	219,296	217,158*	225,153*	258,113*
Risk-weighted assets (phase-in) ⁷	221,410	222,648	221,150*	228,557*	261,800*
Common equity tier 1 capital ratio (phase-in, %) ^{6,7}	18.3	19.1	19.9*	18.5*	15.3*
Total capital ratio (fully applied, %) ⁷	19.9	18.7	19.0*	15.4*	11.4*
Total capital ratio (phase-in, %) ⁷	23.7	24.9	25.6*	22.2*	18.9*
Leverage ratio (fully applied, %) ^{8,9}	4.6	4.2	4.1*	3.4*	2.4*
Leverage ratio denominator (fully applied) ⁹	949,548	980,669	999,124*	1,015,306*	1,206,214*
Leverage ratio denominator (phase-in) ⁹	955,027	987,327	1,006,001*	1,022,924*	1,216,561*
Other					
Invested assets (CHF billion) ¹²	2,577	2,640	2,734	2,390	2,230
Personnel (full-time equivalents)	58,502	60,292	60,155*	60,205*	62,628*
	* unaudited				
	<p>¹ Net profit / loss attributable to UBS AG shareholders before amortization and impairment of goodwill and intangible assets (annualized as applicable) / average equity attributable to UBS AG shareholders less average goodwill and intangible assets. ² Operating income before credit loss (expense) or recovery (annualized as applicable) / average total assets. ³ Operating expenses / operating income before credit loss (expense) or recovery. ⁴ Change in net profit attributable to UBS AG shareholders from continuing operations between current and comparison periods / net profit attributable to UBS AG shareholders from continuing operations of comparison period. Not meaningful and not included if either the reporting period or the comparison period is a loss period. ⁵ Combined Wealth Management's and Wealth Management Americas' net new money for the period (annualized as applicable) / invested assets at the beginning of the period. Based on adjusted net new money which excludes the negative effect on net new money (third quarter of 2015: 3.3 billion; second quarter of 2015: CHF 6.6 billion) in Wealth Management from UBS's balance sheet and capital optimization efforts in the second quarter of 2015. ⁶ Common equity tier 1 capital / risk-weighted assets. ⁷ Based on the Basel III framework as applicable to Swiss systemically relevant banks (SRB), which became effective in Switzerland on 1 January 2013. The information provided on a fully applied basis entirely reflects the effects of the new capital deductions and the phase out of ineligible capital instruments. The information provided on a phase-in basis gradually reflects those effects during the transition period. Numbers for 31 December 2012 are calculated on an estimated basis described below and are referred to as "pro-forma". The term "pro-forma" as used in this prospectus does not refer to the term "pro forma financial information" within the meaning of Regulation (EC) 809/2004. Some of the models applied when calculating 31 December 2012 pro-forma information required regulatory approval and included estimates (as discussed with UBS's primary regulator) of the effect of new capital charges. These figures are not required to be presented, because Basel III requirements were not in effect on 31 December 2012. They are nevertheless included for comparison reasons. ⁸ Common equity tier 1 capital and loss-absorbing capital / total adjusted exposure (leverage ratio denominator). ⁹ In accordance with Swiss SRB rules. The Swiss SRB leverage ratio came into force on 1 January 2013. Numbers for 31 December 2012 are on a pro-forma basis (see footnote 7 above). ¹⁰ Net profit / loss attributable to UBS AG shareholders (annualized as applicable) / average equity attributable to UBS AG shareholders. ¹¹ Based on Basel III risk-weighted assets (phase-in) for 2015, 2014 and 2013, and on Basel 2.5 risk-weighted assets for 2012. ¹² Includes invested assets for Retail & Corporate.</p>				
	Material adverse change statement.	There has been no material adverse change in the prospects of UBS AG or UBS AG Group since 31 December 2014.			
	Significant	There has been no significant change in the financial or trading position of			

	changes statement.	UBS AG Group since 30 September 2015.
B.13	Any recent events particular to the Issuer which are to a material extent relevant to the evaluation of the Issuer's solvency	Not applicable, no recent events particular to UBS AG have occurred, which are to a material extent relevant to the evaluation of the UBS AG's solvency.
B.14	Description of the group and the issuer's position within the group. Dependence upon other entities within the group.	Please see element B.5 UBS AG is the parent company of the UBS AG Group. As such, to a certain extent, it is dependent on certain of its subsidiaries.
B.15	Issuer's principal activities.	<p>UBS AG with its subsidiaries is committed to providing private, institutional and corporate clients worldwide, as well as retail clients in Switzerland, with superior financial advice and solutions, while generating attractive and sustainable returns for shareholders. UBS's strategy centers on its Wealth Management and Wealth Management Americas businesses and its leading (in its own opinion) universal bank in Switzerland, complemented by Asset Management and its Investment Bank. In UBS's opinion, these businesses share three key characteristics: they benefit from a strong competitive position in their targeted markets, are capital-efficient, and offer a superior structural growth and profitability outlook. UBS's strategy builds on the strengths of all of its businesses and focuses its efforts on areas in which UBS excels, while seeking to capitalize on the compelling growth prospects in the businesses and regions in which it operates. Capital strength is the foundation of UBS's success. The operational structure of the Group is comprised of the Corporate Center and five business divisions: Wealth Management, Wealth Management Americas, Retail & Corporate, Asset Management and the Investment Bank.</p> <p>According to article 2 of the Articles of Association of UBS AG, dated 7 May 2015 ("Articles of Association"), the purpose of UBS AG is the operation of a bank. Its scope of operations extends to all types of banking, financial, advisory, trading and service activities in Switzerland and abroad. UBS AG may establish branches and representative offices as well as banks, finance companies and other enterprise of any kind in Switzerland and abroad, hold equity interests in these companies, and conduct their management. UBS AG is authorized to acquire, mortgage and sell real estate and building rights in Switzerland and abroad. UBS AG may provide loans, guarantees and other kinds of financing and security for Group companies and borrow and invest money on the money and capital markets.</p>
B.16	Direct or indirect shareholdings or control agreements of the issuer.	UBS Group AG owns 100% of the outstanding shares of UBS AG.

Element	Section C – Securities	
C.1	Type and the class of the securities, security identification number.	<p>Type and Form of Securities The Securities are certificates.</p> <p>The Securities (also the “Swedish Securities”) are cleared through Euroclear Sweden AB (“Euroclear Sweden”) as the relevant Clearing System and are issued in uncertificated and dematerialised book-entry form, and registered at Euroclear Sweden in accordance with the <i>Swedish Financial Instruments Accounts Act (lag (1998:1479) om kontoföring av finansiella instrument)</i>. No physical securities, such as global temporary or permanent securities or definitive securities will be issued in respect of Swedish Securities.</p> <p>Security identification number(s) of the Securities</p> <p>ISIN: CH0324181533 Valor: 32418153</p>
C.2	Currency of the securities.	Swedish Krona (“ SEK ”) (the “ Redemption Currency ”).
C.5	Restrictions on the free transferability of the securities.	Not applicable. There are no restrictions on the free transferability of the Securities.
C.8	Rights attached to the securities, including ranking and limitations to those rights.	<p>Governing law of the Securities The Securities will be governed by German law (“German law governed Securities”).</p> <p>The legal effects of the registration of the Securities with the relevant Clearing System are governed by the laws of the jurisdiction of the Clearing System.</p> <p>Rights attached to the Securities The Securities provide, subject to the Conditions of the Securities, Securityholders, at maturity or upon exercise, with a claim for payment of the Redemption Amount in the Redemption Currency.</p> <p>Limitation of the rights attached to the Securities Under the conditions set out in the Conditions, the Issuer is entitled to terminate the Securities and to make certain adjustments to the Conditions.</p> <p>Status of the Securities The Securities will constitute direct, unsecured and unsubordinated obligations of the Issuer, ranking <i>pari passu</i> among themselves and with all other present and future unsecured and unsubordinated obligations of the Issuer, other than obligations preferred by mandatory provisions of law.</p>
C.11	Admission to trading on a regulated market or other equivalent markets.	The Issuer intends to apply for listing of the Securities on Nasdaq Stockholm.
C.15	Influence of the underlying on the value of the securities.	The value of the Securities during their term depends on the performance of the Basket Components. In case the price of the Basket Components increases, also the value of the Securities (disregarding any special features of the Securities) is likely to increase.

	<p>In particular, the Redemption Amount, if any, to be received by the Securityholder upon exercise of the Securities depends on the performance of the Basket Components.</p> <p>The following features are examples describing the dependency of the value of the Securities from the Underlying:</p> <p>UBS Gearing Securities</p> <p>UBS Gearing Securities allow Securityholders to participate in the positive development of the Underlying(s). Conversely, Securityholders in UBS Gearing Securities may also participate in the negative development of the Underlying(s), as the UBS Gearing Securities may provide downside risk potential as specified in the applicable Product Terms. UBS Gearing Securities may also allow Securityholders to participate in the positive development of the Underlying relative to another Underlying. Conversely, Securityholders in UBS Gearing Securities may participate in the negative development of the Underlying relative to another Underlying.</p> <p>UBS Gearing Securities also exist in a so-called "Put" version. In such case Securityholders participate positively in the negative development of the Underlying(s). Conversely, Securityholders in UBS Gearing Securities (Put) may also participate in the positive development of the Underlying(s), as the UBS Gearing Securities (Put) may provide upside risk potential as specified in the applicable Product Terms. UBS Gearing Securities (Put) may also allow Securityholders to participate in the negative development of the Underlying relative to another Underlying. Conversely, Securityholders in UBS Gearing Securities (Put) may participate in the positive development of the Underlying relative to another Underlying.</p> <p>UBS Gearing Securities may expire worthless upon the unfavourable development of the Underlying(s) beyond a certain value, as specified in the applicable Product Terms.</p> <p>Securityholders receive on the Maturity Date a Redemption Amount in the Redemption Currency, the amount of which depends on the Reference Price or the Settlement Price of the Underlying(s), as specified in the relevant Product Terms. The Redemption Amount is typically calculated by multiplying the Nominal Amount or such other amount as specified in the applicable Product Terms with the relevant performance of the Underlying(s), thereafter multiplied by the Participation Factor, the Leverage Factor or the Multiplier, but may also take other factors into account, as specified in the applicable Product Terms.</p> <p>The Redemption Amount may be determined by reference to the performance of one or more Underlying(s), as specified in the relevant Product Terms.</p> <p>The following descriptions of several performance structures might be used for the Securities described in the section above, if applicable.</p> <p><u>Underlyings</u></p> <p>Securities can either depend on one single Underlying, a basket of Underlyings, the best performing Underlying(s), the worst performing Underlying(s) or a combination of those. Basket performances are calculated as the weighted average of the performances of the individual Underlying(s).</p> <p>The weightings can either be predefined or be defined during the life of the product depending on certain conditions. Weights can for example depend on the relative performance of the Underlyings or the realised</p>
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		<p>volatility of the Underlying(s).</p> <p><u>Performances</u></p> <p>In principle, the value of the Securities (disregarding any special features of the Securities) is likely to increase, in case the price of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, in the Basket Components, increases. In case the price of the Underlying or Basket Components decreases, also the value of the Securities (disregarding any special features of the Securities) is likely to decrease.</p> <p>In contrast thereto, Securities may, if so specified in the relevant Product Terms, provide for a so-called reverse structure. In this case the Securities (irrespective of the other features attached to the Securities or of any other factors, which may be relevant for the value of the Securities) depreciate in value, if the price of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, in the Basket Components, increases, or the Securities increase in value, if the price of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, in the Basket Components, decreases.</p> <p>The performance or levels of the Underlying(s) can be measured in various ways.</p> <p>Usually the performance is measured as the final level of the Underlying(s) as a percentage of the initial level of the Underlying(s). However the final level and/or the initial level can also either be defined as the average/maximum/minimum level of the Underlying(s) observed within a certain period. The initial level does not necessarily need to be observed on the strike date of the product but can also be observed during the life of the product.</p> <p>Performance can also be measured as the relative performance of one or more Underlying(s) relative to the performance of one or more different Underlying(s).</p> <p>Performances can also have a predefined or a variable and/or conditional cap. This means Securityholders accept a limitation of earning potential ("Cap") and may only participate in possible price increases (or decreases) of the Underlying(s) until a certain level is reached and no further. Additionally, performances can also have a predefined or a variable and/or conditional floor. This means Securityholders will have a minimum of earning potential ("Floor") and may only negatively participate in possible price decreases (or increases) of the Underlying(s) until a certain level is reached and no further.</p> <p><u>Barriers</u></p> <p>Products can have barriers that are activated as soon as certain conditions are met. Usually these barriers represent certain levels to be reached by the Underlying(s) on certain observation dates.</p> <p>Barriers can either be triggered by Underlying(s), performances or other measures reaching certain predefined levels. Some barriers are only triggered if more than one condition is met.</p> <p>Barriers can be either defined to be observed only on certain dates or continuously.</p> <p>Barriers either lead to the removal (Kick-Out) or addition (Kick-In) of certain features of the Securities. Features which are added or removed are for</p>
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		<p>example coupons, participations or Underlying(s).</p> <p><u>Lock-In and Final Lock-In</u> The relevant Product Terms may provide for a “Lock-In” feature, which means that certain amounts or performances, as specified in the Product Terms, will in the case of the occurrence of a predetermined lock-in event be “locked-in”, i.e. fixed, set aside or otherwise economically preserved, as specified in the Product Terms. To the extent and under the conditions of applicable other features described in this section 13 of the Base Prospectus and as further specified in the applicable Product Terms, Securityholders do still participate in the future performance of the Underlying or, as the case may be, the Basket Components.</p> <p>If the relevant Product Terms specify that a “Final Lock-In” feature applies, certain amounts or performances, as specified in the Product Terms, will in the case of the occurrence of a predetermined lock-in event be “locked-in” to an extent that the participation of the Securityholders in the future performance of the Underlying or, as the case may be, the Basket Components is limited or even excluded.</p> <p><u>Automatic Termination Feature</u> If the relevant Product Terms specify that the Automatic Termination feature applies, then the Securities may be terminated and redeemed early upon the occurrence of an automatic termination event (including, but not limited to, a Stop Loss Event or Knock Out Event).</p> <p><u>Investment Strategies</u> Performance can be defined as the hypothetical performance of a certain predefined investment strategy. This can for example be a strategy that invests into the Underlying(s) only on certain predefined dates. Another example would be a strategy that invests into the Underlying(s) dependent on the realised volatility, performance, momentum or other metric of the Underlying(s) level over the life of the product.</p> <p><u>Bearish/Bullish/Variable Participation Rate</u> Participation is usually proportional with a certain rate (which can itself be dependent on certain pre-conditions for example the performance of one or more Underlying(s)) and can be either negative or positive.</p> <p><u>Currency Conversion</u> The Securityholder’s right vested in the Securities may be determined on the basis of a currency other than the Redemption Currency, currency unit or calculation unit, and also the value of the Underlying or, as the case may be, the Basket Components may be determined in such a currency other than the Redemption Currency, currency unit or calculation unit. The currency exchange rate to be used to determine the Redemption Amount can either be predefined (quanto feature) or variable.</p> <p><u>Coupons/Interest Amounts/Other Proceeds</u> If the relevant Product Terms specify unconditional Coupon, Interest Amount or other proceeds to apply, the Securityholder is entitled to receive payment of the relevant Coupon, Interest Amount or other proceeds, as specified in the applicable Product Terms.</p> <p>If the relevant Product Terms specify conditional Coupon, Interest Amount or other proceeds to apply, the Securityholder is entitled to receive payment of the relevant Coupon, Interest Amount or other proceeds provided that relevant conditions are met. If, in case of a conditional Coupon, Interest Amount or other proceeds, these requirements are not met, no Coupon, Interest Amount or other proceeds are paid.</p> <p>During their term products can therefore generate regular income.</p>
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		<p>However, most products do not generate unconditional income, e.g. dividends or interest.</p> <p><u>Capital Protection</u> Only if the product feature “Capital Protection” is specified to be applicable in the relevant Product Terms, the Settlement Amount is, in any case, at least equal to the capital protected Minimum Amount.</p> <p><u>Maximum Amount</u> If the product feature “Maximum Amount” is specified to be applicable in the relevant Product Terms, the Settlement Amount is capped to the Maximum Amount.</p> <p><u>Physical or Cash Settlement</u> Only if the product feature “Physical Settlement” is specified to be applicable in the relevant Product Terms, the Product is possibly settled physically. Otherwise the settlement occurs in cash payment. The settlement can depend on the performance of the Underlying(s).</p> <p><u>General Early Redemption Right</u> The Issuer and the Securityholders will only have a general early redemption right in relation to the Securities prior to the Maturity Date, if so specified in the applicable Product Terms.</p> <p><i>Issuer's Call Right</i> If so specified in the applicable Product Terms, the Issuer has a right to call the Securities for early redemption by giving notice to that effect on certain predefined dates. The redemption value can either be predefined or dependent on the Underlying(s) level, certain dates or other parameters.</p> <p><i>Securityholder's Put Right</i> If so specified in the applicable Product Terms, the Securityholder has the right to put the Securities for early redemption. The redemption value can either be predefined or dependent on the Underlying(s) level, certain dates or other parameters.</p>
C.16	Expiration or maturity date, the exercise date or final reference date.	<p>Maturity Date: (i) in case of a redemption of the Securities in accordance with § 1 of the Conditions of the Securities, 3 August 2023 (or, if this day is not a Banking Day, the immediately following Banking Day), provided that before this day a Notional Investor would have received full redemption proceeds for the Fund Units, if that Notional Investor had, by giving the appropriate prior notice, requested redemption as at the Last Valuation Averaging Date (if, however, there is a delay in the receipt of the full redemption proceeds for the Fund Units by the Notional Investor, such date will be postponed accordingly), and</p> <p>(ii) in case of a termination by the Issuer in accordance with § 8 of the Conditions of the Securities, the 10th (tenth) Banking Day after the Termination Date, provided that before this day a Notional Investor would have received full redemption proceeds for the Fund Units, if that Notional Investor had, by giving the appropriate prior notice, requested redemption as at the Termination Date (if, however, there is a delay in the receipt of the full redemption proceeds for the Fund Units by the Notional Investor, such date will be postponed accordingly).</p>

