

**AMENDED AND RESTATED FINAL TERMS**

**No. 15**

**dated 07 May 2021**

**in connection with the Information Memorandum dated 16 September 2019, as supplemented,  
updated or replaced from time to time**

**regarding the Structured Note Programme of**

**UBS AG**

**THE RISK FACTORS RELATING TO THE NOTES AND RELATING TO THE ISSUER ARE SET OUT IN THE INFORMATION MEMORANDUM, AS SUPPLEMENTED BY THE ADDITIONAL RISK FACTORS IN ANNEX II TO THESE FINAL TERMS.**

**THE NOTES ARE LINKED TO A REFERENCE PORTFOLIO. HOLDERS SHALL NOT HAVE ANY BENEFICIAL, PROPRIETARY OR OTHER INTEREST IN THE BASKET OR ANY CONSTITUENT THEREOF, AND NO CHARGE, MORTGAGE, PLEDGE, LIEN OR OTHER SECURITY OR QUASI-SECURITY INTEREST IS BEING GRANTED IN CONNECTION WITH THE NOTES.**

**FURTHER IMPORTANT INFORMATION REGARDING THE CURRENT COMPOSITION (INCLUDING THE RESPECTIVE WEIGHTS) AND THE CURRENT LEVEL OF THE REFERENCE PORTFOLIO UNDERLYING THE NOTES CAN BE REQUESTED FREE OF CHARGE AT ANY TIME FROM UBS AG (AT THE CONTACT DETAILS SET OUT IN PARAGRAPH 3 OF ANNEX I BELOW). THIS INFORMATION MAY BE MATERIAL IN RELATION TO THE VALUE OF THE NOTES AND THE LEVEL OF RISK WHICH IS ASSOCIATED WITH THE NOTES. ACCORDINGLY, EACH PROSPECTIVE INVESTOR SHOULD MAKE ITS OWN DECISION AS TO WHETHER TO OBTAIN THIS IMPORTANT INFORMATION AND TO CONSIDER THE IMPACT OF IT BEFORE MAKING ANY INVESTMENT DECISIONS.**

**THIS PRODUCT DOES NOT REPRESENT A PARTICIPATION IN ANY OF THE COLLECTIVE INVESTMENT SCHEMES PURSUANT TO ART. 7 SS OF THE SWISS FEDERAL ACT ON COLLECTIVE INVESTMENT SCHEMES (CISA) AND THUS IS NOT SUBJECT TO THE SUPERVISION OF THE SWISS FEDERAL BANKING COMMISSION (EIDGENÖSSISCHE BANKENKOMMISSION). THEREFORE, INVESTORS IN THIS PRODUCT ARE NOT ELIGIBLE FOR THE SPECIFIC INVESTOR PROTECTION UNDER THE CISA.**

**THIS DOCUMENT AND ANY OF ITS SUPPLEMENT(S) ARE NOT INTENDED TO BE AND DO NOT CONSTITUTE A SOLICITATION FOR INVESTMENTS FROM MEMBERS OF THE PUBLIC IN A COLLECTIVE INVESTMENT SCHEME IN TERMS OF THE SOUTH AFRICAN COLLECTIVE INVESTMENT SCHEMES CONTROL ACT, 2002 (AS AMENDED) ("CISCA") AND DOES NOT CONSTITUTE AN OFFER TO THE PUBLIC AS CONTEMPLATED IN SECTION 99 OF THE COMPANIES ACT, 2008 (AS AMENDED). A POTENTIAL INVESTOR WILL BE CAPABLE OF INVESTING IN THE PRODUCT ONLY UPON CONCLUSION OF THE APPROPRIATE INVESTMENT AGREEMENTS AND PROVIDED THE RELEVANT INVESTOR COMPLIES WITH ANY APPLICABLE EXCHANGE CONTROL REQUIREMENTS. THIS DOCUMENT AND ANY ATTACHMENTS THERETO CONSTITUTE FACTUAL, OBJECTIVE INFORMATION ABOUT THE PRODUCT AND NOTHING CONTAINED HEREIN SHOULD BE CONSTRUED AS CONSTITUTING ANY FORM OF INVESTMENT ADVICE OR RECOMMENDATION, GUIDANCE OR PROPOSAL OF A FINANCIAL NATURE IN RESPECT OF THE PRODUCT OR ANY TRANSACTION IN RELATION THERETO. THE MANAGER OF THE PRODUCT ARE NOT FINANCIAL SERVICES PROVIDERS IN SOUTH AFRICA AND NOTHING IN THIS DOCUMENT SHOULD BE CONSTRUED AS CONSTITUTING THE CANVASSING FOR, OR MARKETING OR ADVERTISING OF FINANCIAL SERVICES BY THE MANAGER OF THE PRODUCT IN OR INTO SOUTH AFRICA.**

**THIS DOCUMENT IS THE AMENDED AND RESTATED FINAL TERMS FOR THE ISSUE OF THE NOTES DESCRIBED HEREIN AND SUPERSEDES THE FINAL TERMS DATED 20 MARCH 2020 IN RESPECT OF THE NOTES. THE PURPOSE OF THIS AMENDED AND RESTATED FINAL TERMS IS TO: A) AMEND THE SECOND PARAGRAPH AND INSERT A NEW PARAGRAPH ON PAGE 1, B) UPDATE THE CONTACT DETAILS IN PARAGRAPH 3 "INITIAL COMPOSITION OF THE REFERENCE PORTFOLIO" IN ANNEX I ON PAGE 21 AND C) UPDATE THE FIRST PARAGRAPH IN "NO SECONDARY MARKET" UNDER RISK FACTORS SECTION IN ANNEX II ON PAGE 26.**

ISIN:	ZAE000285458
Common Code:	Not Applicable
Other securities code:	Not Applicable
Product Long Name:	UBS URETGP 18Mar25
Product Short Name:	UBS URETGP
Alpha Code:	URETGP
Pricing Date:	19 March 2020
Issue Date:	20 March 2020
Expiration Date:	18 March 2025

### **Issue of Equity Basket-linked Portfolio Notes 1,000,000 Linked to the Reitway Active Global Property Note (Series 15) (the "Notes")**

These Final Terms are issued to give details of an issue of Notes under the Structured Note Programme of UBS AG (the "**Programme**") and are to be read in conjunction with the Terms and Conditions of the Notes (the "**Terms and Conditions**") set forth in the Information Memorandum dated 16 September 2019 relating to the Programme which may be supplemented by a supplement from time to time. Capitalised Terms not otherwise defined herein (or, where applicable, in Annex I hereto) shall have the meanings specified in the Terms and Conditions.

So far as the Issuer is aware, and save as set out in the additional Risk Factors in Annex II to these Final Terms, no person involved in the offer of the Notes has an interest material to the offer.

All references in these Final Terms to numbered sections are to sections of the Terms and Conditions, as supplemented, amended or replaced by the Additional South African Securities Conditions and all provisions in the Terms and Conditions corresponding to items in these Final Terms which are either not selected or completed or which are deleted shall be deemed to be deleted from the terms and conditions applicable to the Notes (the "**Conditions**").

The Issuer accepts responsibility for the information contained in these Final Terms and declares, that having taken all reasonable care to ensure that such is the case, the information contained in these Final terms is, to the best knowledge, in accordance with the facts and contains no omission likely to affect its import, save for the information regarding the Reference Portfolio and the Reference Portfolio Advisor, as set out in Annex I to these Final Terms.

These Final Terms do not constitute an offer to sell or the solicitation of an offer to buy any Notes or an investment recommendation. Neither the delivery of these Final Terms nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date hereof or that the information contained herein is correct as of any date subsequent to this date.

The distribution of these Final Terms and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession these Final Terms come are required by the Issuer to inform themselves about and to observe any such restrictions. For a further description of certain restrictions on the offering and sale of the Series, see "*Subscription and Sale*" of the Information Memorandum as supplemented or amended by these Final Terms.

**Prospective purchasers of any Notes should ensure that they understand fully the nature of the Notes and the extent of their exposure to risks, and that they consider the suitability of the Notes as an investment in the light of their own circumstances and financial position. Notes involve a high degree of risk, including the risk of their expiring worthless. Potential investors should be prepared to sustain a total loss of their investment in Notes. The Notes represent general, unsecured, unsubordinated, contractual obligations of the Issuer and rank pari passu in all respects with each other. Purchasers are reminded that the Notes constitute obligations of the Issuer only and of no other person. Therefore, potential purchasers should understand that they are relying on the credit worthiness of the Issuer.**

1. Issuer: UBS AG acting through UBS AG, London Branch.
2. (i) Series Number: 15  
(ii) Tranche Number: 1
3. Language of Conditions: English only.
4. Specified Currency or Currencies: South African Rand ("ZAR").
5. Aggregate Principal Amount:  
(i) Series: 1,000,000  
(ii) Tranche: 1,000,000
6. (i) Issue Price: ZAR 100.00 per Note (100% of the Initial Reference Portfolio Level)  
(ii) Net proceeds: 100,000,000
7. Specified Denomination(s): ZAR 100.00  
  
The Notes are subject to the minimum trading size specified in paragraph 14 below.
8. (i) Issue Date: 20 March 2020  
(ii) Interest Commencement Date: Not Applicable.
9. (i) Maturity Date: The third Business Day immediately following the Expiration Date (as such date may be adjusted in accordance with the Additional Provisions in paragraph 47 (*Additional Provisions*) below).  
  
(ii) Expiration Date: Subject to the Notes not having already been redeemed early and/or cancelled in accordance with the Conditions, and to the Additional Provisions in paragraph 47 (*Additional Provisions*) below, 18 March 2025 (subject to Market Disruption Events provisions, Early Termination, Automatic Early Termination, Stop Loss Event provisions and Unwind Disruption provisions), subject to extension at the option of the Issuer on two separate occasions, on each such occasion for an additional 5 years period (from the initial scheduled Expiration Date stated above or from the extended Expiration Date when relevant, each such date the "**Original Expiration Date**"), with a notice period of 14 calendar days prior to the relevant Original Expiration Date.

