



Constant Proportion Portfolio Technique (“CPPT”) EUR Note Tranche A

Linked to AHL Investment Strategies SPC Class F5 AHL Diversified EUR Notes
Issued by UBS AG



Cash settled
SVSP Product Type: Uncapped Capital Protected (1100)
Valor: 18144911

**Increased by 1.6m EUR to 36.5m EUR as of 13 November 2012
(with Increase Payment Date 16 November 2012)**

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 does not require an authorisation of the Swiss Financial Market Supervisory Authority (FINMA). Therefore, investors in this Product are not eligible for the specific investor protection under the CISA.

Final Terms

1. Description of the Product

Information on Underlying

Structure	Fully funded 100% capital protected (as at the Redemption Date) CPPT Note linked to the Reference Basket. At any time, the Reference Basket is composed of one or more of Fund Units, Cash Units or Bond Units only. The allocation between the Fund Units, Cash Units and Bond Units is adjusted on an ongoing basis with the aim, in accordance with the Reference Basket Allocation Rules (as described herein), of maximising exposure to Fund Units whilst at the same time protecting capital to ensure that the value of the Reference Basket payable on the Redemption Date is at least equal to the Capital Protection.
Initial Reference Basket Value on Pricing Date (RBV ₀)	96%

Product Details

Security Numbers	Valor: 18144911 / ISIN: CH0181449114 / WKN: UU0805
Issue Size	Up to EUR 36,500,000 (with reopening clause)
Denomination	EUR 1,000
Minimum Subscription Amount	EUR 10,000
Number of Notes Outstanding	Number of Notes in issuance at Review Date,
Total Value of Notes Outstanding _t	Defined as the product of the Number of Notes Outstanding and the Note Value,
Issue Price	100% of Denomination (percentage quotation).
Settlement Currency	EUR
Capital Protection	100% of Denomination as at the Redemption Date, meaning that Investors might receive less than the Capital Protection in case of redemption via the Investor Redemption Facility or early redemption by the Issuer (as described in the Final Terms).

Dates

Contact:	UBS AG, P.O. Box, 8098 Zurich		
Institutional Investors:	+41-44-239 7070 *	Internet:	www.ubs.com/keyinvest
Private Investors:	keyinvest@ubs.com		

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Launch Date	23 March 2012
Payment Date (Issue Date)	24 May 2012
Pricing Date ("Pricing")	25 May 2012, provided that if such day is not a Fund Business Day for the Fund, the Pricing Date will be the next following day that is a Fund Business Day.
Expiration Date ("Expiry")	25 November 2024, provided that if such day is not a Fund Valuation Day for the Fund, the Expiration Date will be the next following day that is a Fund Valuation Day.
Redemption Date	Subject to Extraordinary Event provisions, the redemption amount shall be paid by the Issuer to the Investor(s) on the Redemption Date being the date within five Business Days of the day on which a notional investor (in the same position as the Issuer) in each of the Reference Basket Components would have received full liquidation proceeds for such components, if that investor had, by giving the appropriate notice, requested redemption as at the Expiration Date (accordingly, the Redemption Date is currently expected to be 4 December 2024).

Final Redemption Per Note

The Investor is entitled to receive from the Issuer on the Redemption Date an amount in the Settlement Currency as follows:

Denomination x Max (100%, RBV_{final})

Where RBV_{final} is equal to the notional liquidation proceeds (expressed as a percentage of the Denomination) of all of the assets represented by the Reference Basket Components as at the Expiration Date, if a notional investor (in the same position as the Issuer) in each of the Reference Basket Components had, by giving the appropriate notice, redeemed all of the Reference Basket Components as at the Expiration Date. Such value is calculated net of all applicable fees and taxes.

The Issuer is not obliged to invest the proceeds of the issuance of the Product in the Reference Basket nor to hold any Fund Units, Cash Units or Bond Units at any time, and the Investors do not obtain any interest in such assets as a result of their investment in the Product.

Product Parameters

Business Day	A day (other than a Saturday or Sunday) on which banks and foreign exchange markets are open for business in Dublin, London and New York.
Fund	AHL Investment Strategies SPC – Class F5 AHL Diversified EUR Notes
NAV	The net asset value of the Fund as published by the administrator of the Fund,
NAV per Fund Unit	The NAV of a single unit of the Fund
Fund Business Day	Means any day in respect of which a notional investor (in the same position as the Issuer) in shares/units in the Fund could, at its election and by giving the appropriate notice, subscribe for and/or redeem Fund shares/units (as applicable).
Fund Valuation Day	Means any day in respect of which the administrator of the Fund calculates the prevailing NAV of the Fund.
Fund Units	A Fund Unit represents a notional investment in the Fund
Cash Units	A Cash Unit represents a EUR denominated exposure to a notional investment in a deposit accruing interest at the prevailing 1-Week Euribor rate.
Bond Units	A Bond Unit represents a EUR denominated exposure to a notional investment in a UBS AG issued zero coupon bond repaying EUR 1 (the "Face Value") at the scheduled Expiration Date.
Initial Reference Basket	The Reference Basket as at the Pricing Date shall comprise:

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Allocations	24.10% in Fund Units; 71.90% in Cash Units; and 0% Bond Units
Initial Reference Basket Allocation Date	Pricing Date
Protected Percentage	100%
Protected Amount at Expiration Date	Protected Percentage x Denomination
Capital Protection Fee	(a) 0.35% per annum, calculated daily for the Rebalancing Period and accrued on each Review Date, of the Protected Amount at Expiration Date; plus (b) 1.15% per annum, calculated daily for the Rebalancing Period and accrued on each Review Date, on the Value of Fund Units.
Rebalancing Period	Periods of one calendar week
Review Date	Each Monday in each Rebalancing Period. Review Date _t means the relevant Review Date.
Accumulated Fee Sell Down Date	Each Review Date falling on or immediately following the quarterly anniversary of the Pricing Date

Reference Basket Allocation Rules

The Reference Basket A notional basket of assets as determined in accordance with the Reference Basket Allocation Rules, which, on any day from and including the Pricing Date up to and including the Expiration Date, comprises a positive or zero allocation to Fund Units and **one of the following**:

- a) a positive allocation to Cash Units and a zero allocation to Bond Units;
- b) a positive allocation to Bond Units and a zero allocation to Cash Units

(the Fund Units, the Cash Units and the Bond Units, together the “**Reference Basket Components**”).

Reference Basket Value After the Pricing Date the Reference Basket Value will be determined by the Calculation Agent as at each Review Date in accordance with the following formula:

$$RBV_t = \frac{FU_t + CU_t + BU_t - AF_t}{\text{Denomination}}$$

where:

FU_t = Value of Fund Units as at Review Date_t.

CU_t = Value of Cash Units as at Review Date_t.

BU_t = Value of Bond Units as at Review Date_t.

AF_t = Accumulated Fees up to (and including) Review Date_t since the last Accumulated Fee Sell Down Date

At all times the Reference Basket Value will be at least the prevailing Floor Value.

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Value of Fund Units

The notional value per Note of that part of the Reference Basket which is comprised of Fund Units, such valuation to be determined by the Calculation Agent on any Review Date_t based on the NAV of the Fund provided by the administrator of the Fund.

If the administrator of the Fund does not publish the relevant NAV within the time period when the Calculation Agent would ordinarily expect such NAV to be available, the last published corresponding NAV may be used in the calculation of the Value of Fund Units, or an estimate of the net asset value of the Fund may be used based on the Calculation Agent's reasonable discretion and determined in a commercially reasonable manner taking into account all relevant available information at that point in time.

Value of Cash Units

The notional value per Note of that part of the Reference Basket which is comprised of Cash Units, as determined by the Calculation Agent on any Review Date_t on the following basis:

$$C_t = C_{t-1} \times \left(1 + \text{EURIBOR}_{1W} \frac{\alpha_{t-1,t}}{360} \right)$$

Where:

C_t = Value of a Cash Unit on Review Date_t

C_{t-1} = Value of a Cash Unit on the previous Review Date_{t-1}

$C_0 = 1.00$.

EURIBOR_{1W} is, in respect of the previous Review Date_{t-1}, the applicable 1-Week Euribor rate observed at 11:00 CET two Business Days (London and New York) prior to the previous Review Date_{t-1} and published on Bloomberg Page EUR001W <Index> or any successor service or page for the purpose of displaying such rate

$\alpha_{t-1,t}$ is the number of days since the previous Review Date_{t-1}

Value of Bond Units

The notional value per Note of that part of the Reference Basket which is comprised of Bond Units as determined by the Calculation Agent on any Review Date_t.

The Value of Bond Units shall be determined by the Calculation Agent in respect of any Review Date_t according to the relevant zero-coupon rate plus Spread_t, where such zero-coupon rate is determined by reference to the applicable EURIBOR rate curves and EUR swap rate curve prevailing on such date.

"EURIBOR" means, in respect of any Review Date_t, the applicable Euro Interbank Offered Rate for deposits in EUR observed on such date at 11:00 a.m. (London time) (as displayed on Bloomberg page, EUR001) or any successor service or page for the purpose of displaying such rate).