		<p>Expiration Date: The Expiration Date means the Last Valuation Averaging Date (expected to be 20 July 2023).</p> <p>If such day is not a Basket Business Day, the immediately succeeding Basket Business Day shall be the Expiration Date.</p> <p>Valuation Averaging Dates:</p> <ol style="list-style-type: none"> 1) Valuation Averaging Date_(i=1): 20 July 2021; 2) Valuation Averaging Date_(i=2): 20 August 2021; 3) Valuation Averaging Date_(i=3): 20 September 2021; 4) Valuation Averaging Date_(i=4): 20 October 2021; 5) Valuation Averaging Date_(i=5): 20 November 2021; 6) Valuation Averaging Date_(i=6): 20 December 2021; 7) Valuation Averaging Date_(i=7): 20 January 2022; 8) Valuation Averaging Date_(i=8): 20 February 2022; 9) Valuation Averaging Date_(i=9): 20 March 2022; 10) Valuation Averaging Date_(i=10): 20 April 2022; 11) Valuation Averaging Date_(i=11): 20 May 2022; 12) Valuation Averaging Date_(i=12): 20 June 2022; 13) Valuation Averaging Date_(i=13): 20 July 2022; 14) Valuation Averaging Date_(i=14): 20 August 2022; 15) Valuation Averaging Date_(i=15): 20 September 2022; 16) Valuation Averaging Date_(i=16): 20 October 2022; 17) Valuation Averaging Date_(i=17): 20 November 2022; 18) Valuation Averaging Date_(i=18): 20 December 2022; 19) Valuation Averaging Date_(i=19): 20 January 2023; 20) Valuation Averaging Date_(i=20): 20 February 2023; 21) Valuation Averaging Date_(i=21): 20 March 2023; 22) Valuation Averaging Date_(i=22): 20 April 2023; 23) Valuation Averaging Date_(i=23): 20 May 2023; 24) Valuation Averaging Date_(i=24): 20 June 2023; and 25) Valuation Averaging Date_(i=25): 20 July 2023 (also the “Last Valuation Averaging Date”). <p>The term “Valuation Averaging Date” shall also refer to all Valuation Averaging Dates_(i=1) to _(i=25).</p> <p>If one of these days is not a Basket Business Day, the immediately succeeding Basket Business Day is deemed to be the relevant Valuation Averaging Date.</p>
C.17	Settlement procedure of the derivative securities.	<p>Payments shall, in all cases subject to any applicable fiscal or other laws and regulations in the place of payment or other laws and regulations to which the Issuer agrees to be subject, be made in accordance with the relevant CA Rules to the relevant Clearing System or the relevant intermediary or to its order for credit to the accounts of the relevant account holders of the Clearing System or the relevant intermediary.</p> <p>The Issuer shall be discharged from its redemption obligations or any other payment or delivery obligations under the Conditions of the Securities by payment and/or delivery to the Clearing System in the manner described above.</p>

C.18	A description of how the return on derivative securities takes place.	Securityholders will receive on the relevant Maturity Date payment of the Redemption Amount.
C.19	Exercise price or final reference price of the underlying.	Reference Price: " Portfolio Value_(final) " means, subject to a Market Disruption (§ 11 of these Conditions), the arithmetic average of the Portfolio Value _(t) on the Valuation Averaging Dates.
C.20	Type of the underlying and where the information on the underlying can be found.	<p>Type of Underlying: Basket of not exchange traded fund units</p> <p>Information about the past and the further performance of the Underlying and its volatility can be obtained</p> <p>in respect to the Basket Component_(i=1) under www.carmignac.com;</p> <p>in respect to the Basket Component_(i=2) under http://www.bloomberg.com/quote/ETAKTVE:LX; and</p> <p>in respect to the Basket Component_(i=3) under www.mandg.com.</p>

Element	Section D – Risks	
D.2	Key information on the key risks that is specific and individual to the issuer.	<p>The Securities entail an issuer risk, also referred to as debtor risk or credit risk for prospective investors. An issuer risk is the risk that UBS AG becomes temporarily or permanently unable to meet its obligations under the Securities.</p> <p>General insolvency risk</p> <p>Each investor bears the general risk that the financial situation of the Issuer could deteriorate. The debt or derivative securities of the Issuer will constitute immediate, unsecured and unsubordinated obligations of the Issuer, which, in particular in the case of insolvency of the Issuer, rank pari passu with each other and all other current and future unsecured and unsubordinated obligations of the Issuer, with the exception of those that have priority due to mandatory statutory provisions. The Issuer's obligations relating to the Securities are not protected by any statutory or voluntary deposit guarantee system or compensation scheme. In the event of insolvency of the Issuer, investors may thus experience a total loss of their investment in the Securities.</p> <p>UBS AG as Issuer and UBS are subject to various risks relating to their business activities. Summarised below are the risks that may impact the Group's ability to execute its strategy, and affect its business activities, financial condition, results of operations and prospects, which the Group considers material and is presently aware of:</p> <ul style="list-style-type: none"> On 15 January 2015, the Swiss National Bank ("SNB") discontinued the minimum targeted exchange rate for the Swiss franc versus the euro, which had been in place since September 2011. At the same time, the SNB lowered the interest rate on deposit account balances at the SNB that exceed a given exemption threshold by 50 basis points to negative 0.75%. It also moved the target range for three-month LIBOR to between negative 1.25% and negative 0.25%, (previously negative 0.75% to positive 0.25%). These decisions resulted in an immediate, considerable strengthening of the Swiss franc against the euro, US dollar, British pound, Japanese yen and several other currencies, as

		<p>well as a reduction in Swiss franc interest rates. The longer-term rate of the Swiss franc against these other currencies is not certain, nor is the future direction of Swiss franc interest rates. Several other central banks have likewise adopted a negative-interest-rate policy. Fluctuation in foreign exchange rates and continuing low or negative interest rates may have a detrimental effect on UBS Group's capital strength, UBS Group's liquidity and funding position, and UBS Group's profitability.</p> <ul style="list-style-type: none"> • Regulatory and legal changes may adversely affect UBS's business and ability to execute its strategic plans. The planned and potential regulatory and legislative developments in Switzerland and in other jurisdictions in which UBS has operations may have a material adverse effect on UBS's ability to execute its strategic plans, on the profitability or viability of certain business lines globally or in particular locations, and in some cases on UBS's ability to compete with other financial institutions. The developments have been, and are likely to continue to be, costly to implement and could also have a negative impact on UBS's legal structure or business model, potentially generating capital inefficiencies and affecting UBS's profitability. The uncertainty related to, or the implementation of, legislative and regulatory changes may have a negative impact on UBS's relationships with clients and its success in attracting client business. • UBS's capital strength is important in supporting its strategy, client franchise and competitive position. Any increase in risk-weighted assets or reduction in eligible capital could materially reduce UBS's capital ratios. Additionally, UBS is subject to a minimum leverage ratio requirement for Swiss systemically relevant banks ("SRB"), which under certain circumstances could constrain UBS's business activities even if UBS satisfies other risk-based capital requirements. • UBS may not be successful in completing its announced strategic plans or its plans may be delayed or market events may adversely affect the implementation of the plan or the effects of its plans may differ from those intended. UBS is also exposed to possible outflows of client assets in its asset-gathering businesses and to changes affecting the profitability of its Wealth Management business division, and may not be successful in implementing changes in its businesses to meet changing market, regulatory and other conditions. • Material legal and regulatory risks arise in the conduct of UBS's business. UBS is subject to a large number of claims, disputes, legal proceedings and government investigations and expects that its ongoing business activities will continue to give rise to such matters in the future. The extent of UBS's financial exposure to these and other matters is material and could substantially exceed the level of provisions that UBS has established for litigation, regulatory and similar matters. Litigation, regulatory and similar matters may also result in non-monetary penalties and consequences. Resolution of regulatory proceedings may require UBS to obtain waivers of regulatory disqualifications to maintain certain operations, may entitle regulatory authorities to limit, suspend or terminate licenses and regulatory authorizations and may permit financial market utilities to limit, suspend or terminate UBS's participation in such utilities. Failure to obtain such waivers, or any limitation, suspension or termination of licenses, authorizations or participations, could have material consequences
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		<p>for UBS.</p> <ul style="list-style-type: none"> • Operational risks, including those arising from process error, failed execution, misconduct, unauthorized trading, fraud, system failures, financial crime, cyber-attacks, breaches of information security and failure of security and physical protection, may affect UBS's business. If UBS's internal controls fail or prove ineffective in identifying and remedying these risks UBS could suffer operational failures that might result in material losses. • UBS's reputation is critical to the success of its business. Reputational damage can have fundamental negative effects on UBS's business and prospects and a material adverse effect on UBS's operational results and financial conditions and on UBS's ability to achieve its strategic goals and financial targets. Reputational damage is difficult to reverse, and improvements tend to be slow and difficult to measure. • Performance in the financial services industry is affected by market conditions and the macroeconomic climate. An economic downturn, continued low interest rates or weak or stagnant economic growth in UBS's core markets, or a severe financial crisis can negatively affect UBS's revenues and ultimately its capital base. • The UBS holds legacy positions and other risk positions, including positions related to real estate in various countries that may be adversely affected by market conditions. In addition, legacy risk positions may be difficult to liquidate as the continued illiquidity and complexity of many of them could make it difficult to sell or otherwise exit these positions. • UBS's global presence subjects it to risk from currency fluctuations, which have an effect on UBS's reported income and expenses, and other reported figures such as other comprehensive income, invested assets, balance sheet assets, risk-weighted assets and Basel III common equity tier 1 capital. These effects may adversely affect UBS's income, balance sheet, capital and liquidity ratios. • UBS is dependent upon its risk management and control processes to avoid or limit potential losses in its counterparty credit and trading businesses and could suffer losses if, for example, it does not fully identify the risks in its portfolio or if its assessment of the risks identified or its response to negative trends proves to be untimely, inadequate, insufficient or incorrect. • Valuations of certain positions rely on models; models have inherent limitations and may use inputs which have no observable source; different assumptions and inputs would generate different results, and these differences could have a significant impact on UBS's financial results. • Liquidity and funding management are critical to UBS's ongoing performance. The volume of UBS's funding sources or the availability of funding of the types required could change due to, among other things, general market disruptions, widening credit spreads, more stringent capital, liquidity and funding requirements or reductions in UBS's credit ratings, which could also influence the cost of funding.
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		<ul style="list-style-type: none"> • UBS might be unable to identify or capture revenue or competitive opportunities, or retain and attract qualified employees. UBS's competitive strength and market position could be eroded if UBS is unable to identify market trends and developments, does not respond to them by devising and implementing adequate business strategies, adequately developing or updating technology, particularly in the trading businesses, or is unable to attract or retain the qualified people needed to carry them out. • UBS's financial results may be negatively affected by changes to accounting standards. Changes to IFRS or interpretations thereof may cause UBS's future reported results and financial position to differ from current expectations, or historical results to differ from those previously reported due to the adoption of accounting standards on a retrospective basis. Such changes may also affect UBS's regulatory capital and ratios. • UBS's financial results may be negatively affected by changes to assumptions supporting the value of its goodwill. If assumptions in future periods deviate from the current outlook, the value of UBS's goodwill may become impaired in the future, giving rise to losses in the income statement. • The effect of taxes on UBS's financial results is significantly influenced by reassessments of its deferred tax assets. UBS's full year effective tax rate could change significantly on the basis of such reassessments. • The Group's stated capital returns objective is based, in part, on capital ratios that are subject to regulatory change and may fluctuate significantly. UBS has committed to return at least 50% of its net profit to shareholders as capital returns, provided its fully applied CET1 capital ratio is at least 13% and its post-stress fully applied CET1 capital ratio is at least 10%. However, the Group's ability to maintain a fully applied CET1 capital ratio of at least 13% is subject to numerous risks, including the results of the business, changes to capital standards, methodologies and interpretation that may adversely affect the Group's calculated fully applied CET1 capital ratio, imposition of risk add-ons or additional capital requirements such as additional capital buffers. Additionally, changes in the methodology, assumptions, stress scenario and other factors may result in material changes in UBS's post-stress fully applied CET1 capital ratio. • UBS AG's operating results, financial condition and ability to pay obligations in the future may be affected by funding, dividends and other distributions received from UBS Switzerland AG or any other direct subsidiary, which may be subject to restrictions. The ability of such subsidiaries to make loans or distributions (directly or indirectly) to UBS AG may be restricted as a result of several factors, including restrictions in financing agreements and the requirements of applicable law and regulatory and fiscal or other restrictions. Restrictions and regulatory action of this kind could impede access to funds that UBS Group may need to make payments. Furthermore, UBS AG may guarantee some of the payment obligations of certain of its subsidiaries from time to time. Additionally, in connection with the transfer of the Retail & Corporate and Wealth Management business booked in Switzerland from UBS AG to UBS Switzerland AG, which has become effective in June 2015, under the Swiss Merger Act UBS AG is jointly liable for obligations existing on the asset transfer
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		<p>date that are have been transferred to UBS Switzerland AG. These guarantees may require UBS AG to provide substantial funds or assets to subsidiaries or their creditors or counterparties at a time when UBS AG is in need of liquidity to fund its own obligations.</p> <p>However, because the business of a broad-based international financial services firm such as UBS is inherently exposed to risks that become apparent only with the benefit of hindsight, risks of which UBS is not presently aware or which it currently does not consider to be material could also impact its ability to execute its strategy and affect its business activities, financial condition, results of operations and prospects.</p>
D.3	Key information on the risks that are specific and individual to the securities.	<p>Potential investors of the Securities should recognise that the Securities constitute a risk investment which can lead to a total loss of their investment in the Securities. Securityholders will incur a loss, if the amount received in accordance with the Conditions of the Securities is below the purchase price of the Securities (including the transaction costs). Any investor bears the risk of the Issuer's financial situation worsening and the potential subsequent inability of the Issuer to pay its obligations under the Securities. Potential investors must therefore be prepared and able to sustain a partial or even a total loss of the invested capital. Any investors interested in purchasing the Securities should assess their financial situation, to ensure that they are in a position to bear the risks of loss connected with the Securities.</p> <p><u>Special risks related to specific features of the Security structure</u></p> <p>Potential investors should be aware that the amount of the Redemption Amount payable in accordance with the Conditions of the Securities depends on the performance of the Underlying. In case of an unfavourable development of the price of the Basket Components, any amount received under the Securities may be lower than expected by the investors and may even be equal to zero. In such case the Securityholders will incur a total loss of its investment (including any transaction costs).</p> <p>Potential investors should consider that the application of the Participation Factor within the determination of the Security Right results in the Securities being in economic terms similar to a direct investment in the Basket Components, but being nonetheless not fully comparable with such a direct investment, in particular because the Securityholders do not participate in the relevant performance of the Basket Components by a 1:1 ratio, but by the proportion of the Participation Factor.</p> <p>Potential investors should consider that Securityholders do not have a termination right and the Securities may, hence, not be terminated by the Securityholders during their term. Prior to the maturity of the Securities the realisation of the economic value of the Securities (or parts thereof), is, unless the Securities have been subject to early redemption or termination by the Issuer in accordance with the Conditions of the Securities or, if so specified in the relevant Final Terms, an exercise of the Security Right by the Securityholders in accordance with the Conditions of the Securities, only possible by way of selling the Securities.</p> <p>Selling the Securities requires that market participants are willing to acquire the Securities at a certain price. In case that no market participants are readily available, the value of the Securities may not be realised. The issuance of the Securities does not result in an obligation of the Issuer towards the Securityholders to compensate for this or to repurchase the Securities.</p> <p>Potential investors should consider that the Price of the Basket</p>

		<p>Components is determined in a currency other than the Redemption Currency, so-called underlying currency. The relevant Price of the Basket Components used for the calculation of any amounts payable under the Securities is expressed in the Redemption Currency without any reference to the currency exchange rate between the underlying currency of the Basket Components, and the Redemption Currency (so-called "quanto"-feature). As a result, the relative difference between the actual interest rate in relation to the Underlying Currency and the actual interest rate in relation to the Redemption Currency may have a negative impact on the value of the Securities.</p> <p><u>General risks related to the Securities</u></p> <p><i>Effect of downgrading of the Issuer's rating</i> The general assessment of the Issuer's creditworthiness may affect the value of the Securities. As a result, any downgrading of the Issuer's rating by a rating agency may have a negative impact on the value of the Securities.</p> <p><i>Ratings are not Recommendations</i> The ratings of UBS AG as Issuer should be evaluated independently from similar ratings of other entities, and from the rating, if any, of the debt or derivative securities issued. A credit rating is not a recommendation to buy, sell or hold securities issued or guaranteed by the rated entity and may be subject to review, revision, suspension, reduction or withdrawal at any time by the assigning rating agency.</p> <p>A rating of the Securities, if any, is not a recommendation to buy, sell or hold the Securities and may be subject to revision or withdrawal at any time by the relevant rating agency. Each rating should be evaluated independently of any other securities rating, both in respect of the rating agency and the type of security. Furthermore, rating agencies which have not been hired by the Issuer or otherwise to rate the Securities could seek to rate the Securities and if such "unsolicited ratings" are lower than the equivalent rating assigned to the Securities by the relevant hired rating agency, such ratings could have an adverse effect on the value of the Securities.</p> <p><i>Securityholders are exposed to the risk of a bail-in</i> The Issuer and the Securities are subject to the Swiss Banking Act and the Swiss Financial Market Supervisory Authority's ("FINMA") bank insolvency ordinance, which empowers FINMA as the competent resolution authority to in particular apply under certain circumstances certain resolution tools to credit institutions. These measures include in particular the write-down or conversion of securities into common equity of such credit institution (the so called bail-in). A write-down or conversion would have the effect that the Issuer would insofar be released from its obligations under the Securities. Securityholders would have no further claim against the Issuer under the Securities. The resolution tools may, hence, have a significant negative impact on the Securityholders' rights by suspending, modifying and wholly or partially extinguishing claims under the Securities. In the worst case, this can lead to a total loss of the Securityholders' investment in the Securities.</p> <p>Such legal provisions and/or regulatory measures may severely affect the rights of the Securityholders and may have a negative impact on the value of the Securities even prior to any non-viability or resolution in relation to the Issuer.</p>
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		<p>Investors should also note that the level of the Redemption Amount depends on the performance of the basket comprising the Basket Components. As a result, fluctuations in the value of one Basket Component may be offset or intensified by fluctuations in the value of other Basket Components comprised in the basket. Even in the case of a positive performance of one or more Basket Components, the performance of the basket, as a whole may be negative if the performance of the other Basket Components is negative to a greater extent. There can be a significant adverse effect on the calculation or specification of the redemption amount if the performance of one or more Basket Components comprised in the Basket, on which the calculation or specification of the redemption amount is based, has deteriorated significantly.</p> <p>Investors should be aware that the relevant Underlying will not be held by the Issuer for the benefit of the Securityholders, and that Securityholders will not obtain any rights of ownership (including, without limitation, any voting rights, any rights to receive dividends or other distributions or any other rights) with respect to the Underlying.</p>
D.6	Risk warning to the effect that investors may lose the value of their entire investment or part of it.	Each investor in the Securities bears the risk of the Issuer's financial situation worsening. Potential investors must therefore be prepared and able to sustain a partial or even a total loss of their entire investment. Any investors interested in purchasing the Securities should assess their financial situation, to ensure that they are in a position to bear the risk of loss connected with the Securities.

