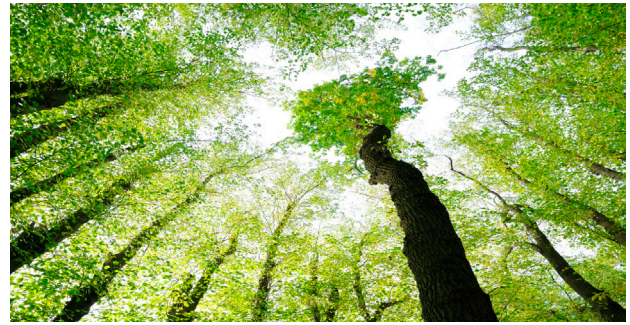


UBS Market Growth Instalments

Borrow to invest in a range of Underlying Securities without margin calls



Features of UBS Market Growth Instalments

General structure:

- Buy listed securities in two payments
- Access leveraged exposure to a variety of ASX listed shares up to the Capped Level
- Cash dividends applied to reduce Loan Amount whilst retaining the potential entitlement to franking credits¹
- Interest paid upfront for the period up to the Annual Interest Date, an additional Interest Amount is paid on the Annual Interest Date by a drawdown under the Loan without the need for investors to contribute additional cash
- Investment term of approximately 12 months

Leveraged exposure:

- High leverage level of around 100%—this means the initial outlay is only a fraction of the underlying security price. Leverage percentage will vary throughout the term of the Instalment
- Leverage is provided through a limited recourse loan
- No risk of margin calls
- If you choose not to pay the Completion Payment at maturity, your Underlying Securities will be transferred to UBS, the proceeds of the transfer used to repay the Loan and the excess (if any) is paid to you as an Assessed Value Payment

Capped Level:

- Performance is capped by reference to the Capped Level which will vary for each Series
- Holders will not benefit from an increase in price of the Underlying Security above the Capped Level

Self-funding nature:

- Cash dividends paid on the Underlying Security are applied to reduce the Loan Amount
- Conversely, interest is added automatically to the Loan Amount on the Annual Interest Date

Key benefits of UBS Market Growth Instalments

- Enhanced potential capital growth (up to the Capped Level) through the use of leverage
- Daily liquidity—listed on the ASX
- No margin calls
- Leverage—initial leverage level approximately 100%
- Tax effective—interest deductibility² and potential entitlement to franking credits¹
- Limited recourse loan
- No ongoing cash payment required during the term³
- Eligible investment for Self-Managed Super Funds (SMSFs) (if made via Cash Application or purchased on ASX)

Key risks of UBS Market Growth Instalments

- Leverage increases downside risk given you have a greater exposure to the Underlying Securities
- Interest rate exposure
- Dividend risk
- Exposure to changes in the Underlying Security price
- Capped Underlying Security performance
- Reliance on UBS and the Security Trustee to perform their Obligations

A more detailed description of the key risks of investing in UBS Market Growth Instalments is in the Risks Section of the PDS (Part 3).

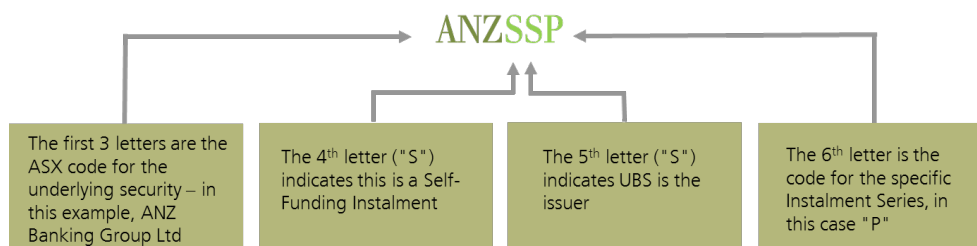
Notes: (1) Subject to individual circumstances and the investor's interest in the Underlying Securities being "at risk" for the purposes of the Qualified Person Test. Read Part 5 of the PDS and any Supplementary PDS (SPDS) that accompanies the PDS for further information; (2) Interest deductibility is subject to individual circumstances and the potential application of capital protected borrowing rules explained further in Part 5.2 of the PDS; (3) Dependant on provision of TFN/ABN or exemption.

Product	Asset class	Term	Leverage				Loan recourse		Growth	Cash dividends	Cap	Market view
			High	Medium	Limited	Full						
UBS Market Growth Instalments	Equity	12 months	✓	X	✓	X	✓	Applied to reduce loan	✓	Bullish up to Capped Level		

Issued by UBS AG, Australia Branch. ABN 47 088 129 613, AFSL 231087. Traded on the Australian Securities Exchange

This is a summary only—potential investors should obtain a copy of the Product Disclosure Statement (PDS) dated 23 May 2011 and any Supplementary Product Disclosure Statements (SPDS) that relate to the relevant series before making a decision to invest in UBS Market Growth Instalments. Unless otherwise defined, capitalised terms have the meanings given to them in the PDS or SPDS. To obtain a copy of the PDS and any SPDS, call UBS on 1800 633 100 or visit the website www.ubs.com/instalments.

How do I identify UBS Market Growth Instalments on the ASX?