With respect to an extension of the term in accordance with the above paragraph, the Noteholder may, in respect of 100% of the Notes it owns, elect to redeem such Notes on the Maturity Date following the relevant Original Expiration Date (and the relevant Notes shall be redeemed on such date at the Optional Redemption Amount) (such option for the Investor, the "**Expiration Extension Termination Option**") by providing notice to the Issuer between the Last Date to Trade and the relevant Original Expiration Date.

Provided in each case, that if the initial scheduled or relevant extended Expiration Date is not a Constituents Business Day, then the first following day that is a Constituents Business Day shall apply.

The Issuer shall notify each Investor in the Notes of changes to the Expiration Date in accordance with the provisions set out above on each day falling 14 calendar days prior to (i) the Original Expiration Date; and (ii) any date falling 90 calendar days prior to the relevant Original Expiration Date on which the Issuer may elect to extend the Original Expiration Date in accordance with the provisions above.

10. (i) Interest Basis: Not Applicable.  
(ii) Day Count Fraction: Not Applicable.
11. Redemption / Payment Basis: Subject to the Notes not having already been redeemed early and/or cancelled in accordance with the Conditions (including paragraph 9(ii) above), and to the Additional Provisions in paragraph 47 (*Additional Provisions*) below, each Note will be redeemed on the Maturity Date at its Final Redemption Amount.
12. Change of Interest or Redemption/Payment Basis: Not Applicable.
13. Put/Call Options: §4(3) (*Issuer's Call*) is applicable, provided that §4(3) (*Issuer's Call*) is deleted in full and replaced with the following:

"Subject to the Notes not having already been redeemed early and/or cancelled in accordance with the Conditions, and to any Additional Provisions specified in paragraph 47 (*Additional Provisions*) of the applicable Final Terms, the Issuer may redeem all of the Notes then outstanding on any Optional Redemption Date at their Optional Redemption Amount upon having given (i) not less than 45 Business Days' notice to Noteholders in accordance with Additional South African Securities Condition 8 and (ii), not less than 5 Business Days before the giving of the notice referred to in (i), notice to the Fiscal Agent (which notices shall be irrevocable and shall specify the Optional Redemption Date fixed for redemption).

For these purposes:

**"Optional Redemption Amount"** means an amount per Note in the Specified Currency equal to:

*Specified Denomination x Max[ 5% ; (Reference Portfolio Level / Initial Reference Portfolio Level) ]*

Where:

**"Optional Redemption Date"** means the third Business Day immediately following a designated Optional Redemption Determination Date or the Original Expiration Date (to the extent that the Expiration Extension Termination Option has been exercised) (as such date may be adjusted in accordance with the Additional Provisions in paragraph 47 (*Additional Provisions*) below).

**"Optional Redemption Determination Date"** means 30 June, 30 September, 31 December and 31 March in each calendar year from, and including the Issue Date to, and including, the Expiration Date or, if any such day is not a Business Day, the immediately following Business Day.

**"Reference Portfolio Level"** means the Reference Portfolio Level (as defined in paragraph 47 (*Additional Provisions*) below) on the applicable Optional Redemption Determination Date or the Original Expiration Date (to the

extent that the Expiration Extension Termination Option has been exercised), as relevant, as calculated by the Calculation Agent.

§4(4) (*Noteholder's Put*) is not applicable.

14. Listing/Trading: Application will be made to admit the Notes to listing on the Main Board of the Johannesburg Stock Exchange.
- Last Day to Trade: 17h00 on the day that is 3 JSE Scheduled Trading Days before the Record Date.
- Notes may be listed and/or traded: The Notes will only be offered with a minimum trading size of at least ZAR 1 million (calculated on the basis of the applicable number of Notes multiplied by the Specified Denomination).
15. Use of Proceeds: General corporate purposes.

#### PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

16. Fixed Rate Note Provisions: Not Applicable.
17. Floating Rate Note Provisions: Not Applicable.
18. Constant Maturity Swap Floating Rate Notes / Constant Maturity Swap Spread-Linked Notes: Not Applicable.
19. Zero Coupon Note Provisions: Not Applicable.
20. Interest Bearing Linked Notes: Not Applicable.

#### PROVISIONS RELATING TO REDEMPTION

21. Automatic Exercise: Not Applicable.
22. Call Option: Applicable in accordance with paragraph 13 (*Put/Call Options*) above.
23. Automatic Early Redemption: Applicable in accordance with the following provisions of this paragraph 23.

Subject to the Notes not having already been redeemed early and/or cancelled in accordance with the Conditions, and to the Additional Provisions in paragraph 47 (*Additional Provisions*) below, if an Automatic Early Redemption Event occurs, the Issuer shall redeem all of the Notes then outstanding on the Automatic Early Redemption Date at their Automatic Early Redemption Amount.

For these purposes:

**"Automatic Early Redemption Amount"** means an amount per Note in the Specified Currency equal to:

*Specified Denomination x Max[ 5% ; (Reference Portfolio Level / Initial Reference Portfolio Level) ]*

Where:

**"Automatic Early Redemption Date"** means the third Business Day following an Automatic Early Redemption Determination Date (as such date may be adjusted in accordance with the Additional Provisions in paragraph 47 (*Additional Provisions*) below).

**"Automatic Early Redemption Determination Date"** means the date on which an Automatic Early Redemption Event occurs (provided that if such day is not a Constituents Business Day with respect to each

Constituent in the Reference Portfolio, the Automatic Early Redemption Determination Date shall be the immediately following day that is a Constituents Business Day with respect to each of the Constituents in the Reference Portfolio).

An “**Automatic Early Redemption Event**” will occur if the Reference Portfolio Advisor ceases to be, or to act as, the Reference Portfolio Advisor, as determined in the reasonable discretion of the Calculation Agent.

“**Reference Portfolio Level**” means the Reference Portfolio Level (as defined in paragraph 47 (*Additional Provisions*) below) on the applicable Automatic Early Redemption Determination Date, as calculated by the Calculation Agent.

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| 24.    | Put Option:   | Not Applicable.  |
| 25.(a) | §4(2) Tax Call:   | Applicable   |
| 25.(b) | §4(5) Early Redemption following the occurrence of:   |  |
|        | (i) Change in Law:  | Applicable   |
|        | (ii) Hedging Disruption:  | Applicable   |
|        | (iii) Increased Cost of Hedging:  | Applicable   |
| 26.    | Final Redemption Amount of each Note:   | <p>The Final Redemption Amount per Note is an amount in the Specified Currency equal to:</p> <p><i>Specified Denomination x Max[ 5% ; (Reference Portfolio Level / Initial Reference Portfolio Level) ]</i></p> <p>Where:</p> <p>“<b>Reference Portfolio Level</b>” means the Reference Portfolio Level (as defined in paragraph 47 (<i>Additional Provisions</i>) below) on the Expiration Date, as calculated by the Calculation Agent.</p>  |
| 27.    | Early Redemption Amount(s) of each Note payable on redemption on an Event of Default or Tax Call and / or method of calculating the same (if required or if different from that set out in §4): | <p>The Early Redemption Amount per Note is an amount in the Specified Currency equal to:</p> <p><i>Specified Denomination x Max[ 5% ; (Reference Portfolio Level / Initial Reference Portfolio Level) ]</i></p> <p>Where:</p> <p>“<b>Reference Portfolio Level</b>” means the Reference Portfolio Level (as defined in paragraph 47 (<i>Additional Provisions</i>) below) on the date of the Issuer’s notice of redemption (in the case of redemption pursuant to §4.2 (<i>Tax Call</i>)) or the date on which the Event of Default occurred (in the case of redemption pursuant to §8 (<i>Events of Default</i>)) (as such date may be adjusted in accordance with the Additional Provisions in paragraph 47 (<i>Additional Provisions</i>) below), as calculated by the Calculation Agent.</p> |

PROVISIONS RELATING TO INDEX LINKED NOTES

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| 28. | Index Linked Note Provisions: | Not Applicable. |
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PROVISIONS RELATING TO EQUITY LINKED NOTES

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| 29. | Equity Linked Note Provisions: | Not Applicable. |
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PROVISIONS RELATING TO FUND LINKED NOTES

30. Fund Linked Note Provisions: Not Applicable.

PROVISIONS RELATING TO BOND LINKED NOTES

31. Bond Linked Note Provisions: Not Applicable.

PROVISIONS RELATING TO COMMODITY LINKED NOTES

32. Commodity Linked Note Provisions: Not Applicable.

PROVISIONS RELATING TO CURRENCY LINKED NOTES

33. Currency Linked Note Provisions: Not Applicable.

PROVISIONS RELATING TO CREDIT LINKED NOTES

34. Credit Linked Note Provisions: Not Applicable.

PROVISIONS RELATING TO EXCHANGEABLE NOTES

35. Exchangeable Note Provisions: Not Applicable.

PROVISIONS RELATING TO TRENDS- NOTES

36. TRENDS Notes Provisions: Not Applicable.

PROVISIONS RELATING TO FX FAST NOTES

37. FX FAST Notes Provisions: Not Applicable.

PROVISIONS RELATING DUAL CURRENCY NOTES

38. Provisions for Dual Currency Notes: Not Applicable.

PROVISIONS RELATING TO FUTURE LINKED NOTES

39. Future Linked Note Provisions: Not Applicable.

GENERAL PROVISIONS APPLICABLE TO THE NOTES

40. Form of Notes: Registered Form.

41. Relevant Financial Centre(s) or other special provisions relating to Payment Days (§5(2)): Applicable. Notwithstanding §5(2), "**Business Day**" means any day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in London and Johannesburg.

42. Details relating to Partly Paid Notes: Not Applicable.

43. Rebalancing: Not Applicable for the purposes of the Terms and Conditions of the Notes, as set out in the Information Memorandum.
- Rebalancing (as defined in Annex I to these Final Terms) of the Reference Portfolio may be effected in accordance with the provisions of the Reference Portfolio Advisory Agreement.
- The Reference Portfolio will be comprised, and potentially adjusted, pursuant to the Reference Portfolio Advisory Agreement. A summary of the related provisions of the Reference Portfolio Advisory Agreement are set out in Annex I to these Final Terms which investors should review carefully.**
44. Redenomination, renominatisation and reconventioning provisions: Not Applicable
45. Consolidation Provisions: Not Applicable
46. Price Discovery: UBS intends, for so long as the Notes are listed on Main Board of the Johannesburg Stock Exchange, under normal market conditions, to provide live bid and offer prices via Bloomberg and/or Reuters (or any successor information provider) during normal market hours throughout each Business Day.
47. Additional Provisions: Applicable.