Spread_t

In respect of any Review Date_t, Spread_t shall be an amount, as determined by the Calculation Agent by reference, inter alia, to the funding spread (positive or negative) that UBS would apply over the applicable Euribor rate for a deposit made with UBS with a maturity date equal to the Expiration Date and will be determined by the Calculation Agent in a commercially reasonable manner

Accumulated Fees

The accrued Capital Protection Fees since the last Accumulated Fee Sell Down Date. Such fees will be derived by selling the appropriate number of Cash Units or Bond Units (as applicable) on the Accumulated Fee Sell Down Date.

Non Amortised Fee or NAF

Is equal to 4% on the Pricing Date reducing by 1.0%/52 at each Review Date_t until such time as it equals zero, as determined by the Calculation Agent. After the fourth anniversary of the Pricing Date the Non Amortised Fee is set equal to zero.

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Fund Unit Allocation

Is a percentage as determined by the Calculation Agent equal to

$$\text{Fund Unit Allocation} = \left(\frac{\text{Value of Fund Units}}{\text{Reference Basket Value}} \right) \div \text{Denomination}$$

Note that the Value of Fund Units will be adjusted for rebalances triggered but not yet executed

Proposed Fund Unit Allocation (PFUA)

Is a percentage as determined by the Calculation Agent equal to:

$$\text{PFUA} = \text{Min} \left(M \times \left(\frac{\text{RBV} - \text{FV}}{\text{RBV}} \right), \left\{ 0.75 + \frac{0.25}{0.06} \times \text{Min}(0.06, \text{Max}(0, \text{MD} - 0.32)) \right\} \times \text{FP} \times \left(\frac{\text{RBV} + \text{NAF}}{\text{RBV}} \right) \right)$$

Where

PFUA is the Proposed Fund Unit Allocation

RBV is the Reference Basket Value

M is the Multiplier

FV is the Floor Value

MD is the maximum value of each observed Maximum Distance, defined by

$$\text{MD}_t = \text{Max} \left(0, \frac{\text{RBV}_t - \text{FV}_t}{\text{RBV}_t} \right)$$

as observed on each Review Date from and including the Pricing Date up to the current Review Date

FP is the Funding Percentage

NAF is the Non-Amortised Fee

Multiplier

1.25

Funding Percentage

The percentage of notional funding in the Fund (which shall be 30% on the Pricing Date).

Floor Value

As of any day from and including the Pricing Date up to and including the Expiration Date means the present value of a Bond Unit. The Floor Value is expressed as a percentage of the Face Value of the Bond Unit.

Deleverage Event

A Deleverage Event shall be deemed to have occurred if, as determined by the Calculation Agent,

$$\text{Fund Unit Allocation} > 1.05 \times \text{Proposed Fund Unit Allocation}$$

Releverage Event

A Releverage Event is deemed to have occurred if:

$$\text{Fund Unit Allocation} < 0.95 \times \text{Proposed Fund Unit Allocation}$$

as determined by the Calculation Agent

Stop Loss Event

(i) If, on any Review Date, the Reference Basket Value minus the Floor Value is less than or equal to 3%; and/or

(ii) If on any Business Day there is a compulsory redemption of shares/units of the Fund that affects a notional investor in the same position as the Issuer, a Stop Loss Event will have occurred.

Consequence of a Stop Loss Event

If the Calculation Agent determines that a Stop Loss Event has occurred, any Fund Unit allocation and/or Cash Unit allocation will be reduced to zero at the next immediate opportunity, and the exposure of the Reference Basket will be switched fully into Bond Units.

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Notional Fund Liquidity Period The liquidity for the Fund Units is daily (“**Dealing Day**”), subject to 1 Business Days’ notice, with the final NAV in respect of such Dealing Day being published no later than 1 Business Day after the Dealing Day.

Fund Unit Liquidity Event If at any time, the Notional Fund Liquidity Period is changed resulting in a liquidity period longer than the existing Notional Fund Liquidity Period, a Fund Unit Liquidity Event shall have occurred.

Consequences of a Fund Unit Liquidity Event Any change to the Notional Fund Liquidity Period must be notified by or on behalf of the Investment Manager of the Fund to UBS no less than five calendar weeks prior to such proposed change.

Consequences of a Fund Unit Liquidity Event If the Calculation Agent determines that a Fund Unit Liquidity Event has occurred, any Fund Unit allocation and/or Cash Unit allocation may, at the sole and absolute discretion of the Calculation Agent, be reduced to zero at the next immediate opportunity and the exposure of the Reference Basket will be switched fully to Bond Units until such a time as a Fund Unit Liquidity Event no longer applies. Upon a Fund Unit Liquidity Event ceasing to apply, the Calculation Agent may, in its sole and absolute discretion fully reduce the exposure of the Reference Basket to Bond Units and switch the exposure to Fund Units and/or Cash Units.

