



## INFORMATION CIRCULAR: ETRACS ALERIAN MIDSTREAM ENERGY TOTAL RETURN INDEX ETN

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**TO:** Head Traders, Technical Contacts, Compliance Officers, Heads of ETF Trading, Structured Products Traders  
**FROM:** Nasdaq /BX / PHLX Listing Qualifications Department  
**DATE:** 10/21/2020

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EXCHANGE-TRADED ETN	SYMBOL	CUSIP #
ETRACS Alerian Midstream Energy Total Return Index ETN	AMTR	90269A245

Compliance and supervisory personnel should note that, among other things, this Information Bulletin discusses rules related to suitability of recommending transactions in the notes (“Notes”) to customers. Please forward this information Bulletin to other interested persons within your organization.

### BACKGROUND INFORMATION ON THE ETN

The UBS AG (the “Trust”) is a management investment company registered under the Investment Company Act of 1940, as amended (the “1940 Act”), consisting of several investment portfolios. This circular relates only to the ETRACS Alerian Midstream Energy Total Return Index ETN (the “ETN”). Shares of the ETN are referred to herein as “Shares.”

The ETN is the unsecured obligation of a financial institution that provides for the payment at maturity of a cash amount based on the performance of return performance of the Alerian Midstream Energy Adjusted Net Total Return Index (the “Index”).

Please read the ETN’s registration statement for more information regarding its investment objectives.

Typically, the Notes may be redeemed early, at the investor’s option, subject to a minimum redemption amount of a specified number (e.g., 50,000) of ETNs. Upon such early redemption, the investor would receive a cash payment that is based on the performance of the underlying index or reference asset, less any applicable fees

A major market data vendor will disseminate the Intraday Indicative Value (IIV) for the Shares of the ETN through regular trading hours.

The registration statement for the ETN describes provide a description of the ETN, including information about payment at maturity, redemption features, fees and dividends. For a more complete description of the ETN and the underlying Index, visit the ETN’s website at <http://www.ubs.com>

### PRINCIPAL RISKS

Interested persons are referred to the discussion in the prospectus for the ETN of the principal risks of an investment in the ETN. These may include, but are not limited to, issuer creditworthiness; loss of all or a substantial portion of an investment in the Notes; no guaranteed minimum payment at maturity or call, or

upon acceleration or early redemption, no payment of interest or any coupon amount; risks associated with the applicable index or reference asset; acceleration and redemption, resulting in a loss of all or a substantial portion of an investment; and restriction on the minimum number of Notes that may be redeemed and on the procedures and timing for early redemption

### EXCHANGE RULES APPLICABLE TO TRADING IN THE SHARES

Trading in the Shares on NASDAQ is on a UTP basis and is subject to NASDAQ equity trading rules. Trading of the Shares on BX is on a UTP basis and is subject to BX equity trading rules. Trading of the Shares on PHLX's PSX system ("PSX") is on a UTP basis and is subject to PHLX rules.

### TRADING HOURS

The values of each index underlying the Shares are disseminated to data vendors every 15 seconds, 60 seconds or once per day, as applicable. The Shares will trade on NASDAQ between 7:00 a.m. and 8:00 p.m. ET. The Shares will trade on BX between 8:00 a.m. and 7:00 p.m. ET. The Shares will trade on PSX between 9:00 a.m. and 5:00 p.m. ET. For trading during each market's pre-market and post-market sessions, market participants should note that additional risks may exist with respect to trading the ETN during these sessions, when the underlying index's values, intraday indicative value, or similar value may not be disseminated or calculated.

### DISSEMINATION OF ETN DATA

The Consolidated Tape Association will disseminate real time trade and quote information for the ETNs to Tape B.

ETN Name	Listing Market	Trading Symbol	IOPV Symbol
ETRACS Alerian Midstream Energy Total Return Index ETN	ARCA	AMTR	AMTR.IV

### SUITABILITY

Trading in the Shares on NASDAQ will be subject to the provisions of NASDAQ Rule 2111A. Trading in the Shares on BX will be subject to the provisions of BX Equity Rule 2310. Trading in the Shares on PSX will be subject to the provisions of PHLX Rule 763. Members and member organizations recommending transactions in the Shares 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 both the NASDAQ Conduct Rules and the BX Conduct Rules.

NASDAQ members, BX members and PHLX members and member organizations should also 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.

### TRADING HALTS

NASDAQ will halt trading in the Shares of an ETN in accordance with NASDAQ Rule 4120. BX will halt trading in the Shares of an ETN in accordance with BX Equity Rule 4120. PHLX will halt trading in the Shares of an ETN in accordance with PHLX Rule 3100. The grounds for a halt under these rules include a halt by the primary market

because the intraday indicative value of the ETN, the value of its underlying index, or a similar value are not being disseminated as required, or a halt for other regulatory reasons. In addition, NASDAQ, BX and PHLX will also stop trading the Shares of an ETN if the primary market delists the ETN.