### 1. Stop Loss Event

A “**Stop Loss Event**” shall be deemed to occur if on any calendar day during the period from and including the Pricing Date to and including the Expiration Date (and regardless of the duration of time during which such circumstances exist) the Reference Portfolio Level is equal to or below the Stop Loss Level, as determined in the reasonable discretion of the Calculation Agent.

Subject to the Notes not having already been redeemed early and/or cancelled in accordance with the Conditions, and to the other Additional Provisions of this paragraph 47 (*Additional Provisions*), if a Stop Loss Event occurs, the Issuer shall redeem all of the Notes then outstanding on the Stop Loss Event Redemption Date at their Stop Loss Event Redemption Amount.

For these purposes:

“**Stop Loss Event Determination Date**” means the date on which a Stop Loss Event occurs.

“**Stop Loss Event Redemption Amount**” means an amount per Note in the Specified Currency equal to the aggregate Stop Loss Unwind Proceeds divided by the number of Notes then outstanding, as calculated by the Calculation Agent.

“**Stop Loss Event Redemption Date**” means the third Constituents Business Day immediately following a Stop Loss Event Determination Date.

“**Stop Loss Level**” means an amount equal to ZAR 25.00 per Note multiplied by the number of Notes outstanding.

“**Stop Loss Unwind Proceeds**” means the net proceeds received by the Issuer (subject to a minimum of an amount



equal to ZAR 5.00 per Note multiplied by the number of Notes outstanding and subject to the Unwind Disruption provisions) from terminating hedging positions entered into by the Issuer for the purposes of hedging its risks in respect of the Notes, on or after the Stop Loss Event Determination Date (which could be, as determined in the sole and absolute discretion of the Issuer, based on the level of each Constituent comprised in the Reference-Portfolio), as determined in the reasonable discretion of the Calculation Agent.

## **2. Consequences of Disrupted Days**

### *Reference Portfolio Calculation Dates*

As contemplated in the Reference Portfolio Advisory Agreement, in the event that the Calculation Agent determines that any Reference Portfolio Calculation Date is a Disrupted Day with respect to any Constituent or Eligible Constituent selected by the Reference Portfolio Advisor for the purposes of a Rebalancing, then such Constituent or Eligible Constituent shall not be notionally sold or purchased on the relevant Rebalancing.

In addition, and for the purposes of determining the value of the Reference Portfolio as at such Reference Portfolio Calculation Date, (a) the price of each Constituent that is not affected by the occurrence of such Disrupted Day shall be the closing price of such Constituent on the relevant Exchange or Related Exchange on that Reference Portfolio Calculation Date and (b) the price of each Constituent that is affected by the occurrence of such Disrupted Day shall be determined by the Calculation Agent in accordance with the paragraph below, as if such Reference Portfolio Calculation Date was the Redemption Determination Date.

### *The Redemption Determination Date*

If the Calculation Agent determines that the Redemption Determination Date is a Disrupted Day in respect of any Constituent, then for the purposes of determining the value of the Reference Portfolio as at such Redemption Determination Date, (a) the price of each Constituent that is not affected by the occurrence of such Disrupted Day shall be the closing price of such Constituent on the relevant Exchange or Related Exchange on that Redemption Determination Date and (b), in respect of each Constituent that is affected by the occurrence of such Disrupted Day, the Redemption Determination Date shall be postponed to the following Constituents Business Day with respect to such Constituent *provided that* if such day does not occur within 8 (eight) consecutive Constituents Business Days immediately following the date scheduled to be the Redemption Determination Date, the price of such Constituent shall be determined by the Calculation Agent by reference to its good faith estimate of the fair market value for such Constituent on that eighth Constituents Business Day.

If the Redemption Determination Date for any Constituent is postponed in accordance with the preceding paragraph, the corresponding date for redemption of the Notes shall be automatically extended to the third Business Day following the Redemption Determination Date as so postponed.

For these purposes:

**“Constituents Business Day”** means, in respect of any Constituent, a day on which (i) the relevant Exchange and

the relevant Related Exchange are scheduled to be open for trading, notwithstanding any day on which they close for business prior to their regular weekday closing time and (ii) the Calculation Agent is open for business.

**“Disrupted Day”** means, in respect of any Constituent or Eligible Constituent, any Business Day on which the Calculation Agent determines in its reasonable discretion that trading and/or transactions in the relevant Constituent or Eligible Constituent is or are adversely affected (including without limitation where trading and/or transactions are limited by reason of illiquidity, any circumstances of market or trading disruption or the unavailability for any reason of any quote, official price or valuation in relation to the relevant Constituent or Eligible Constituent).

### **3. FX Disruption Event**

If at any time an FX Disruption Event occurs that the Issuer determines has a material impact on its obligations in respect of the Notes, the Issuer may take any of the following actions:

- (i) on giving notice to Noteholders in accordance with Additional South African Securities Condition 8, redeem all of the Notes then outstanding, each such Note being redeemed at its FX Disruption Event Redemption Amount; or
- (ii) notwithstanding any provisions in the Conditions to the contrary, postpone any payment date under the Notes until the 8<sup>th</sup> Business Day following the date on which the Calculation Agent determines the FX Disruption Event is no longer subsisting, and no interest or other amount shall be paid by the Issuer in respect of such postponement; or
- (iii) make any adjustment to the Conditions that it determines to be appropriate to account for the FX Disruption Event.

In respect of any Business Day on which an FX Disruption Event has occurred, the value of any Constituent (including for the purposes of determining the Reference Portfolio Level) that is not denominated in ZAR shall be determined (if applicable) by the Calculation Agent in its sole and absolute discretion.

For these purposes:

**“Denomination Currency”** means, with respect to a Non-ZAR Constituent, the currency in which such Non-ZAR Constituent is denominated.

**“Designated Settlement Currency”** means the currency selected by the Issuer in its sole and absolute discretion in which the Notes will be redeemed and settled pursuant to sub-paragraph 3(i) above, if applicable.

**“FX Disruption Event”** means (i) an event that generally makes it illegal, impossible or inadvisable to convert one unit of any Denomination Currency into ZAR, or an event that generally makes it impossible to deliver ZAR to accounts outside South Africa; or (ii) that it is generally not possible to exchange ZAR for any Denomination Currency at a spot rate in any legal exchange market in the principal financial centre for the relevant Denomination Currency.

**“FX Disruption Event Redemption Amount”** means an amount per Note in the Designated Settlement Currency equal to the aggregate FX Disruption Unwind Proceeds (converted by the Calculation Agent, where necessary, into the Designated Settlement Currency) divided by the number of Notes then outstanding, as calculated by the Calculation Agent.

**“FX Disruption Unwind Proceeds”** means the net proceeds received by the Issuer (subject to a minimum of an amount equal to ZAR 5.00 per Note multiplied by the number of Notes outstanding) from terminating hedging positions entered into by the Issuer for the purposes of hedging its risks in respect of the Notes (which could be, as determined in the sole and absolute discretion of the Issuer, based on the level of each Constituent comprised in the Reference Portfolio), as determined in the reasonable discretion of the Calculation Agent.

**“Non-ZAR Constituent”** means a Constituent which is not denominated in ZAR.

#### **4. Unwind Disruption**

If, in respect of a Redemption Determination Date, the Calculation Agent determines in its reasonable discretion that an Unwind Disruption Event has occurred and is continuing, the Redemption Determination Date may be postponed at the discretion of the Calculation Agent for a period of up to eight Business Days. For the avoidance of doubt, the amount (if any) payable by the Issuer in respect of such Redemption Determination Date shall be determined by reference to the Redemption Determination Date as it is postponed (the **“Postponed Redemption Determination Date”**).

In the event that an Unwind Disruption Event is continuing on the Postponed Redemption Determination Date, the amount payable in respect of redemption of the Notes will be determined by reference to the Reference Portfolio Level on the Postponed Redemption Determination Date, as determined by the Calculation Agent acting in good faith, in accordance with (and subject to any minimum amount specified in) the relevant paragraph(s) of these Final Terms.

#### **5. Conflict**

If any event occurs and / or circumstances arise which mean that, in accordance with the Conditions (including the foregoing provisions of this paragraph 47 (*Additional Provisions*)), the Issuer is permitted to, or required to, take (or refrain from taking) any particular action or make any determination, or any other circumstances apply, in respect of two or more of a Stop Loss Event, a Disrupted Day, an FX Disruption Event or an Unwind Disruption Event (or any other provision in the Conditions) (to the extent applicable, a **“Relevant Event”**), the Issuer shall elect in its sole and absolute discretion to act in accordance with the provisions of the Conditions applicable in respect of any one such Relevant Event, notwithstanding anything to the contrary in the Conditions (including the foregoing provisions of this paragraph 47 (*Additional Provisions*)). In such circumstances, the provisions of the Conditions applicable in respect of any other Relevant Event shall not apply.

#### **6. Additional defined terms**

**“Adjustment Fee”** means 0.10%.

**“Exchange”** means, in relation to a Constituent or Eligible Constituent, the principal exchange on which such Constituent or Eligible Constituent is traded or quoted, as determined in the reasonable discretion of the Calculation Agent.

The **“Initial Reference Portfolio Level”** is an amount equal to ZAR 100.00 per Note multiplied by the number of Notes outstanding, being the Reference Portfolio Level on the Pricing Date.

**“Issuer Management Fee”** has the meaning given to that term in Annex I to these Final Terms.

**“Notional Investor”** means a hypothetical person with obligations similar to those of the Issuer in respect of the Notes, who has elected to hedge those obligations.