Reference Basket Allocation Following each Review Date, the allocation of the Reference Basket between the Fund Units and the Cash Units shall be reviewed by the Calculation Agent, by first calculating the Fund Unit Allocation and the Proposed Fund Unit Allocation as at such Review Date, all values being as of close of business on the Review Date.

Subject to a Stop Loss Event or Fund Unit Liquidity Event not having occurred, any change of allocation among Fund Units and Cash Units is determined following the determination of a Deleverage Event or Releverage Event in respect of a Review Date.

Further to the determination of a Deleverage Event, the Fund Units allocation within the Reference Basket is reduced and the Cash Units allocation is increased.

If neither a Deleverage Event nor a Releverage Event has occurred, the Fund Units and Cash Units allocations within the Reference Basket remain unchanged.

Further to the determination of a Releverage Event, the Fund Units allocation within the Reference Basket is increased and the Cash Units allocation is reduced.

Any such reallocation will take place by the immediately following Review Date.

Fund Unit Notional to Trade Following the determination of a Deleverage Event or Releverage Event and, subject to a Stop Loss Event or Fund Unit Liquidity Event not having occurred, the allocations within the Reference Basket are to be changed, the Fund Units to be notionally subscribed or redeemed (“Fund Unit Notional to Trade”) is calculated as:

$$FUNT^* = (PFUA \times RBV \times Denomination) - VFU^{**}$$

Where:

FUNT is the Fund Unit Notional to Trade (* as adjusted by the Calculation Agent for any rebalance currently in progress)

PFUA is the Proposed Fund Unit Allocation

RBV is the Reference Basket Value

VFU** is the Value of Fund Units adjusted for rebalances triggered but not yet executed

All Reference Basket Components in the above equations are valued as of close of

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business on the Review Date.

A positive Fund Unit Notional to Trade is a notional subscription. A negative Fund Unit Notional to Trade is a notional redemption.

If the absolute value of Fund Unit Notional to Trade is less than any relevant minimum tradable notional of the fund, no reallocation will occur.

As and when appropriate, a complementary notional quantity of Cash Units are notionally traded as cash flows to or from the Reference Basket, to ensure the Reference Basket remains fully allocated across the relevant Reference Basket Components.

There will be no Bond Units in the Reference Basket prior to the occurrence of a Stop Loss Event or a Fund Unit Liquidity Event.

Product Structure

The Constant Proportion Portfolio Technique (CPPT) Note linked to a Reference Basket is a product allowing the Investor to participate in the performance of the Fund while at the same time offering capital protection at 100% of the Denomination. Based upon a dynamic asset allocation process driven by algorithmic rules the Product combines an investment in the Fund with an investment in a cash component and/or zero coupon bond component. Depending on the performance of the Fund, the investment in the Fund is increased or reduced and the cash component and/or zero coupon bond component are reduced or increased accordingly. Please note that should a Stop Loss Event, a Fund Unit Liquidity Event or Extraordinary Event occur, the participation potential in the Fund will be removed for the purpose of ensuring full capital protection.

General Information

Issuer	UBS AG, Jersey Branch
Issuer Rating	Aa3 Moody's / A S&P's / A Fitch as of 23 March 2012
Lead Manager	UBS AG, London Branch (UBS Investment Bank)
Arranger	Man Investments AG, Pfäffikon, Switzerland
Calculation Agent	UBS AG, London Branch All determinations by the Calculation Agent shall be made in good faith and a commercially reasonable manner and shall be binding on the parties. For the avoidance of doubt, any determinations with respect to NAV may be based on estimated or final NAV information or such information as the Calculation Agent shall deem relevant.
Paying Agent	UBS AG, Zurich
Listing	No Listing
Note Value (percentage quotation)	The sum of the Reference Basket and the Non Amortised Fee
Investor Redemption Facility	For each Investor Redemption Day, Investors wishing to redeem Notes on such Investor Redemption Day may do so at the Investor Redemption Price subject to submitting a notice of redemption (an "Investor Redemption Notice") by no later than five Business Days prior to the relevant Investor Redemption Day on which any such redemption is intended to be made