Element	Section E – Offer	
E.2b	Reasons for the offer and use of proceeds.	Not applicable. Reasons for the offer and use of proceeds are not different from making profit and/or hedging certain risks.
E.3	Terms and conditions of the offer.	<p>It has been agreed that, on or after the respective Issue Date of the Securities, the Manager may purchase Securities and shall place the Securities for sale at the Issue Price under terms subject to change in the Public Offer Jurisdictions during the Subscription Period (as defined below).</p> <p>The Issue Price will be fixed on 30 June 2016 (the "Fixing Date") and will then be made available on www.ubs.com/keyinvest. As of the Fixing Date the selling price will be adjusted on a continual basis to reflect the prevailing market situation.</p> <p>The Securities may be subscribed from the Manager during normal banking hours during 9 May 2016 until 22 June 2016 (17:30 hrs local time Stockholm) (the "Subscription Period"). The Issue Price per Security is payable on 13 July 2016 (the "Initial Payment Date").</p> <p>The Issuer reserves the right to earlier close or to extend the Subscription Period if market conditions so require.</p> <p>After the Initial Payment Date, the appropriate number of Securities shall be credited to the investor's account in accordance with the rules of the corresponding Clearing System. If the Subscription Period is shortened or extended, the Initial Payment Date may also be brought forward or postponed.</p>
E.4	Interest that is material to the issue/offer incl.	<p>Conflicts of interest</p> <p>The Issuer and affiliated companies may participate in transactions related to the Securities in some way, for their own account or for account of a</p>

	<p>conflicting interests.</p>	<p>client. Such transactions may not serve to benefit the Securityholders and may have a positive or negative effect on the value of the Underlying, and consequently on the value of the Securities. Furthermore, companies affiliated with the Issuer may become counterparties in hedging transactions relating to obligations of the Issuer stemming from the Securities. As a result, conflicts of interest can arise between companies affiliated with the Issuer, as well as between these companies and investors, in relation to obligations regarding the calculation of the price of the Securities and other associated determinations. In addition, the Issuer and its affiliates may act in other capacities with regard to the Securities, such as calculation agent, paying agent and administrative agent and/or index sponsor.</p> <p>Furthermore, the Issuer and its affiliates may issue other derivative instruments relating to the Underlying; introduction of such competing products may affect the value of the Securities. The Issuer and its affiliated companies may receive non-public information relating to the Underlying, and neither the Issuer nor any of its affiliates undertakes to make this information available to Securityholders. In addition, one or more of the Issuer's affiliated companies may publish research reports on the Underlying. Such activities could present conflicts of interest and may negatively affect the value of the Securities.</p> <p>Within the context of the offering and sale of the Securities, the Issuer or any of its affiliates may directly or indirectly pay fees in varying amounts to third parties, such as distributors or investment advisors, or receive payment of fees in varying amounts, including those levied in association with the distribution of the Securities, from third parties. Potential investors should be aware that the Issuer may retain fees in part or in full. The Issuer or, as the case may be, the Manager, upon request, will provide information on the amount of these fees.</p> <p>Any interest that is material to the issue/offer including potential conflicting interests</p> <p>As far as the Issuer is aware, no person involved in the issue and offer and listing of the Securities has an interest material to the issue and offer and listing of the Securities.</p>
<p>E.7</p>	<p>Estimated expenses charged to the investor by the issuer or the offeror.</p>	<p>Not applicable; no expenses are charged to the investor by the issuer or the Manager.</p>

ANNEX TO THE FINAL TERMS: ISSUE SPECIFIC SUMMARY (IN THE SWEDISH LANGUAGE)

SAMMANFATTNING

Denna sammanfattning avser UBS Gearing Certifikat som beskrivs i de slutliga villkoren ("**Slutliga Villkoren**") till vilka denna sammanfattning är bilagd. Denna sammanfattning innehåller information från sammanfattningen som återfinns i Grundprospektet som är relevant för Värdepapperen tillsammans med relevant information från de Slutliga Villkoren. Ord och uttryck som definieras i de Slutliga Villkoren eller på andra ställen i Grundprospekt har samma betydelse i denna sammanfattning.

Sammanfattningar består av informationskrav vilka redogörs för i ett antal punkter ("**Punkter**"). Punkterna är numrerade i avsnitt A – E (A.1 – E.7).

Denna sammanfattning innehåller alla de punkter som krävs i en sammanfattning för den aktuella typen av värdepapper och Emittent. Eftersom vissa punkter inte är tillämpliga för denna typ av värdepapper och emittenter, kan det finnas luckor i punkternas numrering.

Även om det krävs att en punkt inkluderas i en sammanfattning för denna typ av värdepapper och emittent, är det möjligt att ingen relevant information kan ges rörande punkten. Informationen har då ersatts med angivelsen "Ej tillämpligt".

Punkt	Avsnitt A– Inledning och varningar	
A.1	Varning.	<p>Denna sammanfattning skall läsas som en inledning till Grundprospektet och varje beslut att investera i Värdepapperen ska baseras på investerarens bedömning av Grundprospektet i dess helhet.</p> <p>Potentiella investerare ska vara medvetna om att om ett krav gällande informationen i detta Grundprospekt framförs inför domstol, kan käranden enligt den nationella lagstiftningen i medlemsstaten i det Europeiska Ekonomiska Samarbetsområdet, bli skyldig att stå för kostnaderna för att översätta Grundprospektet innan de rättsliga förfarandena inleds.</p> <p>De personer som är ansvariga för sammanfattningen, inklusive varje översättning därav, eller som har initierat framtagandet, kan hållas ansvariga, men endast om sammanfattningen är vilseledande, ofullständig eller oförenlig när den läses tillsammans med de övriga delarna av Grundprospektet eller om den inte tillhandahåller, när den läses tillsammans med de andra delarna av detta Grundprospekt, all erforderlig nyckelinformation.</p> <p>UBS AG i dess roll som Emittent är ansvarig för sammanfattningen, inklusive varje översättning härav, kan vara ersättningskyldig men endast om sammanfattningen är vilseledande, felaktig eller oförenlig när den läses tillsammans med de andra delarna av Grundprospektet eller om den inte tillhandahåller, när den läses tillsammans med de andra delarna av detta Grundprospekt, all erforderlig nyckelinformation.</p>
A.2	Samtycke till användandet av prospektet.	<p>Emittenten samtycker till att Grundprospektet används tillsammans med relevanta Slutliga Villkor i samband med ett erbjudande till allmänheten av Värdepapperen (ett "Erbjudande till Allmänheten") av någon finansiell mellanhand (en "Auktoriserad Erbjudare") som är auktoriserad att göra sådana erbjudanden enligt Direktivet om Marknader för Finansiella Instrument (Direktiv 2004/39/EG) på följande villkor:</p> <p>(a) det aktuella Erbjudandet till Allmänheten måste ske under Teckningsperioden ("Erbjudandeperioden");</p>

		<p>(b) det aktuella Erbjudandet till Allmänheten får endast ske i Sverige ("Jurisdiktionen för Erbjudande till Allmänheten");</p> <p>(c) den aktuella Auktoriserade Erbjudaren måste vara auktoriserad att göra sådant erbjudande i den aktuella Jurisdiktionen för Erbjudande till Allmänheten enligt Direktivet om Marknader för Finansiella Instrument (Direktiv 2004/39/EG) och om den Auktoriserade Erbjudaren upphör att vara auktoriserad, upphör Emittentens ovanstående samtycke;</p> <p>(d) varje Auktoriserad Erbjudare som inte är en Manager måste iakttä de begränsningar som anges i avsnittet "<i>Subscription and Sale</i>" som om de vore en Manager.</p> <p>Auktoriserade Erbjudare ska underrätta investerare om anbudsvillkoren för Värdepapperen i samband med att Erbjudandet till Allmänheten lämnas av den Auktoriserade Erbjudaren till investeraren.</p>
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Punkt	Avsnitt B – Emittent	
B.1	Emittentens registrerade firma och handelsbeteckning.	Emittentens registrerade firma och handelsbeteckning är UBS AG (" Emittenten " och tillsammans med dess dotterföretag " UBS AG (konsoliderat) " eller " UBS AG Koncernen ", tillsammans med UBS Group AG, holdingbolaget till UBS AG, " UBS Koncernen ", " Koncernen ", " UBS " eller " UBS Group AG (konsoliderat) ").
B.2	Emittentens säte, bolagsform, lag under vilken Emittenten bedriver sin verksamhet, och land för bildande.	<p>Emittenten bildades under firman SBC AG den 28 februari 1978 för en obegränsad tid och fördes in i handelsregistret i Kantonen Basel-City på den dagen. Den 8 december 1997 ändrade bolaget firma till UBS AG. UBS AG i dess nuvarande form bildades den 29 juni 1998 genom sammanslagningen av Union Bank of Switzerland (grundad 1862) och Swiss Bank Corporation (grundad 1872). UBS AG är infört i handelsregistren i kantonen Zürich och kantonen Basel-City. Registreringsnummet är CHE-101.329.561.</p> <p>UBS AG är bildat och är hemmahörande i Schweiz och bedriver sin verksamhet under schweizisk rätt (<i>Swiss Code of Obligations</i>) som ett aktiebolag.</p> <p>Adresserna och telefonnumren till UBS AG:s två registrerade kontor och huvudsakliga platser för verksamheten är: Bahnhofstrasse 45, CH-8001 Zürich, Schweiz, telefonnummer +41 44 234 1111; och Aeschenvorstadt 1, CH-4051 Basel, Schweiz, telefonnummer +41 61 288 5050.</p>
B.4b	En beskrivning av varje känd trend som påverkar emittenten eller de branscher där emittenten är verksam.	<p>Information om trender</p> <p>Som beskrivs i delårsrapporten för det tredje kvartalet 2015 för UBS Group AG, vilken offentliggjordes den 3 november 2015, många av de underliggande markoekonomiska utmaningar och geopolitiska frågor som UBS har lyft fram under tidigare kvartal kvarstår och det är osannolikt att dessa kommer att lösas under överskådlig tid. Dessutom kommer nyligen föreslagna ändringar i det regulatoriska regelverket i Schweiz för de som är för stora för att tillåtas falla att förorsaka betydande löpande räntekostnader för företaget. UBS ser fortsatt motvind från marknadsräntor som inte har stigit i linje med marknadens förväntningar, negativ marknadsutveckling i vissa tillgångsklasser och den svaga utvecklingen för euro i förhållande till schweizisk franc under året. UBS genomför de åtgärder som redan har tillkännagivits för att mildra dessa effekter när den fortsätter mot sitt mål för avkastning på synligt eget kapital på kort och</p>

		medellång sikt. UBS strategi har visat sig framgångsrik i en rad olika marknadsförutsättningar. UBS står fortsatt fast vid sin strategi och dess disciplinerade genomförande för att möjliggöra företagets långsiktiga framgång och att leverera uthålliga avkastningar till sina aktieägare.
B.5	Beskrivning av koncernen och emittentens plats inom koncernen.	<p>UBS AG är en schweizisk och moderbolaget till UBS AG-Koncernen. UBS AG ägs till 100% av UBS Group AG, som är holdingbolaget för UBS Koncernen. UBS Koncernen bedrivs som en koncern med fem affärsdivisioner (Wealth Management, Wealth Management Americas, Retail & Corporate, Asset Management och Investment Bank) samt ett Corporate Center.</p> <p>Under de två senaste åren har UBS vidtagit en rad åtgärder för att återhämtningsförmågan hos Koncernen för att möta kraven i Schweiz avseende de som är för stora för att tillåtas falla ("TBTF") och andra länder där den är verksam, inklusive etablerandet av UBS Group AG som holdingbolaget för UBS Koncernen.</p> <p>I juni 2015 överförde UBS AG dess Retail & Corporate och Wealth Management verksamhet som bokförs i Schweiz till UBS Switzerland AG, ett bankdotterföretag till UBS AG i Schweiz.</p> <p>I Storbritannien verkställde UBS genomförandet av en mer självförsörjande affärs- och verksamhetsmodell för UBS Limited, enligt vilken UBS Limited bär och behåller en större andel av risken och avkastningen från dess affärsaktiviteter.</p> <p>Under det tredje kvartalet 2015 etablerade UBS, UBS Business Solutions AG som ett direkt dotterföretag till UBS Group AG, för att agera som Koncernens serviceföretag. UBS kommer att överföra ägandet av majoriteten av dess existerande servicedotterföretag till denna enhet. UBS förväntar sig att överföringen av delade service- och stödfunktioner till serviceföretagsstrukturen kommer att genomföras stegvis till och med 2018. Syftet med serviceföretagsstrukturen är att förbättra återhämtningsförmågan hos Koncernen genom att möjliggöra för UBS att bibehålla operationell kontinuitet av kritiska tjänster om en återhämtnings- eller resolutionshändelse skulle inträffa.</p> <p>UBS AG har etablerat ett nytt dotterföretag, UBS Americas Holding LLC, som UBS avser att utse som dess mellanliggande holdingbolag för dess dotterföretag i USA före tidsfristen den 1 juli 2016 under de nya reglerna för utländska banker i USA enligt amerikansk rätt (<i>Dodd-Frank Act</i>). Under det tredje kvartalet 2015 tillsköt UBS AG dess ägandeintressen i dess huvudsakliga rörelsedrivande dotterföretag i USA till UBS Americas Holding LLC för att möta kravet under amerikansk rätt (<i>Dodd-Frank Act</i>) att det mellanliggande holdingbolaget äger alla av UBS verksamheter i USA, förutom filialer till UBS AG.</p> <p>UBS har etablerat ett nytt dotterföretag till UBS AG, UBS Asset Management AG, till vilket den förväntar sig att överföra majoriteten av de rörelsedrivande dotterföretagen inom Asset Management under 2016. UBS fortsätter att överväga ytterligare förändringar beträffande juridiska personer som används inom Asset Management, inklusive överföringen av verksamheter som bedrivs av UBS AG i Schweiz till ett dotterföretag till UBS Asset Management AG.</p> <p>UBS fortsätter att överväga ytterligare förändringar beträffande Koncernens juridiska struktur för att möta kapitalmässiga och andra regulatoriska krav samt för att uppnå varje minskning av kapitalkrav som Koncernen kan kvalificera sig till. Sådana förändringar kan inkludera överföringen av rörelsedrivande dotterföretag till UBS AG till att bli direkta dotterföretag till</p>

		UBS Group AG, konsolidering av rörelsedrivande dotterföretag i den Europeiska Unionen och justeringar beträffande bokförande enhet eller placeringen av produkter och tjänster. Dessa strukturella förändringar diskuteras löpande med FINMA och andra regulatoriska myndigheter och fortsätter att vara föremål för ett antal osäkerhetsfaktorer som kan påverka dessas genomförbarhet, omfattning eller tidpunkt.
B.9	Resultatprognos eller förväntat resultat.	Ej tillämpligt; ingen resultatprognos eller förväntat resultat inkluderas i detta Grundprospekt.
B.10	Anmärkingar i revisionsberättelsen.	Ej tillämpligt. Det finns inte några anmärkingar i revisionsberättelserna avseende de konsoliderade finansiella räkenskaperna för UBS AG och de fristående finansiella räkenskaperna för UBS AG för åren som slutade den 31 december 2013 och den 31 december 2014.
B.12	Utvald historisk finansiell nyckelinformation.	UBS AG har hämtat den utvalda finansiella informationen i tabellen nedan för åren som slutade 31 december 2012, 2013 och 2014 från dess årsredovisning för 2014, som innehåller de reviderade konsoliderade finansiella räkenskaperna för UBS AG liksom även ytterligare oreviderad konsoliderad finansiell information för året som slutade den 31 december 2014 och jämförelsesiffror för åren som slutade den 31 december 2013 och 2012. Den utvalda finansiella informationen inkluderad i tabellen nedan för de nio månader som slutade 30 september 2015 och 30 september 2014 har hämtats från UBS AG:s delårsrapport för det tredje kvartalet 2015, vilken innehåller de oreviderade konsoliderade finansiella räkenskaperna för UBS AG, liksom även ytterligare oreviderad konsoliderad finansiell information för de nio månader som slutade 30 september 2015 och jämförelsesiffror för de nio siffror som slutade 30 september 2014. De konsoliderade finansiella räkenskaperna har tagits fram i enlighet med International Financial Reporting Standards (IFRS) som har utfärdats av International Accounting Standards Board (IASB) och anges i schweiziska franc (CHF). Enligt ledningens åsikt har alla justeringar som är nödvändiga för att ge en rättvisande bild av UBS AG:s konsoliderade finansiella ställning och verksamhetsresultat. Information för åren som slutade 31 december 2012, 2013 och 2014 vilken indikeras som oreviderad i tabellen nedan, inkluderades i Årsredovisningen 2014 men har inte reviderats på den grunden att de respektive beskrivningarna inte krävs enligt IFRS och därför inte utgör del av de reviderade finansiella räkenskaperna. Viss information som ingick i de konsoliderade finansiella räkenskaperna till årsredovisningen 2013 räknades om i Årsredovisningen 2014. Siffrorna i tabellen nedan avseende året som slutade 31 december 2013 återspeglar de omräknade siffrorna så som dessa ingår i Årsredovisningen 2014. Potentiella investerare bör läsa dokumentationen i dess helhet och ska inte enbart förlita sig på den sammanfattande informationen som anges nedan:

	Per eller för de nio månader som slutade		Per eller för året som slutade		
CHF miljoner, förutom där indikerat	30.9.15	30.9.14	31.12.14	31.12.13	31.12.12
	Oreviderat		Reviderat, förutom där indikerat		
Resultat					
Rörelseintäkter	23 834	21 281	28 026	27 732	25 423
Rörelsekostnader	18 655	19 224	25 557	24 461	27 216
Rörelsevinst / (förlust) före skatt	5 179	2 057	2 469	3 272	(1 794)
Nettovinst / (förlust) hänförlig till UBS AG aktieägare	5 285	2 609	3 502	3 172	(2 480)
Viktiga utvecklingsindikatorer					
Lönsamhet					