**“Pricing Date”** means 19 March 2020.

**“Redemption Determination Date”** means the Expiration Date, the Optional Redemption Determination Date, the Automatic Early Redemption Determination Date, the Original Expiration Date (to the extent that the Expiration Extension Termination Option has been exercised) or the date on which the amount payable in respect of redemption of the Notes is to be determined for the purposes of paragraph 27 of these Final Terms, as applicable and as may be adjusted in accordance with the provisions of this paragraph 47 (*Additional Provisions*).

**“Reference Portfolio”** means the reference portfolio created and maintained by the Reference Portfolio Advisor in accordance with the Reference Portfolio Advisory Agreement. For the avoidance of doubt, the Issuer may from time to time acquire or otherwise hold Constituents and / or Eligible Constituents of the Reference Portfolio but is under no obligation to do so in respect of the Notes.

**“Reference Portfolio Advisor”** Absa Bank Limited

Please note that the Reference Portfolio Advisor may not only act as Reference Portfolio Advisor with regard to the Reference Portfolio, but may at the same time act as asset manager or financial consultant with regard to investors in the Notes, which may induce potential conflicts between investors' interests and Reference Portfolio Advisor's interests. The Reference Portfolio Advisor has implemented any measures required to fully mitigate such potential conflict of interest.

The Reference Portfolio Advisor will delegate the management of the Reference Portfolio to Reitway Global (Pty) Ltd. (the "Delegated Reference Portfolio Advisor"). More information about Reitway Global (Pty) Ltd can be found at [www.reitwayglobal.com](http://www.reitwayglobal.com). Reitway Global (Pty) Ltd is regulated by the Financial Services Conduct Authority (Licence No. 43747).

Please note that the Delegated Reference Portfolio Advisor may not only act as Delegated Reference Portfolio Advisor with regard to the Reference Portfolio, but may at the same time act as asset manager or financial consultant with regard to investors in the Notes, which may induce potential conflicts between investors' interests and Delegated

Reference Portfolio Advisor's interests. The Delegated Reference Portfolio Advisor has implemented any measures required to fully mitigate such potential conflict of interest.

**"Reference Portfolio Advisory Agreement"** means the reference portfolio advisory agreement between the Issuer, the Calculation Agent and Absa Bank Limited (as the Reference Portfolio Advisor) dated on or around 19 March 2020 pursuant to which the Reference Portfolio will be comprised, and potentially adjusted, the principal terms of which are summarised in Annex I to these Final Terms.

**"Reference Portfolio Advisor Fee"** has the meaning given to that term in Annex I to these Final Terms.

**"Reference Portfolio Advisor Supervisory Authority"** means that the Reference Portfolio Advisor is regulated by the South African Reserve Bank ("SARB") (Registration No. 1986/004794/06).

**"Delegated Reference Portfolio Advisor Supervisory Authority"** means that the Delegated Reference Portfolio Advisor is regulated by the Financial Services Conduct Authority (Licence No. 43747).

**"Reference Portfolio Calculation Date"** means each Business Day.

**"Reference Portfolio Fee"** has the meaning given to that term in Annex I to these Final Terms.

**"Reference Portfolio Level"** means, subject to the provisions of paragraph 2 (*Consequences of Disrupted Days*) of this paragraph 47 (*Additional Provisions*), (i) in respect of any Reference Portfolio Calculation Date except the Redemption Determination Date, a level for the Reference Portfolio calculated by the Calculation Agent based on the closing price or value of each Constituent on the relevant Exchange or Related Exchange on that Reference Portfolio Calculation Date, and (ii) in respect of the Redemption Determination Date, a level for the Reference Portfolio calculated by the Calculation Agent as the sum of (x) the sale proceeds, as converted into the Specified Currency where applicable, using the prevailing exchange rate, as determined by the Calculation Agent in its reasonable discretion, that would be realized by a notional investor (in the same position as the Issuer) when selling and/or, as the case may be, unwinding the prevailing Constituents comprising the Reference Portfolio and (y) the value of the cash position minus any accrued but not yet deducted Adjustment Fee and/or Reference Portfolio Fee.

**"Related Exchange"** means, in relation to a Constituent or Eligible Constituent, the principal exchange (if any) on which options or futures contracts relating to such Constituent or Eligible Constituent are traded or quoted, as determined in the reasonable discretion of the Calculation Agent.

**"Unwind Disruption Event"** means, in respect of any date, the Issuer or a Notional Investor would be unable to unwind investments, in any Reference Portfolio Constituent(s) on or by such date.

- |     |                             |                |
|-----|-----------------------------|----------------|
| 48. | Additional Tax Disclosure:  | Not Applicable |
| 49. | Method of Distribution:     | Non-Syndicated |
| 50. | (i) If syndicated, names of | Not Applicable |

	Managers:	
	(ii) Firm Commitment:	Not Applicable
	(iii) No firm commitment/best efforts arrangement:	Not Applicable
51.	Commissions:	None
52.	If non-syndicated, name of Manager:	UBS South Africa (Pty) Ltd
53.	Applicable TEFRA rules:	TEFRA D
54.	Additional selling restrictions:	See Section titled "Subscription and sale" in the Placement Document
55.	Certification of non-U.S. status:	Applicable (TEFRA D)
OPERATIONAL INFORMATION		
56.	ISIN:	ZAE000285458
57.	Common Code:	Not Applicable
58.	Other Securities Code(s):	Not Applicable
59.	Product Long Name:	UBS URETGP 18Mar25
60.	Product Short Name:	UBS URETGP
61.	Alpha Code:	URETGP
62.	Swiss Security number:	Not Applicable
63.	(i) Clearing System(s):	The Notes will be cleared through the CSD (Strate Proprietary Limited).
	(ii) Clearing System for delivery of the Underlying Securities:	Not Applicable.
	(iii) Physical Delivery:	Not Applicable.
64.	Delivery:	Delivery against payment
65.	South African Transfer Agent:	UBS South Africa (Pty) Ltd
66.	South African Paying Agent:	First Rand Bank Limited, acting through its division, First National Bank
67.	Additional Paying Agent(s) (if any):	Not Applicable
68.	Calculation Agent:	UBS AG, Bahnhofstrasse 45 CH-8001 Zürich/ Aeschenvorstadt 1 CH-4051 Basle acting through UBS AG, London Branch, 5 Broadgate, London, EC2M 2QS, United Kingdom.
69.	Authorised Amount of South African Securities:	ZAR 14 billion
70.	Rating Agency:	Not Applicable
71.	Rating assigned to this Tranche (if any) and date of review of that credit rating:	Not Applicable

72. Additional Events of Default: Not Applicable

**APPLICABLE LAW AND JURISDICTION**

73. Applicable law: English law

74. Place of jurisdiction: Courts of England

The Issuer certifies that to the best of its knowledge and belief there are no facts that have been omitted from the Information Memorandum (the "**Placement Document**"), which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made and that the Placement Document, as supplemented by these Final Terms, contains all information required by applicable laws of South Africa and, the JSE Listings Requirements. The Issuer accepts full responsibility for the information contained in the Placement Document, as supplemented by these Final Terms, and the annual financial statements and any amendments to the annual financial statements or any supplement from time to time, except as otherwise stated therein.

The JSE takes no responsibility for the contents of the Placement Document, these Final Terms or the annual financial statements of the Issuer (as amended or restated from time to time), it makes no representation as to the accuracy or completeness of any of the foregoing documents and expressly disclaims any liability for any loss arising from or in reliance upon the whole or any part of the Placement Document, these Final Terms, or the annual financial statements of the Issuer (as amended or restated from time to time).

Application is hereby made to list this Tranche of the South African Securities, as from the Issue Date, pursuant to the Placement Document. The Placement Document was registered with the JSE on or around 16 September 2019.

## **DISCLOSURE IN TERMS OF THE COMMERCIAL PAPER REGULATIONS**

Disclosure Requirements in terms of paragraph 3(5) of the Commercial Paper Regulations, published in terms of the Banks Act, under Government Notice number 2172 in Government Gazette number 16167, dated 14 December 1994

### **Paragraph 3(5)(a)**

The ultimate borrower will be the Issuer.

### **Paragraph 3(5)(b)**

The Issuer is a going concern and can in all circumstances be reasonably expected to meet its commitments under the South African Securities.

### **Paragraph 3(5)(c)**

The auditor of the Issuer is Ernst & Young Ltd.

### **Paragraph 3(5)(d)**

As at the date of this issue:

- (a) the Issuer has ZAR 4,103,460,000 (excluding this issuance) in commercial paper outstanding; and
- (b) it is anticipated that the Issuer will issue additional commercial paper during the remainder of its current financial year up to an amount of ZAR 9,296,540,000.

### **Paragraph 3(5)(e)**

Prospective investors in the Notes are to consider these Final Terms, the Information Memorandum, any supplement thereto and the documentation incorporated therein by reference in order to ascertain the nature of the financial and commercial risks of an investment in the Notes.

### **Paragraph 3(5)(f)**

Unless otherwise disclosed in the Placement Document or in a supplement thereto, there has been no material adverse change in the Issuer's financial position since the date of its last audited financial statements.

### **Paragraph 3(5)(g)**

The Notes will be listed.

### **Paragraph 3(5)(h)**

The funds to be raised through the issue of the Notes are to be used by the Issuer for its general corporate purposes.

### **Paragraph 3(5)(i)**

The Notes are unsecured.

### **Paragraph 3(5)(j)**

Ernst & Young Inc., the auditors appointed by the Issuer in South Africa for that purpose, have confirmed that nothing has come to their attention to cause them to believe that this issue of Securities does not comply in all material respects with the relevant provisions of the Commercial Paper Regulations.

The following documents or information shall also be deemed to be incorporated in, and form part of, these Final Terms: any Form 20-F filed by the Issuer with the United States Securities and Exchange Commission ("SEC"), as well as any Form 6-K that the Issuer submits to the SEC if the Form 6-K specifically states that it is incorporated by reference into registration statements that UBS AG files with the SEC pursuant to the US Securities Act 1933, as amended.



Signed on behalf of the Issuer:

By:



Peter Stickland  
Executive Director  
Sales & Trading Legal

Duly authorised

Date: 06 May 2021

By:



Richard Lamb  
Managing Director  
Sales & Trading Legal

Duly authorised

## ANNEX I

### 1. Reference Portfolio Description Document and the Reference Portfolio Advisor

#### (a) Reference Portfolio Advisor

The Reference Portfolio Advisor shall be Absa Bank Limited.