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Investor Redemption Price	<p>The Investor Redemption Price per Note for any Investor Redemption Day is given by</p> $\text{Denomination} \times NV_t$ <p>Where</p> <p>NV_t is the Note Value on the Review Date_t</p> $NV_t = RBV_{I,t} + NAF_t$ <p>Where:</p> <p>$RBV_{I,t}$ is equal to RBV_t subject to an adjustment to the Value of Fund Units to reflect the notional liquidation proceeds (expressed as a percentage) with respect to the Fund Units in the Reference Basket as at Review Date_t if a notional investor (in the same position as the Issuer) had, by giving the appropriate notice, redeemed all of the Fund Units of the Reference Basket as at the Review Date</p> <p>NAF_t is the Non Amortised Fee on the Review Date</p>								
Investor Redemption Day	<p>The Investor Redemption Price may be subject to a Redemption Fee for Investor Redemption Days falling on or before 31 May 2018 according to the following as set out below</p> <table border="0" style="width: 100%;"> <tr> <td style="width: 60%;">Redemption on or between</td> <td style="text-align: right;">Redemption Fee</td> </tr> <tr> <td>Pricing Date and 31 May 2014 (inclusive)</td> <td style="text-align: right;">4% of the Investor Redemption Price</td> </tr> <tr> <td>1 June 2014 and 31 May 2016 (inclusive)</td> <td style="text-align: right;">3% of the Investor Redemption Price</td> </tr> <tr> <td>1 June 2016 and 31 May 2018 (inclusive)</td> <td style="text-align: right;">1% of the Investor Redemption Price</td> </tr> </table> <p>The Issuer reserves the right to waive the Redemption Fee.</p> <p>Each Tuesday in each Rebalancing Period (with respect to the appropriate Review Date)</p>	Redemption on or between	Redemption Fee	Pricing Date and 31 May 2014 (inclusive)	4% of the Investor Redemption Price	1 June 2014 and 31 May 2016 (inclusive)	3% of the Investor Redemption Price	1 June 2016 and 31 May 2018 (inclusive)	1% of the Investor Redemption Price
Redemption on or between	Redemption Fee								
Pricing Date and 31 May 2014 (inclusive)	4% of the Investor Redemption Price								
1 June 2014 and 31 May 2016 (inclusive)	3% of the Investor Redemption Price								
1 June 2016 and 31 May 2018 (inclusive)	1% of the Investor Redemption Price								
Investor Redemption Payment Date	<p>Within five Business Days of the day on which a notional investor (in the same position as the Issuer) in each of the Reference Basket Components would have received full liquidation proceeds for such components, if that investor had, by giving the appropriate notice, requested redemption as at the Investor Redemption Day</p>								
Business Day	New York and London								
Minimum Investment	EUR 10'000 (subject to the minimum selling requirements set out below (Selling Restrictions))								
Minimum Trading Lot	10 Notes								
Clearing	SIX SIS, Euroclear, Clearstream (registered as intermediated securities with SIX SIS AG, in Switzerland)								
Form of deed	Uncertificated Securities								
Governing Law / Jurisdiction	Swiss / Zurich								
Adjustments	The terms of the Product may be subject to adjustments during its lifetime. Detailed information on such adjustments is to be found in the Product Documentation.								
Public Offering	Netherlands as of 23 March 2012								

Extraordinary Event Provisions

Extraordinary Events	<p>An Extraordinary Event occurs if the Calculation Agent determines that in its reasonable discretion, acting in good faith and in a commercially reasonable manner, one of the following events has occurred with respect to the Fund or the Issuer</p> <p>(i) A violation or change of any material terms of the Fund's offer documents or other documents prepared in connection with the marketing of the Fund or the Fund's constitutional documents having a material adverse effect on the Product;</p>
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- (ii) The investment strategy, the main investment objective or the risk/return profile of the Fund materially changes from that set out in the Fund's offer documents;
- (iii) Any change in the currency of denomination of the NAV of the Fund Units;
- (iv) The NAV of the Fund, as calculated by its administrator, not being calculated or announced for any five (5) consecutive scheduled Fund Business Day within five 5 Fund Business Days after the time period when the Calculation Agent would ordinarily expect such NAV to be available;
- (v) Any restriction or limitation or suspension or deferral of, redemptions of or subscription for units in the Fund (including the introduction or increase of any associated fee, cost or expense other than those already disclosed in the Fund's offer documents), in all cases only to the extent having a material adverse effect on the Product), or any mandatory full or partial redemption of units of the Fund;
- (vi) A change in the tax or regulatory environment of the Issuer having a material adverse impact on the Issuers ability to subscribe, maintain or redeem units of the Fund;
- (vii) Any review or investigation of the activities of the Fund, its manager, investment manager or investment adviser (each a "Manager"), administrator or custodian materially relevant to their duties to the Fund or where the Fund, its Managers, administrator or custodian, are the subject of a formal investigation, by a relevant regulator or other authority, in connection with suspected or alleged wrongdoing or breach of any rule or regulation, or other similar reason, or any disciplinary action, charges or prosecution taken by such regulator or other authority in consequence thereof which, in each case, will have a material adverse effect on the Product;
- (viii) Any winding-up, liquidation of, or any termination or any loss of a material regulatory approval, license or registration of, the Manager, administrator or custodian or any merger, de-merger, winding-up or liquidation of or affecting the Fund;
- (ix) Any arrangement between the Issuer and the Fund and/or one or more of its Managers, including arrangements relating to subscriptions and redemptions, being materially changed or terminated;
- (x) Any event, which prevents, materially hinders or materially impairs the Issuer's ability to conduct its hedging activities in relation to its exposure under this Product in such a way that would have a material adverse effect on the Product;
- (xi) The Fund or its Manager becomes party to any litigation or dispute which, in the commercially reasonable opinion of the Issuer, will have a material adverse effect on the Product; or
- (xii) The Total Value of Notes Outstanding is equal to or less than EUR 5,000,000 on the Review Date_t.