Avkastning på synligt eget kapital (%) ¹	15,4	8,3	8,2*	8,0*	1,6*
Avkastning på tillgångar, brutto (%) ²	3,2	2,8	2,8*	2,5*	1,9*
Kostnads / intäktsrelation (%) ³	78,1	90,3	90,9*	88,0*	106,6*
Tillväxt					
Nettovinsttillväxt (%) ⁴	102,6	15,7	10,4*	-	-
Nettotillväxt nya medel för kombinerade verksamheter inom förmögenhetsförvaltning (%) ⁵	2,0	2,4	2,5*	3,4*	3,2*
Resurser					
Primärkapitalrelation (<i>Common equity tier 1 capital ratio</i>) (fullt tillämpad, %) ^{6,7}	15,3	13,7	14,2*	12,8*	9,8*
Hävstångsrelation (infasad, %) ^{8,9}	5,3	5,4	5,4*	4,7*	3,6*
Ytterligare information					
Lönsamhet					
Avkastning på eget kapital (RoE) (%) ¹⁰	13,3	7,1	7,0*	6,7*	(5,1)*
Avkastning på riskvägda tillgångar, brutto (%) ¹¹	14,6	12,4	12,4*	11,4*	12,0*
Resurser					
Totala tillgångar	981 891	1 044 899	1 062 327	1 013 355	1 259 797
Eget kapital hänförligt till UBS AG aktieägare	54 126	50 824	52 108	48 002	45 949
Primärkapital (<i>Common equity tier 1 capital</i>) (fullt tillämpad) ⁷	33 183	30 047	30 805	28 908	25 182*
Primärkapital (<i>Common equity tier 1 capital</i>) (infasad) ⁷	40 581	42 464	44 090	42 179	40 032*
Riskvägda tillgångar (fullt tillämpad) ⁷	217 472	219 296	217 158*	225 153*	258 113*
Riskvägda tillgångar (infasad) ⁷	221 410	222 648	221 150*	228 557*	261 800*
Primärkapitalrelation (<i>Common equity tier 1 capital ratio</i>) (infasad, %) ^{6,7}	18,3	19,1	19,9*	18,5*	15,3*
Totalkapitalrelation (fullt tillämpad, %) ⁷	19,9	18,7	19,0*	15,4*	11,4*
Totalkapitalrelation (infasad, %) ⁷	23,7	24,9	25,6*	22,2*	18,9*
Hävstångsrelation (fullt tillämpad, %) ^{8,9}	4,6	4,2	4,1*	3,4*	2,4*
Hävstångsrelation nämnare (fullt tillämpad) ⁹	949 548	980 669	999 124*	1 015 306*	1 206 214*
Hävstångsrelation nämnare (infasad) ⁹	955 027	987 327	1 006 001*	1 022 924*	1 216 561*
Övrigt					
Investerade tillgångar (CHF miljarder) ¹²	2 577	2 640	2 734	2 390	2 230
Anställda (motsvarande heltidstjänster)	58 502	60 292	60 155*	60 205*	62 628*
* oreviewerat					
¹ Nettovinst/förlust hänförlig till UBS AG:s aktieägare före nedskrivningar och reserveringar av goodwill och immateriella tillgångar (på årsbasis där tillämpligt) / genomsnittligt eget kapital hänförligt till UBS AG:s aktieägare minskat med genomsnittlig goodwill och immateriella tillgångar. ² Rörelseintäkter före kreditförluster (utgift) eller återvinning (på årsbasis där tillämpligt) / genomsnittliga totala tillgångar. ³ Rörelseutgifter/rörelseintäkter före kreditförlust (utgift) eller återvinning. ⁴ Förändring i nettovinst hänförlig till UBS AG:s aktieägare från fortsatt bedrivna verksamheter mellan innevarande och jämförelseperioder/nettovinst hänförlig till UBS AG:s aktieägare från fortsatt bedrivna verksamheter under jämförelseperiod. Ej meningsfullt och ej inkluderat om antingen rapporteringsperioden eller jämförelseperioden är en förlustperiod. ⁵ Kombinerat för Wealth Managements och Wealth Management Americas netto nya medel för perioden (på årsbasis där tillämpligt) / investerade tillgångar vid början av perioden. Baserat på justerat netto av nya pengar som exkluderar den negativa effekten på netto av nya pengar om CHF 6,6 miljarder i förmögenhetsförvaltning (<i>Wealth Management</i>) på UBS:s balansräkning och försök till kapitaloptimering i den andra kvartalet 2015. ⁶ Primärkapital/riskvägda tillgångar. ⁷ Baserat på Basel III-regelverket så som detta tillämpas på schweiziska systemviktiga banker (SRB), vilket trädde i kraft i Schweiz den 1 januari 2013. Informationen som återges på fullt tillämpad basis återspeglar fullt ut effekterna av de nya kapitalavdragen och utfasningen av icke kvalificerade kapitalinstrument. Informationen som återges på infasad basis återspeglar gradvis dessa effekter under övergångsperioden. Siffror för 31 december 2012 beräknas på en uppskattad basis enligt beskrivning nedan och är på pro forma-basis. Vissa av modellerna som tillämpas vid beräkningen av pro forma informationen 31 december 2012 krävde regulatoriskt godkännande och innefattar uppskattningar (enligt diskussion med UBS primära tillsynsmyndighet) av effekten av de nya kapitalkraven. Dessa siffror måste inte presenteras eftersom Basel III kraven inte var i kraft den 31 december 2012. Dessa är icke desto mindre inkluderade av jämförelseskäl. ⁸ Primärkapital och förlustabsorberande kapital/total justerad exponering (hävstångsrelationsnämnare). ⁹ I enlighet med schweiziska SRB-regler. Den schweiziska SRB hävstångsrelationen trädde i kraft den 1 januari 2013. Siffror för 31 december 2012 är på pro forma basis (se fotnot 7 ovan). ¹⁰ Nettovinst / (förlust) hänförlig till UBS aktieägare (på årsbasis där tillämpligt) / genomsnittligt eget kapital hänförligt till UBS AG:s aktieägare. ¹¹ Baserat på Basel III riskvägda tillgångar (infasing) för 2015, 2014 och 2013 och på Basel 2,5 riskvägda tillgångar					

för 2012. ¹² Inkluderar investerade tillgångar inom Retail & Corporate.		
	Uttalande om väsentliga negativa förändringar.	Det har inte inträffat någon väsentlig negativ förändring i framtidsutsikterna för UBS AG eller UBS AG Koncernen sedan den 31 december 2014.
	Uttalande om väsentliga förändringar.	Det har inte inträffat någon väsentlig förändring i den finansiella eller handelspositionen för UBS AG Koncernen sedan den 30 september 2015.
B.13	Nyligen inträffade händelser särskilda för Emittenten vilka är väsentligt relevanta för värderingen av Emittentens solvens.	Ej tillämpligt, det har inte nyligen inträffat några händelser som är specifika för UBS AG och som i väsentlig mån skulle ha varit relevanta för utvärderingen av UBS AG:s solvens.
B.14	Beskrivning av koncernen och av emittentens position inom koncernen. Beroende av andra företag inom koncernen.	Vänligen se Punkt B.5. UBS AG är moderbolaget för UBS AG Koncernen. Som sådant är det i viss mån beroende av vissa av sina dotterföretag.
B.15	Emittentens huvudsakliga verksamhet.	UBS AG och dess dotterföretag är beslutna att tillhandahålla privata, institutionella och företagskunder världen över, liksom även privatpersonskunder i Schweiz med bättre finansiell rådgivning och lösningar samtidigt som attraktiv och uthållig avkastning för aktieägarna genereras. UBS strategi är centrerad på dess verksamheter Wealth Management (förmögenhetsförvaltning) och Wealth Management Americas och dess ledande (enligt dess egen uppfattning) universalbank i Schweiz, kompletterat av Asset Management (tillgångsförvaltning) och dess Investmentbank. Enligt UBS uppfattning delar dessa verksamheter tre nyckeldrag: dessa drar fördel av en stark konkurrensmässig position inom dessas målmarknader, är kapitaleffektiva och erbjuder bättre strukturella tillväxt- och lönsamhetsutsikter. UBS strategi bygger på styrkorna inom alla dess verksamheter och fokuserar dess insatser till områden där UBS är framgångsrikt, samtidigt som den försöker kapitalisera från de tilltalande tillväxtutsikterna inom de verksamheter och regioner där den är verksam. Kapitalstyrka är basen för UBS framgång. Den operationella strukturen inom Koncernen består av Corporate Center (företagscenter) och fem verksamhetsdivisioner: Wealth Management, Wealth Management Americas, Retail & Corporate (bankverksamhet för privatpersoner och företagskunder), Asset Management och dess Investmentbank. Enligt Artikel 2 i Bolagsordningen för UBS AG, daterad den 7 maj 2015 (" Bolagsordningen ") är verksamhetsföremålet för UBS AG att bedriva bankverksamhet. Dess verksamhetsföremål sträcker sig över alla typer av banktjänster, finansiella tjänster, rådgivningstjänster och handelsaktiviteter i Schweiz och utomlands. UBS AB kan etablera filialer och representationskontor liksom även banker, kreditmarknadsföretag och andra företag av varje slag i Schweiz och utomlands, inneha ägarintressen i dessa bolag och sköta dessas ledning. UBS AG är auktoriserat att köpa, inteckna och sälja fast egendom och byggrätter i Schweiz och utomlands. UBS AG kan tillhandahålla lån, garantier och andra former av finansiering och säkerheter för Koncernföretag och låna och investera på penning- och

		kapitalmarknader.
B.16	Direkt eller indirekt aktieäggande eller kontrollöverenskommelser avseende emittenten.	UBS Group AG äger 100% av de utestående aktierna i UBS AG.

Punkt	Avsnitt C – Värdepapper	
C.1	Typ och klass av värdepapperen, värdepappersidentifikationsnummer.	<p>Typ och Form av Värdepapper Värdepapperen är certifikat.</p> <p>Värdepapperen (även "Svenska Värdepapper") clearas genom Euroclear Sweden AB ("Euroclear Sweden") i egenskap av det relevanta Clearingsystemet och är utfärdade i icke-certifierade och dematerialiserad, kontoförd form samt registrerade hos Euroclear Sweden i enlighet med lag (1998:1479) om kontoföring av finansiella instrument. Inga fysiska värdepapper, så som globala tillfälliga eller permanenta värdepapper eller definitiva värdepapper kommer emitteras för de Svenska Värdepapperen.</p> <p>Värdepappersidentifikationsnummer för Värdepapperen</p> <p>ISIN: CH0324181533 Valor: 32418153</p>
C.2	Valuta för värdepapperen.	Svenska Kronor (" SEK ") (" Inlösenvaluta ")
C.5	Restriktioner för den fria överlåtbarheten för värdepapperen.	Ej tillämpligt. Det finns inga restriktioner avseende den fria överlåtbarheten för Värdepapperen.
C.8	Rättigheter kopplade till värdepapperen, inklusive rangordning och begränsningar av sådana rättigheter.	<p>Tillämplig lag för Värdepapperen Värdepapperen kommer att vara underkastad tysk rätt ("Värdepapper underkastade tysk rätt").</p> <p>Den juridiska effekten av registrering av Värdepapperen med relevant Clearingsystem styrs av lagarna i Clearingsystemets jurisdiktion.</p> <p>Rättigheter förknippade med Värdepapperen Värdepapperen ger, med förbehåll för Villkoren för Värdepapperen, Värdepappersinnehavarna, vid förfall eller vid utövande, ett yrkande om betalning av Inlösenbeloppet i Inlösenvalutan.</p> <p>Begränsningar i rättigheterna relaterade till Värdepapperen Enligt de villkor som anges i Villkoren för Värdepapperen, har Emittenten rätt att avsluta Värdepapperen och att göra vissa justeringar av Villkoren.</p> <p>Status för Värdepapperen Värdepapperen kommer att utgöra direkta, icke-säkerställda och icke-eftersäkrade förpliktelser för Emittenten, som rangordnas lika sinsemellan och med alla andra nuvarande och framtida icke-säkerställda och icke-eftersäkrade förpliktelser för Emittenten, annat än skyldigheter som regleras i tvingande lagstiftning.</p>

C.11	Upptagande till handel på en reglerad marknad eller annan jämförbar marknad.	Emittenten har för avsikt att ansöka om inregistrering av Värdepapperen på Nasdaq Stockholm.
C.15	Påverkan avseende underliggande på värdet av värdepapperen.	<p>Värdet på Värdepapperen under dessas löptid är beroende av utvecklingen av Korgkomponenterna. Om priset på Korgkomponenterna ökar, kommer även värdet på Värdepapperen (bortsett från speciella kännetecken för Värdepapperen) sannolikt att öka.</p> <p>I synnerhet, Inlösenbeloppet, om något, som ska erhållas av Värdepappersinnehavaren vid utövande av Värdepapperen är beroende av utvecklingen av Korgkomponenterna.</p> <p>Följande kännetecken är exempel som beskriver hur värdet på Värdepapperen är beroende av Underliggande:</p> <p>UBS Värdepapper med Utväxling UBS Värdepapper med Utväxling erbjuder Värdepappersinnehavarna möjlighet att ta del av den positiva utvecklingen av Underliggande. Omvänt, Värdepappersinnehavare av UBS Värdepapper med Utväxling kan också ta del av den negativa utvecklingen av Underliggande, då UBS Värdepapper med Utväxling kan komma att bidra med negativ riskpotential enligt vad som anges i de tillämpliga Produktvillkoren. UBS Värdepapper med Utväxling kan också erbjuda Värdepappersinnehavarna att ta del av den positiva utvecklingen hos Underliggande i relation till andra Underliggande. Omvänt, Värdepappersinnehavarna av UBS Värdepapper med Utväxling kan ta del av den negativa utvecklingen av Underliggande i relation till andra Underliggande.</p> <p>UBS Värdepapper med Utväxling finns också i en så kallad "Sälj" version. I detta fall deltar Värdepappersinnehavarna positivt i den negativa utvecklingen av Underliggande. Omvänt, Värdepappersinnehavarna i UBS Värdepapper med Utväxling (Sälj) kan också delta i den positiva utvecklingen av Underliggande, eftersom UBS Värdepapper med Utväxling (Sälj) kan bidra med riskpotential på uppsidan enligt vad som anges i de tillämpliga Produktvillkoren. UBS Värdepapper med Utväxling (Sälj) kan också tillåta Värdepappersinnehavare att delta i negativ utveckling av Underliggande i relation till andra underliggande. Omvänt, Värdepappersinnehavare i UBS Värdepapper med Utväxling (Sälj) kan delta i den positiva utvecklingen av Underliggande i relation till andra Underliggande.</p> <p>UBS Värdepapper med Utväxling kan löpa ut och vara värdelös vid en ofördelaktig utveckling för Underliggande bortom vissa specifika värden, enligt vad som anges i de tillämpliga Produktvillkoren.</p> <p>Värdepappersinnehavare erhåller på Förfallodagen ett Inlösenbelopp i Inlösenvalutan, vars storlek är beroende av Referenspriset eller Avvecklingspriset för de(n) Underliggande, enligt vad som anges i Produktvillkoren. Typiskt sett beräknas Inlösenbeloppet genom att multiplicera det Nominella Beloppet eller sådant annat belopp enligt vad som anges i Produktvillkoren, med den relevanta utvecklingen för de(n) Underliggande och därefter multiplicera med Deltagandegrad, Hävstångsfaktorn eller Multiplikatorn, men andra faktorer kan också tas med i beräkningen, enligt vad som anges i Produktvillkoren.</p> <p>Inlösenbeloppet kan bestämmas med hänvisning till utvecklingen av en eller flera Underliggande, enligt vad som anges i Produktvillkoren.</p>