Please note that the Reference Portfolio Advisor may not only act as Reference Portfolio Advisor with regard to the Reference Portfolio, but may at the same time act as asset manager or financial consultant with regard to investors in the Notes, which may induce potential conflicts between investors' interests and Reference Portfolio Advisor's interests. The Reference Portfolio Advisor has implemented any measures required to fully mitigate such potential conflict of interest.

The Reference Portfolio Advisor will delegate the management of the **Reference Portfolio to Reitway Global (Pty) Ltd.** (the "**Delegated Reference Portfolio Advisor**"). More information about Reitway Global (Pty) Ltd can be found at [www.reitwayglobal.com](http://www.reitwayglobal.com). Reitway Global (Pty) Ltd is regulated by the Financial Services Conduct Authority (Licence No. 43747).

Please note that the Delegated Reference Portfolio Advisor may not only act as Delegated Reference Portfolio Advisor with regard to the Reference Portfolio, but may at the same time act as asset manager or financial consultant with regard to investors in the Notes, which may induce potential conflicts between investors' interests and Delegated Reference Portfolio Advisor's interests. The Delegated Reference Portfolio Advisor has implemented any measures required to fully mitigate such potential conflict of interest.

#### (b) Reference Portfolio Description Document

The **Reitway Active Global Property Note** (the "**Reference Portfolio**") is a notional South African Rand ("**ZAR**" or the "**Reference Portfolio Currency**") denominated reference portfolio, created, actively managed and maintained by **Absa Bank Limited** (the "**Reference Portfolio Advisor**").

The Reference Portfolio aims to replicate the performance of:

- (i) long only positions in stocks (each a "**Stock Constituent**") comprised in the Stock Investment Universe,
- (ii) long only positions in exchange-traded funds (ETFs) (each an "**ETF Constituent**") comprised in the ETF Investment Universe

all of the above together referred to as the "**Constituents**", combined with,

- (iii) a cash position denominated in the Reference Portfolio Currency (the "**Cash Position**"), which together with the Constituents shall be referred to as the "**Reference Portfolio Components**". The performance of the Reference Portfolio will be net of the relevant fees and costs described herein.

The Cash Position will accrue interest at the prevailing reference rate (the "**Reference Rate**"), as described herein, which may be negative from time to time.

The Reference Portfolio Advisor has created the Reference Portfolio by selecting the initial Constituents (the "**Initial Constituents**") on 19 March 2020 (the "**Pricing Date**"). The Initial Constituents are listed in Section 3 below. The notional value of the Reference Portfolio (the "**Initial Reference Portfolio Level**") will be ZAR 100.00 per Note on the Pricing Date.

The Reference Portfolio Advisor is responsible for adjusting the composition of the Reference Portfolio from time to time thereafter (any such adjustment a "**Rebalancing**") in accordance with Section 4 below. Certain limitations apply as to the composition of the Reference Portfolio from time to time as described in such section.

The level of the Reference Portfolio (the "**Reference Portfolio Level**") is calculated in the Reference Portfolio Currency, net of fees and costs associated with the creation, maintenance and management of the Reference Portfolio, as described in Section 5 below.

The Calculation Agent may adjust the composition of the Reference Portfolio from time to time to account for corporate actions in respect of the Constituents and other similar events, as described in Section 6 below.

Whilst the Redemption Amount is linked to the market value of the Reference Portfolio Components, the Issuer is not obliged to invest the proceeds of the issuance of the Notes in any Reference Portfolio Component at any time and the holders of the Notes do not have any direct interest in, or beneficial ownership in any Reference Portfolio Component at any time.

Unless otherwise specifically provided herein, terms used in this document shall have the meanings given to such terms in, and shall be interpreted in accordance with, the terms and conditions of the relevant product linked to the Reference Portfolio.

## 2. Reference Portfolio Investment Universe, title selection criteria and investment restrictions

The Reference Portfolio, whose composition may vary from time to time, is actively managed by the Reference Portfolio Advisor and represents a notional investment in the Reference Portfolio Components as described in detail in the following. The Reference Portfolio Advisor is not allowed to select any additional securities, assets, exposures or contracts for inclusion in the notional Reference Portfolio apart from the ones that are part of the Investment Universes described below. The Reference Portfolio Advisor may select any securities, assets, exposures or contracts from the Investment Universes for inclusion in the notional Reference Portfolio (with such securities, assets, exposures or contracts becoming "Constituents" after inclusion in the Reference Portfolio) in its reasonable discretion pursuant and subject to the provisions contained in this document.

### 2.1 Stock Constituents

The Reference Portfolio may reference as Stock Constituents long positions in stocks from the universe described below (the "**Stock Investment Universe**").

Stocks that form part of the following indices at the time of Rebalancing may be incorporated as Stock Constituents in the Reference Portfolio (each an "**Eligible Stock Constituent**"):

- (i) Global Property Research 250 REIT Index (Bloomberg ticker: REITGLOB Index)
- (ii) FTSE EPRA / NAREIT Developed Rental Index Net Total Return (Bloomberg ticker: RNGR Index)

For long positions in Stock Constituents, a notional amount reflecting net dividends of the Stock Constituents, as converted into the Reference Portfolio Currency, where such Stock Constituent is not denominated in the Reference Portfolio Currency, at the then prevailing exchange rate, each as determined by the Calculation Agent in its reasonable discretion, will be paid into the Cash Position on the ex-dividend date of that Stock Constituent.

In respect of any Constituents which are U.S. equity securities, for purposes of determining the amount of a dividend treated as notionally reinvested, such dividend shall be reduced by the 30% withholding tax imposed by Section 871(m) of the U.S. Internal Revenue Code of 1986, as amended.

Eligible Stock Constituents from the Stock Investment Universe may be selected in the sole discretion of the Reference Portfolio Advisor pursuant and subject to the provisions contained in this document. The Calculation Agent may retain the right to reject the inclusion of any Eligible Stock Constituent due to any applicable rules, regulations and internal or external restrictions according to the provisions as set out below in Section 4 ("**Rebalancing of the Reference Portfolio**") below.

### 2.2 ETF Constituents

The Reference Portfolio may reference as ETF Constituents long positions in certain ETFs from the universe described below (the "**ETF Investment Universe**").

ETF Constituents	Bloomberg Ticker
IShares S&P / TSX Capped REIT ETF	XRE CN Equity

For long positions in ETF Constituents, a notional amount reflecting net dividends of the ETF Constituents, as converted into the Reference Portfolio Currency, where such ETF Constituent is not denominated in the Reference Portfolio Currency, at the then prevailing exchange rate, each as determined by the Calculation

Agent in its reasonable discretion, will be paid into the Cash Position on the ex-dividend date of that ETF Constituent.

In respect of any Constituents which are U.S. equity securities, for purposes of determining the amount of a dividend treated as notionally reinvested, such dividend shall be reduced by the 30% withholding tax imposed by Section 871(m) of the U.S. Internal Revenue Code of 1986, as amended.

Eligible ETF Constituents from the ETF Investment Universe may be selected in the sole discretion of the Reference Portfolio Advisor pursuant and subject to the provisions contained in this document. The Calculation Agent may retain the right to reject the inclusion of any Eligible ETF Constituent due to any applicable rules, regulations and internal or external restrictions according to the provisions as set out below in Section 4 ("**Rebalancing of the Reference Portfolio**") below.

### 2.3 Cash Position

From time to time, the notional Reference Portfolio may also contain a Cash Position as a Reference Portfolio Component, which represents a notional holding of a cash account denominated in the Reference Portfolio Currency and accruing interest at the prevailing reference rate (the "**Reference Rate**"), which can be negative from time to time.

The Reference Rate is observed on every Business Day and shall be equal to the South Africa Rand Overnight Deposit Rate (Bloomberg page: RAONON <Index>) (the "**Relevant Screen Page**"), which for the avoidance of doubt may be negative from time to time.

If the Relevant Screen Page is not available, the Reference Rate shall be the equivalent rate as displayed on the corresponding page of another financial information service. If the Reference Rate is no longer displayed in one of these forms, the Calculation Agent is entitled to specify at its reasonable discretion a successor Reference Rate calculated on the basis of the standard market practices applicable at that time as the Reference Rate.

The value of the Cash Position will thereafter be positively or negatively affected by deductions and any Rebalancing, as described in Section 2 and 4 herein. Finally, the Cash Position will be negatively impacted by the deduction of certain fees as described in Section 5 below.

The Cash Position may be notionally reinvested into Constituents from time to time, in the reasonable discretion of the Reference Portfolio Advisor.

### 2.4 Investment Restrictions

Eligible Constituents as well as Constituents may be selected by the Reference Portfolio Advisor for notional purchase or, as the case may be, sale or unwind in accordance with the following investment restrictions (the "**Investment Restrictions**"):

- (i) The Weight of the Cash Position shall at all times be greater than -5%.
- (ii) The sum of the Weights of all Constituents is capped at a maximum of 100% (the "**Leverage Threshold**") at all times during the lifetime of the product. In case the sum of the Weights of all Constituents exceeds the Leverage Threshold, the Calculation Agent is entitled to notionally sell Constituents at its reasonable discretion until the sum of the Weights of all Constituents is smaller than or equal to 95%. In respect of such notional sales of such Constituents, a notional credit (which may be equal to zero) shall be made to the Cash Position corresponding to the Notional Net Disposal Value (which may be equal to zero) of such Constituents with effect from the date of such Constituents' notional sale.
- (iii) The Weight of any single ETF Constituent is capped at 5%.
- (iv) The Holdings of each ETF Constituent is capped at a maximum of 25% of the assets under management of such ETF Constituent, as determined by the Calculation Agent in its reasonable discretion (the "**Concentration Threshold**") at all times during the lifetime of the product. In case the Holdings of an ETF Constituent exceed the Concentration Threshold, the Calculation Agent is entitled to notionally sell such ETF Constituent at its reasonable discretion until the Holdings of such ETF Constituent are smaller than or equal to the Concentration Threshold. In

respect of such notional sales of such ETF Constituent, a notional credit (which may be equal to zero) shall be made to the Cash Position corresponding to the Notional Net Disposal Value (which may be equal to zero) of such ETF Constituent with effect from the date of the notional sale of such ETF Constituent.