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Consequences of Extraordinary Events

Adjustment: If an Extraordinary Event has occurred, up to and including the Redemption Date the Issuer may make such reasonable adjustment(s) as it determines, in good faith and a commercially reasonable manner, to be appropriate to any variable, calculation methodology, valuation, settlement or, payment terms (other than, for the avoidance of doubt, putting in place a Replacement Fund or carrying out an Early Redemption) (each, an "Adjustment") to account for the effect of such Extraordinary Event on the Issuer, the terms of the Products, or the Fund represented in the Reference Basket;

and/or

Replacement: If an Extraordinary Event has occurred, the Issuer together with the Arranger may use reasonable efforts for a period of no longer than fifteen (15) Business Days to select together with the Arranger one or more suitable alternative funds with reasonably similar investment mandates (each a "Replacement Fund") to replace the Fund in the Reference Basket.

Within a reasonable period after selection of a Replacement Funds in accordance with the foregoing, the Calculation Agent must adjust the terms of the Products as it considers appropriate to account for the substitution, including the cost to the Issuer of making the substitution, which includes the reasonable costs and expenses, if any, incurred by the Issuer in opening and closing any hedge it may hold in relation to its exposure under the Product.

From the date of the adjustments, the Replacement Fund is deemed to replace the Fund for all purposes of these Products. If the Issuer and the Arranger cannot agree on such suitable Replacement Fund, the Issuer must reallocate all Fund Units, relating to the Fund to Cash Units and from that date the dynamic allocation rules cease to apply to the Reference Basket incorporating the Fund.

and/or

Termination: If an Extraordinary Event has occurred, up to and including the Redemption Date, and, either (a) having made an Adjustment and/or put in place a Replacement Fund, the Issuer has, in its commercially reasonable opinion, been unable to account for the effect of such Extraordinary Event on the Issuer, the terms of the Products, or the Fund represented in the Reference Basket, or (b) in the commercially reasonable opinion of the Issuer, an Adjustment or a Replacement Fund would not be reasonably likely to account for such effect, the Issuer may, if it so determines in good faith and a commercially reasonable manner, elect to trigger an early redemption of the Notes (an "Early Redemption") and will notify the Investors of the day it elects to be the "Calculation Agent Early Redemption Date", except that the Issuer may only trigger an early redemption in respect of Extraordinary Event (xii) with the prior consent of the Arranger.

The Early Termination Amount will be paid to the Investors on the Early Termination Payment Date.

Early Termination Amount

The Early Termination Amount will be an amount equal to the fair market value of the Note as determined by the Calculation Agent, in good faith and in a commercially reasonable manner, in its sole discretion less any Redemption Fee if applicable. The Issuer may also deduct any additional costs to the Issuer of terminating the Notes, which includes the reasonable costs and expenses, if any, incurred by the Issuer in closing any hedge it may hold in relation to its exposure under the Note.

Early Termination Payment Date

Within five Business Days of the day on which a notional investor (in the same position as the Issuer) in each of the Reference Basket Components would have received full liquidation proceeds for such components, if that investor had, by giving the appropriate notice, requested redemption as at the Calculation Agent Early Redemption Date.

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Private Investors: keyinvest@ubs.com

Internet: www.ubs.com/keyinvest

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Product Documentation

Base Prospectus Equity (registered with BaFin and EUPD compliant).

Final Terms

This document is subject to and should be read in conjunction with the Base Prospectus Equity ("BP") and the respective Final Terms for this Product, together they shall form the documentation for this Product ("Product Documentation"). If there is any inconsistency between the conditions set forth herein and the terms and conditions of the Final Terms, the Final Terms prevail. The terms "Product" respectively "Investor" as used in this document correspond to the terms "Note"/"Certificate" respectively "Securityholder" as defined in the BP.

During the whole term of this Product, the Product Documentation can be ordered free of charge from the Lead Manager at 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). In addition, the Product Documentation is available on the internet at www.ubs.com/keyinvest.

Notices in connection with this Product shall be validly given by publication in electronic media such as Reuters and/or Investdata. In addition, any changes with regard to the terms of this Product shall be published on the internet at www.ubs.com/keyinvest.