	<p>Följande beskrivningar av flertalet utvecklingsstrukturer kan användas för Värdepapper beskrivna ovan, om tillämpliga.</p> <p><u>Underliggande</u> Värdepapper kan antingen vara beroende av en enskild Underliggande, en korg av Underliggande, de(n) bäst utvecklade Underliggande, de(n) sämst utvecklade Underliggande eller en kombination av dessa. Korgutvecklingar beräknas på det vägda genomsnittet av utvecklingarna för de(n) enskilda Underliggande.</p> <p>Viktningen kan antingen vara förutbestämd eller kan bestämmas under produktens löptid beroende på vissa villkor. Viktningen kan, till exempel, bero på den relativa utvecklingen för Underliggande eller realiserad volatilitet i de(n) Underliggande.</p> <p><u>Utvecklingar</u> I princip är det sannolikt att värdet på Värdepapperen (bortsett från särskilda egenskaper hos Värdepapperen) kommer öka, i fall priset på Underliggande eller, om det anges som tillämpligt i definitionen av "Underliggande" att en "Korg" är angiven som tillämplig i de tillämpliga Produktvillkoren, i Korgkomponenterna, ökar. I fall priset på Underliggande eller Korgkomponenter minskar, är det också troligt att värdet på Värdepapperen (bortsett från speciella egenskaper hos Värdepapperen) minskar.</p> <p>Motsatsvis kan Värdepapperen, om så anges i de relevanta Produktvillkoren, erbjuda en så kallad omvänd struktur. I detta fall kommer Värdepapperen (oavsett de övriga egenskaper som är förknippade med Värdepapperen eller andra faktorer, som kan vara relevanta för värdet på Värdepapperen) att minska i värde, om priset på Underliggande eller, om det anges som tillämpligt i definitionen av "Underliggande" att en "Korg" är angiven som tillämplig i de tillämpliga Produktvillkoren, i Korgkomponenterna, ökar, eller så kommer Värdepapperen att öka i värde, om priset på Underliggande eller, om det anges som tillämpligt i definitionen av "Underliggande" att en "Korg" är angiven som tillämplig i de tillämpliga Produktvillkoren, i Korgkomponenterna, minskar.</p> <p>Utvecklingen eller nivån av Underliggande kan mätas på flera olika sätt.</p> <p>Vanligtvis mäts utvecklingen som den slutliga nivån för de(n) Underliggande som ett procenttal av den initiala nivån för de(n) Underliggande. Den slutliga nivån och/eller den initiala nivån kan även definieras som den genomsnittliga/maximala/minimala nivån för de(n) Underliggande som observerats under viss tid. Den initiala nivån behöver inte nödvändigtvis observeras vid startdagen för produkten men kan också observeras under löptiden för produkten.</p> <p>Utvecklingen kan även mätas som den relativa utvecklingen för en eller flera Underliggande i förhållande till utvecklingen för en eller flera andra Underliggande.</p> <p>Utveckling kan också ha ett förutbestämt eller ett rörligt och/eller ett villkorat tak. Det innebär att Värdepappersinnehavare accepterar en begränsning av avkastningspotentialen ("Tak") och att de endast kan delta i eventuella kursökningar (eller minskningar) för de Underliggande till dess att en viss nivå har nåtts och inte ytterligare. Dessutom kan utvecklingen också ha ett förutbestämt eller ett rörligt och/eller villkorat golv. Detta innebär att Värdepappersinnehavare kommer att ha en minsta avkastningspotential ("Golv") och kommer endast negativt att delta i eventuella kursnedgångar (eller öknings) i de(n) Underliggande till dess att en viss nivå har nåtts och inte mer.</p>
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		<p><u>Barriärer</u> Produkter kan ha barriärer som aktiveras så snart vissa villkor är uppfyllda. Vanligtvis representerar dessa barriärer vissa nivåer som ska nås av de(n) Underliggande vid vissa observationsdagar.</p> <p>Barriärer kan antingen utlösas av att Underliggande, utvecklingar eller andra mätbara värden når förutbestämda värden. Vissa barriärer utlösas endast om mer än ett värde möts.</p> <p>Barriärer kan definieras antingen för att observera endast vissa datum eller fortlöpande.</p> <p>Barriärer leder antingen till avlägsnande (Kick-out) eller tillägg (Kick-in) av vissa egenskaper hos Värdepapperen. Funktioner som läggs till eller tas bort är exempelvis kuponger, deltagande eller Underliggande.</p> <p><u>Inlåsnings och Slutlig Inlåsnings</u> De relevanta Produktvillkoren kan föreskriva ett "Inlåsnings"-villkor, vilket betyder att vissa belopp eller utvecklingar, enligt vad som anges i Produktvillkoren, kommer, i händelse av att det inträffar en förutbestämd inlåsningshändelse, att bli "inlåsta", dvs. fixerad, ställd åt sidan eller annars ekonomiskt bevarad, enligt vad som anges i Produktvillkoren. I den utsträckning och under de villkor som är tillämpliga på de övriga villkoren som beskrivs i detta avsnitt 13 av Grundprospektet och som ytterligare specificeras i Produktvillkoren, deltar Värdepappersinnehavare fortfarande i den framtida utvecklingen för den Underliggande, eller, som fallet kan vara, Korgkomponenterna.</p> <p>Om de relevanta Produktvillkoren anger att ett "Slutligt Inlåsnings"-villkor är tillämpligt, kommer vissa belopp eller utvecklingar, enligt vad som anges i Produktvillkoren, i händelse av att det inträffar en förutbestämd inlåsningshändelse att bli "inlåsta", i en utsträckning så att deltagandet för Värdepappersinnehavarna i den framtida utvecklingen för den Underliggande eller, som fallet kan vara, Korgkomponenterna, begränsas eller rentav exkluderas.</p> <p><u>Funktion för Automatiskt Avslut</u> Om de relevanta Produktvillkoren anger att Funktionen för Automatiskt Avslut är tillämplig, kan Värdepapperen avslutas och lösas in i förtid vid inträffande av en händelse för automatiskt avslut (inklusive, men inte begränsat till, en Händelse för Stop-Loss eller Händelse för Knock-Out).</p> <p><u>Investeringsstrategier</u> Utveckling kan definieras som den hypotetiska utvecklingen av en särskild, på förhand definierad, investeringsstrategi. Det kan till exempel vara en strategi att endast investera i den Underliggande på särskilda förutbestämda datum. Ett annat exempel kan vara en strategi att investera i den Underliggande beroende på dess realiserade volatilitet, utveckling, momentum eller andra metriska värden hos den Underliggandes nivå över produktens livslängd.</p> <p><u>Nedgångsinriktad/Uppgångsinriktad/Variabel Deltagandegrad</u> Deltagandegrad är vanligtvis proportionell med en särskild grad (vilken i sig själv kan vara beroende av särskilda förutbestämda villkor, till exempel utvecklingen av en eller flera Underliggande) och kan vara negativ eller positiv.</p> <p><u>Valutakonvertering</u> Värdepappersinnehavarens rätt som finns i Värdepapperen kan bestämmas på basis av en valuta annan än Inlösenvalutan, valutaenhet eller beräkningsenhet, och även värdet av den Underliggande eller, så som fallet kan vara, Korgkomponenterna kan bestämmas i sådan valuta annan än</p>
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		<p>Inlösenvalutan, valutaenhet eller beräkningsenhet. Valutakursen som ska användas för att bestämma Inlösenbeloppet kan antingen vara förutbestämd (quanto funktion) eller variabel.</p> <p><u>Kuponger/Räntebelopp/Andra Likvider</u> Om de relevanta Produktvillkoren anger att ovillkorad Kupong, Räntebelopp eller annan likvid är tillämplig, så är Värdepappersinnehavaren berättigad att ta emot betalning i form av den relevanta Kupongen, Räntebeloppet eller annan likvid, enligt vad som i de tillämpliga Produktvillkoren.</p> <p>Om de relevanta Produktvillkoren anger att villkorad Kupong, Räntebelopp eller annan likvid är tillämplig, är Värdepappersinnehavaren berättigad att ta emot betalning i form av den relevanta Kupongen, Räntebeloppet eller annan likvid förutsatt att villkoren uppfylls. Om, i fall av en villkorad Kupong, Räntebelopp eller annan likvid, dessa krav inte är uppfyllda, så utbetalas ingen Kupong, Räntebelopp eller annan likvid.</p> <p>Under dessas löptid kan produkter därför generera regelbunden inkomst. Emellertid genererar de flesta produkter inte ovillkorad inkomst, till exempel utdelning eller ränta.</p> <p><u>Kapitalskydd</u> Endast om produkttegenskapen "Kapitalskydd" anges som tillämplig i de relevanta Produktvillkoren motsvarar Avvecklingsbeloppet, i varje fall, åtminstone det kapitalskyddade Minimibeloppet.</p> <p><u>Maximalt Belopp</u> Om produkttegenskapen "Maximalt Belopp" anges som tillämplig i de relevanta Produktvillkoren, är taket för Avvecklingsbeloppet satt till det Maximala Beloppet.</p> <p><u>Fysisk eller Kontantavveckling</u> Endast om produkttegenskapen "Fysisk Avveckling" anges som tillämplig i de relevanta Produktvillkoren, kan produkten eventuellt avvecklas fysiskt. Annars sker avveckling genom kontant betalning. Avvecklingen kan bero på utvecklingen för de(n) Underliggande.</p> <p><u>Generell Rätt till Förtida Inlösen</u> Emittenten och Värdepappersinnehavarna kommer endast att ha en generell rätt till förtida inlösen avseende Värdepapperen före Förfalldagen om detta anges i de tillämpliga Produktvillkoren.</p> <p><i>Emittentens Rätt till Förtida Inlösen</i> Om så anges i de tillämpliga Produktvillkoren har Emittenten en rätt att begära Värdepapperen inlösta i förtid genom att lämna meddelande om detta på vissa förutbestämda datum. Inlösenvärdet kan antingen vara förutbestämt eller beroende av nivån för de(n) Underliggande, vissa datum eller andra parametrar.</p> <p><i>Värdepappersinnehavarnas Rätt till Förtida Inlösen</i> Om så anges i de tillämpliga Produktvillkoren har Värdepappersinnehavaren rätt att begära Värdepapperen inlösta i förtid. Inlösenvärdet kan antingen vara förutbestämt eller beroende av nivån för de(n) Underliggande, vissa datum eller andra parametrar.</p>
C.16	Utlöpande- eller förfalldag, utövandedag eller slutlig referensdag.	Förfalldag: (i) vid fall av inlösen av Värdepapperen i enlighet med § 1 i Villkoren för Värdepapperen, den 3 augusti 2023 (eller, om denna dag inte är en Affärsdag, den

		<p>omedelbart efterföljande Affärsdagen), under förutsättning att fram till denna dag en potentiell investerare skulle ha mottagit full betalning från avvecklingen av Fondandelarna, om den potentiella investeraren hade, genom givande av meddelande i lämplig tid i förväg, begärt inlösen på den Slutliga Genomsnittliga Värderingsdagen (om det är en försening i den potentiella investerarens mottagande av full betalning från avvecklingen av Fondandelarna, kommer sådan dag att uppskjutas i enlighet därmed), och</p> <p>(ii) i fall av Emittentens uppsägning i enlighet med § 8 i Villkoren för Värdepapperen, den 10e (tionde) Affärsdagen efter Utlöpandedagen, under förutsättning att fram till denna dag den potentiella investeraren skulle ha mottagit full betalning från avvecklingen av Fondandelarna, om den potentiella investeraren hade, genom givande av meddelande i lämplig tid i förväg, begärt inlösen på Utlöpandedagen (om det är en försening i den potentiella investerarens mottagande av full betalning från avvecklingen av Fondandelarna, kommer sådan dag att uppskjutas i enlighet därmed).</p> <p>Utlöpandedag: Utlöpandedagen innebär den Slutliga Värderingsdagen (som förväntas bli den 20 juli 2023).</p> <p>Om sådan dag inte är en Affärsdag för Korg ska den omedelbart efterföljande Affärsdagen för Korg vara Utlöpandedag.</p> <p>Genomsnittliga Värderingsdagar:</p> <ol style="list-style-type: none"> 1) Genomsnittlig Värderingsdag_(i=1): 20 juli 2021; 2) Genomsnittlig Värderingsdag_(i=2): 20 augusti 2021; 3) Genomsnittlig Värderingsdag_(i=3): 20 september 2021; 4) Genomsnittlig Värderingsdag_(i=4): 20 oktober 2021; 5) Genomsnittlig Värderingsdag_(i=5): 20 november 2021; 6) Genomsnittlig Värderingsdag_(i=6): 20 december 2021; 7) Genomsnittlig Värderingsdag_(i=7): 20 januari 2022; 8) Genomsnittlig Värderingsdag_(i=8): 20 februari 2022; 9) Genomsnittlig Värderingsdag_(i=9): 	
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		<p>20 mars 2022;</p> <p>10) Genomsnittlig Värderingsdag_(i=10): 20 april 2022;</p> <p>11) Genomsnittlig Värderingsdag_(i=11): 20 maj 2022;</p> <p>12) Genomsnittlig Värderingsdag_(i=12): 20 juni 2022;</p> <p>13) Genomsnittlig Värderingsdag_(i=13): 20 juli 2022;</p> <p>14) Genomsnittlig Värderingsdag_(i=14): 20 augusti 2022;</p> <p>15) Genomsnittlig Värderingsdag_(i=15): 20 september 2022;</p> <p>16) Genomsnittlig Värderingsdag_(i=16): 20 oktober 2022;</p> <p>17) Genomsnittlig Värderingsdag_(i=17): 20 november 2022;</p> <p>18) Genomsnittlig Värderingsdag_(i=18): 20 december 2022;</p> <p>19) Genomsnittlig Värderingsdag_(i=19): 20 januari 2023;</p> <p>20) Genomsnittlig Värderingsdag_(i=20): 20 februari 2023;</p> <p>21) Genomsnittlig Värderingsdag_(i=21): 20 mars 2023;</p> <p>22) Genomsnittlig Värderingsdag_(i=22): 20 april 2023;</p> <p>23) Genomsnittlig Värderingsdag_(i=23): 20 maj 2023;</p> <p>24) Genomsnittlig Värderingsdag_(i=24): 20 juni 2023; och</p> <p>25) Genomsnittlig Värderingsdag_(i=25): 20 juli 2023 (även den "Slutliga Genomsnittliga Värderingsdagen")</p> <p>Begreppet "Genomsnittlig Värderingsdag" hänvisar även till samtliga Genomsnittliga Värderingsdagar_(i=1) till _(i=25).</p> <p>Om en av dessa dagar inte är en Affärsdag för Korg ska den omedelbart efterföljande Affärsdagen för Korg vara den relevanta Genomsnittliga Värderingsdagen.</p>
C.17	Avvecklings- förfarande för de derivat-	Betalningar ska, i alla fall som är föremål för någon form av tillämpliga skatte- eller andra lagar och regler på platsen för betalningen eller andra lagar och regler för vilka Emittenten gått med på att bli föremål för, göras i

	värdepapper.	enlighet med de relevanta reglerna och operationella förfarandena som är tillämpliga på och/eller utfärdade av Clearingsystemet (" CA Reglerna ") för det relevanta Clearingsystemet eller den relevanta mellanmannen eller för dess order för kreditering på kontona för de relevanta kontoinnehavarna hos Clearingsystemet eller den relevanta mellanmannen. Emittenten ska anses ha fullgjort dess inlösenförpliktelser eller varje annan betalnings- eller annan förpliktelse under Villkoren för Värdepapperen vid leverans till Clearingsystemet på det sätt som beskrivs ovan.
C.18	En beskrivning av hur avkastningen på derivatvärdepapper äger rum.	Värdepappersinnehavare kommer på den relevanta Förfallodagen erhålla betalning i form av Inlösenbeloppet.
C.19	Utövandekurs eller slutlig referenskurs för den underliggande.	Referenskurs: " Portföljvärde_(slutligt) " betyder, med förbehåll för Marknadsavbrott (§ 11 i dessa Villkor), det aritmetiska genomsnittet av Portföljvärdet _(t) på de Genomsnittliga Värderingsdagarna.
C.20	Typ av underliggande och var informationen om underliggande kan finnas.	Typ av Underliggande: Korg av icke-börshandlade fondandelar Information om den tidigare och kommande värdeutvecklingen på de Underliggande och deras volatilitet kan erhållas avseende Korgkomponenten _(i=1) från www.carmignac.com ; avseende Korgkomponenten _(i=2) från http://www.bloomberg.com/quote/ETAKTVE:LX ; och avseende Korgkomponent _(i=3) från www.mandg.com .

Punkt	Avsnitt D – Risker	
D.2	Nyckelinformation om väsentliga risker som är specifika och individuella för Emittenten.	<p>Värdepapperen medför emittentrisk, även kallad gäldenärsrisk eller kreditrisk för potentiella investerare. En emittentrisk är risken att UBS AG tillfälligt eller varaktigt blir oförmögen att fullgöra dess förpliktelser under Värdepapperen.</p> <p>Generell risk för insolvens Varje Värdepappersinnehavare bär den generella risken att den finansiella situationen för Emittenten kan försämrats. Värdepapperen utgör direkta, icke säkerställda och icke efterställda förpliktelser för Emittenten och förpliktelserna kommer vid Emittentens insolvens att rangordnas lika med samtliga andra nuvarande och framtida icke säkerställda och icke efterställda förpliktelser för Emittenten, med undantag för de förpliktelser som har förmånsrätt enligt tvingande lagregler. Emittentens förpliktelser under Värdepapperen garanteras inte av något system av insättningsgarantier eller kompensationsplaner. Om Emittenten blir insolvent kan följaktligen Värdepappersinnehavare lida en total förlust av sina investeringar i Värdepapperen.</p> <p>UBS AG som Emittent och UBS är utsatta för olika riskfaktorer i sin affärsverksamhet. Sammanfattade nedan är riskerna som kan påverka Koncernens förmåga att verkställa sin strategi och påverka dess affärsverksamhet, finansiella ställning, verksamhetsresultat och utsikter, som Koncernen anser är väsentliga och för närvarande är medveten om:</p> <ul style="list-style-type: none"> • Den 15 januari 2015 avbröt den schweiziska centralbanken ("SNB")