How to purchase UBS Market Growth Instalments

- ASX Purchasers:** Buy UBS Market Growth Instalments on ASX through a full service or online broker
- Cash Applicants:** Complete the application form in the PDS / SPDS and pay the First Payment Amount to UBS
- Shareholder Applicants:** Complete the application form in the PDS / SPDS and deliver the Underlying Parcel and receive a Shareholder Cashback amount (not available to SMSFs)
- Rollover Applicants:** Complete the application form in the PDS / SPDS and deliver the existing Instalments and either receive a Rollover Cashback amount or pay a Rollover Payment (may not be available to SMSFs)

What happens at maturity?

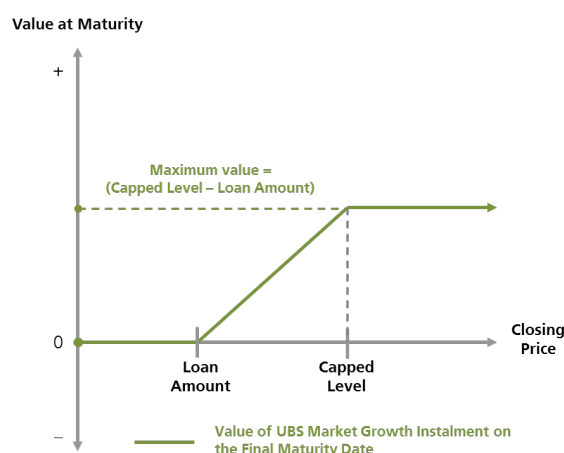
Sell your UBS Market Growth Instalments on ASX (any time before maturity); or

Give a Completion Notice before or on the Final Maturity Date—pay the Completion Payment and receive the Underlying Parcel; or

Roll into a new Series of UBS Market Growth Instalments if available; or

Do nothing—receive the Assessed Value Payment (if any) equal to the value of the Underlying Parcel⁴ less the Completion Payment and any Cap Adjustment Amount.

UBS Market Growth Instalment - Value at Maturity



Possible strategies for using UBS Market Growth Instalments

Leverage your individual or SMSF portfolio: Increase your exposure to securities without needing to fund ongoing interest obligations out of your own cash

Alternative way to borrow without margin calls: UBS Market Growth Instalments are not subject to margin calls during their term and offer competitive interest rates

Diversification: Ability to invest in a greater range of ASX listed securities for the same initial capital outlay

Tax Efficient: Interest deductibility and the potential to use franking credits (if available)⁵ to reduce contributions tax within your SMSF

SMSF: One of the few forms of leverage strategies that SMSFs are permitted to use (if made via Cash Application or purchased on the ASX)

Unlock capital from existing shareholdings: Deliver an Underlying Parcel and receive a Shareholder Cashback amount without triggering a CGT event⁵ (may not be available for SMSFs)

Notes: (4) The Underlying Parcel will be transferred to UBS in return for the Closing Price of the Underlying Parcel on the Final Maturity Date less any fees, costs, charges, liabilities, Taxes and expenses incurred by or payable to UBS or the Security Trustee. Please refer to Part 2.6.2 of the PDS, as amended by any relevant SPDS, for more information on the calculation of the Assessed Value Payment. (5) Subject to individual circumstances. Read Part 5 of the PDS dated 23 May 2011 and any Supplementary Product Disclosure Statement (SPDS) that accompanies the PDS for further information.

Further information

For more information about UBS Market Growth Instalments contact your financial adviser

UBS Warrants: 1800 633 100

Visit UBS on the internet at: www.ubs.com/instalments

Email: OL-AdviserServices@ubs.com

IMPORTANT INFORMATION

This information is communicated by UBS AG, Australia Branch (ABN: 47 088 129 613, AFSL: 231087) and/or its affiliates ("UBS"). Before making an investment decision, clients should read the relevant Product Disclosure Statement (PDS) dated 23 May 2011 and any Supplementary Product Disclosure Statements (SPDS) accompanying the PDS including the Risks section in the PDS. These documents are available by calling UBS on 1800 633 100 or on the website www.ubs.com/instalments.

This document does not take into account your investment objectives, financial situation or particular needs. Accordingly, nothing in this document, the PDS or any SPDS is a recommendation by UBS or its related entities or by any other person concerning investment in any financial product and before acting on this information, you should consider its appropriateness having regard to your situation. We recommend that you not only consider the information in the PDS and SPDS but also obtain independent financial, legal and taxation advice as to the suitability of an investment in a financial product (bearing in mind your investment objectives, financial situation and particular needs). Structured products and instalment warrants are complex and may involve a high risk of loss.

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UBS may from time to time, as principal or agent, have positions in, or may buy or sell, or make a market in any securities, currencies, financial instruments or other assets underlying the transaction or product to which this document relates. UBS may provide investment banking and other services to and/or have officers who serve as directors of the companies referred to in this document. UBS may pay or receive brokerage or retrocession fees in connection with this transaction. UBS' trading and/or hedging activities related to this transaction or product may have an impact on the price of the underlying asset and may affect the likelihood that any relevant barrier is crossed UBS has policies and procedures designed to minimise the risk that officers and employees are influenced by any conflicting interest or duty and that confidential information is improperly disclosed or made available.

UBS is a foreign Authorised Deposit-Taking Institution under the Banking Act 1959 (Cth), and is supervised by the Australian Prudential Regulation Authority. However, it is important for you to note that the financial products issued under the PDS and SPDS are not deposit products and will not be covered by the depositor protection provisions set out in Division 2 of Part II of the Banking Act 1959 (Cth) as these provisions do not apply to foreign Authorised Deposit-Taking Institutions.

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