



Information Circular: UBS AG Exchange-Traded Notes

To: Head Traders, Technical Contacts, Compliance Officers, Heads of ETF Trading, Structured Products Traders

From: BX Listing Qualifications Department

DATE: January 15, 2009

Index-Linked Notes	Symbol	CUSIP Number
E-TRACS UBS Bloomberg CMCI ETN	UCI	902641778
E-TRACS UBS Bloomberg CMCI Agriculture ETN	UAG	902641760
E-TRACS UBS Bloomberg CMCI Industrial Metals ETN	UBM	902641752
E-TRACS UBS Bloomberg CMCI Energy ETN	UBN	902641745
E-TRACS UBS Bloomberg CMCI Food ETN	FUD	902641737
E-TRACS UBS Bloomberg CMCI Livestock ETN	UBC	902641828
E-TRACS UBS Bloomberg CMCI Gold ETN	UBG	902641810
E-TRACS UBS Bloomberg CMCI Silver ETN	USV	902641794
E-TRACS UBS Bloomberg CMCI Platinum ETN	PTM	902641786

Information on the Notes

UBS AG (the "Issuer") has issued several Exchange Traded Access Securities ("E-TRACS" or "Notes") linked to various indices (each, an "Index"). The Notes were priced at \$25 each and mature in 2038. The E-TRACS do not pay interest.

As more fully set forth in the Prospectus Supplement, each \$10 principal amount of the Notes will be deemed a "Unit" for purposes of trading and transfer. There will be no payments or redemptions prior to the maturity date.

On the maturity date, the Issuer shall redeem the E-TRACS by paying to the holder a cash payment equal to the principal amount of the holder's E-TRACS times the Index Performance Ratio on the Final Valuation Date minus the Fee Amount on the Final Valuation Date unless, prior to the maturity date, the E-TRACS were previously redeemed at the election of the holder on a Redemption Date or called by the Issuer pursuant to the exercise of its "Contingent Call Right" as described later.

Index Performance Ratio equals, on any given day, the Index Ending Level divided by the Index Starting Level. The Index Ending Level is the closing level of the Index on the applicable trading day. The Index Starting Level will be determined on the pricing date. The Final Valuation Date will be in 2038, as determined by the Issuer. Redemption Date means the third trading day following each Valuation Date other than the Final Valuation Date or, if such day is not a business day, the next succeeding trading day that is also a business day.

Fee Amount means the amount equal to 0.30% per annum calculated on a daily basis in the following manner: (i) the Fee Amount on the initial trade date shall equal zero; and (ii) on each subsequent calendar day until and including the Final Valuation Date or, in the case of

Notes with respect to which the holder has exercised its right of early redemption or the Issuer has exercised its Contingent Call Right, the applicable Valuation Date, the Fee Amount will increase by an amount equal to (A) 0.30% divided by 365 multiplied by (B) the product of the principal amount of the holder's Notes and the Index Performance Ratio on that day (or, if such day is not a trading day, the Index Performance Ratio on the immediately preceding trading day).

Valuation Date means (i) with respect to any early redemption the first trading day immediately following the trading day on which the holder delivers a redemption notice to the Issuer in compliance with the procedure for early redemption (ii) with respect to the Issuer's exercise of its Contingent Call Right, the third trading day prior to the call settlement date.

In accordance with the terms of the Contingent Call Right, the Notes are subject to redemption upon not less than five (5) days' and not more than 60 days' prior notice on any trading day on or after a yet undetermined date in 2013, as a whole and not in part, at the election of the Issuer; provided that the aggregate principal amount of the Notes outstanding must be less than \$10,000,000 on the fifth trading day prior to the call settlement date specified by the Issuer pursuant to the notice of exercise. If the Issuer elects to redeem the Notes on the call settlement date, the holder will receive a cash payment equal to the principal amount of the holder's Notes times the Index Performance Ratio on the corresponding Valuation Date minus the Fee Amount on the corresponding Valuation Date.

Please see the prospectus for the Notes for more details regarding the various terms and calculations.

Holders may, subject to the procedural requirements described in the prospectus, elect to require the Issuer to redeem the holder's Notes in whole or in part on any Redemption Date during the term of the Notes. If the holder requires the Issuer to redeem the holder's Notes on any Redemption Date, the holder will receive a cash payment equal to the principal amount of the holder's Notes times the Index Performance Ratio on the applicable Valuation Date minus the Fee Amount on the applicable Valuation Date. Refer to the prospectus for additional details.

It is expected that the market value of the Notes will depend substantially on the value of the Index and may be affected by a number of other interrelated factors including, among other things: the general level of interest rates, the volatility of the Index, the time remaining to maturity, the dividend yield of the stocks comprising the Index, and the credit ratings of the Issuer.

Trading in the Notes on BX is on a UTP basis and is subject to BX equity trading rules. The Notes will trade from 8:00 a.m. until 7:00 p.m. Eastern Time. Additional risks may exist with respect to trading the Notes during BX's Pre-Market and Post-Market sessions, when the Index's value may not be disseminated.

Trading of the Notes on BX is subject to the provisions of BX Rule 2310. Members recommending transactions in the Notes to customers should make a determination that the recommendation is suitable for the customer. In addition, members must possess sufficient information to satisfy the "know your customer" obligation that is embedded in the BX Conduct Rules.

Members also should review NASD Notice to Members 03-71 for guidance on trading these products. The Notice reminds members of their obligations to: (1) conduct adequate due diligence to understand the features of the product; (2) perform a reasonable-basis suitability

analysis; (3) perform customer-specific suitability analysis in connection with any recommended transactions; (4) provide a balanced disclosure of both the risks and rewards associated with the particular product, especially when selling to retail investors; (5) implement appropriate internal controls; and (6) train registered persons regarding the features, risk and suitability of these products.

This Information Circular is not a statutory prospectus. BX members should consult the registration statement or prospectus for the Notes for additional information.

Inquiries regarding this Information Circular should be directed to:

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