		<p>den lägsta målsättningsväxelkursen för den schweiziska francen mot euron, vilken hade funnits på plats sedan september 2011. Vid samma tidpunkt sänkte SNB räntesatsen på saldon på insättningskonton hos SNB som överstiger en viss undantagströskel med 50 baspunkter till negativa 0,75%. Den flyttade också målsättningsintervallet för tremånaders LIBOR till mellan negativa 1,25% och negativa 0,25% (tidigare negativa 0,75% till positiva 0,25%). Dessa beslut resulterade i en betydande stärkning av den schweiziska francen mot euron, US dollar, brittiska pund, japanska yen och flera andra valutor, liksom även en sänkning av räntesatser i schweiziska franc. Den långsiktiga kursen för den schweiziska francen mot dessa andra valutor är inte säker, inte heller är den framtida riktningen för räntesatser i den schweiziska francen. Flera andra centralbanker har på liknande sätt antagit policys om negativ ränta. Fluktuationer i valutakurser och fortsatt låga eller negativa räntesatser kan ha en mycket negativ inverkan på UBS Koncernens kapitalstyrka, UBS Koncernens likviditets- och finansieringsposition och UBS Koncernens lönsamhet.</p> <ul style="list-style-type: none"> • Regulatoriska och juridiska förändringar kan negativt inverka på UBS verksamhet och förmåga att genomföra dess strategiska planer. De planerade och potentiella regulatoriska och lagstiftningsmässiga utvecklingarna i Schweiz och i andra jurisdiktioner där UBS bedriver verksamhet kan ha väsentlig negativ inverkan på UBS förmåga att genomföra dess strategiska planer, på lönsamheten eller livskraften för vissa verksamhetsområden globalt eller i särskilda jurisdiktioner och, i vissa fall, på UBS förmåga att konkurrera med andra finansiella institutioner. Utvecklingarna har varit och kommer sannolikt att fortsätta att vara kostsamma att implementera och kan också ha en negativ inverkan på UBS juridiska struktur och affärsmodell, potentiellt genereras kapitalineffektiviteter och påverka UBS lönsamhet. Osäkerheten relaterad till eller verkställandet av juridiska och regulatoriska förändringar kan ha en negativ inverkan på UBS relationer med kunder och dess framgång i att attrahera kundaffärer. • UBS kapitalstyrka är viktig för att stödja dess strategi, kunderbidande och konkurrensmässiga position. Varje ökning i riskvägda tillgångar eller en reducering i kvalificerande kapital skulle kunna väsentligt reducera UBS kapitalrelationer. Vidare, UBS är underkastad ett krav på lägsta hävstångsrelation för schweiziska systemrelevanta banker ("SRB"), vilket under vissa omständigheter skulle kunna begränsa UBS affärsverksamheter även om UBS möter övriga riskbaserade kapitalkrav. • UBS kanske inte är framgångsrik i sina tillkännagivna strategiska planer eller dess planer kan bli försenade eller marknadshändelser kan negativt inverka på genomförandet av planen eller effekterna av dess planer kan skilja sig från de avsedda. UBS är också exponerad mot potentiell utflöde av klienttillgångar inom dess tillgångssamlade verksamheter och mot förändringar som påverkar lönsamheten inom dess affärsområde Wealth Management och kanske inte är framgångsrik i att genomföra förändringar inom dess verksamheter för att möta ändrade marknads-, regulatoriska eller andra förhållanden. • Väsentliga juridiska och regulatoriska risker uppkommer vid driften av UBS verksamhet. UBS är föremål för ett stort antal krav, tvister, rättsliga förfaranden och statliga undersökningar och förväntar sig att dess pågående affärsverksamheter kommer att fortsätta att ge upphov till sådana saker i framtiden. Omfattningen av UBS finansiella exponering mot dessa och andra saker är väsentlig och kan i betydande mån överstiga nivån av de reserveringar UBS har etablerat för rättegångar, regulatoriska förfaranden och liknande aspekter. Rättegångar, regulatoriska och liknande förfaranden kan också resultera i icke-
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		<p>monetära straff och konsekvenser. Lösningen på regulatoriska förfaranden kan kräva att UBS erhåller undantag för regulatoriska avvikelser för att upprätthålla vissa verksamheter, kan berättiga regulatoriska myndigheter att begränsa, temporärt stänga ner eller avsluta tillstånd och regulatoriska godkännanden och kan tillåta att finansiella marknadsfunktioner att begränsa, temporärt stänga ner eller avsluta UBS deltagande inom sådana funktioner. Misslyckande att erhålla sådana undantag, eller varje begränsning, temporär nedstängning eller avslutande av tillstånd, godkännanden eller deltaganden, skulle kunna ha väsentliga konsekvenser för UBS.</p> <ul style="list-style-type: none"> • Operationella risker, inklusive de som härrör från processfel, misslyckat utförande, obehörig handel, bedrägeri, systemfel, finansiell brottslighet, cyber-attacker, informationsintrång och misslyckanden inom säkerhet och fysiskt skydd, kan påverka UBS verksamhet. Om UBS interna kontroller misslyckas eller visar sig vara otillräckliga vad gäller identifiering och hantering av dessa risker, skulle UBS kunna drabbas av operationella misslyckanden som kan resultera i väsentliga förluster. • UBS rykte är kritiskt för framgången för dess verksamhet. Renommeskada kan ha grundläggande negativ inverkan på UBS verksamhet och framtidsutsikter och ha väsentlig negativ inverkan på UBS verksamhetsresultat och finansiella omständigheter och på UBS förmåga att uppnå dess strategiska mål och finansiella mål. Renommeskada är svårt att reversera och förbättringar tenderar att vara långsamma och svåra att mäta. • Utveckling inom den finansiella tjänsteindustrin påverkas av marknadsförhållanden och det markoekonomiska klimatet. En ekonomisk nedgång, fortsatt låga marknadsräntor eller svag eller stagnerande ekonomisk tillväxt på UBS kärnmarknader eller en allvarlig finansiell kris kan negativt inverka på UBS intäkter och ytterst dess kapitalbas. • UBS innehar äldre positioner och andra riskpositioner, inklusive positioner hänförliga till fast egendom i olika länder som kan påverkas negativt av marknadsförhållanden. Dessutom äldre riskpositioner kan vara svåra att likvidera eftersom den fortsatta bristande likviditeten och komplexiteten för många av dessa kan göra det svårt att sälja eller på annat sätt gå ur dessa positioner. • UBS globala närvaro utsätter den för risk från valutafluktuationer, vilket har inverkan på UBS rapporterade intäkter och utgifter och andra rapporterade siffror såsom annan inkomst, investerade tillgångar, tillgångar på balansräkningen, riskvägda tillgångar och primärkapital enligt Basel III. Dessa effekter kan negativt inverka på UBS intäkter, balansräkning, kapital- och likviditetsrelationer. • UBS är beroende av dess riskhantering- och kontrollprocesser för att undvika eller begränsa potentiella förluster inom dess motpartscredits- och handelsverksamheter och skulle kunna drabbas av förluster om, till exempel, den inte till fullo identifierar riskerna inom dess portfölj eller om dess bedömning av riskerna som identifierats eller dess svar på negativa trender visar sig ske vid fel tidpunkt, olämpliga, otillräckliga eller felaktiga. • Värderingar av vissa positioner förlitar sig på modeller; modeller har inneboende begränsningar och kan använda ingångsvärden som inte har någon observerbar källa; andra antaganden och ingångsvärden skulle generera andra resultat och dessa skillnader skulle kunna ha en betydande inverkan på UBS finansiella resultat.
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		<ul style="list-style-type: none"> • Likviditets- och finansieringsförvaltning är kritiskt för UBS pågående verksamhet. Volymen för UBS finansieringskällor eller tillgången till finansiering av de slag som krävs, kan förändras på grund av, bland annat, allmänna marknadsstörningar, ökade kreditspreadar, striktare kapital-, likviditets- och finansieringskrav eller nedvärderingar av UBS kreditvärdighetsbetyg, vilket även kan inverka på kostnaden för finansiering. • UBS kan vara oförmögen att identifiera eller tillvarata intäkter eller konkurrensmässiga möjligheter eller att behålla och attrahera kvalificerade anställda. UBS konkurrensmässiga styrka och marknadsställning skulle kunna eroderas om UBS är oförmögen att identifiera marknadstrender och utvecklingar, inte svarar på dessa genom att ta fram och genomföra lämpliga affärsstrategier, på lämpligt sätt ta fram eller uppdatera teknologi, särskilt inom handelsverksamheterna eller är oförmögen att attrahera eller behålla de kvalificerade personer som behövs för att utföra dessa. • UBS finansiella resultat kan påverkas negativt av förändringar inom redovisningsstandarder. Förändringar i IFRS eller tolkningar därav kan föranleda att UBS framtida rapporterade resultat och finansiella position skiljer sig från de som tidigare rapporterats på grund av införandet av redovisningsstandarder på retroaktiv basis. Sådana förändringar kan också påverka UBS regulatoriska kapital och relationer. • UBS finansiella resultat kan påverkas negativt av förändringar i antaganden för värderingen av dess goodwill. Om antaganden under framtida perioder skiljer sig från de nuvarande utsikterna, kan värdet av UBS goodwill försämras, vilket ger upphov till förluster över resultaträkningen. • Inverkan av skatter på UBS finansiella resultat påverkas i väsentlig mån av omvärderingar av dess uppskjutna skattefordringar. UBS effektiva skattekostnad på helårsbasis skulle kunna förändras väsentligt på basis av sådana omvärderingar. • Koncernens angivna mål för avkastning från kapital baseras, delvis, på kapitalrelationer som är föremål för regulatoriska förändringar och kan fluktuera i betydande mån. UBS har beslutat att återföra åtminstone 50% av dess nettovinst till aktieägare som avkastning från kapital, förutsatt att dess fullt tillämpade primärkapitalrelation är minst 13% och dess fullt tillämpade primärkapitalrelation vid stresstest är minst 10%. Men Koncernens förmåga att upprätthålla en fullt tillämpad primärkapitalrelation om minst 13% är underkastad ett flertal risker, inklusive resultatet från Koncernens verksamhet, förändringar i kapitalstandarder, metodologier och tolkningar som kan negativt inverka på Koncernens beräknade fullt tillämpade primärkapitalrelation, påförande av att risktillägg, eller ytterligare kapitalkrav såsom ytterligare kapitalbuffertar. Vidare, förändringar i metodologin, antaganden, stressscenarier och andra faktorer kan resultera i väsentliga skillnader i UBS fullt tillämpade primärkapitalrelation vid stresstest. • UBS AG:s rörelseresultat, finansiella ställning och förmåga att betala sina förpliktelser i framtiden, kan påverkas av finansiering, utdelning och andra överföringar erhållna från UBS Switzerland AG eller varje annat direktägt dotterföretag, vilket kan vara föremål för begränsningar. Förmågan hos sådana dotterföretag att lämna lån eller överföringar (direkt eller indirekt) till UBS AG kan vara begränsad som en konsekvens av flera faktorer, inklusive restriktioner i finansieringsavtal och krav enligt tillämplig rätt samt regulatoriska och skattemässiga eller andra begränsningar. Begränsningar och
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		<p>regulatoriska åtgärder av detta slag kan försämra tillgången till medel som UBS Koncernen behöver för att göra betalningar. Vidare, UBS AG kan garantera betalningsförpliktelserna för vissa av sina dotterföretag från tid till annan. Dessutom, i samband med överföringen av verksamheterna inom Retail & Corporate och Wealth Management som bokförs i Schweiz från UBS AG till UBS Switzerland AG, vilken fick verkan i juni 2015, under schweizisk rätt (<i>Swiss Merger Act</i>) är UBS AG solidariskt ansvarigt för förpliktelser som existerade vid dagen för tillgångsöverföringen och vilka har överförts till UBS Switzerland AG. Dessa garantier kan kräva att UBS AG tillhandahåller betydande medel eller tillgångar till dotterföretag eller dessas borgenärer eller motparter vid en tidpunkt när UBS AG är i behov av likviditet för att finansiera sina egna förpliktelser.</p> <p>Men eftersom verksamheten i en brett baserat internationellt finansiellt tjänsteföretag, som UBS, till sin inneboende natur är exponerad mot risker som blir uppenbara endast i efterhand, kan risker som UBS inte för närvarande är medvetet om eller som det för närvarande inte betraktar som väsentliga, också påverka dess förmåga att verkställa sin strategi och kan påverka dess affärsverksamhet, finansiella ställning, verksamhetsresultat och utsikter.</p>
<p>D.3</p>	<p>Nyckelinformation om risker som är specifika och individuella för värdepapperen.</p>	<p>Potentiella investerare i Värdepapperen ska vara medvetna om att Värdepapperen utgör en riskfylld investering som kan leda till total förlust av deras investering i Värdepapperen. Värdepappersinnehavare kommer att vidkännas en förlust, om de belopp som erhålls i enlighet med Villkoren för Värdepapperen är lägre än förvävspriset (inklusive transaktionskostnader). Investerare bär risken för att Emittentens finansiella situation försämras och potentiellt medför oförmåga för Emittenten att fullgöra sina förpliktelser under Värdepapperen. Potentiella investerare måste därför vara förberedda på och i stånd att klara av en partiell eller till och med en total förlust av investerat kapital. Investerare som är intresserade av att köpa Värdepapper måste bedöma sin finansiella situation, för att tillförsäkra sig om att de är i en situation där de klarar av de risker för förluster som Värdepapperen innebär.</p> <p><u>Särskilda risker relaterade till specifika egenskaper hos Värdepapperets struktur</u></p> <p>Potentiella investerare ska vara medvetna om att den del av Inlösenbeloppet som erlaggas i enlighet med de Allmänna Villkoren för Värdepapperen är beroende av utvecklingen på den Underliggande. I fall av ogynnsam utveckling av priset på Korgkomponenterna, kan det belopp som erhålls från Värdepapperen vara lägre än vad investerarna förväntat sig och kan till och med vara lika med noll. I sådana fall kommer Värdepappersinnehavarna ådra sig en total förlust av sina investeringar (inklusive eventuella transaktionskostnader).</p> <p>Potentiella investerare ska vara medvetna om att tillämpningen av Deltagandegrad vid bestämmandet av Värdepappersrätten resulterar i att Värdepapperen i ekonomisk mening liknar en direktinvestering i Korgkomponenterna, men innebär trots det inte att investeringen är helt jämställd med en sådan direktinvestering, i synnerhet på grund av att Värdepappersinnehavarna inte deltar i den aktuella utvecklingen av Korgkomponenterna med ett förhållande om 1:1, utan med den proportion som ges av Deltagandegraden.</p> <p>Potentiella investerare ska vara medvetna om att Värdepappersinnehavare inte har en avecklingsrätt och att Värdepapperen, följaktligen, inte kan avvecklas av Värdepappersinnehavaren under sin löptid. Innan Värdepapperen förfaller är realisation av Värdepapperens ekonomiska värde</p>

		<p>(eller delar därav), om inte Värdepapperen har varit föremål för förtida återbetalning och avveckling av Emittenten i enlighet med de Allmänna Villkoren till Värdepapperen eller, om så är angivet i de relevanta Slutliga Villkoren, en avveckling av Värdepapperen av Värdepappersinnehavaren i enlighet med de Allmänna Villkoren till Värdepapperen, endast möjlig genom att sälja Värdepapperen.</p> <p>Försäljning av Värdepapperen förutsätter att marknadsaktörer är villiga att förvärva Värdepapperen till ett visst pris. Om inga marknadsaktörer är tillgängliga, kan värdet av Värdepapperen inte realiseras. Utgivandet av Värdepapperen resulterar inte i en förpliktelse för Emittenten gentemot Värdepappersinnehavarna att kompensera för detta eller att återköpa Värdepapperen.</p> <p>Potentiella investerare ska vara medvetna om att priset på Korgkomponenterna är bestämt i en annan valuta än Återbetalningsvalutan, så kallad underliggande valuta. Det relevanta priset på Korgkomponenterna som används för beräkning av belopp som ska betalas under Värdepapperen uttrycks i Återbetalningsvalutan utan någon hänsyn till växlingskursen mellan den underliggande valutan för Korgkomponenterna, och Återbetalningsvalutan (så kallad "quanto"-egenskap). Detta medför att den relativa skillnaden mellan den faktiska räntan i förhållande till den Underliggande Valutan och den faktiska räntan i förhållande till Återbetalningsvalutan kan ha en negativ påverkan på värdet av Värdepapperen.</p> <p><u>Generella risker avseende Värdepapperen</u></p> <p><i>Inverkan av nedvärdering av Emittentens kreditvärdighetsbetyg</i> Den allmänna uppfattningen om Emittentens kreditvärdighet kan påverka värdet för Värdepapperen. Som en konsekvens kan varje nedvärdering av Emittentens kreditvärdighetsbetyg ha en negativ inverkan på värdet för Värdepapperen.</p> <p><i>Kreditvärdighetsbetyg är inte rekommendationer</i> Kreditvärdighetsbetygen för UBS AG som Emittent bör utvärderas separat från liknande kreditvärdighetsbetyg för andra enheter och från kreditvärdighetsbetyget, om något, tilldelat emitterade skuld- eller derivatvärdepapperen. Ett kreditvärdighetsbetyg är inte en rekommendation att köpa, sälja eller inneha värdepapper emitterade eller garanterade av enheten för kreditvärdighetsbetyget och kan bli föremål för granskning, ändring, tillfälligt indragande, sänkning eller återkallande när som helst utav det tilldelande kreditvärderingsinstitutet.</p> <p>Ett kreditvärdighetsbetyg för Värdepapperen, om något, är inte en rekommendation att köpa, sälja eller inneha Värdepapperen och kan bli föremål för ändring eller återkallande när som helst utav det relevanta kreditvärderingsinstitutet. Varje kreditvärdighetsbetyg bör utvärderas separat från andra kreditvärdighetsbetyg för värdepapper, både avseende kreditvärderingsinstitutet och typen av värdepapper. Vidare, kreditvärderingsinstitut som inte har anlitats av Emittenten eller annars för att värdera Värdepapperen kan försöka att värdera Värdepapperen och, om sådana icke efterfrågade kreditvärdighetsbetyg är lägre än det motsvarande kreditvärdighetsbetyget tilldelat Värdepapperen av det relevanta anlitade kreditvärderingsinstitutet, så kan sådana kreditvärdighetsbetyg ha en negativ inverkan på Värdepapperens värde.</p> <p><i>Värdepappersinnehavare är exponerade mot risken för skuldnedskrivning</i> Emittenten och Värdepapperen är föremål för den schweiziska banklagen och den schweiziska finansiella tillsynsmyndighetens ("FINMA") förordning</p>
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		<p>om insolvens hos banker som ger FINMA makt i egenskap av behörig myndighet att i särskilda fall tillämpa vissa resolutionsverktyg mot kreditinstitutioner. Dessa åtgärder inkluderar särskilt nedskrivningen eller omvandlingen av värdepapper till aktiekapital för sådan kreditinstitution (så kallad skuldnedskrivning). En nedskrivning eller en konvertering skulle ha konsekvensen att Emittenten skulle bli befriad från dess skyldigheter under Värdepapperen. Värdepappersinnehavare skulle inte ha några ytterligare krav på Emittenten under Värdepapperen. Resolutionsverktygen kan därför ha en omfattande negativ påverkan på Värdepappersinnehavares rättigheter genom att avstänga, modifiera och helt eller delvis upphäva krav under Värdepapperen. I värsta fall kan detta leda till en total förlust av Värdepappersinnehavares investeringar i Värdepapperen.</p> <p>Sådana juridiska bestämmelser och/eller näringsrättsliga åtgärder kan allvarligt påverka Värdepappersinnehavares rättigheter och kan ha en negativ påverkan på värdet av Värdepapperen redan innan någon ekonomisk brist uppstår eller resolution sker i förhållande till Emittenten.</p> <p><i>Villkoren för Värdepapperen innehåller inte några begränsningar för Emittentens eller UBS förmåga att omorganisera sin verksamhet</i></p> <p>Villkoren för Värdepapperen innehåller inte några begränsningar avseende förändrad ägarkontroll eller strukturella förändringar, såsom sammanslagningar eller fusioner eller avyttranden avseende Emittenten eller försäljningen, överlåtelsen, avknoppningen, tillskjutandet, utdelningen, överföringen eller annan disposition avseende all eller någon del av Emittentens eller dess dotterföretags fastigheter eller tillgångar i samband med de tillkännagivna ändringarna avseende dess juridiska struktur eller annars och ingen uppsägningsgrundande händelse, skyldighet att återköpa Värdepapperen eller någon annan händelse kommer att aktiveras under Villkoren för Värdepapperen som en följd av sådana ändringar. Det kan inte lämnas någon försäkran att, skulle dessa inträffa, dessa inte kommer att ha en negativ inverkan på kreditvärdighetsbetygen för Emittenten och/eller öka sannolikheten för inträffande av en uppsägningsgrundande händelse. Sådana ändringar, skulle dessa inträffa, kan negativt påverka Emittentens förmåga att erlagga ränta avseende Värdepapperen och/eller leda till omständighet där Emittenten kan välja att annullera sådan ränta (om tillämpligt).</p> <p><i>Avslutande och Förtida Inlösen efter Emittentens val</i></p> <p>Potentiella investerare i Värdepapperen ska vidare vara medvetna om att Emittenten, enligt Villkoren för Värdepapperen, under vissa omständigheter, är berättigad att avsluta och lösa in Värdepapperen i dessas helhet före den planerade Förfallodagen. I sådant fall är Värdepappersinnehavaren berättigad att begära betalning av ett inlösenbelopp avseende denna förtida inlösen. Men Värdepappersinnehavaren är inte berättigad att begära ytterligare betalningar avseende Värdepapperen efter den relevanta dagen för avslutande. Vidare, det Avslutsbeloppet, om något, som ska erläggas i händelse av en förtida inlösen av Värdepapperen av Emittenten kan vara markant lägre än det belopp som skulle ha förfallit till betalning vid det planerade slutet av löptiden för Värdepapperen.</p> <p>Värdepappersinnehavaren bär därför risken att inte ta del av utveckling av Korgkomponenterna, i förväntad omfattning och under den förväntade perioden.</p> <p>Om Emittenten löser in Värdepapperen bär Värdepappersinnehavaren en återinvesteringsrisk, dvs. investeraren bär risken att investeraren måste återinvestera Avslutsbeloppet, om något, som utbetalas av Emittenten vid inlösen till rådande marknadsförhållanden, som kan vara mindre förmånliga än de som rådde vid tidpunkten då Värdepapperen förvärvades.</p>
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	<p>Negativ inverkan av justering av Värdepapperens rättigheter Det finns en risk att vissa omständigheter inträffar eller särskilda åtgärder vidtas (av annan part än Emittenten) i förhållande till Korgkomponenterna, vilket potentiellt kan medföra förändringar av Korgkomponenterna, eller resultera i att det underliggande konceptet för Korgkomponenterna förändras, så kallade Potentiella Justeringshändelser. Om en Potentiell Justeringshändelse inträffar, ska Emittenten vara berättigad att vida justeringar i enlighet med Villkoren för Värdepapperen för att beakta dessa händelser eller åtgärder. Dessa justeringar kan medföra en negativ inverkan på Värdepapperens värde.</p> <p>Substitution av Emittenten Förutsatt att Emittenten inte underlåter att infria sina skyldigheter under Värdepapperen, är Emittenten i enlighet med de Allmänna Villkoren till Värdepapperen, när som helst berättigad, utan Värdepappersinnehavarnas samtycke, att substituera in ett annat bolag inom UBS-Koncernen som Emittent ("Substituerande Emittent") med hänsyn till alla skyldigheter under eller med koppling till Värdepapperen.</p> <p>Detta kan påverka notering av Värdepapperen och, i synnerhet, kan det vara nödvändigt för den Substituerande Emittenten att ansöka på nytt om notering på den relevanta marknad eller börs där Värdepapperen är noterade. Dessutom kommer, efter en sådan substitution, Värdepappersinnehavare vara föremål för den Substituerande Emittentens kreditrisk.</p> <p>Handel med Värdepapperen/ Illikviditet Det är inte möjligt att förutse om och i vilken utsträckning en andrahandsmarknad för Värdepapperen kan komma att utvecklas eller till vilket pris Värdepapperen kommer att handlas för på andrahandsmarknaden eller om sådan marknad är likvid eller illikvid.</p> <p>Ansökningar kommer att lämnas in eller har lämnats in till Värdepappersbörs(er) angivna för upptagande eller inregistrering av Värdepapperen. Om Värdepapperen är upptagna eller inregistrerade, finns det en risk att sådant upptagande eller inregistrering inte kommer att upprätthållas. Det faktum att Värdepapperen är upptagna till handel eller inregistrerade, betecknar inte nödvändigtvis högre likviditet än om så inte är fallet. Om Värdepapperen inte är inregistrerade eller upptagna till handel på någon börs, kan prisinformation om Värdepapperen vara svårare att erhålla och Värdepapperens likviditet, om någon, kan påverkas negativt. Värdepapperens likviditet, om någon, kan också påverkas av restriktioner för köp och försäljning av Värdepapperen i vissa jurisdiktioner. Dessutom är Emittenten berättigad (men inte förpliktad) att förvärva Värdepapper när som helst och till vilket pris som helst på den öppna marknaden eller genom erbjudande eller genom privat överenskommelse. Värdepapper förvärvade på detta sätt kan innehas eller säljas vidare eller överlämnas för annullering.</p> <p>Dessutom finns det en risk att antalet Värdepapper som faktiskt emitteras och förvärfas av investerare är färre än den avsedda Emissionsstorleken av Värdepapperen. Följaktligen finns det en risk att, på grund av den låga volymen av Värdepapper som faktiskt emitteras, likviditeten för Värdepapperen är lägre än om alla Värdepapper hade emitterats och förvärvats av investerare.</p> <p>Managern avser att, under normala marknadsförhållanden, ställa köp- och säljkurser för emitterade Värdepapper regelbundet. Managern har dock inget bindande åtagande mot Emittenten att tillföra likviditet genom köp- och säljkurser för Värdepapperen, och åtar sig inget juridiskt ansvar att ange sådana priser eller avseende nivån eller fastställandet av sådana priser.</p>
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		<p>Potentiella investerare ska därför inte förlita sig på möjligheterna att sälja Värdepapper vid någon specifik tidpunkt eller till något särskilt pris.</p> <p><i>Beskattning avseende Värdepapperen</i> Potentiella investerare ska vara medvetna om att de kan bli ålagda att betala skatter eller andra dokumentationsavgifter eller avgifter i enlighet med lagar och praxis i det land till vilket Värdepapperen överförs eller andra jurisdiktioner. I vissa jurisdiktioner kan det saknas officiella uttalanden från skattemyndigheter eller domstolsbeslut vad gäller innovativa finansiella instrument så som Värdepapperen. Potentiella investerare uppmanas att inte förlita sig till någon skattesammanfattning i Grundprospektet utan uppmanas istället att efterfråga sina egna skatterådgivare avseende sin individuella beskattning vad gäller förvärv, försäljning eller inlösen av Värdepapperen. Endast dessa rådgivare är i position att vederbörligen bedöma den specifika positionen för den potentiella investeraren.</p> <p><i>Betalningar under Värdepapperen kan bli föremål för amerikansk källskatt</i> Värdepappersinnehavare bör, följaktligen, vara medvetna om att betalningar under Värdepapperen kan, under vissa omständigheter, bli föremål för amerikansk källskatt. Om ett belopp avseende sådan amerikansk källskatt ska dras av från eller innehållas från betalningar på Värdepapperen, skulle inte någon av Emittenten, varje betalningsombud eller varje annan person enligt Villkoren för Värdepapperen, ha någon skyldighet att betala ytterligare belopp som en följd av avdraget för eller innehållandet av sådan skatt.</p> <p><i>Förändrad beskattning av Värdepapperen</i> Bedömning gällande Beskattning av Värdepapperen i Grundprospektet återspeglar Emittentens uppfattning på basis av den juridiska situationen vid dagen för Grundprospektet. Dock finns det en risk att skattemyndigheter eller skattedomstolar intar en annan position, vilket ger en annan skattemässig behandling av Värdepapperen. Varje investerare uppmanas att rådfråga sin egen skatterådgivare innan beslut om att investera i Värdepapperen fattas.</p> <p>Varken Emittenten eller Managern tar något ansvar i förhållande till Värdepappersinnehavare vad gäller skattekonsekvenser av en investering i Värdepapperen.</p> <p><i>Potentiella Intressekonflikter</i> Emittenten och dess närstående bolag kan ingå transaktioner som relaterar till Värdepapperen på ett eller annat sätt, antingen för egen räkning eller på uppdrag av en kund. Sådana transaktioner behöver inte vara gynnsamma för Värdepappersinnehavare och kan få positiv eller negativ effekt på värdet av Korgkomponenterna, och följaktligen på värdet av Värdepapperen. Vidare kan bolag som är närstående till Emittenten vara motparter i hedgningstransaktioner som relaterar till Emittentens förpliktelser som följer av Värdepapperen. Som ett resultat kan intressekonflikter uppstå mellan bolag som är närstående till Emittenten, så väl som mellan dessa bolag och investerare, med avseende på skyldigheter beträffande beräkningen av kursen för Värdepapperen och andra därmed förknippade fastställanden. Dessutom kan Emittenten och dess närstående bolag agera i andra egenskaper med avseende på Värdepapperen, såsom som beräkningsagent, betalningsagent och administrativ agent och/eller indexsponsor.</p> <p>Dessutom kan Emittenten och dess närstående bolag emittera andra derivatinstrument relaterade till den Underliggande eller, i förekommande fall, Korgkomponenterna; introduktionen av sådana konkurrerande produkter kan påverka värdet på Värdepapperen. Emittenten och dess</p>
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		<p>närstående bolag kan erhålla icke-offentlig information relaterad till Korgkomponenterna, och varken Emittenten eller någon av dess närstående åtar sig att göra denna information tillgänglig för Värdepappersinnehavarna. Dessutom kan ett eller flera av Emittentens närstående bolag publicera forskningsrapporter om Korgkomponenterna. Sådana aktiviteter kan innebära intressekonflikter och kan påverka Värdepapperens värde negativt.</p> <p>Inom ramen för erbjudandet och försäljningen av Värdepapperna, kan Emittenten eller dess närstående direkt eller indirekt betala avgifter i olika belopp till tredje parter, såsom distributörer eller investeringsrådgivare, eller motta betalning av avgifter i varierande belopp, inklusive dem som tas ut i samband med distribution av Värdepapperen, från tredje parter. Potentiella investerare ska vara medvetna om att Emittenten kan behålla avgifter helt eller delvis. Emittenten, eller i förekommande fall, Managern, kommer på begäran tillhandahålla information om dessa avgifter.</p> <p><u>Riskfaktorer relaterade till Korgkomponenterna</u></p> <p>Värdepapperen är beroende av värdet på Korgkomponenterna och risken förknippad med dessa Korgkomponenter. Värdet på Korgkomponenterna beror på flertalet faktorer som kan bli sammankopplade. Dessa kan inkludera ekonomiska, finansiella eller politiska händelser som är utom Emittentens kontroll. Den gångna utvecklingen för Korgkomponenterna skall inte ses som en indikator på den framtida utvecklingen under löptiden för Värdepapperen och Emittenten ger inte någon uttalad eller tyst garanti eller representation vad gäller framtida utveckling av Korgkomponenterna.</p> <p>Investerare ska också notera att nivån för Inlösenbeloppet beror på utvecklingen av korgen innehållande Korgkomponenterna. Som resultat av detta, kan fluktuationer i värdet av en Korgkomponent komma att sätta igång eller intensifiera fluktuationerna i värdet av andra Korgkomponenter i korgen. Till och med vid fall av en positiv utveckling av en eller flera Korgkomponenter, kan utvecklingen av korgen, som helhet bli negativ om utvecklingen av andra Korgkomponenter är mer negativa. Det kan finnas betydande negativ effekt på kalkuleringen eller specificeringen av inlösenbeloppet om utvecklingen av en eller flera Korgkomponenter i en Korg, på vilken kalkuleringen eller specificeringen av inlösenbeloppet grundar sig på, har försämrats i betydande mån.</p> <p>Investerare ska vara medvetna om att de relevanta Korgkomponenterna inte kommer innehas av Emittenten för att bringa fördel till Värdepappersinnehavarna, och att Värdepappersinnehavarna inte kommer få ta del av några äganderättigheter (inkluderat, utan begräsning, rösträttigheter, rättigheter att få del av utdelning eller andra utbetalningar eller andra rättigheter) med avseende på Korgkomponenterna.</p>
D.6	Riskvarning för att investerare kan förlora hela värdet av investeringen eller del av den.	Varje investerare bär risken i Värdepapperen att Emittentens finansiella situation försämras. Potentiella investerare måste därför vara förberedda på att drabbas av en partiell eller rentav total förlust av hela sin investering. Varje investerare som är intresserad av att köpa Värdepapper bör bedöma sin finansiella situation, för att säkerställa att de är i en sådan position att de kan bära risken för förlust förknippad med Värdepapperen.