Prudential Supervision

UBS AG is authorised and regulated by the Swiss Financial Market Supervisory Authority (FINMA). In addition, its London Branch is authorised and regulated by the Financial Services Authority (FSA) and its Jersey Branch by the Jersey Financial Services Commission (JFSC).

2. Prospects of Profits and Losses

Market Expectation	The CPPT is a product for Investors who expect the Fund to increase but would like to benefit from a Capital Protection at the same time.
Risk Tolerance	Investors in the Product should be experienced investors and familiar with both derivative products and the stock markets. The Investors require a certain degree of Capital Protection but do not require regular coupon income.
Profit Potential	The profit potential is unlimited; the performance of the Product is determined by the allocation to the Cash and Fund Units and the performance of the Fund. If, following an Extraordinary Event, the Issuer and the Arranger cannot agree on a Replacement Fund, the potential for future investment growth will be removed.
Loss Potential	On the Redemption Date, the risk of loss is limited to the difference between the purchase price and the Capital Protection. The Product may trade considerably below the predetermined degree of Capital Protection during the lifetime (Capital Protection on the Redemption Date only). The Capital Protection does not apply in case of redemption via the Investor Redemption Facility or early redemption by the Issuer (as described in the General Terms and Conditions), meaning that Investors might receive less than the Capital Protection in such cases.

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3. Significant Risks for Investors

For Product specific risks please see above (2. Prospects of Profits and Losses)

Risk Factors relating to the Issuer

In addition to the market risk with regard to the development of the UBS Lux Equity Fund – Emerging Markets, each Investor bears the general risk that the financial situation of the Issuer could deteriorate. The Products constitute immediate, unsecured and unsubordinated obligations of the Issuer, which, particularly in case of insolvency of the Issuer, rank pari passu with each and all other current and future unsecured and unsubordinated obligations of the Issuer, with the exception of those that have priority due to mandatory statutory provisions. The general assessment of the Issuer's creditworthiness may affect the value of the Products. This assessment generally depends on the ratings assigned to the Issuer or its affiliated companies by rating agencies such as Moody's, Fitch and Standard & Poor's.

The Issuer Ratings indicated in this document reflect the situation at the time of issuance and may be subject to changes. The actual Issuer Ratings at any given time can be seen on the Issuer's website (www.ubs.com) under "Analysts & Investors".

Secondary Market

The Issuer or the Lead Manager, as applicable, intends, under normal market conditions, to provide bid and offer prices for this Product on a regular basis. However, the Issuer or the Lead Manager, as applicable, makes no firm commitment to provide liquidity by means of bid and offer prices for this Product, and assumes no legal 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 this Product at a specific time or at a specific price.

In special market situations, where the Issuer is completely unable to enter into hedging transactions, or where such transactions are very difficult to enter into, the spread between the bid and offer prices may be temporarily expanded, in order to limit the economic risks of the Issuer.

Early Redemption and Terminations fees

As set out in the table below, redemption proceeds paid to the investor for redemptions made on a Redemption Day on or before 31 May 2018, will be subject to the deduction of a redemption fee.

Redemption on or between	Redemption fee
Pricing Date and 31 May 2014 (inclusive)	4% of the prevailing Investor Redemption Price
1 June 2014 and 31 May 2016 (inclusive)	3% of the prevailing Investor Redemption Price
1 June 2016 and 31 May 2018 (inclusive)	1% of the prevailing Investor Redemption Price

Market Risk

The investor is exposed to Extraordinary Events, adjustments and early termination which could have an impact on the redemption amount through delay in payment or change in value. For a detailed description of such events and their effects please read the General Terms and Conditions.

Net Asset Value (NAV)

UBS does not make any warranty or representation or guarantee whatsoever, express or implied, either as to the results to be obtained as to the use of the Fund or the figures or levels at which the Fund stands at any particular day or otherwise. In addition, UBS gives no assurance regarding any modification or change in any methodology used in calculating the NAV of the Fund and is under no obligation to continue the calculation, publication and dissemination of the NAV of the Fund.

Furthermore, UBS does not warrant or represent or guarantee to any person the accuracy or completeness of the NAV of the Fund and its computation or any information related thereto and no warranty or representation or guarantee of any kind whatsoever relating to the Fund is given or may be implied.

In calculating the NAV of any Fund, the manager or administrator of the Fund will have deducted fees for the payment of management services and other expenses. Details of these fees are described in the offering documents of the Fund. The manager of a Fund will generally rebate part of these fees to UBS for UBS's own account. UBS may pay some portion of this rebate as commission to any distributors of this Product for their own account. Further details are available on request.