### **DELIVERY OF A PROSPECTUS**

NASDAQ members, BX members and PHLX members and member organizations should be mindful of applicable prospectus delivery requirements under the federal securities laws with respect to transactions in the ETN.

Prospectuses may be obtained through the ETN's website. The prospectus for the ETNs does not contain all of the information set forth in the ETN's registration statement (including the exhibits to the registration statement), parts of which have been omitted in accordance with the rules and regulations of the Securities and Exchange Commission ("SEC"). For further information about the ETN, please refer to the registration statement.

In the event that the ETN relies upon an order by the SEC exempting the Shares from certain prospectus delivery requirements under Section 24(d) of the 1940 Act and in the future make available a written product description, NASDAQ Rules 5710 and 5740, BX Equity Rules 4420 and 4421, and PHLX Rule 803 require that members and member organizations, respectively, provide to all purchasers of Shares a written description of the terms and characteristics of such securities, in a form prepared by the Trust for the ETN, no later than the time a confirmation of the first transaction in the Shares is delivered to such purchaser. In addition, members and member organizations shall include such a written description with any sales material relating to the Shares that is provided to customers or the public. Any other written materials provided by members or member organizations to customers or the public making specific reference to the Shares as an investment vehicle must include a statement in substantially the following form: "A circular describing the terms and characteristics of the Shares of the ETN has been prepared by the Trust and is available from your broker. It is recommended that you obtain and review such circular before purchasing Shares of the ETN. In addition, upon request you may obtain from your broker a prospectus for Shares of the ETN."

Any NASDAQ, BX or PHLX member or member organization carrying an omnibus account for a non-member broker-dealer is required to inform such non-member that execution of an order to purchase Shares for such omnibus account will be deemed to constitute agreement by the non-member to make such written description available to its customers on the same terms as are directly applicable to NASDAQ members, BX members and PHLX members or member organizations under this rule.

Upon request of a customer, NASDAQ members, BX members and PHLX members or member organizations shall provide a copy of the prospectus.

### **EXEMPTIVE, INTERPRETIVE AND NO-ACTION RELIEF UNDER FEDERAL SECURITIES REGULATIONS**

The SEC has issued exemptive, interpretive or no-action relief from certain provisions of rules under the Securities Exchange Act of 1934 (the "Act") regarding trading in the above mentioned exchange-traded ETN.

#### Regulation M Exemptions

Generally, Rules 101 and 102 of Regulation M prohibit any "distribution participant" and its "affiliated purchasers" from bidding for, purchasing, or attempting to induce any person to bid for or purchase any security which is the subject of a distribution until after the applicable restricted period, except as specifically permitted in Regulation M. The provisions of the Rules apply to underwriters, prospective underwriters, brokers, dealers, and other persons who have agreed to participate or are participating in a distribution of securities.

The SEC has granted an exemption from Rule 101 under Regulation M to permit persons participating in a distribution of shares of the above-mentioned ETN to engage in secondary market transactions in such shares during their participation in such a distribution. In addition, the SEC has granted relief under Regulation M to permit persons who may be deemed to be participating in the distribution of Shares of the above-mentioned ETN. Further, the SEC has clarified that the tender of ETN Shares to the ETN for redemption does not constitute a bid for or purchase of any of the ETN's securities during the restricted period of Rule 101. The SEC has also granted an exemption pursuant to paragraph (e) of Rule 102 under Regulation M to allow the redemption of ETN Shares during the continuous offering of Shares.

Section 11(d)(1); SEC Rules 11d-1 and 11d1-2

Section 11(d)(1) of the Act generally prohibits a person who is both a broker and a dealer from effecting any transaction in which the broker-dealer extends credit to a customer on any security which was part of a new issue in the distribution of which he or she participated as a member of a selling syndicate or group within thirty days prior to such transaction. The SEC also has taken a no-action position under Section 11(d)(1) of the Act that broker-dealers may treat Shares of the ETN, for purposes of Rule 11d1-2, as "securities issued by a registered open-end investment company as defined in the Investment Company Act" and thereby extend credit or maintain or arrange for the extension or maintenance of credit on Shares that have been owned by the persons to whom credit is provided for more than 30 days, in reliance on the exemption contained in the rule.

**This Information Circular is not a statutory prospectus. NASDAQ members, BX members and PHLX members and member organizations should consult the ETN's prospectus and/or the ETN's website for relevant information.**

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Inquiries regarding this Information Circular should be directed to:

- Ben Haskell, Listing Qualifications, at 301.978.8092
- NASDAQ/ BX/ PSX Market Sales, at 800.846.0477