Punkt	Avsnitt E – Erbjudande	
E.2b	Motiv till erbjudandet och användning av intäkterna.	Ej tillämpligt. Motiven för erbjudande och användningen av intäkterna skiljer sig inte åt från att generera vinster och/eller säkra vissa risker.
E.3	Former och villkor för erbjudandet.	<p>Det har överenskommit om att Managern, på eller efter respektive Emissionsdag för Värdepapperen, får köpa Värdepapper och ska placera Värdepapperen för försäljning, för Emissionskursen på villkor som kan komma att ändras i Jurisdiktionen för Erbjudande till Allmänheten under Teckningsperioden (enligt definition nedan).</p> <p>Emissionskursen kommer vara fastställd på den 30 juni 2016 ("Fastställsedagen") och kommer sedan att göras tillgänglig på www.ubs.com/keyinvest. Per Fastställsedagen kommer försäljningskursen justeras kontinuerligt för att reflektera den rådande marknadssituationen.</p> <p>Värdepapperen ska kunna tecknas från Managern under normala öppethållandetider för banker under 9 maj 2016 till 22 juni 2016 (kl 17:30 lokal tid i Stockholm) ("Teckningsperioden"). Emissionskursen för varje Värdepapper ska betalas den 13 juli 2016 ("Initiala Betalningsdag").</p> <p>Emittenten förbehåller sig rätten att tidigare avsluta eller förlänga Teckningsperioden om marknadsförhållandena kräver det.</p> <p>Efter den Initiala Betalningsdagen ska respektive investerares Värdepapper krediteras dennes konto i enlighet med bestämmelserna för gällande Clearingsystem. Om Teckningsperioden förkortas eller förlängs, kan den Initiala Betalningsdagen också tidigare- eller senareläggas.</p>
E.4	Intressen som är väsentliga för emissionen/erbjudandet inkl. intressekonflikter.	<p>Intressekonflikter</p> <p>Emittenten och de närstående företagen kan delta i transaktioner relaterade till Värdepapperen på olika sätt, för deras egen räkning eller för kunds räkning. Sådana transaktioner kanske inte tjänar Värdepappersinnehavarnas intressen och kan ha en positiv eller negativ inverkan på den Underliggande och, följaktligen, på värdet för Värdepapperen. Vidare, bolag närstående till Emittenten kan bli motparter i hedgningstransaktioner avseende förpliktelseerna för Emittenten som härrör från Värdepapperen. Som ett resultat kan intressekonflikter uppkomma mellan dessa bolag och investerare avseende förpliktelseerna rörande beräkningen av priset för Värdepapperen och andra förknippade fastställanden. Dessutom Emittenten och dess närstående kan agera i andra roller med avseende på Värdepapperen, såsom beräkningsagent, betalningsombud eller administrativ agent och/eller indexsponsor.</p> <p>Vidare, Emittenten och dess närstående kan emittera andra derivatinstrument avseende den Underliggande; introduktionen av sådana konkurrerande produkter kan påverka värdet på Värdepapperen. Emittenten och dess närstående bolag kan erhålla ej offentliggjord information avseende den Underliggande och varken Emittenten eller någon av dess närstående åtar sig att göra sådan information tillgänglig för Värdepappersinnehavare. Dessutom kan ett eller flera av Emittentens närstående bolag publicera researchrapporter beträffande den Underliggande. Sådana aktiviteter kan utgöra intressekonflikter och kan negativt påverka värdet för Värdepapperen.</p> <p>I samband med erbjudandet och försäljningen av Värdepapperen kan Emittenten eller någon av dess närstående direkt eller indirekt betala arvoden i olika storlek till tredje parter, så som distributörer eller investeringsrådgivare, eller erhålla arvoden i olika storlek, inklusive de som</p>

		<p>debiteras i samband med distributionen av Värdepapperen, från tredje parter. Potentiella investerare bör vara medvetna om att Emittenten kan behålla arvoden delvis eller helt. Emittenten eller, som fallet kan vara, Managern kommer, på begäran, ge information om storleken på dessa arvoden.</p> <p>Varje intresse som är väsentligt för emissionen/erbjudandet, inklusive potentiella intressekonflikter</p> <p>Som så långt Emittenten är medveten, ingen person som är inblandad i utfärdandet och erbjudandet och noteringen av Värdepapperen har något väsentligt intresse i utfärdandet och erbjudandet och noteringen av Värdepapperen.</p>
E.7	Förväntade kostnader debiteras investeraren av emittenten eller erbjudaren som av eller	Ej tillämpligt; inga kostnader debiteras investeraren av emittenten eller Managern.

DESCRIPTION OF THE EQUITY ORIGINAL COLLATERAL OBLIGOR

UBS AG

The following has been taken from the base prospectus of UBS AG dated 17 April 2015 as amended from time to time and is subject to and qualified by such base prospectus.

UBS AG (the “**Equity Original Collateral Obligor**”) with its subsidiaries (together, “**UBS AG Group**” and together with UBS Group AG, the holding company of UBS AG, “**UBS Group**”, or “**Group**” or “**UBS**”) is provides private, institutional and corporate clients worldwide, as well as retail clients in Switzerland with financial advice and solutions while generating returns for shareholders.

UBS Group's strategy centres on its Wealth Management and Wealth Management Americas businesses and its leading (in its own opinion) universal bank in Switzerland, complemented by its Global Asset Management business and its Investment Bank. The operational structure of the UBS Group is comprised of the Corporate Center and five business divisions: Wealth Management, Wealth Management Americas, Retail & Corporate, Global Asset Management and the Investment Bank.

On 31 December 2014 UBS AG (consolidated) common equity tier 1 capital ratio was 14.2% on a fully applied basis and 19.9% on a phase-in basis, invested assets stood at CHF 2,734 billion, equity attributable to UBS AG shareholders was CHF 52,108 million and market capitalization was CHF 63,243 million. On the same date, UBS AG Group employed 60,155 people.

UBS AG has long-term counterparty credit rating of A (negative outlook) from S&P, long-term senior debt rating of A2 (under review for possible downgrade) from Moody's and long-term issuer default rating of A (stable outlook) from Fitch Ratings.

UBS AG was incorporated under the name SBC AG on 28 February 1978 for an unlimited duration and entered in the Commercial Register of Canton Basel-City on that day. On 8 December 1997, the company changed its name to UBS AG. The company in its present form was created on 29 June 1998 by the merger of Union Bank of Switzerland (founded 1862) and Swiss Bank Corporation (founded 1872). UBS AG is entered in the Commercial Registers of Canton Zurich and Canton Basel-City. The registration number is CHE-101.329.561.

UBS AG is incorporated and domiciled in Switzerland and operates under the Swiss Code of Obligations as an Aktiengesellschaft, a stock corporation.

According to article 2 of the Articles of Association, the purpose of UBS AG is the operation of a bank. Its scope of operations extends to all types of banking, financial, advisory, trading and service activities in Switzerland and abroad. UBS AG may establish branches and representative offices as well as banks, finance companies and other enterprise of any kind in Switzerland and abroad, hold equity interests in these companies, and conduct their management. UBS AG is authorised to acquire, mortgage and sell real estate and building rights in Switzerland and abroad.

UBS AG shares are listed on the SIX Swiss Exchange and UBS AG has securities listed on the regulated market of the Stockholm Stock Exchange, amongst other exchanges.

The addresses and telephone numbers of UBS AG's two registered offices and principal places of business are: Bahnhofstrasse 45, CH-8001 Zurich, Switzerland, telephone +41 44 234 1111; and Aeschenvorstadt 1, CH-4051 Basel, Switzerland, telephone +41 61 288 5050.

Information as to the past and future performance of UBS AG may be obtained on Bloomberg page UBSN:SW.

DESCRIPTION OF THE ORIGINAL COLLATERAL

To the extent that the information contained in this section has been reproduced from the underlying documentation relating to the Original Collateral, it has been accurately reproduced from such underlying documentation. So far as the Issuer and Swap Counterparty are aware and able to ascertain from information published by the obligors of the Original Collateral, no facts have been omitted which would render the reproduced information inaccurate or misleading.

The following information and any other information contained herein relating to the Original Collateral with respect to the Notes is a summary only of certain terms of the Original Collateral. Prospective purchasers of the Notes should make their own independent investigations and enquiries into the Original Collateral and the obligor(s) in respect thereof.

As at the date of this Prospectus, the Original Collateral is listed on the regulated markets of SIX Swiss Exchange, in respect of the Original Collateral issued by Credit Suisse Group Funding (Guernsey) Limited and on the regulated markets of Börse Berlin, Börse Dusseldorf, Börse Frankfurt, Börse München, Börse Stuttgart, Borsa Italiana and Bourse de Luxembourg SA, in respect of the Original Collateral issued by The Goldman Sachs Group, Inc.

The Original Collateral in respect of the Series of Notes is expected to comprise the following Collateral Components: (i) a nominal amount in CHF 1.00 per cent. bonds due 2023 issued by Credit Suisse Group Funding (Guernsey) Limited (ISIN CH0278341224); and (ii) a nominal amount in EUR 2.00 per cent. bonds due 2023 issued by The Goldman Sachs Group, Inc. (ISIN XS1265805090), in each case determined by reference to the CHF or EUR (as applicable) equivalent of the portion of the net issue proceeds of each Class allocated to the relevant Collateral Component, or such other bonds issued by (i) any such issuer of a Collateral Component or (ii) an Affiliate of such issuer as may be determined by the Dealer as at the Collateral Event Observation Start Date (expected to be 28 June 2016).

Any CHF amounts shall be determined by the Calculation Agent by reference to the daily fixing rate of exchange of the number of SEK per CHF 1, rounded to four decimal places, each such rate as published on Reuters page ECB37 at 14:15 CET on the Collateral Event Observation Start Date (expected to be 28 June 2016).

Any EUR amounts shall be determined by the Calculation Agent by reference to the daily fixing rate of exchange of the number of SEK per EUR 1, rounded to four decimal places, each such rate as published on Reuters page ECB37 at 14:15 CET on the Collateral Event Observation Start Date (expected to be 28 June 2016).