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Fund offering document risk factors

The Issuer refers Investors to the risk factors in respect of the Fund, the Manager or administrator of the Fund as set out in the Fund's offering document to the extent relevant to an investment in the Product. Copies of the Fund's offering document are available free of charge from the Lead Manager at P.O. Box, CH-8098 Zurich (Switzerland), via telephone (+41-(0)44-239 47 03) or the Arranger at **Man Investments AG Huobstrasse 3,8808 Pfäffikon SZ, Switzerland**

Important Information

This information is communicated by UBS AG and/or its affiliates ("UBS"). 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 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' trading and/or hedging activities related to this transaction 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.

In certain circumstances UBS sells this Product to dealers and other financial institutions at a discount to the issue price or rebates to them for their account some proportion of the issue price. Further information is available on request.

Structured transactions are complex and may involve a high risk of loss. Prior to entering into a transaction you should consult with your own legal, regulatory, tax, financial and accounting advisors to the extent you consider it necessary, and make your own investment, hedging and trading decisions (including decisions regarding the suitability of this transaction) based upon your own judgement and advice from those advisers you consider necessary. Save as otherwise expressly agreed in writing, UBS is not acting as your financial adviser or fiduciary in any transaction.

This document should not be construed as an offer, personal recommendation or solicitation to conclude a transaction and should not be treated as giving investment advice. The terms of any investment will be exclusively subject to the detailed provisions, including risk considerations, contained in the Information Memorandum, Prospectus or other issuer documentation for the issue of the Products/Notes (the "Prospectus").

UBS makes no representation or warranty relating to any information herein which is derived from independent sources. This document shall not be copied or reproduced without UBS' prior written permission.

No action has been or will be taken in any jurisdiction that would permit a public offering of the Products described herein, save where explicitly stated in the Product Documentation. The Products must be sold in accordance with all applicable selling restrictions in the jurisdictions in which they are sold.

There is a possibility that costs, including taxes, related to transactions in connection with this Product may arise for the Investor that are not paid by UBS or imposed by it.

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Selling Restrictions

Any Products purchased by any person for resale may not be offered in any jurisdiction in circumstances which would result in the Issuer being obliged to register any further documentation relating to this Product in such jurisdiction.

The restrictions listed below must not be taken as definitive guidance as to whether this Product can be sold in a jurisdiction. Additional restrictions on offering, selling or holding of this Product may apply in other jurisdictions. Investors in this Product should seek specific advice before on-selling this Product.

Europe - Any public offer of this Product within an EEA jurisdiction (EU member states plus Norway, Iceland and Liechtenstein) shall only be possible if compliant with the requirements of the EUPD and with the law of that jurisdiction.

If the prospectus either does not qualify as a prospectus published in accordance with the requirements of the EUPD or is not filed with or notified to the relevant Financial Supervisory Authority, this Product may not be offered or sold in EEA jurisdictions other than 1) in minimum denominations of, or total consideration per investor of at least, EUR 50,000 (or equivalent in other currencies), provided that the offer is only being made in one or more EEA jurisdiction that will not, before the end of the offer period for the Securities, have implemented the provision under the Directive 2010/73/EU (the "PD Amending Directive") that increases this minimum denomination (or total consideration per investor) to EUR 100,000; or 2) only to Qualified Investors; and/or (aggregated for all distributors) to less than 100 or, if the relevant EEA jurisdiction has implemented the relevant provision of the 2010 PD Amending Directive, 150 natural or legal persons that are not Qualified Investors per EEA jurisdiction. "Qualified Investors" are persons or entities as defined in the Prospectus Directive or 3) any other circumstances in which a prospectus is not required pursuant to Article 3(2) of the EUPD.

For information on public offering in EEA jurisdictions please see under section "General Information" above.

Switzerland – This Product may not be publicly offered in Switzerland.

Hong Kong – Each purchaser has represented and agreed that it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Products, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Products which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance.

The contents of this document have not been reviewed by any regulatory authority in Hong Kong. Investors are advised to exercise caution in relation to any offer. If an investor is in any doubt about any of the contents of this document, the investor should obtain independent professional advice.

This is a structured product which involves derivatives. Do not invest in it unless you fully understand and are willing to assume the risks associated with it.

Singapore - This document has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of this Product may not be circulated or distributed, nor may this Product be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act (Cap. 289) of Singapore ("SFA"), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275, of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where this Product is subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the securities pursuant of an offer made under Section 275 of the SFA except:

- (1) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276 (4)(i)(B) of the SFA;
- (2) where no consideration is or will be given for the transfer;
- (3) where the transfer is by operation of law; or
- (4) as specified in Section 276 (7) of the SFA.

UK – For the purpose of non-discretionary accounts, this Product should not be sold with a consideration of less than EUR

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100,000 or equivalent.

USA - This Product may not be sold or offered within the United States or to U.S. persons.

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