**For the avoidance of doubt: The responsibility and legal duty that the Reference Portfolio complies with the above guidelines is solely with the Reference Portfolio Advisor.**

## 2.5 Additional Definitions

**"Weight"** means, with respect to the Pricing Date or any Business Day and pertaining to a Stock Constituent, to the Cash Position and/or to an ETF Constituent, the notional value of such Stock Constituent and/or ETF Constituent, as converted into the Reference Portfolio Currency, where such Stock Constituent and/or ETF Constituent is not denominated in the Reference Portfolio Currency, at the then prevailing exchange rate, divided by the Reference Portfolio Level, both as determined by the Calculation Agent in its reasonable discretion.

**"Holdings"** means, with respect to the Pricing Date or any Business Day and pertaining to an ETF Constituent, the Weight of such ETF Constituent, multiplied by the Reference Portfolio Level and by the prevailing number of outstanding Notes, all as determined by the Calculation Agent in its reasonable discretion.

## 3. Initial Composition of the Reference Portfolio

The Reference Portfolio was created on the Pricing Date with an opening value of ZAR 100.00. On the Pricing Date, the Constituents were as set out below.

Bloomberg Ticker	Reference Portfolio Component	Currency	Weight
ZAR CASH	Cash	ZAR	100.00%
<b>TOTAL</b>			<b>100.00%</b>

The current composition of the Reference Portfolio (including the respective Weights) may be requested free of charge at any time from UBS South Africa (Pty) Ltd, 144 Oxford Road, 2196 Johannesburg (South Africa), via telephone (+27-(0)11 322 7000) or via e-mail ([keyinvestza@ubs.com](mailto:keyinvestza@ubs.com)), or from UBS AG, P.O. Box, CH-8098 Zurich (Switzerland), via telephone (+41-(0)44-239 47 03), fax (+41-(0)44-239 69 14) or via e-mail ([swiss-prospectus@ubs.com](mailto:swiss-prospectus@ubs.com)).

## 4. Rebalancing of the Reference Portfolio

4.1 A Rebalancing may be initiated by the Reference Portfolio Advisor on any Business Day following the Pricing Date, effective as soon as reasonably practicable, as determined by the Calculation Agent in a commercially reasonable manner (such day, a **"Reference Portfolio Adjustment Date"**), subject to the occurrence of a Market Disruption Event on such Constituents Business Day. However, no more than 252 Rebalancings may be initiated in any 12 month period starting with the Pricing Date and reset on each anniversary of the Pricing Date. The expected number of Rebalancings in any such 12 month period is 252.

For the avoidance of doubt, a single Rebalancing may comprise of a change to more than one Constituent, and therefore a change in the position of multiple Constituents which were the result of a single Rebalancing instruction by the Reference Portfolio Advisor shall be considered as one Rebalancing.

4.2 On any Business Day, the Reference Portfolio Advisor may, as it deems appropriate in its reasonable discretion, give notice to the Calculation Agent not later than 5 p.m. CET for European orders and 7 p.m. CET for all other orders, of its intention to initiate a Rebalancing on such day (a **"Rebalancing Notice"**), and effective as soon as reasonably practicable, as determined by the Calculation Agent in

a commercially reasonable manner. Save as the Calculation Agent may otherwise agree, a Rebalancing Notice shall not be effective if, at the time of such Rebalancing Notice is received, a Rebalancing in respect of any Rebalancing Notice received earlier on such Business Day has not yet been completed or otherwise rejected. For the purposes hereof, a Rebalancing is deemed completed upon notification by the Calculation Agent to the Reference Portfolio Advisor, with respect to the relevant Rebalancing, of the relevant Notional Net Acquisition Cost of each Eligible Constituent notionally included in the Reference Portfolio, the Notional Net Disposal Value(s) of each Constituent notionally removed from the Reference Portfolio and the Weight of each Constituent notionally comprised in the Reference Portfolio following the relevant Rebalancing as provided in sub-Section 4.6 below.

- 4.3. The Calculation Agent will determine the exact number of Constituents based on prevailing market conditions, including exchange rates when relevant, in its reasonable discretion. Such number may deviate from the exact Weight recommended by the Reference Portfolio Advisor.
- 4.4 On each Reference Portfolio Adjustment Date, notional debits and credits to the Cash Position shall be made as follows:
- (i) In respect of the notional purchase of an Eligible Stock Constituent and/or of an Eligible ETF Constituent, a notional debit shall be made to the Cash Position corresponding to the Notional Net Acquisition Cost of such Eligible Stock Constituent and/or Eligible ETF Constituent, with effect from the date of the notional purchase of such Eligible Stock Constituent and/or Eligible ETF Constituent; and
  - (ii) In respect of the notional sale or unwind of a Stock Constituent and/or of an ETF Constituent, a notional credit (which may be equal to zero) shall be made to the Cash Position corresponding to the Notional Net Disposal Value (which may be equal to zero) of such with effect from the date of the notional sale of such Stock Constituent and/or of an ETF Constituent.
- 4.5 The Calculation Agent is entitled but has no legal duty to refuse the notional purchase of any Eligible Constituent and/or the notional sale or unwind of any Constituents and to require the Reference Portfolio Advisor to initiate a Rebalancing in certain circumstances, as follows:
- (i) The Reference Portfolio Advisor has selected an asset for inclusion in the notional Reference Portfolio which is not part of the Investment Universes;
  - (ii) The Reference Portfolio is, or following the relevant Rebalancing would breach any of the Investment Restrictions or any other rule or provision contained herein;
  - (iii) A Market Disruption Event has occurred in respect of the relevant Eligible Constituent or Constituent on the relevant Reference Portfolio Adjustment Date;
  - (iv) A FX Disruption Event has occurred in respect of the relevant Eligible Constituent or Constituent on the relevant Reference Portfolio Adjustment Date;
  - (v) The Calculation Agent determines that a Hedging Disruption Event has occurred in relation to any Constituent or Eligible Constituent. In this paragraph, "**Hedging Disruption Event**" means the determination by the Calculation Agent that it would not be reasonably practicable or it would otherwise be undesirable, for any reason, for a notional Investor wholly or partially to establish, re-establish, substitute or maintain any hedging transaction which in the determination of the Calculation Agent would be necessary or desirable to hedge the obligations of an issuer of securities linked to the performance of the Reference Portfolio (such reasons may include, but are not limited to (i) any material illiquidity in the market for any Constituent or Eligible Constituent, (ii) a change in any applicable law (including, without limitation, any tax law) or the promulgation of, or change in, the interpretation of any court, tribunal or regulatory authority with competent jurisdiction of any applicable law (including any action taken by a taxing authority); or (iii) the general unavailability of market participants who would agree to enter into any such hedging transaction on commercially reasonable terms or at all; and
  - (vi) The Calculation Agent determines that it would not be reasonably practicable for a notional Investor in the same position as the Issuer to make purchases and/or sales or unwind of any Eligible Constituent or Constituent, as the case may be, due to compliance, regulatory, reporting

or reputational constraints, take-over considerations, internal restrictions or lack of internal approval.

In the event that the Calculation Agent requires the Reference Portfolio to initiate a Rebalancing such that the Reference Portfolio complies with the foregoing, the Reference Portfolio Advisor shall, as soon as is reasonably practicable and without undue delay, initiate a Rebalancing such that the Reference Portfolio complies with the foregoing as at the immediately following Reference Portfolio Adjustment Date. The Reference Portfolio Advisor has no right to object to such Rebalancing required by the Calculation Agent.

**For the avoidance of doubt: Notwithstanding the entitlements of the Calculation Agent under this paragraph, the sole responsibility and legal duty to manage the Reference Portfolio in compliance with the rules and provisions contained in this document is with the Reference Portfolio Advisor.**

- 4.6 As soon as is reasonably practicable after receipt of an effective Rebalancing Notice on a Reference Portfolio Adjustment Date, and subject to any rejection pursuant to sub-Section 4.5 above, the Calculation Agent shall notify the Reference Portfolio Advisor of (a) the Notional Net Acquisition Cost and Notional Net Disposal Value applicable to each Eligible Constituent and/or Constituent that is subject to the Rebalancing and (b) the Weight of each Constituent comprised in the Reference Portfolio as a result of the Rebalancing. Upon receipt by the Reference Portfolio Advisor of such notice from the Calculation Agent, the Rebalancing shall be binding and conclusive on the Reference Portfolio Advisor in the absence of manifest error.

For the avoidance of doubt, a proposed Rebalancing shall be effective only if and to the extent that the Calculation Agent, on the Reference Portfolio Adjustment Date on which the relevant Rebalancing Notice is given, notifies to the Reference Portfolio Advisor the information mentioned in (a) and (b) above. Should a proposed Rebalancing not be fully effective on a Reference Portfolio Adjustment Date, the Reference Portfolio Advisor will be required to deliver one or more further Rebalancing Notices in accordance with the provisions hereof to execute the remainder of the initially proposed Rebalancing.

- 4.7 In this Section:

- (i) **"Notional Net Acquisition Cost"** means, in relation to an Eligible Stock Constituent and/or an Eligible ETF Constituent, the notional price (including any applicable Adjustment Fee) at which the Calculation Agent determines that a notional Investor would be able to purchase or otherwise acquire such Eligible Stock Constituent and/or Eligible ETF Constituent (where applicable, on the relevant Exchange) at execution time on the relevant Reference Portfolio Adjustment Date, as converted into Reference Portfolio Currency where such Eligible Stock Constituent and/or Eligible ETF Constituent is not denominated in the Reference Portfolio Currency, at the then prevailing exchange rate, each as determined by the Calculation Agent in its reasonable discretion; and
- (ii) **"Notional Net Disposal Value"** means, in relation to an Eligible Stock Constituent and/or Eligible ETF Constituent, the notional price (net of any applicable Adjustment Fee) at which the Calculation Agent determines that a notional Investor would be able to sell or otherwise realise or dispose of such Eligible Stock Constituent and/or Eligible ETF Constituent (where applicable, on the relevant Exchange) at execution time on the relevant Reference Portfolio Adjustment Date, as converted into Reference Portfolio Currency, where such Eligible Stock Constituent and/or Eligible ETF Constituent is not denominated in the Reference Portfolio Currency, at the then prevailing exchange rate, each as determined by the Calculation Agent in its reasonable discretion.