DESCRIPTION OF THE ORIGINAL COLLATERAL OBLIGORS

PART A: Credit Suisse Group Funding (Guernsey) Limited

The following has been taken from the Base Prospectus of Credit Suisse Group Finance (Guernsey) Limited dated 25 February 2015 and as amended from time to time and is subject to and qualified by such Base Prospectus.

Credit Suisse Group Funding (Guernsey) Limited (“**CSG Funding Guernsey**”) is a non-cellular company incorporated in Guernsey, limited by shares. CSG Funding Guernsey was incorporated on 4 August 2014 in Guernsey with registration number 58814 and shall continue in existence until it is removed from the Register of Companies in accordance with Guernsey law. The registered office of CSG Funding Guernsey is located at Helvetia Court, South Esplanade, St. Peter Port, Guernsey GY1 3WF. Their telephone number is +44-1481-719-088.

CSG Funding Guernsey is wholly-owned by Credit Suisse Group AG. CSG Funding Guernsey exists for the purpose of and its principal activities involve issuing debt securities, the proceeds of which will be advanced to, or otherwise invested in, internal notes to be issued by Credit Suisse AG, acting through its London branch. Accordingly, CSG Funding Guernsey is dependent on Credit Suisse Group AG and other members of the Credit Suisse Group servicing these advances. CSG Funding Guernsey will commence operations upon its first issuance of debt securities.

The issued share capital of CSG Funding Guernsey is CHF 50,000.00 divided into 50,000 fully paid up ordinary shares of no par value each.

As at the date of this Prospectus, CSG Funding Guernsey has securities listed on the regulated market of the Luxembourg Stock Exchange. Information as to the past and future performance of CSG Funding Guernsey may be obtained on Bloomberg page 754823Z GU Equity.

PART B: The Goldman Sachs Group, Inc.

The following information in this section has been extracted from the base prospectus of Goldman Sachs Group, Inc. dated 5 June 2014, as supplemented and amended from time to time and is subject to and qualified entirely by such Base Prospectus.

Goldman Sachs Group, Inc. (“**Goldman Sachs**”) is established under the laws of the State of Delaware with its registered office at 200 West Street, New York, New York 10282, USA. Goldman Sachs is a leading global investment banking, securities and investment management firm that provides a wide range of financial services to a substantial and diversified client base that includes corporations, financial institutions, governments and high-net-worth individuals.

Its activities are conducted in the following segments:

Investment Banking. Investment Banking is comprised of:

- *Financial Advisory*, which includes strategic advisory assignments with respect to mergers and acquisitions, divestitures, corporate defence activities, risk management, restructurings and spin-offs and derivative transactions directly related to these client advisory assignments; and
- *Underwriting*, which includes public offerings and private placements, including domestic and cross-border transactions, of a wide range of securities, loans and other financial instruments, and derivative transactions directly related to these client underwriting activities.

Institutional Client Services. Institutional Client Services is comprised of:

- *Fixed Income, Currency and Commodities*, which includes client execution activities related to making markets in interest rate products, credit products, mortgages, currencies and commodities; and
- *Equities*, which includes client execution activities related to making markets in equity products, as well as commissions and fees from executing and clearing institutional client transactions on major stock, options and futures exchanges worldwide, as well as over-the-counter transactions. Equities also includes Goldman Sachs’ securities services business, which provides financing, securities lending and other prime brokerage services to institutional clients, including hedge funds, mutual funds, pension funds and foundations, and generates revenues primarily in the form of interest rate spreads or fees.
- *Investing and Lending*, which includes Goldman Sachs’ investing activities and the origination of loans to provide financing to clients. These investments, some of which are consolidated, and loans are typically longer-term in nature. Goldman Sachs makes investments, directly and indirectly through funds that Goldman Sachs manages, in debt securities and loans, public and private equity securities and real estate entities.
- *Investment Management*, which provides investment management services and offers investment products (primarily through separately managed accounts and commingled vehicles, such as mutual funds and private investment funds) across all major asset classes to a diverse set of institutional and individual clients. Investment Management also offers wealth advisory services, including portfolio management and financial counselling, and brokerage and other transaction services to high-net-worth individuals and families.

At the date of this Prospectus and as stated on Bloomberg page GS:US, Goldman Sachs has securities listed on the Luxembourg Stock Exchange. Goldman Sachs may also have securities listed on other exchanges. Information as to the past and future performance of Goldman Sachs may be obtained on Bloomberg page GS:US.

LUXEMBOURG TAXATION

The following summary is of a general nature only. It is based on the laws presently in force in Luxembourg, though it is not intended to be, nor should it be construed to be, legal or tax advice. Prospective investors in the Notes should therefore consult their own professional advisers as to the effects of state, local or foreign laws, including Luxembourg tax law, to which they may be subject.

Taxation of the Issuer

The Company will be considered a fiscal resident of Luxembourg from a Luxembourg tax law perspective and should therefore be able to obtain a residence certificate from the Luxembourg tax authorities.

The Company will be liable for Luxembourg corporation taxes. The standard applicable rate in Luxembourg city, including corporate income tax (*impôt sur le revenu des collectivités*), municipal business tax (*impôt commercial communal*) and solidarity taxes, is currently 29.22 per cent. Liability for such corporation taxes extends to the Company's worldwide profits including capital gains, subject to the provisions of any relevant double taxation treaty. The taxable income of the Company is computed by application of all rules of the Luxembourg income tax law of 4 December 1967, as amended (*loi concernant l'impôt sur le revenu*), as commented and currently applied by the Luxembourg tax authorities.

Under certain conditions, dividends received by the Company from qualifying participations and capital gains realised by the Company on the sale of qualifying participations may be exempt from Luxembourg corporation taxes under the Luxembourg participation exemption. The Company may further deduct from its taxable profits interest payments made to Noteholders.

A fixed registration duty (*droit fixe spécifique d'enregistrement*) of EUR 75 is payable at the moment of the amendment of the Articles. The transfer or sale of securities of the Issuer or the Company (as appropriate) will not be subject to Luxembourg registration or stamp duty.

The Company will be exempt from wealth tax (*impôt sur la fortune*), save for the minimum net wealth tax ranging between € 535 and € 32,100. The Issuer will be subject to a minimum net wealth tax of € 3,210 if the sum of the financial assets, the amounts owed by affiliated undertakings and undertakings linked by virtue of participating interest, the transferable securities, the cash in postal cheque accounts, the cheques for collection, the bills for collection, the cash in hand and the cash at bank of the company exceeds 90 per cent. of its fiscal balance sheet total and € 350,000.

Taxation of the Noteholders

Withholding tax

Under Luxembourg tax law currently in effect and with the possible exception of interest paid to certain individual Noteholders or so-called residual entities, there is no Luxembourg withholding tax on payments of interest (including accrued but unpaid interest). There is also no Luxembourg withholding tax, with the possible exception of payments made to certain individual Noteholders or so-called residual entities, upon repayment of principal in case of reimbursement, redemption, repurchase or exchange of the Notes.

In accordance with the law of 23 December 2005, as amended, interest payments made by Luxembourg paying agents to Luxembourg individual residents and to certain residual entities securing interest payments on behalf of Luxembourg individual residents are subject to a 10 per cent. withholding tax. Responsibility for withholding such tax will be assumed by the Luxembourg paying agent.

Income Taxation

Noteholders who are residents of Luxembourg will not be liable for any Luxembourg income tax on repayment of principal.

A Noteholder who is a resident of Luxembourg for tax purposes or a foreign Noteholder who has a permanent establishment or a fixed place of business in Luxembourg, to which the Notes are attributable, is subject to Luxembourg income tax in respect of the interest paid or accrued on, or any other income derived from, the Notes. An individual Luxembourg resident Noteholder, acting in the course of the management of his/her private wealth, is subject to Luxembourg income tax in respect of interest or any other income received, except if withholding tax has been levied on such payments in accordance with the Law.

Under Luxembourg domestic tax law, gains realised by an individual Noteholder, who acts in the course of the management of his private wealth and who is a resident of Luxembourg for tax purposes, on the sale or disposal, in any form whatsoever, of Notes are not subject to Luxembourg income tax, provided this sale or disposal took place at least six months after the acquisition of the Notes. An individual Noteholder, who acts in the course of the management of his private wealth and who is a resident of Luxembourg for tax purposes, has further to include the portion of the gain corresponding to accrued but unpaid interest in respect of the Notes in his taxable income, except if (i) withholding tax has been levied on such payments in accordance with the Law, or (ii) the individual Noteholder has opted for the application of a 10 per cent. tax in full discharge of income tax in accordance with the Law, which applies if a payment of interest has been made or ascribed by a paying agent established in an EU Member State (other than Luxembourg), or in a member state of the European Economic Area (other than an EU Member State), or in certain dependent or associated territories of EU Member States.

The withholding tax or self-applied tax are the final tax liability for the Luxembourg individual resident taxpayers receiving the interest payment in the framework of their private wealth.

Gains realised by a corporate Noteholder or by an individual Noteholder, who acts in the course of the management of a professional or business undertaking, who is a resident of Luxembourg for tax purposes or who has a permanent establishment or a fixed place of business in Luxembourg, to which the Notes are attributable, on the sale or disposal, in any form whatsoever, of Notes are subject to Luxembourg income tax.

A Luxembourg Noteholder that is governed by the law of 11 May 2007 on family estate companies, as amended, by the law of 17 December 2010 on undertakings for collective investment, as amended, or by the law of 13 February 2007 on specialised investment funds, as amended, will not be subject to any Luxembourg income tax in respect of interest received or accrued on the Notes, or on gains realised on the sale or disposal, in any form whatsoever, of Notes.

Noteholders will not be deemed to be resident, domiciled or carrying on business in Luxembourg solely by reason of holding, execution, performance, delivery, exchange and/or enforcement of the Notes.

Gains realised by a non-resident Noteholder, who does not have a permanent establishment or fixed place of business in Luxembourg, to which the Notes are attributable, on the sale or disposal of Notes are not subject to Luxembourg income tax.

Wealth tax

A corporate Noteholder, whether it is a resident of Luxembourg for tax purposes or, if not, it maintains a permanent establishment or a permanent representative in Luxembourg to which such Notes are attributable, is subject to Luxembourg wealth tax on such Notes, except if the Noteholder is governed by the law of 11 May 2007 on family estate companies, as amended, by the law of 17 December 2010 on undertakings for collective investment, as amended, by the law of 13 February 2007 on specialised investment funds, as amended, or is a securitisation company governed by the law of 22 March 2004 on securitisation, as amended, or a capital company governed by the law of 15 June 2004 on venture capital vehicles, as amended.

An individual Noteholder, whether he/she is resident of Luxembourg or not, is not subject to Luxembourg wealth tax on Notes.

Other Taxes

Under present Luxembourg tax law, in the case where a Noteholder is a resident for inheritance tax purposes of Luxembourg at the time of his death, the Notes are included in his taxable estate, for inheritance tax purposes and gift tax may be due on a gift or donation of Notes, if the gift is recorded in a Luxembourg deed.

SWEDISH TAXATION

The following summary outlines certain Swedish tax consequences relating to holders of Notes that are considered to be Swedish residents for Swedish tax purposes. The summary is based on the laws of Sweden as effect as at the date of this Prospectus. The summary does not constitute tax or legal advice but is intended to provide general information only. The summary does for example not address situations where Notes are held in an investment savings account (Sw. investeringssparkonto) or the rules regarding reporting obligations for, among others, payers of interest. Further, the summary does not address credit of foreign taxes. Investors should consult their professional tax advisers regarding the Swedish tax and other tax consequences (including the applicability and effect of tax treaties for the avoidance of double taxation) of acquiring, owning and disposing of Notes in their particular circumstances.

Swedish tax residents

Generally, for Swedish corporations and private individuals (and estates of deceased individuals) with residence in Sweden for Swedish tax purposes, all capital income (e.g. income that is considered to be interest for Swedish tax purposes and capital gains on Notes) will be taxable. Specific tax consequences, however, may be applicable to certain categories of corporations, e.g. life insurance companies. Further, specific tax consequences may be applicable if, and to the extent that, a holder of Notes realises a capital loss on the Notes.

If amounts that are considered to be interest for Swedish tax purposes are paid by Euroclear Sweden AB or by another legal entity domiciled in Sweden, including a Swedish branch, to a private individual (or an estate of a deceased individual) with residence in Sweden for Swedish tax purposes, Swedish preliminary taxes are normally withheld by Euroclear Sweden AB or the legal entity on such payments. Swedish preliminary taxes should normally also be withheld on other returns on securities and receivables (but not capital gains), if the return is paid out together with such a payment of interest referred to above. Swedish preliminary taxes are withheld at 30 per cent. less any foreign withholding tax.

IRISH TAXATION

The following is a summary based on the laws and practices currently in force in Ireland of Irish withholding tax on interest and addresses the tax position of investors who are the absolute beneficial owners of the Notes. Particular rules not discussed below may apply to certain classes of taxpayers holding Notes, including dealers in securities and trusts. The summary does not constitute tax or legal advice and the comments below are of a general nature only and it does not discuss all aspects of Irish taxation that may be relevant to any particular holder of Notes. Prospective investors in the Notes should consult their professional advisers on the tax implications of the purchase, holding, redemption or sale of the Notes and the receipt of payments thereon under the laws of their country of residence, citizenship or domicile.

Withholding Tax

Tax at the standard rate of income tax (currently 20 per cent.) is required to be withheld from payments of Irish source interest. The Issuer will not be obliged to withhold Irish income tax from payments of interest on the Notes so long as such payments do not constitute Irish source income. Interest paid on the Notes may be treated as having an Irish source if:

- (a) the Issuer is resident in Ireland for tax purposes; or
- (b) the Issuer has a branch or permanent establishment in Ireland, the assets or income of which is used to fund the payments on the Notes; or
- (c) the Issuer is not resident in Ireland for tax purposes but the register for the Notes is maintained in Ireland or (if the Notes are in bearer form) the Notes are physically held in Ireland.

It is anticipated that (i) the Issuer is not and will not be resident in Ireland for tax purposes; (ii) the Issuer does not and will not have a branch or permanent establishment in Ireland; and (iii) bearer Notes will not be physically located in Ireland and the Issuer will not maintain a register of any registered Notes in Ireland.

Encashment Tax

In certain circumstances, Irish tax will be required to be withheld at the standard rate of income tax (currently 20 per cent.) on any interest, dividends or annual payments paid on the Notes issued by a company not resident in Ireland, where such interest, dividends or annual payments are collected or realised by a bank or encashment agent in Ireland for payment to any holder of the Notes who is Irish resident.

Encashment tax does not apply where the holder of the Notes is not resident in Ireland and has made a declaration in the prescribed form to the encashment agent or bank.

European Union Directive on Taxation of Savings Income

Ireland has implemented the EC Council Directive 2003/48/EC (the “**Savings Directive**”) on the taxation of savings income into national law. Accordingly, any Irish paying agent making an interest payment on behalf of the Issuer to an individual or certain residual entities resident in another Member State of the European Union or certain associated and dependent territories of a Member State will have to provide details of the payment and certain details relating to the Noteholder (including the Noteholder’s name and address) to the Irish Revenue Commissioners who in turn are obliged to provide such information to the competent authorities of the state or territory of residence of the individual or residual entity concerned.

Prospective holders of Notes should note that an amended version of the Savings Directive was adopted by the European Council on 24 March 2014, which is intended to close loopholes identified in the current Savings Directive. The amendments, which must be transposed by Member States prior to 1 January 2016 and which will apply from 1 January 2017, will extend the scope of the Savings Directive to (i) payments made through certain intermediate structures (whether or not established in a Member State) for the ultimate benefit of an EU resident individual, and (ii) a wider range of income similar to interest.

SUBSCRIPTION AND SALE AND TRANSFER RESTRICTIONS

Public Offer Selling Restriction under the Prospectus Directive

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a “**Relevant Member State**”) and in the Dealer Agreement, the Dealer will represent and agree 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 Notes which are the subject of the offering contemplated by this Prospectus to the public in that Relevant Member State other than the offers contemplated in the Prospectus in the Kingdom of Sweden from the time the Prospectus has been approved by the Central Bank of Ireland, being the competent authority in Ireland, and published and notified to the relevant competent authority in accordance with the Prospectus Directive as implemented in the Kingdom of Sweden until 18 February 2016, except that it may, with effect from and including the Relevant Implementation Date, make an offer of Notes to the public in that Relevant Member State:

- (a) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive); or
- (c) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes shall require the Issuer or the Dealer 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 Notes to the public**” in relation to any Notes 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 Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, 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 (as amended by Directive 2010/73/EU) and includes any relevant implementing measure in each Relevant Member State.

Ireland

Each of Credit Suisse International as Dealer and Garantum Fondkommission AB as Distributor has represented and agreed that:

- (a) it will not underwrite the issue of, or place the Notes, otherwise than in conformity with the provisions of the European Communities (Markets in Financial Instruments) Regulations 2007 (Nos. 1 to 3) (as amended), including, without limitation, Regulations 7 and 152 thereof or any codes of conduct used in connection therewith and the provisions of the Investor Compensation Act 1998;
- (b) it will not underwrite the issue of, or place, the Notes, otherwise than in conformity with the provisions of the Companies Acts 1963 – 2013 (as amended) of Ireland (as amended), the Central Bank Acts 1942 - 2012 (as amended) and any codes of conduct rules made under Section 117(1) of the Central Bank Act 1989; and
- (c) it will not underwrite the issue of, place or otherwise act in Ireland in respect of the Notes, otherwise than in conformity with the provisions of the Market Abuse (Directive 2003/6/EC) Regulations 2005 (as amended) and any rules issued under Section 34 of the Investment Funds, Companies and Miscellaneous Provisions Act 2005 by the Central Bank of Ireland.

Sweden

Each of the Issuer, Credit Suisse International as Dealer and Garantum Fondkommission AB as Distributor and any authorised offeror has represented and agreed that the Notes have not been offered or sold and will not be offered, sold or delivered directly or indirectly in the Kingdom of Sweden by way of public offering,

unless in compliance with the Swedish Financial Instruments Trading Act (Sw. lag (1991:980) om handel med finansiella instrument), as amended from time to time.

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Services Limited**

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United Kingdom

Issuing and Paying Agent

**The Bank of New York Mellon,
acting through its London Branch**

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London E14 5AL
United Kingdom

Registrar and Transfer Agent

**The Bank of New York Mellon
(Luxembourg) S.A.**

2-4 rue Eugène Ruppert
Vertigo Building – Polaris
L-2453 Luxembourg

Custodian

**The Bank of New York Mellon
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Vertigo Building – Polaris
L-2453 Luxembourg

**Swap Counterparty, Disposal Agent
and Calculation Agent**

Credit Suisse International

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London E14 4QJ
United Kingdom

Arranger and Dealer

Credit Suisse International

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Irish Listing Agent

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Maples and Calder

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Ireland

Swedish Agent

**Skandinaviska Enskilda Banken
AB (publ)**

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