



## Information Circular: UBS AG

---

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

**From:** NASDAQ / BX / PHLX Listing Qualifications Department

**Date:** November 30, 2011

---

### Exchange-Traded Notes

	Symbol	CUSIP #
ETRACS Fisher-Gartman Risk On Exchange-Traded Notes	ONN	90268A717
ETRACS Fisher-Gartman Risk Off Exchange-Traded Notes	OFF	90268A691

### Information on the Notes

UBS AG (the "Issuer") has issued ETRACS Exchange Traded Notes ("ETNs" or "Notes") linked to the performance of The Fisher-Gartman Risk Index (the "Index"). The maturity date for each ETN is November 27, 2041.

The ETRACS Fisher-Gartman Risk On ETN (the "Risk On ETN") is an exchange-traded note linked to the daily performance of the Index, reduced by a tracking fee and an annual distribution amount.

The ETRACS Fisher-Gartman Risk Off ETN (the "Risk Off ETN") is an exchange-traded note whose effective exposure is long "risk off" instruments and short "risk on" instruments due to its daily short (inverse) exposure to the Index, reduced by an investor fee.

The Index consists of a mix of long and short positions in various asset classes whose overall value is expected to rise when the outlook on markets and the broader economy is positive and to decrease when such outlook is negative. The Index is comprised of long positions in "risk on" instruments and short positions in "risk off" instruments in the following sectors: energy, agriculture and metals (through long positions in futures-based commodity indices); equities (through a long position in an index of exchange-traded products); currencies (through long and short positions in currency futures contracts); and domestic and foreign government bonds (through a short position in an index of sovereign bond futures contracts). A "risk off" instrument is one that MBF Index Holdings, LLC (the "Index Sponsor") believes will increase in value when the outlook on markets and the broader economy is negative and decrease in value when such outlook is positive. A "risk on" instrument is one that the Index Sponsor believes will rise in value when the outlook on markets and the broader economy is positive and decrease in value when such outlook is negative.

The value-based target weightings for the long and short positions are 150% and 50%, respectively, and the Index is rebalanced quarterly to return the weightings to these target levels. The effective Index target component weightings and effective target sector weightings are provided in the tables herein. The Index was created on November 4, 2011 and has no performance history prior to that date.

Note that the inverse nature of the Risk Off ETN results in performance that is opposite that of the Index, thus rendering the effective exposure as long “risk off” instruments and short “risk on” instruments. The actual positions, long or short, that the Index tracks are the inverse of the effective long/short exposures of the Risk Off ETN listed in the prospectus.

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

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 NASDAQ is on a UTP basis and is subject to NASDAQ equity trading rules. Trading in the Notes on BX is on a UTP basis and is subject to BX equity trading rules. Trading in the Notes on PHLX’s PSX system is on a UTP basis and is subject to PHLX rules. The Notes will trade on NASDAQ from 7:00 a.m. until 8:00 p.m. Eastern Time. The Notes will trade on BX from 8:00 a.m. until 7:00 p.m. Eastern Time. The Notes will trade on PSX from 9:00 a.m. until 5:00 p.m. Eastern Time. 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 Notes during these sessions, when the underlying index’s value or similar value may not be disseminated.

NASDAQ will halt trading in the Notes in accordance with NASDAQ Rule 4120. BX will halt trading in the Notes in accordance with BX Equity Rule 4120. PHLX will halt trading in the Notes in accordance with PHLX Rule 3100. The grounds for a halt under each of these rules include a halt by the primary market because the value of the underlying index or a similar value is not being disseminated as required, or a halt for other regulatory reasons. In addition, NASDAQ, BX and PHLX will also stop trading the Notes if the primary market delists the Notes.

Trading of the Notes on NASDAQ is subject to the provisions of NASDAQ Rule 2310. 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 securities are suitable for the customer. In addition, members must possess sufficient information to satisfy the “know your customer” obligation that is embedded in the NASDAQ Conduct Rules and BX Conduct Rules.

Members and member organizations recommending transactions in the Notes to customers should make a determination that the recommendation is suitable for the customer, as provided by PHLX Rule 763.

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.

**This Information Circular is not a statutory prospectus. NASDAQ members, BX members and PHLX members and member organizations should consult the registration statement or prospectus for the Notes for additional information.**

---

Inquiries regarding this Information Circular should be directed to:

- Will Slattery, Listing Qualifications, at 301.978.8088
- NASDAQ / BX/ PSX Market Sales at 800.846.0477