## 5. Fees and Costs applicable to the Reference Portfolio

The Reference Portfolio is calculated net of fees and costs associated with the creation, maintenance and management of the Reference Portfolio, as follows:

- (i) Reference Portfolio Advisor Fee (calculated daily): The Reference Portfolio Advisor will receive

a quarterly fee of 0.100% (0.40% per year) of the Reference Portfolio Level, deducted from the respective Reference Portfolio Level on a pro-rata daily basis as determined by the Calculation Agent.

- (ii) Issuer Management Fee (calculated daily): The Issuer will receive a quarterly fee of 0.225% (0.90% per year) of the Reference Portfolio Level, deducted from the respective Reference Portfolio Level on a pro-rata daily basis by the Calculation Agent.

The sum of the Reference Portfolio Advisor Fee and the Issuer Management Fee shall be referred to as the **"Reference Portfolio Fee"**

- (iii) An Adjustment Fee is levied for each Rebalancing, as defined in Annex 1, made in the Reference Portfolio and represents a percentage of the notional volume of each of the purchase and/or sale of a Constituent. The Adjustment Fee equals 0.10%.

The Adjustment Fee shall be deducted from the Cash Position.

For the avoidance of doubt, unwind costs to determine the Final Reference Portfolio Level shall constitute Adjustment Fees.

**The Adjustment Fees fully remain with the Issuer.**

## **6. Adjustments of the Reference Portfolio**

If, at any time, any event occurs in relation to any Constituent which the Calculation Agent determines requires any adjustment(s) to be made to the composition of the Reference Portfolio, then the Calculation Agent shall (i) determine which adjustment(s) are to be made to the Reference Portfolio with a view to account for the effect of the relevant event and to preserve the prevailing composition of the Reference Portfolio immediately prior to the occurrence of such event and (ii) determine the date on which such adjustment(s) shall take effect.

**For the avoidance of doubt: Notwithstanding the entitlements of the Calculation Agent under this paragraph, the sole responsibility and legal duty to manage the Reference Portfolio in compliance with the rules and provisions contained in this document is with the Reference Portfolio Advisor.**



## ANNEX II

### GENERAL RISK WARNING

**THE PURCHASE OF NOTES MAY INVOLVE SUBSTANTIAL RISKS AND IS SUITABLE ONLY FOR POTENTIAL INVESTORS WITH THE KNOWLEDGE AND EXPERIENCE IN FINANCIAL AND BUSINESS MATTERS NECESSARY TO EVALUATE THE RISKS AND THE MERITS OF AN INVESTMENT IN THE NOTES.**

**BEFORE MAKING AN INVESTMENT DECISION, POTENTIAL INVESTORS SHOULD CONSIDER CAREFULLY, IN THE LIGHT OF THEIR OWN FINANCIAL CIRCUMSTANCES AND INVESTMENT OBJECTIVES, ALL THE INFORMATION SET FORTH IN THIS ANNEX II AND IN THE INFORMATION MEMORANDUM DATED 16 SEPTEMBER 2019, AS SUPPLEMENTED, UPDATED OR REPLACED FROM TIME TO TIME.**

**POTENTIAL INVESTORS IN THE NOTES SHOULD RECOGNISE THAT THE NOTES MAY DECLINE IN VALUE AND SHOULD BE PREPARED TO SUSTAIN A TOTAL LOSS OF THEIR INVESTMENT IN THE NOTES.**

#### **Risk factors relating to the Terms and Conditions of the Notes**

##### **Early termination**

The Notes contain terms and conditions that allow the Issuer to terminate and redeem the Notes prior to the Maturity Date. In particular, but without limitation, the Notes may be subject to early redemption following exercise by the Issuer of the Issuer Call Option or following an Automatic Early Redemption Event, a Stop Loss Event or an FX Disruption Event. In addition, the occurrence of a Change in Law, Hedging Disruption, an Increased Cost of Hedging and/or certain tax events could result in the Notes being subject to early redemption. For further information on the circumstances in which any such event or circumstances could occur, potential investors should refer to the Terms and Conditions of the Notes (in particular §4 thereof) and these Final Terms (in particular paragraphs 13 (*Put/Call Options*), 23 (*Automatic Early Redemption*) and 47 (*Additional Provisions*) thereof).

Potential investors should note that the amount payable in the event of early redemption may vary depending on the circumstances in which the Notes are redeemed and such amount may be, in any event, considerably below what the Reference Portfolio Level would otherwise have been on the scheduled redemption date of the Notes.

##### **Stop Loss Event**

As mentioned above, a “Stop Loss Event” applies to the Notes so that if on any day prior to the Expiration Date, the value of the Reference Portfolio is equal to or below the Stop Loss Level (as determined by the Calculation Agent), the Notes will be redeemed early. The Stop Loss Event trigger is intended to limit losses that investors may otherwise incur where the value of the Reference Portfolio declines to or below the Stop Loss Level. However, investors should note that the amount payable on redemption following a Stop Loss Event trigger is principally dependent on the amount received by the Issuer in unwinding its hedge positions relating to the Notes, which such amount will largely depend on the circumstances prevailing at the time and which such amount may be equal to zero. In circumstances where the amount received by the Issuer from unwinding its hedge positions is less than an amount equal to 5 per cent. of the aggregate principal amount outstanding of the Notes, investors would be entitled to receive a minimum redemption amount equal to 5 per cent. of the Specified Denomination per Note.

##### **Postponement of the Redemption Determination Date**

The Notes contain terms and conditions pursuant to which the Redemption Determination Date may be postponed. In particular, but without limitation, the Redemption Determination Date may be postponed in the event that it is a Disrupted Day or in the event that an Unwind Disruption or an FX Disruption Event exists on such date. For further information on the circumstances in which any such event or circumstances could occur, potential investors should refer to these Final Terms (in particular paragraph 47 (*Additional Provisions*) thereof).

Potential investors should note that no compensation, interest or other amount is due in the event of any such postponement or extension.

##### **Disrupted Days and FX Disruption Events**

Investors are exposed to the occurrence of a Disrupted Day, which the Calculation Agent may determine has occurred if, in respect of any Constituent or Eligible Constituent, trading and/or transactions in the

relevant Constituent or Eligible Constituent is or are adversely affected (including, without limitation, where trading and/or transactions are limited by reason of illiquidity, any circumstances of market or trading disruption or the unavailability for any reason of any quote, official price or valuation in relation to the relevant Constituent or Eligible Constituent). Investors are also exposed to the occurrence of an FX Disruption Event which may occur in the event that (i) it is generally illegal, impossible or inadvisable to convert one unit of any currency in which a Constituent is denominated (a “**Denomination Currency**”) into ZAR, or it is impossible to deliver ZAR to accounts outside South Africa. An FX Disruption Event may also occur if it is generally not possible to exchange ZAR for any Denomination Currency at a spot rate in a relevant exchange market.

The occurrence of a Disrupted Day or an FX Disruption Event may have an adverse impact on the amount payable to Noteholders, on redemption through delay in payment and/or a decline in value of the Reference Portfolio Level or a Constituent thereof. In addition, potential investors should note that, if an FX Disruption Event occurs and the Issuer elects to redeem the Notes early, the amount payable to Noteholders (if any) will be determined by reference to the proceeds received by the Issuer from terminating hedging positions entered into by the Issuer for the purposes of hedging its risks in respect of the Notes (subject to a minimum redemption amount equal to 5 per cent. of the Specified Denomination per Note). In these circumstances the Issuer may elect to pay any redemption proceeds in South African Rand or any other currency and Noteholders will bear any consequential exchange risk in relation to any such other currency.

For further information, potential investors should refer to paragraph 47 (*Additional Provisions*) of these Final Terms.

### **No secondary market**

So long as the Notes are listed on the JSE, the Issuer has agreed to maintain a secondary market in respect of the Notes in accordance with the listing rules (provided that there are certain situations in which such secondary market may be suspended and/or discontinued). Other than as provided on the JSE, none of the Issuer, the Calculation Agent, the Manager, the Reference Portfolio Advisor or any other person makes any commitment to provide liquidity by means of bid and/or offer prices for the Notes, and assumes no obligation to quote any such prices or with respect to the level or determination of such prices.

Potential investors therefore should not rely on the ability to sell Notes at a specific time or at a specific price. Potential investors should note that prices quoted typically include a spread and therefore may deviate from the market value of the Notes. By selling the Notes in the secondary market investors may receive less than the capital invested.

In case of a secondary market transaction, there is a possibility that costs, including taxes, related to or in connection with the Notes may arise for investors that are not paid by the Issuer or imposed by the Issuer.

## **Risk factors relating to the Reference Portfolio**

### **Nature of the Reference Portfolio**

Amounts payable on redemption of the Notes are generally determined by reference to the performance of the Reference Portfolio over a specific time (although the Notes are subject to a minimum redemption amount equal to 5 per cent. of the Specified Denomination per Note). Accordingly, investors will be reliant on the Reference Portfolio performing positively between issuance and redemption of the Notes.

The Reference Portfolio Advisor has created and maintains the Reference Portfolio as a notional portfolio by selecting the initial Constituents and their weightings and thereafter actively managing and maintaining the Reference Portfolio by rebalancing the Reference Portfolio, i.e. changing the weightings of the Constituents, removing existing Constituents and selecting new Eligible Constituents, in its reasonable discretion.

For the avoidance of doubt, the Reference Portfolio is a notional portfolio that mirrors a theoretical investment according to the list of Constituents and their respective weightings, as adjusted from time to time. Therefore, as the Reference Portfolio is only notional and comprised only by theoretically included Constituents, there is no obligation of the Reference Portfolio Advisor or of the Issuer to make any real investment, or execute any transaction, in any Constituent. Furthermore there is no obligation of the Issuer to hedge itself in relation to the Reference Portfolio or any Constituent.

None of the Issuer, the Calculation Agent, the Manager, the Reference Portfolio Advisor or any other person makes any representation or warranty with respect to the performance of the Reference Portfolio or the economic success or lack of success of an investment in the Notes.

Further information about the Reference Portfolio and the Reference Portfolio Advisor's role is contained in the Description of the Reference Portfolio and the Reference Portfolio Advisor set out in Annex I.

The value of the Reference Portfolio and so, generally speaking, the amount of any redemption proceeds a Noteholder receives in respect of the Notes will depend heavily on the skills of the Reference Portfolio Advisor in analysing, selecting and acting in respect of the Constituents of the Reference Portfolio. Consequently, Noteholders should ensure they have made full investigation into the experience, skills and ability of the Reference Portfolio Advisor to act in this regard. Noteholders should be aware that none of the Issuer, the Calculation Agent or the Manager shall be required to, and shall not, monitor the performance of the Reference Portfolio Advisor or of the Reference Portfolio and no such party makes any representation as to the skills or ability of the Reference Portfolio Advisor and has performed no diligence on it.

### **Risks specific to exchange traded funds**

Regarding the performance of exchange traded funds (ETFs), investors should also note the following risks specific to ETFs:

- (i) market risk: Investment aim of most ETFs is to track the performance of indices, market sectors, or groups of assets such as stocks, bonds or commodities. Investors are subject to risk of loss and volatility associated with the underlying index/assets. The net asset value (NAV) of the ETF will change with changes in the market value of the underlying securities or other assets it holds.
- (ii) tracking error risk: The performance of the ETFs may deviate from the underlying index, market sectors or assets. This may be due to the impact of fees and expenses incurred to the ETFs, currency differences, the replication strategy of the ETF, and/or the failure of such strategy.
- (iii) foreign exchange risk: Assets and securities of an ETF may be denominated in a currency that differs from the currency in which the ETF's NAV and/or the product is denominated. Accordingly, any fluctuation in the relevant exchange rates will affect the value of the underlying securities and assets of the ETF as well as the NAV of the ETF, which in turn may affect the market value of the product.
- (iv) liquidity risk: The ETF may be less liquid than the underlying securities it tracks and as a result, an investor could be exposed to greater liquidity risk in the event of early termination than if the product is linked directly to the underlying securities.
- (v) trading at discount or premium: An ETF may be traded at discount or premium to its NAV and such price discrepancy is caused by supply and demand factors. This may arise during the periods of high market volatility and in particular, where index/market that the ETF tracks is subject to direct investment restrictions.

### **Uncertainty about performance**

The value of the Reference Portfolio and/or the Reference Portfolio Constituents may vary over time and may increase or decrease by reference to a variety of factors e.g. corporate actions, macroeconomic factors and speculation. Potential investors should note that an investment in the Notes may be subject to similar risks to a direct investment in the Reference Portfolio Constituents. It is not possible to reliably predict the future performance of the Reference Portfolio Constituents or the Reference Portfolio. Likewise, the historical performance (if any) of the Reference Portfolio Constituents and/or the Reference Portfolio itself does not allow for any conclusions to be drawn about the future performance of any Reference Portfolio Constituent or the Reference Portfolio or the Notes. The Reference Portfolio and/or Reference Portfolio Constituents may have only a short operating history or may have been in existence only for a short period of time and may deliver results over the longer term that may be lower than originally expected.

### **No rights in the Reference Portfolio or any Reference Portfolio Constituents**

None of the Issuer, the Calculation Agent, the Manager, the Reference Portfolio Advisor or any other person is under any obligation whatsoever to acquire or hold any Reference Portfolio Constituent. Accordingly, potential investors should be aware that neither the Reference Portfolio nor the Reference Portfolio Constituents will be held by the Issuer for the benefit of the Noteholders, and that Noteholders 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 Reference Portfolio or any Reference Portfolio Constituent. As a general matter, Noteholders shall not have any beneficial, proprietary or other interest in the Reference Portfolio or any Constituent whatsoever and no charge, mortgage, pledge, lien or other security or quasi-security interest is granted in connection with the Notes.

### **Specific risks related to the performance of Reference Portfolio Constituents comprising shares**

The performance of a share used as a Reference Portfolio Constituent depends on the performance of the company issuing the shares. But even regardless of the financial position, cash flows, liquidity and results of operations of the company issuing the shares, the price of a share can be subject to fluctuations or

adverse changes in value. In particular, the development of the share price can be influenced by the general economic situation and market sentiment. Negative performance of a share used as a Reference Portfolio Constituent can therefore have an adverse impact on the performance of the Reference Portfolio and amounts payable under the Notes.

#### **Similar risks to a direct investment in shares**

The performance of a share used as a Reference Portfolio Constituent may be subject to factors such as the dividend or distribution policy, financial prospects, market position, corporate actions, shareholder structure and risk situation of the issuer of the share, short selling activities and low market liquidity as well as to political influences. Accordingly, an investment in the Notes may bear similar risks to a direct investment in the shares comprising the Reference Portfolio.

The performance of the shares comprising the Reference Portfolio may be subject to factors outside the Issuer's sphere of influence, such as the risk of the relevant companies becoming insolvent, insolvency proceedings being opened over the companies' assets or similar proceedings under the laws applicable to the companies being commenced or similar events taking place with regard to the companies, which may result in a total loss for the Noteholder, or the risk that the prices of the Reference Portfolio Constituents are highly volatile. Dividend or distribution policy, financial prospects, market position, any capitalisation measures, shareholder structure and risk situation may also affect share prices.

In addition, the performance of Reference Portfolio Constituents depends particularly on the development of the capital markets, which in turn are dependent on the global situation and the specific economic and political environment. Shares in companies with low or average market capitalisation may be subject to even higher risks (e.g. with regard to volatility or insolvency) than shares in larger companies. Furthermore, shares in companies with a low market capitalisation may be extremely illiquid due to smaller trading volumes. Shares in companies having their seat or exerting their relevant operations in countries with a high legal uncertainty are subject to additional risks, such as the risk of governmental measures being taken or nationalisation taking place. This may result in the partial or total loss of value.

### **Other risks relating to the Notes**

#### **Conflicts of interest in relation to the Issuer and its affiliates**

The Issuer and its affiliates may participate in transactions related to the Notes in some way, for their own account or for the account of a client. Such transactions may not serve to benefit the Noteholders and may have a positive or negative effect on the value of the Reference Portfolio or, as the case may be, any Reference Portfolio Constituent(s), and consequently on the value of the Notes. Furthermore, any such person may become a counterparty to hedging transactions relating to obligations of the Issuer stemming from the Notes. As a result, conflicts of interest can arise between such persons, as well as between such persons and investors, in relation to obligations regarding the calculations and determinations in relation to the Notes and other associated determinations.

Furthermore, the Issuer and its affiliates may issue other derivative instruments relating to the Reference Portfolio or, as the case may be, the Reference Portfolio Constituents and the introduction of such products may affect the value of the Notes. The Issuer and its affiliated companies may receive non-public information relating to Reference Portfolio Constituents and neither the Issuer nor any of its affiliates undertakes to make this information available to Noteholders. In addition, the Issuer and/or its affiliated companies may publish research reports on Reference Portfolio Constituents. Such activities could present conflicts of interest and may negatively affect the value of the Notes. Within the context of the offering and sale of the Notes, 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 Notes, 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.

#### **Conflicts of interest in relation to the Reference Portfolio Advisor**

The Reference Portfolio Advisor may not only act as Reference Portfolio Advisor with regard to the Reference Portfolio, but may at the same time act as asset manager or financial consultant with regard to investors in the Notes, and in various other roles, which may induce potential conflicts between investors' interests and Reference Portfolio Advisor's interests. Furthermore, certain persons authorised to act on behalf of the Reference Portfolio Advisor may be involved in placement and distribution of the Notes, and such involvement may also give risk to conflicts of interest between the Reference Portfolio Advisor and investors.

#### **Withholding tax**

Potential investors should note that any payment under the Notes may be subject to withholding tax (such as, *inter alia*, Swiss Withholding Tax, and/or withholding related to FATCA or 871(m) of the US Tax Code). **Any payments due under the Notes are net of such tax.** Please refer to the Terms and Conditions of the Notes and the Information Memorandum for detailed information. If the Issuer is required to withhold any amount pursuant to Section 871(m) or FATCA of the U.S. Tax Code, the Issuer will not be required to pay additional amounts with respect to the amount so withheld.

Specifically, a 30% withholding tax is imposed on certain "dividend equivalents" paid or deemed paid to a non-U.S. holder with respect to a "specified equity-linked instrument" that references one or more dividend-paying U.S. equity securities. The withholding tax can apply even if the instrument does not provide for payments that reference dividends. Treasury regulations provide that the withholding tax applies to all dividend equivalents paid or deemed paid on specified equity-linked instruments that have a delta of one ("delta one specified equity-linked instruments") issued after 2016 and to all dividend equivalents paid or deemed paid on all other specified equity-linked instruments issued after 2018.

The Issuer will treat the Products as specified equity-linked instruments that are subject to withholding on dividend equivalents. The Issuer will withhold 30% in respect of dividend equivalents paid or deemed paid on the Products and will not pay any additional amounts with respect to any such taxes withheld. In respect of any Constituents which are U.S. equity securities, for purposes of determining the amount of a dividend treated as notionally reinvested, such dividend shall be reduced by the 30% withholding tax as referenced under the Dividend Treatment section of this Certificate. The Issuer hereby notifies each holder that for purposes of Section 871(m), the Issuer will withhold in respect of dividend equivalents paid or deemed paid on the Products on the dividend payment date as described in Treasury regulations section 1.1441-2(e)(4) and Revenue Procedure 2017-15 §3.03(B), as applicable. Investors in the Products should consult their own tax advisors regarding the application of the withholding tax to their Products and the availability of any reduction in tax pursuant to an income tax treaty. No assurance can be given that investors in the Products will be able to successfully claim a reduction in tax pursuant to an income tax treaty.